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Regional Economic Outlook

Sub-Saharan Africa

Recovery and New Risks

APR 11

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Abbreviations

AREAER	*Annual Report on Exchange Arrangements and Exchange Restrictions*
BRIC	Brazil, Russia, India, and China
CBOE	Chicago Board Option Exchange
CET	Common External Tariff
CFA	Currency zone of CEMAC and WAEMU
CIS	Commonwealth of Independent States
CPI	Consumer price index
CPIA	Country Policy and Institutional Assessment
CPIS	Consolidated Portfolio Investment Survey
EAC	East African Community
EM	Emerging market
EMBI	Emerging Market Bond Index
EME	Emerging market economy
FDI	Foreign direct investment
FM	Frontier market
G-7	Group of seven industrialized nations
GDP	Gross domestic product
LAC	Latin America and the Caribbean
LIC	Low-income country
MSCI	Morgan Stanley Capital International
MDG	Millennium Development Goal
MIC	Middle income country
MDRI	Multilateral Debt Relief Initiative
MNA	Middle East and North Africa
MSCI	Morgan Stanley Capital International
NEER	Nominal effective exchange rate
OECD	Organisation for Economic Co-operation and Development
PPP	Public-private partnerships
REER	Real effective exchange rate
REO	*Regional Economic Outlook*
SACU	Southern African Customs Union
SARB	South Africa Reserve Bank
SG	Sustained growth
SME	Small and medium-sized enterprises
SSA	Sub-Saharan Africa
TFP	Total factor productivity
VAT	Value added tax
WAEMU	West African Economic and Monetary Union
WEO	*World Economic Outlook*

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).

Preface

This April 2011 issue of the *Regional Economic Outlook*: *Sub-Saharan Africa* (REO) was prepared by a team led by Abebe Aemro Selassie under the direction of Saul Lizondo. The team included Valerie Cerra, Hamid R. Davoodi, Shiv Dixit, Matthew Gaertner, Rodrigo Garcia-Verdu, Martine Guerguil, Duval Guimarães, Cleary Haines, Robert Keyfitz, Nir Klein, Maitland MacFarlan, Catherine McAuliffe, Alexis Meyer-Cirkel, Montfort Mlachila, Rogelio Morales, Maxwell Opoku-Afari, Laure Redifer, Sarah Sanya, Jon Shields, Alun Thomas, and Masafumi Yabara with editorial assistance from Jenny Kletzin DiBiase. Natasha Minges was responsible for document production, with assistance from Anne O'Donoghue. The editing and production was overseen by Joanne Blake and Martha Bonilla of the External Relations Department.

Main Findings

- Sub-Saharan Africa's recovery from the crisis-induced slowdown is well under way, with growth in most countries now back fairly close to the high levels of the mid-2000s. Growth this year is expected to average 5½ percent, and 6 percent in 2012.
- There is, however, some variation among country groupings. In most of the region's 29 low-income countries and 7 oil exporters, the recovery to precrisis growth rates is near complete. The picture is less favorable in the region's middle-income countries, a grouping dominated by South Africa. Here, growth is recovering more gradually.
- This overall sanguine picture must be judged alongside still lingering dislocations from the global financial crisis. The region's progress toward the poverty reduction Millennium Development Goals (MDGs) has been delayed by weaker employment incomes (including job losses of 1 million in South Africa) and the impact of the 2008 spike in food and fuel prices.
- With the advent of another sharp increase in food and fuel prices, the resilience exhibited by the region during the last few years is about to be tested again. These price shocks (coupled with the recovery) are likely to lead to higher inflation in most countries and to deteriorating current account deficits in a number of fuel importers. Wherever pass-through of higher international fuel prices to domestic prices is delayed, fiscal accounts are also likely to be hit.
- Now that output growth is generally strong and inflation is rising, the broad direction of both fiscal and monetary policy should be moving away from the supportive stance of the last few years. But there are strong incipient spending pressures that might need to be accommodated in some countries. Fiscal intervention to alleviate the impact of rising food prices should be targeted on the incomes or primary spending items of poor households.
- In most low-income countries, tax revenues are projected to be sufficiently buoyant to allow fiscal deficits to be brought down gradually while still accommodating the recent fast rate of expansion in real government expenditure. The planned gradual reduction in fiscal deficits in most countries is appropriate now that the slack in most economies has diminished. In oil-exporting countries, windfall revenues should be saved, with spending constrained by absorptive capacity within a medium-term fiscal framework.
- Middle-income countries are a different story. Fiscal deficits are likely to remain elevated because of slower growth. This stance is appropriate if tax revenues are expected to rise strongly once output growth recovers. But, where reductions in tax ratios have become persistent, fiscal consolidation will be needed to ensure medium-term sustainability.

- Monetary policy remains looser than desirable in many countries in the region, even before the recent surge in fuel and food prices. Interest rates have failed to keep pace with the cyclical recovery, and policy now needs to move ahead of the curve, particularly where output is back to trend paths. Only in countries (mainly middle-income) where there is still slack is there scope for monetary policy to remain accommodative. Where food and fuel price increases are pronounced, monetary policy should accommodate the first-round response and lean against any second-round effects.
- Private capital inflows to the region are back to the rising trajectories of the early to mid-2000s, although only a few of sub-Saharan Africa's frontier markets have yet shared in the resurgence in portfolio flows as experienced by emerging markets elsewhere. Differences in yields and perceived exchange rate risk seem to be influencing investor preferences between countries for bonds, whereas commodity prices, political events, and a range of other specific factors seem to account for the varied recovery of equity inflows. Frontier markets in the region compare favorably with those in other regions and may still attract larger inflows going forward. In the event, most countries appear to have the scope to use macroeconomic and prudential measures to manage a moderate rebound.
- Over the medium term, further adaptations in both macroeconomic and structural policies will be required to sustain and enhance economic performance. For instance, as reported in this edition's regional case study, members of the fast-growing East African Community lag other successful developing countries in export growth and savings mobilization. Efforts now need to focus on enhancing policy instruments to respond to external volatility, and to deepen competitiveness and regional integration.

1. Recovery and New Risks

Introduction and Summary

Sub-Saharan Africa's recovery from the crisis-induced slowdown is well underway, with growth now back fairly close to the high levels of the mid-2000s. The region's output expanded by 5 percent in 2010 and is projected to grow by some 5½ percent in 2011, in line with last October's projections (Table 1.1). Reflecting recent sharp increases in food and fuel prices, inflation is set to be higher this year while remaining in single digits. Higher commodity prices—and that for oil, in particular—will be a boon for several countries while adversely affecting many others. And, overall, they should help narrow the region-wide fiscal and current account deficits, the latter enabling an increase in international reserves. In all, the aggregate picture is one of a strong recovery from the 2009 downturn.

This overall positive picture is, however, somewhat incomplete because of uncertainty about the impact of the hiatus in growth on labor market and poverty outcomes. Recent data on the evolution of unemployment is only readily available for South Africa and Mauritius. In South Africa, despite a relatively more modest drop in output the scale of job losses was on a par with that experienced by countries at the epicenter of the crisis—with some 1 million people (6 percent of the country's labor force) having lost their jobs. In Mauritius, which avoided a recession, employment actually increased in 2009. With virtually no data available on employment outcomes in the rest of the region, one can only speculate that wherever countries avoided an outright recession, experiences are closer to that of Mauritius. Be that as it may, as a result of the combined effects of the 2008 and more recent food and fuel price spike and growth slowdown, World Bank analysis suggests that the region's progress toward the poverty reduction MDG target has been delayed.[1]

Table 1.1. Sub-Saharan Africa: Macroeconomic Aggregates, 2004–12

	2004–08	2009	2010	2011	2012
			(percent change)		
Real GDP growth	6.6	2.8	4.9	5.5	5.9
Inflation, end of period	8.7	8.3	7.0	8.1	6.7
			(percent of GDP)		
Fiscal balance, excl. grants	0.1	-7.2	-5.6	-3.2	-2.3
Current account balance	0.8	-2.3	-2.2	0.5	0.5
			(months of imports)		
Reserves coverage	4.6	5.0	4.5	5.0	5.5

Sources: IMF, *World Economic Outlook;* and IMF, African Department database.

The region-wide numbers also mask differences among and within the country groups we use in this publication—oil exporters, middle- and low-income countries. In most of the region's 29 low-income countries (LICs), output growth as of this year is set to be back to the average growth rates during 2000–08—back to the future the global financial crisis threatened to derail. The recovery in growth among the seven oil-exporters also is not far behind. Where the recovery still has some way to go is in the region's eight middle-income countries (MICs); there output gaps remain nontrivial and are unlikely to close before 2012–13.

And with the advent of another sharp increase in food and fuel prices, the resilience that the region has exhibited during the last couple of years is about to be tested and is likely to generate further differences within and across country groups. In the face of the largest output shock to the global economy in recent memory, growth only faltered for a short while in the region and has been quick to recover compared to recoveries from previous global slowdowns. As this publication has argued before, this quick recovery largely was due to

This chapter was prepared by Abebe Aemro Selassie and Alun Thomas, with inputs from Rodrigo Garcia-Verdu, Robert Keyfitz, Nir Klein, and Maitland MacFarlan. Research assistance was provided by Duval Guimarães and Cleary Haines, and administrative assistance by Natasha Minges.

[1] World Bank, 2010.

the macroeconomic policy space that countries had created during the 2004–08 upswing; when the crisis threatened most countries were able to pursue countercyclical monetary and fiscal policies. But in hindsight, it also is clear that the positive terms of trade impact from sharply lower oil prices in 2009 considerably helped the region's non-oil exporters—in which some three-quarters of the region's population reside. Although in our baseline scenario we expect oil prices to remain shy of the highs they hit in 2008, we also do not expect them to decline much during 2012. If these projections prevail, economic activity in many of the non-oil exporters will face significant headwinds. Recent food price increases, although to date less generalized in their impact than fuel price increases, will also disproportionately hurt the poor.

Three near-term challenges could threaten the otherwise promising growth outlook for the region:

- While the global economic recovery continues, it remains uneven and subject to downside risks. A turn for the worse in Europe, in particular, would have adverse implications for many countries in the region. And recent developments in Japan and the Middle East and North Africa, with whom some countries in sub-Saharan Africa have strong links, are likely to increase uncertainty about the global economy.
- In countries in the region where output is back to its trend path there will be a new set of policy challenges, including ensuring excessive domestic demand growth does not spill over into widening macroeconomic imbalances.
- Lastly, a number of countries are still dealing with fallout from the crisis, including many of the middle-income countries where unemployment has risen sharply and/or the medium-term outlook for tax revenues has been affected adversely. To the extent these effects linger, they could undermine growth further and foster larger macroeconomic imbalances.

The rest of this chapter provides a detailed picture of recent developments and prospects by addressing the following conjunctural issues:

- To what extent has output recovered from the impact of the crisis?
- Has fiscal policy begun to pay heed to the recovery?
- What are the implications of the resurgence in food and fuel prices?
- What are the upcoming policy priorities?

This chapter is complemented by two analytical chapters:

- The second chapter covers recent trends in capital inflows to frontier markets in sub-Saharan Africa. With heightened investment interest in frontier markets, the chapter considers whether private capital inflows to sub-Saharan Africa frontier markets have resumed following the global crisis and whether global push or local pull factors dominate in steering investor interest.
- The third chapter focuses on challenges faced by members of the East African Community—EAC; (Burundi, Kenya, Rwanda, Tanzania, Uganda) in their ambition to reach middle-income status by 2020. The chapter compares the EAC's recent growth record with that of countries that have successfully achieved growth take-offs and the possible implications of ongoing changes in the global economy for the region's future growth path.

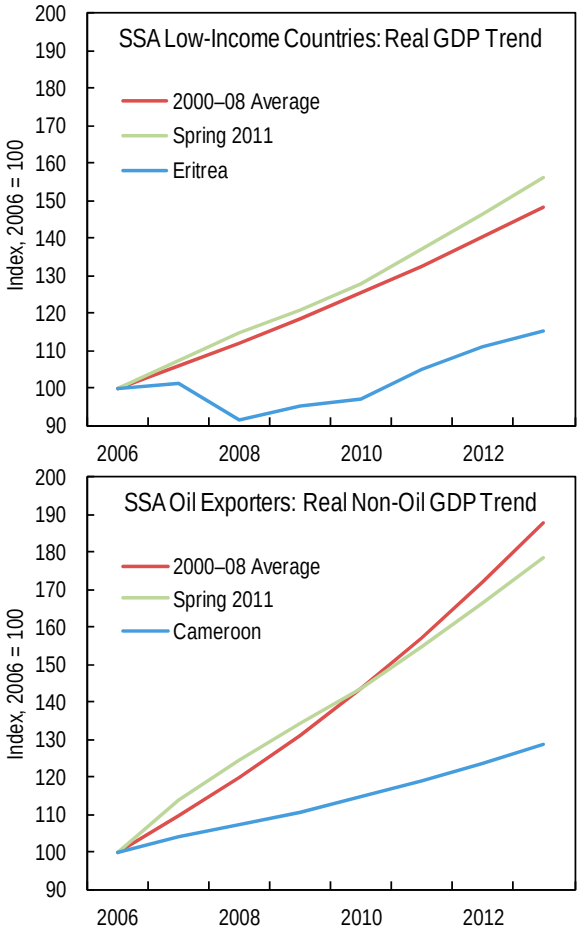
How and Where Has Output Recovered from the Impact of the Crisis?

Notwithstanding the severity of the shock imparted by the financial crisis and the global recession that followed, after a brief hiatus, output expansion in most countries in sub-Saharan Africa has returned to the high precrisis levels.

And the effect is striking. In the case of the oil-exporting and low-income countries in the region, it is hard to discern any impact from the crisis on the trajectory of output (Figure 1.1). In the oil exporters, non-oil output as of 2011 is projected to be at the trend implied by growth during 2000–08, taking 2006, the midpoint of the precrisis boom period, as a base for the output level. The picture is even better in LICs, where two-thirds of the region's population reside. In their case, output in 2011 is set to be 3 percentage points higher than the level implied by growth rates during 2000–08 and 2 percentage points below the more exacting trend implied by the particularly purple growth patch of 2004–08. In sum, for the majority of countries in the region, we are back to the trajectory implied by the precrisis years.

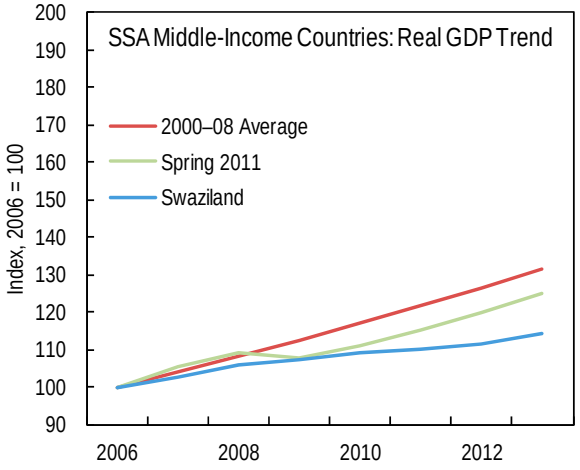
But some caveats are in order too. For one, the picture is much less favorable for the middle-income group dominated by developments in South Africa (Box 1.1). In particular, for these countries, output in 2011 is set to be some 5 percent below the trend level implied by growth during 2000–08 (Figure 1.2). Second, and more broadly, the strong growth of the past decade, while exceptional by the region's historic standards, has only served to bring the region's performance in line with that of other developing countries (Box 1.2). Third, even in terms of the speed of recovery from the effects of the global financial crisis, sub-Saharan Africa's performance is not exceptional, but broadly in line with that of other emerging and developing economies (see *World Economic Outlook*, April 2011). Fourth, a number of countries have experienced weak growth in recent years, far below the country group averages, notably Cameroon, Swaziland, and Eritrea. This is not necessarily due to the impact of the global financial crisis, although the crisis made the outcomes worse.

Figure 1.1. Sub-Saharan Africa: Trends in Output among Low-Income and Oil-Exporting Countries



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

Figure 1.2. Sub-Saharan Africa: Trends in Output among Middle-Income Countries



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

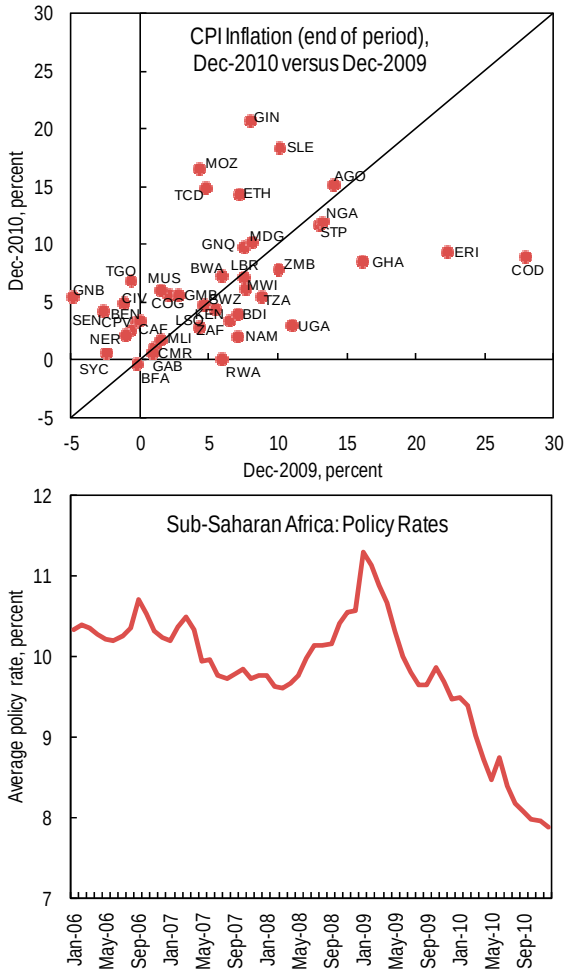
As elsewhere, the rapid rebound from the crisis has been made possible by supportive macroeconomic policies and recovery in partner countries. The rest of this section considers the impact of monetary and exchange rates policies and the outcomes they have engendered. The next section considers fiscal policy more extensively.

With growth having recovered and commodity prices increasing, inflation has started to pick up in many countries. The median 12-month CPI inflation rate was at 5.6 percent in December 2010, about 2 percentage points higher than in September 2010, although this aggregate figure masks considerable variation across country groups (Figure 1.3). The inflation rate among MICs remains fairly flat, with the large output gap providing downward pressure on prices. Among LICs, the recent surge in commodity prices amid limited economic slack has contributed to raising the median inflation rate by 1½ percentage points since July 2010 to 5 percent in December 2010.

Despite the pickup in inflation, monetary policy remains accommodative in most countries. Since early 2009, policy rates in many countries have declined to their lowest level in many years and real money growth is now above the precrisis peak, although private credit growth is recovering more slowly due to concerns about credit risk (Figures 1.3, 1.4). With subdued inflationary pressures, real interest rates remained between 3 and 4 percent through mid-2010. Since then, however, inflation has started to inch upward; with falling nominal rates, the real rate has declined. Indeed, nominal policy rates have only increased in a handful of countries in recent months (including Kenya, Mozambique, and Nigeria).

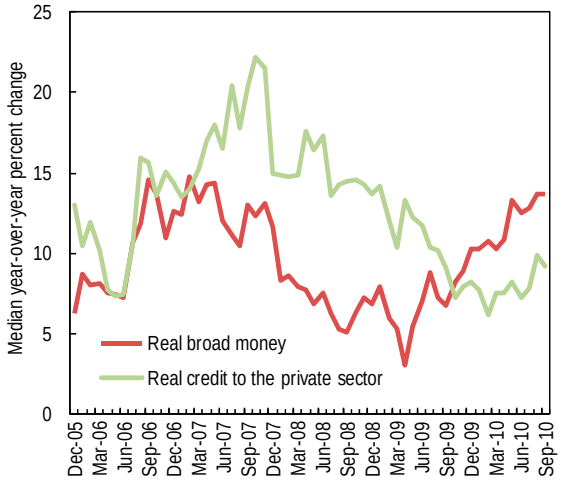
One consequence of the looser monetary policy stance has been more depreciated exchange rates. At end-2010, the policy interest rate among countries with floating exchange rates was 4 percentage points lower than at the previous peak in early 2009. Exchange rates among the floaters in the region have accordingly

Figure 1.3. Changes in Inflation and Policy Rates



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

Figure 1.4. Sub-Saharan Africa: Broad Money and Private Sector Credit Growth, December 2005–September 2010



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

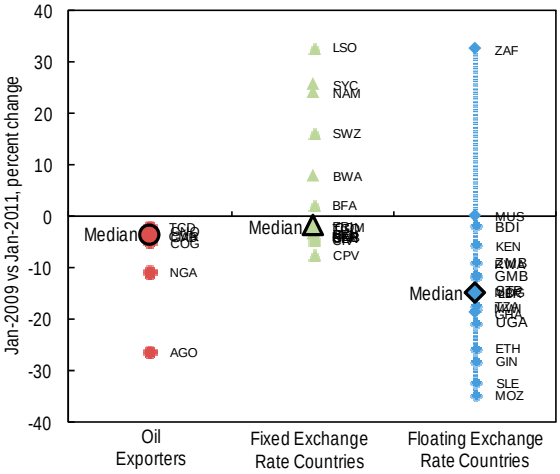
not recovered much from the low levels they reached in early 2009, at the height of the global financial crisis. For the median country in this group, the exchange rate was 15 percent more depreciated (in nominal effective terms) early this year compared to early 2009 (Figure 1.5). This contrasts with the much more limited depreciations of exchange rates in the countries with fixed exchange rates in the region. Among the oil exporters, the two countries that are not members of a currency union (Angola and Nigeria) also experienced sizeable exchange rate depreciations; and despite the recovery in oil prices, through end-March 2011, exchange rates remained more depreciated.

Notable exceptions to these depreciation tendencies are South Africa and Seychelles. Reflecting strong portfolio inflows and high commodity prices, through January 2011 the South African rand had strengthened markedly by about 33 percent in nominal effective terms since January 2009. The currencies of other countries pegged to the rand (Lesotho, Namibia, Swaziland) and Botswana have also strengthened in nominal effective terms during this period although strong intraregional trade has muted the effects somewhat. The only other country in the region to have witnessed an exchange rate appreciation in nominal effective terms during this period is Seychelles. This is likely related to new-found confidence in the economy resulting from significant policy changes following the exchange rate crisis in late 2008.

The recovery in global economic activity has facilitated stronger export growth, with the latter expected to provide considerable support to economic growth among LICs in 2011. At the sub-Saharan aggregate level export volume growth is up by almost 3 percentage points compared to 2010 (median) although export performance differs across the various country categories. Exports are a major contributor to the robust growth projected for LICs, by far exceeding their average growth contribution during 2004–08 and suggests increasing market share given that global developments are comparable across the two periods (Table 1.2).

In MICs, private consumption is the main driver of growth. By contrast, in the oil-exporting countries, with fuel production already at high levels, the contribution of exports to growth will be limited although the income effect of the recent sharp increase in oil prices will be significant.

Figure 1.5. Nominal Effective Exchange Rate Change, January 2009 versus January 2011



Source: IMF, Statistics Department INS database.

Table 1.2. Sub-Saharan Africa: Contributions to Real GDP Growth, 2004–11

	2004–08	2009	2010	2011
	(Percentage points)			
Oil-exporting countries				
Investment	3.4	2.6	-1.3	2.9
Public consumption	2.4	0.6	2.6	0.0
Private consumption	4.5	2.5	9.1	3.6
Exports	2.3	2.0	-0.7	1.0
Imports	-3.8	-2.5	-3.5	-0.7
Middle-income countries				
Investment	1.8	-1.8	2.2	0.8
Public consumption	0.9	1.3	1.8	1.0
Private consumption	3.6	-1.0	-3.1	3.1
Exports	1.6	-5.2	5.7	0.6
Imports	-3.1	4.9	-2.9	-1.9
Low-income countries				
Investment	2.5	2.9	1.6	1.3
Public consumption	0.8	0.5	1.3	0.9
Private consumption	5.3	2.2	4.8	3.0
Exports	1.8	1.3	0.1	3.3
Imports	-4.1	-2.2	-2.3	-2.4

Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

The sharp increase in commodity prices will have an asymmetric effect on current account balances in the region (Figure 1.6). Oil exporters are set to benefit from the high oil prices that are predicted to prevail in 2011. For the group as a whole, we expect their current account balance to improve from 2¼ percent of GDP in 2010 to 10¼ percent of GDP this year. For the oil importers, with oil prices at close to the $107 per barrel mark that IMF staff predict for this year, current account deficits are projected to widen by 1½ percentage points of GDP among MICs to 4¾ percent of GDP. Deficits should remain contained, however, among LICs, with the proceeds from higher non-oil commodity prices partly offsetting the adverse impact of higher oil import bills. But within this broad picture, there are a number of countries where current account deficits are set to widen substantially in 2011 by more than 5 percent of GDP relative to last year, including Cape Verde, Lesotho, Comoros, and São Tomé and Príncipe.

External reserves are likely to remain under pressure in a number of countries. With private external financing yet to recover in many countries (see Chapter 2) and official financing projected to remain broadly unchanged, reserve coverage is projected to remain broadly stable between 2010 and 2011 in the low- and middle-income countries and increase in the oil exporters in 2011. Within this overall picture developments in Nigeria and Ethiopia, the second and fifth largest economies in the region, are worth noting. In Nigeria, reserve coverage halved between 2008 and last year, reflecting large portfolio outflows possibly associated with the banking crisis and political uncertainty as well as the government's defense of the currency against depreciation pressures. However, the reserves coverage is still at a comfortable level in terms of insuring against changes in market sentiment and is likely to be boosted by the recent sharp increase in oil prices. In Ethiopia, reserve coverage has remained anemic at just above 2 months of import cover for the last couple of years reflecting a surge in imports associated with its strong growth.

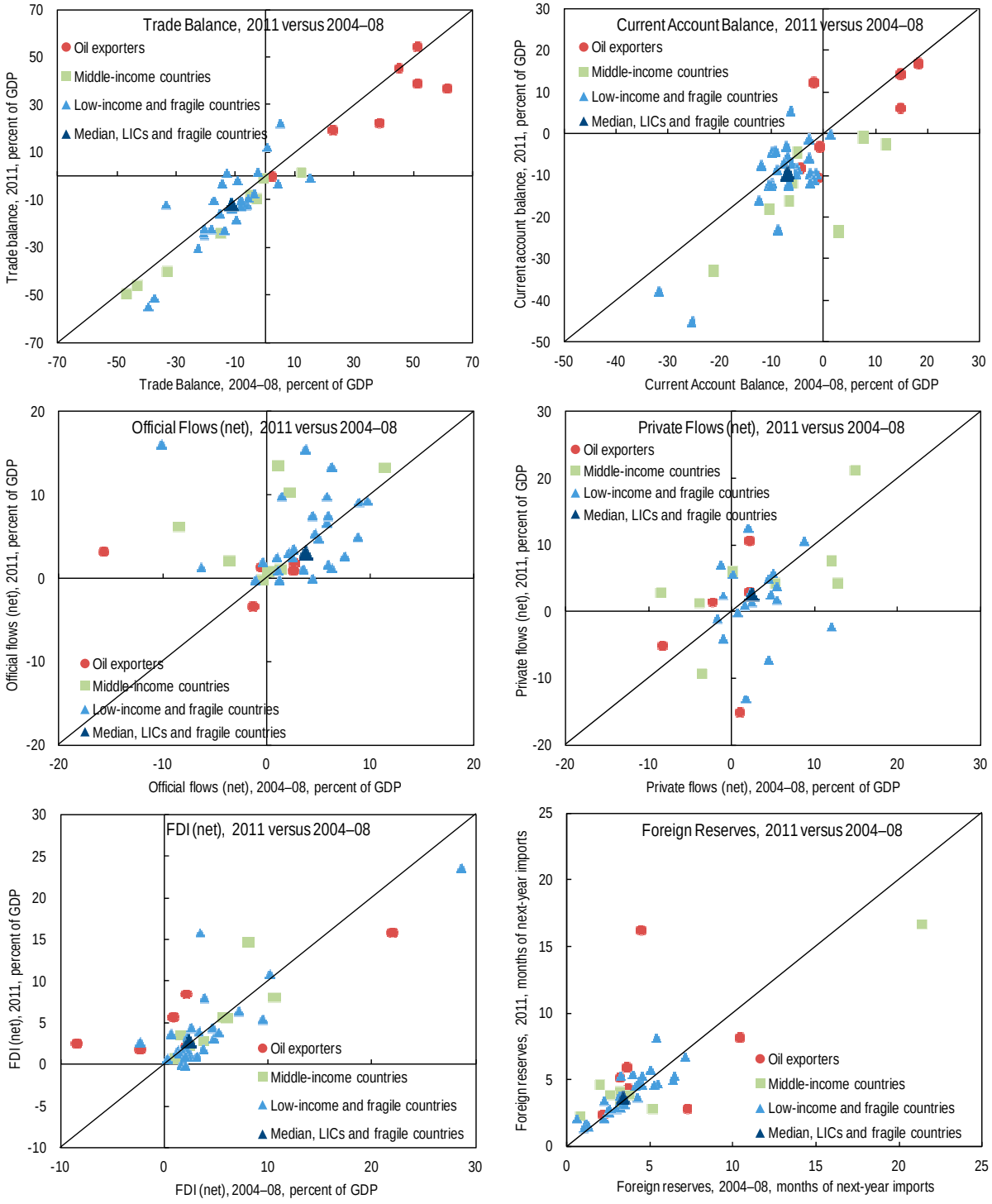
Has Fiscal Policy Started to Pay Heed to the Recovery?

As discussed in previous editions of this publication, in a change from the past, fiscal policy was able to be appropriately countercyclical in most countries when the global financial crisis hit the region in 2009. Fiscal policy remained on a supportive footing in 2010 in many countries. But with output growth in 2011 likely to recover to precrisis rates in many countries, an important question is whether fiscal policy will revert to a more neutral stance. This is all the more important because larger fiscal deficits of recent years have led to an increase in public indebtedness, especially among middle-income countries. Thus, in many countries, fiscal policy should be driven by longer-term investment and poverty reduction objectives consistent with debt sustainability considerations and less by the need to support aggregate demand. In the rest of this section, we look at trends in revenues and spending in turn.

The process through which fiscal policy became countercyclical in most countries in 2009 was by allowing automatic stabilizers to operate on the revenue side and staying at precrisis spending growth rates. To gauge the extent to which fiscal policy is countercyclical, it is necessary to look closely at revenue trajectories. And because the evolution of tax revenues in the region tends to be affected much more by commodity prices and the business cycle in some countries relative to others, we divided the countries into three groups: (1) natural resource-intensive exporters, comprising seven oil exporters plus Botswana, Zambia, Sierra Leone, and Guinea—all countries where natural resource exports contribute more than 30 percent of exports;[2] (2) middle-income diversified exporters, seven countries comprising South Africa and the other middle-income countries in the region; and (3) low-income diversified exporters, 26 countries.

[2] Namibia is not considered in this group because of the sharp fall in its revenues in 2010 associated with the decline in the Southern African Customs Union (SACU) transfers.

Figure 1.6. Sub-Saharan Africa: External Account Indicators

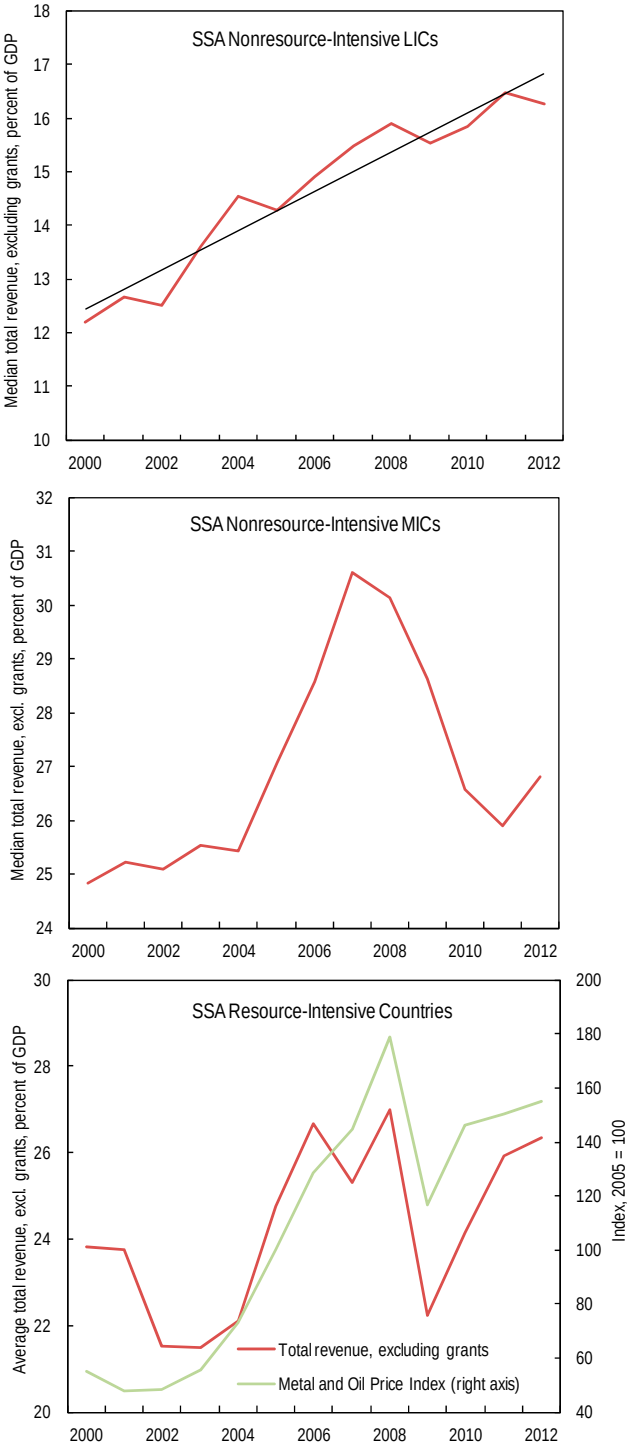


Sources: IMF, *World Economic Outlook;* and IMF, African Department database.

By and large, the outlook for revenue-to-GDP ratios is improving but looks unlikely to recover to precrisis levels for the middle-income countries (Figure 1.7):

- In the low-income diversified exporters, revenues were affected modestly and are set to recover close to the precrisis trend path. Both tax and nontax revenues are expected to contribute to this improvement. The key challenge in many of these countries is that the level of revenues, while on an improving trend, remains low. In the future, tax collection needs to increase over time to finance pressing social and physical infrastructure needs against the backdrop of a possible decline in official development assistance over the medium term.[3]
- In most of the middle-income diversified exporters, revenues have proved strongly procyclical. And with the exception of South Africa, they are not expected to recover to precrisis levels in the near term.[4]
- As might be expected, for the natural resource-intensive exporters, the behavior of commodity prices determines the level of revenues. In these countries, the average revenue-to-GDP ratio fell by close to 6 percentage points in 2009 as commodity prices fell.[5] In 2011 and 2012, on the basis of the current outlook for commodity prices, which are expected to remain elevated, the revenue-to-GDP ratio in these countries is projected to recover to around 26 percent of GDP, comparable to the 2004–08 average.

Figure 1.7. Sub-Saharan Africa: Total Revenue Excluding Grants, 2000–12



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

[3] The paper entitled "Revenue Mobilization in Developing Countries", IMF, 2011c, emphasizes the need to strengthen revenue administration, eliminate exemptions, implement a broad-based VAT and levy excises on more products.

[4] In most cases, this has to do with the permanent reduction in SACU imports in relation to GDP from the 2008 peak and the large repayment over the next two years of revenue advances through FY10.

[5] On average, a 10 percent increase (decrease) in the resource price index tends to raise (lower) tax revenues by a ½ percentage point of GDP, with the index defined as a country weighted average of the IMF oil and metal commodity indexes.

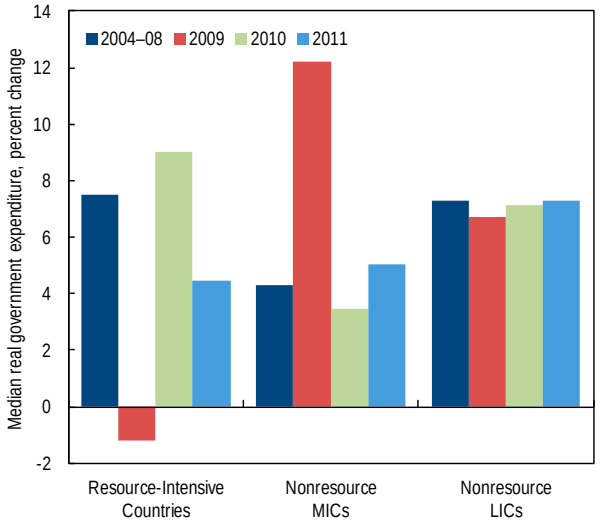
On the spending side, there has been more stability in real expenditure growth in most cases:

- In LICs, spending growth before and after the crisis has been remarkably stable at about 6 percent in real terms (Figure 1.8). Notable exceptions where spending growth is expected to be negative in real terms in 2011 (Figure 1.9) are Burundi, Central African Republic, Liberia (reflecting implementation capacity difficulties) and Gambia, Madagascar, and Malawi (reflecting declining tax revenues).[6]
- In MICs, spending increased as economies slipped into recession in 2009. In 2011, cuts in real spending are expected in three of the eight countries given the weak revenue outlook discussed above. The largest economies in this grouping (Mauritius and South Africa) are expected to increase real expenditures considerably in 2011.
- Finally, in the resource-intensive exporters, spending has been characterized by considerable procyclicality in recent years. For 2011, authorities' plans are quite varied, with some projecting large expenditure increases and others calling for only modest growth in spending or even cuts. Time will tell if this restraint prevails when coffers are set to overflow from the recent sharp rise in commodity prices.

Reflecting these trends, fiscal balances in resource-intensive exporters and low-income diversified exporters are expected to improve in 2011 and 2012 (Figure 1.10). In the low-income diversified exporters, for the most part fiscal deficits are set to revert to precrisis levels, aided by continuation of the revenue trend, although rising food and fuel prices may affect this outcome.

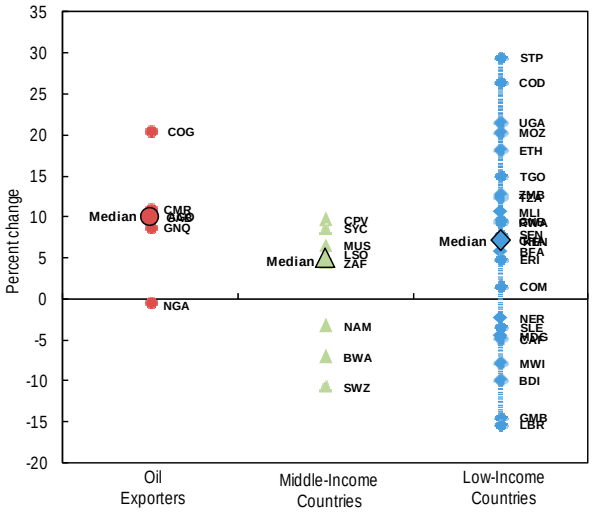
Assuming that spending restraint is exercised this time around, deficits in the resource-intensive exporters should also improve. Deficits are, however, set to remain elevated in the middle-income diversified exporters (compared to the broad balance prior to the crisis).

Figure 1.8. Sub-Saharan Africa: Real Government Expenditure Growth, 2004–11



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

Figure 1.9. Real Government Expenditure Growth, 2011



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

[6] Nominal spending is deflated by the GDP deflator except for the resource-intensive countries whose spending is deflated by the CPI.

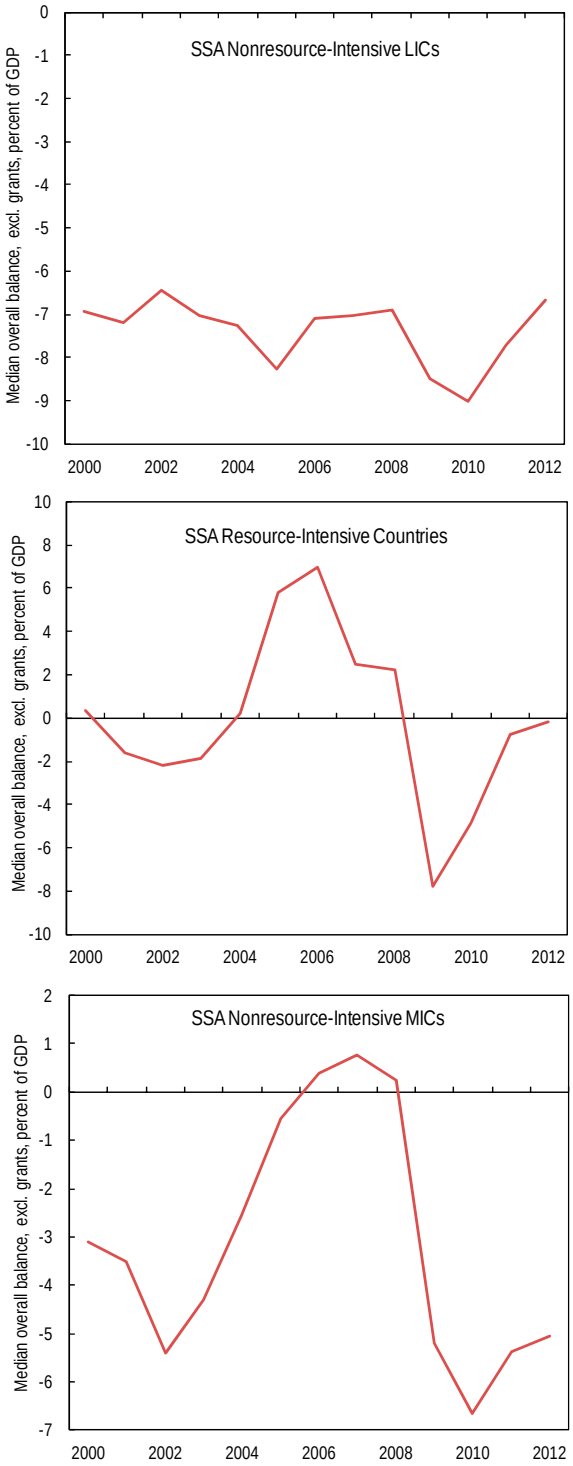
The accommodative fiscal policy stance over the past few years has led to rising debt ratios among a number of countries (Figure 1.11). The size of the bubbles shows the net present value of public debt as of 2010. As might be expected, the crisis has led to wider fiscal deficits and increased indebtedness. But in most cases the increases in indebtedness have been modest. Coupled with initial levels of debt that were manageable, the additional debt burdens should not be problematic—providing, of course, they do not continue to increase much more. But in the case of a few countries, the increase in indebtedness since 2008 has been fairly pronounced, including in Cape Verde, Ghana, Mauritius, Senegal, and South Africa.

In all, then, the recovery in revenues has helped fiscal policy remain countercyclical in LICs in the upswing. Among MICs, deficits are set to remain elevated and the corresponding rise in the public debt ratio is constraining fiscal policy. Among the oil exporters, managing the likely oil bonanza this year will be a formidable challenge, especially against the backdrop of very strong real expenditure growth during the previous period of sharp oil price hikes.

What Are the Implications of the Resurgence in Food and Fuel Prices?

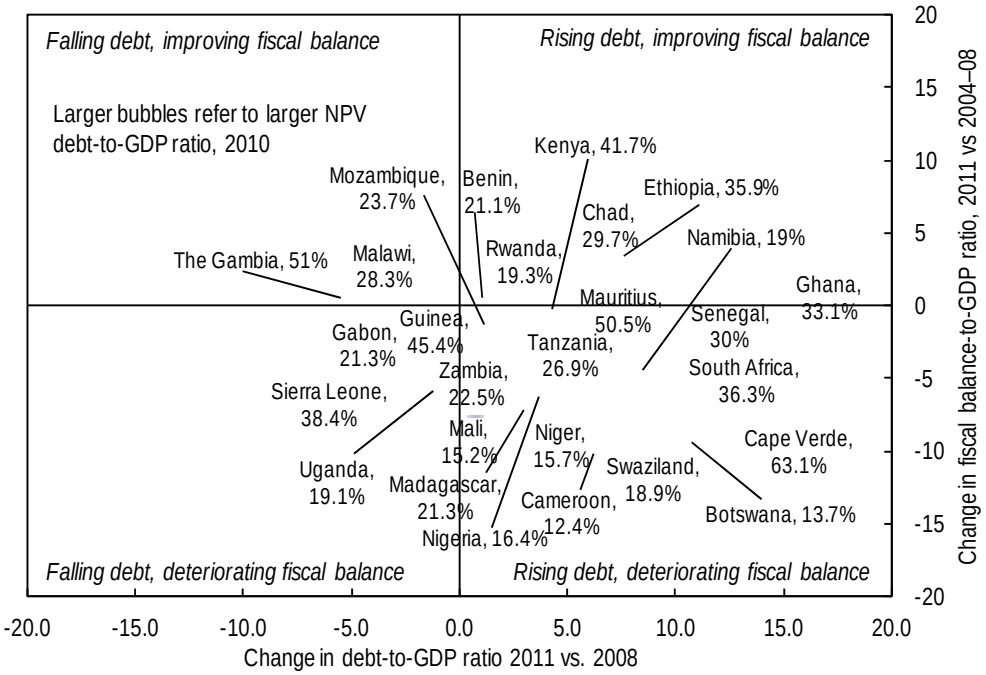
For many sub-Saharan African countries, the 2008 food and fuel price spike resulted in broad social and economic dislocation. It is thus with some foreboding that many policymakers in the region, particularly in net food- and oil-importing countries, are watching food prices rise above their 2008 levels (Figure 1.12). More recently, fuel prices have also risen sharply (although still below their 2008 peak as of late March). Such rapid movements in key prices create sudden big winners and losers in sub-Saharan Africa and complicate macroeconomic management greatly. This section considers what the impact so far of the most recent surge in food prices has been and how countries have begun to respond. We also consider the prospective impact of oil prices staying at their current elevated levels.

Figure 1.10. Sub-Saharan Africa: Overall Balance Excluding Grants, 2000–12



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

Figure 1.11. Sub-Saharan Africa: Change in Fiscal Balance and Net Present Value of Public Debt[1]



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

[1]For Botswana, Gabon, Mauritius, Namibia, Nigeria, South Africa, and Swaziland, data are nominal public debt.

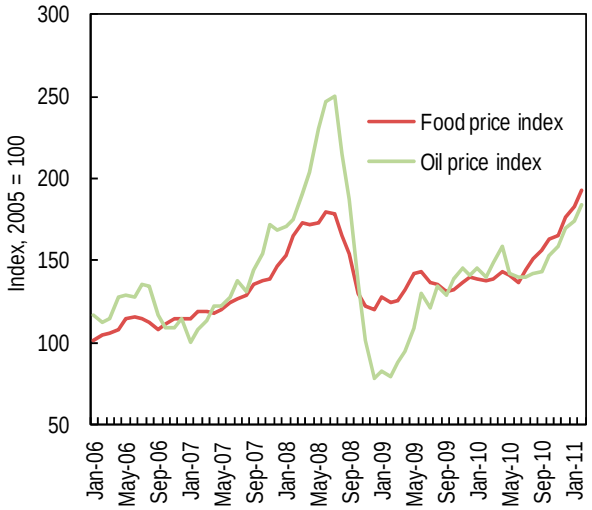
Our thoughts on the appropriate policy response to this double shock are considered in the next section.

In 2008 the surge in global food and fuel prices was matched by a fairly prompt and sharp increase in domestic food prices virtually across the board in sub-Saharan Africa, but so far in 2011 the pattern of food price increases in the region has been more varied (Figure 1.13). There are a few reasons for the more diverse response this time:

- In a number of countries (Burkina Faso, Malawi, Nigeria, South Africa, Zambia), the 2010 harvest was strong, limiting price increases (Figure 1.14). And even where local prices have increased reflecting international prices, substitution to other less internationally traded crops has been possible because these too have been in plentiful supply.[7]

- The increase in international food prices has also been less uniform than in 2008. For example, in the 12 months to February 2011, maize and wheat prices increased by about 80 percent in U.S. dollars but the price of rice, another important staple in the region, actually declined by 8 percent.

Figure 1.12. World Commodity Price Index



Source: IMF, World Economic Outlook.

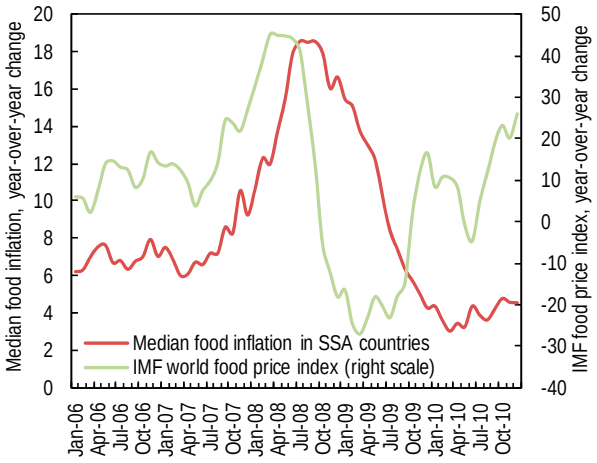
[7] *Food Price Watch,* World Bank, February 2011.

- Domestic food prices have nonetheless increased sharply in a number of countries, such as Ethiopia, Guinea, Kenya, Madagascar, and Sierra Leone. Poor harvests due to adverse weather conditions played a role in Benin (floods) and Kenya (drought). Some countries are net staple food importers (Ethiopia, Guinea, Sierra Leone, Madagascar) and so quite quickly felt the impact of higher international prices. Finally, several idiosyncratic factors also played a role, including political crisis (Cote d'Ivoire and Madagascar), loose monetary policy and currency depreciation (Ethiopia), foreign exchange shortages (Guinea).

To cushion the adverse inflationary and welfare effects some countries have introduced price controls and subsidies. Ethiopia has introduced the most widespread price controls covering many food and non-food items (e.g. sugar, milk powder, palm oil, rice, meat, beer, steel sheets, soaps, books, and pens). Mozambique and Senegal have also introduced price controls covering several staples such as bread, sugar, maize, and rice. Cameroon recently created an agency to regulate the market of basic goods through imports and the build-up of food stocks. At the same time, some countries continue to make heavy use of administered prices (Mauritius) and/or introduced food and fuel price subsidies in recent months (Guinea, Madagascar, Mozambique).

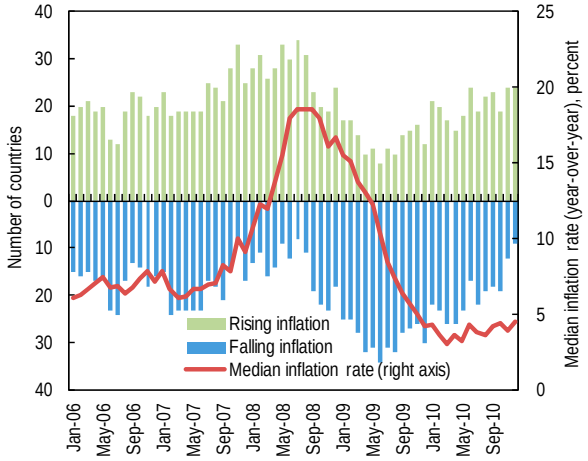
More pronounced food price increases are possible in the region. Work done by IMF staff suggests that the average lag between international food price increases and domestic prices is about 6 months in sub-Saharan African countries. So the sharp increases in international food prices that occurred late in 2010 may well be felt more earnestly in most countries around the middle of this year. This said,

Figure 1.13. Sub-Saharan Africa: Food Inflation Rates



Sources: IMF, *World Economic Outlook,* and IMF, African Department database.

Figure 1.14. Sub-Saharan Africa: Food Inflation



Source: IMF, African Department database.

the degree of pass-through from international to domestic food prices tends to vary quite a bit across the region (Figure 1.15). On average, the cumulative impact of a 10 percent increase in international food prices on domestic food prices is 3 percent. But the effect ranges from a full 10 percent pass-through in Kenya and Guinea-Bissau to very limited or even no pass-through in Nigeria and Ghana.[8]

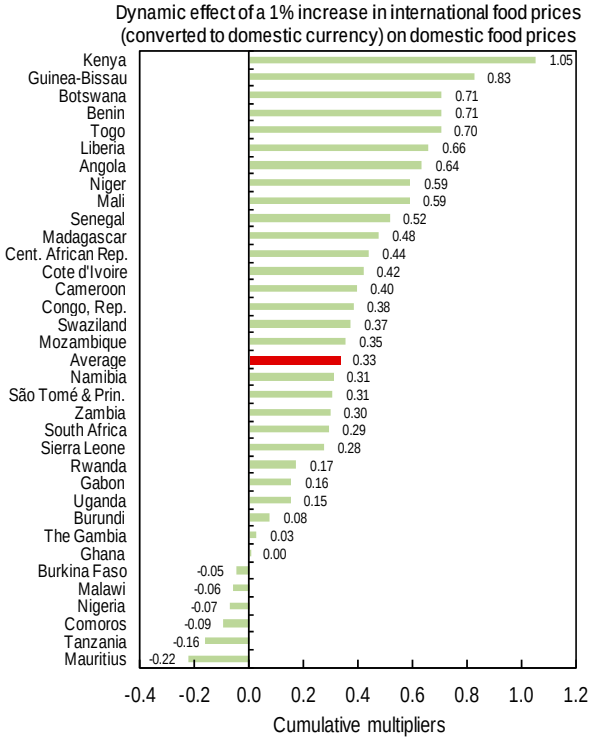
[8] These results are based on regressions of the domestic food inflation rate on the IMF global food inflation rate expressed in local currency over 2000–10.

A more potent threat to economic activity in the oil-importing countries of the region is the recent surge in fuel prices. The projections in this report assume an oil price of US$107 per barrel in 2011 compared to the US$80 per barrel that prevailed in 2010.[9] The impact of this 34 percent increase in oil prices is likely to be substantial in most of the oil-importing countries of the region but is likely to vary considerably from country to country. By and large, the higher oil prices will mean high import bills for all countries. In those countries that delay the pass-through of international oil prices to local prices, the fiscal accounts are also likely to be affected adversely. And, again, the degree of pass-through is likely to influence the level of inflation. Should prices rise sharply higher than assumed in the baseline, there almost certainly will also be an adverse effect on growth. In particular, simulations suggest that if oil prices were to increase to an average of US$150 per barrel in 2011, growth in oil importing sub-Saharan African countries would decline by 0.5–0.7 percent (see Box 1.3).

Given that some net food- and fuel-importing countries will also benefit from higher prices for other commodities, it is important to look at the net impact of recent commodity price movements. In terms of the impact on external accounts, work done for the *World Economic Outlook* suggests that commodity price movements observed through December 2010 are likely to affect adversely the trade accounts of a number of countries in the region fairly significantly. In Comoros, Lesotho, São Tomé and Príncipe, Seychelles, and Zimbabwe, the trade balance is projected to deteriorate by more than 3 percent of GDP in 2011 (Figure 1.16).

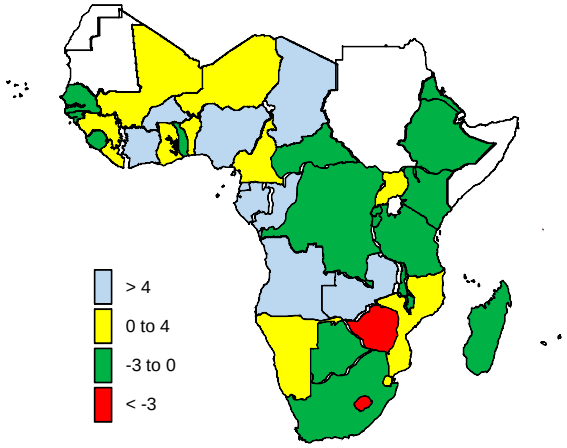
But there will also be big winners. In this camp are the oil and mineral resource exporters. The trade balance of six of the seven oil-exporting countries (Angola, Chad, Equatorial Guinea, Gabon, Nigeria, Republic of Congo) in the region are projected to improve by more than 10 percentage points of GDP in 2011

Figure 1.15. Relationship between Domestic and International Food Prices



Source: IMF, African Department database.

Figure 1.16. Trade Balance Effects of Commodity Price Changes in 2011 *(Percent of GDP)*



Source: IMF, Research Department database.

because of the oil price increases since last October. Zambia (on account of higher copper prices) is set for an improvement of more than 6 percent of GDP.

[9] The oil prices used by the IMF represent an average of UK Brent, Dubai and West Texas Intermediate blends.

Policy Priorities Going Forward

The economic outlook for the region is particularly bipolar:

- Economic growth in many countries, particularly the low-income ones, has reverted to the historically high precrisis trends; but sizeable output gaps are likely to prevail in most of the region's middle-income countries.
- Recent commodity price increases will be a boon for oil and metals exporters; but for many other countries in the region, elevated oil prices will generate significant external financing needs.
- The recent sharp surge in food prices has been mirrored in higher domestic prices in some countries in the region but not others.
- Within countries, high food prices should benefit farmers (the majority in many countries) but will very badly affect urban and landless rural poor.

The economic outlook for the region may also be colored by downside risks that may yet emanate from advanced and emerging-market trading partners. Although prospects for the global economy have improved since the October 2010 *World Economic Outlook*, the recovery remains uneven. In particular, the required medium-term fiscal adjustments have yet to begin in earnest in many advanced economies; this could cause volatility in interest rates and risk premiums. Among emerging-market economies, overheating and rapid credit growth risks could result in higher interest rates, contributing to a moderation in growth rates. And should there be a sharp decline in commodity prices, this would rebalance the winners and losers from the current commodity price hike.

Against this backdrop, the following broad principles will be important in the conduct of fiscal and monetary policies in the coming months.

Fiscal Policy

Fiscal policy should continue to move away from the supportive stance of the last few years to a more neutral stance as soon as feasible. When the global financial crisis threatened to derail economic activity in sub-Saharan Africa, it was appropriate that countries moved quickly to counter any slowdown through expansionary monetary and fiscal policies. But since early 2010, it has been clear that growth would recover fairly quickly in most countries in the region. Thus budgets formulated beyond 2010 should ideally be focusing on more medium-term goals while taking into account debt stability considerations. Progress in this direction has generally been reasonable. Budget deficits between 2010 and 2011 are projected to narrow in 19 of the 30 non-oil countries where output growth is projected to be higher than or within 1½ percentage points of its 2004–08 average. In the other 11 countries, deficits are set to remain unchanged or to widen in 2011 (by more than 2 percentage points of GDP in Lesotho, Mali, and Mozambique). In all three cases the increased deficits are mainly financing public investment in infrastructure and/or food subsidies to protect the poor from food price hikes.

Although there is a broad need for fiscal policy to rebuild buffers, there are a number of specific factors to consider. First, in countries where the food price increase is likely to cause significant economic dislocation, fiscal resources should be used to ameliorate the impact on vulnerable groups. Second, in a number of middle-income countries, the crisis has resulted in a durable reduction in tax revenues. In these cases, more rapid fiscal consolidation is needed. Third, among oil and metal exporters likely to benefit from higher-than-expected commodity prices, it will be important to keep spending restrained and guided by medium-term fiscal frameworks that use conservative resource price assumptions. We consider each case in turn.

Where the price of food is set to increase sharply, targeted and time bound policy interventions should be considered, with the amount and duration dependent on the health of public finances. The first best policy response in these circumstances is to allow the pass-through of international prices to domestic prices and to provide targeted support to the most vulnerable

groups. This support can be in the form of subsidies, income support, or direct provision of food items. But of course in many countries in the region without such mechanisms in place, identifying the neediest can be quite challenging. Where such identification is not possible, other, still targeted relief could be considered. This might include a temporary lowering of import taxes on essential staple foods. Alternatively, prices of food items primarily consumed by the poorest households could be subsidized. Where food shortages are localized, limiting subsidies and/or income support schemes to those areas is another possibility. All such interventions will of course entail some cost to the budget. One way to mitigate the cost is to ensure that intervention is time bound. Where financing constraints are binding, the interventions would have to be financed through savings elsewhere in the budget.

One intervention that should be avoided is the imposition of food price controls. By and large, price controls tend to exacerbate scarcity. Even where they can be effectively put in place this approach amounts to ad hoc taxation of those that produce, distribute, and retail food items.

Fuel price subsidies should also be avoided. Country studies show that fuel subsidies are almost invariably badly targeted. As a result, they tend to be highly regressive (i.e., overwhelmingly captured by the well-off). Also, they are very costly fiscally, tend to encourage excessive consumption, and are difficult to phase out because of vested interests. However, it may be reasonable to cross-subsidize kerosene, which is largely consumed by the poor, by other fuel products such as gasoline. Too large a subsidy to kerosene, however, may lead to unintended consequences, such as the adulteration of diesel.

