

Africa-China trading relationship

tralac has been monitoring the trading relationship between Africa and China for several years. This brief provides a synopsis of the latest Africa-China trade data and an evaluation of the Africa-China trading relationship over the last seven years. The trade statistics have been updated for the period from December 1995 to December 2012 inclusive. All the data¹ is expressed in US dollars and sourced from the Global Trade Atlas (<http://www.gtis.com/gta>). The Chinese data of the Global Trade Atlas was sourced from Chinese customs authorities.

This synopsis should be read in conjunction with the spreadsheet on **tralac's** website (<http://www.tralac.org/2013/08/14/africa-china-trading-relationship/>).

The spreadsheet contains the following data:

- China's total trade and trade balance with all African countries, by country;
- Total Chinese imports from and exports to all African countries, by country;
- China's imports from and exports to all African countries at the HS4 level;
- The trade record for SADC, COMESA and the EAC; and
- The top 20 African exports to China and the top 20 African imports from China at the HS4 level, by country for all African countries.

Synopsis

- The compound growth rate of China's total trade with Africa shows that total trade between China and Africa increased by 26% between 1995 and 2012. Over this period Chinese imports from and exports to Africa increased by 29% and 23%, respectively.
- During the 2011/2012 period, the value of total trade between China and Africa increased by 19% from approximately US\$ 166 billion in 2011 to approximately US\$ 198 billion in 2012. Over these twelve months imports from Africa increased by 21%, while exports to Africa increased by only 17%. In value terms, imports increased by approximately US\$ 20 billion while exports increased by approximately US\$ 12 billion during this period.
- The top 20 products imported by China from Africa in 2012 accounted for 96% of China's total imports from all African countries, while the top five import products accounting for 89% of total African imports for the year. This indicates that China's imports from African countries are highly concentrated. China's key imports from Africa in 2012 were mineral products (55%); other unclassified goods (26%); base metals (4%); precious stones and metals (3%) and textiles and clothing (1%).
- In terms of exports, the top 20 products China exported to Africa in 2012 represented only 34% of the total China exports to Africa. This is an indication of the diversity of China's export products, supported by the fact that China's top five export products accounted for only 13% of total exports to African countries in 2012. The main export products which

¹ Chinese imports are assessed at "cif", or including cost, insurance and freight. This is one of the reasons why the Chinese import data may not necessarily reconcile with African export data.

are largely value-added manufacturing products were transport equipment (3%); textiles and clothing (3%); machinery (3%); footwear (2%) and plastic products (2%).

- From a regional perspective, SADC² was both the most important regional configuration in terms of China's imports and exports. The value of goods China imported from SADC, COMESA³ and the EAC⁴ in 2012 were approximately US\$ 83 billion, US\$ 17 billion and US\$ 559 million, respectively.
- In 2012 Chinese exports to SADC, COMESA and the EAC accounted for 29%, 26% and 6%, respectively of China's total exports to all African countries.
- During the 2011/2012 period, China's total trade with SADC increased by 31%, while China's total trade with the EAC and COMESA increased by 18% and 5%, respectively during the same time period.
- Although China's total trade with COMESA increased between 2011 and 2012, this was mainly due to an increase in China's exports to COMESA, given that China's imports from COMESA declined by 14% during the time period.
- China's major African trading partners were South Africa (30%); Angola (19%); Nigeria (5%); Egypt (5%) and Libya (4%) in terms of total trade for 2012. Trade with these countries accounted for 64% of China's total trade with Africa.
- In 2012 South Africa, Angola, Libya, Congo and the DRC were the top five African countries from which China sourced imports, while the main African destination markets for China's exports were South Africa, Nigeria, Egypt, Algeria and Ghana in the same year.

tralac began monitoring the Africa-China trading relationship seven years ago. Over this period, the evaluation has revealed the following:

- In 1995 China's total trade with Africa accounted for only 1% of China's total world trade. However, total China-Africa trade steadily increased from 1% in 1995 to 3% in 2006 and ranged between 3% and 5% over the last seven years.
- Since 1995 mineral products have dominated China's imports from African countries with Angola and South Africa being China's main African trading partners.
- Although China's main export products have remained unchanged over the last seven years, the composition of the top five export products has changed. Between 1995 and 2006 China mainly exported textiles and clothing to African countries, between 2007 and 2009 China's main export product to Africa was machinery and in the last three years China mainly exported transport equipment to the African continent.

