

World Economic and Financial Surveys

Regional Economic Outlook

Sub-Saharan Africa

Sustaining Growth amid Global Uncertainty

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APR 12



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Abbreviations

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

SME	small and medium-sized enterprises
SSA	sub-Saharan Africa
TFP	total factor productivity
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Program
USDA	United States Department of Agriculture
VIX	Chicago Board of Options Exchange Volatility Index
WAEMU	West African Economic & Monetary Union
WEO	<i>World Economic Outlook</i>

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).

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In Brief

Chapter 1: Sustaining Growth amid Global Uncertainty

- *Despite difficult external conditions, output in sub-Saharan Africa grew by 5 percent last year.* Most countries shared in this solid expansion. Exceptions included South Africa, slowed by weakness in major European trading partners, and countries in western Africa affected by drought in the Sahel and civil conflict in Cote d'Ivoire. Consumer price inflation rose, particularly in eastern Africa, sparked in part by sharply higher global food and energy prices. Macroeconomic policies were generally accommodating.
- *For 2012, the baseline projection is for much of the region's output momentum to be maintained.* Although modest world growth is expected to keep export growth subdued, new resource production in several countries and recovery in western Africa will help nudge output growth up to 5½ percent. Inflation is projected to moderate, notably in countries in eastern Africa have tightened monetary policy.
- *This outlook is subject to substantial downside risks because of global uncertainties.* Renewed financial stresses in the euro area would reduce the pace of growth in sub-Saharan Africa in both 2012 and 2013, with the adverse impact depending on the severity of euro zone shock and, for individual countries, the importance of direct links to Europe. Another surge in oil prices would rekindle inflation, cut growth, and strain fiscal and external balances in oil importing countries.
- *While macroeconomic policy prescriptions vary substantially between countries, efforts are warranted to rebuild policy buffers in countries where these have been eroded and where growth is strong.* At the same time, contingency plans should be prepared in case counter-cyclical measures become necessary. Countries in the process of reducing elevated inflation rates will need to maintain monetary policy on the tight side.

Chapter 2: The Impact of Global Financial Stress on Sub-Saharan African Banking Systems

- *Most sub-Saharan African banking systems have proved resilient to recent episodes of global financial stress.* With limited levels of international financial integration, pressure on their loan quality, profitability, and bank liquidity has come mainly from indirect channels, notably through the impact of international trade developments on domestic economic growth.
- *The rapid spread of pan-African banking groups in the last few years may in some cases have outpaced supervisory capacity.* While their presence has spurred competition and innovation in the sector, these banking groups could become a channel for cross-border contagion unless regional supervisory frameworks are strengthened.

Chapter 3: The Region's Natural Resource Exporters: Recent Performance and Policy Challenges

- *Natural resources are an important contributor to merchandise exports in close to half of the 45 countries in sub-Saharan Africa.* However, the share of resource exports that accrue to national budgets varies widely across countries, with oil producers being the most successful in terms of revenue extraction.
- *Countries that obtain considerable fiscal revenue from natural resources have experienced significantly higher volatility in exports, revenue, and nonresource GDP growth than other sub-Saharan African economies.* Fiscal policy in many of these economies has become less procyclical over the past decade, but the boom-bust cycle has not been eliminated, and further strengthening of macro-fiscal frameworks would be beneficial.

1. Sustaining Growth amid Global Uncertainty

INTRODUCTION AND SUMMARY

Sub-Saharan Africa continues to record strong economic growth, despite the weaker global economic environment. Regional output rose by 5 percent in 2011, with growth set to increase slightly in 2012, helped by still-strong commodity prices, new resource exploitation, and the improved domestic conditions that have underpinned several years of solid trend growth in the region's low-income countries. But there is variation in performance across the region, with output in middle-income countries tracking more closely the global slowdown and with some sub-regions adversely affected, at least temporarily, by drought. Threats to the outlook include the risk of intensified financial stresses in the euro area spilling over into a further slowing of the global economy and the possibility of an oil price surge triggered by rising geopolitical tensions.

Despite difficult external conditions, economic activity in sub-Saharan Africa expanded at a solid pace in 2011, with the region's output growing by 5 percent—a faster pace than the world economy as a whole, but still significantly slower than in the precrisis period (2004–08), when regional growth averaged 6½ percent.