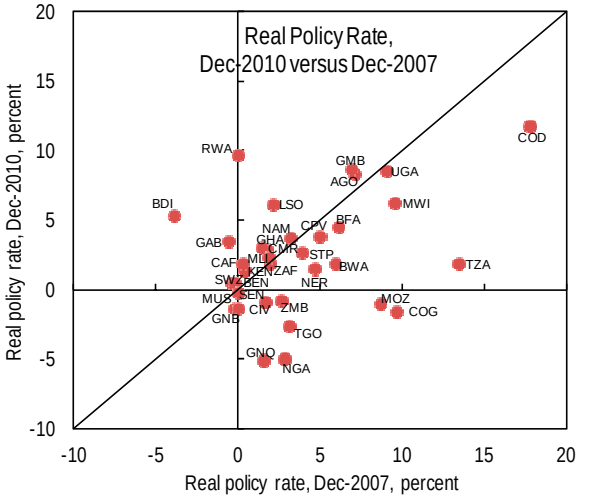
Except for South Africa, the other members of the Southern African Customs Union (SACU) are set to experience a sharp decline in revenues and need to effect large fiscal consolidations fairly promptly. Between 2008 and 2010, government revenues (excluding grants) in these countries (Botswana, Lesotho, Namibia, Swaziland) declined by 7 percentage points of GDP (median estimate), and are projected to recover only gradually over the medium term. Considerable fiscal adjustment will likely be necessary in these countries to address this large revenue shortfall if debt is to be stabilized at sustainable levels in relation to GDP. Given the authorities' debt targets and financing difficulties, particularly in Lesotho and Swaziland, this adjustment would have to take place despite the excess production capacity that is prevalent.

In aggregate, the fiscal accounts of the oil-exporting countries are expected to swing back into surplus in 2011. This reflects higher oil prices and government intentions as of early 2011 not to increase spending in line with higher oil revenues. In these countries, it is important that spending remains guided by medium-term fiscal frameworks that take into account implementation and absorption capacity. Developments in Angola during the last few years are a reminder of macroeconomic imbalances that can emerge when government spending is scaled up on the assumption that high oil prices will endure.

Monetary Policy

Despite the recent uptick in inflation, the failure of monetary authorities in most countries to demonstrate a tightening bias is cause for some concern. With relatively few exceptions, policy rates in the region were reduced as the global recession threatened and have remained at relatively low levels (Figure 1.17). Because inflation declined

Figure 1.17. Sub-Saharan Africa: Real Policy Interest Rate



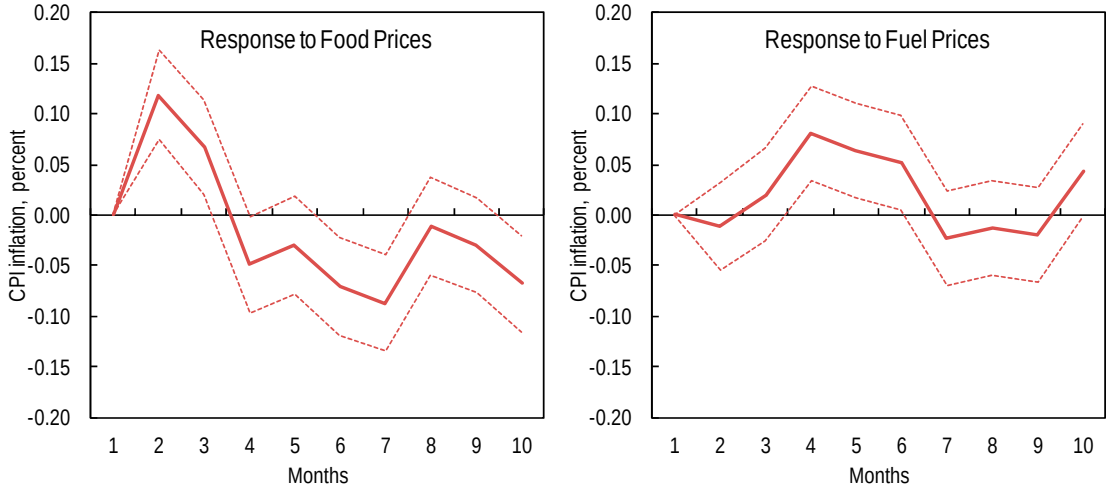
Sources: IMF, *International Financial Statistics*; and IMF, African Department database.

sharply as activity slowed domestically and, more importantly, commodity prices crashed in 2009, low policy rates were not problematic well into 2010. But with inflation picking up, real rates in many countries are now either very low or even negative. With growth back to precrisis levels in most cases, this is likely to do little to restrain inflation in the coming months. The measures required in the coming months are as follows:

- In those countries where growth has reverted to precrisis levels, the monetary policy stance should commensurately revert to a more neutral stance or even be tightened to avert incipient inflationary pressures.
- In most of the region's middle-income countries, where there is still significant excess capacity and inflationary pressures are subdued, there is more scope for a supportive monetary policy stance. This is especially true of South Africa and the other SACU countries with appreciating nominal exchange rates providing a contractionary impulse.
- Where food and fuel price increases are pronounced, monetary policy should accommodate the first round response and lean against any second round effects. By and large, work done by IMF staff suggests that food and fuel price shocks do not tend to be persistent in the region. In particular, in countries with floating exchange rates, a 1 percent shock to food price inflation has a significant positive impact on the overall inflation rate of about 0.1 percent within one month but then dies out (Figure 1.18).

Figure 1.18. Sub-Saharan Africa: Relationship between CPI Inflation and Food and Fuel Inflation Rates, 2000–10[1]

Response of CPI Inflation to Unit Standard Deviation Shock to Food and Fuel Prices



Sources: IMF, African Department database; and IMF staff estimates.

[1]Countries with floating exchange rate regimes.

The impact of a 1 percent shock to fuel price inflation on overall inflation is more delayed, peaking between 4 and 6 months at 0.1 percent.[10] Other things being equal, this suggests that central banks should generally only react to acceleration in the inflation rate that threatens to last beyond 3–4 months.

- In countries with floating exchange rates, allowing greater exchange rate flexibility would also reduce the impact of the food and fuel price shock on the external accounts.

One final consideration for monetary policy in the coming months is the limited likelihood that food and fuel prices will collapse as they did in 2009 following their peaks in 2008. The price reversal had an important role in ensuring that inflation reverted to precrisis levels quickly. This time, with output gaps closed in many cases and another global slump, it is hoped, not in the offing, the recent food and fuel price increase could have a more enduring effect unless monetary policy reacts promptly.

[10] Among countries with fixed exchange rates, the effects are insignificantly different from zero at all lags; this is also true of food prices from non-sub-Sahara Africa LICs. The results are based on a regression of monthly observations of the inflation rate on food and fuel inflation, and the change in the exchange rate between 2000 and 2010.

Box 1.1. Why Has South Africa's Recovery from the Recession Been Subdued?

South Africa's recovery from the global financial crisis is lagging behind that of other emerging markets brethren (Figure 1). Whereas output gaps in most of these other cases have closed, there remains a nontrivial gap of some 3 percent in South Africa this year and it is not expected to close until 2013 at the earliest. South Africa accounts for 30 percent of sub-Saharan Africa's GDP so developments there have a large bearing on regional outcomes. This box considers the factors behind its slow recovery.

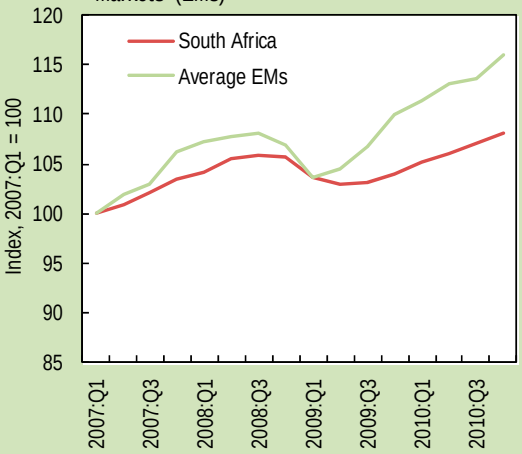
Constraints on consumption

Accounting for slightly above 60 percent of GDP, private consumption plays a central role in economic fluctuations. And indeed private consumption has been an important driver of both the recession (2008–09) and subsequent recovery (2010). In the first three quarters of 2010, private consumption expanded by some 5 percent reflecting relatively high real wage increases and higher government transfers. But going forward, although private consumption is expected to remain strong, expansion at the heady levels of the mid-2000s is highly unlikely for the following reasons:

- ***High household indebtedness.*** Household debt as a share of disposable income increased substantially in the precrisis period, mainly reflecting the rapid expansion of mortgage lending (Figure 2). Currently, at 79 percent of disposable income, household debt remains high from a historical perspective, suggesting that banks are likely to remain cautious in granting credit and mortgages to households. Additionally, as interest rates rise over the medium term, the associated increase in the debt-service cost will pose an additional constraint to private consumption.
- ***Job loss and high unemployment.*** The massive job shedding that occurred in 2008–09 (equivalent to 8 percent of total employment at end-2008) during the recession is also going to constrain future aggregate consumption growth.
- ***Fragile consumer confidence.*** The composite index of consumer confidence showed a noticeable improvement in 2010:Q1. However, since then it has deteriorated and remained at a lower level compared with the level that prevailed in the precrisis period.

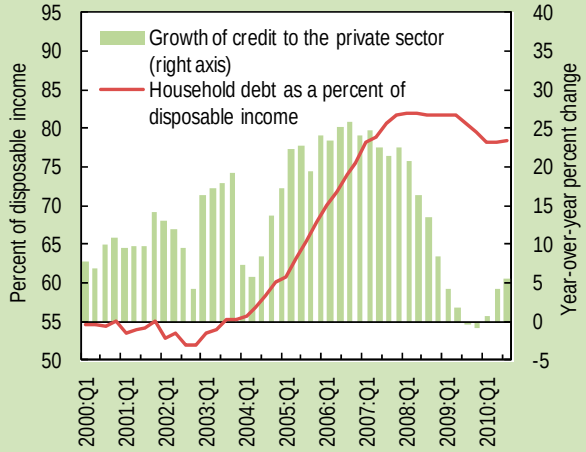
This box was prepared by Nir Klein.

Figure 1. Real GDP in Selected Emerging Markets[1] (EMs)



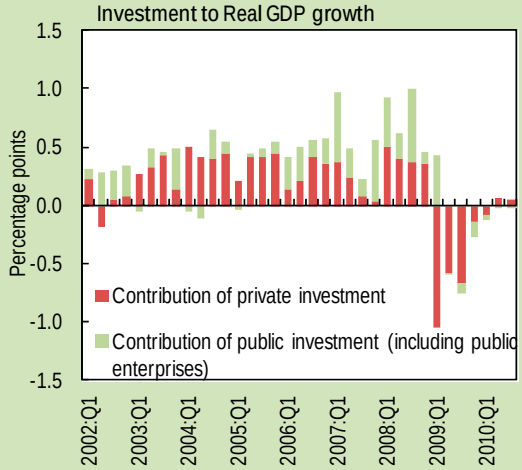
Sources: IMF, *World Economic Outlook*; and IMF staff calculations.
[1] The selected EMs include the emerging economies of the G-20 group apart from China and Saudi Arabia.

Figure 2. South Africa: Household Debt and the Growth of Credit to the Private Sector



Source: South African Reserve Bank (SARB).

Figure 3. South Africa: The Contribution of Investment to Real GDP growth



Sources: South African Reserve Bank (SARB); and IMF staff calculations.

Sluggish recovery in private investment

The global financial crisis triggered a noticeable decline in the level of investment, mainly from the private sector. Since end-2008, private investment has declined by about 2 percentage points of GDP, partly offset by the increase in public investment. And despite the recovery, the contribution of private investment to real GDP growth in 2010 was negligible (Figure 3).

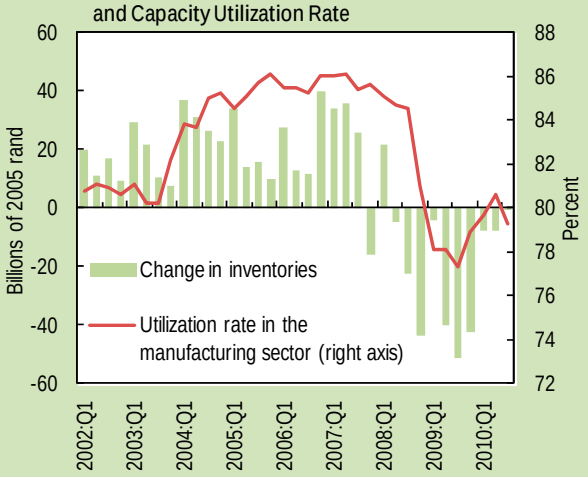
The lack of recovery in private investment may reflect several factors, including firms' anticipation that weak demand conditions will prevail. This perception is supported by moderate business confidence, which, although improved in recent months, remains well below that observed in the precrisis period. The latter translates to low capacity use in the manufacturing sector and to firms' decision to run down their existing stocks instead of building new inventories (Figure 4).

Weak external demand, exacerbated by deterioration of external competitiveness

In part, the weak GDP growth reflects weak external demand for South Africa's goods and services. Although South Africa's terms of trade have improved by 18 percent since end-2008, exports remained below their precrisis level. This reflects various factors, including

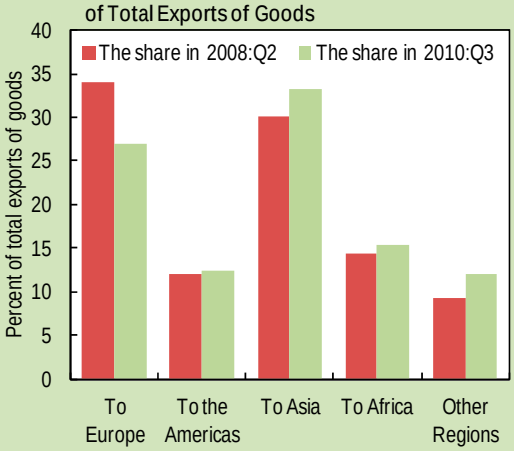
- ***Weak demand from Europe.*** Although South Africa's exports fell sharply at the outset of the financial crisis, external demand has picked up recently, and exports to some destinations returned to their precrisis level. To Europe, however, exports remain weak, reflecting the weak recovery in the euro area and the sharp appreciation of the rand against the euro (around 30 percent since end-2008). The latter shows in the decline of Europe's share to 26 percent in total exports of goods from 34 percent on the eve of the crisis (Figure 5). All in all, the fact that Europe remains South Africa's second-largest trading partner combine d with Europe's modest growth trajectory in the foreseeable future limits the prospects for stronger external demand for South African products.
- ***Loss of competitiveness.*** South Africa has received substantial amounts of portfolio inflows. With measured intervention by the South Africa Reserve Bank (SARB), these inflows have put upward pressures on the real effective exchange rate (REER), which has appreciated since early-2008 by about 25 percent—significantly more than other emerging markets (Figure 6).

Figure 4. South Africa: Change in Inventory and Capacity Utilization Rate



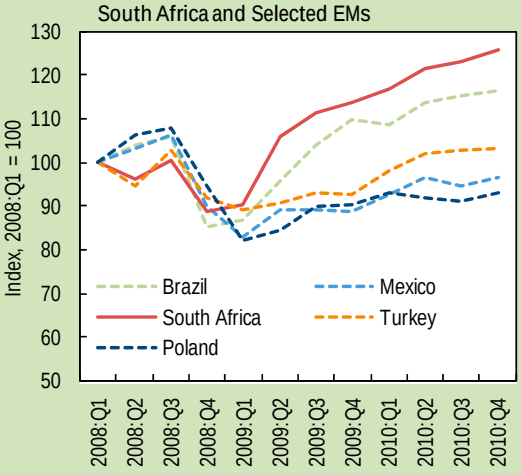
Source: South African Reserve Bank (SARB).

Figure 5. South Africa: Change in the Share of Total Exports of Goods



Source: South African Reserve Bank (SARB).

Figure 6. Real Effective Exchange Rate in South Africa and Selected EMs



Sources: IMF, Statistics Department INS database; and IMF staff calculations.

Box 1.2. How Unique Is Sub-Saharan Africa's Growth Surge of the Last Decade?

The pronounced pickup in sub-Saharan Africa's economic growth in recent years is garnering a lot of attention. In three recent studies, different approaches to identify sets of top performers all reached the same conclusion—significant parts of the region appear to be making a decisive break with the past:

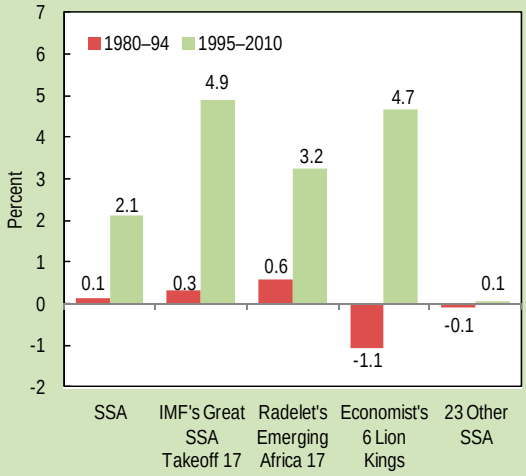
- In the fall of 2008, this publication identified a set of 17 "Great sub-Saharan Africa Takeoff" economies which had achieved average per capita growth above 2¼ percent since the mid-1990s. The group was diverse, but shared the common features of macro stability, good institutions, and pro-growth structural reforms.
- In his book, *Emerging Africa* (2010), Steven Radelet identified 17 non-oil-exporting emerging economies based not only on growth, but other important economic, political, and social dimensions, including the rise of more democratic and accountable governments and implementation of better economic policies.
- More recently, the *Economist* (January 6, 2011) reported that since 2001 sub-Saharan Africa had been home to six of the world's top ten fastest growing economies, which it dubbed, "Sub-Saharan Africa's lion kings." The gains were attributable not only to global demand for commodities, but also to structural reforms and better economic management.

But the 2000s were a period of high growth for many developing regions, raising the question of whether there was anything unique about sub-Saharan Africa's growth acceleration. This box seeks to provide an answer.

We start by confirming the occurrence of a structural upbreak in growth encompassing 21 of the region's 44 countries. Figure 1 shows average per capita growth during 1980–94 and 1995–2010 for the groups of countries identified in the three studies, and the remaining 23 sub-Saharan African countries that didn't make the grade. All groups of top performers achieved significantly higher growth in the second period than in the first. Moreover, while none of them differed significantly from the other 23 sub-Saharan African countries in the first period, all of them did in the second.[1]

How do sub-Saharan Africa's recent strong performers compare with other regions? Figure 2 shows a similar pattern throughout the developing world of more rapid growth since the mid 1990s, indicating that sub-Saharan Africa's (SSA's) experience was not unique.[2] On average, SSA's top performers grew significantly faster than comparators in either Latin America and the Caribbean (LAC) or Middle East and North Africa (MNA) during 1995–2010, but only marginally faster than Developing Asia (Dev. Asia) and slower than the Commonwealth of Independent States (CIS). In terms of the strength of the acceleration (that is, the difference in growth between the two periods) sub-Saharan Africa's top performers did significantly better than LAC and Developing Asia and marginally better than MNA.[3]

Figure 1. Growth Rates of Sub-Saharan Africa'sTop Performers in 1980–94 and 1995–2010



Sources: IMF, *World Economic Outlook*; IMF, African Department database.

What is the bottom line? First, the acceleration in growth is not particularly unique to sub-Saharan Africa. Other regions also experienced a marked pickup. Second, sub-Saharan Africa's growth all-stars performed as well as, if not better than, many comparators elsewhere. Third, it is especially encouraging that many of SSA's strongest performers have sustained their superior performances for a decade or more through good times and bad and that increasingly they exhibit characteristics associated not only with faster growth, but more sustained growth (Berg, Ostry, and Zettelmeyer, 2008). For now, at least, the lions continue to roar.

This box was prepared by Robert Keyfitz.

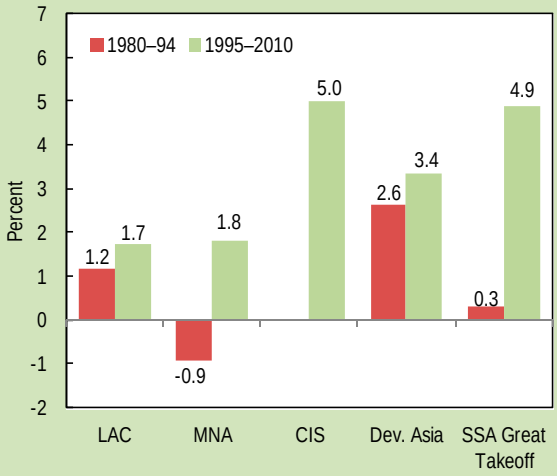
[1] All differences were significant at the one percent level.

[2] See http://www.imf.org/external/pubs/ft/weo/2010/02/weodata/weoselagr.aspx for country composition of the various aggregates. The comparator regions comprise mostly low- and middle-income developing countries. For instance, Developing Asia excludes Japan, the Republic of Korea, and Singapore, though a few wealthy, non-OECD countries are included such as Bahrain, the United Arab Emirates, and Brunei Darussalam (in MNA and Developing Asia, respectively).

[3] Insufficient data exist for CIS countries in the earlier period.

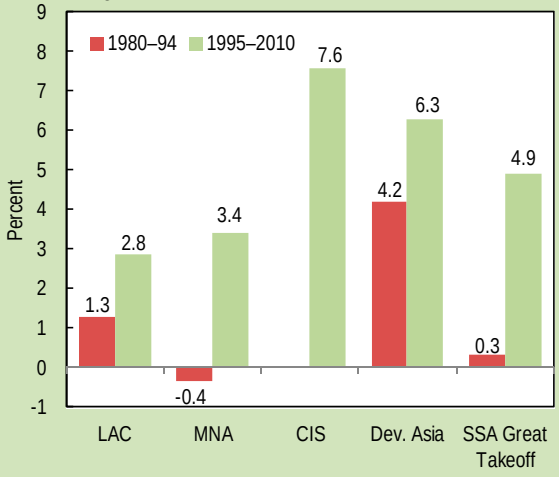
Of course, Figure 2 compares the top 40 percent of SSA performers with the entire census of the other regions.[4] What would be the outcome of a fairer competition against the top 40 percent elsewhere as well? As Figure 3 shows, SSA continued to do better than the top 40 percent of Middle East and North Africa on average. However, growth in 1995–2010 lagged significantly behind CIS and Developing Asia, although the accelerations between the two periods were similar in magnitude (see Table 1 below for significance tests on the various differences shown in Figures 1–3).

Figure 2. Growth Rates of Developing Regions, 1980–94 and 1995–2010



Sources: IMF, *World Economic Outlook*; IMF, African Department database.

Figure 3. Growth Rates Top 40 Percent of Developing Regions, 1980–94 and 1995–2010



Sources: IMF, *World Economic Outlook*; IMF, African Department database.

Table 1. Significance Tests of Mean Difference

	All					Top 40 Percent			
	LAC	MNA	CIS	Dev. Asia	Other SSA	LAC	MNA	CIS	Dev. Asia
1980–94									
IMF Great Takeoff				***					***
Radelet, Emerging Africa				**					***
Lion Kings	**			***		**			***
1995–2010									
IMF Great Takeoff	***	**			***				
Radelet, Emerging Africa	***	***	**		***			***	***
Lion Kings	***	***			***	***	*	***	*
Change from 1980–94 to 1995–2010									
IMF Great Takeoff	***			***	**				
Radelet, Emerging Africa	***			**	*				
Lion Kings	***	**		***	**	***			**

Legend:
* >> 10% significance
** >> 5% significance
*** >> 1% significance
>> High-growth SSA country is better
>> High-growth SSA country is worse

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

[4] The SSA Great Takeoff aggregate includes 17 of the AFR REO's 44 countries, or 39 percent.

Box 1.3. An Adverse Oil Shock Scenario

In light of recent developments in the Middle East and North Africa and the impact that this might have on oil markets IMF staff has done a simulation exercise on the likely implications of much higher oil prices in 2011. In particular, we assumed that oil prices rose to US$200/b in the second quarter of 2011 falling back to US$125/b in the fourth quarter, for an average price of US$150/b this year. This compares with our estimate of US$107/b for 2011 in the baseline (and US$108/b in 2012).

This shock is expected to have a significant adverse impact on the oil importers in sub-Saharan Africa. Growth is projected to be lower by 0.7 percent and 0.5 percent in the low and middle-income countries, respectively (median estimates). The adverse impact of oil price increases on fiscal accounts is generally a result of limited pass-through of higher international prices to local prices.

Among the oil exporters, the simulation points to a negligible impact on output growth and inflation. With production already at full capacity, the volume of exports and thus growth is unlikely to be affected much. But current account balances will still improve sharply—to the tune of 6 percent of GDP in 2011. The fiscal accounts will also benefit greatly, with a median improvement in the fiscal balance for oil exporters of 4½ percent of GDP.

Table 1. Sub-Saharan Africa: Adverse Effect on Macroeconomic Aggregates from Oil Shock Scenario, 2011–12 Change Relative to Baseline

	Oil Exporters		Oil Importers			
			Middle-Income		Low-Income	
	2011	2012	2011	2012	2011	2012
			(median, percent)			
Real GDP growth	0.0	0.0	-0.5	-0.3	-0.7	-0.2
Inflation, end of period	0.0	0.0	2.2	1.4	1.8	0.7
			(median, percent of GDP)			
Fiscal balance, excluding grants	4.4	0.4	-0.7	-0.9	-0.7	-0.2
Current account balance	5.8	0.3	-1.9	0.1	-2.5	-0.1

Sources: IMF, *World Economic Outlook;* and IMF, African Department database.

This box was prepared by Alun Thomas.

2. Capital Inflows to Frontier Markets in Sub-Saharan Africa

Introduction and Summary

Before the global financial crisis, there was substantial investor interest in sub-Saharan Africa's (SSA) frontier markets (FMs),[1] reflecting their strong economic performance and a global economy awash with liquidity.

These countries received considerable volumes of capital inflows, mirroring the steep rise in private capital flows to other emerging and developing countries in the middle of the past decade. Although such flows briefly reversed during the apex of the crisis, very low interest rates in advanced countries and an attenuation of global risk aversion have once again prompted investors to scour the globe in search of attractive investment opportunities. Post-crisis, anecdotal evidence—including heightened attention of investment banks—suggests that interest in FMs has also resumed. Against this backdrop, this chapter addresses the following questions:

- To what extent has the resurgence of global capital flows translated into a resumption of private capital inflows, especially portfolio inflows, to sub-Saharan Africa FMs?
- Do global push factors or local pull factors dominate in steering investor interest?
- Why have some sub-Saharan African FM countries garnered investor interest, while others—including some larger countries—have been sidestepped?
- Which policy options are most suitable for sub-Saharan Africa FM countries to use at this juncture to address any resumption of large capital inflows?

Understanding the determinants of and scope for private capital inflows is important for sub-Saharan African countries for a number of reasons. For one, such flows are increasingly the main source of external financing for many countries in the region. The deterioration in the fiscal accounts of most advanced countries because of the crisis also implies that the prospects for sustaining even current levels of official financing are doubtful. Second, private flows tend to be more volatile. At times flows are large relative to the size of the economy and monetary base, complicating macroeconomic management.

The main findings are the following:

- The overall trend of capital flows to sub-Saharan Africa's FMs mirrors trends elsewhere, with strong inflows before the global crisis and a sharp decline during the crisis.
- Postcrisis, and in 2010 in particular, more differentiation is evident. Private investors, possibly still smarting from the global financial losses of recent years, seem to be distinguishing between markets. Thus, country-specific pull factors govern the pattern of flows across regions and

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This chapter was prepared by Valerie Cerra, Montfort Mlachila, and Alexis Meyer Cirkel, with research assistance from Duval Guimarães and Cleary Haines, and administrative assistance from Natasha Minges and Anne O'Donoghue.

[1]FM generally refers to a subset of emerging markets at an early stage of financial development with potentially high returns and low correlations to other markets (Box 2.1).

Box 2.1. What Are Frontier Markets?

The term "frontier markets" (FMs) is commonly used to describe a subset of emerging markets (EMs) that have small financial sectors and/or have low annual turnover and liquidity, but nonetheless demonstrate a relative openness to and accessibility for foreign investors. They are generally in the early stages of financial market development. In most cases the existence of market restrictions make them unsuitable for inclusion in the larger EM indices, such as the Morgan Stanley Capital International (MSCI) Emerging Market Index.

The main attraction of frontier equity markets for investors is that they may offer high, long-term returns and low correlations with other markets. At the same time, frontier market short- and medium-term securities typically have higher yields than in more developed emerging countries. With a few exceptions, because of low liquidity and turnover, the main investors in FMs are typically dedicated funds and hedge (or "boutique") funds.

There is no generally accepted list of FMs, and different investment banks have their own coverage. For instance, the MSCI Barra has 26 countries classified as FMs, while other indices include 4 to 5 more countries. Among sub-Saharan African countries, Kenya, Mauritius, and Nigeria are typically included in almost all indices.

In this chapter, a looser definition of FMs for sub-Saharan Africa is adopted. Criteria used to select countries include recent growth dynamics and perspectives, financial market development, general institutional conditions and evolution, natural resource richness, and political conditions and perspectives. Although some of the countries are not included in investment bank indices, there has been sufficient outside investor interest over the past five years to warrant their consideration here. The list includes Angola, Ghana, Kenya, Mauritius, Mozambique, Nigeria, Senegal, Tanzania, Uganda, Zambia, and Zimbabwe.

Members of the benchmark groups used as comparators in this chapter have been chosen based on a similar set of criteria, to promote comparability. The group of other FMs consists of Bangladesh, Bulgaria, Jordan, Kazakhstan, Pakistan, Romania, Sri Lanka, Tunisia, and Vietnam. The select group of emerging markets consists of Colombia, Egypt, Malaysia, Peru, South Africa, Thailand, and Uruguay.

———————

This box was prepared by Montfort Mlachila.

countries. In a few of the region's FMs (Ghana, Mauritius, and, to a somewhat lesser degree, Zambia) portfolio flows picked up markedly in 2010. But in others, there is little sign of resumption in inflows.

- For fixed-income investments, market participants identify yields as the key driver of inflows. Thus, the monetary policy easing that was undertaken by many of the FMs may have reduced the incentives for inflows. Exchange rate volatility is another factor that seems to have played a role in some countries. For equity portfolio flows and foreign direct investment (FDI), a range of other factors contribute to the expected return and riskiness of the investment and influence whether inflows have resumed.
- The region's FMs outperform other groups—including FMs in other regions, other sub-Saharan African countries, and even select emerging market countries—on a number of indicators of institutional quality, growth prospects, and

macroeconomic outcomes. As the contribution of official financing continues to diminish, improvements in many of these areas could help other sub-Saharan African countries to attract private sources of financing for investment and growth.

- Two of the region's eleven FMs have opted for capital controls in response to the volatility of portfolio inflows, but most countries have continued to rely on macroeconomic policies and macroprudential measures to respond to pressures from current and prospective inflows.

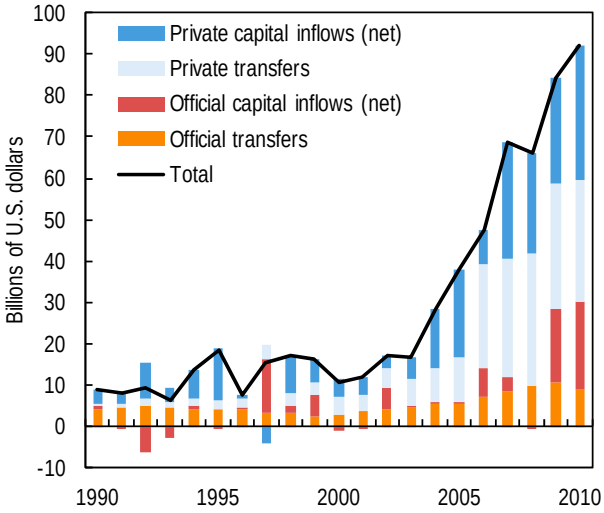
The Nature and Volume of Flows to Sub-Saharan African Frontier Markets in a Global Context

Trends in Overall Capital Flows

Flows to sub-Saharan African FMs should be seen against the backdrop of developments in the region more generally. Thus, this section first discusses the trends in overall capital flows to sub-Saharan African countries in recent years. The section then turns to capital flows to the FMs, focusing especially on developments in private portfolio inflows to debt and equity securities.

During the last two decades, external sources of funding for investment and growth in sub-Saharan Africa have undergone a noteworthy transformation (Figure 2.1). First, a sixfold increase has occurred in total flows, especially since 2000. Second, in sharp departure from the previous decade, most of the increase has come from the private sector, even when excluding South Africa and Nigeria.[2] Inflows from private capital in the form of both FDI and portfolio flows have increased rapidly, although not all countries in sub-Saharan Africa have participated equally in this transformation, particularly in the ability to attract portfolio inflows. The same trend

Figure 2.1. Private vs. Official Financing to Sub-Saharan African Countries[1]



Source: IMF, World Economic Outlook database.
[1]Private versus official refers to destination of flows.

has occurred in transfers, whereby remittances have overtaken official transfers (grants) that have been declining in importance during the past decade. Total net private inflows amounted to about $41 billion dollars in 2010, with South Africa accounting for more than 40 percent of the total.

The increasing reliance on private external financing poses challenges for macroeconomic management, given the relative size and volatility of these flows. First, although net private capital inflows[3] to sub-Saharan Africa constitute only about one tenth of total net private flows to emerging and developing countries, the inflows are large relative to the economic size of the recipient countries (Figure 2.2). Indeed, in recent years, net private capital flows to sub-Saharan Africa have been larger as a percent of GDP than in other developing and emerging countries. Second, the more volatile flows have the potential to cause considerable difficulties in monetary management in sub-Saharan Africa, given limited monetization and shallow financial markets. For instance, in proportion to reserve money, nonresident holdings of government securities have

[2] These two large countries typically account for 50 to 60 percent of total flows.

[3] Private capital inflows exclude nonresident official creditors (source), but include securities and instruments issued by the government and monetary authorities (destination) of the recipient countries.

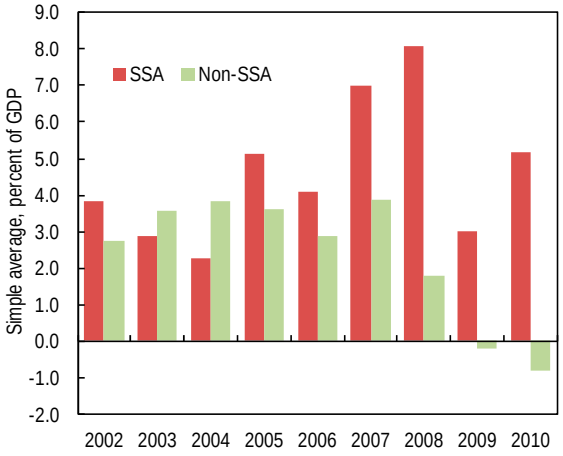
swung from almost nothing to more than 40 percent in some countries. Finally, although FDI flows have been a stable component of private flows to sub-Saharan Africa (Figure 2.3), net portfolio inflows have been volatile, with significant net outflows occurring during 2008 (Figure 2.4). In the last two years, net portfolio inflows to sub-Saharan Africa have been on the rise again, constituting about half of net private inflows in 2010.

Portfolio Flows to Frontier Markets

Net portfolio investment flows in sub-Saharan Africa FM countries amounted to about ½ billion U.S. dollars in 2010 (Figure 2.5). The main types of portfolio flows are holdings of government securities and private equities, with the latter significantly more important than the former. Portfolio investment has been stable in FM countries relative to emerging markets (Figure 2.6).[4] During 2007, all groups received portfolio inflows, with emerging market economies (EMEs) attracting the highest amount as a percent of GDP. During the global crisis, flows to EMEs contracted by 5 percent of GDP, and subsequently rebounded by the same amount through 2010. The modest inflows of portfolio investment to sub-Saharan Africa FMs during 2010 mirrors developments in other FMs, where inflows remain far below their precrisis ratios to GDP.

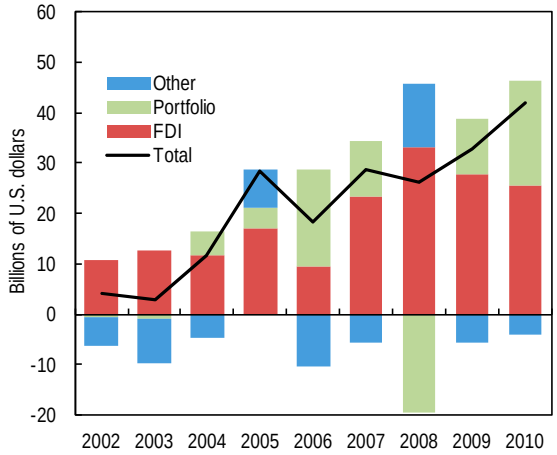
After a sharp decline in the value of portfolio holdings by foreigners in 2008, there has been a recovery in 2010 in most sub-Saharan Africa FMs.

Figure 2.2. Net Private Capital Flows to Emerging and Developing Economies



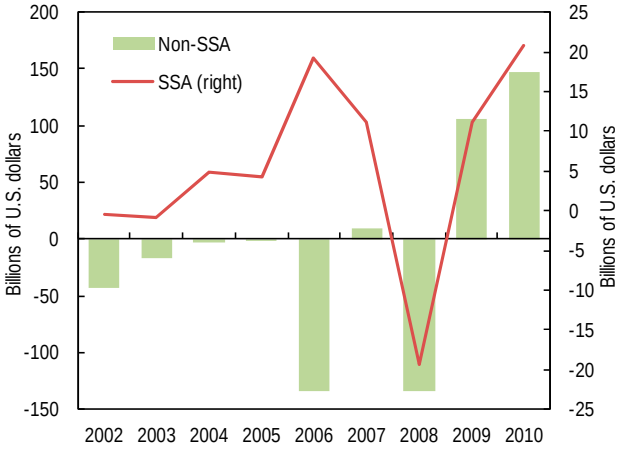
Source: IMF, World Economic Outlook database.
[1]Private refers to source of flows.

Figure 2.3. Net Private Capital Flows to Sub-Saharan African Countries



Source: IMF, World Economic Outlook database.
[1]Private refers to source of flows.

Figure 2.4. Net Portfolio Investment in Emerging and Developing Economies



Source: IMF, World Economic Outlook database.

[4] Portfolio investment reflects balance of payments information from the *World Economic Outlook* database, as reported by recipient countries.

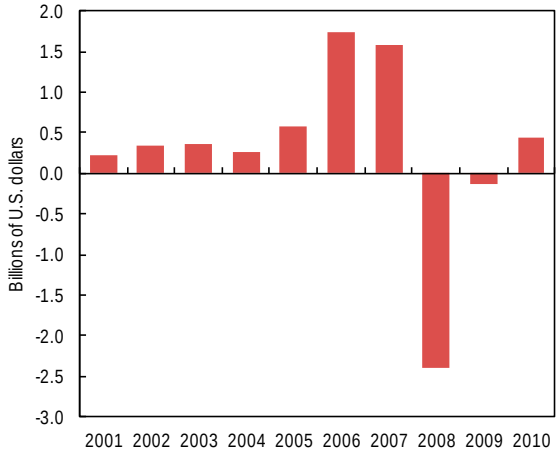
Based on information from the IMF Coordinated Portfolio Investment Survey,[5] average foreign holdings (excluding Mauritius and Nigeria) were about US$450 million in 2010, already higher than the previous peak in 2007 (Figure 2.7). The value of portfolio holdings in Mauritius was hardly affected by the global crisis, while Nigeria suffered badly during 2008–09 (Figure 2.8).

Holdings of Government Securities

Private capital flows into government coffers through two main channels. Treasury bills are quantitatively the most important source of financing. Most of the inflows have been into short-term (91-day) treasury bills, although increasingly governments are issuing long-dated bonds in domestic currencies—with Kenya and Mauritius taking the lead.[6] This is the most traded segment of the market. Because of the limited existence of secondary markets, foreign investors, often wary of rollover and exchange rate risk, generally prefer this segment.

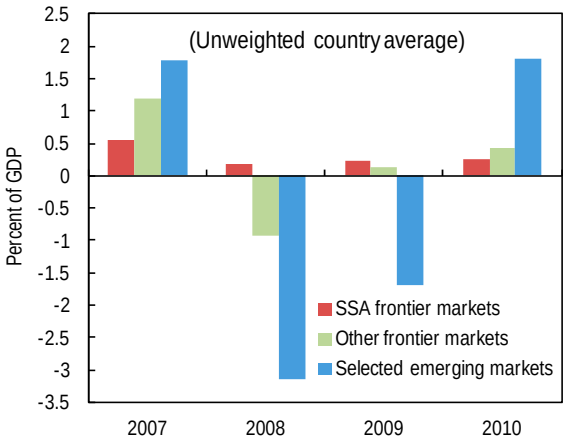
There have been relatively few international sovereign bond issuances by sub-Saharan Africa FMs over the past decade, especially when compared to other FMs (Figures 2.9 and 2.10). Most of the sub-Saharan Africa issuances took place in 2007. Among the FMs, only Ghana, Nigeria, and Senegal have ever issued sovereign bonds.[7] In 2007 Ghana issued two bonds for US$950 million and Nigeria issued one for US$525 million. Senegal had its maiden issuance of US$200 million in 2009.

Figure 2.5. Sub-Saharan Africa Frontier Markets: Portfolio Investments (Net)



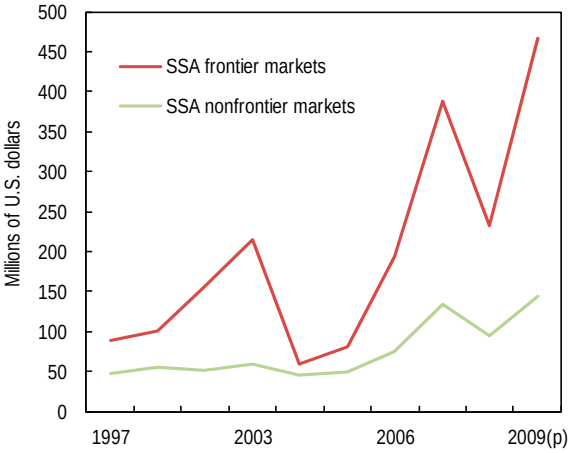
Source: IMF, World Economic Outlook database.

Figure 2.6. Portfolio Investment Net



Source: IMF, World Economic Outlook database.

Figure 2.7. Average Stock of Portfolio Investment Liabilities[1]



Source: IMF, Coordinated Portfolio Investment Survey (CPIS).

[1]Excludes Liberia, Mauritius, Nigeria, and South Africa.

[5] The CPIS measures the global stock and geographical distribution of portfolio investment holdings, as reported by creditor countries. The survey may have gaps in coverage owing to nonparticipation of some important investing countries and international financial centers, as well as difficulties faced by many participating countries in capturing cross-border portfolio investment by households (and in some cases, enterprises) that do not use the services of resident custodians. The stocks are measured at market value; thus, annual changes reflect valuation effects and flows.

[6] For instance, Kenya has issued infrastructure bonds of up to 25 years.

[7] Gabon and Seychelles have also issued bonds in 2006 and 2007.

More recently, Nigeria issued another bond for US$500 million in the first quarter of 2011. Outside of FMs and South Africa, the only sub-Saharan African countries that have issued sovereign bonds are Gabon and Seychelles.

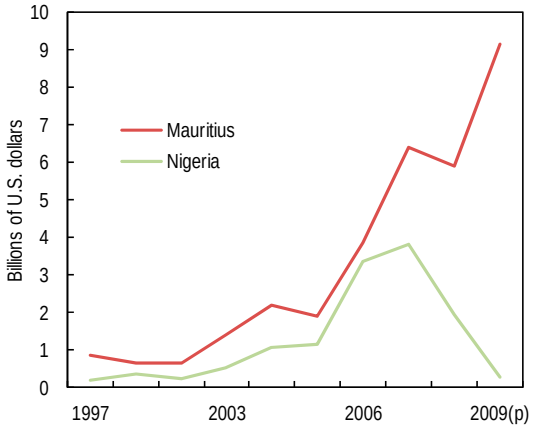
Equities

Equity investment has been the largest component of total portfolio investment. Equity prices have recovered more slowly in FMs than in emerging markets, with prices of sub-Saharan Africa FM stocks moving closely in line with those of FMs in other regions (Figure 2.11). Various country-specific factors have held back prices in specific sub-Saharan African FMs (Figures 2.12). In both Kenya and Nigeria, political factors may have been at play. In Kenya, prices were weighed down by uncertainties before the August 2010 constitutional referendum, but since then foreign investors more than doubled their holdings from end-2009. In Nigeria, the combination of the looming election, governance problems at the stock exchange, and a domestic banking crisis seem to have been important factors. On the other hand, after 10 years of economic decline in Zimbabwe, a government of national unity, which was formed in 2009, started to address the economic crisis through adoption of a multicurrency system (for example, full official dollarization). As a result, portfolio flows have resumed, and market capitalization rapidly increased from US$1.5 billion in February 2009 to US$5 billion in October 2010. Indeed, in almost all sub-Saharan Africa FMs (even in Nigeria), estimates for 2009 show a sharp recovery in the value of foreign equity holdings (Figure 2.13).

Other Private Flows to Frontier Markets

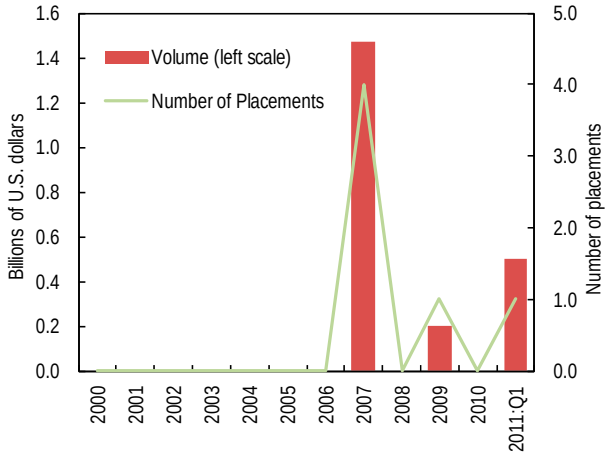
A steady recovery in external credit lines has occurred for sub-Saharan African FMs. Data available through September 2010 show that after peaking at about US$50 billion in September 2010, foreign bank claims on sub-Saharan Africa FMs (Figure 2.14) have steadily regained vigor.

Figure 2.8. Stock of Portfolio Investment Liabilities



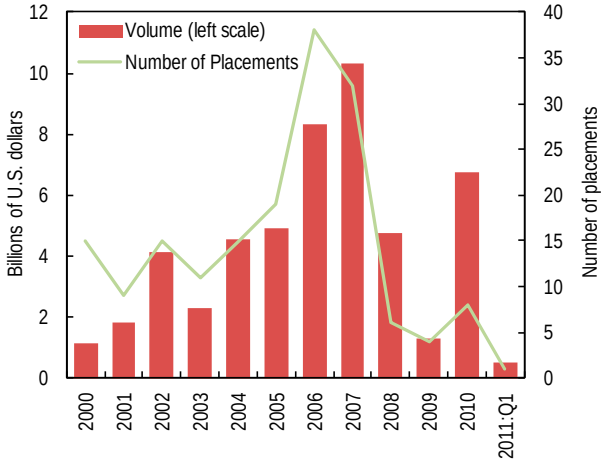
Source: IMF, Coordinated Portfolio Investment Survey (CPIS).

Figure 2.9. Sub-Saharan Africa Frontier Markets: External Bond Issuance



Source: Dealogic.

Figure 2.10. Other Frontier Markets: External Bond Issuance



Source: Dealogic.

Indeed, the total for all countries excluding Nigeria is now above the 2008 peak. The recovery is particularly remarkable for Angola, Ghana, Mauritius, and Uganda, while Mozambique and Tanzania were hardly scathed. Nigeria and Zimbabwe are the only countries that have yet to register significant recoveries. In Nigeria, for instance, after peaking at about US$12 billion in 2008, credit lines have persistently remained at about US$5–6 billion.

Although FDI (Figure 2.15) has been an important and rapidly growing source of finance to sub-Saharan African FMs, it still trails the other benchmark groups over the past five years. Moreover, Angola has experienced unusually large foreign direct investment into its oil extraction industry (for example, FDI peaked at 40 percent of GDP in 2000). Excluding Angola, FDI has averaged only 2.6 percent of GDP in the sub-Saharan African FMs compared with 4 percent of GDP in other FMs during 1991–2009 (Figure 2.16). Given the strong output growth and high returns on FDI (Box 2.2), volumes of inflows are low, perhaps because of other structural factors.[8]

How Different Is the Recent Experience of Sub-Saharan Africa's Frontier Markets?

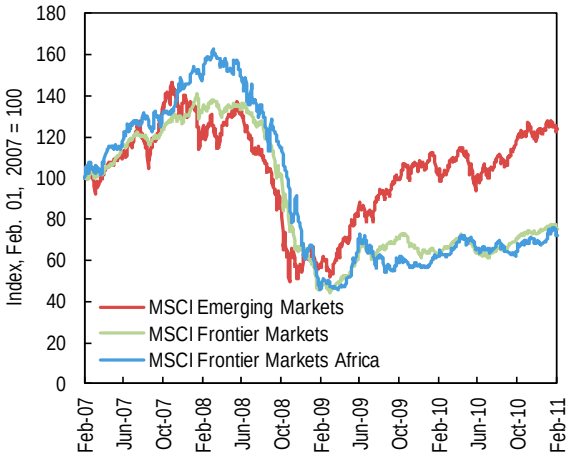
This section synthesizes information from a survey of country officials, market participants, and desk officers on factors influencing capital flows to the region's 11 FMs in 2010. It then considers differences between these countries and other comparator groups on the key explanatory factors mentioned in the survey findings.

Recent Capital Flows—Contrasting Narratives

The postcrisis pattern of capital inflows to sub-Saharan African FMs has been diverse.

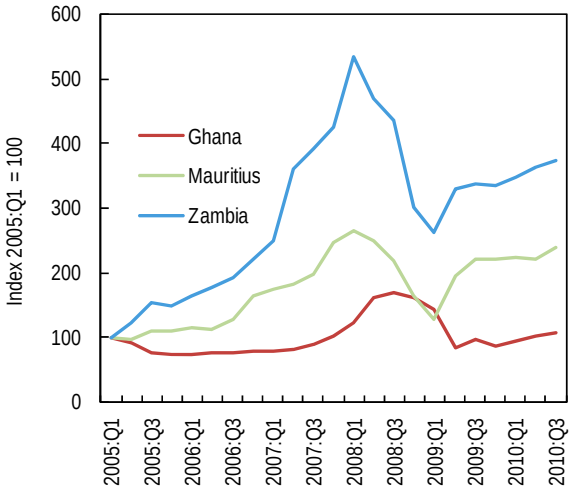
[8] Indeed, Asiedu (2002) also finds that factors that drive FDI to other developing countries, including returns on investment and infrastructure, are less important in driving FDI to sub-Saharan Africa.

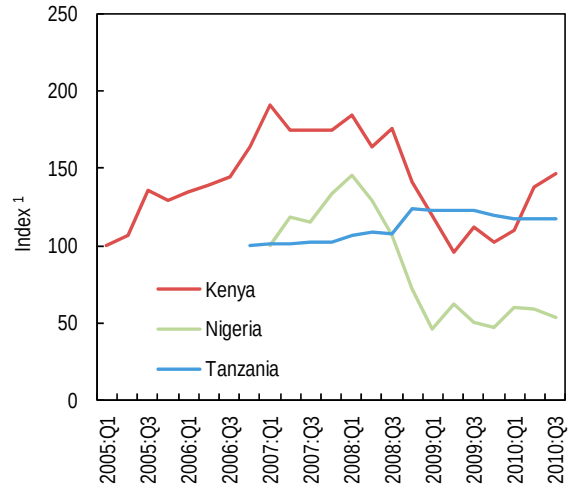
Figure 2.11. Morgan Stanley Capital International (MSCI) Indices



Source: Bloomberg.

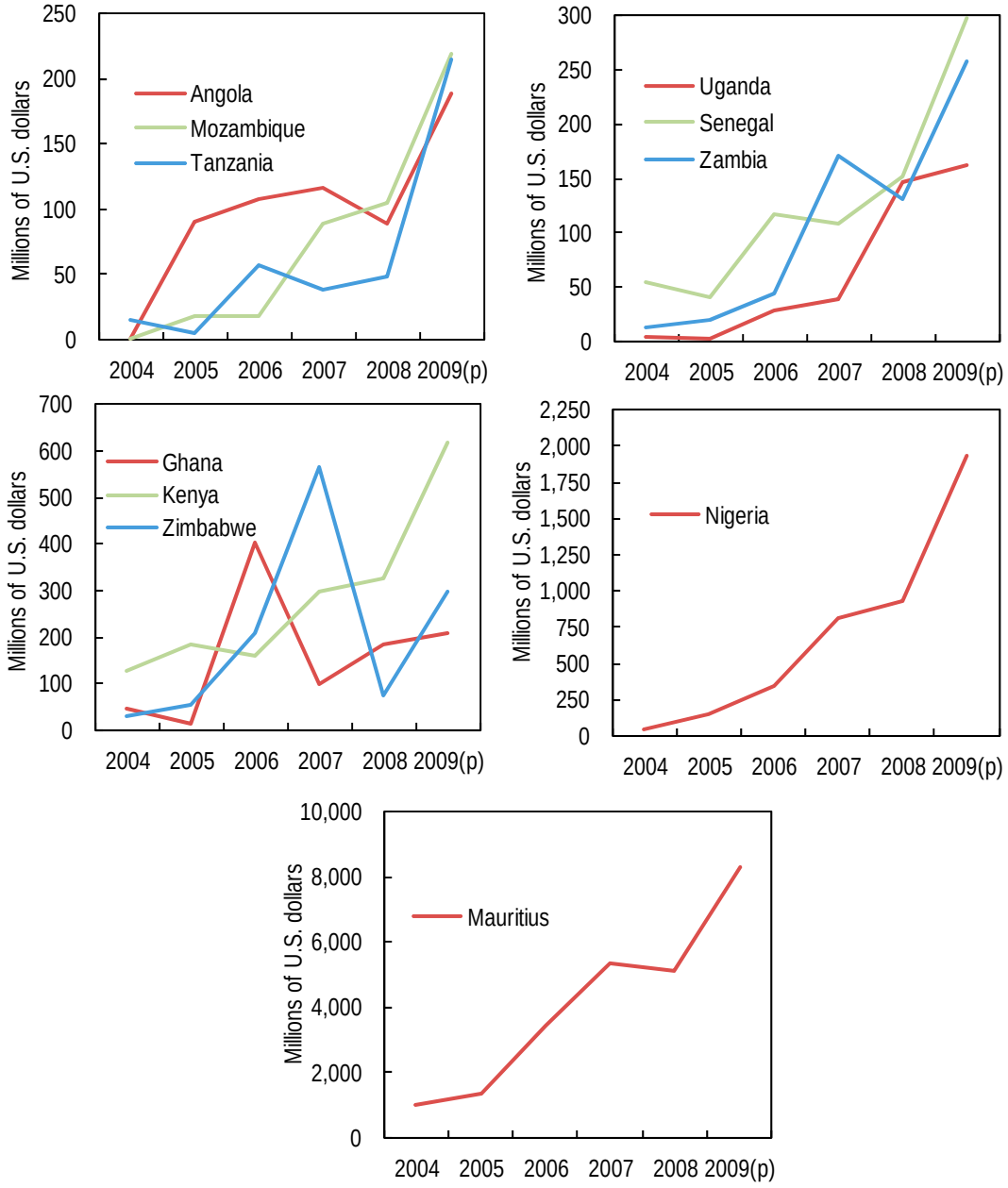
Figure 2.12. Country Stock Market Indices





Source: Bloomberg.
[1]For Kenya index 2005:Q1 = 100, for Tanzania index 2006:Q4 = 100, for Nigeria index 2007:Q1 = 100.

Figure 2.13. Sub-Saharan Africa Frontier Markets: Foreign-Held Equity Securities



Source: IMF, Coordinated Portfolio Investment Survey (CPIS).

While a few FMs have recaptured investor interest, generating a renewed surge in inflows, others have been bypassed. Country case studies suggest that country-specific factors explain the varied experiences. Table 2.1 summarizes the results, and details are presented in Table 2.2.

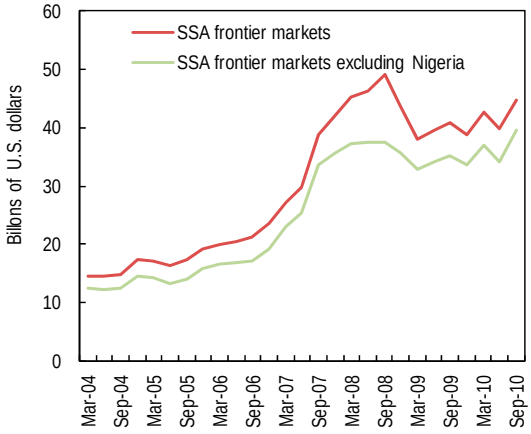
Resurgence. Ghana, Mauritius, and Zimbabwe—for quite different reasons—have recorded significant new inflows recently. Ghana recorded a resurgence of capital inflows in 2010, mainly the result of domestic factors (Figure 2.17). Unlike most sub-Saharan countries, Ghana tightened its

fiscal and monetary policies in 2009 and 2010, in response to significant macroeconomic imbalances. Robust GDP growth prospects premised on strong performance in the gold and cocoa sectors, and the start of oil production, have increased investor interest. All categories of capital flows have recovered sharply since the third quarter of 2009, especially into government securities, which nearly tripled between 2009 and 2010. The recovery in capital inflows to Mauritius mostly mirrors developments in emerging markets. The country acts as a financial platform for investors bound for Asia and sub-Saharan Africa. With a strong regulatory framework in line with international norms and a resilient economy, Mauritius has benefited from favorable investor sentiment, despite lower domestic interest rates. All categories of capital inflows have surged, and have exceeded precrisis levels. Following the implementation of an economic stabilization program in 2009, Zimbabwe has recorded a sharp increase in portfolio equity investment and foreign currency deposit inflows.

Modest recovery. Zambia has recorded a modest pickup of net capital inflows, mainly in the form of FDI. This reflects increased confidence in the Zambian economy, and privatization-related inflows. Growth has been strong and copper prices have recovered sharply. That said, net portfolio flows have been negative in most of 2009 and 2010, reflecting disinvestment in government securities by foreigners who decreased their share from 11 percent (US$250 million in early 2009 to 1½ percent (US$30 million) at end-September 2010 (Figure 2.18). Private capital inflows recovered strongly in Kenya in 2009, but have subsided in 2010 while official flows picked up.

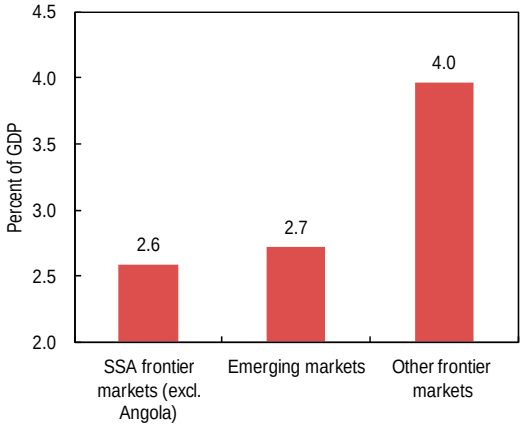
No recovery. Several countries have recorded no recovery in net capital flows. Capital inflows peaked in 2007–08, and the trend sharply reversed during late 2009. In countries such as Tanzania

Figure 2.14. Sub-Saharan Africa Frontier Markets: Consolidated Foreign Bank Claims



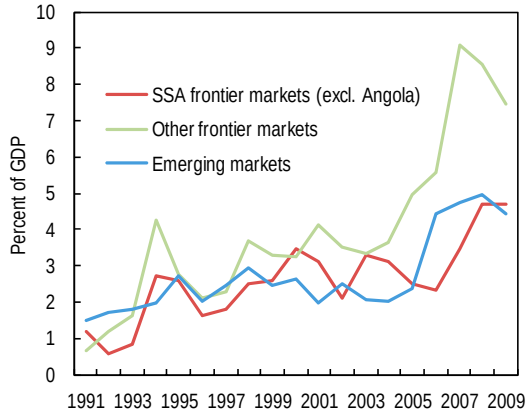
Source: Bank of International Settlements.

Figure 2.15. Average FDI as Percent of GDP, 1991–2009



Sources: IMF, World Economic Outlook database; and World Bank, *Global Development Finance*.

Figure 2.16. FDI as Percent of GDP



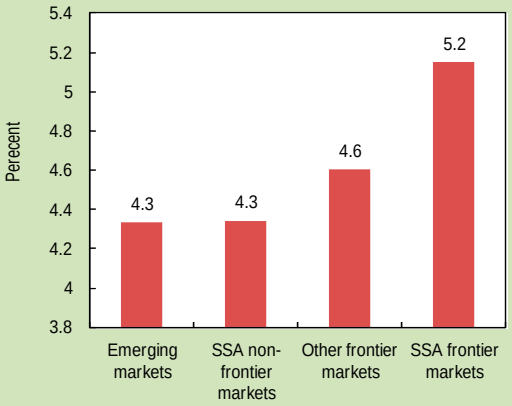
Sources: *IMF,* World Economic Outlook database; and World Bank, *Global Development Finance*.