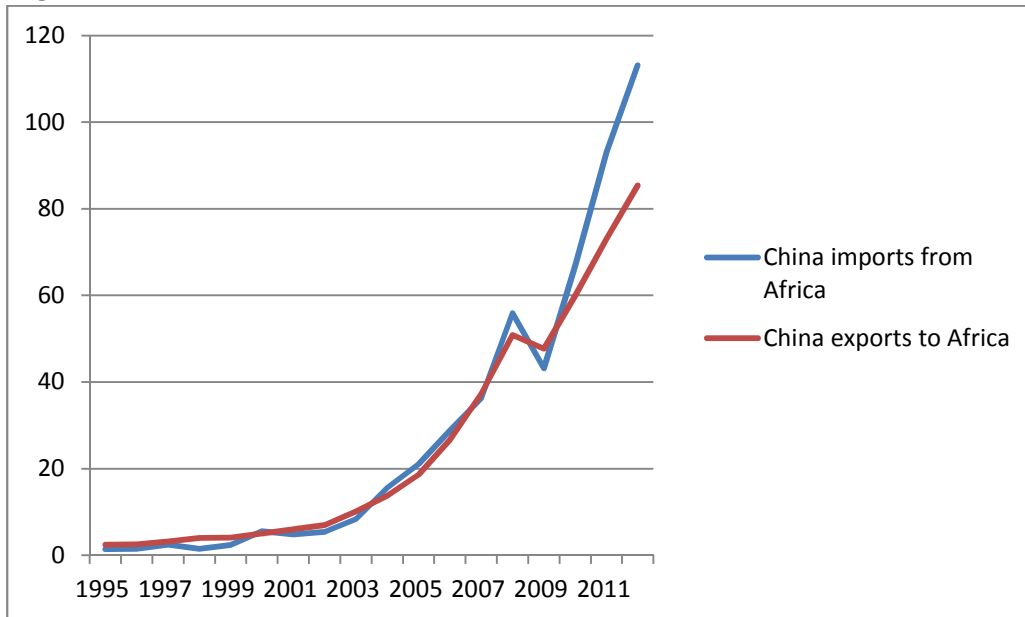
² The Southern Africa Development Community (SADC) consists of 15 member countries. These are Angola, Botswana, the Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

³ The Common Market for East and Southern Africa (COMESA) for 2012 includes 19 member countries. These members are Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe.

⁴ The East African Community (EAC) consists of 5 member countries. These are Burundi, Kenya, Rwanda, United Republic of Tanzania and Uganda.