Most countries participated in this expansion, although drought slowed growth in many West Africa Economic and Monetary Union (WAEMU) member countries and post-election civil strife saw GDP decline by close to 5 percent in Côte d'Ivoire. Supportive macroeconomic policies played an important role in sustaining growth in many countries across the region.

This chapter was prepared by Rodrigo Garcia-Verdu, Maitland MacFarlan, Sean Nolan, and Jon Shields. Research assistance was provided by Cleary Haines and Luiz Oliveira, editorial assistance by Jenny Kletzín DiBiase; and administrative assistance by Natasha Minges and Anne O'Donoghue.

Rising global food and fuel prices contributed to inflationary pressures in many countries, although food prices across the region were significantly affected by local supply conditions. Large and sustained jumps in inflation were mostly concentrated in eastern Africa—eventually inducing sharp monetary tightening in several affected countries that is expected to cut inflation over the course of 2012.

For 2012, regional growth is expected to rise slightly, helped by new resource production in several countries and by recovery from drought and civil conflict in the WAEMU countries; adjusting for these one-off factors, the pace of growth would be slightly lower than in 2011. For the region's two largest economies, growth in South Africa is set to slow (to below 3 percent), held back by weaker exports to advanced country markets, and to remain broadly unchanged in Nigeria (around 7 percent), notwithstanding some fiscal consolidation. For most countries in the region, growth rates will either be unchanged or slightly weaker than in 2011.

The region's continued strong performance has been helped by favorable commodity prices, increased export diversification toward faster-growing Asian markets, and financial systems that are, for the most part, insulated from the immediate effects of stresses in global financial markets (see Chapter 2). Natural resource exports contribute importantly to exports and budgetary revenues in a large number of sub-Saharan African economies, and demand for these products remains reasonably robust, most notably for oil (Chapter 3). Macroeconomic policies have remained generally accommodative, although fiscal consolidation is underway in several countries, and monetary policy, as noted above, has been tightened sharply in several eastern African economies. Indications are that aid flows, though dipping slightly in 2011, and remittances have remained broadly resilient; but the impact on aid flows of a global recession is typically felt over several years.

Global economic uncertainty poses important downside risks to the region's economic outlook. Resumed financial stresses in the euro area could spill over into a broader global slowdown, with associated weakening of commodity prices, global trade flows, and foreign investment. The impact on sub-Saharan Africa's individual economies would depend, to a large extent, upon how directly their economic and financial systems are linked to Europe. A surge in oil prices, linked to geopolitical tensions, is another risk factor: the impact on sub-Saharan Africa's oil importers would depend both on the size of the price shock and the extent of the global slowdown that a large oil price shock would likely trigger. Africa-specific risks include intensified political turmoil in some countries and further climatic shocks.

There are no "one-size-fits-all" macroeconomic policy prescriptions for sub-Saharan African economies, but some general themes can be identified:

- For most countries in the region, fiscal positions are weaker than prior to the onset of the global economic crisis in 2008–09. The continuation of strong economic growth in 2012 should provide room for fiscal consolidation measures to rebuild fiscal buffers over time. Absent financing constraints, significant tightening should be avoided where growth remains weak and there is significant reliance on Europe.
- In countries where inflation surged in 2011, returning inflation rates to single digits should remain an overarching priority, or else high inflation will become entrenched and even more difficult to dislodge later. Both monetary and fiscal policies have roles to play.
- Contingency plans are needed to allow a prompt response to changing global economic conditions. Allowing fiscal deficits to rise, including by temporary policy measures, offers an effective tool for supporting domestic demand in the face of a global downturn, given sufficient financing space. Where available, monetary and exchange rate adjustments offer additional policy flexibility.
- Large oil price increases will have significant adverse effects on oil-importing countries, particularly if the shocks are protracted. While external financing can play a useful role in assisting countries to respond to short-lived shocks, pass-through of oil price shocks into retail fuel prices will typically be the most effective route to prevent any destabilization of fiscal positions and to promote efficient use of fuel over time. Targeted fiscal measures will be needed to protect the less well-off, and should be part of the contingency planning.