Box 2.2. Foreign Direct Investment to Sub-Saharan Frontier Markets

Output growth, which supports returns on equity portfolio and foreign direct investment (FDI), has been higher in sub-Saharan Africa frontier markets (FMs) than in other groups (Figure 1, includes projections). Since the mid-1990s, output growth in sub-Saharan Africa FMs has consistently averaged above 4 percent, whereas growth in the other country groups has been more volatile (Figure 2). Growth was resilient in sub-Saharan African FMs even during 2008–09, while the other groups suffered sharp slowdowns during the global financial crisis. According to WEO forecasts, growth will be higher on average during 2011–15 in sub-Saharan African FMs than in any of the other groups. During the full time span from 1992 to 2015, average output growth, at 5.2 percent, is nearly a full percentage point higher in the sub-Saharan Africa FMs than in emerging market economies (EME) and sub-Saharan African nonfrontier groups, and about a ½ percentage point higher than in other FM countries.

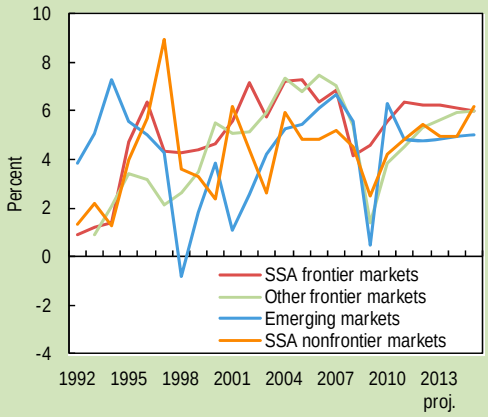
The rate of return on FDI was substantially higher for the sub-Saharan African FMs than for other regions during the last few years. Figure 3 shows an estimate of the average rate of return on FDI from 1997 to 2008 for each Country group. Returns on FDI are estimated by dividing the current-year FDI profit repatriation by the sum of FDI during the previous 10 years, using data from the World Bank. This calculation assumes that 10 percent of the original FDI volume depreciates every year.[1] Based on these estimates, sub-Saharan African FMs achieved the highest return on FDI across the benchmark groups, with an average rate of 17.8 percent over the period 1997–2008, compared with 16.3 percent for EMEs and 15 percent for other FMs. Return on FDI reached above 40 percent in sub-Saharan African FMs in 2008, well above the returns from the other regions (Figure 4). Similarly high rates of return on FDI flowing into sub-Saharan Africa in the 1990s were calculated by Asiedu (2002)[2] using data from the United Nations Conference on Trade and Development (1999).[3]

Figure 1. Average Output Growth, 1992–2015



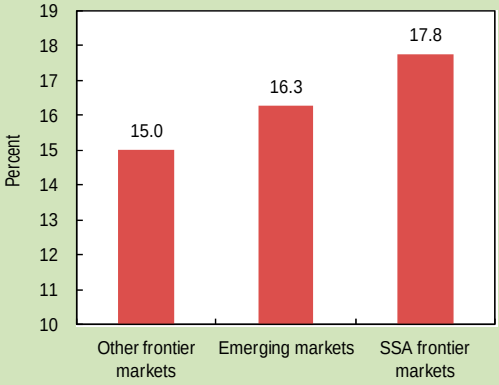
Sources: IMF, World Economic Outlook database; and IMF staff calculations.

Figure 2. Output Growth, 1992–2015



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

Figure 3. Average Foreign Direct Investment Return, 1997–2008



Sources: World Bank, *Global Development Finance*; and IMF staff calculations.

This box was prepared by Alexis Meyer-Cirkel.

[1] The calculation for the proxy FDI return is done as follows: $100 * FDI\ Remittance_t / (0.1 * FDI_{t-9} + 0.2 * FDI_{t-8} + 0.3 * FDI_{t-7} + 0.4 * FDI_{t-6} + 0.5 * FDI_{t-5} + 0.6 * FDI_{t-4} + 0.7 * FDI_{t-3} + 0.8 * FDI_{t-2} + 0.9 * FDI_{t-1} + FDI_t)$

[2] Asiedu, Elizabeth, 2002, "On the Determinants of Foreign Direct Investment to Developing Countries: Is Africa Different?" *World Development,* Vol. 30, No. 1, 107–119.

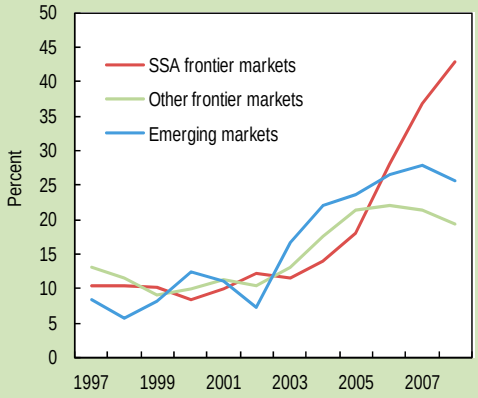
[3] United Nations Conference on Trade and Development, 1999, "Foreign Direct Investment in Africa: Performance and Potential" (New York: United Nations).

FDI inflows to sub-Saharan Africa partially reflect interest in resource extraction activities, but a diversification of the export base is also taking place. In sub-Saharan Africa, resource extraction industries generally constitute a large share of economic activity. Moreover, capital is often attracted by tax concessions and favorable contract arrangements. It is difficult to get a, comprehensive picture of the final investment destination of FDI given that a sectoral decomposition of FDI flows is not provided for the country groups analyzed here.

Nevertheless, existing data allow a check on the diversification dynamics of the export industry. The Herfindahl-Hirschmann index, for example, looks at how exports and imports of individual countries or groups of countries are concentrated on several products or otherwise distributed in a more homogeneous manner among a series of products.

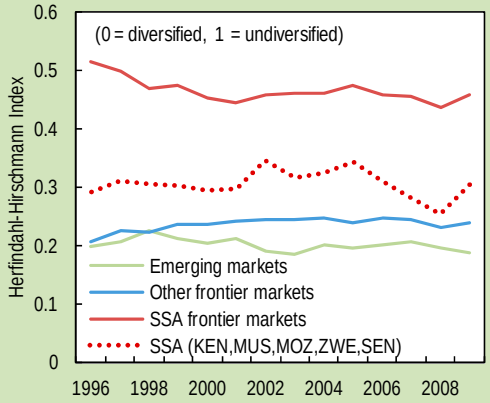
Some important lessons can be drawn from the figures on concentration dynamics: On average, sub-Saharan African FMs are undiversified compared to other FMs and EMEs (Figure 5). Particularly the oil-exporting sub-Saharan African FMs (Angola and Nigeria) lack diversity in their export product pallet. From 2000 onward some improvement is noticeable for Nigeria while the concentration increased for Angola. High export concentration volatility is noticeable in the industrial development of Ghana, Mozambique, and Zambia. And for about half the sub-Saharan African FMs—Kenya, Mauritius, Senegal, Tanzania, Uganda, and Zimbabwe—the diversification of exports is comparable to other FMs and EMEs (Figure 5, dotted line). Sub-Saharan African FMs show the fastest average diversification improvements between 1996 and 2009, with a drop of the Herfindahl-Hirschmann concentration index of about 11 percent, followed by the EME group with a change of about -5 percent, while the other FMs had an increase in their concentration index of about 15 percent (Figure 6).

Figure 4. Estimates of Rates of Return on Foreign Direct Investment



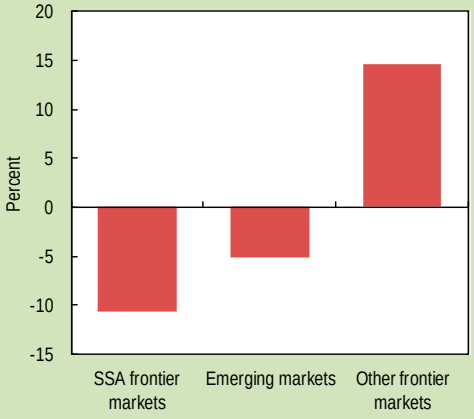
Sources: World Bank, *Global Development Finance*; and IMF staff calculations.

Figure 5. Average Concentration of Exports Index



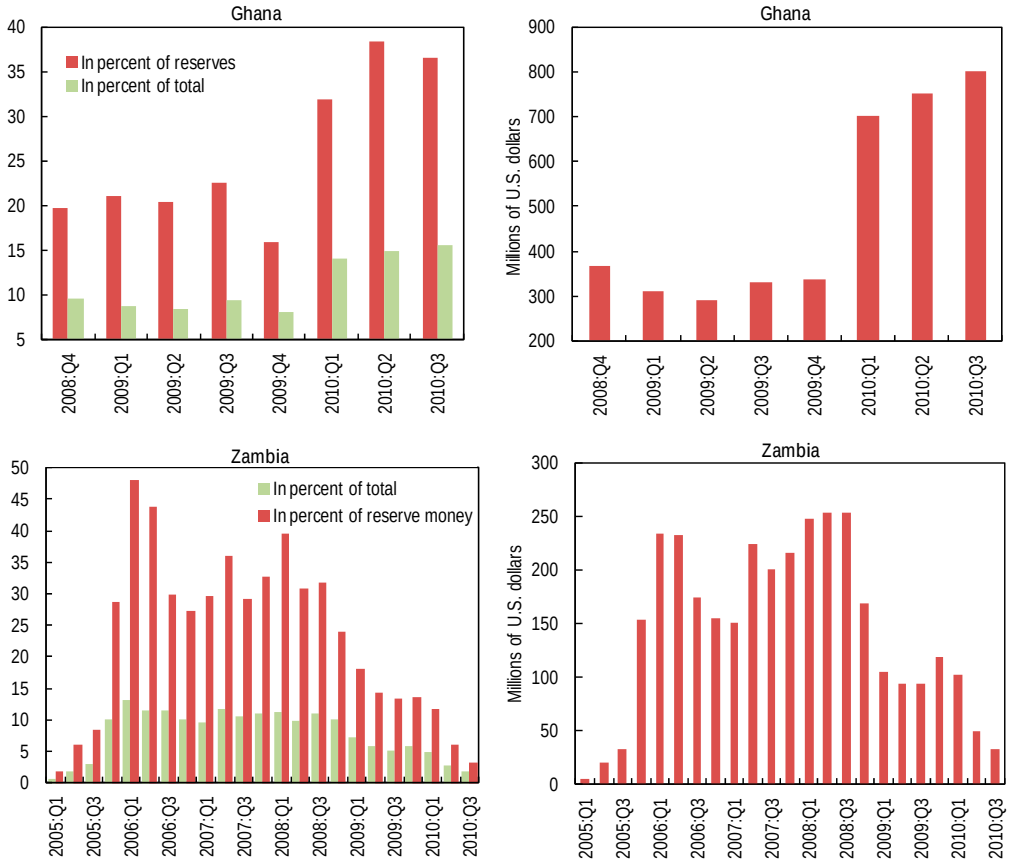
Source: United Nations Conference on Trade and Development statistics.

Figure 6. Change in Concentration of Exports, 1996–2009



Source: United Nations Conference on Trade and Development statistics.

Figure 2.17. Foreign Ownership of Government Securities



Source: Ghanaian and Zambian authorities.

and Uganda, despite improving macroeconomic fundamentals, currencies have come under pressure in part as a result of net portfolio outflows.

Sharp decline. For various country-specific reasons, there has been a sharp decline in portfolio flows in Nigeria, although net capital flows recovered in 2009 and have picked up in 2010. About US$3.6 billion of portfolio investment left Nigeria during 2008–09, against a net inflow of US$2 billion during the previous two years. This largely reflected lack of investor confidence in the economy as a result of the banking crisis, corruption scandals related to the stock exchange, and political uncertainty related to forthcoming national elections.

Table 2.1. Developments in Private Capital Flows during 2010[1]

	Strong Recovery	Moderate Recovery	Little Change	Decline
FDI	Ghana, Mauritius	Kenya, Zambia	Tanzania, Uganda	Nigeria
Portfolio	Ghana, Mauritius	Kenya, Zambia	Tanzania, Uganda	Nigeria
Other	Ghana, Mauritius, Zimbabwe	Kenya	Tanzania, Uganda	Nigeria

Source: IMF African Department staff survey.
[1]There are insufficient quarterly data for Angola, Mozambique, and Senegal.

What Explains This Varied Experience?

This section explores the factors that have a bearing on the recent experiences of different forms of capital flows. These can be grouped into global and local factors that influence the supply of funds to FMs (for example, including the relative return between the source country and

Table 2.2. Factors in Attracting Private Capital Inflows

	Commodity developments	Cross-border interests	Macroeconomic factors	Political/institutional	Banking soundness/ regulations
Angola	High oil prices				
Ghana	Investments in offshore oil fields and the anticipation of oil production to begin in 2011. High prices for gold and cocoa		Multilateral debt relief and approval of an IMF supported program	Institutional reforms, such as those affecting capital and financial markets, have made it easier to invest	Foreign bank inflows in 2009–10 to meet increased minimum statutory capital requirements for domestic subsidiary banks
Kenya		Significant FDI flows to its EAC partner countries, with investments in several sectors		In the first half of 2010, "wait-and-see" attitude in the run-up to referendum on the new constitution	
Mauritius		Important regional financial center (with strong regulatory framework) for many cross-border investments bound for Africa and Asia (especially into India due to a highly advantageous double-taxation agreement)	Wide-ranging structural reforms to diversify the economy, and efficient administration and market-friendly regulations support its reputation as a financial safe-haven in the region		
Mozambique	FDI to exploit its largely untapped resource base		Sustained improvements in macroeconomic fundamentals and policies		
Nigeria	High oil prices		Macroeconomic imbalances, including high inflation, a high fiscal deficit, the depletion of oil savings, and decline in foreign reserves	Corruption scandals related to management of the stock exchange. A long delay in finalizing a bill to overhaul oil and gas legislation in several areas relevant to foreign companies	Banking crisis
Senegal		WAEMU banks from outside Senegal seeking yield and diversification			
Tanzania					
Uganda	First significant oil discoveries		Sustained improvements in macroeconomic fundamentals and policies		
Zambia	High copper prices				
Zimbabwe	High gold and platinum prices		Restored political and economic stability from early 2009, reducing investor concerns and reviving the inflow of private capital		Under full dollarization, bank deposits grew from $314 million to $1,322 million during 2009, of which an estimated $270 million of capital inflows originated from U.S. dollar notes circulating outside the banking system

Table 2.2 (*concluded*)

	Financing need: current account 2010 *(Percent of GDP)*	Infrastructure, megaprojects, privatization	Capital controls	Market infrastructure
Angola	0.6		A strict system of capital controls, and all capital account transactions are subject to prior approval by the National Bank of Angola	No secondary government securities market nor stock exchange
Ghana	-11.6	Privatization of telecom operator Vodafone		
Kenya	-7.7	Privatization of telecom operators Telkom and Safaricom		
Mauritius	-9.4	Public and private sectors related to the tourism sector, a Chinese integrated industrial project, and various real estate development projects		
Mozambique	-13.6	Plans to finance road project during 2010–13 with financing from a Portuguese public bank. FDI inflows associated with megaprojects, especially in coal mining, natural gas, and metals (titanium)		Stock exchange is relatively new, with only two listed equity shares. Government bonds are issued on the stock exchange, but domestic banks accounting for most of the subscriptions.
Nigeria	6.6			
Senegal	-8.2	Accessed the international markets in 2009 to finance a road project		No liquid secondary market and only one Senegalese company is listed on the regional stock market.
Tanzania	-8.8		Tightened capital controls in an effort to discourage speculative inflows	Foreign interest in Tanzania's stock exchange has been growing, but total turnover on this exchange has been extremely modest
Uganda	-6.4			Portfolio inflows channeled mostly through commercial banks, which purchased government securities directly in the primary securities market on behalf of their foreign clients.
Zambia	-1.6	Privatization of telecom operator Zamtel	Tightened capital controls in an effort to discourage speculative inflows	Most of the equity activity has been in IPOs, the majority of which are sold outside the Lusaka stock exchange (LuSE). The LuSE lists only 20 companies, volumes are small, and the exchange is not well integrated with banking payments systems
Zimbabwe	-21.3	FDI is mainly driven by one large investment in platinum production		Stock exchange was closed under stress from hyperinflation in November 2008, but reopened in February 2009. Market capitalization reached US$4 billion by end-October 2010, and portfolio equity investment generated an estimated net inflow of US$60 million in 2010. The liquidity in the exchange has started to improve since October 2010, with monthly transaction volumes reaching about US$50 million
	Attracting inflows	Intermediate	Discouraging inflows	

Source: IMF staff estimates.

the recipient) and factors that determine the demand for funds.

Global Factors Determining the Supply of Funds

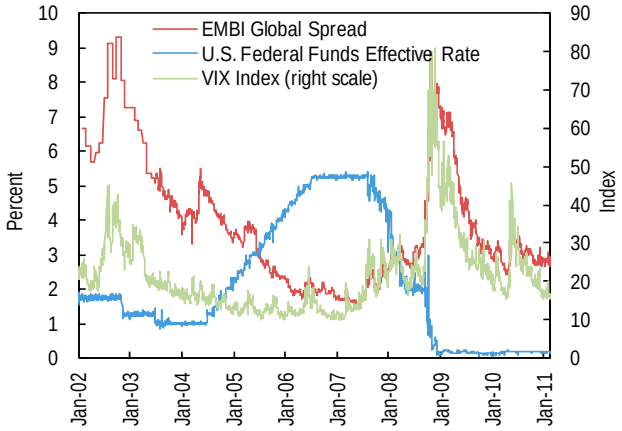
During the past several years, global factors have largely set the aggregate trends of net capital flows to sub-Saharan Africa. On balance, sub-Saharan African countries received net inflows in the years preceding the global financial crisis, followed by sharp declines in flows during the peak of the crisis. Excess liquidity and low yields in advanced countries provided the impetus for these overall trends, as in other regions (Figure 2.18). Risk appetite has been the other key global factor, as spreads and other measures of risk (such as the Chicago Board Options Exchange Market Volatility Index, VIX) spiked after the Lehman collapse. Risk has since been gradually declining except for periodic reversals that reflect sovereign debt and financial sector concerns in Europe. Global factors also include continuing interest in diversification into new markets, particularly those with high growth rates relative to Organisation for Economic Co-operation and Development (OECD) countries (Figure 2.19).

Local Factors Determining the Supply of Funds

Beyond these global trends, the relative size and composition of inflows among sub-Saharan African FMs and relative to other groups of countries depend on a large number of country-specific pull factors (Table 2.2). For all investment categories, the expected rate of return and risk determine the attractiveness of the investment. For debt securities and loans, changes in the interest rate and exchange rate provide the rate of return, and volatility is a key risk factor.

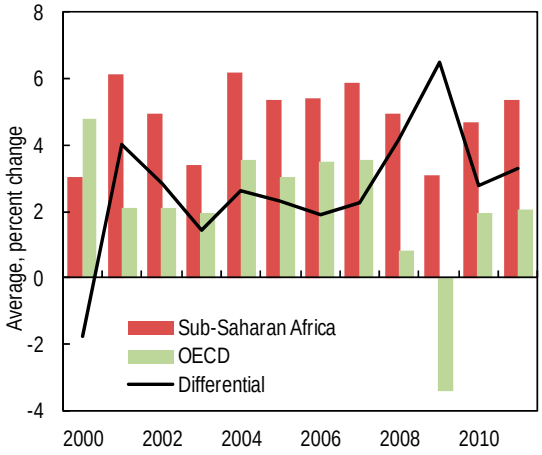
Policy rates. According to survey information, sharply lower domestic interest rates relative to the period before the crisis stand out as an important factor in the relatively slower recovery of debt portfolio inflows to sub-Saharan Africa.

Figure 2.18. Global Indicators



Source: Bloomberg.

Figure 2.19. Real GDP Growth



Source: IMF, *World Economic Outlook*.

In order to counter the effects of the global recession, most sub-Saharan countries adopted expansionary fiscal and monetary policies. In particular, policy rates were reduced by nearly 4 percentage points on average between end-2008 and September 2010 (Figure 2.20). Indeed, in sub-Saharan Africa FMs, the average policy rates declined much more than in other frontier and emerging markets (Figure 2.21).[9]

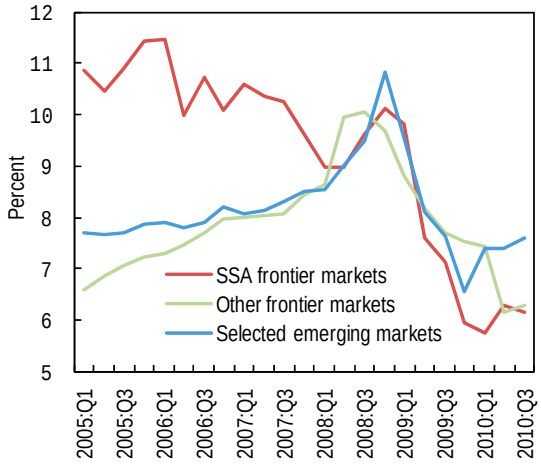
[9] Countries included in the average discount rate for SSA frontier markets are Ghana, Mauritius, Nigeria, Senegal, Tanzania, Uganda, and Zambia. Other frontier markets are Bangladesh, Bulgaria, Jordan, Kazakhstan, Pakistan, Sri Lanka and Vietnam. Selected EMEs are Colombia, Egypt, Malaysia, Peru, South Africa, Thailand, and Uruguay.

- *Yields on government securities* have largely mirrored developments in policy rates. Although 91-day yields rose by 2½ percentage points on average at the onset of the crisis in 2008, yields subsequently declined 4¼ percentage points—to 7¾ percent on average in December 2010—partly reflecting the easing of monetary policy (Figure 2.22). This implied a decline in spreads vis-à-vis U.S. government securities. Yields on government securities have been a key factor in the distribution of debt portfolio inflows. Before the crisis, Ghana, Tanzania, Uganda, and Zambia received significant carry trade operations owing to high yields. Such carry trade has subsequently subsided in line with monetary easing.

- *Exchange rate depreciation* has been more acute in the sub-Saharan African FMs since the global crisis. Indeed, whereas exchange rates have rebounded to precrisis levels in the EMEs, they have remained on a downward trend in sub-Saharan African FMs, which may have affected investor perceptions of the risk of continued depreciation (Figure 2.23).

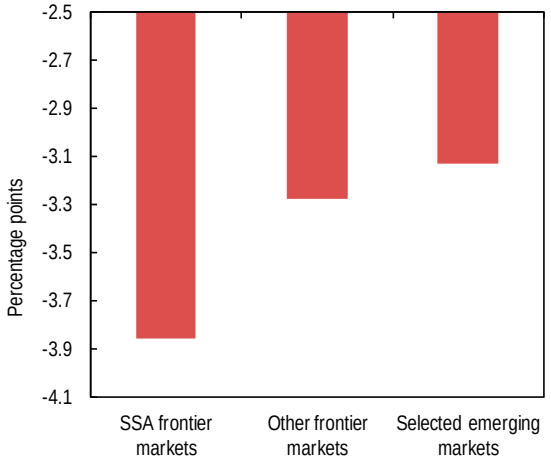
- *Exchange rate volatility* has increased since 2008, raising perceived exchange rate risk and discouraging inflows in many countries. In some countries, the central bank intervenes to smooth exchange rate fluctuations. For example, such intervention encouraged carry trade in Uganda before the crisis. Although hedging markets are underdeveloped or nonexistent, the recent volatility may encourage fledgling development of these markets. For instance, nascent signs of renewed foreign interest in Zambian government securities have been accompanied by short-term currency swaps of kwacha for dollars between nonresidents and commercial banks.

Figure 2.20. Policy Rates Across Regions



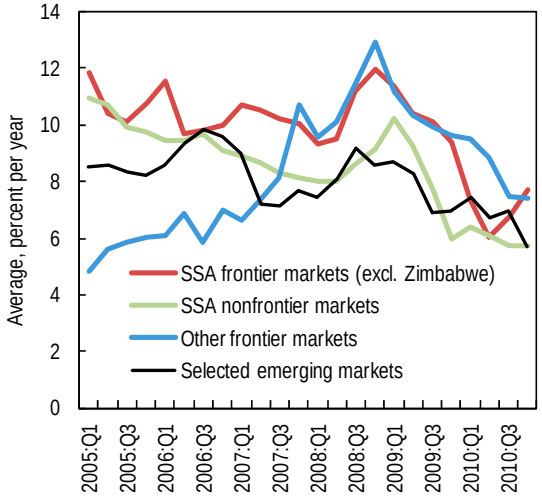
Sources: IMF, Information Notice System; and countries' central banks.

Figure 2.21. Change in Policy Rate Spreads, end-2008 to end-September 2010



Sources: IMF, Information Notice System; countries' central banks; and IMF staff calculations.

Figure 2.22. Average 91-Day Yield



Source: IMF, *International Financial Statistics*.

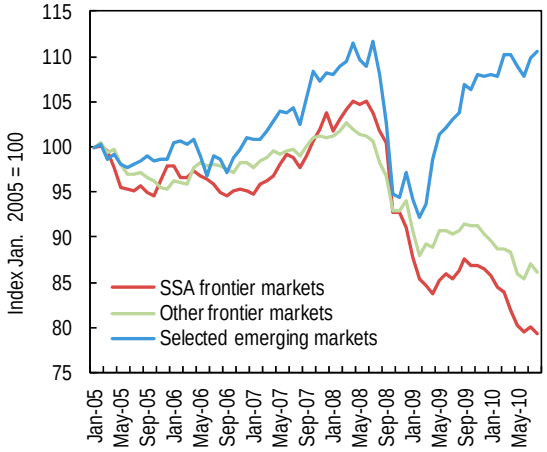
In addition to these factors with a near-term bearing on returns to debt portfolio investment, survey respondents also noted several other background factors that have influenced the recent volume of equity flows to FMs.

- *Commodity developments*. Higher commodity prices—copper in Zambia and gold and platinum in Zimbabwe—were expected to boost economic conditions and may have contributed to higher inflows to these countries. Similarly, the coming onstream of oil production likely has enhanced investor interest in Ghana.
- *Macroeconomic policies* have improved in a number of countries, most notably Zimbabwe. In some countries facing the challenge of reducing public debt, such as Ghana, the monetary-fiscal mix generates high yields, while credit worthiness is underpinned by other favorable conditions, such as in the oil sector.
- *Political uncertainty*. Prospective elections in Uganda (February 2011) and Nigeria (April 2011) may have contributed to the sluggishness of inflows in these countries.
- *Cross-border interests* have been an important reason for capital flows associated with Mauritius. Financial flows, mainly from advanced countries, are intermediated by banks in Mauritius, destined for other African countries or for Asia, especially India (Figure 2.24–Figure 2.26).

Factors Determining Demand for Funds

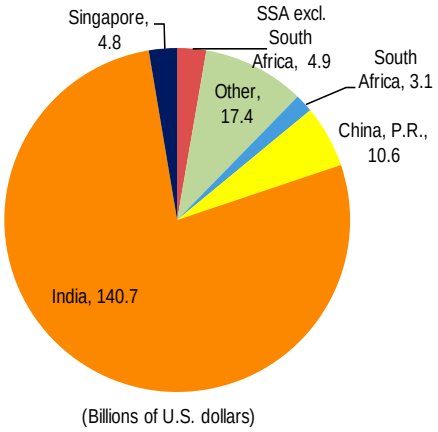
While risk and return drive the supply of foreign capital, capital inflows also depend on official and private financing needs at the country level and the supply of investable securities and instruments.

Figure 2.23. Evolution of Average Exchange Rates Against the U.S. Dollar



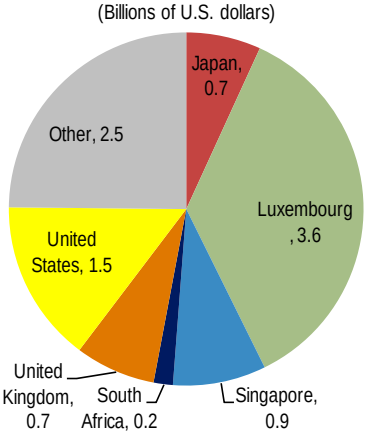
Sources: IMF, Information Notice System; and IMF, *International Financial Statistics*.

Figure 2.24. Mauritius: Portfolio Investment by Destination, 2009



Source: IMF, Coordinated Portfolio Investment Survey (CPIS).

Figure 2.25. Mauritius: Portfolio Liabilities by Creditor, 2009



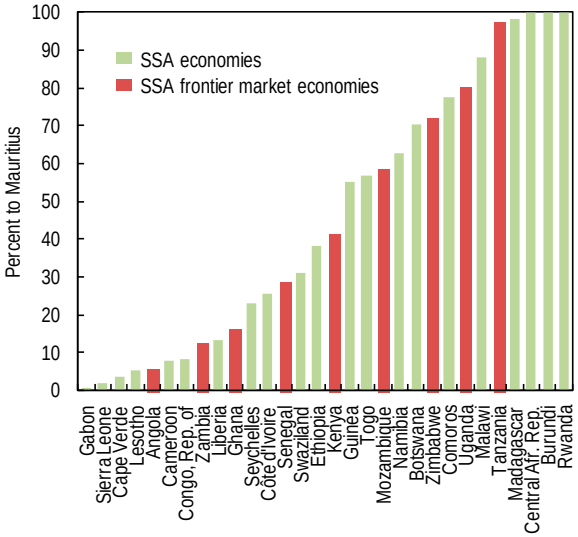
Source: IMF, Coordinated Portfolio Investment Survey (CPIS).

- *External financing needs*. External borrowing partly reflects the need to finance current account deficits. For instance, Zimbabwe relies on capital flows to finance current account deficits of about 20 percent of GDP and support liquidity in the fully dollarized banking system. The increase in external financing in Ghana from 2006 through 2008 also corresponded to the widening of current account deficits. In addition to financing current account deficits, many countries in sub-Saharan Africa are looking to scale up public investment for large infrastructure projects or other mega projects.
- *Foreign financing* is often needed, because local financial markets and concessional resources are typically insufficient. Some FM countries, including Ghana in 2007 and Senegal in 2009, have already accessed international markets through sovereign bond issuance, and many other countries are contemplating issuing a sovereign bond. Some countries have also tapped foreign funds for domestic government debt.
- *Privatization* of telecommunication operators recently has generated large capital inflows in a number of countries.

Long-Term Determinants of Private External Financing in Sub-Saharan Africa

The previous section examined a number of key factors underpinning the recent experience of capital inflows to sub-Saharan African FMs. This section considers the formal evidence over a longer period, using data from all of sub-Saharan Africa (excluding Nigeria and South Africa). The regressors include variables to capture "push factors" such as global interest rates and risk; "pull factors" such as local interest rates, growth rates,

Figure 2.26. Mauritius: Portfolio Liabilities, 2009



Source: IMF, Coordinated Portfolio Investment Survey (CPIS).
[1]Excludes Angola and Senegal due to data availability.

and exchange rate volatility; and constraints to financial transactions, such as capital account openness and financial development. The specification is broadly similar to Milesi-Ferretti and Tille (2011) and IMF (2011a, 2011b).

Overall, the determinants to capital flows into sub-Saharan Africa are broadly in line with those for flows into other regions. In particular, formal empirical analysis confirms that push and pull factors are important determinants of capital inflows to sub-Saharan African countries (Table 2.3).[10] Among push factors, U.S. 10-year Treasury bond yields and the CBOE volatility index have negative relationships with inflows across the great majority of country groups. Thus, high yields and global risk aversion in advanced countries significantly deter global private portfolio flows, including to sub-Saharan African FM countries.

Output growth and financial sector development (using private credit to GDP as a proxy) have a positive and significant association with inflows

[10] The results should be interpreted with caution, however, owing to the usual shortcomings associated with endogeneity of regressors and omitted variable bias. The dependent variable is the log level of net total and portfolio flows—thereby the estimations are run using only net inflows and treating net outflows as missing.

across the majority of country subsets.[11, 12] Capital account openness[13] is less robust, influencing only total net inflows to non-sub-Saharan African countries. In contrast, these regulatory obstacles appear to have had limited power in steering capital flows to sub-Saharan African countries. The size of an economy, measured as the average GDP in U.S. dollars over the entire panel time span, plays a significant role in attracting capital in some samples.

A few factors expected to affect capital inflows do not seem to have much bearing. Exchange rate volatility[14] was only important in constraining net total inflows to the full sample of countries. Although market participants indicate that the spread of the local policy rate vis-à-vis the U.S. rate is an important pull factor for bonds, formal econometric analysis is unable to find a systematic role for short-term interest rates in attracting foreign capital. This result may reflect a combination of poor data quality, simultaneity in the relationship between short-term interest rates and capital flows, and time-varying risk premiums in individual countries that are not adequately proxied by global risk.

Comparison with Other Groups

Sub-Saharan Africa FMs perform well on many indicators of macroeconomic and financial conditions and public sector management (Table 2.4). They outperform their regional peers in almost all indicators and compare favorably to the groups of other FMs and select EMEs in a number of indicators. In the category of macroeconomic conditions, the SSA FM group has the highest projected growth rates and the lowest external debt and related interest rate burden. In public sector management, SSA FMs lead other groups in low levels of informal payments to public officials, strength of legal rights, the least time required for enforcing contracts, and the group has the lowest total tax rate (as a percent of profit). On indicators of financial sector conditions, sub-Saharan Africa FMs' banking sector performs well and ranks second lowest in cost-income ratio. Sub-Saharan Africa FMs outperform their regional peers in the credit depth information index and capital account openness, but trail the other benchmark groups.

How does performance in these indicators relate to the size of capital inflows during the last two years? Portfolio flows relative to GDP seem to be the most sensitive to macroeconomic, financial, and public sector performance. The select group of EMEs has the best overall performance and also attracts the most portfolio inflows in percent of GDP. Likewise, SSA non-FM countries have the weakest performance and the least portfolio inflows to GDP. In contrast, portfolio inflows as ratios to reserve money and other types of capital inflows in 2009–10 have shown less of a systematic relationship to macroeconomic, financial sector, and public sector performance.

Exchange rate volatility in the sub-Saharan Africa FM group has roughly moved in lockstep with the other regions (Figure 2.27), although it has been slightly higher during 2009–10. Market participants often argue that increases in volatility may encourage dollarization, including of deposits in the banking sector. However, in spite of higher volatility since 2008, foreign currency deposits have remained a stable share of total banking sector deposits in the sub-Saharan Africa FMs (Figure 2.28). Indeed, no clear relationship is noticeable between changes in exchange rate volatility and the share of foreign currency deposits during 2009–10 (Figure 2.29).

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[11] In an alternative specification lagged output growth was used as the regressor, given potential endogeneity issues, and coefficients were very similar.

[12] This result is robust to the use of the first principal component of three variables (private credit over GDP, stock market capitalization, and cost-to-income ratio of the banking sector) as an alternative proxy for financial development.

[13] The capital account openness index by Chinn-Ito "is based on the binary dummy variables that codify the tabulation of restrictions on cross-border financial transactions reported in the IMF's *Annual Report on Exchange Arrangements and Exchange Restrictions* (AREAER)" (Chinn and Ito, 2008).

[14] Measured as the coefficient of variation.

Table 2.3. Formal Evidence on Determinants of Capital Inflows

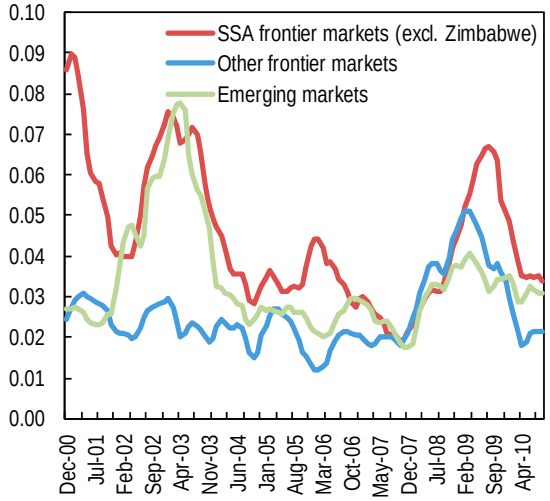
	Sub-Saharan Africa[1]		Sub-Saharan Africa Frontier Markets		Non-High-Income, non-Sub-Saharan Africa		All Countries	
	Net total inflows	Net portfolio inflows	Net total inflows	Net portfolio inflows	Net total inflows	Net portfolio inflows	Net total inflows	Net portfolio inflows
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
U.S. 10-yr Treasury bond yield	-0.25**	-0.26**	-0.23**	-0.01	-0.11**	-0.28**	-0.20**	-0.28**
	(-5.54)	(-2.30)	(-2.71)	(-0.05)	(-3.72)	(-4.32)	(-7.98)	(-6.12)
Log (VIX index)	0.18	-0.39	0.60**	-1.05**	0.08	-0.78**	-0.06	-0.74**
	(1.06)	(-1.17)	(2.19)	(-2.11)	(0.79)	(-3.27)	(-0.81)	(-4.90)
Output growth	-0.01	0.07**	0.00	0.02	0.04**	0.06**	0.01**	0.05**
	(-0.63)	(2.35)	(0.02)	(0.21)	(3.88)	(2.80)	(2.16)	(3.88)
Private credit/GDP†	4.31**	2.16	4.10**	2.90	2.08**	1.18	1.77**	1.00**
	(4.90)	(1.09)	(2.42)	(0.73)	(5.58)	(1.59)	(8.40)	(3.20)
Capital account openness	-0.06	-0.12	-0.06	0.09	0.16**	-0.03	0.10**	-0.07
	(-0.92)	(-0.85)	(-0.61)	(0.54)	(4.00)	(-0.33)	(3.22)	(-1.07)
Average size GDP (in U.S. dollars, all periods)	0.06	0.05	-0.02	0.05	0.00	0.03**	0.00	0.03**
	(1.09)	(0.31)	(-0.69)	(1.09)	(0.75)	(3.63)	(0.72)	(3.87)
Countries	34	24	10	8	69	53	145	118
Observations	438	154	138	59	930	424	1759	882
R-squared	0.16	0.12	0.21	0.13	0.16	0.11	0.16	0.12
Time span	1991–2010		1991–2010		1991–2010		1991–2010	

Sources: Chinn-Ito (2008); IMF, *International Financial Statistics,* World Economic Outlook database, and IMF staff calculations; and World Bank, *World Development Indicators* (2010).
Note: Dependent variable is the log level of the respective capital inflow concept. ** indicate significance at the 5 percent level. † lagged by one year. T-statistics in parenthesis. Estimates obtained by fixed-effects regression.
[1]Excludes South Africa and Nigeria.

Policy Recommendations

Except for a few countries, the volume of post-crisis inflows has not yet returned to a level that is complicating macroeconomic management. So, most countries' authorities have not yet been tasked to provide a policy response to large inflows. Indeed, some policymakers may be primarily interested in how to further induce stable and beneficial capital inflows that can support investment and growth. The formal results shown in the previous section point to policies that operate over a longer time horizon, such as developing financial markets and integrating them with global markets, and implementing policies that provide a supportive macroeconomic and institutional environment.

Figure 2.27. Coefficient of Variation for Nominal Effective Exchange Rate, 12-Month Period



Sources: IMF, Information Notice System; and IMF staff calculations.

Table 2.4. Comparison of Key Indicators, 2009

	SSA Non-frontier Markets	SSA Frontier Markets	Other Frontier Markets	Emerging Markets
Capital Flows				
Total net private capital inflows in percent of GDP (2010)	5.2	4.9	2.6	3.3
Total net private capital inflows in percent of reserves (2009)	18.3	57.0	28.7	1.5
Net portfolio inflows in percent of GDP (2010)	0.1	0.2	0.4	1.8
Net portfolio investment in percent of reserve money (2009)	-0.1	-2.7	5.3	-9.5
Macroeconomic conditions				
GDP in billions of U.S. dollars (average)	7	40	93	226
GDP per capita in U.S. dollars	2,026	1,758	3,942	6,542
Current account balance in percent of GDP (2010)	-10.4	-6.8	-3.2	1.1
GDP growth projection in percent (average 2011–15)	5.3	6.2	5.5	4.9
Interest payments on external debt in percent of GNI (2008)	3.27	0.39	1.72	1.15
Reserves in months of imports	5.9	5.3	5.9	9.3
External debt stocks in percent of GNI (2008)	70.6	21.7	49.2	25.9
Inflation, consumer prices (annual percentage change)	12.8	12.7	14.7	8.5
Public sector management				
Informal payments to public officials in percent of firms	27.3	1.6	13.8	98.3
Strength of legal rights index (0 = weak to 10 = strong)	3.9	6.4	5.9	6.1
Government stability index (higher number = greater stability)	8.6	8.6	8.9	7.6
Time required to enforce a contract in days	664.7	591.2	750.1	738.3
Time required to register property in days	89.2	70.5	66.4	48.9
Total tax rate in percent of profits	79.5	37.0	41.8	44.3
Primary schooling completion rate, total (percent of relevant age group)	59.3	73.4	82.3	110.5
Financial sector conditions				
Domestic credit to private sector in percent of GDP (2008)	17.1	28.0	59.0	69.6
Credit depth of information index (0 = low to 6 = high)	1.3	1.7	4.3	5.7
Banking sector cost-income ratio	0.7	0.6	0.5	0.7
Capital account openness (Chinn-Ito), (-2.5 = closed to 2.5 = open)	-0.6	0.0	0.4	1.2

Sources: IMF, World Economic Outlook database, and *International Financial Statistics;* World Bank, *Doing Business Indicators;* and *World Development Indicators;* and PRS Group, *International Country Risk Guide* .

Note: Group ranking in individual series, by color: 1st rank | 2nd rank | 3rd rank | 4th rank

Table 2.5. Current Macroeconomic Indicators

	Exchange rate assessment	Nov-10 year average	Reserves in months of imports	2011 CPI inflation	2011 Output growth	2011 Fiscal balance	2011 Public debt	2011 Spending GDP	External debt distress risk rating	Latest bank NPL	2008 Capital account restriction
Angola	0	31.8	4.2	10.8	6.4	4.5	30.3	35.2	Moderate	…	-1.83
Ghana	+	1.4	2.9	9.0	13.0	-4.6	41.7	28.7	Moderate	18.1	-1.14
Kenya	0	20.4	3.4	4.5	5.7	-5.4	82.2	25.6	Low	6.8	1.17
Mauritius	0	4.1	4.6	2.6	4.1	-4.8	56.6	35.4	…	…	2.50
Mozambique	+	-18.8	4.9	5.6	7.5	-6.9	39.2	29.1	Low	1.8	-1.14
Nigeria	0	18.4	5.7	8.5	6.9	-0.1	17.5	36.5	Low	30.1	-0.50
Senegal	0	-1.3	3.7	2.1	4.4	-5.6	40.5	26.6	Low	18.7	-1.14
Tanzania	0	-16.6	5.2	5.0	7.2	-6.5	41.3	29.8	Low	…	-1.14
Uganda	0	6.7	5.5	6.8	6.1	-6.8	28.4	18.6	Low	2.8	2.50
Zambia	0	20.0	3.6	7.0	6.4	-2.7	26.9	22.8	Low	…	2.50
Zimbabwe	…	…	0.6	8.3	6.5	-2.7	53.1	27.0	In distress	…	-1.83

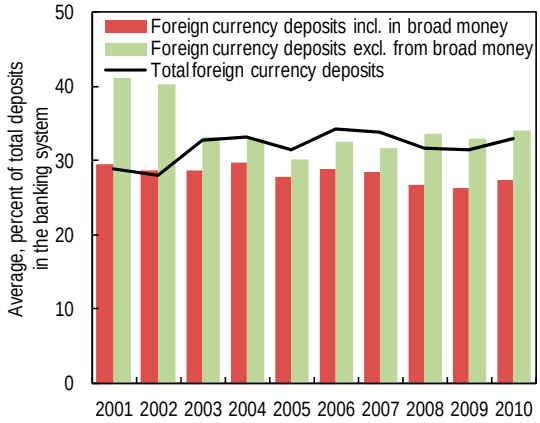
Sources: IMF, World Economic Outlook database, and African Department database.

Nonetheless, for the countries that have experienced a rebound in inflows, and for the others in which market participants indicate incipient interest, it still is useful to consider a policy strategy to manage the flows. Indeed, inflows posed challenges for policy in several countries before the crisis, at times leading to undesired pressures and volatility of the exchange rate. During the crisis, outflows led to severe pressure for exchange rate depreciation in many cases.

Capital inflows to sub-Saharan African FMs can also be large relative to the size of the monetary base and financial markets, complicating monetary operations. For instance, foreign holdings of government securities have fluctuated by as much as 50 percent of reserve money, according to data from Ghana, Uganda, and Zambia (Figure 2.30). In contrast to many emerging markets that have adopted inflation targeting as their monetary anchor, many of the sub-Saharan African FM countries target a monetary aggregate. Large and volatile capital inflows may require frequent adjustments to monetary targets, particularly if money demand fluctuates significantly with expected exchange rate changes and interest rate differentials. Central banks may also switch their target from reserve money to broad money for a closer link to inflation objectives or implement a more flexible approach to monetary targets.

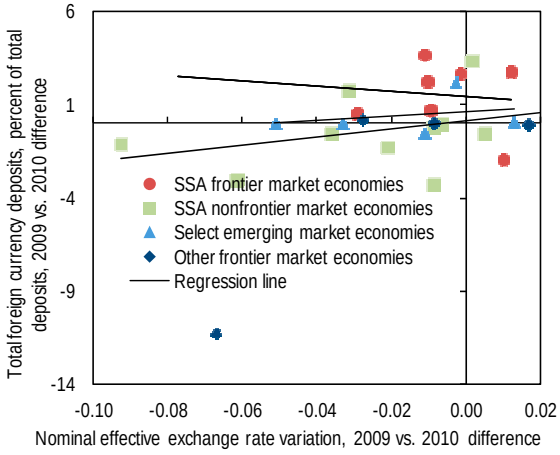
Foreign investment into government securities may also create challenges for fiscal policy. A prolonged surge of capital inflows may well induce complacency among country authorities regarding the level of public deficits that can be sustainably financed without crowding out the private sector. If global liquidity remains excessive for an extended time, inflows to FMs may resume with vigor, particularly once concerns over elections and other temporary factors are eliminated. Thus, policymakers will need to weigh and prepare for alternative policy responses. Country options for addressing large capital inflows consist of a mix of macroeconomic policies (including monetary,

Figure 2.28. Sub-Saharan Africa Frontier Markets: Foreign Currency Deposits in the Banking System[1]



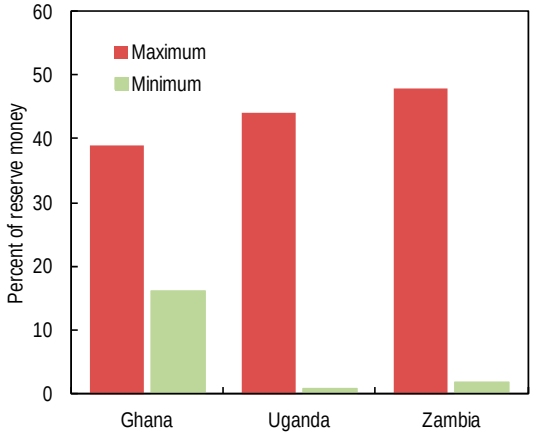
Source: IMF, *International Financial Statistics*.

Figure 2.29. Effective Exchange Rate Volatility and Dollarization, 2009 vs 2010



Sources: IMF, Information Notice System, and *International Financial Statistics.*

Figure 2.30. Foreign Holdings of Government Securities, 2005:Q1–2010:Q3[1]



Source: Country authorities; and IMF staff calculations.
[1]For Ghana, data available for 2008:Q4–2010:Q3, and for Uganda, 2008:Q1–2010:Q2

exchange rate, and fiscal policies), macro-prudential measures, structural reforms that increase the capacity of domestic capital markets, and capital controls. Similar to other countries receiving capital inflows, the primary response should focus on macroeconomic policy adjustment and prudential measures to ensure resiliency of the financial system.[15]

Capital inflows that are large relative to the size of the economy or financial markets may inevitably induce exchange rate appreciation. In some cases, where the exchange rate is undervalued and competitiveness is not a concern, exchange rate flexibility may be desirable. When competitiveness is already weak, however, the monetary authorities may opt to intervene in the foreign exchange market. If the level of foreign reserves is below a target level for reserve adequacy, the intervention may have the salutary side effect of building sufficient reserve buffers.

- According to the latest exchange rate assessments by IMF staff, only Ghana and Mozambique had overvalued real exchanges relative to measures of their equilibrium values (Table 2.5). Other countries had exchange rates in line with fundamentals, although these estimates typically have a certain degree of uncertainty.
- Competitiveness is a concern for authorities in Mauritius owing to large recent inflows and had been a concern in Uganda before the crisis. These countries and a few others with low reserve ratios, such as Kenya and Ghana, could take advantage of capital inflows to opportunistically build foreign reserve buffers.
- Many countries have also intervened to smooth exchange rate fluctuations in both directions. They could also deepen financial markets to better absorb inflows while minimizing volatility.
- Several countries—Angola, Kenya, Nigeria, and Zambia—have had large cumulative exchange rate appreciations since 2004. Although fundamental factors such as positive terms-of-trade shocks may explain these developments, the appreciation of the exchange rate may have reduced competitiveness of the non-commodity-based sectors.

When monetary authorities intervene to prevent exchange rate appreciation, they must also decide whether to sterilize the corresponding increase in base money by offsetting sales of domestic securities. By keeping money growth subdued, sterilized intervention may assuage incipient pressures for high credit growth and asset price inflation. However, sustained sterilization may be ineffective in highly integrated capital markets, where the resulting high interest rates induce further capital inflows. Sterilization may also be difficult in shallow and illiquid markets where sales of domestic securities may not easily be absorbed without large changes in market prices. Also, if the central bank's balance sheet is weak, it may be reluctant to incur high sterilization costs.

- The Bank of Zambia has been active in sterilization operations, primarily through open market operations.
- The Bank of Ghana has sterilized part of its exchange rate interventions, using its own paper. Operational costs, estimated at 0.3 percent of GDP in 2010, have already begun affecting its cash flow. Sterilization to address a future surge in capital inflows would likely have limits and be costly.

[15]The policy response hierarchy is outlined in IMF (2011c).

- In some cases, the increase in reserve growth associated with intervention may not feed into credit growth and overheating when the banking system is weak. In Ghana, for instance, intervention was only partly sterilized in 2010. But the increased liquidity did not increase domestic credit growth because of low confidence and high nonperforming loans in banks.
- Banking systems in several countries were strained by the global slowdown or by domestic factors. Efforts are under way to improve banking soundness in Mozambique and Zimbabwe by restructuring problem loans, cleaning up balance sheets, and improving supervision and the regulatory framework. Nigeria is improving banking soundness through recapitalization and a troubled asset purchase facility. For these countries, capital inflows intermediated by banks may not generate higher credit growth. On the other hand, weak banks may be even more vulnerable to volatility in flows.

A tighter fiscal stance can help stem overheating pressures by reducing aggregate demand. In contrast to restrictive monetary policy, fiscal restraint reduces domestic interest rates, thus deterring capital inflows.

- Many countries in sub-Saharan Africa implemented countercyclical fiscal policies to counter negative effects of the crisis. The combination of these discretionary measures and the impact of the slowdown on revenues led to a rise in fiscal deficits and debt. As the economic recovery accelerates, countercyclical policy would imply that country authorities would need to tighten fiscal stances.
- Fiscal consolidation would be important to reduce public debt for many countries, including Kenya, Ghana, and Mauritius. However, the space for tightening is limited by the need for public investment in infrastructure.

Macroprudential measures complement macroeconomic policies, focusing on regulations to ensure the soundness of the financial system. Measures could include, for example, an increase in capital adequacy requirements and a tightening of lending standards, particularly for loans to the real estate market.

- In Mauritius, for example, net open positions in foreign exchange are limited to 20 percent of Tier 1 capital. Based on data through mid-2010, banks remained well within these limits because capital inflows resumed after the global crisis.
- In some countries, such as Zimbabwe, a tightening of banking regulations for prudential reasons correspondingly may constrain net capital inflows.

The authorities may also complement macroeconomic and financial stability measures with temporary controls on capital inflows. The merits of such controls depend on their effectiveness and whether they are consistent with objectives for financial integration. The long-term trend has been toward more open capital accounts: Kenya, Mauritius, Nigeria, Uganda, and Zambia increased their openness (Chinn and Ito, 2008) from 1995 through 2008. However, Tanzania and Zambia tightened capital controls in an effort to discourage speculative inflows following their experience with abrupt reversal of flows during the global crisis.

Box 2.3. Do Sub-Saharan Africa Exchange Rates Respond to Changes in Foreign Interest Rates?

Given the increasing integration of African economies into the world economy, it is worth investigating whether their exchange rates actually respond to key global financial shocks. In particular, it is worth investigating whether exchange rates have become more sensitive to movements in global interest rates and risk patterns in recent years.

To do this, the standard workhorse model of exchange rate determination based on the work of Dornbusch (1980) and Frankel (1979) is used. The Dornbusch model is based on the purchasing power parity principle which assumes that the nominal exchange rate adjusts to equalize prices in a common currency. In the model, the exchange rate adjusts immediately so there is an expectation of an exchange rate adjustment in the opposite direction. The Frankel model supplements the Dornbusch model with the assumption of interest rate parity in which bonds of different countries are perfect substitutes and offer the same return in a common currency in equilibrium.

Theoretically, the exchange rate model can be presented as

$$\Delta s_{t,\,k} = \alpha + \beta(i_t - i_t^*) + \gamma R_t + \varphi X_t$$

where

s = U.S. dollar exchange rate

i and i^* = domestic and U.S. nominal interest rates

R = risk premium

X = control variables

An empirical estimation is done on 12 SSA countries[1] with floating exchange rates and sufficient data for 2003–09, distinguishing between countries with open and closed capital accounts (Table 1).[1] For countries with open capital accounts, the figures reveal that the bilateral exchange rates moved in tandem with the decline in the Emerging Market Bond Index (EMBI) spread through end-2005 at which point the exchange rates began to depreciate against the U.S. dollar as the U.S. Treasury bill rate reached its peak (Figure 1). The exchange rates began to appreciate as the United States eased interest rates in late 2007 through 2008 but then depreciated sharply when the EMBI spread shot up to 7 percent. The exchange rates have appreciated somewhat since mid-2009 but not to the extent of the decline in the EMBI spread. The exchange rates of countries with less open capital accounts have followed movements in the U.S. Treasury bill rate, depreciating through end-2006 and appreciating subsequently until the relationship was broken by the sharp rise in the EMBI spread in mid-2008. Since then the exchange rates have depreciated at a fairly even rate.

_____

This box was prepared by Alun Thomas.

[1]Six countries with open capital accounts (Ghana, Kenya, South Africa, Tanzania, Uganda, and Zambia) and six countries with less open capital accounts (Gambia, Madagascar, Malawi, Mozambique, Rwanda, and Sierra Leone).

…continued

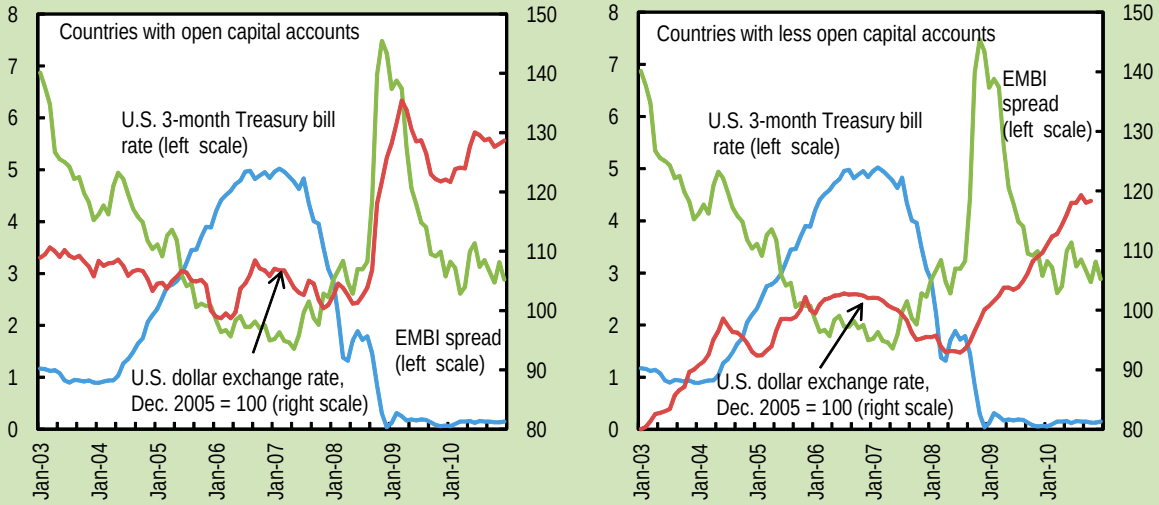
Table 1. Determinants of Bilateral U.S. Dollar Exchange Rate Change

	Countries with Open Capital Accounts		All Countries	
Interest rate differential	-0.03		0.00	
U.S.Treasury bill rate		0.34 ***		0.18 **
Domestic t-bill		-0.02		
Policy rate				0.01
EMBI interest rate spread	0.35 ***	0.64 ***	0.20 ***	0.40 ***
Domestic money growth (t-1)				
Domestic inflation				
Domestic inflation (t-1)	0.16	0.17	0.03	0.04
U.S. inflation	-1.14 ***	-0.99 **	-0.77 ***	-0.59 **
PPP variable (t-1)	-0.03 ***	-0.04 ***	-0.01 ***	-0.02 ***
Exchange rate change (t-1)	0.22 ***	0.21 ***	0.29 ***	0.29 ***
R^2	0.19	0.21	0.17	0.18
DW stat	1.92	1.91	1.96	1.94
Countries	6	6	12	12

Source: IMF staff calculations.

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

Figure 1. Interest Rates and Dollar Exchange Rates



Sources: IMF, *International Financial Statistics*; and Bloomberg.

3. The East African Community: Taking Off?

Introduction and Summary

The members of the East African Community (EAC) have been among the fastest growing in sub-Saharan Africa (SSA)—and more broadly in the developing world—in recent years. Three countries in the EAC (Rwanda, Tanzania, Uganda) were among the fastest growing economies in the world during 2005–09 (Table 3.1). Part of the recent high growth is "catching up" after years of very poor growth—in the last part of the 20th century the region suffered periods of severe civil strife and bouts of economic instability. Since then, the region has demonstrated commitment to strong policies. Despite the recent advances, however, per capita incomes remain low.

Medium-term prospects are favorable for translating recent gains into sustained high growth for the region. The recent growth path, however, will not be enough to achieve middle-income status and substantial poverty reduction by the end of the decade—the ambition of most countries in the region. Higher growth is needed to achieve these objectives.

This chapter looks at opportunities for the EAC to achieve sustained higher growth and to move to middle-income status over the next 10 to 15 years. It compares the EAC's recent growth record to that of countries that successfully achieved growth take-offs during the past decades—referred to as sustained growth countries (SGs) in this chapter—and considers the possible implications of ongoing changes in the global economy for the EAC's future growth path. The main conclusions are as follows:

- Extensive macroeconomic stabilization and policy reforms ushered in an uninterrupted period of financial stability, market development, and institution strengthening, setting the stage for the recent growth surge. The benefits of reforms have increased over time, and a continuation of prudent, market-based economic management should help sustain growth in the years to come.
- Compared with countries that have achieved successful growth take-offs, the EAC lags in terms of export growth and savings mobilization. The causes are largely of a structural nature (limited physical and financial infrastructure, high financing and regulatory costs) as exchange rates have been broadly in line with fundamentals. There is scope for active policies to unlock potential in these areas. Deeper regional integration, particularly in trade and investment (both public and private), could help raise productivity and reduce costs, facilitating higher exports.
- The EAC is well positioned to take advantage of new trade and financing opportunities offered by a changing global economy. Macroeconomic tools may need to be fine-tuned to mitigate any adverse impact of increased financial volatility and risks. Fiscal revenue and spending will need to be carefully managed to avoid the "resource curse" that could come from higher commodity exports and the "debt trap" that could follow excessive non-concessional borrowing.

This chapter was prepared by Martine Guerguil, Catherine McAuliffe, Hamid R. Davoodi, Maxwell Opoku-Afari, and Shiv Dixit, with editorial assistance from Jenny DiBiase and administrative assistance from Natasha Minges.