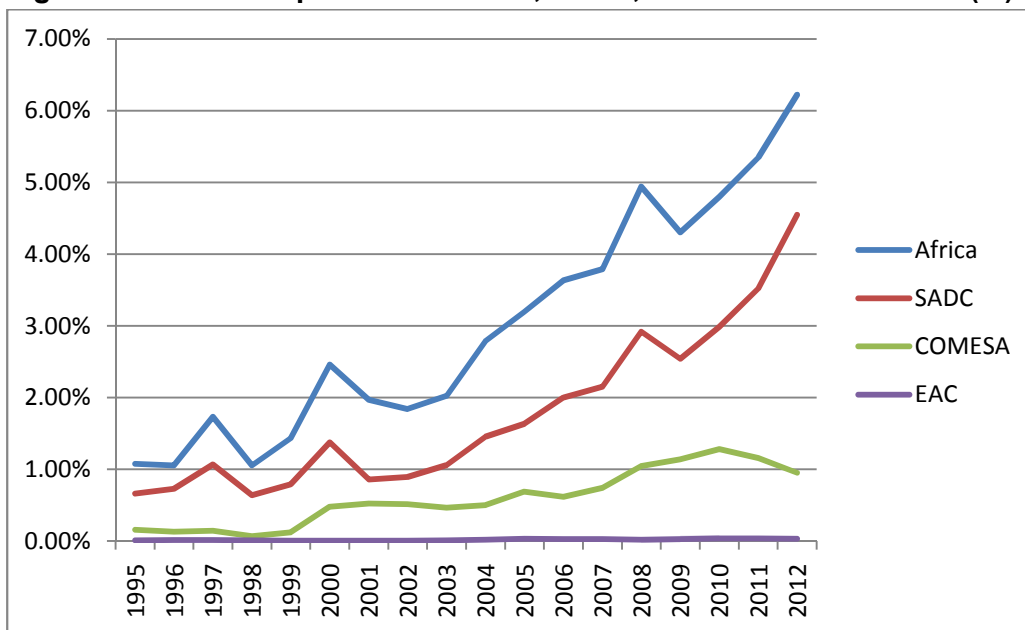
Graphical representation of trade flows

Figure 1: China's trade with Africa, US\$ billion



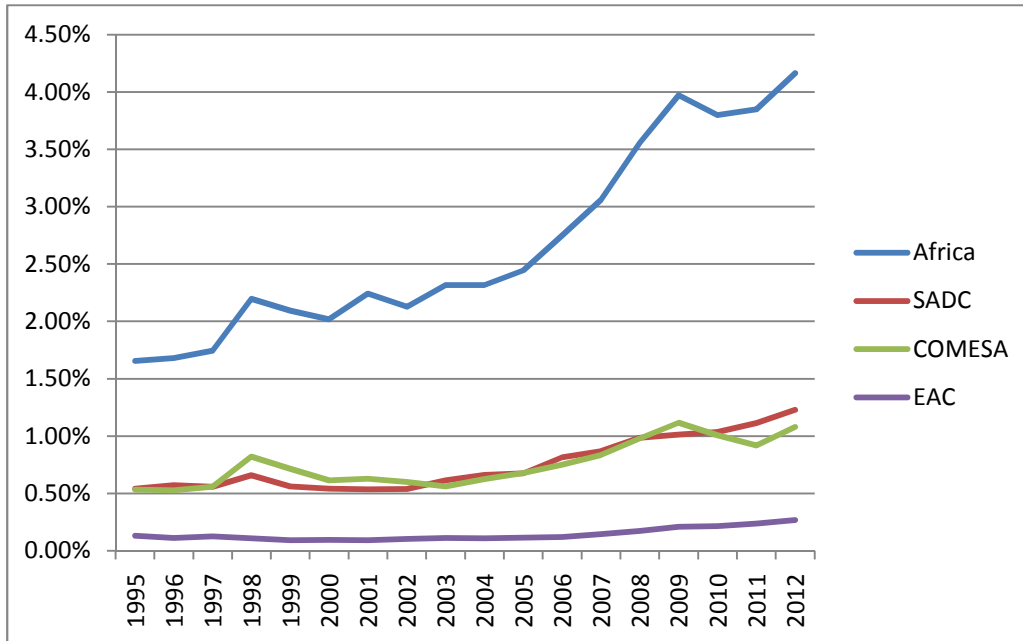
Source: Global Trade Atlas (2013)

Figure 2: Chinese imports from Africa, SADC, COMESA and the EAC (%)



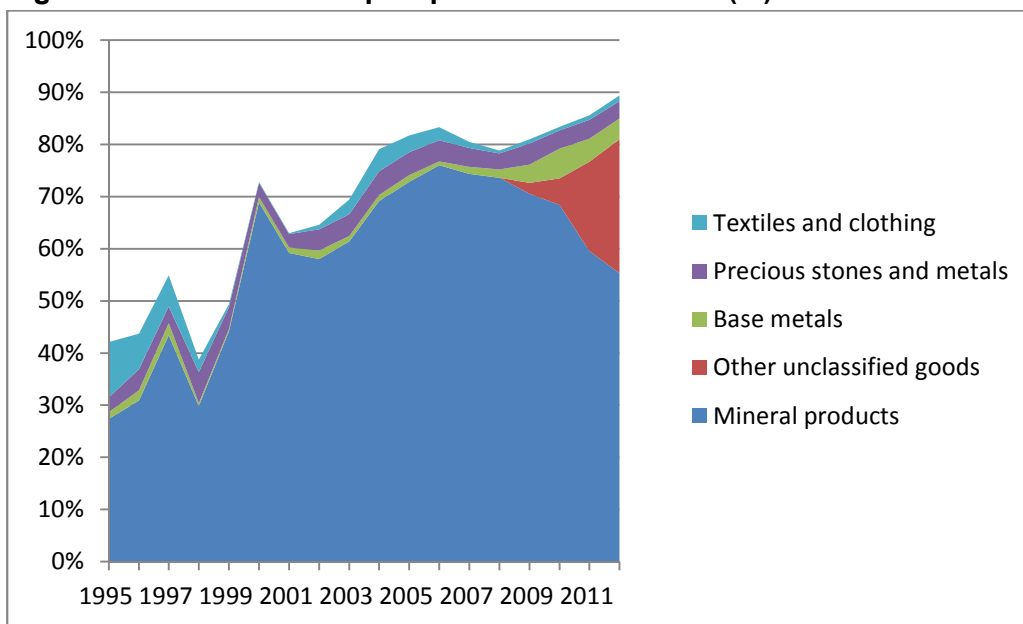
Source: Global Trade Atlas (2013)

Figure 3: Chinese exports to Africa, SADC, COMESA and the EAC (%)