STAYING ON COURSE: GROWTH MOMENTUM CONTINUING INTO 2012

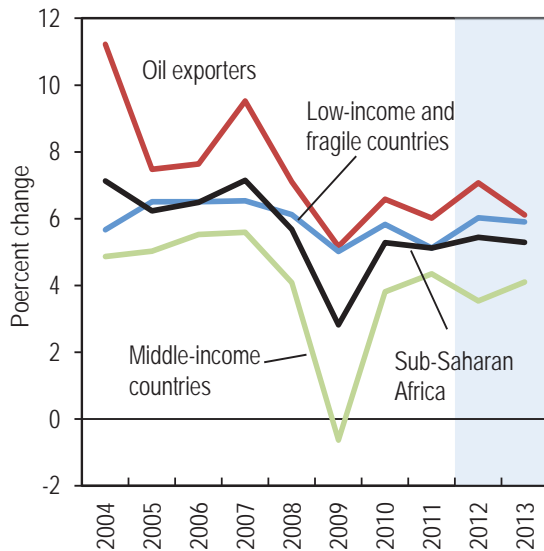
Sub-Saharan Africa has so far maintained strong growth in the face of a hesitant world recovery, albeit with differences in performance among country groups. In 2011, as in the last decade, most of the countries of sub-Saharan Africa—particularly low-income countries and oil exporters—were among the world's better performers in terms of growth. The outlook for 2012 remains broadly favorable, with one-off factors contributing to a modest pick-up in the pace of growth, although downside risks, both external and domestic, threaten to undermine some of the region's growth momentum. Sub-regional problems include drought in the Sahel, lingering inflation in eastern Africa, a sluggish recovery in South Africa, and increasing security tensions in parts of West Africa.

While global growth has been slowing, growth in sub-Saharan Africa has remained robust, running at 5 percent in 2011 (Tables 1 and 2 and Figures 1 and 2).¹ Growth in sub-Saharan Africa is expected to approach 5½ percent in 2012, a better performance than other major regions aside from developing Asia.

The apparent disconnect between growth in sub-Saharan Africa and the broader global trend is, in part, misleading. First, the growth pick-up in 2012

¹ Unless otherwise stated, data for the region and sub-groups are expressed as weighted averages of country data, with weights reflecting each country's GDP in the relevant year valued at purchasing power parity.

Figure 1.1. Sub-Saharan Africa: Real GDP Growth by Country Group



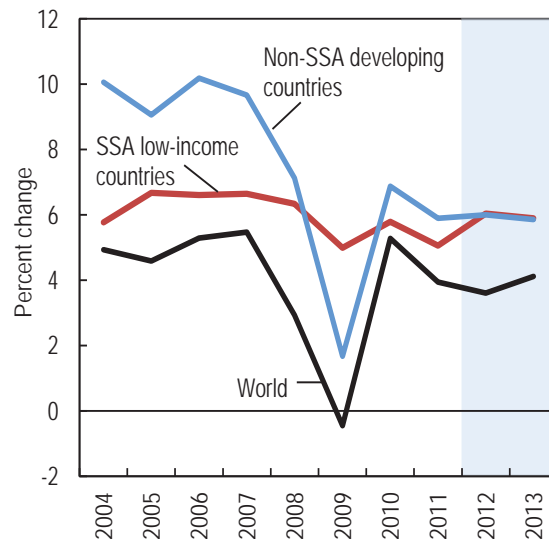
Source: IMF, World Economic Outlook database.

is being helped by new natural resource production in several countries (including Angola, Niger, and Sierra Leone), some rebound from drought in the Sahel and parts of eastern Africa (including Kenya), and strong post-conflict recovery in Côte d'Ivoire. Adjusting for these one-off effects, the region's growth rate is expected to slow by about $\frac{1}{2}$ percent between 2011 and 2012. Second, the growth outlook for 2012 is somewhat less favorable than outlined in the October 2011 *Regional Economic Outlook*, with the growth projection for 2012 now cut by almost one-half a percentage point, driven in large part by the weaker economic outlook for South Africa.