The EAC Growth Experience

The East African Community (Burundi, Kenya, Rwanda, Tanzania, Uganda) has achieved strong growth during the last two decades (Box 3.1).[1] Two noticeable growth breaks emerge in the period. The pace of growth increased from the early 1990s, in line with the trend in SSA (Figure 3.1). More recently, since 2005, the EAC has grown noticeably faster than the rest of SSA, and almost doubled the rates achieved in the previous 15 years. With annual per capita growth averaging close to 4 percent over the past 6 years, the EAC comes close to qualifying for a "growth acceleration" episode as defined in the economic literature.[2]

Table 3.1. Top 20 Fastest-Growing Economies in 2005–09

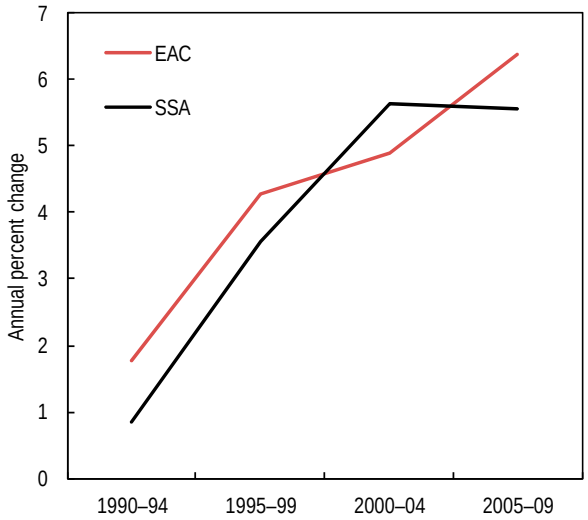
Ranking	Country	Real GDP Growth
		(percent change)
1	Angola	14.7
2	Afghanistan, I.R. of	12.9
3	Ethiopia	11.4
4	China, People's Republic of	11.4
5	Myanmar	9.4
6	Uganda	8.3
7	Uzbekistan	8.2
8	India	8.2
9	Rwanda	7.9
10	Sudan	7.8
11	Cambodia	7.8
12	Belarus	7.7
13	Dominican Republic	7.4
14	Vietnam	7.4
15	Mozambique	7.1
16	Tanzania	6.9
17	Peru	6.8
18	Argentina	6.8
19	Kazakhstan	6.7
20	Malawi	6.5
	EAC	6.4
	SSA	5.6

Source: IMF, *World Economic Outlook.*
Note: Excluding countries with population less than 9 million.

Growth rates are now trending upward in all EAC members, even though significant heterogeneity remains across them. Uganda stands out with the longest period of high growth (an average of 6.9 percent per year during 1990–2009) (Figure 3.2).

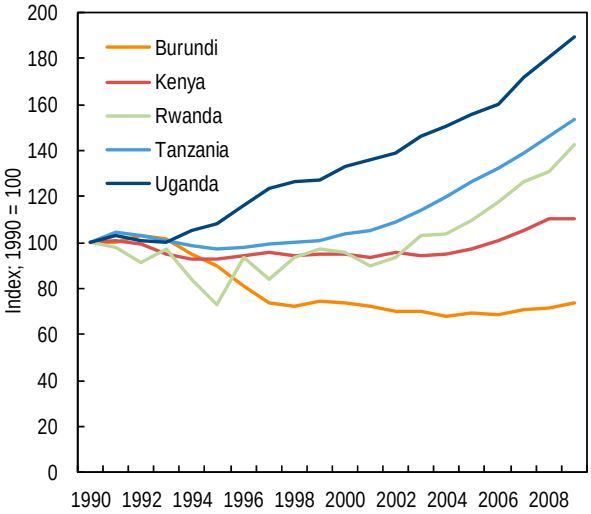
Rwanda and Tanzania have expanded rapidly since the early 2000s (7.7 percent per year in Rwanda and 6.8 percent in Tanzania). Since 2005, these countries have been among the fastest growing economies in the world, with annual average GDP growth rates of close to 8 percent—similar to other sub-Saharan

Figure 3.1. Real GDP Growth[1]



Source: IMF, *World Economic Outlook.*
[1]Weighted by purchasing power parity GDP.

Figure 3.2. Cumulative Growth in Real per Capita GDP



Source: IMF, *World Economic Outlook.*

[1] Regional aggregates are computed using unweighted averages, unless otherwise indicated.
[2] Hausmann, Hwang, and Rodrik (2007) define a growth acceleration episode as an increase in per capita output growth of at least 2 percentage points during at least 8 years with annual growth reaching at least 3.5 percent at the end of the period.

Box 3.1. East African Community—An Overview

The East African Community (EAC) was established in 2000 by Kenya, Tanzania, and Uganda; Burundi and Rwanda joined in 2007. Its objectives are to deepen cooperation among member states in political, economic, and social fields with the aim of establishing a monetary union and ultimately a political federation of East African states. While progress had initially been slow, the project has gained significant political momentum recently; efforts at policy and legal harmonization have accelerated, culminating with the establishment of a common market in July 2010.

While the current EAC has existed for just over a decade, there is a long history of cooperation under successive regional integration arrangements in the region dating back to 1917, starting with a customs union (Kenya, Tanzania, Uganda); the East African High Commission (1948–1961); the East African Common Services Organization (1961–1967); the East African Community (1967–1977), and the East African Co-operation (1993–2000).

EAC members nonetheless remain diverse in terms of incomes, industrial structures, and social indicators. The EAC has a population of about 127 million, a land area of 1.8 million square kilometers, and nominal GDP of $73.8 billion (2009). Kenya has the largest economy, with a nominal GDP of US$30.1 billion (41 percent of the region's total). Measured in GDP per capita, Burundi is the poorest member, with an average nominal per capita GDP of US$164, less than one-third of the EAC average (US$560). Large shares of the population live in rural areas across the region. Three of the countries are landlocked (Burundi, Rwanda, Uganda). Compared with the rest of Africa, commodities do not account for a large share of output or exports—although Tanzania is an important gold exporter, and large oil and gas reserves have been found in Rwanda and Uganda.

EAC Countries: Selected Indicators, 2009

	Burundi	Kenya	Rwanda	Tanzania	Uganda
GDP and inflation					
Nominal GDP *(billions of U.S. dollars)*	1.3	30.1	5.2	21.3	15.8
Nominal GDP per capita *(U.S. dollars)*	164	762	533	517	525
Real GDP per capita *(U.S. dollars)* [1]	115	487	345	460	366
Real GDP growth *(percent, annual average 1995–2009)* [1]	1.0	3.3	7.6	5.8	7.5
Consumer price inflation *(percent, annual average 1995–2009)*	13.6	8.0	10.6	9.7	6.0
Social indicators[2]					
Population *(millions)*	8.1	35.9	9.8	40.5	30.1
Population growth *(percent, annual average 1995–2009)* [3]	2.2	2.1	3.7	2.3	3.3
Rural population *(percent of total population)*	89.3	78.1	81.4	74.0	86.9
Mortality rate of infants *(per 1,000 live births)*	101.3	54.8	70.4	68.4	79.4
Literacy rate *(percent of people ages 15 and above)*	65.9	86.5	70.3	72.6	74.6
Geographical factors					
Landlocked	√		√		√
Natural resources[4]			√	√	√

Sources: IMF, *World Economic Outlook;* World Development Indicators; Barro and Lee (2010); and United Nations data.

[1] At constant 2000 prices and exchange rates.

[2] Most recent data available.

[3] For Rwanda, 1998–2009.

[4] Methane gas in Rwanda and oil in Uganda are not yet onstream.

This box was prepared by Catherine McAuliffe and Masafumi Yabara.

African high performers like Mozambique and high performers in other regions like Vietnam and Cambodia. After a period of stagnation, growth is picking up in Kenya, averaging 4.6 percent per year since 2005, providing momentum for the region as a whole to outpace the rest of Africa. Output declined in Burundi during most of the period since 1990—reflecting periods of political conflict—but is showing signs of recovery in recent years.

With strong output growth, per capita incomes in the region are catching up. Average real per capita GDP in the EAC reached US$412 in 2009—close to the average of US$420 for sub-Saharan Africa (excluding South Africa and Nigeria)—although wide variations remain within the region, from US$487 in Kenya to US$115 in Burundi.[3]

The region's high population growth (close to 3 percent per year over the last two decades, compared with the sub-Saharan Africa's average of 2.6 percent) has constrained poverty reduction. Income poverty fell by about 4 percentage points between 1990 and 2006 (latest available data from national poverty surveys) but remains unacceptably high, varying from about 20 percent of the population in Kenya to 68 percent in Burundi. At the same time, there have been advances in key social delivery indicators. In particular, most EAC countries are close to achieving universal primary education, and child mortality rates have come down.

To reach middle-income status by 2020—the ambition of most EAC countries—the region would have to grow at an average rate of about 8.5 percent per year for the rest of the decade, some two percentage points faster than in the last five years.[4]

Rwanda, Tanzania, and Uganda, with per capita income somewhat below the regional average, would have to grow by about 10–11 percent a year to meet that goal. Kenya is already close to middle-income levels, and should achieve this earlier if current growth rates are maintained. Burundi—the poorest of the EAC members—will take much longer to reach that goal. The question this chapter investigates is whether the EAC is well positioned to reach that target and what policies would facilitate its achievement.

How Does the East African Community Compare with Other Fast Growers? Benchmarking East African Community Growth

The ample growth literature has identified a long list of potential economic, political, and social drivers of growth. However, it has not been able to reach categorical conclusions about their respective contribution across countries or time. As a recent study puts it, there are "no recipes, just ingredients."[5] In the absence of firm theoretical foundations, "benchmarking" against high-growth comparators (comparing levels and trends in certain indicators to those observed in countries that actually achieved a high and sustained rate of growth) is often used to judge the growth potential of a country or region. Benchmarking can help identify potentially promising areas as well as possible constraints to growth, although by definition its capacity to serve as a basis for unconditional policy advice is limited.

The benchmark against which to compare the EAC's growth record is that of a group of high performers from different regions that graduated from low-income status at different times

[3] Real per capita GDP at 2000 prices and exchange rates. In nominal terms, the gap with respect to the regional average increased in the 2000s, largely reflecting the appreciation of several African currencies with respect to the U.S. dollar during this period.

[4] For illustrative purposes, the calculation assumes a middle-income threshold of US$1,000 GDP per capita in 2009 (close to the US$995 threshold of middle-income status defined by the World Bank). We assume this threshold grows in nominal terms at about 3 percent a year—the observed growth of the middle-income threshold over the last decade—for the next decade to reach an estimated US$1,353 in 2020.

(continued)

[5] Commission on Growth and Development (2008).

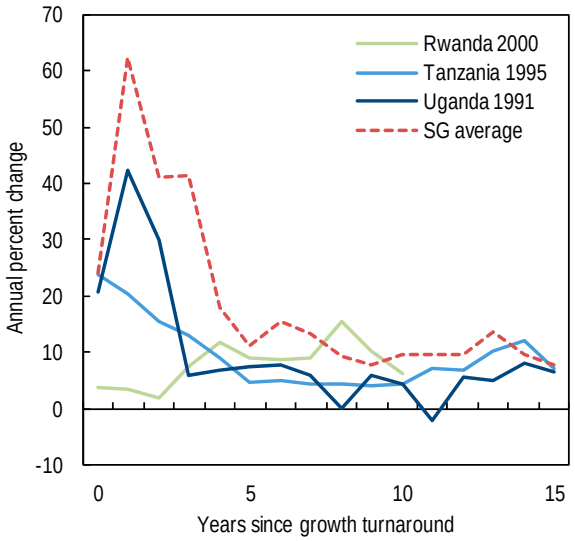
("sustained growth," or SG countries).[6] The exercise shows that growth determinants in the EAC have been similar in many respects to those observed in SGs but also differed in some important areas.[7]

Context Variables: Macroeconomic Stability, Open Markets, and Reliable Institutions

Financial stability, the existence of market-based price setting mechanisms, openness to international trade, and reliable economic institutions have been repeatedly identified as key ingredients for a sustained growth take-off.[8] The operation of market forces in a context of low inflation and respect for property rights allows for the discovery of profitable investment opportunities, boosts confidence, and facilitates a structural transformation of the economy from agriculture into higher-productivity activities. These features were present in all SG cases. Similarly for the EAC, the extensive reforms introduced in the 1990s and 2000s ushered in a period of uninterrupted macroeconomic stability—as shown, for example, by sharp declines in inflation in both SGs and EAC countries (Figure 3.3)—as well as of market development and institutional strengthening. These reforms set the stage for the growth surge.

Before the reforms, the economic record of the countries that were to form the EAC was rather poor. Fiscal spending was largely unchecked, monetary management accommodative, external tariffs high, and state intervention pervaded all key sectors, including banks. The results were large and rising budget deficits, growing debt burdens, high

Figure 3.3. Inflation since Growth Turnaround



Source: IMF, *World Economic Outlook*.

inflation, negative real interest rates, and unstable real exchange rates. Extensive price distortions created incentives for misallocation of resources that stunted growth and investment, while high inflation hit hardest the poor and vulnerable. The bleak economic outcomes often fueled political conflicts, with violent strife and even civil wars breaking out in many EAC members. Overall, real per capita GDP stagnated between the mid-1970s and the mid-1990s, during two "lost decades" (Figure 3.4).

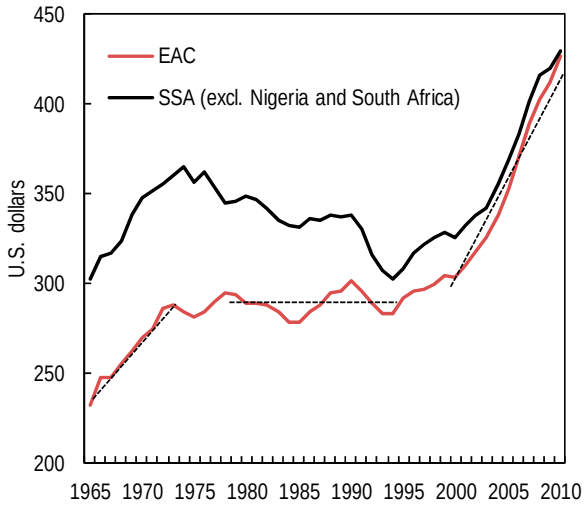
Since the late 1980s, all EAC countries—at different moments—introduced extensive reforms aimed at restoring macroeconomic balance and allowing the free functioning of markets. They eliminated the most onerous taxes and restrictions to economic activity and liberalized financial and exchange rate markets; introduced stricter budget controls (most often through binding cash budgeting procedures) while granting central banks more autonomy to curb runaway inflation. Trade reforms led to substantial reductions in the level and dispersion of tariffs and nontariff barriers. In Uganda, one of the first sub-Saharan African countries to embrace the process of

[6] The sustained growth countries (SGs) used as benchmarks in this chapter are those identified in Johnson, Ostry, and Subramanian (2007). They include Chile, China, the Dominican Republic, Egypt, Indonesia, Korea, Malaysia, Singapore, Taiwan Province of China, Thailand, Tunisia, and Vietnam.

[7] The comparisons mostly refer to Rwanda, Tanzania, and Uganda because these three countries have experienced the longest growth spells, allowing a discussion of trends over a longer period than would be available for Burundi or Kenya.

[8] See, among others, Commission on Growth and Development (2008); Ndulu, O'Connell, and Azam (2008); Johnson, Ostry, and Subramanian (2007); and IMF (2008b).

Figure 3.4. Real GDP per Capita (at 2000 exchange rates)[1]



Sources: IMF, *World Economic Outlook;* and IMF, African Department database.
[1]Weighted by population.

liberalization and pro-market reforms in the late 1980s, virtually all sectors of the economy have been liberalized. Tanzania, Kenya, and Rwanda have focused on restructuring and privatizing state-owned banks, opening the system to foreign banks, and creating new prudential frameworks, while interest rates and exchange rates were liberalized and most restrictions on capital account transactions removed. Burundi has made significant progress as a post-conflict economy and is also embracing these reforms, albeit at a slower pace.

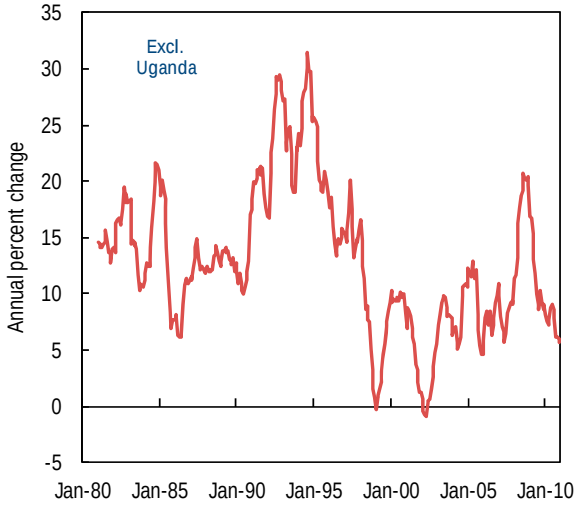
The reforms brought a radical turnaround in macroeconomic outcomes (Figure 3.5). With tighter monetary and fiscal policies, inflation was brought down to single digits—7.4 percent annual average across the region in the last decade, down from 27 percent in the 1980s. External debt has declined to less than 10 percent of GDP across the region, thanks to debt relief and fiscal consolidation—fiscal deficits have dropped and stabilized at an average of less than 3 percent of GDP in the last decade compared with more than 5 percent during the 1980s. With fiscal restraint, substantial international reserves were accumulated which, combined with flexible exchange rate regimes, avoided lasting overvaluation of the currencies. Trade liberalization spurred faster export and import growth. Increases in pro-poor public spending—with the financial support of the international community—contributed to gradual improvements in health and education indicators.[9] Last but not least, macroeconomic stability has been buttressed by the strengthening of key economic institutions (including the central banks, tax revenue administration, and regulatory agencies) with well-defined mandates, stable legal frameworks, and high professional expertise.[10] There have also been efforts to improve public financial management and public administration, but progress in these areas has been uneven.

The EAC's experience suggests a strong link exists between macroeconomic stabilization and policy reform, on the one hand, and acceleration in growth, on the other. Uganda, the earliest reformer, starting in the late 1980s, experienced the earliest and longest boost in growth. Tanzania and Rwanda followed in the mid-1990s; Kenya in the late 1990s; and Burundi in the early to mid 2000s. In all cases, after extensive market-oriented policy reforms, higher output growth rates ensued. The impact of policy reform may have been stronger in the EAC because these economies suffered at the start from higher instability and price distortions than most other high-growth cases.

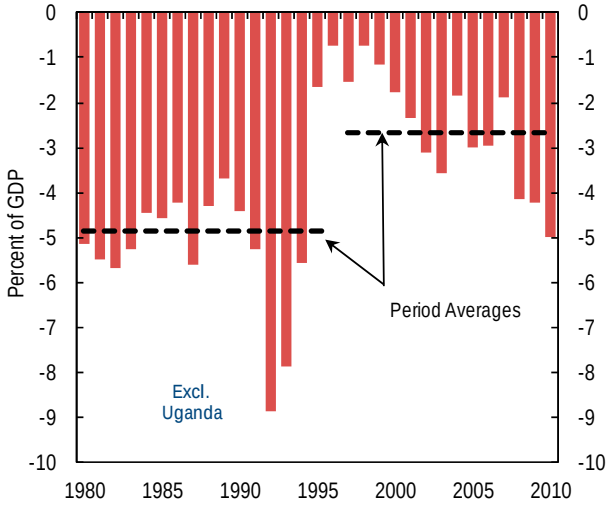
[9] IMF-supported stabilization programs accommodated increases in social spending in the 1980s and 1990s (Gupta and others, 2000).
[10] With the exception of Burundi, EAC countries have consistently ranked higher than the SSA average in the World Bank's Country Policy and Institutional Assessment (CPIA) ratings.

Figure 3.5. East African Community: Macroeconomic Stabilization[1, 2]

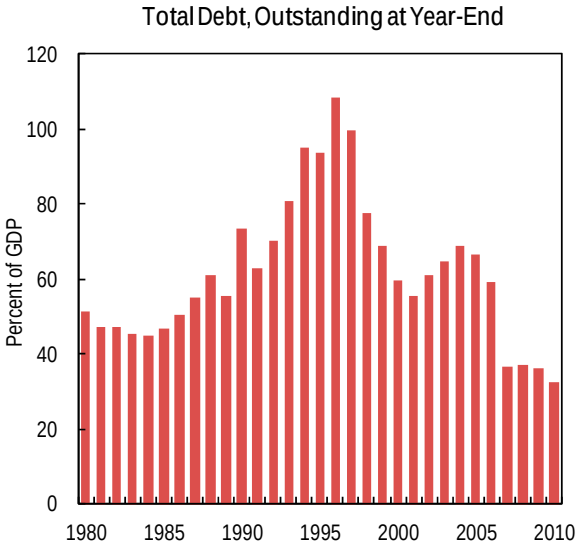
Strong policies introduced across the region in the late 1980s and early 1990s contributed to lower inflation...



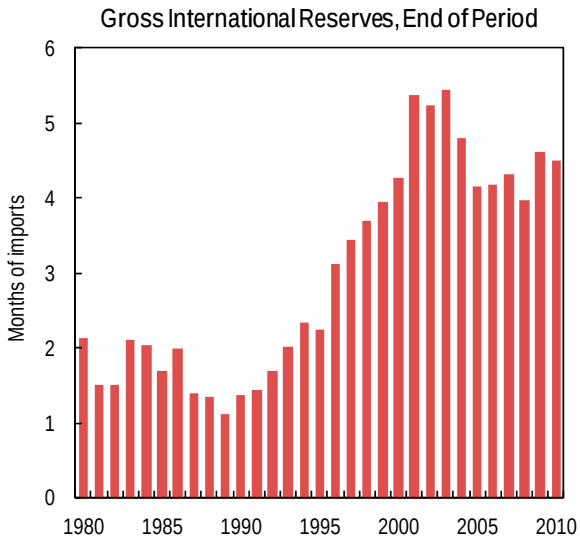
... and improved fiscal balances.



Debt levels have declined sharply, partly owing to debt relief...



...and reserves have increased to comfortable levels.



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.

[1] Weighted by purchasing power parity GDP.

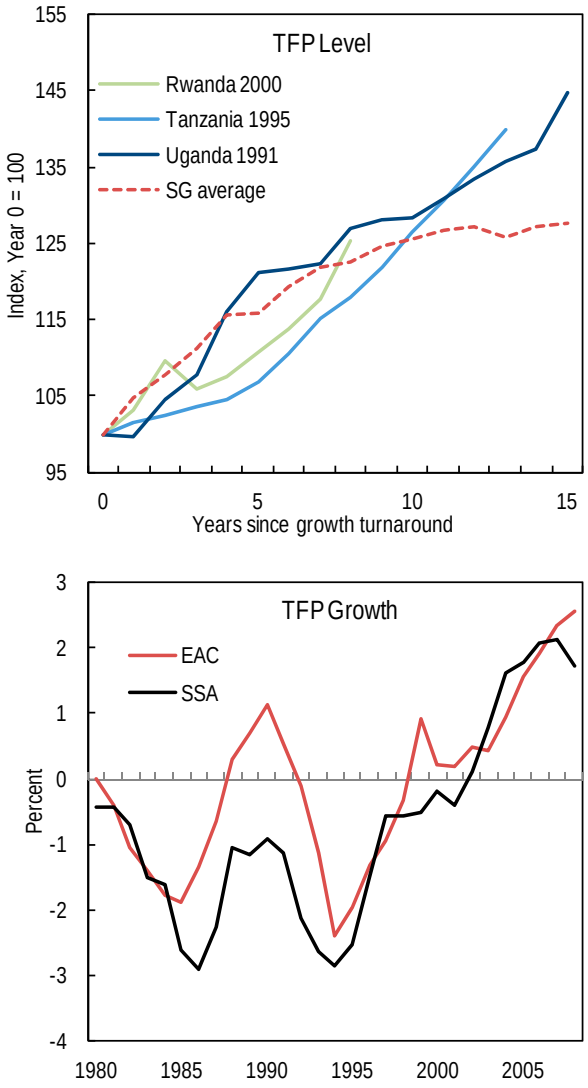
[2] Top panels exclude initial periods of hyperinflation and large fiscal imbalances in Uganda.

Maintenance of a stable and open macroeconomic environment has yielded higher benefits over time and facilitated adjustment to shocks, helping sustain growth through the years. Key macroeconomic determinants of growth—domestic savings and investment, and export growth—have continued to improve in recent years. The EAC has weathered global shocks, including the 2008–09 surge in international fuel and food prices—when deft and credible monetary management allowed for a rapid decline in domestic prices once international prices abated. Likewise, improved fiscal and monetary policies allowed for the use of countercyclical policies to mitigate the impact of the recent global economic slowdown, and have underpinned a faster rebound to precrisis growth levels.

Sources of Growth: Labor, Capital, and Productivity

Complementing the supporting role of macroeconomic and institutional factors, sustained productivity growth is often seen as a prerequisite for rising income. As in the rest of SSA, the increase in GDP growth since the mid-1990s has been accompanied by a turnaround in total factor productivity growth (TFP) in the EAC, reflecting efficiency gains achieved since the onset of liberalization and structural reforms in the region (Figure 3.6).[11] Consistent with its higher GDP growth, TFP growth in the EAC has outpaced that in SSA since 2005. The rate of TFP growth in the EAC, particularly in Uganda and Tanzania, also compares favorably to the record in other SG countries. By contrast, capital stock accumulation in the EAC is low relative to SG countries. Based on the observed TFP gains, higher investment could boost growth further if sufficient resources are mobilized while maintaining macroeconomic stability.

Figure 3.6. Total Factor Productivity



Sources: Johnson and others (2007), Bosworth and Collins (2010), Barro and Lee (2010); and IMF staff estimates.

[11] Since the mid-1990s, SSA as a whole has registered a rebound from low or negative TFP growth and a corresponding decline in the contribution of factors of production to growth (IMF, 2008b; Radelet, 2010).

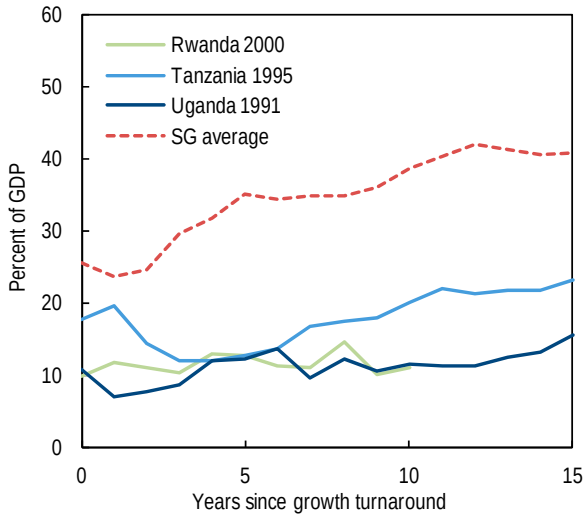
Numerous studies have tried to unbundle total factor productivity and identify more precisely the elements behind this "catch all" concept. Obvious candidates include increases in human capital, access to new technologies, and market deregulation. Although precise data is lacking, indications are that the EAC would generally score high on these counts. Steady improvements in access to health and education services, for example, likely contributed to the shift to higher growth.[12] Similarly, trade liberalization facilitated access to modern technology and structural reforms supported a more productive use of resources. However, the EAC falls short on two other important drivers of productivity growth: (i) international trade, and the fast expansion of high-value exports—EAC exports are relatively small and little diversified—and (ii) domestic financial depth, generally associated with high domestic savings and declining current account deficits—EAC economies are highly dependent on foreign savings.

Level and Composition of Exports

Export growth in the EAC has been much more modest than in other SGs (Figure 3.7). While the latter quickly increased the share of exports in their GDP to 30–40 percent soon after their take-offs, the increase has been more protracted and subdued in the EAC, and the share of exports in GDP remains much lower in the EAC.

Within this overall trend of relatively modest export growth, there are encouraging signs of budding diversification. This is largely associated with increasing regional trade integration—in particular the gradual elimination of tariffs with the establishment of a common market (Box 3.2). Unlike the EAC's exports outside the region, which

Figure 3.7. Exports since Growth Turnaround



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

are mainly commodities, the bulk of intra-EAC exports are manufactured goods (food products, beverages, tobacco, cement). Kenya, Tanzania, and Uganda (the earliest members of the EAC) are the main sources of such intraregional exports. Partly as a result, Uganda and Kenya have relatively well diversified export structures (Figure 3.8). In contrast, Rwanda's exports to the region remain concentrated in agricultural commodities; and its export concentration is high.

Regional integration is still in its early stages and it remains modest in scope. Intraregional trade more than doubled from about US$0.9 billion in 2004 to US$1.8 billion in 2008 but still accounts for less than 30 percent of total trade.[13] Although a common market is in place, nontariff barriers are still high in the region and common standards and harmonized regulations are yet to be agreed upon. Removing these remaining obstacles could facilitate faster growth and greater diversification of the region's exports.

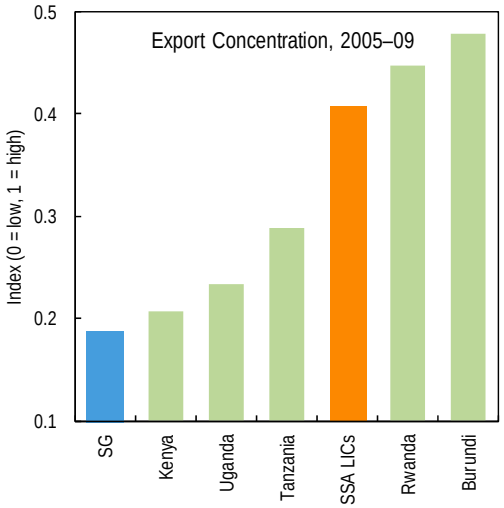
[12] A number of studies have found that inadequate schooling and health indicators and high income inequality could reduce returns on investment and magnify the adverse impact of negative shocks on activity, thereby undermining the potential for sustained growth (Berg, Ostry, and Zettlemeyer, 2008).

[13] Excluding informal (unrecorded) cross-border trade. Although it is difficult to pinpoint the extent of these transactions, surveys suggest they make up a significant portion of trade in the EAC. In Uganda, for example, it is estimated that during 2008/09 informal export earnings stood at US$810 million compared with US$480 million recorded in 2007/08. Meanwhile, informal imports also increased significantly from US$57.2 million in 2007 to US$78.1 million in 2008.

Figure 3.8. Export Concentration

Top Three EAC Exports in 2008[1]

Country	Product	Share
		(percent of total exports)
Kenya	Tea, fresh cut flowers, vegetables	30
Tanzania	Gold, precious metal ores, semimanufactured gold	36
Uganda	Coffee, fresh or chilled fish fillet, cement	40
Rwanda	Tea, coffee, tin ores	62
Burundi	Gold, coffee, tea	76



Sources: UNCTAD (2010), UNCOMMTRADE; and IMF staff estimates. The measure of concentration is the normalized Herfindahl-Hirschmann index.

[1] Harmonized System 1988/92, 6-digit classification.

Box 3.2. The East African Community Common Market: Achievements and Remaining Challenges

Trade integration has been a central objective of the EAC since its establishment. The customs union was established in 2005, followed by a common market in 2010. Internal tariffs on goods from other EAC countries have been eliminated over a 5-year period. A common external tariff (CET) was established for imports from third countries: a zero rate for raw materials, a 10 percent rate for intermediate products, and a 25 percent rate for finished goods. The new tariff structure lowered the maximum tariff rate in each EAC country. EAC members also agreed to eliminate gradually restrictions on trade in services, the free movement of workers, and the right of establishment.

In practice, however, significant obstacles remain to the operation of the EAC common market. While agreement was reached to remove nontariff barriers gradually and mechanisms are in place in each country to monitor implementation, actual progress has been limited. Customs procedures have not been fully harmonized, delays exist in issuance of certificates of origin, standards are not applied uniformly, and procurement procedures still need to be liberalized. Weak administrative capacity hinders the application of existing rules, while modalities for collecting and accounting for customs revenues at the regional level are not in place. Structural weaknesses, notably inadequate transport infrastructure, also hamper intraregional trade.

This box was prepared by Iacovos Ioannou.

There have also been some examples of successful export "hits" to markets outside the region. Rwandan companies have gained market share for their coffee by capturing gains along the value chain of particular market niches (improving the quality of coffee by fully washing it in Rwanda and securing market access overseas). Kenyan, Tanzanian, and Ugandan companies are exporting fresh fish and cut flowers to Europe by air, also through a close articulation of all phases of the export process,

from seeds to final distribution—and in the case of Uganda, overcoming its geographical disadvantage as a landlocked country. These exports, however, have not taken sufficient hold to make a significant difference at the national or regional level.

Export growth has been too low to drive changes in the structure of output in the EAC. The transition from agriculture—whose share of GDP declined steadily from more than 50 percent in the 1980s to about 30 percent at present—has been largely toward services (mainly telecommunications, financial services, and tourism). The weight of these sectors has risen to about 50 percent of GDP, while that of manufacturing has remained relatively unchanged at 20 percent over the last three decades—well below that in SG countries. The modern services sector (e.g., data processing for the financial industry) can contribute to productivity gains and export diversification. However, its share in EAC exports remains relatively small and mostly limited to tourism and transfer trade. Similarly, the still high share of the labor force in agriculture (70 percent to 80 percent) suggests that there is a large, still untapped potential for increasing productivity in that sector.

High transportation and energy costs are acknowledged constraints to expanding high-value exports in the region. There is no consistent information allowing a comparison with SG countries at the beginning of the growth spell. But transportation unit costs are estimated to be six times higher in the EAC than in China and India;[14] close to 60 percent of EAC businesses identified inadequate or poor electricity supply as a major constraint to business operations. Better provision of transportation and energy services is now high on the agenda of all EAC members, and a number of projects have been initiated in these areas, including at the regional level. Technical as well as financing difficulties have, however, limited progress in delivery so far.

High regulatory costs further hamper export price competitiveness. While EAC members have embraced market-supportive policies at the broader level and often put in place legal frameworks amicable to investors, business surveys show that enforcement is problematic (Figure 3.9). Despite the elimination of internal tariffs, customs procedures remain uncoordinated and burdensome at the regional level and nontariff barriers are pervasive. Duty drawback and tax refund schemes are complex and poorly administered, resulting in substantial delays. Investment incentives are uncoordinated and often enterprise-specific. Such obstacles not only constrain investment and export levels; they also hamper private investment in infrastructure, further increasing costs; and they deter innovation, and thus output and export diversification. Although most EAC country authorities have plans to improve the investment climate, progress to date has been uneven across the region, with only Rwanda implementing ambitious and comprehensive reforms in this area. In addition, reform efforts have not been closely coordinated at the regional level, reducing to some extent their impact.

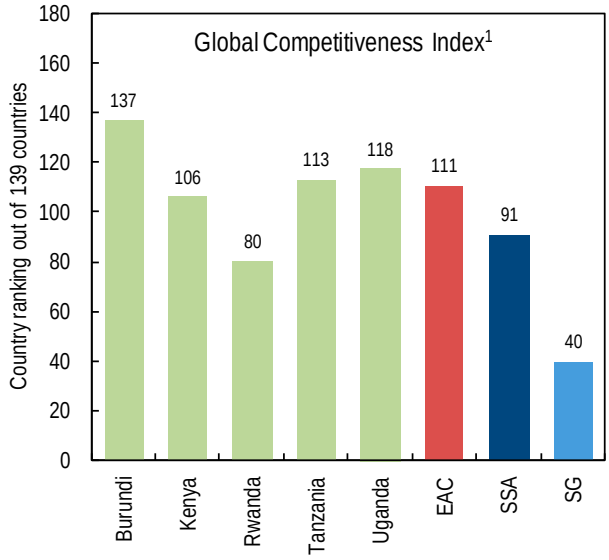
Low Domestic Savings and High Aid Dependence

EAC countries have relied on external resources—mainly donor aid—to finance the bulk of investment. Investment has increased steadily in the EAC to about 24 percent of GDP in 2009 but remains well below that observed in SG countries (Figures 3.10 and 3.11). In addition, while the gap between savings and investment closed in SG countries relatively rapidly after their take-off—thanks to sharp and continued increases in savings—the growth in savings has been weaker in the EAC, even when normalized to per capita income levels. Since 2005, the gap between savings and investment has grown markedly, reflected in the widening of already high external current account deficits across the region—a major source of vulnerability to sustaining growth and stability.

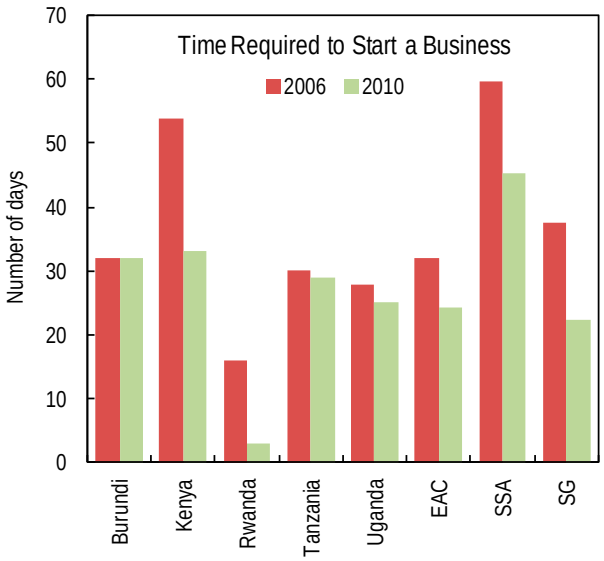
[14] The 2011 World Bank Enterprise Survey estimates that exporting a container costs about US$3,300 in Rwanda, US$3,200 in Uganda, but far less in China (US$500) and India (US$945).

Figure 3.9. East African Community: Business Environment

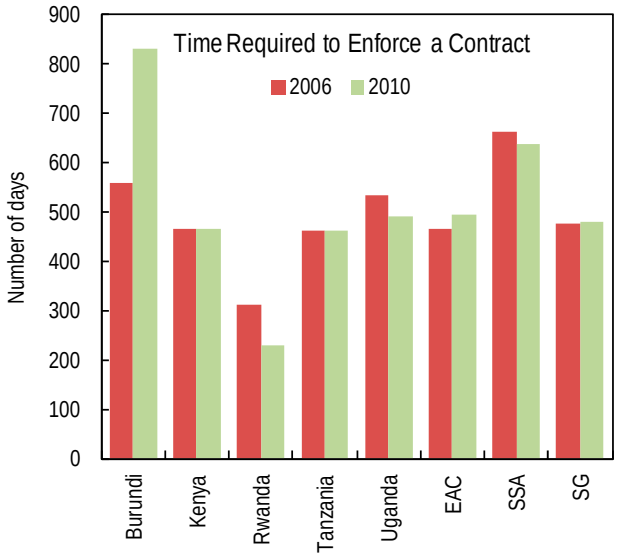
With the exception of Rwanda, the region is lagging on global competitiveness indicators…



…reflecting high costs of doing business…



…including bottlenecks in legal environments.



Access to finance and corruption, among other things, remain problems.

The Most Problematic Factors for Doing Business

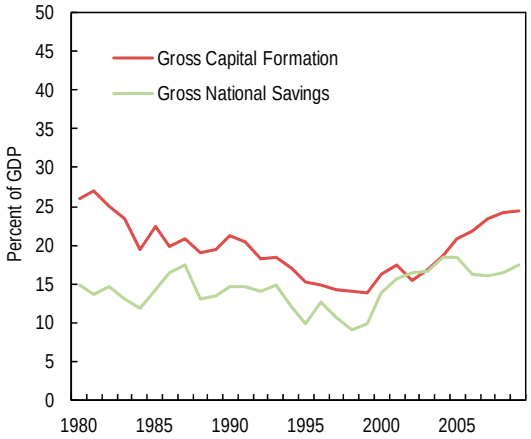
	Burundi	Kenya	Rwanda	Tanzania	Uganda	EAC Average	SG Average
	(percent of responses)						
Access to financing	20.0	12.9	24.9	15.1	15.3	17.6	10.7
Corruption	19.5	21.7	0.6	17.4	21.9	16.2	8.5
Inadequate supply of infrastructure	7.2	9.5	10.9	13.3	13.0	10.8	6.4
Tax rates	7.4	7.2	13.9	9.0	8.9	9.3	6.3
Tax regulations	10.5	5.0	15.1	7.9	4.4	8.6	7.2
Inadequately educated workforce	3.5	1.1	9.6	3.9	5.0	4.6	8.6

Sources: World Bank, *Doing Business 2011*, World Economic Forum, *The Global Competiveness Report 2010–11*; and IMF staff estimates.
[1]A high ranking (i.e., a low number) indicates a favorable competitive environment.

Aid provided the main source of financing for the initial investment push in the EAC (Figure 3.12). It remains large, with grants averaging more than 3 percent of GDP over the past decade (excluding debt relief), above the average for sub-Saharan Africa (1 percent of GDP). More recently, there has been a noticeable increase in foreign direct investment (FDI) (Figure 3.13). FDI flows to the EAC region increased threefold, from about US$590 million in 2000 to about US$1.7 billion in 2009. Nevertheless, on average, FDI flows to the EAC (2.5 percent of GDP in 2009) remain below average flows of about 4.3 percent to SSA as a whole.

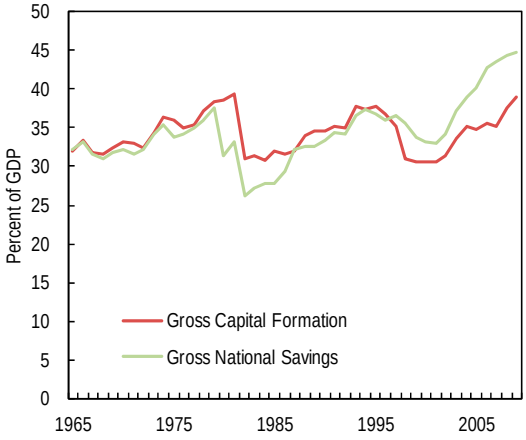
There is a large but so far inconclusive debate on the impact of aid on macroeconomic outcomes. Aid can stunt export growth if it leads to currency overvaluation, or stimulate export growth if it raises the provision of public services in the productive or social sectors. In the EAC, there is no evidence that real exchange rates deviated in a marked and sustained manner from macroeconomic fundamentals (Figure 3.14).[15] The authorities have generally managed aid inflows wisely, smoothing their impact on both fiscal accounts and foreign exchange markets.

Figure 3.10. East African Community: Investment and Savings[1]



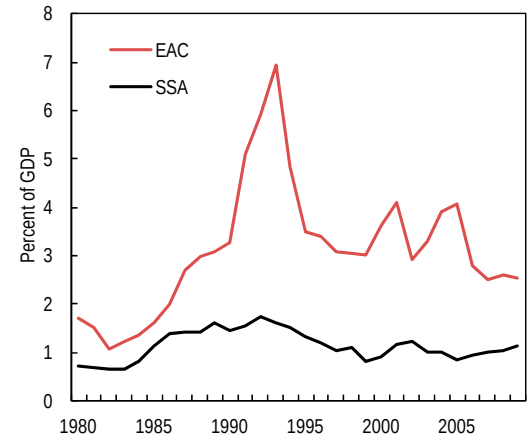
Source: IMF, *World Economic Outlook*.
[1]Weighted by purchasing power parity GDP.

Figure 3.11. SGs: Investment and Savings[1]



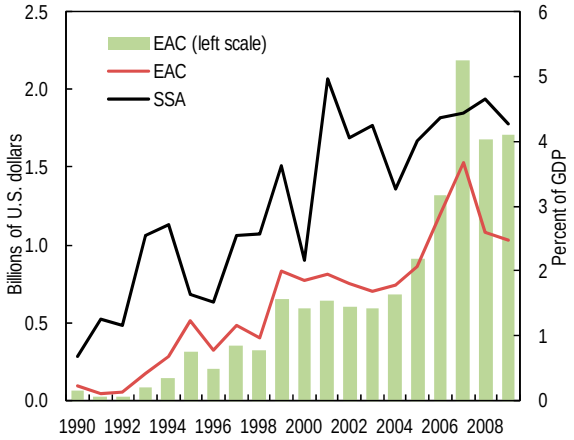
Source: IMF, *World Economic Outlook*.
[1]Weighted by purchasing power parity GDP.

Figure 3.12. Grants[1]



Source: IMF, *World Economic Outlook*.
[1]Weighted by purchasing power parity GDP.

Figure 3.13. Inward Foreign Direct Investment[1]



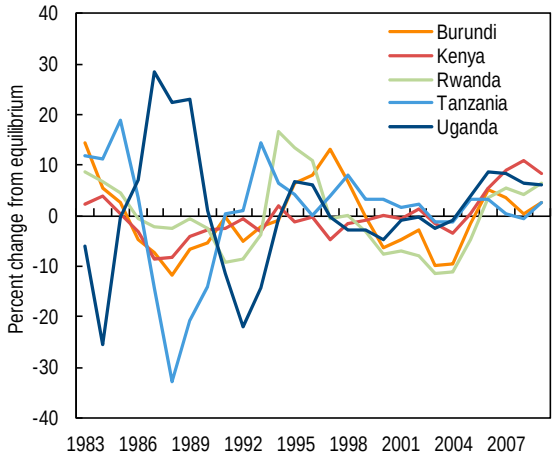
Sources: IMF, *World Economic Outlook*; and UNCTAD.
[1]Weighted by purchasing power parity GDP.

[15] Opoku-Afari and Dixit (2011).

Large aid inflows also facilitated substantial improvements in access to health and education in the EAC. Over the medium term, however, the dependence on aid inflows to finance current spending could lead to an unsustainable structural worsening of the external current account and weaken the foundation for higher sustained growth.

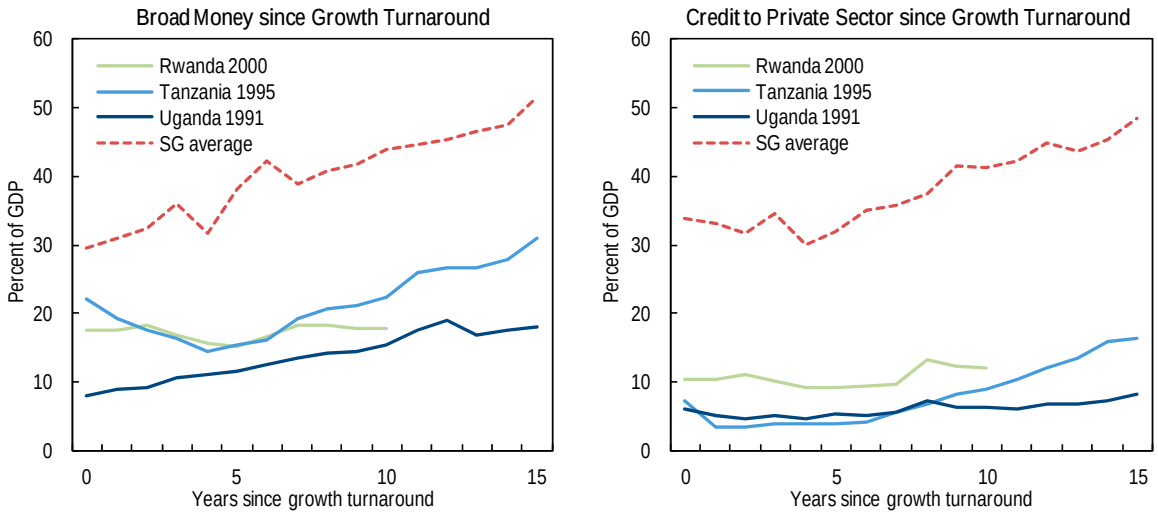
Shallow financial sectors have gone hand-in-hand with low domestic savings in the EAC (Figure 3.15). Notwithstanding extensive liberalization, the region's financial markets remain small, segmented, and illiquid. A recent study by FINSCOPE shows that less than one-third of the population in Rwanda, Tanzania, and Uganda have access to formal financial services, compared with nearly two-thirds of the population in South Africa. Efforts to promote microfinance institutions have had limited success. Nonbank financial institutions, such as pension funds or insurance companies, are in most cases only embryonic. Credit to the private sector and the level of monetization in the EAC is well below that observed in SG countries at the time of their take-off. More recently, however, mobile banking—including the innovative M-PESA mobile banking platform in Kenya—has emerged as a promising vehicle to broaden access to financial services

Figure 3.14. Misalignment from Equilibrium Exchange Rate (3-year moving averages)



Source: Opoku-Afari and Dixit (2011).

Figure 3.15. Financial Deepening



Sources: IMF, *World Economic Outlook*, *International Financial Statistics*, and IMF African Department database.

and savings instruments without endangering macroeconomic stability (Box 3.3).[16]

Small market size and pervasive structural weaknesses limit competition in the financial system and keep domestic financing costs relatively high (Box 3.4). Uncertain property rights (in part related to weaknesses in land titling) hamper the assessment and enforcement of collateral, credit information on borrowers is patchy, and the legal and regulatory framework is insufficient to facilitate the swift resolution of commercial disputes. All these factors continue to pose risks to credit delivery and increase financial costs. Although private sector credit growth has increased, it has largely focused on consumer financing (particularly mortgages). Access to finance by budding small and medium-sized enterprises (SMEs) has been limited to the (largely unregulated) informal financial sector. With the exception of Kenya, domestic capital markets are shallow, and stock exchanges are well below the size required to support the economies' financing needs. Continued efforts are needed to tackle these deeply rooted obstacles to financial deepening. Here again, regionally coordinated approaches have the potential to bring larger and faster benefits. Recently, Kenya's infrastructure bonds and a number of private IPOs in Kenya, Uganda, and Rwanda have attracted significant regional participation, suggesting a substantial pool of regional savings could be mobilized to support public and private investment.

New Challenges and New Opportunities

Although benchmarking can provide useful policy insights, its relevance is reduced if the global environment changes markedly. The world economy is currently undergoing wide-ranging changes, particularly in trade and finance. These changes raise new challenges—as well as new opportunities—that could have a meaningful impact on the EAC's growth prospects. Even if their final effect is uncertain, trying to understand their implications can provide useful insights for policy design.

Changes in the Direction and Composition of Global Trade

During the past decade, global trade has shifted markedly in its direction and composition. China and other fast-growing emerging market economies have doubled their share of global demand, from about 6 percent in 2000 to 12 percent in 2009. Because imports from these economies are more commodity-intensive than those of advanced economies, the global demand for raw materials has increased sharply—with the share of raw materials in global trade rising 5 percentage points since 2000 and commodity prices, particularly those for oil and metals, more than doubling over that period. This trend is expected to continue during the medium term, and metal and oil prices are projected to remain high by historical standards.[17]

Global demand for food—especially from emerging markets—is also on the rise, as reflected in the recent reversal in the historical trend decline in real food prices. With rising incomes in emerging economies, the need to feed large concentrations of population migrating from rural to mega-urban centers, competing uses for agricultural land (mainly ethanol), and changes in weather patterns because of climate change, food demand is forecast to rise by 70 percent over the next four decades.[18] While most of the food demand is now concentrated in unprocessed agricultural products, demand for semiprocessed and processed food is also expected to swell in the future.

[16] Kimenyi and Ndung'u (2009) and Jack and Suri (2011).

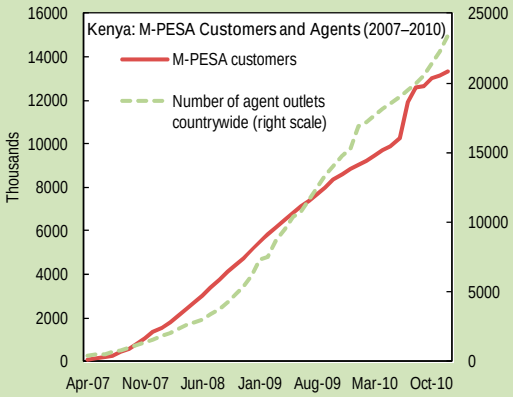
[17] IMF (2010).

[18] Schmidhuber (2010).

Box 3.3. Kenya: Mobile Money and Financial Sector Deepening

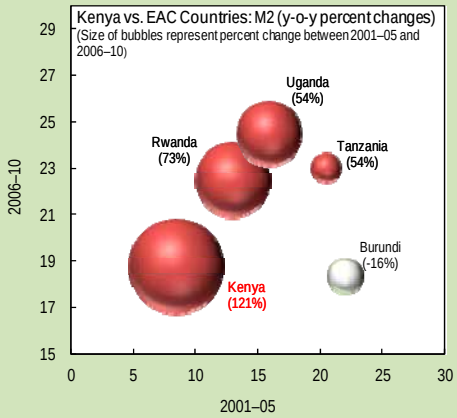
The mobile-banking revolution has accelerated financial deepening in Kenya.

Launched in 2007, M-PESA (Pesa is Swahili for money) enables customers to transfer money quickly and cheaply within Kenya via mobile phone without a bank account. Money can be uploaded and withdrawn from a network of agents and used for transfers, bill payments, and airtime purchase. In 2009, M-PESA had 13.1 million users (30 percent of Kenya's population) and over 17,000 agents conducting financial transactions on behalf of banks. Similar schemes have emerged in other EAC countries, including Uganda and Tanzania.



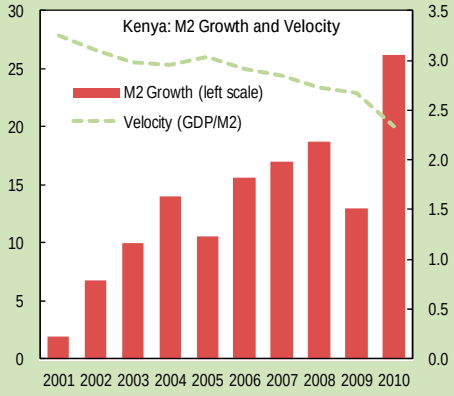
Source: www.safaricom.co.ke.

M-PESA has facilitated a rapid increase in financial intermediation. Banks have been able to penetrate untapped markets as mobile-based transfers surged. With growing access to financial services, deposits by low-income segments of the population contributed to a sizable increase in broad money: Kenya's broad money growth doubled in 2006–10 relative to 2001–05. Banks were able to increase their deposit base on the heels of a 70 percent expansion in their branch network (140 percent growth in rural branches). The resulting impact on monetization contributed to an acceleration of credit growth (to an annual rate of 20 percent at end-2010).



Source: IMF, *World Economic Outlook.*

The increase in broad money brought about by mobile banking has helped keep inflation at around the central bank target level of 5 percent. Because broad money growth exceeded GDP growth, the income velocity of money declined; because more financial transactions have been made possible by mobile banking for a given level of reserve money, the money multiplier increased.



Sources: IMF, African Department database; and IMF staff estimates.

The launch of M-kesho (mobile phone-based deposit accounts; kesho is Swahili for tomorrow), and agency banking (expanding the scope of authorized operations by agents in underserved locations) has further strengthened the link between mobile banking and financial intermediation. In addition to broadening access, these developments help reduce the cost of financial transactions and facilitate trade. M-kesho has the potential to become a convenient savings instrument for low-income households.

Financial stability has been preserved throughout the expansion of M-PESA operations thanks to adequate regulatory and supervisory safeguards, a conducive environment for business (avoiding the dominance of early entrants and maintaining competition in the provision of telecommunication services), and involvement of the private sector in policy formulation and enforcement.

This box was prepared by Sarah Sanya and Rogelio Morales.

Box 3.4. Competition in East African Community Banking Systems: Evidence from a Price-Setting Behavioral Model

Competition in banking is extremely important because banks play a pivotal role in the provision of credit, the transmission of monetary policy, and the maintenance of systemic stability. Empirical studies on EAC banking systems are notoriously scarce. A recent study attempts to estimate measures of bank competitiveness in the EAC and identify their determinants.[1]

The study finds that although no regulatory barriers to entry exist in EAC financial systems, structural impediments reduce competition and enable some banks to enjoy a degree of monopoly power. Reflecting higher financial depth, Kenya has a somewhat more competitive banking system than other EAC members.

Panel data regressions identify five important determinants of banking competition.

- Higher economic and institutional development increase banking competitiveness.
- Greater market concentration reduces competition.
- Larger markets (proxied by population) spur competitive behavior between banks, possibly because banks are willing to take smaller profit margins if spread over a higher volume of transactions.
- Stronger market contestability—reducing market segmentation by lowering government ownership of financial institutions and leveling the playing field for new entrants—matters for competition.
- Increased lending to the private sector fosters competition whereas higher bank profitability (from nonlending-related activities) has the opposite effect.

Eliminating structural barriers that weaken the credibility of the threat of entry is a key requirement in spurring banking competition. Contestable markets reduce noncompetitive behavior because the threat of entry with price-cutting by potential competitors will force incumbent banks to reduce their prices to try to protect their market power. Enhancing macroeconomic performance and the quality of institutions that provide information and protect property rights is the first line of action to ensure that markets are contestable. Other options include: selling government-owned banks to private domestic investors to reduce the market segmentation owing to large state and foreign bank presence; promote policies of financial inclusion; and strengthen supervisory and regulatory capacity to reduce systemic vulnerabilities that may arise from a more competitive banking sector.

[1] Gaertner, Sanya, and Yabara (2011).

This box was prepared by Matthew Gaertner, Sarah Sanya, and Masafumi Yabara.

The EAC has not been immune to these trends. Emerging markets have become increasingly important trade partners, and now account for almost 20 percent of the region's exports (compared with 12 percent in 2000).[19] In contrast to the rest of sub-Saharan Africa, where China has been the main driver behind the shift, the fastest-growing markets for the EAC have been in the Middle East and North Africa (Box 3.5). EAC exports to that region—mainly coffee, tea, fish, and some semiprocessed gold—have risen from 9 to 11 percent of total EAC exports between 2000 and 2009, while exports to this region from non-oil sub-Saharan Africa countries, and LICs more generally, remained constant during the same period. The Middle East and North Africa is a particularly promising market for food exports, because of natural constraints to expanding domestic production in that region together with continued strong import financing capacity from oil and gas revenue.

Foreign investment in mining and oil has also increased sharply in the EAC in recent years, and exports are set to expand significantly as these investments begin to come on-stream. In Tanzania, gold exports already account for more than a third of total exports of goods and services, while in Uganda oil production is expected to account for close to 10 percent of GDP and up to one-third of government revenues. There has been considerable exploration in nickel, uranium, and oil and natural gas across the region, all of which are believed to have significant potential.

Dynamic new markets provide an opportunity to both increase growth and accelerate poverty reduction, but policy actions may be needed to reap their full benefits. Investment in the mining and oil sectors can quickly lift output and government revenues, but harnessing such activities into longer-term growth raises considerable policy challenges. A large body of literature suggests that most commodity exporters have fallen into a "natural resource trap" detrimental to long-term growth because of the adverse impact of commodity exports on productivity, the real exchange rate, institutional development, and governance.[20] For East Africa, a region that has remained relatively less commodity-dependent than its African neighbors, the impact of increasing commodity exports could be a double-edged sword: while they could increase output growth and income in the near term, they could also stunt the development of higher value-added exports needed to reach faster, sustained growth over the medium term. Early, determined policy action is needed to preserve competitiveness and ensure that the revenue from commodity exports is successfully intermediated into productive spending and investment in other sectors of the economy.

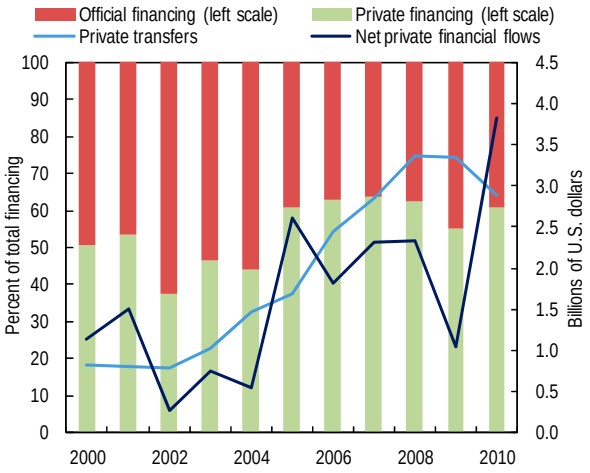
The New International Financial Landscape

Similar to trends elsewhere in emerging and developing economies, private capital inflows—transfers (including remittances) as well as financial flows (FDI and short term capital)—have risen sharply in the EAC in recent years (Figure 3.16). Since 2005, they have replaced official flows (grants and loans) as the largest source of external financing. Most private flows have been concentrated in Kenya and Uganda, given their open capital markets, but indications are that part of the flows was then invested in other EAC members, including Rwanda and Tanzania.

[19] Excluding exports to emerging markets in SSA.

[20] Collier (2007).

Figure 3.16. Private and Official Flows to the East African Community



Source: IMF, *World Economic Outlook*.

New sources of bilateral loans are also opening up. China and India, in particular, are becoming an important source of bilateral loans, mainly for infrastructure and agricultural projects. The share of these loans in total borrowing is still relatively small in the EAC, particularly when compared with other parts of sub-Saharan Africa. However, this share is expected to grow substantially in the coming years, as a number of projects now in the planning stages roll out. Demand for bilateral loans is also expected to increase as traditional donor assistance is pressured by donor budget constraints.

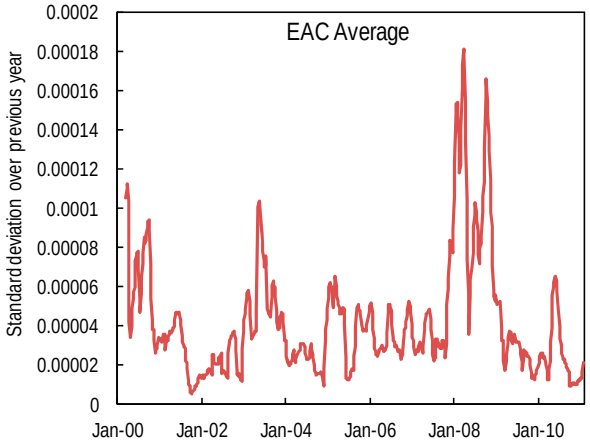
These new sources of financing—private inflows and new bilateral loans—can support faster investment growth but managing them poses new challenges. Bilateral loans are generally more flexible and faster-disbursing than official assistance, but they are also less concessional. Their shorter maturities and higher and often front-loaded servicing costs can have a significant fiscal impact that should be carefully considered. To ensure that such borrowing does not generate excessive servicing burden for the public accounts, it is advisable to develop or strengthen processes for project selection and implementation, as well as build capacity for sound debt management.