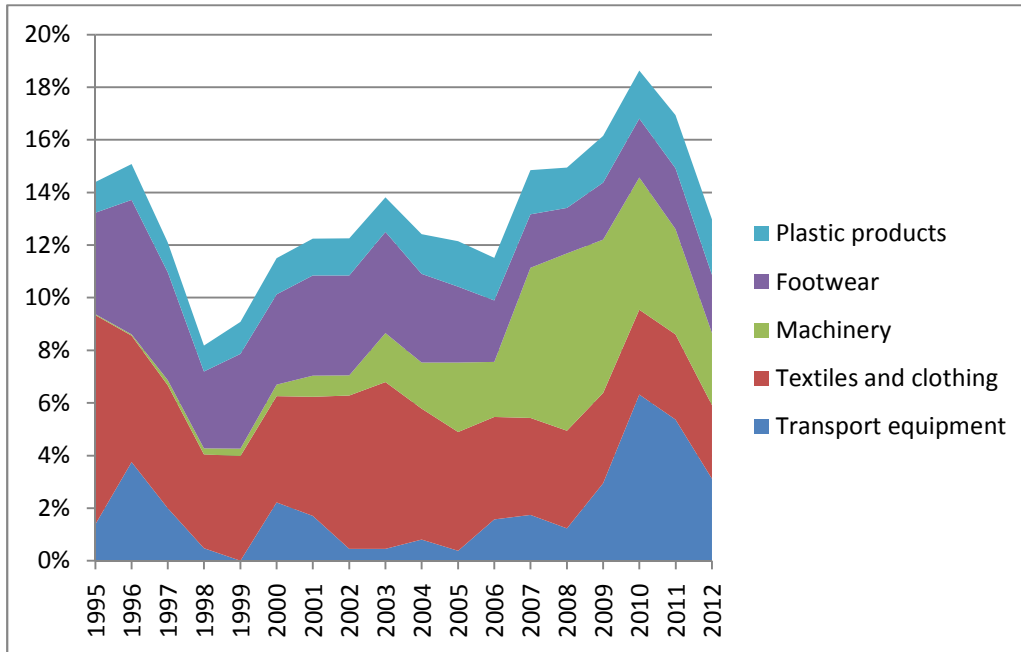
Source: Global Trade Atlas (2013)

Figure 4: China's main import products from Africa (%)



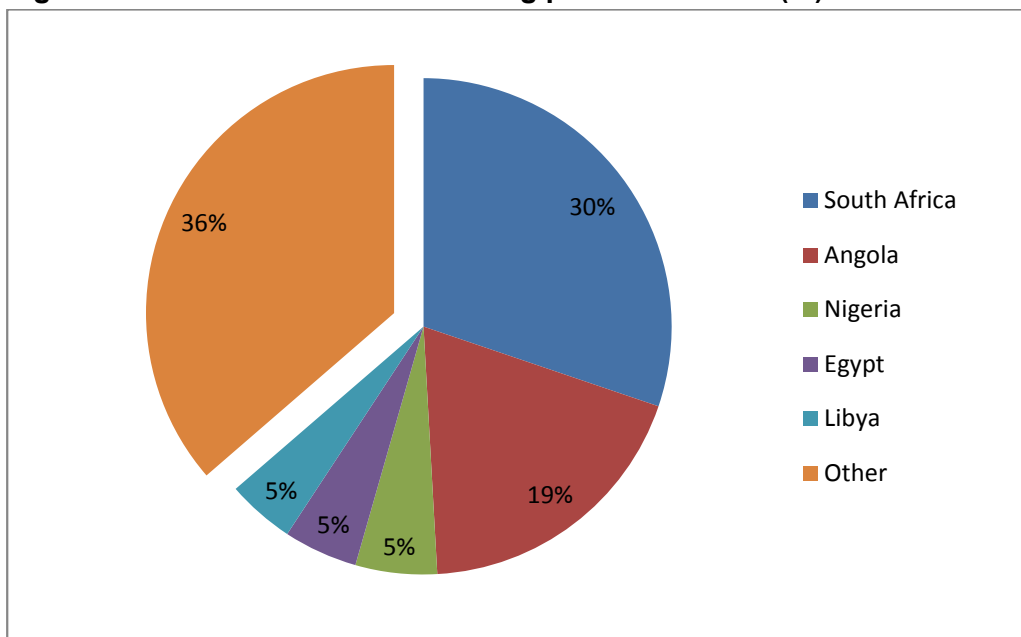
Source: Global Trade Atlas (2013)

Figure 5: China's top export products to Africa (%)



Source: Global Trade Atlas (2013)

Figure 6: China's main African trading partners in 2012 (%)



Source: Global Trade Atlas (2013)