Economic conditions, prospects, and risks vary significantly within the region.² While recent indicators point to some generalized slowing in export performance (Figure 1.3), sub-regional and country-specific factors play a significant role. West Africa, for instance, was adversely affected in 2011 by the developments in the Sahel and Côte d'Ivoire, although a solid recovery is expected in 2012 (Box 1.2). In East Africa, several countries

² See Box 1.1 for definitions of the analytical sub-groupings of countries used in this chapter.

Figure 1.2. Sub-Saharan Africa: Low-Income Countries and Other World Regions: Real GDP Growth



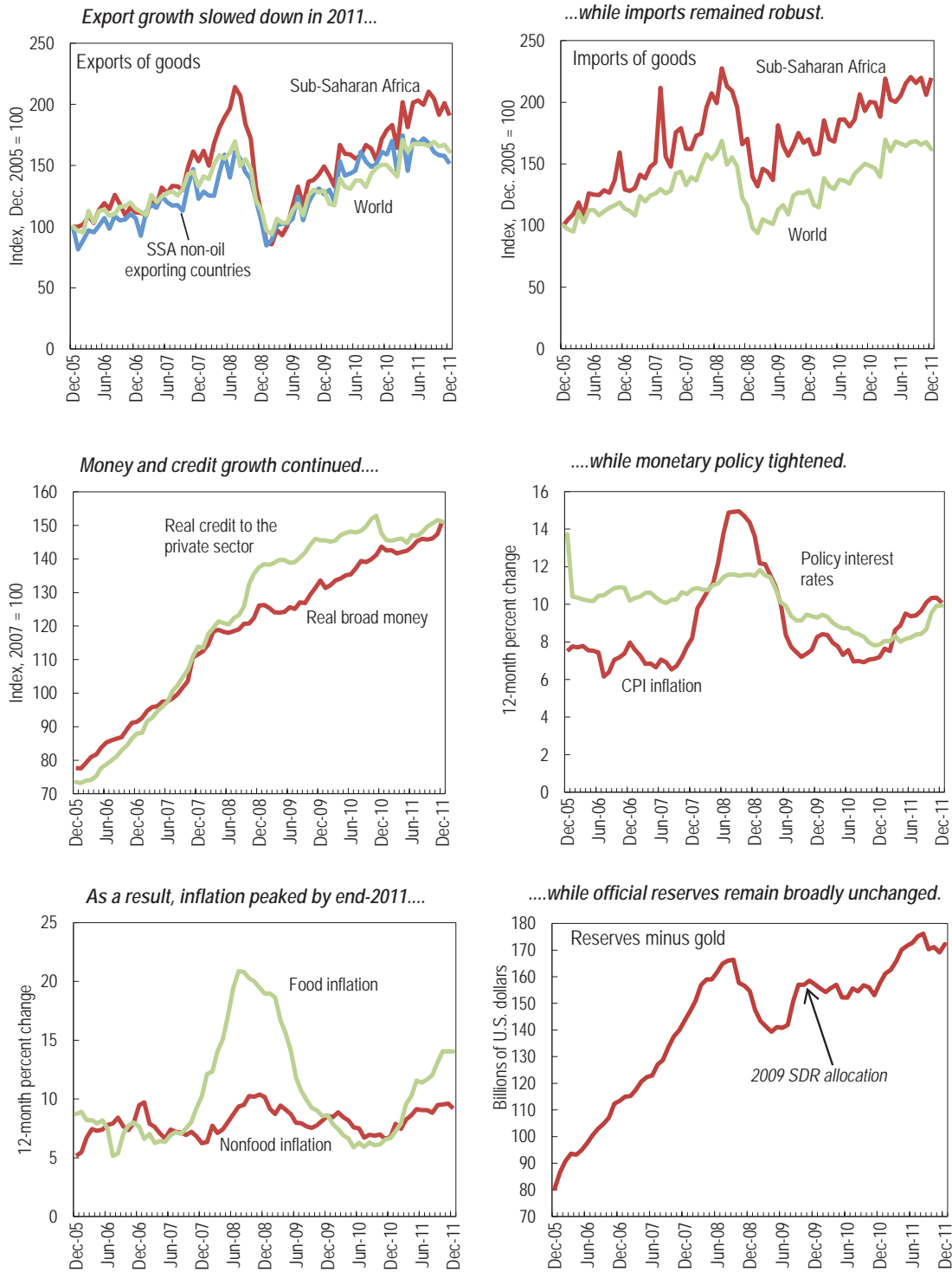
Source: IMF, World Economic Outlook database.

experienced very high inflation rates last year, and the consequential tightening in monetary policy will act as a constraint on output growth in 2012 (Box 1.3). For South Africa and its immediate neighbors, the evolution of trading-partner demand is particularly influential, with weak demand from Europe impairing growth prospects (Box 1.4).