Private capital flows, on the other hand, are much more volatile than official flows. Unlike aid, they move closely in cycle with global liquidity conditions. As in the rest of sub-Saharan African "frontier markets," private financial flows to the EAC grew markedly before the global crisis, declined sharply during the crisis; they recently began to rebound. Reflecting the growing share of private financing flows, nominal exchange rates in the EAC have become more volatile (Figure 3.17).

Beyond increasing volatility, growing private flows raise challenges for money targeting—the predominant framework for monetary management in the EAC. They erode the position of central banks as main providers of foreign currency to the markets, and thus the effectiveness of foreign exchange sales as an instrument to manage money supply. More broadly, deeper financial integration tends to make money demand less stable and the achievement of money targets more uncertain.

Because the region's financial markets are not yet deep enough to allow a smooth shift to interest rate or inflation targets, central banks in the EAC have generally responded by

Figure 3.17. Exchange Rate Volatility (U.S. dollars/National Currency)



Sources: Thomson Reuters; and IMF staff estimates.

Box 3.5. Shifting Trends in EAC Trade

EAC trade is shifting away from its traditional partners (mainly the euro area) toward emerging markets—mainly China and India, and more importantly the Middle East, North Africa, and the rest of SSA. Intra-EAC trade also accounts for an important share of total EAC trade. EAC exports to Brazil, Russia, India, and China (BRICs) rose to about 7 percent of total EAC exports in 2009, slightly lower than the share of BRICs in exports of non-oil SSA countries in general, and below the share for all non-oil LIC exports (Figures 1–3). Compared with non-oil SSA countries, however, EAC trade with the Middle East and North Africa is much larger. EAC exports to the Middle East and North Africa have risen from 9–11 percent of total EAC exports between 2000 and 2009.

EAC exports to India and China come mainly from Tanzania and account for about 80 percent of total EAC exports to BRICs. Tanzania's exports to China increased from less than US$1 million to US$135 million during the last decade, with gold accounting for more than half in 2009. Its exports to India (a mix of cashews, cotton, and peas) increased from US$100 million to US$153 million during the same period. Imports from India and China go primarily to Kenya and Tanzania, and to a lesser extent, Uganda.

Traditionally, Kenya has been the predominant EAC exporter to the Middle East and North Africa, accounting for more than 90 percent of total EAC exports to that region in 2000, with black tea accounting for approximately one-third of exports. However, Kenya's share has gradually halved over the last decade, while Uganda's exports to the Middle East and North Africa rose from US$11 million to US$355 million (almost 44 percent of EAC exports to the region in 2009). In addition to coffee, Uganda exports semimanufactured gold and fish products to the Middle East and North Africa.

Figure 1. EAC Exports

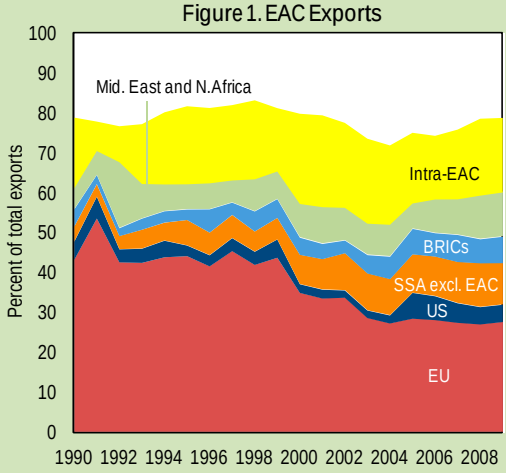


Figure 2. SSA Exports, excl. Fuel Exporters

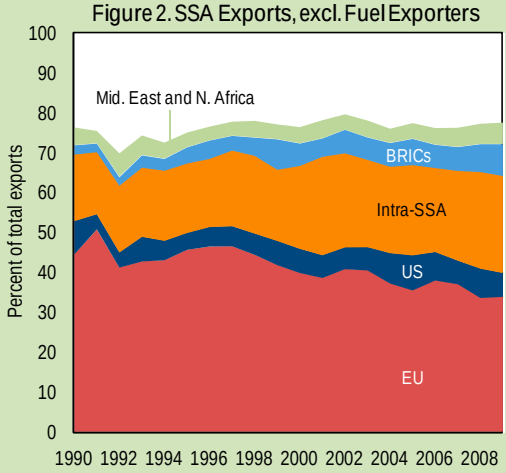
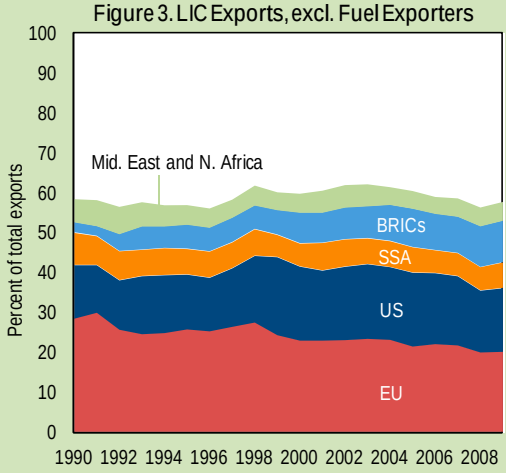


Figure 3. LIC Exports, excl. Fuel Exporters



Source: IMF, *Direction of Trade Statistics*.

This box was prepared by Laure Redifer.

expanding their toolkit at the short end of the markets, intervening more frequently on spot foreign exchange markets and developing new instruments to better control short-term domestic liquidity.

Policy Priorities for Higher, Sustained Growth

The economic policy framework now prevailing in the EAC, based on sound macroeconomic management, open markets, and relatively strong institutions, has delivered fast growth over the past decade. In future, however, changing dynamics in the global economy could challenge policy making in the region. Enhancing policy instruments to respond to external volatility, combined with a continued focus on competitiveness and regional integration, will be important to facilitating even faster growth and accelerating the move to middle-income status for the region. This closing section tries to identify areas where policies could be sharpened to better unlock the region's growth potential. These are only general guidelines; the detail and relative priority will vary across EAC members, depending on their specific circumstances.

Bolstering the Macroeconomic Response Capacity

Sound monetary and fiscal policies have helped the EAC achieve high growth rates, and they should certainly be preserved. However, the new global context, with rising private inflows and a declining share of aid, is already increasing financial volatility in the region and, if not adequately managed, could increase the region's vulnerabilities to external shocks. This raises the urgency to further develop the capacity and tools to respond to abrupt shifts in the global environment.

Rebuilding fiscal policy buffers is a particularly urgent goal. Countries in the region were able to judiciously use the fiscal space gained from over a decade of consolidation to weather the storms of the recent global economic crises. Because they are now growing again, the time has come to resume the drive to enhance domestic revenue mobilization and reduce the share of aid in public budgets. As exposure to less concessional financing increases, there is a need to strengthen debt management processes to safeguard hard-won debt and fiscal sustainability. Countries could also foster private participation, including through public-private partnerships (PPPs), as a viable means to address large infrastructure gaps while maintaining fiscal policy buffers.

Enhancing the flexibility of monetary policy is another important objective. It will require a broadening of options for short-term liquidity management, with measures to support further development of domestic interbank markets and risk-hedging instruments. A gradual shift away from monetary targets now dominant in the region to some form of inflation targeting could also allow more flexible monetary management and anchor expectations and confidence.

Deepening Regional Integration

Deeper regional integration can help the EAC achieve economies of scale and allow the region to compete more efficiently in the global economy. Many studies have shown that small markets like those of individual EAC countries—and most of sub-Saharan Africa—tend to be less competitive and reduce the scope for productivity gains. Small markets also tend to make the business environment more risky because they frequently enable monopoly power and opportunistic behavior.

EAC integration is already advancing. Regional institutions are being put in place, a customs union and common market have been established, and initial steps are being taken toward a future monetary union. At the entrepreneurial level, however, critical obstacles remain, and removing them should be a priority. A time-bound process to eliminate nontariff barriers would let businesses reap the benefits of the regional common market and prepare them for competition in broader markets. Development of common standards and harmonized regulations would greatly enhance the business environment and facilitate legal enforcement. Regional coordination of investment promotion and tax reform would limit intraregional incentive competition and help attract financing for larger projects.

In the financial area, more active regional initiatives—building, for example, on the recent regional bond issues—could help to develop and increase the depth of domestic markets in the region by pooling savings across the region, expanding market size beyond each country, and reducing the fixed costs of developing market infrastructure. The harmonization of national regulatory frameworks, now under way, could be accelerated to facilitate the emergence of regional financial instruments. Deeper government debt markets could enhance the efficiency of monetary policy and serve as a benchmark yield curve for the private sector, facilitating the pricing of financial products. The local currency debt market of the West African Economic and Monetary Union (WAEMU) provides a useful example of a regional approach to bond market development (Box 3.6).

Unlocking the Potential for High-Value Exports

Higher productivity is the first requirement to raise the EAC's export potential. In particular, a better educated and skilled labor force is needed to take advantage of new investment opportunities within and outside the EAC. Continued upgrades in regional infrastructure (including transportation, energy and information technologies) will reduce production costs and facilitate higher-value inter- and intraregional trade. Stepped-up efforts to increase agricultural productivity could raise EAC exports and increase incomes in areas where the poorest segments of the population are concentrated.

Increased FDI and exports in the commodity sectors raise well-known challenges for competitiveness and export diversification. Preserving competitiveness in noncommodity sectors will require forceful improvements in the business environment to reduce operation and transaction costs. Tax collection and public investment systems may also have to be strengthened to ensure that commodity export proceeds are successfully intermediated into other sectors of the economy.

Higher export penetration may also demand, at least in the initial years, targeted "catalytic" interventions in natural niche sectors where EAC economies could build up or strengthen their comparative advantage, overcome late-comer and scale handicaps and establish a market presence. Interventions should be coordinated over complementary areas (skills, transportation, technology, FDI, market access). They should be carefully targeted, both sectorally and geographically. Resources are insufficient to enhance skills, roads, and power in the entire region at the same time, and an equal distribution of these limited resources will not give any area sufficient traction to become competitive. Regional coordination—with a common focus, for example, on a few "trade corridors"—could help mobilize financing and increase returns. To prevent "state capture," implementation of the export push policy should be time bound with a clear exit strategy. More broadly, its fiscal cost should be strictly constrained, given the many demands faced by the government, particularly social needs.

The private sector should be closely involved in the design of such interventions, helping identify concrete needs and efficient delivery modes. Targeted areas should be selected transparently, with a focus on their impact on sustainability of both exports and productivity. Given its potential for expanding exports and reducing poverty, agriculture would likely offer the greatest payoff from targeted support.

Box 3.6. Regional Bond Market Development in West Africa

Background: The local currency debt market of the West African Economic and Monetary Union (WAEMU)[1] has rapidly grown since the establishment of a regional securities market, the Bourse Régionale des Valeurs Mobilières (BRVM), in 1998. The size of government debt outstanding and issues of debt securities in the market have more than doubled in the last 5 years, extending the maturities of treasury bonds up to 10 years at the longest. The success of WAEMU's debt market is attributed in part to: (i) the existence of strong common institutions, such as a regional central bank and supervisory bodies; (ii) uniformity of issuance and distribution procedures; and (iii) greater macroeconomic stability in member countries, as well as the elimination of central bank financing of governments (Sy, 2007; and Bank of France, 2006). Furthermore, multilateral financial institutions have contributed to increasing the volume of bonds in the market. Bonds issued by the West African Development Bank, a development bank serving the WAEMU countries, account for about 11 percent of total securities outstanding in the market at end-2009. The International Finance Corporation floated its first local currency bond issue (equivalent to US$44.6 million) in sub-Saharan Africa in the BRVM, at end-2006.

Policy Lessons for the EAC: Debt markets in the EAC countries are largely underdeveloped, especially in Burundi and Rwanda. EAC members have made cooperative efforts to develop the markets through harmonization of market infrastructures. While there are fundamental differences between the EAC and the WAEMU, some general policy recommendations for the EAC can be drawn from the case of the WAEMU:

- Strengthen the capacity of regional institutions. Strong regional institutions play a pivotal role in facilitating the development of regional bond markets, through coordinating and monitoring country efforts, as well as providing research inputs. To that end, the capacity needs of EAC regional institutions, both in terms of budget and staff, should be addressed.
- Investigate necessary actions to promote local currency bond issues by multilateral financial institutions in the EAC market. Multilateral financial institutions have ample experience in issuing local currency bonds in local markets to facilitate their development. Debt issues by these institutions in the EAC market, if accomplished, would facilitate the development of the regional market, by providing know-how and benchmark transactions for long-term financing and mobilizing domestic and international savings.

[1]The WAEMU is a customs and monetary union, established in 1994, that consists of Benin, Burkina Faso, Cote D'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo. The member countries share a common currency, the CFA franc.

This box was prepared by Masafumi Yabara.

Statistical Appendix

Unless otherwise noted, data and projections presented in this report are IMF staff estimates as of April 1, 2011, consistent with the projections underlying the Spring 2011 *World Economic Outlook*.

The data and projections cover the 44 countries of the IMF's African Department. 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, non-oil-exporting middle-income, low-income, and fragile low-income countries (see the appendix tables).

- The 7 oil exporters are countries where net oil exports make up 30 percent or more of total exports. Except for Angola and Nigeria, 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 8 middle-income countries are not oil exporters and had per capita gross national income of more than US$975 in 2008, as calculated by the World Bank using the Atlas method.
- The 15 low-income countries not classified as fragile are not oil exporters, had per capita gross national income equal to or lower than US$975 in 2008, and had a score higher than 3.2 on the 2008 IDA Resource Allocation Index (IRAI).
- The 14 low-income countries classified as fragile are not oil exporters, had per capita gross national income equal to or lower than US$975 in 2008, and had a score of 3.2 or less on the 2008 IDA Resource Allocation Index (IRAI).

In addition, countries are classified as resource-rich if their primary commodity rents exceed 10 percent of GDP. Non-resource-rich countries are also classified by whether they are coastal or landlocked (Table SA MN 1).

Finally, countries are grouped into regional cooperation bodies: CFA franc zone, comprising the West African Economic and Monetary Union (WAEMU) and the Central African Economic and Monetary Community (CEMAC); East Africa Community (EAC-5); Southern African Development Community (SADC); Common Market for Eastern and Southern Africa. (COMESA); and Southern Africa Customs Union (SACU) (Table SA MN 2).

Unless otherwise noted, group aggregates exclude data for Zimbabwe because of data limitations. EAC-5 aggregates include data for Rwanda and Burundi, which joined only in 2007.

Methods of Aggregation

In Tables SA1–4, SA7–14, SA16, and SA23–SA24, 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 WEO database.

In Tables SA17–22 and SA25–27, 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 SA5-6 and SA15, 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: Country Groupings

Resource-Rich		Non-Resource-Rich	
Oil	Non-oil	Coastal	Landlocked
Angola	Botswana	Benin *	Burkina Faso *
Cameroon *	Côte d'Ivoire	Cape Verde	Burundi *
Chad	Guinea	Comoros	Central African Republic *
Congo, Rep. of *	Namibia	Eritrea	Congo, Dem. Rep. of *
Equatorial Guinea	Sierra Leone *	Gambia, The *	Ethiopia *
Gabon	Zambia *	Ghana *	Lesotho
Nigeria		Guinea-Bissau *	Malawi *
		Liberia *	Mali *
		Kenya	Niger *
		Madagascar *	Rwanda *
		Mauritius	Swaziland
		Mozambique *	Uganda *
		São Tomé & Príncipe *	Zimbabwe
		Senegal *	
		Seychelles	
		South Africa	
		Tanzania *	
		Togo *	

Note: *Country has reached the completion point under the enhanced HIPC Initiative and has qualified for MDRI relief.

Table SA MN 2. 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	

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Table SA1. Real GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**8.7**	**11.2**	**7.6**	**7.6**	**9.9**	**7.1**	**5.2**	**6.2**	**6.7**	**6.9**
Excluding Nigeria	**11.2**	**12.3**	**11.2**	**9.7**	**14.2**	**8.7**	**2.5**	**2.8**	**6.5**	**7.4**
Angola	17.8	11.2	20.6	19.5	23.9	13.8	2.4	1.6	7.8	10.5
Cameroon	3.0	3.7	2.3	3.2	3.4	2.6	2.0	3.0	3.5	4.5
Chad	8.3	33.6	7.9	0.2	0.2	-0.4	0.3	5.1	4.1	6.0
Congo, Rep. of	4.3	3.5	7.8	6.2	-1.6	5.6	7.5	9.1	7.8	4.7
Equatorial Guinea	16.2	38.0	9.7	1.3	21.4	10.7	5.7	-0.8	7.2	4.0
Gabon	2.7	1.4	3.0	1.2	5.6	2.3	-1.4	5.7	5.6	3.3
Nigeria	7.0	10.6	5.4	6.2	7.0	6.0	7.0	8.4	6.9	6.6
Middle-income countries	**4.9**	**4.8**	**4.9**	**5.6**	**5.5**	**3.6**	**-1.5**	**3.1**	**3.7**	**4.0**
Excluding South Africa	**4.6**	**6.3**	**2.1**	**5.3**	**5.2**	**3.9**	**-0.5**	**5.7**	**4.7**	**5.1**
Botswana	4.1	6.0	1.6	5.1	4.8	3.1	-3.7	8.6	6.0	6.6
Cape Verde	7.2	4.3	6.5	10.1	8.6	6.2	3.6	5.4	5.5	6.8
Lesotho	3.7	2.3	2.4	4.7	4.5	4.7	3.0	2.4	3.1	4.1
Mauritius	4.6	5.5	1.5	4.5	5.9	5.5	3.0	4.0	4.1	4.2
Namibia	6.3	12.3	2.5	7.1	5.4	4.3	-0.8	4.4	4.8	4.5
Seychelles	3.7	-2.9	6.7	6.4	9.6	-1.3	0.7	6.2	4.0	4.7
South Africa	4.9	4.6	5.3	5.6	5.6	3.6	-1.7	2.8	3.5	3.8
Swaziland	2.7	2.5	2.2	2.9	2.8	3.1	1.2	2.0	0.5	1.5
Low-income countries	**6.3**	**5.8**	**6.6**	**6.3**	**6.5**	**6.4**	**4.8**	**5.4**	**6.1**	**6.7**
Excluding fragile countries	**7.0**	**6.4**	**7.3**	**7.2**	**7.2**	**7.1**	**5.2**	**5.7**	**7.2**	**6.9**
Benin	3.9	3.0	2.9	3.8	4.6	5.0	2.7	2.5	3.4	4.3
Burkina Faso	5.5	4.5	8.7	5.5	3.6	5.2	3.2	5.8	5.5	5.6
Ethiopia	11.8	11.7	12.6	11.5	11.8	11.2	10.0	8.0	8.5	8.0
Ghana	6.2	5.4	6.2	4.6	6.5	8.4	4.7	5.7	13.7	7.3
Kenya	5.1	4.6	6.0	6.3	7.0	1.6	2.6	5.0	5.7	6.5
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-3.7	-2.0	0.6	4.7
Malawi	6.0	5.5	2.6	7.7	5.8	8.6	7.6	6.6	6.1	5.7
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.5	4.5	6.0	5.4
Mozambique	7.8	7.9	8.4	8.7	7.3	6.8	6.3	7.0	7.5	7.8
Niger	5.2	-0.8	8.4	5.8	3.3	9.3	-0.9	7.5	5.5	15.4
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	6.5	6.5	7.0
Senegal	4.4	5.9	5.6	2.4	5.0	3.2	2.2	4.2	4.5	4.8
Tanzania	7.3	7.8	7.4	7.0	6.9	7.3	6.7	6.5	6.4	6.6
Uganda	8.2	6.8	6.3	10.8	8.4	8.7	7.2	5.2	6.0	6.5
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.4	7.6	6.8	7.4
Fragile countries	**3.3**	**3.2**	**3.5**	**2.9**	**3.3**	**3.5**	**3.1**	**4.0**	**0.6**	**5.7**
Including Zimbabwe	**2.8**	**3.2**	**3.1**	**2.5**	**2.9**	**2.5**	**3.2**	**4.2**	**1.3**	**5.6**
Burundi	3.8	4.8	0.9	5.1	3.6	4.5	3.5	3.9	4.5	4.8
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.3	4.1	5.0
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.4	3.5
Congo, Dem. Rep. of	6.5	6.6	7.8	5.6	6.3	6.2	2.8	7.2	6.5	6.0
Côte d'Ivoire	1.6	1.6	1.9	0.7	1.6	2.3	3.8	2.6	-7.5	6.0
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.9	2.2	7.9	6.1
Gambia, The	4.6	7.0	0.3	3.4	6.0	6.3	6.7	5.7	5.5	5.5
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	1.9	4.0	4.5
Guinea-Bissau	3.1	2.8	4.3	2.1	3.2	3.2	3.0	3.5	4.3	4.5
Liberia	6.4	2.6	5.3	7.8	9.4	7.1	4.6	5.1	5.9	9.8
São Tomé & Príncipe	6.1	6.6	5.7	6.7	6.0	5.8	4.0	4.5	5.0	6.0
Sierra Leone	6.8	7.4	7.2	7.3	6.4	5.5	3.2	5.0	5.1	6.0
Togo	2.4	2.1	1.2	4.1	2.3	2.4	3.2	3.4	3.6	4.0
Zimbabwe[1]	-6.8	-6.9	-2.2	-3.5	-3.7	-17.7	6.0	9.0	7.3	5.7
Sub-Saharan Africa	**6.6**	**7.2**	**6.3**	**6.4**	**7.3**	**5.7**	**2.8**	**4.9**	**5.5**	**5.9**
Median	5.2	4.8	5.3	5.3	5.6	5.2	3.2	5.0	5.5	5.6
Including Zimbabwe	6.5	7.1	6.2	6.4	7.2	5.6	2.8	5.0	5.6	5.9
Excluding Nigeria and South Africa	7.5	7.5	7.4	7.1	8.5	6.9	3.8	4.7	6.1	6.7
Oil-importing countries	**5.5**	**5.2**	**5.7**	**5.9**	**6.0**	**4.9**	**1.5**	**4.2**	**4.9**	**5.3**
Excluding South Africa	**6.1**	**5.8**	**6.0**	**6.2**	**6.3**	**6.1**	**4.2**	**5.4**	**5.9**	**6.5**
CFA franc zone	4.8	7.7	4.9	2.9	4.6	4.1	2.8	4.0	3.3	5.3
WAEMU	3.7	2.9	4.7	3.2	3.4	4.2	3.0	4.1	1.3	6.2
CEMAC	6.0	12.6	5.1	2.5	5.9	4.0	2.6	3.9	5.2	4.4
EAC-5	6.7	6.3	6.6	7.7	7.1	5.7	5.1	5.6	6.1	6.5
SADC	6.6	5.7	6.7	7.2	7.9	5.5	0.0	3.3	4.6	5.3
SACU	4.9	4.8	5.0	5.6	5.5	3.6	-1.7	3.1	3.6	4.0
COMESA	7.3	6.8	7.2	7.9	7.9	6.8	5.2	5.6	6.2	6.5
Resource-intensive countries	**7.9**	**10.2**	**6.8**	**6.9**	**8.9**	**6.6**	**4.5**	**6.0**	**5.9**	**6.7**
Oil	8.7	11.2	7.6	7.6	9.9	7.1	5.2	6.2	6.7	6.9
Non-oil resource-intensive countries	3.4	4.7	2.3	3.5	3.4	3.3	0.4	4.7	0.3	5.8
Non-resource-intensive countries	**5.8**	**5.3**	**6.0**	**6.2**	**6.2**	**5.1**	**1.6**	**4.2**	**5.3**	**5.3**
Coastal Non-resource-intensive countries	5.2	4.9	5.4	5.6	5.8	4.2	0.3	3.5	4.8	4.8
Landlocked Non-resource-intensive countries	8.0	6.9	8.4	8.5	7.7	8.5	6.4	6.5	6.7	7.1
MDRI	6.7	6.2	6.9	6.7	6.5	7.3	5.2	5.7	7.0	6.6
Fixed exchange rate regimes	4.8	7.6	4.7	3.1	4.6	3.9	2.6	3.9	3.4	5.2
Floating exchange rate	6.9	7.1	6.6	7.1	7.8	6.0	2.8	5.1	5.9	6.0

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] In constant 2009 US 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
Oil-exporting countries	**10.9**	**11.3**	**8.3**	**11.9**	**13.7**	**9.5**	**8.0**	**6.7**	**7.8**	**7.5**
Excluding Nigeria	**12.7**	**8.1**	**10.4**	**15.4**	**19.0**	**10.5**	**7.6**	**4.9**	**8.0**	**7.7**
Angola	18.0	9.0	14.1	25.2	26.8	15.0	8.1	4.6	9.2	10.4
Cameroon	3.6	4.9	3.2	2.9	4.0	3.1	2.9	3.8	4.0	3.7
Chad	4.8	2.1	11.0	4.7	3.1	3.2	1.9	5.9	6.0	6.3
Congo, Rep. of	5.7	5.0	5.4	5.9	6.6	5.4	3.9	6.5	7.3	7.9
Equatorial Guinea	29.3	28.4	22.8	29.8	47.2	18.1	27.6	5.3	12.8	5.0
Gabon	4.2	2.3	4.3	4.9	6.2	3.4	-0.5	6.1	6.7	4.3
Nigeria	9.8	13.3	7.0	9.6	10.1	8.9	8.3	7.9	7.7	7.4
Middle-income countries	**4.9**	**4.8**	**4.9**	**5.6**	**5.5**	**3.6**	**-1.5**	**3.1**	**3.7**	**4.0**
Excluding South Africa	**4.6**	**6.3**	**2.1**	**5.3**	**5.2**	**3.9**	**-0.5**	**5.7**	**4.7**	**5.1**
Botswana	4.1	6.0	1.6	5.1	4.8	3.1	-3.7	8.6	6.0	6.6
Cape Verde	7.2	4.3	6.5	10.1	8.6	6.2	3.6	5.4	5.5	6.8
Lesotho	3.7	2.3	2.4	4.7	4.5	4.7	3.0	2.4	3.1	4.1
Mauritius	4.6	5.5	1.5	4.5	5.9	5.5	3.0	4.0	4.1	4.2
Namibia	6.3	12.3	2.5	7.1	5.4	4.3	-0.8	4.4	4.8	4.5
Seychelles	3.7	-2.9	6.7	6.4	9.6	-1.3	0.7	6.2	4.0	4.7
South Africa	4.9	4.6	5.3	5.6	5.6	3.6	-1.7	2.8	3.5	3.8
Swaziland	2.7	2.5	2.2	2.9	2.8	3.1	1.2	2.0	0.5	1.5
Low-income countries	**6.3**	**5.8**	**6.5**	**6.3**	**6.5**	**6.5**	**4.8**	**5.4**	**5.3**	**6.6**
Excluding fragile countries	**7.0**	**6.4**	**7.3**	**7.2**	**7.2**	**7.1**	**5.2**	**5.7**	**6.3**	**6.8**
Benin	3.9	3.0	2.9	3.8	4.6	5.0	2.7	2.5	3.4	4.3
Burkina Faso	5.5	4.5	8.7	5.5	3.6	5.2	3.2	5.8	5.5	5.6
Ethiopia	11.8	11.7	12.6	11.5	11.8	11.2	10.0	8.0	8.5	8.0
Ghana	6.2	5.4	6.2	4.6	6.5	8.4	4.7	5.7	6.5	6.6
Kenya	5.1	4.6	6.0	6.3	7.0	1.6	2.6	5.0	5.7	6.5
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-3.7	-2.0	0.6	4.7
Malawi	6.0	5.5	2.6	7.7	5.8	8.6	7.6	6.6	6.1	5.7
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.5	4.5	6.0	5.4
Mozambique	7.8	7.9	8.4	8.7	7.3	6.8	6.3	7.0	7.5	7.8
Niger	5.2	-0.8	8.4	5.8	3.3	9.3	-0.9	7.5	5.5	15.4
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	6.5	6.5	7.0
Senegal	4.4	5.9	5.6	2.4	5.0	3.2	2.2	4.2	4.5	4.8
Tanzania	7.3	7.8	7.4	7.0	6.9	7.3	6.7	6.5	6.4	6.6
Uganda	8.2	6.8	6.3	10.8	8.4	8.7	7.2	5.2	6.0	6.5
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.4	7.6	6.8	7.4
Fragile countries	**3.2**	**3.2**	**3.3**	**2.6**	**3.5**	**3.5**	**3.0**	**4.1**	**0.6**	**5.5**
Including Zimbabwe	**2.8**	**3.2**	**2.9**	**2.2**	**3.1**	**2.5**	**3.2**	**4.4**	**1.3**	**5.5**
Burundi	3.8	4.8	0.9	5.1	3.6	4.5	3.5	3.9	4.5	4.8
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.3	4.1	5.0
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.4	3.5
Congo, Dem. Rep. of	6.5	6.6	7.8	5.6	6.3	6.2	2.8	7.2	6.5	6.0
Côte d'Ivoire	1.5	1.6	1.3	0.0	2.1	2.5	3.7	3.0	-7.6	5.6
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.9	2.2	7.9	6.1
Gambia, The	4.6	7.0	0.3	3.4	6.0	6.3	6.7	5.7	5.5	5.5
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	1.9	4.0	4.5
Guinea-Bissau	3.1	2.8	4.3	2.1	3.2	3.2	3.0	3.5	4.3	4.5
Liberia	6.4	2.6	5.3	7.8	9.4	7.1	4.6	5.1	5.9	9.8
São Tomé & Príncipe	6.1	6.6	5.7	6.7	6.0	5.8	4.0	4.5	5.0	6.0
Sierra Leone	6.8	7.4	7.2	7.3	6.4	5.5	3.2	5.0	5.1	6.0
Togo	2.4	2.1	1.2	4.1	2.3	2.4	3.2	3.4	3.6	4.0
Zimbabwe[1]	-6.8	-6.9	-2.2	-3.5	-3.7	-17.7	6.0	9.0	7.3	5.7
Sub-Saharan Africa	**7.3**	**7.2**	**6.5**	**7.8**	**8.5**	**6.5**	**3.7**	**5.1**	**5.6**	**6.1**
Median	5.3	4.9	5.3	5.5	5.8	5.2	3.2	5.0	5.5	5.6
Including Zimbabwe	7.2	7.2	6.4	7.7	8.4	6.4	3.8	5.1	5.7	6.1
Excluding Nigeria and South Africa	7.9	6.4	7.1	8.6	9.8	7.4	5.1	5.3	6.0	6.7
Oil-importing countries	**5.5**	**5.2**	**5.6**	**5.9**	**6.0**	**4.9**	**1.5**	**4.3**	**4.5**	**5.3**
Excluding South Africa	**6.1**	**5.8**	**6.0**	**6.2**	**6.4**	**6.2**	**4.2**	**5.5**	**5.2**	**6.4**
CFA franc zone	6.0	5.1	6.2	5.5	7.8	5.2	5.0	4.6	4.0	5.6
WAEMU	3.6	2.9	4.5	3.0	3.5	4.2	2.9	4.2	1.3	6.1
CEMAC	8.3	7.4	7.9	8.1	12.2	6.2	7.0	5.1	6.8	5.0
EAC-5	6.7	6.3	6.6	7.7	7.1	5.7	5.1	5.6	6.1	6.5
SADC	6.7	5.5	6.1	7.9	8.3	5.6	0.7	3.7	4.8	5.3
SACU	4.9	4.8	5.0	5.6	5.5	3.6	-1.7	3.1	3.6	4.0
COMESA	7.3	6.8	7.2	7.9	7.9	6.8	5.2	5.6	6.2	6.5
Resource-intensive countries	**9.8**	**10.3**	**7.3**	**10.5**	**12.2**	**8.7**	**7.0**	**6.5**	**6.8**	**7.3**
Oil	10.9	11.3	8.3	11.9	13.7	9.5	8.0	6.7	7.8	7.5
Non-oil resource-intensive countries	3.4	4.7	2.0	3.2	3.6	3.4	0.4	4.8	0.3	5.7
Non-resource-intensive countries	**5.8**	**5.3**	**6.0**	**6.2**	**6.2**	**5.1**	**1.6**	**4.2**	**4.8**	**5.2**
Coastal Non-resource-intensive countries	5.2	4.9	5.4	5.6	5.8	4.2	0.3	3.5	4.3	4.7
Landlocked Non-resource-intensive countries	8.0	6.9	8.4	8.5	7.7	8.5	6.4	6.5	6.7	7.1
MDRI	6.8	6.4	6.9	6.7	6.8	7.3	5.2	5.7	6.1	6.5
Fixed exchange rate regimes	5.8	5.3	5.8	5.4	7.5	4.9	4.6	4.5	4.0	5.4
Floating exchange rate	7.6	7.6	6.6	8.3	8.7	6.8	3.6	5.2	5.9	6.2

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] In constant 2009 US 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
Oil-exporting countries	**5.8**	**8.2**	**4.7**	**4.7**	**6.9**	**4.3**	**2.4**	**3.4**	**3.9**	**4.0**
Excluding Nigeria	**8.2**	**9.2**	**8.1**	**6.7**	**11.1**	**6.0**	**-0.1**	**0.1**	**3.7**	**4.6**
Angola	14.6	8.0	17.2	16.2	20.6	10.9	-0.2	-1.3	4.6	7.3
Cameroon	0.2	0.9	-0.5	0.4	0.6	-0.2	-0.8	0.5	1.0	2.0
Chad	5.7	30.4	5.3	-2.3	-2.3	-2.8	-2.2	2.5	1.5	3.5
Congo, Rep. of	1.4	0.6	4.7	3.2	-4.4	2.6	4.4	6.0	4.8	1.7
Equatorial Guinea	12.9	34.1	6.7	-1.6	18.0	7.6	2.8	-3.6	4.1	1.1
Gabon	0.4	-1.1	0.5	-1.3	3.0	0.8	-2.8	4.2	4.1	1.8
Nigeria	4.2	7.6	2.6	3.4	4.1	3.1	4.1	5.5	4.0	3.7
Middle-income countries	**3.7**	**3.7**	**3.9**	**4.4**	**4.5**	**1.9**	**-2.8**	**2.0**	**2.5**	**2.8**
Excluding South Africa	**3.4**	**5.1**	**1.0**	**4.2**	**3.8**	**2.6**	**-1.4**	**4.8**	**3.7**	**4.1**
Botswana	3.0	4.8	0.8	4.3	3.5	1.8	-4.9	7.1	4.6	5.2
Cape Verde	5.5	2.5	5.0	8.3	7.1	4.7	0.7	3.4	2.6	3.8
Lesotho	1.8	0.1	0.6	2.8	2.6	2.8	1.2	0.6	1.3	2.2
Mauritius	3.8	4.6	0.7	3.7	4.9	5.2	2.5	3.6	3.5	3.6
Namibia	4.4	10.4	0.7	5.2	3.5	2.4	-1.6	3.5	4.0	3.6
Seychelles	2.7	-2.5	6.2	4.2	9.0	-3.4	0.3	5.8	3.6	4.4
South Africa	3.7	3.5	4.3	4.5	4.6	1.8	-2.9	1.6	2.3	2.6
Swaziland	1.6	1.8	1.3	1.8	1.5	1.6	1.4	2.4	0.9	1.9
Low-income countries	**3.6**	**2.9**	**4.0**	**3.6**	**3.7**	**3.7**	**2.1**	**2.7**	**3.4**	**3.9**
Excluding fragile countries	**4.4**	**3.8**	**4.8**	**4.4**	**4.5**	**4.4**	**2.5**	**3.0**	**4.5**	**4.2**
Benin	0.9	-0.3	-0.4	0.9	1.8	2.2	-0.1	-0.3	0.6	1.4
Burkina Faso	2.9	1.3	6.1	3.1	1.2	2.8	0.9	3.4	3.1	3.2
Ethiopia	8.9	8.9	9.8	8.7	8.9	8.3	7.2	5.5	6.0	5.5
Ghana	3.6	2.7	3.5	1.9	3.8	5.7	2.0	3.1	10.8	4.6
Kenya	2.4	2.6	4.0	3.2	3.9	-1.4	-0.4	2.0	2.7	3.5
Madagascar	2.8	2.4	1.8	2.2	3.4	4.3	-6.2	-4.5	-1.9	2.1
Malawi	3.4	3.3	0.5	4.7	2.9	5.6	4.6	3.7	3.2	2.8
Mali	2.1	-0.2	3.6	2.8	1.9	2.5	2.0	1.4	2.9	2.3
Mozambique	5.7	5.8	6.3	6.6	5.2	4.7	4.2	4.9	5.4	5.7
Niger	2.0	-3.8	5.2	2.6	0.2	6.0	-3.8	4.3	2.3	11.9
Rwanda	6.6	5.9	7.5	7.3	3.3	8.9	2.0	4.3	4.3	4.8
Senegal	2.0	3.4	3.2	0.0	2.5	0.8	-0.2	1.8	2.0	2.3
Tanzania	5.1	5.5	5.1	5.1	4.9	5.2	4.6	4.4	4.4	4.5
Uganda	4.7	3.4	2.9	7.2	4.9	5.2	3.5	1.5	2.3	2.8
Zambia	3.3	3.1	3.0	3.7	3.6	3.1	3.8	5.0	4.2	4.8
Fragile countries	**0.3**	**-0.4**	**0.8**	**0.0**	**0.5**	**0.6**	**0.1**	**1.1**	**-2.2**	**2.7**
Including Zimbabwe	**-0.1**	**-1.0**	**0.5**	**-0.2**	**0.2**	**-0.3**	**0.4**	**1.5**	**-1.7**	**2.9**
Burundi	1.8	2.8	-1.1	3.1	1.5	2.5	1.4	1.8	2.4	2.7
Central African Republic	0.6	-1.0	0.4	1.8	1.7	0.0	-1.9	0.8	1.6	2.4
Comoros	-0.7	-2.3	2.1	-0.8	-1.6	-1.1	-0.3	0.0	0.3	1.3
Congo, Dem. Rep. of	3.4	3.5	4.7	2.5	3.2	3.1	-0.2	4.1	3.4	2.9
Côte d'Ivoire	-1.7	-3.3	-0.8	-2.2	-1.4	-0.7	0.7	-0.4	...	...
Eritrea	-4.5	-2.6	-1.2	-4.3	-1.9	-12.6	0.7	-0.9	4.6	2.9
Gambia, The	1.0	3.4	-3.2	-0.2	2.4	2.7	3.1	2.2	2.0	2.0
Guinea	0.8	0.4	1.0	0.4	-0.4	2.6	-2.7	-0.5	1.4	1.9
Guinea-Bissau	0.8	0.3	1.8	-0.2	0.9	1.0	0.8	1.2	2.1	2.3
Liberia	2.7	0.8	2.4	3.7	4.4	1.9	-0.2	0.8	2.1	6.3
São Tomé & Príncipe	4.4	4.8	3.9	5.0	4.3	4.1	2.4	2.8	3.3	4.3
Sierra Leone	3.4	3.1	3.4	3.9	3.5	2.9	0.7	2.3	2.4	3.3
Togo	-0.2	-0.5	-1.4	1.5	-0.2	-0.1	0.7	0.9	1.1	1.5
Zimbabwe[1]	-7.3	-7.9	-3.3	-3.4	-3.9	-18.2	6.0	9.0	7.3	5.7
Sub-Saharan Africa	**4.3**	**4.9**	**4.2**	**4.3**	**5.1**	**3.3**	**0.6**	**2.7**	**3.3**	**3.6**
Median	2.9	2.7	2.9	3.1	3.2	2.6	0.7	2.3	2.8	2.9
Including Zimbabwe	4.3	4.9	4.2	4.2	5.0	3.2	0.6	2.7	3.3	3.6
Excluding Nigeria and South Africa	4.7	4.6	4.7	4.4	5.7	4.1	1.2	2.2	3.5	4.1
Oil-importing countries	**3.6**	**3.3**	**3.9**	**4.0**	**4.1**	**2.7**	**-0.4**	**2.3**	**2.9**	**3.4**
Excluding South Africa	**3.5**	**3.1**	**3.5**	**3.6**	**3.7**	**3.4**	**1.7**	**3.0**	**3.4**	**4.0**
CFA franc zone	2.0	4.5	2.2	0.2	1.9	1.4	0.1	1.3	0.7	2.7
WAEMU	0.8	-0.6	2.0	0.5	0.7	1.5	0.3	1.3	-1.4	3.3
CEMAC	3.3	9.6	2.4	-0.2	3.1	1.4	0.0	1.4	2.7	1.9
EAC-5	4.1	3.9	4.2	4.9	4.3	3.0	2.3	2.8	3.3	3.8
SADC	4.9	4.1	5.2	5.6	6.3	3.4	-1.6	1.7	2.9	3.6
SACU	3.7	3.7	4.0	4.5	4.4	1.8	-2.9	1.9	2.4	2.8
COMESA	4.4	3.9	4.5	4.9	4.9	3.7	2.6	3.0	3.6	3.9
Resource-intensive countries	**5.1**	**7.2**	**4.0**	**4.2**	**6.1**	**3.8**	**1.9**	**3.3**	**3.1**	**4.0**
Oil	5.8	8.2	4.7	4.7	6.9	4.3	2.4	3.4	3.9	4.0
Non-oil resource-intensive countries	1.1	1.7	0.3	1.4	1.2	1.1	-1.7	2.5	-1.7	3.6
Non-resource-intensive countries	**3.9**	**3.5**	**4.3**	**4.3**	**4.4**	**2.8**	**-0.3**	**2.3**	**3.3**	**3.4**
Coastal Non-resource-intensive countries	3.6	3.4	4.0	4.0	4.3	2.2	-1.4	1.9	3.1	3.1
Landlocked Non-resource-intensive countries	4.8	3.6	5.3	5.5	4.6	5.2	3.7	3.8	4.0	4.3
MDRI	4.0	3.5	4.2	4.0	3.8	4.5	2.5	3.1	4.4	3.9
Fixed exchange rate regimes	2.0	4.5	2.0	0.4	1.9	1.3	0.1	1.4	0.9	2.7
Floating exchange rate	4.8	5.0	4.7	5.0	5.7	3.6	0.7	2.9	3.7	3.8

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] In constant 2009 US 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. Real Per Capita GDP
(U.S. dollars, at 2000 prices, using 2000 exchange rates)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**681**	**625**	**649**	**675**	**715**	**742**	**761**	**788**	**818**	**850**
Excluding Nigeria	**916**	**804**	**856**	**901**	**983**	**1,033**	**1,032**	**1,034**	**1,070**	**1,114**
Angola	990	708	829	963	1,162	1,288	1,285	1,268	1,326	1,423
Cameroon	679	679	675	678	682	681	675	678	685	698
Chad	296	293	308	301	294	286	280	287	291	301
Congo, Rep. of	1,170	1,120	1,173	1,211	1,158	1,188	1,241	1,316	1,379	1,402
Equatorial Guinea	3,923	3,449	3,679	3,620	4,272	4,596	4,722	4,552	4,740	4,792
Gabon	4,070	4,030	4,051	3,998	4,118	4,152	4,034	4,203	4,374	4,452
Nigeria	596	559	574	593	617	637	663	699	727	754
Middle-income countries	**3,399**	**3,141**	**3,263**	**3,406**	**3,558**	**3,625**	**3,525**	**3,593**	**3,680**	**3,782**
Excluding South Africa	**2,529**	**2,404**	**2,424**	**2,521**	**2,615**	**2,682**	**2,645**	**2,760**	**2,856**	**2,966**
Botswana	4,390	4,179	4,211	4,391	4,544	4,624	4,396	4,710	4,925	5,183
Cape Verde	1,588	1,398	1,467	1,590	1,703	1,783	1,795	1,856	1,905	1,977
Lesotho	395	380	382	393	403	415	420	422	428	437
Mauritius	4,677	4,413	4,444	4,610	4,833	5,084	5,212	5,397	5,585	5,784
Namibia	2,668	2,524	2,542	2,674	2,768	2,835	2,789	2,887	3,001	3,110
Seychelles	7,467	6,742	7,159	7,456	8,128	7,849	7,871	8,331	8,631	9,011
South Africa	3,565	3,281	3,422	3,576	3,739	3,806	3,694	3,752	3,838	3,938
Swaziland	1,531	1,485	1,505	1,532	1,555	1,580	1,601	1,640	1,655	1,686
Low-income countries	**278**	**259**	**269**	**278**	**288**	**297**	**303**	**311**	**320**	**332**
Excluding fragile countries	**303**	**277**	**290**	**303**	**316**	**328**	**336**	**347**	**361**	**376**
Benin	350	345	343	347	353	361	360	359	361	366
Burkina Faso	278	258	273	282	285	293	296	306	316	326
Ethiopia	161	134	147	160	174	189	203	214	227	239
Ghana	462	432	447	456	473	500	510	526	583	610
Kenya	441	414	430	444	461	455	453	462	474	491
Madagascar	241	229	233	239	247	257	241	231	226	231
Malawi	149	141	142	149	153	162	169	175	181	186
Mali	314	296	307	315	321	329	336	341	351	359
Mozambique	346	307	327	348	366	383	400	419	442	467
Niger	178	166	174	179	179	190	183	191	195	218
Rwanda	298	261	280	301	311	339	345	360	376	394
Senegal	508	490	506	506	518	523	522	531	542	554
Tanzania	377	341	358	376	394	415	434	453	473	494
Uganda	320	290	299	320	336	353	366	371	380	391
Zambia	364	341	351	364	377	389	404	424	442	463
Fragile countries	**213**	**212**	**213**	**213**	**214**	**215**	**215**	**217**	**212**	**218**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	109	107	105	109	110	113	115	117	120	123
Central African Republic	218	214	215	218	222	222	218	220	223	228
Comoros	380	379	387	384	378	373	372	373	374	379
Congo, Dem. Rep. of	89	83	87	89	92	95	95	99	102	105
Côte d'Ivoire	541	555	551	539	531	528	532	530	...	...
Eritrea	167	179	177	169	166	145	146	145	152	156
Gambia, The	501	507	491	490	502	516	532	543	554	565
Guinea	391	385	389	391	389	399	389	386	392	400
Guinea-Bissau	267	262	267	266	269	272	274	277	283	289
Liberia	127	119	122	126	132	134	134	135	138	147
São Tomé & Príncipe	720	660	686	720	751	782	801	824	851	887
Sierra Leone	249	232	240	249	258	265	267	273	280	289
Togo	226	227	223	227	226	226	227	229	232	235
Zimbabwe	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**635**	**593**	**613**	**634**	**659**	**676**	**674**	**688**	**706**	**727**
Median	387	379	382	384	389	399	404	422	435	450
Including Zimbabwe	...	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	379	350	364	377	395	409	413	421	434	450
Oil-importing countries	**618**	**582**	**599**	**619**	**639**	**652**	**642**	**651**	**664**	**681**
Excluding South Africa	**321**	**302**	**311**	**321**	**332**	**342**	**346**	**355**	**365**	**379**
CFA franc zone	497	485	494	495	503	509	509	515	517	530
WAEMU	363	355	361	362	365	369	370	374	368	379
CEMAC	805	781	797	797	818	829	827	838	860	875
EAC-5	358	329	342	359	375	386	396	407	420	436
SADC	1,029	951	987	1,029	1,076	1,103	1,076	1,089	1,111	1,141
SACU	3,379	3,121	3,245	3,389	3,538	3,602	3,497	3,561	3,647	3,747
COMESA	244	225	233	244	255	264	269	276	285	295
Resource-intensive countries	**676**	**629**	**649**	**671**	**704**	**728**	**741**	**766**	**788**	**818**
Oil	681	625	649	675	715	742	761	788	818	850
Non-oil resource-intensive countries	659	648	649	658	665	673	663	679	671	693
Non-resource-intensive countries	**622**	**582**	**602**	**623**	**645**	**659**	**649**	**658**	**673**	**690**
Coastal Non-resource-intensive countries	1,120	1,049	1,084	1,122	1,162	1,182	1,156	1,170	1,197	1,225
Landlocked Non-resource-intensive countries	189	171	180	189	198	208	215	222	230	239
MDRI	278	257	267	278	287	299	306	315	328	340
Fixed exchange rate regimes	514	502	510	512	520	526	525	530	533	546
Floating exchange rate	665	616	638	664	693	713	710	727	748	771

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

Table SA5. Consumer Prices
(Annual average, percent change)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**10.8**	**14.9**	**14.8**	**8.1**	**5.6**	**10.4**	**11.1**	**11.5**	**10.3**	**8.9**
Excluding Nigeria	**9.5**	**14.6**	**10.2**	**7.9**	**6.0**	**8.8**	**8.9**	**8.2**	**9.1**	**8.0**
Angola	20.9	43.6	23.0	13.3	12.2	12.5	13.7	14.5	14.6	12.4
Cameroon	2.7	0.3	2.0	4.9	1.1	5.3	3.0	1.3	3.0	2.5
Chad	1.5	-4.8	3.7	7.7	-7.4	8.3	10.1	1.0	3.0	3.0
Congo, Rep. of	3.9	3.7	2.5	4.7	2.6	6.0	4.3	5.0	5.9	5.2
Equatorial Guinea	4.3	4.2	5.7	4.5	2.8	4.3	7.2	7.5	7.3	7.0
Gabon	2.1	0.4	1.2	-1.4	5.0	5.3	1.9	0.6	2.3	3.4
Nigeria	11.6	15.0	17.9	8.2	5.4	11.6	12.5	13.7	11.1	9.5
Middle-income countries	**5.9**	**1.9**	**3.6**	**5.1**	**7.1**	**11.6**	**7.1**	**4.3**	**5.2**	**5.8**
Excluding South Africa	**7.7**	**5.3**	**5.5**	**8.3**	**7.5**	**11.9**	**7.2**	**4.8**	**7.0**	**5.9**
Botswana	9.4	7.0	8.6	11.6	7.1	12.6	8.1	6.9	7.8	7.0
Cape Verde	2.9	-1.9	0.4	4.8	4.4	6.8	1.0	2.1	4.4	5.4
Lesotho	6.7	5.0	3.4	6.1	8.0	10.7	7.2	3.8	5.4	5.6
Mauritius	7.4	4.7	4.9	8.7	8.6	9.7	2.5	2.9	7.4	4.6
Namibia	5.7	4.1	2.3	5.1	6.7	10.4	8.8	4.5	5.9	5.6
Seychelles	9.0	3.9	0.6	-1.9	5.3	37.0	31.9	-2.4	3.1	4.3
South Africa	5.6	1.4	3.4	4.7	7.1	11.5	7.1	4.3	4.9	5.8
Swaziland	7.3	3.5	4.8	5.3	9.7	13.1	7.5	4.5	7.9	6.1
Low-income countries	**9.0**	**7.1**	**9.2**	**7.8**	**7.8**	**13.3**	**13.6**	**6.6**	**7.9**	**7.2**
Excluding fragile countries	**9.0**	**7.5**	**8.6**	**7.5**	**7.7**	**13.6**	**13.9**	**6.0**	**7.6**	**7.3**
Benin	3.9	0.9	5.4	3.8	1.3	8.0	2.2	2.1	4.2	3.0
Burkina Faso	3.8	-0.4	6.4	2.4	-0.2	10.7	2.6	0.4	2.0	2.0
Ethiopia	13.8	8.6	6.8	12.3	15.8	25.3	36.4	2.8	12.9	11.2
Ghana	13.0	12.6	15.1	10.2	10.7	16.5	19.3	10.7	8.7	8.7
Kenya	9.6	11.8	9.9	6.0	4.3	16.2	9.3	3.9	7.2	5.0
Madagascar	12.5	14.0	18.4	10.8	10.4	9.2	9.0	9.0	8.8	7.5
Malawi	11.5	11.4	15.5	13.9	8.0	8.8	8.7	6.9	6.6	6.9
Mali	3.1	-3.1	6.4	1.5	1.5	9.1	2.2	1.2	4.5	2.7
Mozambique	10.2	12.6	6.4	13.2	8.2	10.3	3.3	12.7	9.5	7.2
Niger	3.8	0.4	7.8	0.1	0.1	10.5	1.1	0.9	3.8	2.0
Rwanda	10.9	12.0	9.1	8.8	9.1	15.4	10.3	2.3	3.1	5.5
Senegal	3.2	0.5	1.7	2.1	5.9	5.8	-1.7	1.2	3.9	2.5
Tanzania	5.8	4.1	4.4	5.6	6.3	8.4	11.8	10.5	6.3	7.0
Uganda	6.7	5.0	8.0	6.6	6.8	7.3	14.2	9.4	6.1	11.0
Zambia	13.7	18.0	18.3	9.0	10.7	12.4	13.4	8.5	9.0	6.5
Fragile countries	**9.4**	**5.8**	**11.5**	**9.1**	**8.5**	**12.1**	**12.5**	**9.3**	**9.1**	**6.9**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**12.2**	**9.0**	**8.8**	**6.9**
Burundi	11.4	8.0	13.5	2.7	8.3	24.4	10.7	6.4	8.4	13.4
Central African Republic	3.5	-2.2	2.9	6.7	0.9	9.3	3.5	1.5	2.7	2.9
Comoros	4.0	4.5	3.0	3.4	4.5	4.8	4.8	2.7	3.9	3.6
Congo, Dem. Rep. of	14.7	4.0	21.4	13.2	16.7	18.0	46.2	23.5	12.0	11.0
Côte d'Ivoire	3.2	1.5	3.9	2.5	1.9	6.3	1.0	1.4	5.0	2.5
Eritrea	16.4	25.1	12.5	15.1	9.3	19.9	33.0	12.7	13.3	12.3
Gambia, The	6.2	14.3	5.0	2.1	5.4	4.5	4.6	5.0	5.9	5.5
Guinea	25.0	17.5	31.4	34.7	22.9	18.4	4.7	15.5	19.6	15.1
Guinea-Bissau	4.0	0.8	3.2	0.7	4.6	10.4	-1.6	1.1	4.0	2.0
Liberia	9.8	3.6	6.9	7.2	13.7	17.5	7.4	7.3	9.7	6.0
São Tomé & Príncipe	19.5	12.8	17.2	23.1	18.5	26.0	17.0	14.4	10.6	6.7
Sierra Leone	12.5	14.2	12.0	9.5	11.6	14.8	9.2	17.8	14.7	8.8
Togo	3.8	0.4	6.8	2.2	0.9	8.7	1.9	3.2	6.2	2.0
Zimbabwe	...	...	...	...	...	...	6.5	3.0	4.8	6.1
Sub-Saharan Africa	**8.4**	**7.6**	**8.8**	**6.9**	**6.9**	**11.7**	**10.5**	**7.5**	**7.8**	**7.3**
Median	6.8	4.2	6.4	6.0	6.7	10.4	7.4	4.5	6.2	5.6
Including Zimbabwe	...	...	...	...	...	...	10.5	7.5	7.8	7.3
Excluding Nigeria and South Africa	9.0	8.8	9.1	7.9	7.3	11.9	11.8	6.9	8.1	7.3
Oil-importing countries	**7.3**	**4.2**	**6.1**	**6.3**	**7.5**	**12.4**	**10.2**	**5.4**	**6.5**	**6.5**
Excluding South Africa	**8.9**	**6.9**	**8.7**	**7.9**	**7.8**	**13.1**	**12.8**	**6.4**	**7.8**	**7.0**
CFA franc zone	3.1	0.4	3.7	3.1	1.5	6.8	2.8	2.0	4.1	3.2
WAEMU	3.4	0.3	4.7	2.2	2.0	7.9	1.0	1.3	4.1	2.4
CEMAC	2.8	0.4	2.7	4.1	1.0	5.7	4.7	2.8	4.1	3.9
EAC-5	7.8	7.7	7.7	6.1	5.8	11.7	11.3	7.2	6.4	7.2
SADC	7.7	6.0	6.5	6.6	8.0	11.5	9.2	6.9	6.9	7.0
SACU	5.8	1.8	3.6	5.0	7.1	11.6	7.2	4.4	5.1	5.8
COMESA	10.9	9.0	10.2	9.2	9.9	16.3	19.5	6.1	9.0	8.6
Resource-intensive countries	**10.3**	**13.4**	**13.8**	**8.2**	**5.8**	**10.5**	**10.2**	**10.8**	**10.0**	**8.5**
Oil	10.8	14.9	14.8	8.1	5.6	10.4	11.1	11.5	10.3	8.9
Non-oil resource-intensive countries	8.1	5.8	8.3	9.2	6.9	10.6	5.0	5.8	8.0	6.0
Non-resource-intensive countries	**7.2**	**4.0**	**5.9**	**6.0**	**7.5**	**12.5**	**10.6**	**5.4**	**6.3**	**6.5**
Coastal Non-resource-intensive countries	6.6	3.7	5.2	5.5	7.0	11.7	7.9	5.3	5.7	5.9
Landlocked Non-resource-intensive countries	9.5	5.1	8.9	8.3	9.5	15.8	20.4	5.6	8.4	8.5
MDRI	8.3	5.8	8.1	7.6	7.7	12.4	14.2	6.7	7.4	7.3
Fixed exchange rate regimes	3.6	1.1	3.8	3.5	2.2	7.4	3.7	2.4	4.4	3.5
Floating exchange rate	9.4	9.0	9.9	7.6	7.8	12.6	11.9	8.5	8.5	8.1