Differences are also evident when one breaks down the region on the basis of key export products and income levels:

- Among the region's **oil producers**, GDP growth is expected to reach 7 percent in 2012, helped by new production coming on stream in Angola and higher output levels in Chad. The non-oil sector is expected to record strong growth in most cases—a recurrent feature in Angola and Nigeria for several years—although some cooling is expected in Cameroon and Equatorial Guinea.
- Most of the **middle-income countries** in sub-Saharan Africa are projected to experience slower growth this year. In most cases—including Botswana, Mauritius, and South Africa—the slowdown stems from close linkages with global trade and financial markets. In Ghana,

Figure 1.3. Sub-Saharan Africa: Macroeconomic Indicators



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

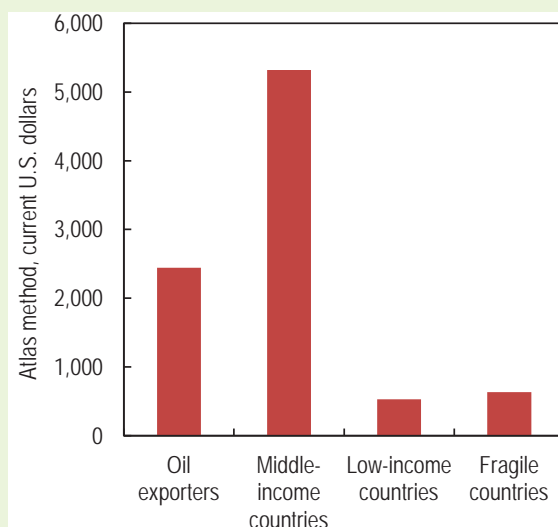
Box 1.1. Sub-Saharan Africa: Country Groupings¹

Sub-Saharan Africa is a very diverse region, whether measured by population, income levels, or composition of output. In analyzing developments in the region, IMF staff have found it useful to decompose the 45 countries into four subgroupings:²

- Oil exporters, where oil is sufficiently important as an export commodity that the evolution of world oil prices plays a key role in driving economic developments. Countries in this group are Angola, Cameroon, Chad, Equatorial Guinea, Gabon, Nigeria, and the Republic of Congo.
- Middle-income countries, defined by reference to the World Bank's classification of economies by per capita income level and institutional quality. It is useful on occasion to further decompose this group into those economies that have long been classified at middle-income levels and economies that have only recently reached the minimum per capita income threshold. South Africa is the dominant economy in the first subgroup, which also includes Botswana, Cape Verde, Lesotho, Mauritius, Namibia, Seychelles, and Swaziland; the second subgroup currently consists of Ghana, Senegal, and Zambia.
- Fragile countries classified on the basis of a relatively low rating of institutional quality on the World Bank's IDA Resource Allocation Index. They are treated as a distinct subgroup because economic developments can be heavily influenced by noneconomic events, including the outbreak of civil conflict or subsequent recovery. Currently in this group are Burundi, Central African Republic, Comoros, Democratic Republic of the Congo, Côte d'Ivoire, Eritrea, Guinea, Guinea-Bissau, Liberia, São Tomé and Príncipe, Togo, and Zimbabwe.
- Non-fragile low-income countries, where economic developments can typically be explained by reference to more conventional economic factors. This group is Benin, Burkina Faso, Ethiopia, The Gambia, Kenya, Madagascar, Malawi, Mali, Mozambique, Niger, Rwanda, Sierra Leone, Tanzania, and Uganda.

GNI per capita varies considerably across the four groups, with the middle-income group averaging almost U.S.\$ 4,000 per capita in 2010, followed by the oil exporters at about U.S.\$ 1,500 per capita. The GNI per capita levels in low-income countries and fragile states are similar, at about U.S.\$400 and U.S.\$500, respectively, with the slightly higher average among fragile states reflecting the inclusion of Côte d'Ivoire and São Tomé and Príncipe.

Figure 1. Sub-Saharan Africa: Gross National Income per Capita by Country Group, 2010



Source: World Bank, World Bank Development Indicators.

¹ See the Statistical Appendix for a precise definition of the different country groupings.

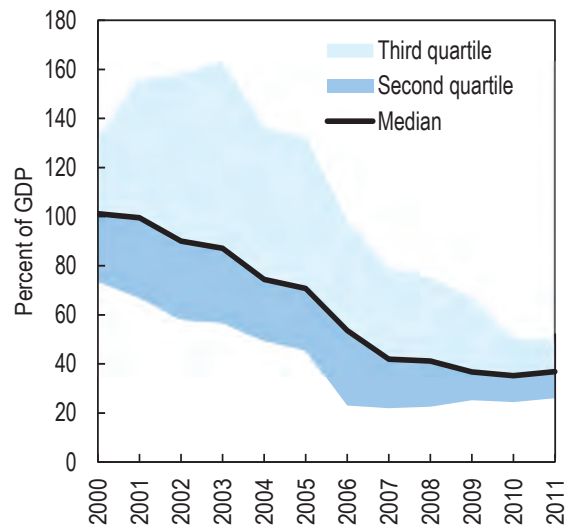
² At this juncture, no macroeconomic data for South Sudan are available.

But the region's recent sustained strong growth—specifically, among low-income economies—represents a sharp break with the past, when the region lagged far behind other parts of the developing world.

As discussed in past editions of this publication, the stronger growing countries of the region have exhibited a range of features that help explain this break with the past:

- Macroeconomic and structural policy implementation improved substantially in the 2000s. Fiscal balances strengthened, inflation declined, reserve cover increased, and—helped in part by international debt relief initiatives—government debt ratios shrank (see Figure 1.4). Markets were liberalized and the environment for private business was improved—although there is much room for further reform in this area.
- Capital spending—in both natural resource and other sectors—has risen substantially as a share of GDP over the last decade (Figure 1.5), reflecting in part an increase in the domestic savings rate. But the infrastructure deficit remains very wide in many countries, pointing to the scope for further boosting output and productivity levels through appropriately selected and effectively executed investment projects.
- Institutional capacity continues to improve. While most indicators of good governance still show sub-Saharan Africa lagging behind the rest of the world, the region is making up ground in some aspects, including in regard to public *voice and accountability*. The economic impact of political violence and armed conflict has declined significantly over the past two decades, although security tensions still pose threats to growth in several countries.
- While financial systems in most countries remain poorly developed relative to other regions, there has been significant financial deepening over the past decade, with domestic credit increasing as a ratio of GDP from around 14 percent in 2000 to above 20 percent in 2010

Figure 1.4. Sub-Saharan Africa: Government Debt Ratios, 2000–11



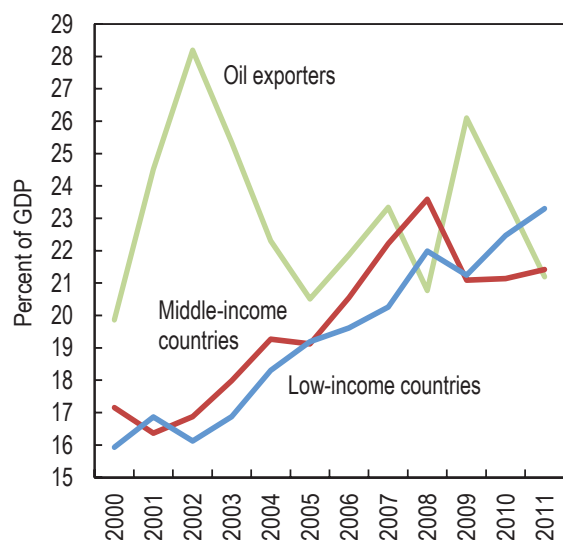
Source: IMF, World Economic Indicators database.

(Figure 1.6). While financial deepening, in part, results from sustained growth, it has also played a significant supporting role in the growth process.