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

Table SA6. Consumer Prices
(End of period, percent change)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**9.7**	**10.8**	**10.2**	**7.7**	**6.7**	**12.9**	**11.6**	**10.5**	**9.5**	**7.9**
Excluding Nigeria	**8.7**	**12.2**	**8.0**	**6.4**	**6.9**	**9.8**	**8.1**	**8.7**	**8.0**	**7.0**
Angola	17.3	31.0	18.5	12.2	11.8	13.2	14.0	15.3	13.0	11.2
Cameroon	3.1	1.0	3.5	2.4	3.4	5.3	0.9	2.6	3.0	2.5
Chad	3.2	9.2	-3.4	-0.9	1.7	9.7	4.7	-2.2	-2.0	-2.0
Congo, Rep. of	4.4	1.1	3.1	8.1	-1.7	11.4	2.5	5.4	5.0	4.2
Equatorial Guinea	4.4	5.1	3.2	3.8	3.7	6.2	8.1	7.5	7.3	7.0
Gabon	2.3	-0.5	1.1	-0.7	5.9	5.6	0.9	0.7	3.5	3.2
Nigeria	10.4	10.0	11.6	8.5	6.6	15.1	13.9	11.7	10.5	8.5
Middle-income countries	**6.6**	**3.7**	**3.9**	**6.0**	**9.0**	**10.3**	**6.1**	**3.7**	**6.0**	**5.6**
Excluding South Africa	**8.3**	**5.9**	**6.7**	**8.0**	**8.6**	**12.3**	**4.4**	**5.5**	**6.5**	**5.5**
Botswana	9.9	7.9	11.3	8.5	8.1	13.7	5.8	7.4	7.5	6.4
Cape Verde	3.5	-0.3	1.8	5.8	3.4	6.7	-0.4	3.4	5.7	4.3
Lesotho	7.2	5.0	3.5	6.4	10.5	10.6	4.2	3.1	5.6	5.7
Mauritius	7.3	5.6	3.9	11.6	8.6	6.8	1.5	6.1	5.8	4.4
Namibia	6.4	4.3	3.5	6.0	7.1	10.9	7.0	3.1	5.7	5.5
Seychelles	16.5	3.9	-1.6	0.2	16.8	63.3	-2.5	0.4	5.5	3.5
South Africa	6.4	3.5	3.6	5.8	9.0	10.1	6.3	3.5	5.9	5.6
Swaziland	8.1	3.2	6.3	5.5	12.6	12.9	4.5	4.5	7.3	5.4
Low-income countries	**10.2**	**7.9**	**8.8**	**8.4**	**7.7**	**18.2**	**7.3**	**6.7**	**8.9**	**6.4**
Excluding fragile countries	**10.2**	**7.7**	**8.4**	**8.0**	**7.9**	**18.9**	**6.4**	**6.2**	**8.8**	**6.5**
Benin	4.4	2.6	3.7	5.3	0.3	9.9	-2.9	4.0	4.5	3.0
Burkina Faso	4.1	0.7	4.5	1.5	2.3	11.6	-0.3	1.4	2.0	2.0
Ethiopia	19.3	1.7	13.0	11.6	15.1	55.3	2.7	7.3	16.0	9.0
Ghana	13.7	11.8	14.8	10.9	12.7	18.1	16.0	8.6	9.0	8.5
Kenya	10.5	17.1	4.7	7.3	5.6	17.8	5.3	4.5	6.7	5.5
Madagascar	13.6	27.3	11.5	10.8	8.2	10.1	8.0	9.2	8.5	6.5
Malawi	11.6	13.7	16.6	10.1	7.5	9.9	7.6	6.3	7.0	6.8
Mali	3.7	1.5	3.4	3.6	2.6	7.4	1.7	1.9	5.0	3.1
Mozambique	9.2	9.1	11.1	9.4	10.3	6.2	4.2	16.6	8.4	5.6
Niger	4.5	3.7	4.2	0.4	4.7	9.4	-0.6	2.7	3.5	2.0
Rwanda	11.4	10.2	5.6	12.1	6.6	22.3	5.7	0.2	6.0	5.0
Senegal	3.5	1.7	1.4	3.9	6.2	4.3	-3.4	4.3	2.7	2.3
Tanzania	6.2	4.1	5.0	6.8	5.8	9.3	10.7	7.2	7.5	5.5
Uganda	7.1	0.9	10.7	7.2	4.4	12.5	12.3	4.2	12.0	10.0
Zambia	13.4	17.5	15.9	8.2	8.9	16.6	9.9	7.9	7.0	6.0
Fragile countries	**10.3**	**9.1**	**10.5**	**10.2**	**6.6**	**15.1**	**11.8**	**8.8**	**9.1**	**5.8**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**10.8**	**8.5**	**9.0**	**5.9**
Burundi	12.5	11.8	1.0	9.3	14.7	25.7	4.6	4.1	13.9	12.9
Central African Republic	4.7	-0.3	2.2	7.1	-0.2	14.5	-1.2	2.3	3.4	2.4
Comoros	4.4	3.3	7.2	1.7	2.2	7.4	2.2	3.2	4.3	2.9
Congo, Dem. Rep. of	17.2	9.2	21.3	18.2	10.0	27.6	53.4	9.8	13.0	9.0
Côte d'Ivoire	3.9	4.4	2.5	2.0	1.5	9.0	-1.7	5.1	5.0	2.5
Eritrea	17.5	17.4	18.5	9.0	12.6	30.2	22.2	14.2	12.3	12.3
Gambia, The	5.2	8.1	4.8	0.4	6.0	6.8	2.7	5.8	6.0	5.0
Guinea	24.6	27.6	29.7	39.1	12.8	13.5	7.9	20.8	17.1	12.3
Guinea-Bissau	4.6	2.9	-1.0	3.2	9.3	8.7	-6.4	5.7	1.8	2.0
Liberia	9.5	7.5	7.0	8.9	14.7	9.4	9.7	6.6	9.0	4.7
São Tomé & Príncipe	21.9	15.2	17.2	24.6	27.6	24.8	16.1	12.9	8.5	5.0
Sierra Leone	12.4	14.4	13.1	8.3	13.8	12.2	10.8	18.4	13.1	8.0
Togo	4.9	3.9	5.5	1.5	3.4	10.3	-2.4	6.9	6.9	-2.1
Zimbabwe	...	...	...	...	...	...	-7.7	3.2	7.1	6.5
Sub-Saharan Africa	**8.7**	**7.3**	**7.4**	**7.3**	**7.8**	**13.6**	**8.3**	**7.0**	**8.1**	**6.7**
Median	6.9	5.0	4.8	7.1	7.1	10.6	4.6	5.4	6.7	5.4
Including Zimbabwe	...	...	...	...	...	...	8.3	7.0	8.1	6.7
Excluding Nigeria and South Africa	9.6	8.8	8.4	7.8	7.6	15.3	7.2	7.1	8.4	6.5
Oil-importing countries	**8.2**	**5.6**	**6.1**	**7.1**	**8.4**	**13.9**	**6.6**	**5.2**	**7.4**	**6.0**
Excluding South Africa	**10.0**	**7.7**	**8.5**	**8.3**	**7.8**	**17.5**	**6.9**	**6.5**	**8.6**	**6.3**
CFA franc zone	3.7	2.6	2.4	2.5	2.9	7.8	0.7	3.3	3.7	2.6
WAEMU	4.0	2.8	3.0	2.7	2.9	8.5	-1.5	3.7	4.0	2.3
CEMAC	3.3	2.5	1.8	2.4	3.0	7.1	2.9	2.9	3.5	3.0
EAC-5	8.4	8.7	6.0	7.5	5.6	14.2	8.7	5.0	8.2	6.6
SADC	8.1	7.0	6.3	7.3	9.1	10.9	8.4	6.1	7.4	6.5
SACU	6.6	3.7	4.0	5.9	9.0	10.3	6.3	3.7	6.0	5.6
COMESA	12.9	9.4	10.0	10.0	9.1	25.8	8.5	6.0	10.8	7.6
Resource-intensive countries	**9.5**	**10.4**	**9.9**	**7.8**	**6.6**	**12.7**	**10.4**	**10.2**	**9.3**	**7.6**
Oil	9.7	10.8	10.2	7.7	6.7	12.9	11.6	10.5	9.5	7.9
Non-oil resource-intensive countries	8.6	8.4	8.6	8.7	6.1	11.3	3.4	7.8	7.6	5.5
Non-resource-intensive countries	**8.2**	**5.3**	**5.9**	**6.9**	**8.5**	**14.1**	**6.9**	**4.9**	**7.4**	**6.0**
Coastal Non-resource-intensive countries	7.3	5.7	4.8	6.5	8.5	10.9	6.5	4.8	6.3	5.6
Landlocked Non-resource-intensive countries	11.7	3.6	10.4	8.8	8.8	27.1	8.0	5.2	10.8	7.4
MDRI	9.5	5.5	8.7	7.9	7.6	17.7	7.6	6.3	8.7	6.3
Fixed exchange rate regimes	4.1	3.0	2.9	2.9	3.6	8.3	1.4	3.5	4.1	3.0
Floating exchange rate	9.6	8.3	8.4	8.2	8.7	14.7	9.7	7.7	8.9	7.4

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

Table SA7. Total Investment
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**21.3**	**22.0**	**20.6**	**20.9**	**21.1**	**21.9**	**25.2**	**22.7**	**21.0**	**20.9**
Excluding Nigeria	**18.5**	**19.8**	**17.0**	**18.3**	**18.7**	**18.7**	**21.6**	**19.6**	**18.5**	**19.4**
Angola	12.1	9.9	8.8	12.0	13.5	16.2	15.2	10.4	11.0	12.9
Cameroon	16.8	20.4	16.8	14.3	15.0	17.5	16.6	16.4	18.5	19.0
Chad	25.7	24.3	20.2	32.6	26.6	24.8	31.5	39.7	35.9	33.8
Congo, Rep. of	20.9	22.5	20.2	21.6	21.9	18.4	22.5	20.8	20.1	21.8
Equatorial Guinea	35.4	43.7	39.9	32.5	35.3	25.9	48.1	48.3	35.4	34.7
Gabon	23.4	24.4	21.3	25.1	24.7	21.8	26.2	25.7	25.3	25.9
Nigeria	23.1	23.3	22.8	22.6	22.8	24.0	27.6	24.7	22.6	21.9
Middle-income countries	**20.6**	**19.0**	**18.7**	**20.2**	**21.8**	**23.4**	**20.2**	**22.4**	**22.5**	**22.2**
Excluding South Africa	**25.8**	**25.8**	**24.3**	**23.9**	**25.8**	**29.4**	**24.6**	**27.4**	**26.3**	**25.3**
Botswana	28.3	33.2	26.3	24.0	25.8	32.4	24.0	27.4	23.7	22.7
Cape Verde	41.4	39.5	36.0	38.0	47.0	46.6	39.4	47.1	48.7	45.4
Lesotho	25.8	24.4	23.6	24.8	26.9	29.5	34.9	37.5	39.1	42.8
Mauritius	25.6	24.4	22.7	26.7	26.9	27.3	21.5	25.1	25.8	25.3
Namibia	22.7	19.1	19.7	22.3	23.7	28.9	28.7	27.6	31.0	28.4
Seychelles	31.2	20.5	35.4	30.5	29.5	40.1	29.3	54.0	37.2	29.4
South Africa	19.9	18.1	18.0	19.7	21.2	22.5	19.6	21.7	21.9	21.7
Swaziland	16.0	9.0	23.8	13.9	19.2	13.9	14.4	12.5	11.6	12.6
Low-income countries	**20.6**	**18.7**	**19.7**	**20.3**	**21.3**	**22.9**	**22.2**	**22.8**	**23.2**	**23.7**
Excluding fragile countries	**22.2**	**20.0**	**21.2**	**22.1**	**23.1**	**24.6**	**23.9**	**24.3**	**24.6**	**24.5**
Benin	19.0	18.5	18.6	17.2	20.5	20.0	23.3	18.7	20.2	20.2
Burkina Faso	18.4	16.2	20.3	16.4	18.9	20.2	16.4	20.3	22.8	21.1
Ethiopia	24.0	26.5	23.8	25.2	22.1	22.4	22.7	22.3	24.0	23.9
Ghana	20.9	18.0	19.1	21.6	22.9	23.0	24.4	21.8	20.5	20.6
Kenya	17.7	14.4	16.9	17.9	19.1	20.3	20.9	22.6	25.2	25.2
Madagascar	28.8	25.8	23.8	25.0	28.3	40.9	32.2	25.8	20.6	24.3
Malawi	24.0	18.2	22.7	25.7	27.0	26.3	24.9	30.1	23.4	22.8
Mali	17.0	16.5	15.5	16.9	16.9	19.0	20.3	19.2	21.7	22.4
Mozambique	17.2	18.3	17.7	17.0	15.3	17.6	14.8	21.9	23.3	23.7
Niger	23.3	14.6	23.1	23.6	22.8	32.3	33.0	47.0	38.4	32.0
Rwanda	20.9	19.9	20.9	19.7	20.2	23.5	22.4	23.4	24.1	22.3
Senegal	30.2	26.0	28.5	28.2	34.0	34.1	27.9	29.8	30.8	30.9
Tanzania	26.1	21.5	23.9	26.4	28.7	29.7	29.4	28.8	28.8	28.9
Uganda	22.1	20.2	22.4	21.2	23.7	23.0	23.5	24.3	24.7	24.7
Zambia	22.7	24.9	23.7	22.1	22.0	20.9	21.6	23.8	24.1	25.5
Fragile countries	**13.6**	**13.4**	**13.5**	**12.8**	**13.1**	**15.2**	**14.0**	**15.5**	**16.1**	**19.3**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	16.0	13.3	10.8	16.3	17.5	22.3	22.1	20.6	20.7	20.6
Central African Republic	10.0	6.8	9.8	10.1	10.7	12.7	13.2	13.9	13.5	14.8
Comoros	10.3	9.0	8.9	9.2	10.7	13.7	11.9	16.5	17.3	18.1
Congo, Dem. Rep. of	16.1	12.8	13.8	13.2	18.2	22.4	19.4	27.0	29.5	34.8
Côte d'Ivoire	9.7	10.8	9.7	9.3	8.7	10.1	10.2	9.6	...	...
Eritrea	15.9	20.3	20.3	13.7	12.7	12.7	9.3	9.3	10.0	9.6
Gambia, The	20.4	24.2	21.6	23.8	18.3	14.0	18.0	17.4	12.2	12.4
Guinea	17.8	20.7	19.5	17.2	14.2	17.5	11.4	10.5	18.1	22.3
Guinea-Bissau	8.2	7.6	6.6	6.4	11.7	8.7	10.1	9.8	11.1	11.7
Liberia	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	47.6	41.6	75.5	39.8	49.9	31.0	48.5	39.2	62.5	38.7
Sierra Leone	14.3	10.8	17.4	15.2	13.2	14.8	14.9	18.3	18.0	19.2
Togo	15.9	14.5	16.3	16.8	14.6	17.3	18.0	16.9	19.3	19.5
Zimbabwe	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**20.8**	**19.9**	**19.6**	**20.5**	**21.4**	**22.7**	**22.5**	**22.6**	**22.2**	**22.2**
Median	21.1	20.0	20.3	21.4	21.6	22.3	22.2	22.5	23.3	22.7
Including Zimbabwe	...	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	20.5	19.7	19.4	20.1	21.0	22.3	22.2	22.3	22.2	22.6
Oil-importing countries	**20.6**	**18.9**	**19.2**	**20.2**	**21.5**	**23.1**	**21.1**	**22.6**	**22.8**	**22.9**
Excluding South Africa	**21.2**	**19.6**	**20.3**	**20.8**	**21.8**	**23.7**	**22.4**	**23.3**	**23.5**	**23.8**
CFA franc zone	20.3	20.6	19.8	19.8	20.7	20.6	23.1	24.0	22.7	23.0
WAEMU	18.0	16.2	17.7	17.1	18.7	20.5	19.3	20.5	20.3	20.7
CEMAC	22.6	25.0	21.9	22.6	22.7	20.8	27.0	27.6	25.2	25.3
EAC-5	21.5	18.2	20.4	21.4	23.2	24.2	24.4	25.1	26.2	26.1
SADC	20.1	18.3	18.1	19.6	21.2	23.1	20.4	21.5	21.5	21.8
SACU	20.4	18.8	18.5	19.9	21.5	23.1	20.1	22.1	22.2	22.0
COMESA	21.5	19.8	20.6	21.2	21.9	23.7	22.5	23.6	24.3	24.7
Resource-intensive countries	**20.8**	**21.6**	**20.1**	**20.3**	**20.5**	**21.7**	**24.1**	**22.1**	**20.5**	**20.6**
Oil	21.3	22.0	20.6	20.9	21.1	21.9	25.2	22.7	21.0	20.9
Non-oil resource-intensive countries	18.4	19.8	17.5	16.8	17.0	20.8	17.3	18.1	17.4	18.7
Non-resource-intensive countries	**20.8**	**18.8**	**19.3**	**20.6**	**22.0**	**23.4**	**21.5**	**23.0**	**23.3**	**23.3**
Coastal Non-resource-intensive countries	20.8	18.6	19.0	20.6	22.2	23.6	21.3	22.7	22.9	22.9
Landlocked Non-resource-intensive countries	21.0	19.5	20.8	20.7	21.2	22.5	22.2	24.1	24.7	24.8
MDRI	21.8	20.4	20.8	21.3	22.4	23.9	23.2	23.7	23.9	24.2
Fixed exchange rate regimes	20.3	20.3	19.9	19.7	20.7	20.9	23.1	23.9	22.9	23.1
Floating exchange rate	20.9	19.8	19.6	20.6	21.5	23.1	22.4	22.4	22.0	22.1

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

Table SA8. Gross National Savings
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**32.2**	**23.6**	**26.9**	**41.6**	**35.3**	**33.6**	**29.3**	**24.3**	**30.7**	**30.7**
Excluding Nigeria	**23.7**	**14.7**	**23.2**	**29.8**	**26.1**	**24.5**	**11.5**	**13.7**	**20.3**	**23.2**
Angola	26.8	13.6	27.0	39.4	29.3	24.8	5.2	8.6	17.2	22.4
Cameroon	15.8	17.0	13.4	15.9	16.4	16.3	12.9	11.9	14.9	15.4
Chad	-2.8	-20.8	-4.6	-0.3	5.4	6.2	-11.5	-3.7	6.5	6.8
Congo, Rep. of	18.9	14.9	22.2	23.7	14.0	19.6	13.6	23.5	32.5	37.8
Equatorial Guinea	34.0	22.1	33.6	39.5	39.6	34.9	31.0	24.4	25.2	25.8
Gabon	41.6	35.5	44.2	40.6	41.9	45.5	34.0	37.5	42.3	41.2
Nigeria	37.8	28.9	29.3	49.2	41.6	39.8	41.0	31.1	37.2	35.2
Middle-income countries	**16.5**	**16.5**	**16.2**	**16.3**	**16.4**	**17.0**	**15.9**	**20.0**	**18.5**	**17.8**
Excluding South Africa	**29.4**	**27.1**	**28.8**	**30.5**	**31.8**	**28.7**	**18.1**	**20.2**	**19.0**	**19.9**
Botswana	39.9	36.2	41.4	41.2	40.8	39.9	18.5	24.9	21.2	22.7
Cape Verde	30.7	25.1	32.5	32.6	32.3	30.8	24.1	35.3	30.6	29.8
Lesotho	26.4	13.9	13.5	26.5	40.7	37.4	34.4	21.3	15.8	25.0
Mauritius	19.7	21.9	18.3	18.0	22.1	18.3	15.3	16.2	14.2	15.7
Namibia	30.2	26.0	24.4	36.1	32.9	31.6	27.9	26.6	30.1	25.1
Seychelles	9.8	14.7	16.6	17.3	9.0	-8.8	-10.7	3.3	4.5	10.9
South Africa	14.7	15.0	14.5	14.4	14.3	15.4	15.6	20.0	18.4	17.5
Swaziland	12.2	12.2	19.7	6.6	17.0	5.7	0.3	-5.3	-1.6	2.6
Low-income countries	**15.1**	**15.9**	**14.7**	**15.1**	**15.5**	**14.1**	**15.6**	**15.8**	**15.5**	**16.6**
Excluding fragile countries	**16.2**	**16.9**	**16.1**	**15.8**	**17.0**	**15.4**	**16.7**	**16.8**	**16.3**	**16.7**
Benin	11.6	11.6	12.4	11.9	10.4	12.0	14.4	12.4	15.0	13.3
Burkina Faso	8.1	5.2	8.7	7.3	10.6	8.7	11.5	16.0	18.8	13.6
Ethiopia	21.1	24.6	20.0	18.1	23.5	19.2	19.5	20.8	17.9	17.5
Ghana	14.4	15.6	13.9	15.5	15.1	12.0	22.5	14.6	13.7	15.5
Kenya	16.0	17.2	17.2	16.8	15.5	13.0	14.5	14.7	16.0	17.3
Madagascar	16.4	16.6	13.2	16.2	15.6	20.4	11.5	12.4	13.4	17.9
Malawi	14.5	7.0	8.0	13.2	28.0	16.1	19.0	28.8	19.6	19.1
Mali	9.0	8.6	7.0	12.9	10.0	6.3	12.8	10.7	14.9	14.4
Mozambique	6.3	7.7	6.1	6.3	5.6	5.7	4.3	9.3	11.3	11.6
Niger	14.1	7.3	14.2	15.0	14.6	19.3	4.3	16.3	15.7	17.9
Rwanda	19.1	21.8	21.9	15.4	18.0	18.6	13.9	16.6	15.0	16.1
Senegal	19.9	19.1	19.5	18.7	22.2	19.8	20.2	21.5	19.3	20.1
Tanzania	18.3	20.4	19.3	18.3	16.2	17.3	19.5	19.7	19.3	19.0
Uganda	19.9	20.2	21.0	17.8	20.6	19.9	16.7	14.4	14.2	15.5
Zambia	16.3	13.7	15.2	23.3	15.4	13.8	25.8	27.6	30.0	28.8
Fragile countries	**10.0**	**11.7**	**9.1**	**12.0**	**9.0**	**8.2**	**10.7**	**11.4**	**12.0**	**16.0**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	5.1	4.9	9.6	1.8	1.8	7.3	6.1	8.7	4.9	5.7
Central African Republic	4.4	5.1	3.2	7.1	4.5	2.3	5.3	5.2	4.4	6.2
Comoros	3.5	4.8	1.9	2.9	4.9	3.2	3.4	9.7	5.2	8.0
Congo, Dem. Rep. of	8.6	9.8	0.5	10.5	17.1	4.9	8.9	20.2	26.7	34.2
Côte d'Ivoire	10.9	12.4	10.0	12.1	8.0	12.1	17.6	13.5	...	...
Eritrea	12.7	18.9	20.8	10.2	6.4	7.2	1.7	3.5	9.2	9.9
Gambia, The	9.8	17.2	8.1	13.6	8.7	1.3	8.1	5.4	0.2	-0.4
Guinea	15.1	18.0	19.1	24.2	4.0	10.0	0.6	-2.2	6.7	10.2
Guinea-Bissau	5.1	9.1	4.5	0.8	7.3	3.9	4.1	3.7	5.6	7.4
Liberia	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	21.9	25.5	66.0	12.3	12.3	-6.8	20.5	7.2	17.8	-3.8
Sierra Leone	7.2	4.8	10.2	9.7	7.7	3.3	6.6	8.5	6.1	7.8
Togo	7.4	6.2	8.2	9.0	6.0	7.7	11.1	9.0	10.9	12.1
Zimbabwe	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**21.2**	**18.6**	**19.2**	**24.1**	**22.3**	**21.6**	**20.4**	**20.2**	**21.8**	**21.9**
Median	14.8	15.0	14.9	15.4	15.3	13.4	13.7	14.5	15.0	15.7
Including Zimbabwe	...	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	18.7	16.6	18.2	20.4	19.9	18.3	14.7	15.6	17.1	18.6
Oil-importing countries	**15.8**	**16.2**	**15.5**	**15.7**	**16.0**	**15.7**	**15.8**	**18.0**	**17.0**	**17.2**
Excluding South Africa	**16.8**	**17.3**	**16.5**	**17.0**	**17.5**	**15.9**	**15.9**	**16.3**	**15.9**	**17.0**
CFA franc zone	16.4	13.2	15.9	17.4	17.4	18.1	15.7	16.4	18.4	19.1
WAEMU	12.0	11.3	11.6	12.6	12.0	12.6	14.6	14.7	14.2	14.8
CEMAC	20.8	15.0	20.2	22.3	22.9	23.6	16.7	18.0	22.7	23.5
EAC-5	17.6	18.9	18.8	17.1	16.7	16.2	16.5	16.3	16.4	17.2
SADC	17.3	16.0	16.6	18.5	17.8	17.5	14.2	18.1	18.3	18.8
SACU	16.4	16.4	16.1	16.2	16.2	17.0	15.9	20.1	18.6	17.8
COMESA	17.2	18.4	16.5	16.0	19.1	15.8	15.0	16.8	16.3	17.8
Resource-intensive countries	**30.8**	**23.3**	**26.2**	**39.1**	**33.3**	**32.0**	**27.6**	**23.3**	**28.6**	**28.9**
Oil	32.2	23.6	26.9	41.6	35.3	33.6	29.3	24.3	30.7	30.7
Non-oil resource-intensive countries	22.7	21.7	22.3	25.6	21.2	22.8	16.9	16.8	15.2	17.0
Non-resource-intensive countries	**15.2**	**15.7**	**14.8**	**14.8**	**15.5**	**15.0**	**15.7**	**18.1**	**17.2**	**17.2**
Coastal Non-resource-intensive countries	15.0	15.6	14.9	14.9	14.6	15.0	15.9	18.3	17.3	17.1
Landlocked Non-resource-intensive countries	15.9	15.9	14.6	14.7	19.2	15.3	15.1	17.5	16.9	17.7
MDRI	15.7	16.2	14.9	15.4	16.7	15.1	15.9	16.7	16.9	17.7
Fixed exchange rate regimes	17.0	13.9	16.4	18.1	18.3	18.6	15.9	16.3	18.4	19.0
Floating exchange rate	22.0	19.6	19.8	25.3	23.1	22.2	21.2	20.9	22.4	22.5

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**7.8**	**6.0**	**8.9**	**13.8**	**3.7**	**6.5**	**-8.1**	**-2.5**	**4.1**	**5.0**
Excluding Nigeria	**9.7**	**2.3**	**8.3**	**18.7**	**9.7**	**9.2**	**-4.6**	**4.7**	**8.9**	**8.3**
Angola	9.4	1.5	9.4	16.0	11.3	8.9	-8.6	7.9	12.2	10.6
Cameroon	8.5	-0.7	3.2	33.1	4.5	2.3	-0.1	-1.0	-0.6	0.4
Chad	1.2	-4.6	-2.4	5.5	3.1	4.5	-10.1	-7.0	5.2	2.8
Congo, Rep. of	13.5	3.6	14.6	16.4	9.4	23.5	4.8	21.5	32.5	33.1
Equatorial Guinea	18.2	12.3	20.6	23.5	19.3	15.4	-8.0	-4.8	-3.1	-3.4
Gabon	9.2	7.6	8.7	9.2	8.7	11.7	7.5	5.8	6.5	7.7
Nigeria	6.5	8.1	9.3	10.6	-0.4	4.6	-10.4	-7.2	1.0	3.1
Middle-income countries	**0.3**	**-1.3**	**0.2**	**1.3**	**1.7**	**-0.6**	**-5.4**	**-6.1**	**-5.6**	**-4.7**
Excluding South Africa	**1.3**	**-1.5**	**2.0**	**4.9**	**2.9**	**-1.7**	**-6.2**	**-8.0**	**-4.9**	**-2.7**
Botswana	4.3	1.2	8.8	11.6	5.0	-5.2	-11.4	-10.8	-3.9	-1.1
Cape Verde	-3.8	-4.1	-6.7	-5.7	-1.1	-1.4	-6.3	-10.7	-11.8	-8.5
Lesotho	7.6	5.1	4.1	12.7	11.5	4.8	-2.7	-8.1	-14.5	-8.3
Mauritius	-3.9	-4.6	-4.7	-4.4	-3.3	-2.8	-3.6	-3.2	-4.2	-4.1
Namibia	0.9	-3.7	-1.0	2.1	4.4	2.6	-1.7	-7.2	-4.3	-2.1
Seychelles	-1.8	-0.8	1.6	-5.9	-9.7	5.8	3.0	-0.4	2.4	2.7
South Africa	0.1	-1.2	0.0	0.8	1.5	-0.5	-5.2	-5.8	-5.7	-5.0
Swaziland	1.8	-4.2	-2.6	7.4	7.5	1.0	-6.6	-11.8	-9.0	-5.6
Low-income countries	**-2.0**	**-2.6**	**-2.9**	**1.2**	**-2.8**	**-3.1**	**-3.4**	**-4.0**	**-4.2**	**-3.4**
Excluding fragile countries	**-2.0**	**-2.4**	**-2.7**	**2.0**	**-3.4**	**-3.3**	**-3.8**	**-4.2**	**-4.2**	**-3.4**
Benin	-0.7	-1.1	-2.3	-0.2	0.3	-0.1	-3.3	-0.4	-1.7	-1.4
Burkina Faso	-0.9	-4.7	-5.5	15.5	-5.6	-4.1	-4.6	-5.8	-4.3	-2.7
Ethiopia	-3.4	-2.7	-4.2	-3.8	-3.6	-2.9	-0.9	-1.3	-2.5	-2.1
Ghana	-4.9	-3.1	-2.9	-4.7	-5.6	-8.5	-5.8	-7.7	-4.3	-2.6
Kenya	-2.4	-0.1	-1.8	-2.5	-3.1	-4.3	-5.4	-6.2	-5.4	-4.6
Madagascar	4.6	-5.0	-4.8	37.6	-2.7	-1.9	-2.8	-1.1	-1.3	-4.1
Malawi	-3.0	-4.6	-1.1	0.4	-4.5	-5.4	-5.3	1.7	-0.2	-1.3
Mali	4.8	-1.8	-2.3	32.2	-2.4	-1.5	-3.3	-1.9	-3.0	-2.1
Mozambique	-3.3	-4.4	-2.8	-4.1	-2.9	-2.5	-5.4	-3.6	-6.7	-6.3
Niger	7.1	-3.5	-2.0	40.3	-1.0	1.5	-5.3	-3.1	-1.3	-0.5
Rwanda	0.2	0.9	0.9	0.2	-1.7	1.0	1.5	4.3	3.3	1.9
Senegal	-3.8	-2.3	-2.8	-5.4	-3.8	-4.7	-5.0	-5.0	-5.7	-5.3
Tanzania	-3.0	-2.8	-3.0	-4.9	-4.0	0.0	-4.8	-6.9	-6.5	-6.0
Uganda	-1.4	-1.2	-0.5	-0.9	-1.3	-3.0	-2.4	-5.0	-6.8	-3.2
Zambia	2.4	-2.9	-2.8	20.2	-1.3	-1.5	-2.6	-3.1	-2.9	-5.7
Fragile countries	**-2.3**	**-3.5**	**-3.4**	**-2.0**	**-0.2**	**-2.5**	**-1.5**	**-3.2**	**-4.0**	**-3.6**
Including Zimbabwe	**-2.4**	**...**	**-3.7**	**-2.0**	**-0.4**	**-2.5**	**-1.5**	**-3.2**	**-3.9**	**-3.4**
Burundi	-2.3	-4.9	-5.1	-1.4	0.4	-0.7	58.5	-3.0	-2.6	-2.5
Central African Republic	0.5	-2.1	-4.5	9.0	1.2	-1.0	0.0	-0.6	-0.1	0.3
Comoros	-0.1	-0.2	1.6	-1.0	-0.4	-0.6	2.5	6.9	-1.0	0.4
Congo, Dem. Rep. of	-3.1	-4.3	-3.9	-0.6	-3.5	-3.3	-4.2	2.4	-7.1	-5.6
Côte d'Ivoire	-1.3	-1.7	-1.7	-1.8	-0.8	-0.6	-1.6	-2.0	...	...
Eritrea	-17.9	-16.6	-22.2	-14.1	-15.7	-21.1	-14.7	-16.1	-16.2	-13.5
Gambia, The	-3.1	-4.1	-5.8	-5.0	0.5	-1.3	-2.4	-4.9	-1.8	-2.9
Guinea	-2.2	-5.4	-1.6	-3.1	0.3	-1.3	-7.2	-14.2	-3.9	-0.9
Guinea-Bissau	-5.7	-7.8	-6.2	-4.8	-5.9	-3.8	2.9	-0.2	-1.9	-1.3
Liberia	-0.6	0.0	0.0	6.0	3.9	-12.9	-12.0	-6.6	-3.6	-3.3
São Tomé & Príncipe	28.8	-16.7	37.8	-13.8	121.8	14.9	-19.2	-7.9	-7.4	-10.9
Sierra Leone	2.8	-3.2	-1.9	-2.2	25.8	-4.7	-3.2	-6.9	-4.0	-2.9
Togo	-1.4	1.0	-2.4	-2.8	-1.9	-0.9	-2.8	-2.8	-2.6	-2.4
Zimbabwe[1]	-4.6	...	-8.6	-3.3	-3.9	-2.8	-2.9	-2.3	-1.6	-0.2
Sub-Saharan Africa	**2.0**	**0.7**	**2.0**	**5.3**	**1.0**	**1.0**	**-5.7**	**-4.2**	**-1.8**	**-0.9**
Median	-1.3	-2.7	-2.0	-0.2	-0.8	-1.0	-3.6	-3.6	-3.1	-2.6
Including Zimbabwe	2.0	...	2.0	5.3	0.9	1.0	-5.7	-4.2	-1.8	-0.9
Excluding Nigeria and South Africa	1.3	-1.3	0.4	6.1	1.1	0.4	-4.0	-2.0	-0.7	-0.2
Oil-importing countries	**-0.8**	**-1.9**	**-1.2**	**1.2**	**-0.4**	**-1.8**	**-4.4**	**-5.1**	**-4.9**	**-4.1**
Excluding South Africa	**-1.7**	**-2.5**	**-2.3**	**1.6**	**-2.1**	**-3.0**	**-3.7**	**-4.5**	**-4.2**	**-3.3**
CFA franc zone	4.6	0.2	2.2	14.0	2.9	3.7	-2.2	-0.7	1.2	1.5
WAEMU	-0.3	-2.3	-2.7	7.8	-2.3	-1.8	-3.4	-3.0	-3.1	-2.8
CEMAC	9.5	2.7	7.2	20.4	8.2	9.2	-1.0	1.8	5.6	5.9
EAC-5	-2.2	-1.3	-1.8	-2.8	-2.8	-2.2	-2.9	-5.4	-5.5	-4.3
SADC	1.0	-1.4	0.5	3.2	2.0	0.4	-5.6	-3.7	-3.0	-2.6
SACU	0.4	-1.2	0.4	1.5	1.9	-0.6	-5.4	-6.2	-5.6	-4.8
COMESA	-2.2	-2.5	-3.2	0.7	-3.0	-3.2	-2.3	-2.8	-4.0	-3.2
Resource-intensive countries	**6.7**	**4.8**	**7.7**	**12.1**	**3.6**	**5.3**	**-7.7**	**-3.1**	**3.1**	**4.1**
Oil	7.8	6.0	8.9	13.8	3.7	6.5	-8.1	-2.5	4.1	5.0
Non-oil resource-intensive countries	0.8	-1.6	1.4	2.6	3.1	-1.7	-5.2	-7.0	-3.2	-2.1
Non-resource-intensive countries	**-0.9**	**-1.8**	**-1.4**	**1.2**	**-0.7**	**-1.7**	**-4.3**	**-4.8**	**-5.0**	**-4.2**
Coastal Non-resource-intensive countries	-0.8	-1.7	-1.0	0.2	-0.2	-1.5	-5.1	-5.7	-5.4	-4.7
Landlocked Non-resource-intensive countries	-1.1	-2.6	-3.0	4.8	-2.4	-2.4	-1.6	-2.0	-3.7	-2.5
MDRI	-0.3	-2.4	-1.7	6.0	-1.8	-1.7	-2.5	-2.5	-2.5	-1.8
Fixed exchange rate regimes	4.0	-0.3	1.6	12.7	2.9	3.2	-2.5	-1.5	0.3	0.8
Floating exchange rate	1.6	0.9	2.1	3.8	0.6	0.5	-6.3	-4.7	-2.2	-1.2

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Overall Fiscal Balance, Excluding Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**7.1**	**5.8**	**8.7**	**11.4**	**3.5**	**6.4**	**-8.3**	**-2.6**	**3.9**	**4.9**
Excluding Nigeria	**8.1**	**1.8**	**7.8**	**12.5**	**9.3**	**8.9**	**-5.1**	**4.5**	**8.6**	**7.9**
Angola	9.3	1.0	9.1	16.0	11.3	8.9	-8.6	7.9	12.2	10.6
Cameroon	2.4	-0.8	3.0	4.7	3.3	1.5	-0.9	-1.6	-1.5	-0.4
Chad	-1.0	-7.6	-5.7	3.6	1.7	3.0	-13.7	-8.7	4.3	0.7
Congo, Rep. of	13.2	3.3	14.5	16.3	9.1	22.8	4.5	21.4	31.7	32.4
Equatorial Guinea	18.2	12.3	20.6	23.5	19.3	15.4	-8.0	-4.8	-3.1	-3.4
Gabon	9.2	7.5	8.7	9.2	8.7	11.7	7.5	5.8	6.5	7.7
Nigeria	6.5	8.1	9.3	10.6	-0.4	4.6	-10.4	-7.2	1.0	3.1
Middle-income countries	**0.2**	**-1.4**	**0.2**	**1.2**	**1.6**	**-0.7**	**-5.5**	**-6.2**	**-5.7**	**-4.9**
Excluding South Africa	**0.7**	**-2.3**	**1.5**	**4.3**	**2.3**	**-2.5**	**-7.5**	**-9.0**	**-6.2**	**-4.0**
Botswana	3.7	0.5	8.6	11.0	4.2	-5.8	-12.3	-11.3	-4.4	-1.7
Cape Verde	-10.2	-13.0	-13.3	-11.6	-6.3	-6.9	-11.8	-17.0	-17.0	-13.2
Lesotho	5.7	2.3	1.9	11.5	10.0	2.8	-6.7	-16.5	-24.2	-20.1
Mauritius	-4.2	-4.9	-4.9	-4.6	-3.4	-3.4	-5.2	-3.9	-5.1	-5.1
Namibia	0.8	-3.9	-1.1	2.0	4.3	2.5	-2.0	-7.5	-4.6	-2.3
Seychelles	-3.1	-1.0	0.6	-7.2	-9.9	2.1	-1.4	-1.3	-2.1	1.1
South Africa	0.1	-1.2	0.0	0.8	1.5	-0.5	-5.2	-5.8	-5.7	-5.0
Swaziland	1.1	-5.0	-3.6	6.5	7.0	0.5	-7.1	-12.7	-10.0	-6.4
Low-income countries	**-7.2**	**-7.0**	**-7.3**	**-7.3**	**-7.3**	**-7.2**	**-7.9**	**-8.1**	**-8.3**	**-7.4**
Excluding fragile countries	**-7.5**	**-7.1**	**-7.4**	**-7.7**	**-7.9**	**-7.4**	**-7.9**	**-8.0**	**-8.4**	**-7.4**
Benin	-3.0	-3.7	-4.3	-2.5	-2.6	-1.8	-6.5	-1.9	-4.0	-3.4
Burkina Faso	-10.2	-9.3	-10.1	-11.2	-12.1	-8.1	-10.5	-10.4	-10.0	-8.5
Ethiopia	-7.6	-7.3	-8.4	-7.4	-8.0	-6.9	-5.2	-4.6	-6.7	-6.2
Ghana	-8.3	-7.0	-6.1	-8.1	-9.3	-11.2	-8.8	-10.1	-6.7	-4.2
Kenya	-3.5	-1.3	-3.1	-3.6	-4.2	-5.4	-6.3	-7.2	-6.6	-5.8
Madagascar	-9.3	-13.2	-10.5	-10.3	-7.0	-5.4	-3.9	-1.7	-2.4	-6.4
Malawi	-15.5	-14.9	-13.2	-14.3	-17.9	-17.1	-14.5	-11.5	-7.7	-9.7
Mali	-6.1	-5.8	-6.2	-6.7	-7.0	-4.9	-7.9	-5.5	-7.7	-6.4
Mozambique	-11.3	-11.7	-8.8	-12.0	-12.2	-11.9	-14.8	-12.5	-15.8	-15.2
Niger	-7.6	-9.3	-9.6	-6.8	-8.1	-4.4	-9.8	-9.7	-6.9	-6.3
Rwanda	-10.1	-9.2	-10.8	-9.6	-10.7	-10.0	-13.1	-12.3	-12.6	-12.1
Senegal	-5.8	-4.4	-4.4	-6.9	-6.4	-7.1	-8.0	-7.5	-8.0	-7.6
Tanzania	-8.8	-8.2	-9.9	-10.3	-8.9	-6.9	-9.9	-11.6	-12.9	-12.4
Uganda	-7.0	-9.0	-8.1	-6.3	-5.8	-5.7	-5.0	-7.5	-9.7	-5.5
Zambia	-6.8	-8.4	-8.4	-6.3	-5.8	-5.2	-5.5	-4.9	-4.7	-8.0
Fragile countries	**-5.9**	**-6.5**	**-6.6**	**-5.7**	**-4.7**	**-6.0**	**-7.8**	**-8.9**	**-8.1**	**-7.5**
Including Zimbabwe	**-5.9**	**...**	**-6.8**	**-5.6**	**-4.6**	**-5.8**	**-7.6**	**-8.6**	**-7.8**	**-7.1**
Burundi	-25.8	-19.7	-16.8	-19.3	-35.3	-38.2	-32.1	-31.8	-24.8	-21.3
Central African Republic	-5.5	-5.5	-8.7	-4.4	-2.9	-5.8	-5.3	-6.1	-4.2	-4.4
Comoros	-6.7	-3.2	-3.1	-6.6	-8.8	-12.1	-8.2	-9.0	-9.0	-8.2
Congo, Dem. Rep. of	-6.8	-6.2	-9.1	-7.3	-5.7	-5.9	-11.7	-11.7	-15.8	-14.2
Côte d'Ivoire	-2.3	-2.6	-2.8	-2.4	-1.3	-2.3	-2.2	-2.4	...	...
Eritrea	-24.8	-31.7	-31.5	-18.2	-18.8	-24.0	-17.3	-21.3	-19.4	-14.7
Gambia, The	-4.6	-7.2	-7.0	-6.0	-0.4	-2.4	-6.3	-8.6	-4.3	-3.9
Guinea	-3.2	-6.5	-2.3	-4.6	-0.5	-1.8	-7.6	-14.6	-4.8	-1.9
Guinea-Bissau	-13.3	-16.7	-12.9	-11.1	-14.1	-12.0	-12.9	-9.8	-10.5	-11.8
Liberia	-0.9	-0.3	0.0	5.8	3.7	-13.6	-15.1	-9.0	-6.7	-5.6
São Tomé & Príncipe	-12.0	-35.8	20.8	-29.8	0.2	-15.6	-34.4	-23.6	-20.9	-21.3
Sierra Leone	-10.0	-12.2	-11.9	-10.4	-6.3	-9.2	-11.1	-14.0	-11.5	-9.1
Togo	-2.7	0.2	-3.6	-4.2	-3.6	-2.3	-4.4	-5.2	-5.9	-6.7
Zimbabwe[1]	-4.6	...	-8.6	-3.3	-3.9	-2.8	-3.6	-2.3	-1.6	-0.2
Sub-Saharan Africa	**0.1**	**-0.8**	**0.6**	**1.8**	**-0.5**	**-0.4**	**-7.2**	**-5.6**	**-3.2**	**-2.3**
Median	-5.3	-5.8	-4.9	-6.3	-4.2	-5.4	-8.0	-8.6	-6.7	-6.3
Including Zimbabwe	0.1	...	0.6	1.8	-0.5	-0.4	-7.2	-5.6	-3.2	-2.3
Excluding Nigeria and South Africa	-2.4	-4.3	-2.6	-1.1	-1.9	-2.3	-7.0	-4.8	-3.5	-3.0
Oil-importing countries	**-3.2**	**-3.9**	**-3.3**	**-2.7**	**-2.5**	**-3.7**	**-6.6**	**-7.1**	**-7.0**	**-6.1**
Excluding South Africa	**-6.2**	**-6.4**	**-6.2**	**-5.9**	**-6.1**	**-6.6**	**-7.8**	**-8.2**	**-8.0**	**-7.0**
CFA franc zone	0.7	-1.5	0.5	1.8	0.9	1.9	-4.3	-2.3	-0.5	-0.4
WAEMU	-5.3	-5.0	-5.5	-5.6	-5.6	-4.6	-6.6	-5.7	-6.0	-5.7
CEMAC	6.8	2.1	6.5	9.5	7.4	8.5	-1.9	1.1	5.0	5.1
EAC-5	-6.8	-6.0	-7.1	-7.0	-7.1	-6.9	-8.1	-9.5	-10.1	-8.7
SADC	-0.3	-2.4	-0.5	1.0	1.1	-0.6	-6.7	-4.9	-4.2	-3.9
SACU	0.4	-1.2	0.4	1.4	1.8	-0.6	-5.5	-6.3	-5.7	-4.9
COMESA	-7.0	-7.2	-7.7	-6.7	-6.9	-6.8	-7.0	-7.1	-8.0	-7.1
Resource-intensive countries	**6.0**	**4.4**	**7.4**	**9.9**	**3.2**	**5.0**	**-8.0**	**-3.3**	**2.9**	**3.9**
Oil	7.1	5.8	8.7	11.4	3.5	6.4	-8.3	-2.6	3.9	4.9
Non-oil resource-intensive countries	-0.5	-2.7	0.4	1.6	1.1	-2.9	-6.1	-7.8	-3.9	-2.7
Non-resource-intensive countries	**-3.4**	**-3.9**	**-3.5**	**-3.1**	**-2.8**	**-3.7**	**-6.6**	**-7.0**	**-7.2**	**-6.4**
Coastal Non-resource-intensive countries	-2.3	-2.9	-2.2	-2.0	-1.4	-2.8	-6.3	-6.7	-6.6	-6.0
Landlocked Non-resource-intensive countries	-7.8	-8.2	-8.7	-7.2	-7.9	-7.1	-7.9	-8.0	-9.1	-7.7
MDRI	-6.5	-7.0	-6.4	-6.3	-6.7	-6.0	-7.4	-6.9	-7.0	-6.0
Fixed exchange rate regimes	0.4	-2.1	-0.2	1.7	1.0	1.5	-4.5	-3.2	-1.5	-1.1
Floating exchange rate	0.1	-0.5	0.8	1.8	-0.8	-0.7	-7.7	-6.0	-3.5	-2.5

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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 Revenue, Excluding Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**34.0**	**32.5**	**35.5**	**35.2**	**31.4**	**35.7**	**23.3**	**28.8**	**31.9**	**31.7**
Excluding Nigeria	**34.4**	**27.6**	**31.6**	**37.2**	**35.8**	**39.8**	**28.4**	**34.0**	**35.6**	**36.1**
Angola	46.1	39.5	43.9	50.2	45.8	50.9	30.8	42.2	43.5	43.7
Cameroon	18.2	15.2	17.6	19.3	19.1	20.0	17.6	16.7	17.9	19.2
Chad	15.1	5.5	6.0	15.0	22.8	26.4	16.4	24.8	29.4	28.6
Congo, Rep. of	39.7	30.0	38.6	44.3	39.1	46.6	29.2	42.5	51.5	53.8
Equatorial Guinea	36.1	29.8	34.7	40.8	38.3	37.0	41.0	29.9	28.2	26.2
Gabon	30.9	30.1	31.3	31.7	29.5	31.9	32.6	30.6	28.9	30.1
Nigeria	33.7	35.4	37.9	33.9	28.4	32.8	19.9	25.5	29.5	29.1
Middle-income countries	**28.4**	**25.9**	**27.6**	**28.5**	**29.9**	**29.8**	**28.2**	**28.0**	**28.5**	**28.7**
Excluding South Africa	**32.3**	**30.5**	**33.0**	**34.1**	**32.7**	**31.1**	**31.6**	**28.2**	**28.4**	**28.9**
Botswana	38.0	37.3	42.2	41.0	36.9	32.5	35.1	31.2	32.9	33.4
Cape Verde	25.6	22.8	24.3	25.6	27.3	28.0	23.6	21.9	23.4	23.5
Lesotho	56.2	48.8	50.2	60.9	59.7	61.1	58.8	48.7	42.5	46.4
Mauritius	19.4	18.9	19.4	18.9	19.4	20.5	21.1	21.2	20.6	20.0
Namibia	28.9	25.6	27.3	29.4	31.7	30.6	29.5	25.9	26.2	26.8
Seychelles	37.0	40.5	39.1	40.1	32.2	32.9	35.4	35.8	36.7	35.9
South Africa	27.8	25.3	26.8	27.7	29.6	29.7	27.8	28.0	28.5	28.7
Swaziland	36.2	30.4	32.3	40.0	39.3	39.2	36.8	27.3	25.6	26.8
Low-income countries	**15.5**	**15.0**	**15.1**	**15.4**	**15.9**	**16.0**	**15.9**	**16.9**	**17.1**	**17.6**
Excluding fragile countries	**15.4**	**15.1**	**15.1**	**15.3**	**15.7**	**15.7**	**15.7**	**16.7**	**17.1**	**17.4**
Benin	18.1	16.7	16.8	16.8	20.6	19.4	18.4	18.4	18.6	19.0
Burkina Faso	13.0	13.5	12.7	12.4	13.5	13.1	13.5	15.9	16.5	16.0
Ethiopia	14.0	16.1	14.6	14.8	12.7	12.0	12.0	14.0	13.6	13.7
Ghana	13.6	13.8	13.6	13.7	13.8	13.3	13.4	15.0	16.9	18.1
Kenya	21.6	21.4	21.2	21.1	22.0	22.1	22.8	24.2	25.2	25.1
Madagascar	11.8	12.0	10.9	11.2	11.7	13.3	11.1	11.1	9.8	9.6
Malawi	18.8	16.8	19.2	17.7	19.4	20.9	22.6	26.6	25.4	25.8
Mali	17.7	18.0	18.4	18.2	17.5	16.2	18.0	18.0	16.9	17.8
Mozambique	14.8	13.1	14.1	15.0	15.9	15.9	17.4	19.4	19.9	20.3
Niger	13.7	11.4	10.6	13.0	15.0	18.4	14.6	13.6	14.6	15.8
Rwanda	12.8	12.2	12.5	12.1	12.3	14.9	12.8	13.1	13.4	13.6
Senegal	19.5	18.3	19.2	19.7	21.1	19.4	18.6	19.6	20.1	20.3
Tanzania	13.1	11.1	11.8	12.5	14.1	15.9	16.2	15.8	16.1	16.3
Uganda	12.2	10.9	12.1	12.5	12.6	12.8	12.5	12.4	13.1	13.4
Zambia	18.0	18.2	17.6	17.2	18.4	18.6	16.0	17.8	19.3	19.1
Fragile countries	**16.0**	**14.7**	**15.4**	**16.1**	**16.7**	**17.3**	**17.0**	**17.9**	**16.8**	**18.2**
Including Zimbabwe	**15.7**	**...**	**15.4**	**15.7**	**15.9**	**16.6**	**17.0**	**18.5**	**17.4**	**18.8**
Burundi	19.2	20.1	20.0	18.9	18.6	18.5	18.6	19.2	19.3	19.6
Central African Republic	9.4	8.3	8.2	9.5	10.3	10.4	10.8	11.0	11.5	11.9
Comoros	14.5	16.3	16.2	14.1	12.9	13.2	14.1	14.4	14.2	14.5
Congo, Dem. Rep. of	13.4	9.5	11.4	12.8	14.7	18.5	16.8	18.9	20.6	20.3
Côte d'Ivoire	18.2	17.5	17.0	18.4	19.2	18.9	18.9	19.8	...	...
Eritrea	22.3	23.2	25.9	23.0	21.2	18.2	13.3	13.3	14.3	16.1
Gambia, The	15.4	14.5	14.3	16.1	16.7	15.2	14.9	13.6	13.7	14.5
Guinea	14.1	11.5	14.5	14.4	14.3	15.6	16.5	15.6	16.6	17.7
Guinea-Bissau	9.0	8.6	9.2	10.2	8.0	9.2	9.0	10.8	11.1	11.2
Liberia	19.1	14.6	14.2	18.9	23.6	24.1	26.7	33.5	27.3	26.2
São Tomé & Príncipe	32.2	16.9	64.8	20.9	40.6	18.0	17.2	17.4	29.7	17.3
Sierra Leone	12.0	12.6	12.6	12.2	11.3	11.5	11.8	13.3	13.6	15.3
Togo	16.4	16.8	15.7	17.0	16.8	15.6	16.9	16.9	18.7	18.4
Zimbabwe[1]	8.2	...	16.4	9.6	3.8	3.0	16.0	29.4	29.5	29.1
Sub-Saharan Africa	**26.2**	**24.7**	**26.2**	**26.6**	**26.1**	**27.5**	**22.6**	**24.7**	**26.0**	**26.1**
Median	18.1	16.8	17.6	18.2	19.2	18.6	17.6	18.9	19.6	19.4
Including Zimbabwe	26.2	...	26.2	26.5	26.0	27.4	22.6	24.8	26.0	26.1
Excluding Nigeria and South Africa	22.0	19.7	21.0	22.7	22.7	23.8	20.6	22.5	23.0	23.5
Oil-importing countries	**22.4**	**20.9**	**21.9**	**22.4**	**23.3**	**23.3**	**22.3**	**22.6**	**22.9**	**23.1**
Excluding South Africa	**17.5**	**17.0**	**17.4**	**17.6**	**17.8**	**17.7**	**17.7**	**18.3**	**18.4**	**18.9**
CFA franc zone	21.2	18.4	19.8	21.9	22.5	23.3	21.5	22.0	22.3	23.1
WAEMU	17.0	16.4	16.3	16.9	18.0	17.5	17.3	18.0	16.9	18.1
CEMAC	25.4	20.3	23.3	27.1	27.0	29.1	25.8	26.0	27.8	28.3
EAC-5	16.2	15.3	15.7	15.9	16.8	17.5	17.5	17.9	18.5	18.6
SADC	28.0	25.0	26.8	28.4	29.4	30.4	26.6	28.2	28.7	28.9
SACU	28.6	26.1	27.8	28.7	30.2	30.1	28.4	28.2	28.7	29.0
COMESA	16.6	16.6	16.7	16.6	16.4	16.7	16.6	17.9	18.0	18.0
Resource-intensive countries	**32.6**	**31.1**	**33.9**	**33.8**	**30.5**	**34.0**	**23.5**	**28.0**	**30.6**	**30.7**
Oil	34.0	32.5	35.5	35.2	31.4	35.7	23.3	28.8	31.9	31.7
Non-oil resource-intensive countries	24.9	23.6	25.4	26.0	25.5	24.0	24.6	23.3	22.2	24.0
Non-resource-intensive countries	**22.1**	**20.7**	**21.5**	**22.1**	**23.2**	**23.3**	**22.1**	**22.6**	**22.9**	**23.1**
Coastal Non-resource-intensive countries	24.0	22.1	23.2	23.8	25.3	25.4	24.1	24.4	24.9	25.1
Landlocked Non-resource-intensive countries	15.1	14.9	15.1	15.4	15.0	15.4	15.2	16.4	16.3	16.5
MDRI	15.5	14.4	15.1	15.7	15.8	16.3	15.4	16.7	17.4	17.9
Fixed exchange rate regimes	22.3	19.4	20.8	23.1	23.7	24.4	22.6	22.5	22.7	23.5
Floating exchange rate	27.0	25.8	27.4	27.3	26.5	28.1	22.6	25.2	26.6	26.6

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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 Expenditure
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**26.9**	**26.7**	**26.8**	**23.8**	**27.8**	**29.3**	**31.6**	**31.4**	**27.9**	**26.8**
Excluding Nigeria	**26.3**	**25.8**	**23.8**	**24.7**	**26.5**	**30.9**	**33.5**	**29.5**	**27.0**	**28.1**
Angola	36.8	38.5	34.7	34.1	34.5	42.0	39.5	34.3	31.3	33.0
Cameroon	15.9	16.0	14.6	14.5	15.7	18.5	18.4	18.3	19.4	19.6
Chad	16.1	13.1	11.7	11.4	21.1	23.4	30.1	33.5	25.1	27.9
Congo, Rep. of	26.5	26.7	24.2	28.0	30.0	23.8	24.7	21.1	19.7	21.4
Equatorial Guinea	17.9	17.5	14.1	17.3	19.0	21.6	49.0	34.6	31.3	29.7
Gabon	21.8	22.6	22.7	22.5	20.8	20.2	25.1	24.7	22.4	22.5
Nigeria	27.2	27.2	28.7	23.2	28.7	28.2	30.4	32.6	28.5	26.0
Middle-income countries	**28.2**	**27.3**	**27.4**	**27.3**	**28.3**	**30.6**	**33.8**	**34.2**	**34.2**	**33.6**
Excluding South Africa	**31.6**	**32.8**	**31.5**	**29.8**	**30.4**	**33.6**	**39.1**	**37.2**	**34.6**	**32.9**
Botswana	34.3	36.9	33.6	30.0	32.7	38.4	47.5	42.5	37.3	35.1
Cape Verde	35.8	35.9	37.6	37.2	33.6	34.9	35.3	38.9	40.4	36.7
Lesotho	50.5	46.6	48.4	49.3	49.6	58.3	65.6	65.1	66.6	66.5
Mauritius	23.7	23.8	24.4	23.5	22.8	23.8	26.2	25.1	25.7	25.1
Namibia	28.1	29.4	28.4	27.4	27.4	28.1	31.4	33.4	30.8	29.1
Seychelles	40.0	41.4	38.5	47.3	42.1	30.8	36.7	37.1	38.8	34.7
South Africa	27.7	26.5	26.8	26.9	28.1	30.2	33.0	33.8	34.1	33.7
Swaziland	35.2	35.5	35.9	33.4	32.3	38.7	43.9	40.0	35.6	33.2
Low-income countries	**22.7**	**22.0**	**22.4**	**22.8**	**23.1**	**23.2**	**23.8**	**25.1**	**25.4**	**24.9**
Excluding fragile countries	**22.9**	**22.2**	**22.5**	**23.0**	**23.5**	**23.2**	**23.5**	**24.7**	**25.5**	**24.8**
Benin	21.1	20.4	21.2	19.3	23.3	21.2	24.8	20.2	22.6	22.4
Burkina Faso	23.2	22.8	22.7	23.6	25.6	21.2	24.0	26.3	26.4	24.6
Ethiopia	21.6	23.4	23.1	22.2	20.7	18.9	17.2	18.6	20.3	19.9
Ghana	22.0	20.8	19.7	21.8	23.1	24.5	22.2	25.1	23.7	22.3
Kenya	25.1	22.7	24.3	24.7	26.2	27.6	29.0	31.4	31.8	30.9
Madagascar	21.1	25.3	21.4	21.5	18.7	18.6	15.0	12.9	12.2	16.1
Malawi	34.3	31.7	32.4	32.0	37.3	38.0	37.0	38.1	33.1	35.5
Mali	23.8	23.8	24.6	24.9	24.5	21.2	25.8	23.5	24.5	24.2
Mozambique	26.1	24.8	22.9	27.0	28.1	27.8	32.2	31.9	35.7	35.5
Niger	21.3	20.7	20.2	19.8	23.1	22.8	24.4	23.3	21.6	22.1
Rwanda	22.9	21.3	23.4	21.7	23.1	24.8	25.9	25.3	26.1	25.7
Senegal	25.4	22.7	23.6	26.6	27.5	26.5	26.6	27.1	28.1	27.9
Tanzania	21.9	19.3	21.7	22.8	23.0	22.8	26.1	27.4	29.0	28.6
Uganda	19.1	19.8	20.2	18.7	18.4	18.6	17.5	19.9	22.8	18.9
Zambia	24.9	26.6	26.1	23.5	24.3	23.9	21.4	22.7	24.0	27.1
Fragile countries	**21.9**	**21.2**	**22.0**	**21.8**	**21.4**	**23.3**	**24.8**	**26.9**	**24.8**	**25.7**
Including Zimbabwe	**21.5**	**...**	**22.2**	**21.2**	**20.6**	**22.4**	**24.6**	**27.1**	**25.2**	**25.9**
Burundi	45.1	39.8	36.8	38.1	53.9	56.7	50.7	51.0	44.1	40.8
Central African Republic	14.8	13.8	16.9	13.9	13.2	16.2	16.1	17.1	15.7	16.3
Comoros	21.3	19.5	19.3	20.6	21.7	25.3	22.4	23.3	23.2	22.7
Congo, Dem. Rep. of	20.2	15.8	20.5	20.1	20.4	24.4	28.5	30.6	36.4	34.5
Côte d'Ivoire	20.5	20.1	19.9	20.8	20.5	21.1	21.1	22.2	...	...
Eritrea	47.1	54.8	57.5	41.2	39.9	42.1	30.6	34.7	33.7	30.8
Gambia, The	20.0	21.7	21.3	22.2	17.2	17.6	21.2	22.2	18.0	18.4
Guinea	17.2	17.9	16.9	19.0	14.8	17.5	24.1	30.2	21.4	19.6
Guinea-Bissau	22.4	25.3	22.1	21.3	22.1	21.1	21.9	20.6	21.6	23.0
Liberia	20.0	14.8	14.2	13.0	20.0	37.7	41.9	42.5	34.0	31.8
São Tomé & Príncipe	44.3	52.7	44.0	50.7	40.4	33.6	51.6	41.0	50.7	38.7
Sierra Leone	22.1	24.8	24.5	22.7	17.6	20.7	22.9	27.3	25.1	24.4
Togo	19.1	16.6	19.3	21.2	20.4	17.9	21.3	22.1	24.6	25.1
Zimbabwe[1]	12.8	...	25.0	12.8	7.7	5.8	19.6	31.7	31.1	29.3
Sub-Saharan Africa	**26.1**	**25.5**	**25.6**	**24.8**	**26.6**	**27.8**	**29.8**	**30.3**	**29.2**	**28.4**
Median	23.3	23.4	23.1	22.8	23.1	23.9	26.1	27.3	26.3	26.6
Including Zimbabwe	26.0	...	25.6	24.7	26.5	27.8	29.8	30.3	29.2	28.4
Excluding Nigeria and South Africa	24.4	24.0	23.6	23.8	24.6	26.1	27.6	27.3	26.6	26.5
Oil-importing countries	**25.6**	**24.9**	**25.1**	**25.1**	**25.8**	**27.0**	**28.9**	**29.8**	**29.8**	**29.3**
Excluding South Africa	**23.7**	**23.4**	**23.5**	**23.5**	**23.9**	**24.3**	**25.5**	**26.5**	**26.4**	**25.9**
CFA franc zone	20.4	19.8	19.3	20.1	21.6	21.4	25.8	24.3	22.8	23.5
WAEMU	22.3	21.4	21.7	22.6	23.6	22.1	23.8	23.7	22.8	23.8
CEMAC	18.6	18.3	16.8	17.6	19.6	20.6	27.8	24.8	22.8	23.2
EAC-5	23.0	21.3	22.8	22.9	23.8	24.4	25.6	27.4	28.7	27.2
SADC	28.3	27.4	27.3	27.3	28.3	31.0	33.3	33.1	32.9	32.8
SACU	28.2	27.3	27.4	27.3	28.4	30.7	34.0	34.4	34.4	33.8
COMESA	23.7	23.8	24.4	23.3	23.2	23.6	23.6	25.0	26.0	25.1
Resource-intensive countries	**26.7**	**26.6**	**26.5**	**23.9**	**27.3**	**29.0**	**31.5**	**31.4**	**27.7**	**26.8**
Oil	26.9	26.7	26.8	23.8	27.8	29.3	31.6	31.4	27.9	26.8
Non-oil resource-intensive countries	25.4	26.3	25.0	24.4	24.4	26.9	30.7	31.1	26.1	26.7
Non-resource-intensive countries	**25.5**	**24.6**	**25.0**	**25.2**	**25.9**	**27.0**	**28.7**	**29.6**	**30.1**	**29.5**
Coastal Non-resource-intensive countries	26.2	25.0	25.3	25.8	26.7	28.2	30.3	31.2	31.5	31.1
Landlocked Non-resource-intensive countries	23.0	23.0	23.8	22.7	22.8	22.5	23.1	24.3	25.5	24.2
MDRI	22.0	21.4	21.5	22.0	22.5	22.3	22.8	23.5	24.5	23.9
Fixed exchange rate regimes	21.9	21.5	21.0	21.4	22.7	22.9	27.0	25.8	24.2	24.6
Floating exchange rate	26.9	26.3	26.6	25.4	27.3	28.8	30.4	31.2	30.1	29.1

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Government Debt
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010
Oil-exporting countries	**28.8**	**56.1**	**35.2**	**18.3**	**18.1**	**16.5**	**20.0**	**19.3**
Excluding Nigeria	**37.0**	**61.8**	**45.6**	**28.3**	**25.8**	**23.6**	**27.4**	**23.9**
Angola	33.9	52.7	40.7	24.0	22.7	29.5	34.8	31.4
Cameroon	30.1	61.4	51.8	15.7	11.9	9.5	9.6	12.9
Chad	29.4	34.2	33.6	29.6	26.0	23.6	30.9	36.1
Congo, Rep. of	112.9	198.7	108.3	98.8	98.5	60.3	57.4	17.4
Equatorial Guinea	2.5	6.2	3.0	1.6	1.1	0.7	5.1	7.5
Gabon	45.0	65.2	53.8	42.1	43.2	20.9	26.4	21.3
Nigeria	23.5	52.7	28.6	11.8	12.8	11.6	15.2	16.4
Middle-income countries	**31.4**	**35.4**	**34.2**	**32.2**	**28.0**	**27.0**	**31.1**	**35.3**
Excluding South Africa	**28.6**	**31.7**	**31.0**	**29.1**	**26.0**	**25.4**	**28.2**	**28.5**
Botswana	7.3	9.9	7.4	5.6	7.5	6.2	13.9	13.7
Cape Verde	83.5	92.6	95.7	86.8	73.9	68.2	69.2	80.3
Lesotho	60.4	60.0	66.2	76.0	46.5	53.4	39.6	37.8
Mauritius	49.5	51.6	53.6	51.1	47.3	44.0	47.8	50.5
Namibia	23.5	28.1	27.2	24.7	19.9	17.6	15.8	19.0
Seychelles	136.0	161.8	148.1	133.1	101.4	135.4	128.6	83.0
South Africa	31.7	35.9	34.6	32.6	28.3	27.3	31.5	36.3
Swaziland	17.8	19.5	17.1	17.3	18.1	16.9	13.6	18.9
Low-income countries	**62.8**	**83.5**	**76.3**	**60.1**	**47.8**	**46.3**	**44.9**	**41.2**
Excluding fragile countries	**50.5**	**71.8**	**65.2**	**47.4**	**34.7**	**33.5**	**35.0**	**37.4**
Benin	28.0	35.1	42.9	14.6	20.9	26.7	28.1	30.6
Burkina Faso	31.5	45.8	44.1	21.7	21.9	24.0	25.8	27.7
Ethiopia	64.5	105.7	79.0	66.8	38.2	33.0	32.2	36.7
Ghana	39.7	58.2	48.6	26.2	31.5	34.3	39.2	41.2
Kenya	49.0	55.0	50.8	46.8	46.1	46.2	49.4	50.5
Madagascar	56.1	91.7	82.6	41.4	34.6	30.4	33.7	35.0
Malawi	73.9	131.5	132.9	29.8	32.5	42.6	45.2	40.3
Mali	32.5	46.2	52.9	20.3	21.7	21.6	24.2	28.3
Mozambique	56.3	70.7	81.0	53.6	41.9	34.4	28.6	32.0
Niger	31.2	58.8	51.6	15.8	15.9	13.9	15.8	17.6
Rwanda	47.2	90.8	70.7	26.6	26.9	21.2	20.2	23.9
Senegal	33.1	47.5	45.7	23.0	24.5	25.0	32.0	38.0
Tanzania	56.8	66.7	66.6	68.1	42.4	40.1	40.9	43.8
Uganda	67.5	98.0	93.5	89.2	28.9	28.0	26.3	25.4
Zambia	63.8	148.6	87.9	29.8	25.8	26.9	28.6	26.9
Fragile countries	**115.2**	**130.5**	**121.7**	**114.4**	**105.4**	**104.1**	**90.1**	**59.3**
Including Zimbabwe	**113.0**	**...**	**117.0**	**110.9**	**103.1**	**103.4**	**90.4**	**59.1**
Burundi	190.7	249.4	192.2	180.3	177.8	153.7	48.2	47.5
Central African Republic	92.8	102.9	107.7	93.9	79.1	80.3	33.0	32.8
Comoros	69.4	78.1	74.1	73.8	61.6	59.4	55.5	51.9
Congo, Dem. Rep. of	149.5	197.5	150.1	134.4	129.1	136.3	138.3	29.5
Côte d'Ivoire	81.3	84.9	86.3	84.2	75.6	75.3	67.0	67.2
Eritrea	156.0	140.8	156.2	151.6	156.7	174.9	145.7	144.8
Gambia, The	97.2	120.9	117.9	127.6	56.3	63.0	57.0	57.4
Guinea	117.7	119.8	150.2	137.1	92.4	88.9	77.0	88.7
Guinea-Bissau	202.0	235.4	216.2	213.8	186.9	157.7	164.3	47.7
Liberia	...	...	...	...	...	482.7	311.1	118.7
São Tomé & Príncipe	205.4	295.2	275.6	287.8	104.3	64.0	35.0	78.1
Sierra Leone	125.6	204.7	177.9	136.7	55.2	53.7	60.0	57.3
Togo	87.8	93.0	76.8	85.3	100.7	83.1	67.8	28.2
Zimbabwe[1]	66.9	...	52.0	59.0	65.7	90.8	96.1	56.3
Sub-Saharan Africa	**40.3**	**57.0**	**47.6**	**36.4**	**30.9**	**29.5**	**31.7**	**31.7**
Median	54.0	74.4	72.4	48.9	40.1	34.4	34.8	36.1
Including Zimbabwe	40.4	...	47.6	36.5	31.0	29.7	31.9	31.8
Excluding Nigeria and South Africa	52.9	73.1	64.0	49.0	40.1	38.5	39.1	35.6
Oil-importing countries	**45.9**	**57.4**	**53.4**	**45.1**	**37.3**	**36.3**	**38.0**	**38.3**
Excluding South Africa	**58.6**	**76.9**	**70.4**	**56.3**	**45.4**	**44.2**	**43.4**	**39.9**
CFA franc zone	45.8	65.7	56.6	39.0	36.6	31.2	31.6	29.2
WAEMU	51.3	63.3	62.7	44.7	43.3	42.5	41.9	40.8
CEMAC	40.3	68.2	50.3	33.2	29.8	19.9	21.1	17.5
EAC-5	58.1	74.3	68.9	64.1	42.5	40.5	39.4	40.7
SADC	38.1	46.7	43.5	37.0	31.6	31.7	35.6	35.3
SACU	30.3	34.3	33.1	31.2	27.1	26.1	30.1	34.6
COMESA	68.2	95.8	81.3	66.2	49.6	48.3	47.3	39.7
Resource-intensive countries	**33.1**	**57.3**	**40.1**	**24.7**	**22.4**	**20.7**	**23.4**	**22.9**
Oil	28.8	56.1	35.2	18.3	18.1	16.5	20.0	19.3
Non-oil resource-intensive countries	56.9	63.9	66.3	60.6	47.6	46.3	44.7	45.9
Non-resource-intensive countries	**44.1**	**56.4**	**51.7**	**43.2**	**35.1**	**34.2**	**36.6**	**37.1**
Coastal Non-resource-intensive countries	38.3	45.6	43.6	37.8	32.8	31.8	35.4	38.8
Landlocked Non-resource-intensive countries	67.1	100.8	83.7	64.0	44.1	43.1	40.6	31.6
MDRI	58.0	86.9	74.3	53.1	39.1	36.8	36.7	32.9
Fixed exchange rate regimes	47.0	64.1	55.9	40.0	40.0	34.9	33.6	30.6
Floating exchange rate	38.9	55.5	45.8	35.6	29.1	28.5	31.3	31.9

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**22.3**	**17.9**	**17.7**	**20.0**	**24.3**	**31.8**	**38.0**	**33.1**	**31.8**	**32.5**
Excluding Nigeria	**18.2**	**15.5**	**15.4**	**17.5**	**19.0**	**23.7**	**30.6**	**29.2**	**26.7**	**26.7**
Angola	21.9	17.7	17.5	20.5	22.2	31.5	42.4	40.2	35.3	34.6
Cameroon	19.3	18.1	17.9	18.3	20.8	21.7	23.5	23.0	23.0	23.0
Chad	10.5	8.1	8.0	11.5	11.8	13.3	16.2	18.1	17.6	17.7
Congo, Rep. of	16.0	13.4	14.0	16.4	17.8	18.4	22.5	20.0	16.7	18.4
Equatorial Guinea	7.0	7.5	6.4	6.3	7.5	7.1	12.0	11.9	13.7	14.0
Gabon	18.3	17.4	18.2	19.6	18.9	17.5	22.5	19.7	17.7	18.5
Nigeria	25.0	19.4	19.1	21.5	27.8	37.3	42.9	35.6	35.0	36.0
Middle-income countries	**73.0**	**63.0**	**68.2**	**73.6**	**79.4**	**80.8**	**78.6**	**82.4**	**84.8**	**85.9**
Excluding South Africa	**54.0**	**52.1**	**54.6**	**53.2**	**54.7**	**55.4**	**58.5**	**59.0**	**58.9**	**58.9**
Botswana	41.5	41.8	43.0	37.4	42.4	42.8	46.5	45.7	44.5	44.8
Cape Verde	84.7	76.2	84.0	87.7	88.2	87.2	83.6	82.9	84.3	84.3
Lesotho	33.9	29.8	30.1	36.6	36.3	36.9	39.4	42.2	46.9	47.5
Mauritius	96.9	90.2	99.0	97.2	98.1	100.0	104.6	106.6	106.6	106.6
Namibia	39.2	37.1	37.6	41.7	40.0	39.5	39.2	39.6	40.0	40.0
Seychelles	84.7	101.2	95.8	90.0	68.0	68.7	59.7	64.4	63.9	63.7
South Africa	75.6	64.6	70.1	76.3	82.7	84.2	81.3	85.7	88.4	89.7
Swaziland	23.7	21.6	21.6	24.0	25.4	26.0	30.9	33.7	34.4	34.4
Low-income countries	**26.2**	**25.4**	**25.3**	**26.2**	**27.3**	**26.8**	**27.8**	**30.3**	**30.8**	**31.3**
Excluding fragile countries	**26.0**	**25.5**	**25.3**	**26.1**	**26.9**	**26.2**	**26.9**	**29.4**	**30.6**	**31.2**
Benin	33.1	26.5	29.8	32.5	35.6	40.8	41.3	44.0	44.0	44.0
Burkina Faso	23.8	25.1	21.4	21.4	25.8	25.4	27.6	30.4	31.2	31.2
Ethiopia	34.9	39.0	38.0	36.1	33.0	28.1	25.0	27.2	30.1	31.5
Ghana	7.1	7.1	6.5	7.2	7.6	7.4	8.2	9.9	9.5	9.4
Kenya	41.2	40.2	39.4	40.3	42.5	43.4	46.0	52.2	54.9	54.4
Madagascar	19.7	21.3	18.0	19.2	20.4	19.7	20.8	20.8	20.9	21.1
Malawi	20.8	19.8	20.2	18.1	21.7	24.4	25.9	26.8	26.8	26.8
Mali	28.8	29.1	29.6	29.1	29.7	26.2	28.1	29.4	30.3	30.8
Mozambique	19.7	17.7	18.4	19.5	20.6	22.4	26.9	26.0	26.8	27.9
Niger	15.7	15.2	14.0	15.2	17.3	16.6	19.0	18.8	20.3	23.2
Rwanda	16.8	15.5	15.2	16.7	18.3	18.2	17.8	18.8	18.4	18.7
Senegal	34.8	34.1	33.8	35.8	36.5	33.7	37.0	38.9	39.5	40.3
Tanzania	26.3	22.7	23.7	27.5	28.8	28.9	29.6	32.3	34.0	35.6
Uganda	18.2	16.9	17.5	18.0	18.1	20.6	20.9	24.0	26.0	26.8
Zambia	21.4	21.5	18.0	21.5	22.5	23.4	21.4	23.1	21.5	21.5
Fragile countries	**27.0**	**25.1**	**25.1**	**26.5**	**28.8**	**29.5**	**31.8**	**35.0**	**31.9**	**31.8**
Including Zimbabwe	**26.3**	**...**	**24.2**	**26.1**	**27.8**	**28.5**	**31.3**	**34.7**	**31.8**	**31.8**
Burundi	30.5	27.7	29.9	31.7	31.1	32.0	32.4	34.2	34.2	34.5
Central African Republic	16.1	16.4	18.0	16.0	14.6	15.5	16.7	16.9	17.0	16.9
Comoros	27.2	24.5	24.7	27.5	28.9	30.2	32.2	34.2	33.1	33.3
Congo, Dem. Rep. of	10.8	8.3	7.8	10.4	12.4	15.3	16.6	16.5	16.5	16.5
Côte d'Ivoire	26.3	23.7	24.1	25.3	29.9	28.6	32.3	36.1	...	...
Eritrea	130.2	129.0	129.3	123.9	127.7	141.3	121.6	122.0	118.1	117.2
Gambia, The	37.8	31.3	33.8	41.4	39.9	42.6	44.7	45.5	46.3	47.3
Guinea	20.2	18.2	19.0	21.5	19.6	22.7	27.3	38.9	34.3	33.5
Guinea-Bissau	19.4	15.7	17.3	18.2	21.6	24.4	24.4	29.8	29.8	29.8
Liberia	23.5	18.1	20.4	23.4	25.2	30.5	36.7	43.4	40.7	39.6
São Tomé & Príncipe	38.0	28.0	36.0	39.0	42.4	44.3	41.5	39.9	39.5	39.9
Sierra Leone	22.0	19.7	21.6	21.4	22.9	24.6	29.7	31.8	30.3	32.0
Togo	33.3	29.9	28.0	33.3	38.0	37.5	41.4	45.4	46.6	48.2
Zimbabwe[1]	12.5	...	11.7	19.9	11.4	7.1	22.7	29.7	30.2	30.6
Sub-Saharan Africa	**42.0**	**36.8**	**38.7**	**41.6**	**45.1**	**47.6**	**48.6**	**48.8**	**48.9**	**49.4**
Median	24.1	21.6	21.6	23.4	25.8	28.1	29.7	33.7	33.5	33.4
Including Zimbabwe	41.9	...	38.6	41.5	45.0	47.5	48.5	48.7	48.9	49.3
Excluding Nigeria and South Africa	26.5	25.5	25.3	26.3	27.3	28.3	31.0	32.4	32.0	32.3
Oil-importing countries	**51.3**	**45.8**	**48.3**	**51.7**	**55.1**	**55.3**	**53.9**	**56.9**	**58.0**	**58.4**
Excluding South Africa	**29.5**	**28.8**	**28.7**	**29.4**	**30.4**	**30.1**	**31.2**	**33.6**	**33.9**	**34.3**
CFA franc zone	21.6	20.3	20.2	21.4	23.3	23.0	26.0	26.9	26.0	26.6
WAEMU	27.9	26.2	26.1	27.3	30.3	29.4	32.1	34.7	33.4	33.8
CEMAC	15.3	14.3	14.2	15.4	16.3	16.5	19.9	19.1	18.6	19.1
EAC-5	29.7	27.8	28.1	29.7	31.1	31.7	32.7	36.6	38.5	39.1
SADC	59.1	52.1	55.3	59.5	63.5	65.2	64.9	67.4	68.2	68.8
SACU	72.2	62.1	67.2	72.8	78.9	80.2	77.9	81.8	84.2	85.3
COMESA	34.7	35.5	34.7	34.6	34.6	34.0	34.1	36.8	38.4	38.7
Resource-intensive countries	**23.8**	**19.9**	**19.8**	**21.6**	**25.6**	**32.0**	**37.8**	**34.0**	**32.4**	**33.0**
Oil	22.3	17.9	17.7	20.0	24.3	31.8	38.0	33.1	31.8	32.5
Non-oil resource-intensive countries	31.8	30.1	30.8	30.7	33.7	33.7	36.7	39.6	36.3	36.5
Non-resource-intensive countries	**52.8**	**47.0**	**49.7**	**53.4**	**56.8**	**57.0**	**55.2**	**58.3**	**59.7**	**60.2**
Coastal Non-resource-intensive countries	60.2	52.4	56.2	60.9	65.4	66.2	64.4	68.0	69.5	70.1
Landlocked Non-resource-intensive countries	24.3	24.8	24.2	24.5	24.5	23.5	23.6	25.6	27.3	28.1
MDRI	22.2	21.3	21.3	22.3	23.1	22.8	23.6	25.0	25.7	26.5
Fixed exchange rate regimes	24.3	23.1	22.9	24.2	25.9	25.6	28.2	29.2	28.4	28.9
Floating exchange rate	45.6	39.7	42.1	45.1	49.0	51.9	52.6	52.6	52.8	53.2

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Broad Money Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**36.0**	**17.9**	**28.2**	**40.6**	**38.5**	**54.8**	**17.2**	**11.0**	**22.7**	**15.9**
Excluding Nigeria	**35.5**	**24.8**	**34.6**	**36.7**	**30.5**	**50.7**	**16.9**	**18.2**	**19.4**	**15.3**
Angola	62.4	49.8	59.7	59.6	49.3	93.7	27.5	24.3	21.7	21.4
Cameroon	10.5	7.3	4.2	9.3	18.6	13.4	6.9	3.7	8.0	7.2
Chad	23.4	3.3	32.0	51.9	5.4	24.7	7.4	32.2	14.5	10.6
Congo, Rep. of	28.7	15.9	36.3	47.9	6.9	36.4	5.0	11.9	14.0	14.1
Equatorial Guinea	30.7	33.5	34.7	14.1	41.3	30.1	18.8	22.4	49.2	10.7
Gabon	14.2	11.6	26.0	17.4	7.2	8.8	2.2	9.1	11.8	9.5
Nigeria	36.7	14.0	24.4	43.1	44.2	57.8	17.5	6.7	24.8	16.2
Middle-income countries	**18.5**	**13.2**	**19.5**	**21.7**	**23.1**	**15.2**	**2.2**	**14.6**	**10.5**	**12.0**
Excluding South Africa	**16.0**	**13.6**	**12.8**	**15.4**	**19.8**	**18.5**	**5.7**	**11.5**	**11.7**	**12.1**
Botswana	17.4	10.7	14.4	9.0	31.2	21.7	-1.3	12.5	12.3	15.7
Cape Verde	12.5	10.6	15.8	18.0	10.8	7.6	3.5	8.0	11.4	9.8
Lesotho	16.8	3.4	9.1	35.3	16.4	19.7	17.7	14.5	24.3	12.7
Mauritius	14.7	18.3	15.8	9.5	15.3	14.6	8.1	7.6	9.3	8.9
Namibia	16.7	16.2	9.7	29.6	10.2	17.9	5.9	11.3	11.9	11.1
Seychelles	7.9	14.0	1.7	3.0	-8.0	29.0	7.0	13.7	5.5	7.4
South Africa	18.9	13.1	20.5	22.5	23.6	14.8	1.8	15.0	10.4	12.0
Swaziland	17.3	15.5	9.1	25.1	21.4	15.4	26.8	17.2	10.6	7.9
Low-income countries	**18.5**	**15.0**	**13.4**	**21.8**	**21.7**	**20.4**	**21.4**	**24.6**	**16.9**	**16.4**
Excluding fragile countries	**17.3**	**12.4**	**12.6**	**20.8**	**21.2**	**19.7**	**20.5**	**24.5**	**20.4**	**17.0**
Benin	15.6	-6.7	21.8	16.5	17.6	28.8	6.2	11.5	6.9	7.1
Burkina Faso	6.9	-7.0	-3.9	10.0	23.8	11.5	17.4	18.5	10.4	7.8
Ethiopia	18.0	10.3	19.6	17.4	19.7	22.9	19.9	24.3	36.0	25.0
Ghana	23.9	18.5	11.2	32.3	30.5	27.1	36.3	45.6	20.5	16.3
Kenya	14.9	13.4	9.1	17.0	19.1	15.9	16.0	27.1	19.8	12.5
Madagascar	17.1	19.4	4.6	24.9	24.2	12.6	10.5	6.9	9.7	13.8
Malawi	26.9	31.9	16.2	16.5	36.9	33.1	23.9	17.8	13.1	13.0
Mali	5.6	-2.4	11.7	8.8	9.3	0.5	16.0	13.4	15.8	8.2
Mozambique	22.2	14.7	22.7	26.0	21.6	26.0	34.6	17.6	21.3	20.1
Niger	15.7	20.3	6.6	16.2	23.0	12.2	18.3	9.8	18.1	34.4
Rwanda	23.0	12.1	16.7	31.3	30.8	24.2	13.1	16.8	10.0	14.0
Senegal	9.5	12.9	7.4	12.7	12.7	1.7	10.9	11.2	8.7	9.4
Tanzania	21.5	18.5	19.6	31.3	20.1	18.1	18.5	25.1	20.1	19.0
Uganda	16.5	9.0	8.7	16.4	17.4	31.1	25.0	31.7	20.3	19.2
Zambia	25.6	32.0	3.3	44.0	25.3	23.2	7.7	29.9	9.3	13.3
Fragile countries	**23.2**	**25.7**	**16.5**	**25.9**	**23.8**	**23.9**	**25.3**	**25.3**	**1.2**	**13.3**
Including Zimbabwe	**21.0**	**29.3**	**10.5**	**27.9**	**18.2**	**19.0**	**32.8**	**27.2**	**2.2**	**13.1**
Burundi	20.9	16.7	27.1	16.4	10.1	34.2	19.8	18.2	16.2	20.9
Central African Republic	7.7	14.2	16.5	-4.2	-3.7	15.9	13.9	7.7	7.6	8.4
Comoros	8.1	-4.4	7.4	15.0	11.0	11.5	13.3	12.6	2.5	7.3
Congo, Dem. Rep. of	52.5	72.9	24.2	60.4	49.5	55.7	50.4	30.7	22.5	16.5
Côte d'Ivoire	11.3	9.5	7.4	10.3	23.6	5.7	17.2	16.0	...	...
Eritrea	11.2	11.7	10.7	5.7	12.1	15.9	15.7	14.4	18.5	16.8
Gambia, The	16.5	18.3	13.1	26.2	6.7	18.4	19.4	13.7	13.2	12.8
Guinea	35.5	37.0	37.2	59.4	4.7	39.0	25.9	74.4	9.5	18.3
Guinea-Bissau	25.7	44.0	20.3	5.3	30.2	28.6	4.4	28.1	8.3	7.1
Liberia	33.2	36.1	30.8	27.7	31.6	39.6	24.1	31.3	11.5	11.4
São Tomé & Príncipe	32.8	7.4	45.9	39.3	36.4	35.2	14.6	15.1	12.4	14.0
Sierra Leone	24.5	18.6	32.8	18.7	26.1	26.1	31.3	28.5	13.8	22.5
Togo	15.7	18.2	2.3	22.7	19.7	15.6	16.2	16.3	11.6	10.3
Zimbabwe[1]	1.4	85.9	-47.9	61.3	-44.4	-48.0	321.3	68.0	23.8	10.7
Sub-Saharan Africa	**23.9**	**15.3**	**20.2**	**27.5**	**27.5**	**28.9**	**13.1**	**16.4**	**16.7**	**14.8**
Median	17.9	14.2	15.8	18.0	19.7	21.7	16.0	16.0	12.4	12.7
Including Zimbabwe	23.7	15.5	19.8	27.6	27.1	28.6	13.6	16.5	16.7	14.8
Excluding Nigeria and South Africa	22.2	17.8	17.6	25.2	23.1	27.3	19.6	21.9	17.2	15.7
Oil-importing countries	**18.3**	**14.4**	**16.1**	**21.9**	**21.9**	**17.2**	**11.7**	**19.5**	**13.7**	**14.2**
Excluding South Africa	**17.8**	**15.5**	**12.3**	**21.4**	**20.5**	**19.4**	**20.7**	**23.3**	**16.3**	**15.8**
CFA franc zone	14.2	9.0	13.8	16.5	17.4	14.1	11.4	13.5	9.0	10.2
WAEMU	10.6	5.9	7.5	12.1	18.9	8.7	14.5	14.3	1.5	10.7
CEMAC	18.0	12.2	20.7	21.2	16.0	19.7	8.3	12.7	17.1	9.7
EAC-5	17.9	14.0	13.1	22.1	19.6	20.7	18.7	26.6	19.3	16.4
SADC	23.6	18.8	21.8	27.2	25.9	24.3	9.6	17.2	13.4	14.2
SACU	18.7	13.0	19.7	22.1	23.5	15.2	2.1	14.8	10.6	12.2
COMESA	18.7	19.1	11.2	21.4	20.0	21.8	22.9	23.8	22.2	17.3
Resource-intensive countries	**32.9**	**17.3**	**25.9**	**36.8**	**35.9**	**48.8**	**16.4**	**12.2**	**19.2**	**15.5**
Oil	36.0	17.9	28.2	40.6	38.5	54.8	17.2	11.0	22.7	15.9
Non-oil resource-intensive countries	16.8	14.2	14.0	17.9	21.4	16.8	11.4	20.2	-1.4	13.1
Non-resource-intensive countries	**18.5**	**14.4**	**16.3**	**22.4**	**22.0**	**17.3**	**11.7**	**19.5**	**15.1**	**14.3**
Coastal Non-resource-intensive countries	18.6	13.9	17.8	22.7	22.6	16.0	7.9	18.3	12.7	12.9
Landlocked Non-resource-intensive countries	18.1	16.6	10.6	21.3	19.9	21.9	26.0	23.6	23.3	18.7
MDRI	18.8	14.2	13.9	22.4	21.6	21.7	20.5	21.8	19.0	16.6
Fixed exchange rate regimes	14.4	9.6	13.5	17.4	17.1	14.5	11.6	13.6	9.4	10.3
Floating exchange rate	25.9	16.5	21.7	29.7	29.7	31.9	13.4	17.0	18.1	15.6

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Claims on Nonfinancial Private Sector
(Percent of broad money)

	2004-08	2004	2005	2006	2007	2008	2009	2010
Oil-exporting countries	**60.7**	**56.7**	**57.9**	**54.6**	**66.5**	**67.7**	**71.9**	**66.1**
Excluding Nigeria	**42.4**	**41.0**	**40.7**	**41.8**	**44.1**	**44.7**	**48.9**	**50.0**
Angola	40.9	35.7	34.7	42.0	49.0	43.1	52.5	55.7
Cameroon	49.0	49.8	53.1	50.1	44.8	47.3	48.2	48.8
Chad	40.8	49.3	52.2	36.2	30.3	35.9	38.3	31.8
Congo, Rep. of	16.4	22.1	17.2	12.6	12.8	17.2	21.4	22.1
Equatorial Guinea	40.6	30.0	33.1	39.1	38.9	61.9	58.2	59.3
Gabon	53.4	54.3	49.3	51.4	56.6	55.2	49.7	48.6
Nigeria	72.6	66.1	68.7	62.8	81.6	83.5	86.9	76.4
Middle-income countries	**100.6**	**100.3**	**100.0**	**102.2**	**100.8**	**99.9**	**98.3**	**90.9**
Excluding South Africa	**72.5**	**71.0**	**73.5**	**72.0**	**72.9**	**73.3**	**74.5**	**74.1**
Botswana	47.4	46.8	44.5	49.3	47.2	49.1	54.9	54.3
Cape Verde	55.1	49.6	46.7	51.3	58.7	69.2	74.8	83.3
Lesotho	27.2	21.6	29.8	25.6	29.0	30.0	32.4	33.4
Mauritius	77.4	78.4	73.7	73.8	76.5	84.8	78.8	82.4
Namibia	124.8	125.8	137.7	121.9	124.9	113.7	118.1	117.9
Seychelles	33.3	27.2	30.8	28.7	37.0	42.6	36.2	39.3
South Africa	104.5	104.4	103.5	106.3	104.6	103.5	101.6	93.2
Swaziland	94.6	86.3	100.0	97.9	98.3	90.8	81.0	68.8
Low-income countries	**62.2**	**53.1**	**59.3**	**60.8**	**64.6**	**73.3**	**69.7**	**65.5**
Excluding fragile countries	**66.9**	**55.7**	**63.5**	**65.4**	**70.0**	**79.6**	**75.5**	**70.3**
Benin	53.7	56.3	54.3	51.8	54.9	51.2	53.9	52.4
Burkina Faso	70.5	59.5	77.1	80.0	65.1	70.6	61.2	59.2
Ethiopia	33.7	28.3	31.1	33.9	36.0	39.3	36.4	37.7
Ghana	161.6	105.0	142.3	153.4	188.1	219.2	187.5	163.6
Kenya	65.7	64.3	64.5	63.0	64.8	72.0	70.6	66.9
Madagascar	51.0	45.8	54.1	51.3	48.5	55.4	53.2	53.7
Malawi	43.9	30.6	37.2	50.1	48.6	53.1	58.5	54.8
Mali	62.3	67.2	56.2	61.7	60.7	65.6	62.7	56.6
Mozambique	72.5	59.8	71.6	75.3	72.2	83.6	98.5	99.1
Niger	53.4	43.3	48.7	55.2	54.0	65.8	65.8	59.3
Rwanda	60.5	59.5	60.6	56.7	52.4	73.3	68.5	64.9
Senegal	64.9	59.1	68.5	63.2	62.1	71.5	66.9	61.4
Tanzania	42.9	38.8	40.1	40.1	44.9	50.6	56.8	53.0
Uganda	45.3	39.0	40.9	45.1	47.2	54.3	57.2	54.4
Zambia	48.4	37.5	42.8	45.2	52.5	64.1	56.1	49.9
Fragile countries	**42.3**	**42.8**	**42.1**	**41.0**	**41.1**	**44.7**	**42.9**	**43.0**
Including Zimbabwe	**41.9**	**43.7**	**41.1**	**40.2**	**39.7**	**44.7**	**43.4**	**44.5**
Burundi	64.3	80.1	62.0	62.4	63.5	53.7	56.2	61.9
Central African Republic	43.0	43.9	37.7	41.7	46.3	45.2	39.3	45.2
Comoros	32.6	29.1	35.4	30.9	31.7	36.1	46.0	51.4
Congo, Dem. Rep. of	28.9	18.5	23.6	25.9	29.9	46.7	43.8	39.9
Côte d'Ivoire	56.9	60.6	57.2	56.2	53.6	56.9	53.6	55.0
Eritrea	18.9	20.6	21.2	21.0	16.2	15.6	13.6	12.2
Gambia, The	32.0	30.1	31.0	31.1	33.6	34.2	31.6	31.9
Guinea	28.9	32.0	34.3	29.6	27.8	20.8	19.2	15.8
Guinea-Bissau	11.2	5.2	6.5	11.5	14.2	18.9	22.6	28.8
Liberia	36.8	35.8	33.0	36.6	38.7	40.0	42.3	45.2
São Tomé & Príncipe	70.6	59.2	73.8	77.3	74.9	67.8	83.8	93.4
Sierra Leone	23.6	23.7	21.0	21.0	23.2	28.9	32.0	32.7
Togo	54.4	57.0	62.4	51.2	55.5	45.8	47.8	50.0
Zimbabwe[1]	34.2	55.2	27.8	26.9	16.5	44.7	51.7	74.9
Sub-Saharan Africa	**75.7**	**71.5**	**73.8**	**74.0**	**78.3**	**80.9**	**80.2**	**74.2**
Median	49.7	46.8	48.7	50.1	49.0	53.7	54.9	54.3
Including Zimbabwe	75.6	71.5	73.6	73.8	78.1	80.8	80.1	74.2
Excluding Nigeria and South Africa	57.7	51.8	55.5	56.5	59.4	65.3	64.3	62.1
Oil-importing countries	**82.7**	**78.5**	**81.0**	**82.9**	**83.8**	**87.3**	**84.3**	**78.5**
Excluding South Africa	**63.2**	**55.4**	**60.6**	**61.8**	**65.2**	**73.1**	**70.1**	**66.5**
CFA franc zone	51.5	51.1	52.5	51.0	48.8	54.0	52.1	50.7
WAEMU	59.7	58.2	60.6	60.3	57.5	61.8	58.7	56.5
CEMAC	43.2	44.0	44.3	41.6	40.1	46.2	45.5	44.8
EAC-5	53.6	50.7	51.4	51.4	53.8	60.8	62.6	59.1
SADC	85.5	84.7	84.6	86.7	86.0	85.5	86.0	80.8
SACU	101.7	101.3	101.1	103.4	101.9	100.6	99.2	91.3
COMESA	49.6	46.4	47.5	48.4	49.4	56.3	54.4	53.3
Resource-intensive countries	**60.5**	**57.4**	**58.4**	**55.3**	**65.3**	**66.3**	**70.1**	**65.1**
Oil	60.7	56.7	57.9	54.6	66.5	67.7	71.9	66.1
Non-oil resource-intensive countries	59.4	60.7	60.9	59.3	58.2	57.8	58.8	58.8
Non-resource-intensive countries	**85.2**	**80.6**	**83.2**	**85.4**	**86.4**	**90.3**	**86.9**	**80.5**
Coastal Non-resource-intensive countries	95.4	90.6	93.4	95.6	97.2	100.5	97.5	89.9
Landlocked Non-resource-intensive countries	45.8	41.2	43.3	46.3	45.7	52.5	50.4	49.0
MDRI	60.9	50.5	57.9	59.7	63.6	72.9	69.3	65.0
Fixed exchange rate regimes	55.3	54.6	56.9	54.8	53.0	57.1	55.3	53.8
Floating exchange rate	79.9	75.2	77.4	77.9	83.4	85.6	85.1	78.2

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Exports of Goods and Services
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**51.9**	**49.4**	**54.2**	**51.5**	**51.3**	**53.1**	**43.7**	**45.1**	**49.2**	**48.0**
Excluding Nigeria	**65.3**	**57.9**	**67.1**	**68.0**	**65.5**	**67.7**	**52.0**	**58.3**	**63.0**	**62.4**
Angola	78.4	75.6	86.1	80.0	74.1	76.4	54.9	61.2	65.9	66.3
Cameroon	27.7	22.7	24.5	29.3	31.0	31.1	24.0	26.2	28.5	29.6
Chad	54.5	51.6	55.5	56.4	54.7	54.0	43.2	51.8	54.7	48.2
Congo, Rep. of	78.2	71.4	82.8	85.9	77.0	73.9	70.7	84.7	87.5	85.2
Equatorial Guinea	85.0	90.1	87.4	86.8	81.9	78.8	69.7	70.0	71.0	68.3
Gabon	63.6	62.2	64.7	62.2	62.1	66.6	57.9	62.0	67.8	65.5
Nigeria	42.7	44.0	45.8	41.0	41.0	41.7	36.9	35.7	39.0	37.3
Middle-income countries	**32.4**	**29.0**	**29.9**	**32.4**	**33.7**	**37.2**	**29.2**	**29.5**	**30.3**	**30.5**
Excluding South Africa	**50.2**	**48.8**	**51.1**	**51.4**	**51.1**	**48.4**	**43.0**	**43.2**	**44.5**	**44.2**
Botswana	46.7	44.2	51.4	47.0	47.5	43.2	32.1	34.4	35.7	34.6
Cape Verde	40.7	32.0	37.8	45.1	42.8	45.7	36.3	39.3	42.1	45.2
Lesotho	56.1	62.7	51.9	53.6	55.2	56.8	44.3	42.4	41.3	43.3
Mauritius	55.5	52.3	58.0	59.6	56.7	51.1	46.9	49.5	52.9	53.6
Namibia	38.0	34.7	34.1	39.9	39.9	41.6	42.4	41.3	41.1	40.3
Seychelles	85.5	71.8	77.5	84.5	85.8	107.8	105.2	91.9	103.5	103.3
South Africa	30.2	26.4	27.4	30.0	31.5	35.6	27.4	27.9	28.5	28.8
Swaziland	75.4	90.1	76.0	72.9	74.6	63.2	63.1	57.1	58.0	57.4
Low-income countries	**27.0**	**25.9**	**26.1**	**27.3**	**28.0**	**27.8**	**25.6**	**28.9**	**33.7**	**33.5**
Excluding fragile countries	**23.1**	**22.5**	**22.3**	**23.7**	**23.7**	**23.6**	**22.2**	**24.8**	**30.5**	**30.3**
Benin	14.8	14.1	12.4	13.2	16.8	17.6	16.5	17.0	20.2	17.7
Burkina Faso	10.5	11.3	9.8	10.9	10.5	9.8	11.8	16.4	25.9	22.2
Ethiopia	13.6	14.9	15.1	13.9	12.7	11.5	10.5	13.6	16.7	18.7
Ghana	24.2	24.3	22.7	25.0	24.3	24.8	29.3	30.3	39.5	37.7
Kenya	27.1	26.9	28.5	26.6	26.0	27.6	25.2	26.6	30.1	30.0
Madagascar	29.3	32.6	26.9	29.9	30.5	26.5	22.6	24.8	37.2	38.3
Malawi	22.3	20.6	20.2	19.3	25.8	25.6	22.2	26.2	25.5	24.5
Mali	26.9	24.3	24.5	29.9	27.4	28.7	26.6	25.1	33.5	31.4
Mozambique	33.7	30.9	31.7	38.4	35.4	32.3	27.4	30.6	32.6	30.8
Niger	17.7	18.3	16.8	16.4	17.4	19.4	18.9	19.3	20.7	23.9
Rwanda	12.5	13.1	12.6	11.2	11.1	14.6	10.2	10.4	12.1	12.6
Senegal	26.3	27.1	27.0	25.6	25.5	26.3	24.1	24.5	26.4	26.4
Tanzania	22.5	19.2	20.7	22.3	24.7	25.4	24.3	25.1	29.7	30.2
Uganda	16.0	12.5	13.1	15.5	16.9	22.1	20.6	19.4	23.3	22.8
Zambia	37.9	38.2	35.1	39.0	41.4	35.9	35.6	47.7	56.5	55.3
Fragile countries	**41.0**	**36.6**	**39.5**	**40.7**	**44.3**	**44.0**	**39.4**	**45.3**	**46.7**	**46.6**
Including Zimbabwe	**40.6**	**...**	**38.6**	**40.2**	**43.6**	**43.8**	**38.5**	**44.9**	**46.8**	**46.8**
Burundi	9.9	9.6	11.5	10.1	9.5	9.0	7.3	9.1	8.4	8.6
Central African Republic	13.1	13.8	12.8	14.2	14.1	10.8	9.8	10.4	11.6	12.0
Comoros	14.4	15.1	14.1	14.2	14.7	14.0	13.2	13.8	14.5	14.9
Congo, Dem. Rep. of	45.0	30.7	33.6	34.2	65.2	61.3	45.2	68.4	77.8	75.9
Côte d'Ivoire	49.8	48.6	51.1	52.7	47.8	48.7	50.9	50.3	...	...
Eritrea	5.8	5.8	6.2	6.9	5.8	4.4	4.5	4.7	13.3	17.1
Gambia, The	29.8	34.2	32.2	33.2	27.8	21.8	23.3	22.6	21.6	21.1
Guinea	33.5	23.5	33.8	40.7	30.2	39.3	25.1	29.1	34.0	35.4
Guinea-Bissau	16.2	15.9	17.3	14.8	17.3	15.9	15.5	16.0	16.8	16.2
Liberia	72.2	68.7	60.1	82.5	74.9	74.8	53.1	57.9	59.1	66.4
São Tomé & Príncipe	12.5	14.1	13.9	13.7	9.3	11.6	11.0	11.7	12.7	14.1
Sierra Leone	21.3	23.2	24.1	22.3	19.7	17.2	17.5	22.0	21.7	21.3
Togo	37.9	38.6	40.0	38.2	39.2	33.3	36.4	37.0	37.2	36.6
Zimbabwe[1]	37.2	...	33.5	36.0	37.8	41.5	30.8	41.9	48.1	48.1
Sub-Saharan Africa	**37.3**	**33.7**	**36.2**	**37.5**	**38.4**	**40.9**	**33.2**	**34.9**	**38.5**	**38.1**
Median	29.4	27.1	28.5	30.0	30.5	31.1	26.6	27.9	33.0	31.1
Including Zimbabwe	37.3	...	36.2	37.5	38.4	40.9	33.1	34.9	38.6	38.2
Excluding Nigeria and South Africa	41.1	36.8	40.4	42.1	42.4	43.6	35.4	39.8	45.3	44.9
Oil-importing countries	**30.3**	**27.9**	**28.6**	**30.5**	**31.5**	**33.0**	**27.6**	**29.4**	**31.9**	**32.0**
Excluding South Africa	**30.7**	**29.8**	**30.2**	**31.1**	**31.5**	**30.7**	**27.8**	**31.1**	**35.5**	**35.2**
CFA franc zone	43.1	39.3	42.9	44.9	43.5	44.8	38.8	42.5	46.5	45.0
WAEMU	31.4	31.3	31.5	32.3	30.7	31.0	31.0	31.3	32.5	31.9
CEMAC	54.4	48.1	54.1	56.9	55.7	57.1	47.2	53.4	58.3	56.2
EAC-5	22.3	20.5	21.8	21.9	22.6	24.7	22.5	23.1	26.9	27.0
SADC	37.4	31.6	34.2	37.3	39.8	43.9	33.5	35.6	38.7	39.1
SACU	31.6	28.2	29.1	31.5	32.9	36.5	28.5	28.9	29.5	29.7
COMESA	29.8	29.0	29.1	29.2	31.6	30.0	25.4	31.2	36.9	37.0
Resource-intensive countries	**50.3**	**47.5**	**52.2**	**50.4**	**50.0**	**51.4**	**43.1**	**44.8**	**48.4**	**47.4**
Oil	51.9	49.4	54.2	51.5	51.3	53.1	43.7	45.1	49.2	48.0
Non-oil resource-intensive countries	43.2	41.2	44.1	45.1	43.2	42.3	40.2	43.0	44.1	43.9
Non-resource-intensive countries	**28.7**	**26.3**	**26.9**	**28.7**	**30.1**	**31.8**	**26.2**	**27.9**	**30.5**	**30.5**
Coastal Non-resource-intensive countries	29.7	26.9	27.6	29.8	30.7	33.3	27.5	28.2	30.1	30.2
Landlocked Non-resource-intensive countries	24.0	22.5	22.7	23.1	26.6	25.4	21.1	26.6	32.0	31.8
MDRI	26.6	24.2	24.9	27.4	28.6	28.2	24.9	29.7	36.1	35.5
Fixed exchange rate regimes	43.3	40.2	42.8	45.0	43.8	44.8	39.2	42.2	45.8	44.5
Floating exchange rate	36.1	32.3	34.9	36.0	37.3	40.0	31.9	33.5	37.1	36.9

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Imports of Goods and Services
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**33.0**	**35.4**	**35.0**	**27.3**	**31.4**	**35.8**	**38.5**	**37.4**	**32.9**	**32.0**
Excluding Nigeria	**40.9**	**43.6**	**42.0**	**36.2**	**38.9**	**44.0**	**50.6**	**48.7**	**43.9**	**42.6**
Angola	49.1	58.3	53.6	39.0	43.5	51.2	55.4	51.3	45.5	44.6
Cameroon	28.3	24.5	26.4	27.7	29.5	33.1	28.9	30.7	32.3	33.2
Chad	45.4	53.5	43.8	39.7	38.6	51.4	70.1	72.6	57.6	46.6
Congo, Rep. of	48.6	46.3	46.7	49.4	53.5	47.0	51.0	50.7	48.6	46.6
Equatorial Guinea	38.7	55.0	43.6	33.1	30.3	31.6	60.3	57.3	46.6	43.9
Gabon	29.9	32.0	28.3	30.5	30.2	28.4	38.6	36.5	35.0	35.0
Nigeria	27.5	30.3	30.3	21.7	26.0	29.5	28.6	29.4	24.9	24.1
Middle-income countries	**34.4**	**29.5**	**30.5**	**34.6**	**36.5**	**41.1**	**31.8**	**31.2**	**34.0**	**34.1**
Excluding South Africa	**53.6**	**51.0**	**52.4**	**52.0**	**54.3**	**58.2**	**58.4**	**56.6**	**57.6**	**56.1**
Botswana	35.2	36.5	34.6	30.7	35.4	38.8	43.4	39.6	38.5	35.9
Cape Verde	73.1	69.6	66.6	72.7	77.8	78.9	68.5	67.3	76.5	76.0
Lesotho	109.0	112.6	104.1	103.3	107.5	117.2	112.8	112.2	112.3	111.3
Mauritius	64.2	54.6	63.8	70.5	66.6	65.3	57.3	62.5	68.6	67.1
Namibia	40.7	38.2	37.2	37.5	40.9	49.7	53.4	48.1	49.0	50.4
Seychelles	104.9	75.8	95.3	97.7	102.9	152.8	137.2	136.0	133.4	119.6
South Africa	32.0	26.7	27.9	32.5	34.2	38.6	28.3	28.0	31.0	31.3
Swaziland	86.5	91.7	91.0	85.7	85.5	78.6	79.5	77.1	72.7	69.0
Low-income countries	**38.2**	**34.5**	**37.0**	**37.6**	**39.8**	**42.2**	**38.3**	**41.0**	**44.0**	**43.0**
Excluding fragile countries	**35.9**	**32.8**	**34.5**	**35.5**	**37.0**	**39.7**	**36.6**	**38.6**	**42.4**	**41.3**
Benin	27.1	25.1	23.0	24.2	32.4	30.9	29.7	28.2	30.3	28.9
Burkina Faso	25.2	25.6	25.3	24.2	24.7	26.2	22.5	25.8	34.3	34.4
Ethiopia	32.8	28.9	35.5	36.6	32.1	31.1	28.7	33.2	39.3	41.1
Ghana	40.2	37.3	38.5	40.6	40.7	44.0	42.3	44.4	46.6	43.4
Kenya	36.8	32.9	36.0	36.3	37.1	41.8	38.3	41.7	46.8	45.8
Madagascar	45.4	47.5	40.7	41.1	46.5	50.9	45.9	40.9	40.0	38.6
Malawi	46.3	41.1	48.5	48.2	42.5	51.3	42.1	47.2	40.8	40.0
Mali	35.9	32.6	33.4	35.1	35.6	43.0	34.6	34.1	38.1	37.6
Mozambique	44.9	41.8	43.9	47.2	45.2	46.4	44.6	49.2	48.4	46.6
Niger	31.3	29.4	31.1	29.5	29.9	36.3	49.5	57.1	47.8	37.0
Rwanda	25.9	24.6	24.7	25.1	25.2	29.9	29.6	29.0	33.2	28.6
Senegal	45.2	39.8	42.4	43.1	47.8	52.8	44.1	44.1	49.0	47.5
Tanzania	32.5	24.9	28.1	32.7	37.4	39.6	37.6	36.5	42.4	43.1
Uganda	26.6	22.1	23.9	26.8	27.9	32.1	34.1	33.8	39.8	37.5
Zambia	37.2	42.6	36.7	30.1	39.2	37.4	32.2	34.9	38.0	39.3
Fragile countries	**46.6**	**40.0**	**45.7**	**45.3**	**50.1**	**51.7**	**45.0**	**50.7**	**50.9**	**49.8**
Including Zimbabwe	**46.7**	**...**	**45.2**	**45.5**	**49.7**	**53.0**	**46.8**	**52.6**	**53.3**	**52.1**
Burundi	48.2	33.9	40.6	48.6	58.1	59.9	48.0	49.0	47.0	41.0
Central African Republic	22.1	20.3	20.8	21.9	23.5	23.9	21.3	23.6	23.4	23.3
Comoros	39.4	33.0	35.8	38.6	41.3	48.4	47.9	49.6	48.1	47.0
Congo, Dem. Rep. of	53.0	34.4	45.2	40.7	68.6	76.4	60.9	77.0	77.1	72.9
Côte d'Ivoire	41.7	39.4	43.6	42.4	41.9	41.2	38.9	39.4	...	...
Eritrea	41.6	59.8	54.9	38.4	28.8	26.1	23.4	23.3	23.4	22.9
Gambia, The	44.3	48.8	48.7	46.4	40.4	37.1	38.0	38.7	38.4	38.8
Guinea	36.0	25.8	35.1	42.6	36.4	40.1	31.4	37.2	42.7	44.0
Guinea-Bissau	28.4	24.3	26.5	30.1	31.0	29.9	31.8	29.4	30.3	28.9
Liberia	239.3	214.8	214.6	284.1	236.1	246.7	185.3	194.6	178.8	190.8
São Tomé & Príncipe	61.4	51.8	52.9	71.2	64.1	67.0	58.1	64.3	74.1	70.9
Sierra Leone	32.6	34.4	37.3	32.0	28.7	30.5	30.9	34.8	35.9	34.8
Togo	56.6	57.9	58.7	56.1	58.0	52.5	52.3	54.4	55.7	54.2
Zimbabwe[1]	51.0	...	42.5	46.9	46.4	68.1	62.7	66.4	69.2	66.9
Sub-Saharan Africa	**34.7**	**32.4**	**33.5**	**32.9**	**35.6**	**39.3**	**36.0**	**36.0**	**36.1**	**35.5**
Median	39.1	37.3	38.5	38.6	39.2	41.8	42.3	41.7	44.1	42.1
Including Zimbabwe	34.8	...	33.6	33.0	35.6	39.4	36.2	36.2	36.3	35.8
Excluding Nigeria and South Africa	40.7	38.9	40.2	38.9	41.0	44.4	44.1	45.3	45.6	44.3
Oil-importing countries	**36.0**	**31.3**	**33.0**	**35.9**	**37.9**	**41.8**	**35.0**	**35.5**	**38.5**	**38.2**
Excluding South Africa	**40.7**	**37.3**	**39.5**	**40.0**	**42.0**	**44.6**	**41.2**	**43.7**	**46.5**	**45.3**
CFA franc zone	36.4	35.8	36.0	35.4	36.4	38.1	40.8	41.8	40.8	39.1
WAEMU	38.1	35.7	37.7	37.2	39.1	40.9	37.7	38.7	40.0	38.6
CEMAC	34.7	35.9	34.4	33.7	33.9	35.7	44.1	44.8	41.4	39.5
EAC-5	33.0	27.8	30.5	33.0	34.9	38.7	36.7	37.7	43.2	42.2
SADC	36.7	31.9	33.3	35.5	38.6	44.1	37.4	36.5	38.2	38.2
SACU	33.3	28.5	29.3	33.4	35.3	39.8	30.6	30.0	32.7	32.9
COMESA	41.7	38.1	41.0	40.5	43.0	45.7	40.6	44.9	48.8	47.5
Resource-intensive countries	**34.0**	**35.9**	**35.7**	**28.9**	**32.7**	**36.5**	**38.7**	**37.8**	**33.9**	**33.1**
Oil	33.0	35.4	35.0	27.3	31.4	35.8	38.5	37.4	32.9	32.0
Non-oil resource-intensive countries	38.4	37.6	38.7	36.2	39.1	40.6	39.7	39.6	39.9	40.0
Non-resource-intensive countries	**35.4**	**30.2**	**32.0**	**35.5**	**37.4**	**41.6**	**34.2**	**34.8**	**38.1**	**37.8**
Coastal Non-resource-intensive countries	34.7	29.6	30.9	35.0	36.9	41.2	32.9	32.6	35.8	35.8
Landlocked Non-resource-intensive countries	38.7	34.1	37.9	38.1	40.3	43.2	39.3	44.8	48.5	46.7
MDRI	36.3	32.3	34.4	35.5	38.6	40.9	37.3	40.0	43.0	41.8
Fixed exchange rate regimes	39.7	39.5	39.4	38.8	39.6	41.2	43.8	44.7	43.5	42.1
Floating exchange rate	33.7	30.9	32.3	31.8	34.8	38.9	34.4	34.4	34.7	34.3

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Trade Balance
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**29.9**	**24.8**	**29.9**	**32.0**	**31.2**	**31.4**	**18.9**	**20.4**	**26.3**	**26.6**
Excluding Nigeria	**40.6**	**31.4**	**41.9**	**44.6**	**42.6**	**42.7**	**20.7**	**27.3**	**35.1**	**35.4**
Angola	51.0	41.9	55.8	55.4	50.9	51.0	24.1	31.5	39.2	39.7
Cameroon	1.9	0.0	0.3	3.7	3.4	1.9	-1.5	-0.3	0.4	0.8
Chad	38.0	35.0	42.2	44.6	42.9	25.6	0.5	6.1	22.8	26.8
Congo, Rep. of	51.1	46.4	57.8	58.2	47.4	45.9	41.0	52.9	54.7	53.3
Equatorial Guinea	61.0	59.0	60.8	65.3	62.7	57.3	24.2	27.6	37.5	37.0
Gabon	44.7	41.9	47.4	41.9	42.8	49.6	33.2	37.7	45.7	43.4
Nigeria	22.4	20.6	22.0	23.9	22.9	22.7	17.4	15.4	19.7	20.1
Middle-income countries	**-1.5**	**-0.5**	**-0.4**	**-1.7**	**-2.2**	**-2.7**	**-1.5**	**-0.4**	**-2.0**	**-2.0**
Excluding South Africa	**-5.0**	**-3.7**	**-2.8**	**-2.3**	**-5.7**	**-10.4**	**-14.2**	**-12.3**	**-12.7**	**-12.2**
Botswana	11.9	8.3	17.1	16.9	13.1	3.9	-5.6	0.2	1.7	2.8
Cape Verde	-43.5	-41.0	-35.9	-41.7	-49.6	-49.0	-42.7	-41.3	-45.8	-45.1
Lesotho	-46.8	-48.0	-48.5	-47.2	-50.1	-40.2	-47.5	-48.2	-49.3	-46.5
Mauritius	-15.2	-8.8	-12.3	-16.2	-18.0	-20.6	-17.5	-20.1	-23.9	-22.8
Namibia	-3.3	-4.3	-3.7	1.2	-2.0	-7.6	-11.2	-7.7	-8.8	-11.0
Seychelles	-33.5	-17.8	-32.2	-28.5	-33.6	-55.4	-44.6	-50.0	-39.7	-30.1
South Africa	-1.0	-0.1	-0.1	-1.7	-1.8	-1.6	0.1	1.1	-0.7	-0.7
Swaziland	-5.0	4.0	-10.2	-9.4	-9.2	-0.3	-4.1	-11.0	-7.3	-5.3
Low-income countries	**-8.6**	**-6.1**	**-8.5**	**-7.9**	**-9.1**	**-11.4**	**-9.6**	**-8.8**	**-7.3**	**-6.8**
Excluding fragile countries	**-11.8**	**-9.4**	**-11.4**	**-11.1**	**-12.5**	**-14.8**	**-12.7**	**-11.8**	**-10.1**	**-9.6**
Benin	-11.6	-9.7	-9.3	-11.2	-14.3	-13.6	-11.1	-10.3	-9.9	-11.5
Burkina Faso	-9.5	-9.6	-10.2	-8.0	-8.8	-10.9	-5.8	-3.8	-1.2	-4.7
Ethiopia	-20.7	-17.1	-22.6	-23.7	-20.2	-20.1	-19.5	-21.3	-24.2	-24.7
Ghana	-14.7	-10.5	-14.8	-14.8	-15.7	-17.5	-8.5	-9.0	-2.8	-1.6
Kenya	-14.1	-10.1	-11.4	-14.5	-15.7	-18.8	-17.0	-19.6	-22.4	-22.4
Madagascar	-13.1	-10.2	-11.5	-9.9	-13.6	-20.2	-19.4	-13.1	1.9	6.1
Malawi	-17.4	-14.1	-20.9	-22.3	-10.5	-19.1	-14.1	-14.6	-9.4	-9.6
Mali	-3.1	-2.5	-3.1	0.7	-2.5	-7.8	-3.0	-3.3	2.4	0.9
Mozambique	-6.4	-6.1	-7.6	-3.7	-4.9	-10.0	-12.7	-14.3	-11.2	-11.2
Niger	-6.9	-5.3	-8.7	-6.6	-5.9	-8.1	-14.1	-18.1	-11.9	-2.6
Rwanda	-10.2	-8.5	-8.8	-9.6	-10.8	-13.1	-16.0	-15.3	-18.1	-14.2
Senegal	-18.4	-12.3	-15.1	-17.1	-22.1	-25.6	-19.3	-18.9	-22.0	-20.8
Tanzania	-11.7	-7.3	-8.2	-11.4	-15.1	-16.3	-14.1	-12.4	-13.7	-14.0
Uganda	-8.3	-8.5	-9.1	-9.3	-8.4	-6.3	-10.7	-10.1	-12.5	-10.5
Zambia	4.7	-0.5	1.2	12.2	7.8	2.8	7.1	16.7	22.5	20.1
Fragile countries	**3.0**	**4.2**	**1.5**	**3.8**	**3.5**	**1.9**	**2.5**	**3.6**	**4.0**	**4.8**
Including Zimbabwe	**1.9**	**...**	**0.3**	**2.3**	**2.5**	**0.0**	**-0.5**	**1.0**	**1.2**	**2.2**
Burundi	-21.0	-15.2	-16.6	-20.2	-25.6	-27.6	-17.6	-19.8	-23.6	-19.6
Central African Republic	-4.1	-1.4	-3.5	-3.1	-4.3	-8.2	-6.9	-7.8	-6.6	-6.1
Comoros	-23.2	-16.4	-20.8	-22.4	-24.6	-31.9	-29.4	-31.0	-29.7	-28.9
Congo, Dem. Rep. of	0.4	1.2	-5.6	-1.2	8.8	-1.1	-5.2	4.0	12.6	14.1
Côte d'Ivoire	15.2	16.6	14.6	17.5	12.9	14.2	18.7	17.6	...	...
Eritrea	-33.9	-49.6	-44.2	-29.2	-24.2	-22.0	-19.9	-19.6	-11.4	-6.5
Gambia, The	-20.7	-18.3	-22.4	-20.7	-20.6	-21.4	-20.6	-20.5	-21.8	-23.0
Guinea	4.1	3.1	5.4	5.6	-0.3	6.6	-0.6	-0.6	-2.4	-2.1
Guinea-Bissau	-6.2	-1.4	-2.9	-9.1	-8.7	-9.1	-10.2	-8.7	-8.7	-8.0
Liberia	-39.9	-24.8	-35.9	-46.3	-39.3	-53.4	-47.9	-49.1	-54.4	-58.6
São Tomé & Príncipe	-37.9	-28.3	-30.4	-41.3	-41.8	-47.6	-39.6	-44.2	-50.3	-46.0
Sierra Leone	-8.6	-8.3	-12.2	-6.6	-5.7	-10.0	-10.1	-8.0	-9.4	-8.6
Togo	-15.6	-14.7	-15.1	-15.0	-16.1	-16.8	-13.3	-14.6	-15.5	-14.7
Zimbabwe[1]	-10.9	...	-7.1	-8.7	-5.9	-21.9	-27.4	-18.6	-16.5	-14.4
Sub-Saharan Africa	**7.1**	**4.9**	**6.6**	**8.0**	**7.6**	**8.3**	**3.1**	**4.8**	**7.6**	**7.9**
Median	-9.1	-8.3	-9.1	-9.3	-8.8	-10.0	-11.1	-10.3	-9.4	-8.3
Including Zimbabwe	7.0	...	6.5	7.9	7.6	8.2	2.9	4.6	7.5	7.8
Excluding Nigeria and South Africa	6.7	3.5	6.1	8.3	7.9	7.5	-0.8	2.4	7.2	7.5
Oil-importing countries	**-4.3**	**-2.5**	**-3.4**	**-4.1**	**-5.0**	**-6.7**	**-5.4**	**-4.0**	**-4.3**	**-4.2**
Excluding South Africa	**-8.1**	**-5.7**	**-7.6**	**-7.1**	**-8.6**	**-11.4**	**-10.5**	**-9.5**	**-8.3**	**-7.7**
CFA franc zone	15.0	12.2	15.4	17.6	15.2	14.8	6.9	9.9	14.8	14.6
WAEMU	-2.1	0.4	-1.5	-0.3	-3.8	-5.2	-1.5	-1.9	-2.2	-1.7
CEMAC	31.6	25.4	32.3	34.6	33.1	32.5	15.8	21.4	29.1	28.6
EAC-5	-12.1	-8.9	-9.9	-12.4	-13.9	-15.3	-14.7	-15.2	-17.7	-17.2
SADC	4.0	1.6	3.2	4.1	4.9	5.9	1.3	3.8	5.6	6.0
SACU	-0.9	-0.1	0.1	-1.1	-1.5	-1.7	-0.8	0.4	-1.2	-1.2
COMESA	-11.5	-9.4	-12.0	-11.2	-10.7	-14.1	-14.2	-12.3	-10.9	-10.2
Resource-intensive countries	**26.0**	**20.8**	**25.8**	**28.5**	**27.3**	**27.4**	**16.5**	**18.4**	**23.7**	**23.9**
Oil	29.9	24.8	29.9	32.0	31.2	31.4	18.9	20.4	26.3	26.6
Non-oil resource-intensive countries	8.5	7.4	8.8	12.4	8.2	5.5	5.1	7.9	8.3	7.9
Non-resource-intensive countries	**-5.8**	**-3.6**	**-4.7**	**-6.0**	**-6.5**	**-8.2**	**-6.5**	**-5.2**	**-5.7**	**-5.5**
Coastal Non-resource-intensive countries	-4.8	-2.7	-3.3	-4.9	-5.9	-7.2	-4.7	-3.6	-4.6	-4.5
Landlocked Non-resource-intensive countries	-10.9	-8.9	-12.2	-11.7	-9.5	-12.4	-13.7	-12.7	-11.0	-10.1
MDRI	-6.4	-5.3	-6.6	-5.0	-6.4	-8.7	-8.4	-5.9	-2.4	-2.1
Fixed exchange rate regimes	11.8	9.0	11.7	14.1	12.0	12.0	4.1	6.5	10.9	10.7
Floating exchange rate	6.1	4.0	5.6	6.8	6.8	7.5	2.9	4.4	7.0	7.4

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. External Current Account, Including Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**11.7**	**2.6**	**7.4**	**21.8**	**15.0**	**12.0**	**3.2**	**2.2**	**10.2**	**10.4**
Excluding Nigeria	**7.6**	**-2.3**	**8.6**	**14.5**	**9.8**	**7.6**	**-8.7**	**-3.7**	**4.1**	**6.4**
Angola	14.8	3.8	18.2	27.5	15.7	8.6	-10.0	-1.8	6.2	9.5
Cameroon	-0.9	-3.4	-3.4	1.6	1.4	-0.8	-3.7	-3.9	-3.1	-3.0
Chad	-4.6	-17.1	2.4	-9.0	1.1	-0.1	-22.1	-21.3	-8.0	-6.1
Congo, Rep. of	-2.1	-7.6	2.0	2.0	-8.0	1.2	-8.9	2.7	12.5	16.0
Equatorial Guinea	-1.5	-21.6	-6.2	7.1	4.3	9.1	-17.1	-23.8	-10.2	-9.0
Gabon	18.1	11.2	22.9	15.6	17.3	23.7	7.9	11.8	17.0	15.3
Nigeria	14.6	5.7	6.5	26.5	18.7	15.4	13.0	6.4	14.6	13.3
Middle-income countries	**-4.3**	**-2.5**	**-2.7**	**-4.0**	**-5.6**	**-6.4**	**-4.3**	**-3.3**	**-4.7**	**-5.2**
Excluding South Africa	**3.1**	**1.5**	**3.7**	**6.3**	**5.3**	**-1.5**	**-6.6**	**-7.2**	**-7.3**	**-5.8**
Botswana	11.7	3.5	15.2	17.2	15.0	7.5	-5.5	-2.5	-2.4	0.0
Cape Verde	-10.7	-14.3	-3.5	-5.4	-14.7	-15.7	-15.3	-11.8	-18.0	-15.7
Lesotho	2.7	-5.5	-7.6	4.7	13.9	7.9	-0.5	-16.2	-23.4	-17.8
Mauritius	-6.3	-1.8	-5.0	-9.1	-5.4	-10.1	-7.4	-9.5	-11.6	-9.6
Namibia	7.5	7.0	4.7	13.9	9.1	2.7	-0.7	-1.1	-0.9	-3.3
Seychelles	-21.4	-5.8	-18.8	-13.2	-20.5	-48.9	-40.0	-50.7	-32.7	-18.6
South Africa	-5.2	-3.0	-3.5	-5.3	-7.0	-7.1	-4.1	-2.8	-4.4	-5.1
Swaziland	-6.9	-0.3	-7.6	-10.3	-5.2	-11.1	-16.8	-20.6	-16.0	-12.9
Low-income countries	**-5.9**	**-3.7**	**-5.7**	**-5.0**	**-6.3**	**-8.9**	**-6.2**	**-6.7**	**-6.9**	**-6.6**
Excluding fragile countries	**-6.5**	**-4.3**	**-6.0**	**-6.1**	**-6.9**	**-9.4**	**-7.1**	**-7.4**	**-7.6**	**-7.2**
Benin	-7.3	-7.0	-6.3	-5.3	-10.1	-8.0	-8.9	-6.3	-5.3	-6.8
Burkina Faso	-10.3	-11.0	-11.6	-9.1	-8.2	-11.5	-4.9	-4.2	-4.1	-7.6
Ethiopia	-5.4	-1.4	-6.3	-9.1	-4.5	-5.6	-5.0	-4.3	-8.1	-8.1
Ghana	-6.5	-2.5	-5.1	-6.2	-8.0	-10.8	-4.0	-7.2	-6.8	-5.2
Kenya	-2.8	0.1	-1.5	-2.3	-4.0	-6.7	-5.6	-7.9	-9.3	-7.9
Madagascar	-12.4	-9.2	-10.6	-8.8	-12.7	-20.6	-20.7	-13.4	-7.1	-6.4
Malawi	-9.5	-11.2	-14.7	-12.5	1.0	-10.2	-5.8	-1.3	-3.8	-3.7
Mali	-8.0	-7.9	-8.5	-4.1	-6.9	-12.7	-7.5	-8.5	-6.8	-8.0
Mozambique	-10.9	-10.7	-11.6	-10.7	-9.7	-11.9	-10.5	-12.7	-12.0	-12.1
Niger	-9.2	-7.3	-8.9	-8.6	-8.2	-13.0	-28.7	-30.7	-22.7	-14.1
Rwanda	-1.7	1.8	1.0	-4.3	-2.2	-4.9	-8.5	-6.8	-9.2	-6.2
Senegal	-10.3	-6.9	-9.0	-9.5	-11.8	-14.3	-7.7	-8.3	-11.5	-10.8
Tanzania	-7.0	-2.5	-3.8	-7.6	-10.0	-11.1	-10.2	-8.6	-9.5	-10.7
Uganda	-2.2	0.1	-1.4	-3.4	-3.1	-3.1	-6.8	-9.9	-10.6	-9.2
Zambia	-6.6	-10.4	-8.5	-0.4	-6.5	-7.2	4.2	3.8	5.9	3.3
Fragile countries	**-3.6**	**-1.7**	**-4.7**	**-0.7**	**-4.1**	**-7.0**	**-2.8**	**-4.0**	**-4.2**	**-3.9**
Including Zimbabwe	**-4.3**	**...**	**-5.6**	**-1.7**	**-4.4**	**-8.2**	**-5.0**	**-5.8**	**-6.0**	**-5.7**
Burundi	-12.8	-8.4	-1.2	-14.5	-24.6	-15.0	-16.1	-12.0	-15.8	-14.9
Central African Republic	-5.6	-1.8	-6.5	-3.0	-6.2	-10.4	-7.9	-8.7	-9.1	-8.5
Comoros	-7.2	-4.6	-7.4	-6.7	-6.3	-11.1	-9.0	-6.8	-12.1	-10.1
Congo, Dem. Rep. of	-7.5	-3.0	-13.3	-2.7	-1.1	-17.5	-10.5	-6.8	-2.8	-0.7
Côte d'Ivoire	1.2	1.6	0.2	2.8	-0.7	1.9	7.4	3.9	...	...
Eritrea	-3.1	-0.7	0.3	-3.6	-6.1	-5.5	-7.6	-5.8	-0.9	0.2
Gambia, The	-10.6	-7.0	-13.4	-10.2	-9.6	-12.7	-9.9	-12.0	-12.0	-12.8
Guinea	-2.8	-2.8	-0.4	7.0	-10.3	-7.5	-10.8	-12.7	-11.4	-12.1
Guinea-Bissau	-3.1	1.4	-2.1	-5.6	-4.4	-4.9	-6.0	-6.2	-5.7	-4.3
Liberia	-32.1	-20.2	-37.4	-13.9	-31.4	-57.3	-38.3	-44.1	-37.6	-65.5
São Tomé & Príncipe	-25.7	-16.2	-9.5	-27.5	-37.6	-37.8	-28.0	-32.0	-44.7	-42.5
Sierra Leone	-7.1	-5.8	-7.1	-5.6	-5.5	-11.5	-8.4	-9.7	-11.9	-11.4
Togo	-9.3	-10.0	-9.9	-8.4	-8.7	-9.6	-6.9	-7.9	-8.4	-7.4
Zimbabwe[1]	-12.5	...	-10.9	-8.6	-7.2	-23.2	-24.4	-18.3	-17.5	-17.5
Sub-Saharan Africa	**0.8**	**-1.4**	**-0.4**	**4.4**	**1.4**	**0.1**	**-2.3**	**-2.2**	**0.5**	**0.5**
Median	-6.4	-4.6	-6.2	-5.4	-6.2	-9.6	-7.9	-7.9	-8.8	-8.0
Including Zimbabwe	0.7	...	-0.5	4.3	1.3	0.0	-2.4	-2.4	0.4	0.4
Excluding Nigeria and South Africa	-0.8	-2.7	-0.8	2.0	0.0	-2.6	-7.3	-5.9	-3.2	-2.1
Oil-importing countries	**-5.0**	**-2.9**	**-3.9**	**-4.4**	**-5.9**	**-7.7**	**-5.4**	**-4.8**	**-5.8**	**-5.9**
Excluding South Africa	**-4.7**	**-2.8**	**-4.4**	**-3.4**	**-4.7**	**-8.2**	**-6.6**	**-7.0**	**-7.3**	**-6.8**
CFA franc zone	-1.6	-4.8	-1.7	0.0	-1.3	-0.2	-5.6	-5.7	-2.1	-1.6
WAEMU	-5.6	-4.5	-5.7	-4.0	-6.3	-7.3	-4.0	-5.4	-6.1	-5.8
CEMAC	2.1	-5.2	2.3	3.8	3.5	6.1	-7.2	-6.1	1.3	1.9
EAC-5	-4.0	-0.7	-2.0	-4.3	-5.6	-7.2	-7.6	-8.5	-9.7	-9.0
SADC	-2.6	-2.6	-1.9	-1.0	-2.9	-4.8	-6.1	-3.6	-2.9	-2.6
SACU	-4.1	-2.5	-2.6	-3.9	-5.5	-6.1	-4.1	-3.0	-4.4	-5.0
COMESA	-5.7	-2.6	-6.0	-5.4	-5.0	-9.3	-7.6	-7.3	-7.4	-6.5
Resource-intensive countries	**10.1**	**2.2**	**6.5**	**19.2**	**12.8**	**10.2**	**2.9**	**1.9**	**8.8**	**8.8**
Oil	11.7	2.6	7.4	21.8	15.0	12.0	3.2	2.2	10.2	10.4
Non-oil resource-intensive countries	2.6	0.8	2.8	7.0	2.1	0.1	1.3	0.4	0.2	-0.2
Non-resource-intensive countries	**-5.8**	**-3.4**	**-4.6**	**-5.8**	**-6.8**	**-8.6**	**-6.1**	**-5.4**	**-6.4**	**-6.5**
Coastal Non-resource-intensive countries	-5.8	-3.3	-4.0	-5.7	-7.3	-8.4	-5.4	-4.6	-5.8	-6.1
Landlocked Non-resource-intensive countries	-6.4	-3.9	-7.7	-6.6	-4.4	-9.4	-9.0	-9.0	-9.3	-8.5
MDRI	-6.3	-4.9	-6.3	-5.2	-6.3	-8.8	-7.3	-6.6	-5.6	-5.2
Fixed exchange rate regimes	-1.2	-3.9	-1.6	0.6	-0.8	-0.5	-5.7	-6.1	-2.8	-2.6
Floating exchange rate	1.2	-0.9	-0.2	5.1	1.8	0.2	-1.6	-1.5	1.1	1.1

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. External Current Account, Excluding Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**11.7**	**2.5**	**7.2**	**21.8**	**14.9**	**11.9**	**3.3**	**2.3**	**10.2**	**10.3**
Excluding Nigeria	**7.4**	**-2.6**	**8.1**	**14.4**	**9.7**	**7.5**	**-8.6**	**-3.5**	**4.2**	**6.4**
Angola	14.9	3.7	18.2	27.9	16.1	8.8	-9.5	-1.3	6.6	9.7
Cameroon	-1.5	-3.5	-3.9	1.0	0.6	-1.5	-4.3	-4.4	-3.5	-3.3
Chad	-7.2	-20.3	-1.1	-11.9	-0.9	-1.6	-23.1	-22.0	-8.6	-6.8
Congo, Rep. of	-2.3	-7.7	2.0	2.0	-8.2	0.6	-9.1	2.6	11.8	15.4
Equatorial Guinea	-1.6	-22.0	-6.5	7.1	4.4	9.1	-17.0	-23.8	-10.2	-8.9
Gabon	18.3	11.9	22.9	15.6	17.2	23.7	7.9	11.8	17.0	15.3
Nigeria	14.6	5.7	6.6	26.4	18.7	15.3	12.9	6.4	14.6	13.3
Middle-income countries	**-4.1**	**-2.5**	**-2.3**	**-3.9**	**-5.6**	**-6.4**	**-4.2**	**-3.2**	**-4.8**	**-5.1**
Excluding South Africa	**-4.0**	**-4.2**	**-2.4**	**-1.1**	**-3.0**	**-9.3**	**-14.1**	**-12.0**	**-11.9**	**-11.0**
Botswana	4.4	-1.8	8.6	9.5	6.1	-0.3	-10.7	-6.0	-3.9	-2.6
Cape Verde	-16.1	-20.0	-8.2	-9.8	-19.8	-22.5	-20.8	-18.0	-22.5	-19.8
Lesotho	-25.7	-24.7	-29.0	-21.6	-25.5	-27.4	-34.5	-38.8	-43.0	-42.2
Mauritius	-6.6	-2.0	-5.2	-9.3	-5.7	-11.0	-8.5	-9.4	-12.4	-10.7
Namibia	-3.3	-2.8	-4.2	2.2	-2.0	-9.7	-14.0	-9.8	-10.9	-13.4
Seychelles	-22.9	-6.1	-20.2	-14.3	-21.3	-52.4	-45.0	-53.0	-33.2	-19.5
South Africa	-4.1	-2.2	-2.3	-4.2	-5.9	-6.0	-3.0	-2.1	-3.9	-4.4
Swaziland	-12.2	-7.1	-12.8	-15.9	-10.9	-14.5	-20.8	-21.0	-15.3	-12.0
Low-income countries	**-9.5**	**-7.4**	**-9.3**	**-8.6**	**-9.9**	**-12.3**	**-10.0**	**-10.2**	**-9.9**	**-9.3**
Excluding fragile countries	**-9.7**	**-7.8**	**-9.4**	**-9.1**	**-10.0**	**-12.3**	**-10.1**	**-10.5**	**-10.3**	**-9.8**
Benin	-10.2	-10.2	-8.3	-8.4	-12.9	-11.0	-12.7	-8.8	-7.8	-9.0
Burkina Faso	-13.7	-14.1	-14.9	-12.0	-12.5	-14.9	-9.3	-8.3	-7.4	-11.2
Ethiopia	-11.1	-7.0	-12.4	-14.9	-10.6	-10.5	-9.9	-10.7	-13.6	-14.0
Ghana	-8.9	-5.5	-7.8	-8.1	-9.6	-13.3	-7.3	-9.0	-8.7	-6.4
Kenya	-2.9	0.1	-1.5	-2.4	-4.1	-6.6	-5.5	-7.8	-9.2	-7.9
Madagascar	-13.9	-13.0	-11.9	-10.1	-13.3	-21.4	-20.8	-13.5	-7.3	-6.9
Malawi	-20.7	-18.0	-24.4	-25.9	-13.5	-21.8	-15.8	-18.1	-13.0	-13.7
Mali	-10.0	-9.8	-10.6	-6.8	-8.7	-13.9	-8.8	-9.7	-7.8	-9.0
Mozambique	-17.3	-16.5	-17.2	-17.0	-16.0	-19.6	-17.3	-19.9	-19.1	-19.0
Niger	-11.8	-10.5	-12.2	-10.9	-10.4	-15.2	-29.8	-37.2	-25.9	-16.4
Rwanda	-12.3	-11.4	-11.3	-12.3	-11.9	-14.4	-18.6	-17.4	-20.5	-15.7
Senegal	-10.9	-7.9	-9.1	-10.0	-12.8	-14.8	-8.4	-8.6	-11.9	-11.2
Tanzania	-10.7	-6.5	-8.1	-10.8	-13.3	-14.6	-13.5	-11.4	-12.3	-13.2
Uganda	-7.9	-8.3	-9.5	-8.0	-7.6	-6.1	-9.3	-12.4	-13.4	-11.6
Zambia	-8.5	-11.2	-10.3	-2.4	-9.2	-9.4	1.8	2.3	5.0	2.2
Fragile countries	**-8.8**	**-6.1**	**-9.1**	**-6.9**	**-9.6**	**-12.4**	**-9.3**	**-9.1**	**-8.3**	**-7.5**
Including Zimbabwe	**-9.5**	**...**	**-9.5**	**-8.0**	**-10.0**	**-14.1**	**-11.8**	**-11.2**	**-10.3**	**-9.3**
Burundi	-36.1	-25.8	-29.1	-36.3	-46.3	-43.3	-36.1	-35.3	-34.1	-28.0
Central African Republic	-9.5	-6.9	-8.6	-8.3	-9.8	-14.0	-11.5	-13.1	-11.7	-11.2
Comoros	-8.1	-4.3	-6.9	-7.8	-9.1	-12.7	-13.1	-15.8	-12.5	-11.1
Congo, Dem. Rep. of	-14.0	-8.0	-17.2	-11.4	-8.5	-24.6	-21.6	-13.5	-7.9	-5.5
Côte d'Ivoire	0.9	1.7	0.4	3.0	-1.5	0.8	5.2	3.7	...	...
Eritrea	-10.0	-15.7	-9.0	-7.7	-9.2	-8.3	-10.2	-11.0	-4.1	-1.0
Gambia, The	-12.1	-10.2	-14.7	-11.2	-10.6	-13.7	-13.8	-14.9	-15.1	-15.7
Guinea	-2.9	-2.6	-0.5	6.9	-10.4	-7.9	-11.2	-12.9	-11.7	-12.8
Guinea-Bissau	-8.9	-4.6	-6.1	-12.8	-9.5	-11.3	-14.0	-9.7	-9.6	-9.0
Liberia	-182.3	-167.8	-176.8	-202.2	-179.3	-185.1	-143.0	-148.8	-120.9	-131.6
São Tomé & Príncipe	-46.4	-37.8	-39.5	-54.3	-49.1	-51.3	-44.4	-49.6	-58.7	-54.2
Sierra Leone	-12.5	-13.2	-14.2	-10.9	-9.0	-15.4	-12.8	-13.1	-14.1	-13.2
Togo	-10.6	-10.8	-11.0	-9.8	-10.4	-11.0	-8.4	-10.3	-11.8	-11.7
Zimbabwe[1]	-18.9	...	-12.4	-15.5	-13.5	-34.0	-34.8	-26.3	-23.0	-21.0
Sub-Saharan Africa	**-0.1**	**-2.4**	**-1.3**	**3.5**	**0.4**	**-0.9**	**-3.3**	**-3.1**	**-0.2**	**-0.2**
Median	-9.8	-8.0	-9.0	-9.8	-9.6	-12.7	-12.7	-11.4	-11.7	-11.2
Including Zimbabwe	-0.2	...	-1.4	3.4	0.3	-1.0	-3.5	-3.3	-0.4	-0.3
Excluding Nigeria and South Africa	-3.8	-5.8	-3.8	-1.1	-3.0	-5.3	-10.2	-8.5	-5.3	-4.1
Oil-importing countries	**-6.3**	**-4.2**	**-5.0**	**-5.8**	**-7.4**	**-9.3**	**-7.1**	**-6.3**	**-7.1**	**-7.1**
Excluding South Africa	**-8.8**	**-6.9**	**-8.4**	**-7.7**	**-9.0**	**-12.3**	**-10.9**	**-10.8**	**-10.5**	**-9.8**
CFA franc zone	-2.6	-5.8	-2.6	-1.0	-2.5	-1.2	-6.9	-6.7	-2.9	-2.4
WAEMU	-7.0	-5.8	-6.8	-5.3	-8.1	-8.9	-6.2	-7.1	-7.4	-7.1
CEMAC	1.5	-5.7	1.6	3.1	2.8	5.6	-7.7	-6.4	0.9	1.6
EAC-5	-7.2	-4.7	-6.2	-7.1	-8.4	-9.8	-10.1	-11.0	-12.2	-11.0
SADC	-3.1	-3.0	-2.1	-1.5	-3.5	-5.5	-6.8	-4.1	-3.4	-3.1
SACU	-4.0	-2.4	-2.2	-3.7	-5.5	-6.1	-3.9	-2.8	-4.4	-4.9
COMESA	-9.5	-6.7	-9.8	-9.4	-8.9	-12.9	-11.6	-11.2	-10.5	-9.5
Resource-intensive countries	**9.4**	**1.4**	**5.7**	**18.4**	**12.0**	**9.5**	**2.2**	**1.5**	**8.4**	**8.5**
Oil	11.7	2.5	7.2	21.8	14.9	11.9	3.3	2.3	10.2	10.3
Non-oil resource-intensive countries	-1.2	-2.2	-0.6	3.0	-2.3	-4.1	-3.0	-2.3	-2.1	-2.7
Non-resource-intensive countries	**-6.7**	**-4.2**	**-5.2**	**-6.6**	**-7.7**	**-9.7**	**-7.3**	**-6.5**	**-7.5**	**-7.4**
Coastal Non-resource-intensive countries	-5.6	-3.3	-3.7	-5.4	-7.1	-8.4	-5.4	-4.5	-6.0	-6.1
Landlocked Non-resource-intensive countries	-12.6	-10.1	-13.6	-13.0	-11.0	-15.1	-15.0	-15.3	-14.4	-13.4
MDRI	-9.8	-8.5	-9.9	-8.7	-9.8	-12.1	-10.9	-10.1	-8.6	-8.0
Fixed exchange rate regimes	-4.1	-6.8	-4.3	-2.5	-3.9	-3.2	-8.8	-8.6	-5.0	-4.7
Floating exchange rate	0.7	-1.5	-0.6	4.7	1.3	-0.4	-2.2	-2.1	0.6	0.7

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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. Official Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.0**	**-0.1**	**0.0**	**0.0**
Excluding Nigeria	**0.2**	**0.3**	**0.4**	**0.1**	**0.1**	**0.1**	**-0.1**	**-0.2**	**-0.1**	**0.0**
Angola	-0.2	0.0	0.1	-0.5	-0.4	-0.2	-0.5	-0.5	-0.4	-0.2
Cameroon	0.5	0.2	0.5	0.6	0.8	0.7	0.6	0.5	0.4	0.3
Chad	2.6	3.2	3.5	2.9	2.1	1.5	1.0	0.7	0.7	0.7
Congo, Rep. of	0.2	0.1	0.0	0.0	0.3	0.6	0.2	0.1	0.7	0.6
Equatorial Guinea	0.1	0.4	0.2	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1
Gabon	-0.2	-0.7	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Nigeria	0.0	-0.1	-0.1	0.1	0.1	0.0	0.1	0.0	0.0	0.0
Middle-income countries	**-0.1**	**-0.1**	**-0.4**	**-0.1**	**0.0**	**0.0**	**-0.1**	**-0.1**	**0.1**	**-0.1**
Excluding South Africa	**7.1**	**5.7**	**6.1**	**7.4**	**8.3**	**7.8**	**7.5**	**4.9**	**4.6**	**5.2**
Botswana	7.2	5.2	6.6	7.7	8.9	7.7	5.2	3.5	1.5	2.6
Cape Verde	5.3	5.7	4.7	4.4	5.1	6.7	5.5	6.2	4.5	4.1
Lesotho	28.3	19.3	21.4	26.3	39.3	35.3	34.0	22.5	19.7	24.4
Mauritius	0.3	0.3	0.2	0.2	0.2	0.9	1.1	-0.1	0.9	1.1
Namibia	10.8	9.7	8.9	11.6	11.1	12.4	13.2	8.7	10.0	10.2
Seychelles	1.5	0.4	1.5	1.1	0.9	3.5	5.0	2.3	0.5	0.9
South Africa	-1.0	-0.8	-1.1	-1.1	-1.0	-1.1	-1.1	-0.7	-0.5	-0.7
Swaziland	5.3	6.8	5.2	5.6	5.7	3.4	4.0	0.5	-0.7	-0.9
Low-income countries	**3.6**	**3.7**	**3.6**	**3.7**	**3.6**	**3.4**	**3.7**	**3.5**	**3.0**	**2.7**
Excluding fragile countries	**3.2**	**3.5**	**3.4**	**3.0**	**3.1**	**2.9**	**3.1**	**3.1**	**2.7**	**2.5**
Benin	2.8	3.2	2.0	3.1	2.8	3.0	3.8	2.5	2.6	2.2
Burkina Faso	3.4	3.2	3.3	2.9	4.3	3.4	4.4	4.0	3.4	3.6
Ethiopia	5.7	5.6	6.1	5.7	6.1	4.9	4.9	6.4	5.5	5.9
Ghana	2.3	3.0	2.7	1.9	1.6	2.5	3.3	1.7	2.0	1.2
Kenya	0.0	0.0	0.0	0.2	0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Madagascar	1.6	3.8	1.3	1.3	0.6	0.8	0.1	0.1	0.2	0.4
Malawi	11.2	6.8	9.7	13.5	14.6	11.6	9.9	16.8	9.2	10.0
Mali	2.0	2.0	2.1	2.7	1.8	1.2	1.3	1.2	1.0	1.0
Mozambique	6.4	5.9	5.7	6.3	6.3	7.7	6.8	7.2	7.0	6.9
Niger	2.6	3.2	3.3	2.3	2.2	2.2	1.2	6.5	3.2	2.3
Rwanda	10.6	13.3	12.3	8.0	9.7	9.5	10.1	10.7	11.3	9.5
Senegal	0.7	1.0	0.2	0.6	1.0	0.5	0.7	0.3	0.4	0.5
Tanzania	3.7	4.0	4.3	3.2	3.3	3.5	3.4	2.7	2.8	2.6
Uganda	5.7	8.4	8.0	4.6	4.5	3.0	2.5	2.5	2.9	2.4
Zambia	1.9	0.8	1.8	1.9	2.6	2.2	2.4	1.5	0.9	1.1
Fragile countries	**5.2**	**4.5**	**4.4**	**6.2**	**5.5**	**5.4**	**6.4**	**5.1**	**4.1**	**3.6**
Including Zimbabwe	**5.2**	**...**	**4.0**	**6.3**	**5.6**	**5.8**	**6.8**	**5.4**	**4.3**	**3.6**
Burundi	23.4	17.4	27.9	21.7	21.6	28.3	20.0	23.3	18.2	13.1
Central African Republic	3.9	5.2	2.0	5.3	3.5	3.6	3.6	4.4	2.7	2.7
Comoros	0.9	-0.3	-0.5	1.1	2.8	1.6	4.1	9.0	0.5	1.0
Congo, Dem. Rep. of	6.4	5.0	3.9	8.7	7.4	7.2	11.1	6.7	5.2	4.8
Côte d'Ivoire	0.3	-0.1	-0.1	-0.2	0.8	1.1	2.1	0.2	...	...
Eritrea	6.9	15.1	9.3	4.1	3.1	2.8	2.6	5.2	3.2	1.2
Gambia, The	1.5	3.1	1.2	1.0	0.9	1.1	3.9	2.9	3.0	2.9
Guinea	0.1	-0.1	0.0	0.1	0.2	0.4	0.4	0.2	0.2	0.7
Guinea-Bissau	5.8	6.1	4.0	7.1	5.1	6.4	8.0	3.5	4.0	4.7
Liberia	150.2	147.6	139.4	188.4	147.9	127.8	104.6	104.6	83.4	66.1
São Tomé & Príncipe	20.7	21.6	30.0	26.8	11.5	13.6	16.4	17.6	13.9	11.6
Sierra Leone	5.5	7.3	7.1	5.3	3.5	4.0	4.5	3.3	2.2	1.8
Togo	1.3	0.8	1.2	1.4	1.7	1.4	1.5	2.4	3.3	4.3
Zimbabwe[1]	6.4	...	1.5	6.9	6.4	10.8	10.3	7.9	5.4	3.5
Sub-Saharan Africa	**0.9**	**1.0**	**0.8**	**0.9**	**1.0**	**1.0**	**1.1**	**0.9**	**0.8**	**0.7**
Median	2.9	3.2	2.7	2.9	2.8	2.8	3.4	2.5	2.4	2.0
Including Zimbabwe	0.9	...	0.8	0.9	1.0	1.0	1.1	0.9	0.8	0.7
Excluding Nigeria and South Africa	3.0	3.1	3.0	3.0	3.0	2.7	2.9	2.5	2.1	2.0
Oil-importing countries	**1.4**	**1.3**	**1.1**	**1.4**	**1.5**	**1.6**	**1.7**	**1.4**	**1.3**	**1.1**
Excluding South Africa	**4.2**	**4.1**	**4.0**	**4.3**	**4.3**	**4.1**	**4.3**	**3.8**	**3.3**	**3.1**
CFA franc zone	1.0	1.0	0.9	1.0	1.2	1.0	1.3	1.0	0.8	0.8
WAEMU	1.4	1.4	1.2	1.3	1.8	1.6	2.2	1.7	1.3	1.3
CEMAC	0.6	0.5	0.7	0.7	0.6	0.5	0.4	0.3	0.4	0.3
EAC-5	3.3	4.0	4.2	2.8	2.8	2.7	2.6	2.5	2.5	2.1
SADC	0.5	0.4	0.2	0.5	0.6	0.7	0.7	0.5	0.5	0.4
SACU	-0.2	-0.1	-0.4	-0.2	0.0	-0.1	-0.2	-0.2	0.0	-0.1
COMESA	3.9	4.0	3.8	4.0	3.9	3.6	4.0	3.9	3.2	2.9
Resource-intensive countries	**0.8**	**0.7**	**0.8**	**0.8**	**0.8**	**0.7**	**0.7**	**0.4**	**0.3**	**0.4**
Oil	0.1	0.1	0.1	0.1	0.1	0.1	0.0	-0.1	0.0	0.0
Non-oil resource-intensive countries	3.8	3.0	3.4	4.0	4.5	4.2	4.4	2.6	2.3	2.5
Non-resource-intensive countries	**0.8**	**0.9**	**0.6**	**0.8**	**0.9**	**1.1**	**1.2**	**1.1**	**1.1**	**0.9**
Coastal Non-resource-intensive countries	-0.2	0.0	-0.3	-0.3	-0.3	0.0	0.0	-0.1	0.2	0.0
Landlocked Non-resource-intensive countries	6.2	6.2	5.9	6.4	6.6	5.8	6.1	6.3	5.1	4.9
MDRI	3.5	3.6	3.6	3.5	3.5	3.3	3.6	3.5	3.0	2.8
Fixed exchange rate regimes	2.9	2.9	2.6	3.1	3.2	2.7	3.1	2.5	2.2	2.1
Floating exchange rate	0.5	0.6	0.4	0.5	0.5	0.6	0.6	0.5	0.5	0.4

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010
Oil-exporting countries	**130**	**112**	**124**	**133**	**134**	**147**	**146**	**150**
Excluding Nigeria	**137**	**122**	**127**	**138**	**144**	**156**	**167**	**159**
Angola	179	138	153	182	200	221	249	234
Cameroon	110	110	107	109	110	113	116	109
Chad	119	114	120	125	114	123	135	125
Congo, Rep. of	117	113	112	116	118	125	130	128
Equatorial Guinea	154	144	147	150	157	170	174	179
Gabon	106	105	106	102	107	111	111	107
Nigeria	127	107	123	131	129	143	134	145
Middle-income countries	**99**	**106**	**106**	**102**	**96**	**87**	**94**	**108**
Excluding South Africa	**97**	**104**	**100**	**97**	**92**	**92**	**97**	**108**
Botswana	98	109	104	99	90	90	101	109
Cape Verde	97	97	93	95	97	101	101	97
Lesotho	93	94	97	95	93	85	90	103
Mauritius	89	92	87	85	85	96	92	95
Namibia	105	112	111	107	101	93	103	134
Seychelles	82	94	92	88	71	65	61	64
South Africa	100	107	107	103	97	86	94	109
Swaziland	108	112	110	108	107	102	107	116
Low-income countries	**98**	**92**	**95**	**97**	**99**	**106**	**105**	**101**
Excluding fragile countries	**98**	**91**	**95**	**97**	**99**	**106**	**104**	**100**
Benin	119	118	118	118	119	124	123	115
Burkina Faso	112	111	111	110	108	118	121	111
Ethiopia	99	85	90	96	100	123	114	103
Ghana	109	99	109	114	114	108	100	107
Kenya	120	104	115	124	127	133	133	129
Madagascar	91	80	84	84	98	109	107	107
Malawi	71	72	72	71	69	71	78	73
Mali	110	106	109	108	108	116	117	111
Mozambique	84	83	84	83	82	91	85	72
Niger	111	109	112	108	108	119	123	114
Rwanda	77	69	75	79	79	83	95	87
Senegal	107	106	104	103	108	113	111	104
Tanzania	68	72	70	65	65	69	72	68
Uganda	89	84	88	88	91	94	94	99
Zambia	149	106	130	170	157	181	156	165
Fragile countries	**99**	**98**	**97**	**95**	**101**	**105**	**108**	**105**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	70	64	71	74	69	71	79	140
Central African Republic	112	108	107	112	113	122	124	119
Comoros	120	120	117	118	122	123	123	116
Congo, Dem. Rep. of	...	...	...	...	...	...	...	...
Côte d'Ivoire	117	116	116	115	117	122	122	115
Eritrea	107	83	103	115	113	121	165	182
Gambia, The	56	51	54	54	59	62	57	55
Guinea	73	83	66	59	80	78	84	77
Guinea-Bissau	112	109	109	109	112	120	118	115
Liberia	82	81	81	82	80	84	89	89
São Tomé & Príncipe	105	84	93	111	120	119	113	108
Sierra Leone	68	69	69	66	66	71	72	69
Togo	112	111	112	110	111	117	117	110
Zimbabwe	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**107**	**103**	**107**	**109**	**107**	**109**	**112**	**117**
Median	108	105	106	108	108	112	111	109
Including Zimbabwe	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	107	100	103	106	108	115	118	114
Oil-importing countries	**99**	**100**	**101**	**100**	**97**	**95**	**99**	**104**
Excluding South Africa	**98**	**94**	**96**	**97**	**98**	**104**	**104**	**102**
CFA franc zone	114	112	113	113	114	120	123	116
WAEMU	113	112	112	111	112	119	119	112
CEMAC	116	113	113	115	116	122	126	121
EAC-5	91	86	90	91	92	97	99	98
SADC	101	104	105	103	100	95	103	112
SACU	100	107	107	103	97	86	95	109
COMESA	99	89	94	98	101	111	110	108
Resource-intensive countries	**125**	**111**	**120**	**127**	**128**	**138**	**138**	**143**
Oil	130	112	124	133	134	147	146	150
Non-oil resource-intensive countries	101	107	102	98	99	99	105	108
Non-resource-intensive countries	**98**	**99**	**101**	**100**	**97**	**94**	**98**	**104**
Coastal Non-resource-intensive countries	99	102	103	101	97	91	96	104
Landlocked Non-resource-intensive countries	96	89	93	95	97	107	107	102
MDRI	96	91	93	94	96	103	102	98
Fixed exchange rate regimes	113	111	112	112	113	117	121	117
Floating exchange rate	106	101	106	108	106	107	110	117

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.
[1] An increase indicates appreciation.

Table SA24. Nominal Effective Exchange Rates[1]
(Annual average; index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009	2010
Oil-exporting countries	**57**	**57**	**56**	**57**	**57**	**59**	**53**	**50**
Excluding Nigeria	**44**	**44**	**43**	**44**	**45**	**46**	**46**	**42**
Angola	9	9	8	9	9	9	9	8
Cameroon	111	111	109	108	111	114	115	110
Chad	115	113	113	113	116	119	120	117
Congo, Rep. of	117	116	115	115	118	122	122	115
Equatorial Guinea	123	120	119	119	125	132	130	124
Gabon	109	108	108	108	110	112	111	107
Nigeria	68	68	67	69	66	69	58	57
Middle-income countries	**84**	**94**	**93**	**87**	**78**	**66**	**67**	**76**
Excluding South Africa	**81**	**93**	**88**	**80**	**74**	**69**	**69**	**73**
Botswana	78	97	88	76	67	62	65	68
Cape Verde	105	106	104	104	105	106	106	102
Lesotho	99	106	108	102	97	83	83	93
Mauritius	74	83	76	71	68	73	69	71
Namibia	86	94	94	89	82	72	75	83
Seychelles	80	93	92	92	72	52	37	40
South Africa	84	94	93	88	79	66	67	76
Swaziland	91	99	97	93	88	80	81	86
Low-income countries	**76**	**80**	**78**	**75**	**74**	**73**	**67**	**63**
Excluding fragile countries	**75**	**78**	**76**	**75**	**73**	**71**	**65**	**60**
Benin	116	117	114	113	117	120	118	112
Burkina Faso	120	118	116	116	121	128	135	130
Ethiopia	79	85	83	82	76	68	59	51
Ghana	45	49	48	47	44	38	29	29
Kenya	93	88	91	96	98	94	89	87
Madagascar	59	64	57	54	58	62	56	52
Malawi	40	47	43	38	36	37	38	35
Mali	113	112	111	111	114	117	118	114
Mozambique	54	59	57	51	49	52	48	37
Niger	115	115	113	113	116	120	121	116
Rwanda	61	61	63	63	60	59	63	59
Senegal	112	111	110	110	112	116	117	111
Tanzania	59	66	63	57	55	56	53	49
Uganda	82	84	84	81	82	81	72	67
Zambia	66	57	61	75	65	71	55	55
Fragile countries	**82**	**89**	**83**	**78**	**80**	**79**	**79**	**76**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	56	57	58	61	55	49	51	90
Central African Republic	108	108	106	106	109	112	111	107
Comoros	115	114	112	113	117	121	121	116
Congo, Dem. Rep. of	...	...	...	...	...	...	...	...
Côte d'Ivoire	115	115	113	112	115	119	119	113
Eritrea	49	45	52	51	49	47	49	50
Gambia, The	41	37	39	39	42	45	40	38
Guinea	39	67	42	28	32	28	29	24
Guinea-Bissau	117	116	116	115	118	120	120	116
Liberia	54	61	59	57	50	46	46	44
São Tomé & Príncipe	58	64	62	61	58	45	37	32
Sierra Leone	56	63	57	56	52	51	48	40
Togo	121	120	118	118	121	125	126	120
Zimbabwe	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**72**	**76**	**75**	**73**	**70**	**66**	**63**	**62**
Median	85	93	92	88	81	72	70	79
Including Zimbabwe	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	67	70	68	67	66	65	62	58
Oil-importing countries	**80**	**87**	**86**	**81**	**77**	**69**	**67**	**69**
Excluding South Africa	**77**	**81**	**79**	**76**	**74**	**72**	**68**	**64**
CFA franc zone	114	114	112	112	115	119	120	114
WAEMU	115	115	113	113	116	120	121	116
CEMAC	113	112	111	111	114	118	118	113
EAC-5	76	77	77	76	75	75	71	67
SADC	65	72	70	67	62	55	55	58
SACU	84	94	93	87	79	66	67	76
COMESA	76	79	78	77	75	73	67	62
Resource-intensive countries	**61**	**63**	**61**	**61**	**60**	**62**	**57**	**54**
Oil	57	57	56	57	57	59	53	50
Non-oil resource-intensive countries	83	97	88	80	78	74	75	74
Non-resource-intensive countries	**80**	**87**	**85**	**82**	**77**	**69**	**67**	**69**
Coastal Non-resource-intensive countries	79	86	85	81	76	67	65	69
Landlocked Non-resource-intensive countries	84	87	86	84	82	79	74	68
MDRI	76	80	78	76	74	73	67	62
Fixed exchange rate regimes	110	110	109	108	110	112	113	109
Floating exchange rate	66	70	69	67	63	59	55	55

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] An increase indicates appreciation.

Table SA25. External Debt to Official Creditors
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010
Oil-exporting countries	**16.4**	**41.9**	**20.7**	**7.1**	**7.2**	**5.4**	**5.9**	**4.5**
Excluding Nigeria	**22.6**	**47.4**	**27.2**	**14.9**	**13.7**	**9.7**	**10.3**	**7.7**
Angola	15.0	36.2	16.5	8.7	7.1	6.9	8.2	8.1
Cameroon	18.4	42.0	35.5	5.4	5.0	4.3	4.4	4.9
Chad	27.0	34.2	29.0	27.2	23.6	20.9	23.3	27.8
Congo, Rep. of	82.8	166.2	68.5	56.3	76.0	47.1	42.0	3.5
Equatorial Guinea	2.5	6.1	3.0	1.6	1.1	0.6	1.0	0.7
Gabon	31.0	48.9	38.6	32.3	26.5	8.9	11.0	9.5
Nigeria	12.3	38.4	16.4	2.1	2.4	2.2	2.3	2.2
Middle-income countries	**2.8**	**3.4**	**2.8**	**2.7**	**2.5**	**2.5**	**2.9**	**2.9**
Excluding South Africa	**9.5**	**12.2**	**9.9**	**9.3**	**8.5**	**7.8**	**12.1**	**11.0**
Botswana	3.2	4.6	3.8	3.1	2.6	2.1	11.5	10.5
Cape Verde	49.9	58.6	50.8	52.3	47.2	40.4	47.4	56.6
Lesotho	50.3	57.8	53.0	54.6	42.2	43.7	40.8	35.5
Mauritius	7.7	13.1	7.3	6.8	6.0	5.5	6.9	4.1
Namibia	4.7	5.1	4.4	4.5	5.1	4.2	5.0	5.5
Seychelles	29.3	32.1	34.9	22.3	25.2	31.8	29.8	24.1
South Africa	2.0	2.3	2.0	1.9	1.8	1.8	1.8	2.0
Swaziland	...	...	...	...	...	...	...	...
Low-income countries	**46.4**	**70.0**	**59.7**	**42.0**	**32.2**	**27.9**	**28.0**	**23.7**
Excluding fragile countries	**32.9**	**57.3**	**46.8**	**25.8**	**17.8**	**16.7**	**19.5**	**20.9**
Benin	22.1	33.8	37.0	11.5	12.6	15.5	17.1	18.8
Burkina Faso	28.3	43.5	38.7	20.0	19.7	19.7	22.8	24.5
Ethiopia	36.0	71.6	48.1	39.6	10.4	10.5	12.3	15.7
Ghana	24.2	44.9	36.9	10.7	14.5	14.1	19.3	19.7
Kenya	26.2	35.5	28.9	24.4	21.4	20.7	23.2	23.3
Madagascar	45.2	76.6	69.8	29.5	25.9	24.2	27.3	28.6
Malawi	53.3	112.6	107.8	14.5	15.0	16.8	19.0	20.0
Mali	30.4	46.1	48.3	19.9	19.9	17.6	22.2	24.5
Mozambique	52.6	77.5	70.7	45.5	40.8	28.7	24.5	29.0
Niger	31.2	58.8	51.6	15.8	15.9	13.9	15.8	17.6
Rwanda	36.8	80.2	58.3	15.6	15.3	14.4	14.4	14.8
Senegal	28.4	46.3	40.2	18.5	19.0	18.2	26.7	28.9
Tanzania	39.7	56.3	50.8	48.3	21.4	21.9	24.1	26.0
Uganda	34.7	56.3	47.9	44.8	12.3	12.2	14.6	16.1
Zambia	39.0	114.4	57.5	5.0	9.6	8.6	12.3	10.3
Fragile countries	**94.5**	**109.9**	**104.6**	**101.0**	**85.8**	**70.9**	**62.3**	**35.1**
Including Zimbabwe	**88.8**	**...**	**94.2**	**92.2**	**79.8**	**68.0**	**58.7**	**33.1**
Burundi	165.9	208.0	182.0	159.5	150.5	129.3	27.4	27.8
Central African Republic	68.0	80.6	75.2	73.7	58.0	52.7	13.3	15.4
Comoros	74.2	86.8	67.7	73.4	79.4	63.7	52.4	45.7
Congo, Dem. Rep. of	139.7	167.9	156.8	134.2	125.7	114.2	114.5	30.2
Côte d'Ivoire	54.7	61.8	55.4	59.2	53.7	43.6	40.6	37.1
Eritrea	58.9	54.0	62.5	58.0	58.0	61.9	49.1	45.8
Gambia, The	73.6	101.5	97.7	101.4	35.9	31.7	33.6	32.0
Guinea	91.3	89.7	110.1	109.8	78.0	68.6	66.2	65.3
Guinea-Bissau	164.6	195.4	179.2	176.8	149.0	122.7	127.8	20.0
Liberia	716.2	970.7	855.4	783.7	594.5	376.6	190.8	9.0
São Tomé & Príncipe	205.4	295.2	275.6	287.8	104.3	64.0	35.0	78.1
Sierra Leone	95.6	160.7	144.6	109.9	31.8	31.2	35.7	34.1
Togo	79.5	93.0	76.8	85.3	86.4	55.9	55.2	15.3
Zimbabwe[1]	30.2	...	30.0	29.7	28.5	32.7	27.1	18.5
Sub-Saharan Africa	**18.2**	**31.4**	**22.7**	**14.2**	**11.8**	**10.6**	**11.3**	**9.0**
Median	36.7	58.2	51.2	30.9	22.5	20.8	23.3	20.0
Including Zimbabwe	18.2	...	22.8	14.3	12.0	10.7	11.4	9.0
Excluding Nigeria and South Africa	35.4	57.5	44.9	30.5	24.0	19.9	21.2	17.4
Oil-importing countries	**19.5**	**27.5**	**23.7**	**17.9**	**14.5**	**14.1**	**14.3**	**11.5**
Excluding South Africa	**40.8**	**60.8**	**51.7**	**37.2**	**29.0**	**25.5**	**26.2**	**22.0**
CFA franc zone	35.0	54.5	42.6	29.0	27.8	21.0	22.2	17.6
WAEMU	41.2	55.2	50.2	36.9	34.6	29.2	31.0	27.9
CEMAC	29.1	53.8	35.0	21.6	21.4	13.7	12.9	7.5
EAC-5	34.9	51.6	43.9	37.0	21.3	20.7	21.0	22.0
SADC	11.2	16.3	13.5	9.6	8.1	8.3	8.9	6.5
SACU	2.4	2.8	2.4	2.3	2.1	2.1	2.5	2.6
COMESA	43.3	71.0	54.8	37.7	27.6	25.4	25.4	19.0
Resource-intensive countries	**19.8**	**44.0**	**24.8**	**11.5**	**10.7**	**8.2**	**9.3**	**7.4**
Oil	16.4	41.9	20.7	7.1	7.2	5.4	5.9	4.5
Non-oil resource-intensive countries	35.2	51.0	41.7	31.5	27.9	23.6	25.8	22.3
Non-resource-intensive countries	**16.5**	**23.2**	**20.4**	**15.0**	**11.8**	**12.1**	**12.5**	**10.1**
Coastal Non-resource-intensive countries	10.4	14.4	12.7	9.0	7.8	8.1	8.8	8.0
Landlocked Non-resource-intensive countries	51.3	80.9	65.0	47.8	33.0	29.9	27.6	20.0
MDRI	42.0	70.8	56.9	33.8	25.7	22.6	23.3	18.9
Fixed exchange rate regimes	37.1	55.8	44.6	32.1	30.1	22.7	22.8	17.3
Floating exchange rate	14.3	26.3	18.3	10.7	8.3	8.1	9.0	7.5

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] 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 SA26. Terms of Trade
(Index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**136**	**103**	**128**	**142**	**147**	**163**	**126**	**141**	**168**	**166**
Excluding Nigeria	**132**	**93**	**119**	**141**	**151**	**158**	**121**	**135**	**167**	**165**
Angola	145	98	130	152	158	187	135	145	197	198
Cameroon	137	100	120	140	163	160	136	158	178	176
Chad	153	87	111	213	236	120	83	124	133	97
Congo, Rep. of	130	107	131	136	142	134	139	140	137	136
Equatorial Guinea	150	102	135	157	161	194	145	173	212	211
Gabon	152	110	135	153	166	194	142	164	197	195
Nigeria	139	109	133	142	144	167	130	146	168	169
Middle-income countries	**115**	**107**	**110**	**116**	**119**	**121**	**127**	**131**	**129**	**129**
Excluding South Africa	**102**	**96**	**104**	**105**	**103**	**103**	**91**	**91**	**89**	**90**
Botswana	99	87	105	106	96	99	104	98	98	99
Cape Verde	116	108	129	132	77	134	118	142	112	112
Lesotho	134	118	121	127	135	167	166	174	174	203
Mauritius	103	103	100	99	109	102	58	57	55	55
Namibia	105	96	104	109	112	103	100	108	109	108
Seychelles	123	141	115	130	119	110	131	121	134	154
South Africa	116	108	111	118	121	124	132	138	135	135
Swaziland	73	85	78	73	68	61	69	64	61	60
Low-income countries	**94**	**92**	**88**	**94**	**97**	**99**	**104**	**114**	**130**	**126**
Excluding fragile countries	**90**	**88**	**84**	**90**	**93**	**95**	**101**	**112**	**123**	**118**
Benin	119	101	82	100	159	154	278	301	327	275
Burkina Faso	87	102	76	86	87	84	108	133	156	128
Ethiopia	94	83	90	93	99	102	100	127	119	116
Ghana	94	108	92	93	92	83	111	118	154	156
Kenya	71	78	77	71	67	62	75	72	71	61
Madagascar	131	99	132	158	127	138	96	153	169	171
Malawi	40	47	37	39	35	41	42	37	41	33
Mali	144	123	122	148	141	184	194	210	255	253
Mozambique	116	101	106	124	126	121	122	121	135	134
Niger	124	102	106	111	134	168	175	169	168	198
Rwanda	104	87	94	99	120	118	100	121	131	127
Senegal	101	99	94	100	91	122	115	117	121	123
Tanzania	54	60	54	49	53	56	62	66	67	66
Uganda	75	74	72	73	78	78	70	75	90	88
Zambia	183	127	139	216	228	208	187	239	286	276
Fragile countries	**106**	**105**	**97**	**106**	**111**	**109**	**111**	**116**	**150**	**151**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	99	100	111	111	86	88	122	111	116	111
Central African Republic	58	67	64	62	55	43	44	44	43	41
Comoros	96	190	100	82	64	46	56	47	48	50
Congo, Dem. Rep. of	211	175	161	222	260	239	200	216	231	234
Côte d'Ivoire	92	94	85	90	92	101	107	114	...	...
Eritrea	72	62	73	72	91	61	55	46	329	412
Gambia, The	103	141	97	112	90	75	76	65	57	64
Guinea	86	89	87	92	89	71	87	95	77	79
Guinea-Bissau	64	80	73	55	61	51	51	57	57	56
Liberia	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	52	54	57	53	45	51	50	52	55	67
Sierra Leone	87	96	91	85	83	81	73	79	75	77
Togo	69	83	75	58	60	70	68	68	67	67
Zimbabwe	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**115**	**101**	**109**	**118**	**121**	**128**	**123**	**132**	**146**	**144**
Median	101	99	100	103	98	103	106	119	131	123
Including Zimbabwe	...	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	105	93	98	108	112	115	110	120	139	136
Oil-importing countries	**106**	**101**	**101**	**107**	**110**	**112**	**117**	**124**	**130**	**128**
Excluding South Africa	**95**	**93**	**90**	**96**	**98**	**99**	**103**	**111**	**124**	**121**
CFA franc zone	114	95	102	116	126	129	127	143	157	150
WAEMU	103	100	90	98	106	121	138	148	159	154
CEMAC	122	90	111	132	143	135	110	129	144	137
EAC-5	68	72	69	65	67	66	70	72	75	69
SADC	116	103	109	118	121	126	124	130	138	137
SACU	115	107	110	116	119	121	129	134	131	132
COMESA	100	94	95	104	106	103	96	107	123	117
Resource-intensive countries	**131**	**102**	**122**	**137**	**141**	**154**	**126**	**140**	**163**	**162**
Oil	136	103	128	142	147	163	126	141	168	166
Non-oil resource-intensive countries	109	98	101	116	116	115	117	128	134	131
Non-resource-intensive countries	**106**	**101**	**101**	**106**	**109**	**111**	**118**	**124**	**126**	**125**
Coastal Non-resource-intensive countries	106	102	103	107	110	111	120	124	126	125
Landlocked Non-resource-intensive countries	103	96	93	103	109	113	111	125	133	130
MDRI	105	95	95	106	112	114	116	130	144	142
Fixed exchange rate regimes	111	95	101	114	123	125	123	136	161	156
Floating exchange rate	116	103	111	119	121	129	123	132	143	143

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

Table SA27. Reserves
(Months of imports of goods and services)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012
Oil-exporting countries	**6.8**	**3.9**	**6.7**	**7.9**	**6.7**	**8.7**	**6.2**	**5.4**	**6.8**	**8.2**
Excluding Nigeria	**3.6**	**1.5**	**2.8**	**4.3**	**3.8**	**5.6**	**4.2**	**4.6**	**5.7**	**7.2**
Angola	3.1	1.1	2.4	3.9	3.1	5.1	3.7	4.7	5.2	6.2
Cameroon	3.6	2.3	2.3	3.4	4.4	5.8	5.8	4.8	4.4	4.2
Chad	2.2	1.0	1.1	2.8	2.7	3.3	1.3	1.3	2.4	2.7
Congo, Rep. of	4.4	0.5	2.3	4.9	4.7	9.5	7.9	7.7	16.2	25.1
Equatorial Guinea	7.2	3.2	7.9	9.7	7.9	7.2	4.5	2.8	2.8	2.9
Gabon	3.6	2.2	2.8	3.8	3.6	5.5	4.8	4.4	6.0	7.9
Nigeria	10.4	6.0	10.8	11.8	10.1	13.2	8.4	6.5	8.3	9.5
Middle-income countries	**3.9**	**3.1**	**3.3**	**3.5**	**4.1**	**5.3**	**4.9**	**4.5**	**4.6**	**4.8**
Excluding South Africa	**7.1**	**6.6**	**6.4**	**6.9**	**7.7**	**8.0**	**7.5**	**6.4**	**6.6**	**6.8**
Botswana	21.3	19.0	21.9	21.9	22.4	21.6	18.8	15.6	16.7	17.8
Cape Verde	3.1	2.6	2.6	2.9	3.6	4.0	4.0	3.3	3.3	3.4
Lesotho	5.1	4.1	4.3	4.8	5.9	6.4	5.0	4.1	2.9	2.5
Mauritius	3.7	4.7	3.4	2.9	3.4	4.1	4.3	4.2	3.9	3.8
Namibia	2.0	1.5	1.3	1.5	2.4	3.1	4.3	4.3	4.8	4.9
Seychelles	0.7	0.5	0.7	1.3	0.3	0.7	1.8	2.3	2.3	2.4
South Africa	3.2	2.3	2.7	2.9	3.4	4.6	4.2	4.0	4.2	4.3
Swaziland	2.5	1.7	1.3	1.8	4.2	3.8	4.2	3.3	3.9	4.5
Low-income countries	**3.1**	**3.7**	**3.0**	**2.9**	**3.0**	**3.1**	**3.7**	**3.4**	**3.3**	**3.5**
Excluding fragile countries	**3.5**	**4.1**	**3.3**	**3.2**	**3.3**	**3.3**	**3.9**	**3.5**	**3.5**	**3.7**
Benin	7.0	7.6	6.9	6.1	7.0	7.7	7.9	6.9	6.9	6.3
Burkina Faso	5.0	5.8	3.6	4.0	5.7	5.9	6.9	5.3	5.8	5.7
Ethiopia	2.2	4.1	2.3	1.7	1.9	1.1	2.2	2.3	2.2	2.4
Ghana	2.5	3.0	2.6	2.5	2.6	2.0	2.6	2.3	2.6	3.0
Kenya	2.9	2.7	2.6	2.9	3.2	3.1	3.4	2.9	2.9	3.1
Madagascar	2.5	2.9	2.5	2.0	2.1	3.0	4.0	3.2	2.9	3.0
Malawi	1.2	1.2	1.3	1.1	1.2	1.5	0.8	1.5	1.5	1.4
Mali	4.5	5.6	4.8	4.6	3.5	4.1	6.1	4.5	4.7	4.8
Mozambique	4.0	4.7	3.7	3.8	3.8	4.2	4.8	4.4	4.6	4.8
Niger	3.2	2.9	2.8	3.5	3.6	3.2	2.5	2.7	2.9	3.9
Rwanda	5.4	5.9	6.2	5.6	4.7	4.6	5.5	4.4	4.8	4.9
Senegal	3.4	4.5	3.5	3.0	2.8	3.4	4.5	3.8	3.2	3.1
Tanzania	5.2	7.2	5.3	4.8	4.6	4.4	5.0	4.8	4.7	4.6
Uganda	6.3	7.1	6.0	6.5	6.6	5.1	6.3	5.6	5.0	5.4
Zambia	2.2	1.5	2.1	1.9	2.4	3.2	4.0	3.4	3.5	4.1
Fragile countries	**2.1**	**2.5**	**1.9**	**1.9**	**2.0**	**2.4**	**3.1**	**3.3**	**2.9**	**2.9**
Including Zimbabwe	**1.9**	**2.2**	**1.7**	**1.8**	**1.8**	**2.0**	**2.7**	**2.8**	**2.5**	**2.5**
Burundi	3.2	2.4	2.7	2.8	3.0	5.0	5.3	5.2	5.4	5.6
Central African Republic	4.2	6.3	5.2	3.8	2.1	3.5	4.9	4.1	3.8	3.8
Comoros	6.4	9.0	6.6	5.8	5.5	5.2	5.8	5.9	5.4	5.1
Congo, Dem. Rep. of	1.1	1.8	1.5	0.8	0.7	0.7	1.0	1.7	1.8	1.9
Côte d'Ivoire	2.8	2.8	2.2	2.6	3.1	3.1	4.4	5.0	...	...
Eritrea	1.0	0.7	0.7	0.8	1.1	1.6	1.7	1.9	1.7	2.1
Gambia, The	3.9	3.2	3.8	4.3	4.5	3.7	6.5	5.4	5.5	5.4
Guinea	0.9	1.3	0.9	0.8	0.7	1.0	2.8	1.8	1.4	1.4
Guinea-Bissau	5.4	5.8	5.5	4.6	5.3	5.6	8.2	7.8	8.2	8.5
Liberia	0.5	0.2	0.2	0.5	0.7	1.2	2.2	2.4	2.2	2.3
São Tomé & Príncipe	4.5	3.9	3.6	4.5	4.1	6.4	5.8	3.7	5.4	5.1
Sierra Leone	4.3	3.3	4.5	4.6	4.4	4.6	7.3	5.7	4.9	4.7
Togo	3.2	3.5	1.9	3.1	3.2	4.2	4.9	4.0	3.8	3.4
Zimbabwe[1]	0.2	0.1	0.2	0.3	0.3	0.0	0.8	0.4	0.3	0.3
Sub-Saharan Africa	**4.6**	**3.5**	**4.1**	**4.7**	**4.7**	**5.9**	**5.0**	**4.5**	**5.0**	**5.5**
Median	3.3	3.0	2.7	3.4	3.5	4.1	4.5	4.1	4.0	4.3
Including Zimbabwe	4.5	3.5	4.1	4.6	4.7	5.8	4.9	4.4	4.9	5.5
Excluding Nigeria and South Africa	3.7	3.4	3.3	3.8	3.8	4.5	4.2	4.1	4.4	5.0
Oil-importing countries	**3.5**	**3.3**	**3.1**	**3.2**	**3.6**	**4.1**	**4.3**	**3.9**	**3.9**	**4.1**
Excluding South Africa	**3.8**	**4.1**	**3.6**	**3.5**	**3.7**	**3.8**	**4.3**	**3.8**	**3.8**	**3.9**
CFA franc zone	4.0	3.1	3.2	4.1	4.2	5.2	4.9	4.4	5.5	6.6
WAEMU	5.4	5.5	5.4	5.2	5.3	5.8	6.5	6.1	5.6	5.6
CEMAC	4.2	2.0	3.3	4.9	4.8	6.3	4.9	4.3	6.5	8.6
EAC-5	4.3	4.8	4.1	4.1	4.3	4.0	4.6	4.1	3.9	4.0
SADC	3.5	2.9	3.1	3.4	3.6	4.8	4.3	4.2	4.4	4.7
SACU	3.9	3.1	3.3	3.6	4.2	5.4	5.0	4.5	4.7	4.8
COMESA	2.6	2.9	2.5	2.3	2.6	2.6	3.1	2.9	2.8	3.0
Resource-intensive countries	**6.6**	**4.2**	**6.4**	**7.5**	**6.7**	**8.4**	**6.3**	**5.6**	**6.7**	**7.9**
Oil	6.8	3.9	6.7	7.9	6.7	8.7	6.2	5.4	6.8	8.2
Non-oil resource-intensive countries	6.1	5.7	5.6	5.9	6.4	6.8	7.1	6.3	6.1	6.4
Non-resource-intensive countries	**3.2**	**3.0**	**2.8**	**2.9**	**3.2**	**3.8**	**3.9**	**3.6**	**3.7**	**3.8**
Coastal Non-resource-intensive countries	3.2	2.9	2.9	3.0	3.3	4.1	4.1	3.8	3.9	4.0
Landlocked Non-resource-intensive countries	2.9	3.4	2.8	2.6	2.9	2.7	3.1	2.9	2.8	3.0
MDRI	3.4	3.8	3.2	3.2	3.3	3.7	4.1	3.8	4.3	4.9
Fixed exchange rate regimes	3.7	2.8	2.9	3.7	4.0	4.9	4.7	4.3	5.1	6.1
Floating exchange rate	4.8	3.7	4.4	4.9	4.9	6.1	5.1	4.5	5.0	5.4

Sources: IMF, African Department database, April 1, 2011; and IMF, *World Economic Outlook* (WEO) database, April 1, 2011.

[1] Following the introduction of the multi-currency system in Zimbabwe, usable international reserves are reported net of encumbered deposits and securities and amounts deposited in banks' current/RTGS accounts and statutory reserves.

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