- There has been a steady increase during the past two decades in the growth rate of average labor productivity in the region, as measured by real GDP per adult—although the shortfall in productivity growth relative to Asian developing economies is still quite striking (Figure 1.7).
- Favorable commodity price trends, driven by growing demand from Asia, and new resource discoveries have provided an important stimulus to growth in the 20 or so countries in which nonrenewable natural resources constitute a significant share of exports (see Chapter 3). But growth has also been strong in the many countries that, to date, have relied more on agricultural commodities, remittances, and foreign aid to bolster their balance of payments (for example, Ethiopia, Mozambique, and Rwanda).

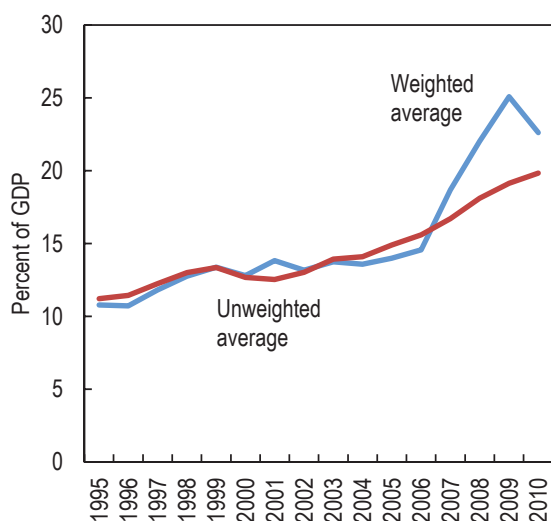
Aside from experiencing a solid pick-up in growth over the past decade, the region has shown strong cyclical resilience in the face of ongoing global financial turmoil since 2008 and the associated

Figure 1.5. Sub-Saharan Africa: Capital Investment, 2000–11



Source: IMF, World Economic Outlook database.

Figure 1.6. Sub-Saharan Africa Excluding South Africa: Credit to the Private Sector, 1995–2010

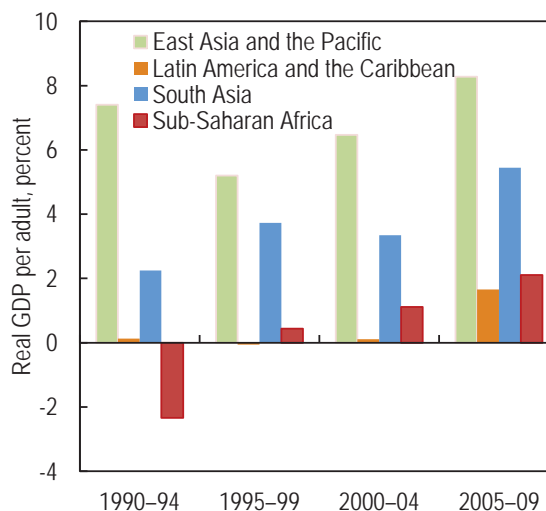


Sources: IMF, International Financial Statistics; and IMF, African Department database.

slowdown in global economic activity. Contributory factors include:

- Financial systems in the region remain relatively insulated from global financial developments,

Figure 1.7. Selected Regions: Average Labor Productivity Growth, 1990–2009



Source: World Bank, World Development Indicators.

with banks obtaining funding from strong domestic deposit bases rather than external sources (see Chapter 2). Few countries were significantly affected directly by disruptions to credit availability or capital flows during either the 2008–09 global financial crisis or during the latter half of 2011. Those countries affected by significant swings in capital flows used foreign reserves (Nigeria) or exchange rate adjustment (South Africa) as shock absorbers.

- Fiscal policy in sub-Saharan Africa has remained supportive of growth since the 2009 global slowdown. Excluding oil exporters, the average overall fiscal deficit as a share of GDP rose by 3 percentage points in 2009. Around 0.5 percentage points of this increase is expected to have been rolled back by 2012. In other regions, fiscal policy has generally been consolidating since 2010.
- Key commodity prices, including oil, have remained relatively strong since the rebound of prices in 2010, providing support to some commodity exporters.

INFLATION: A SELECTIVE PROBLEM?

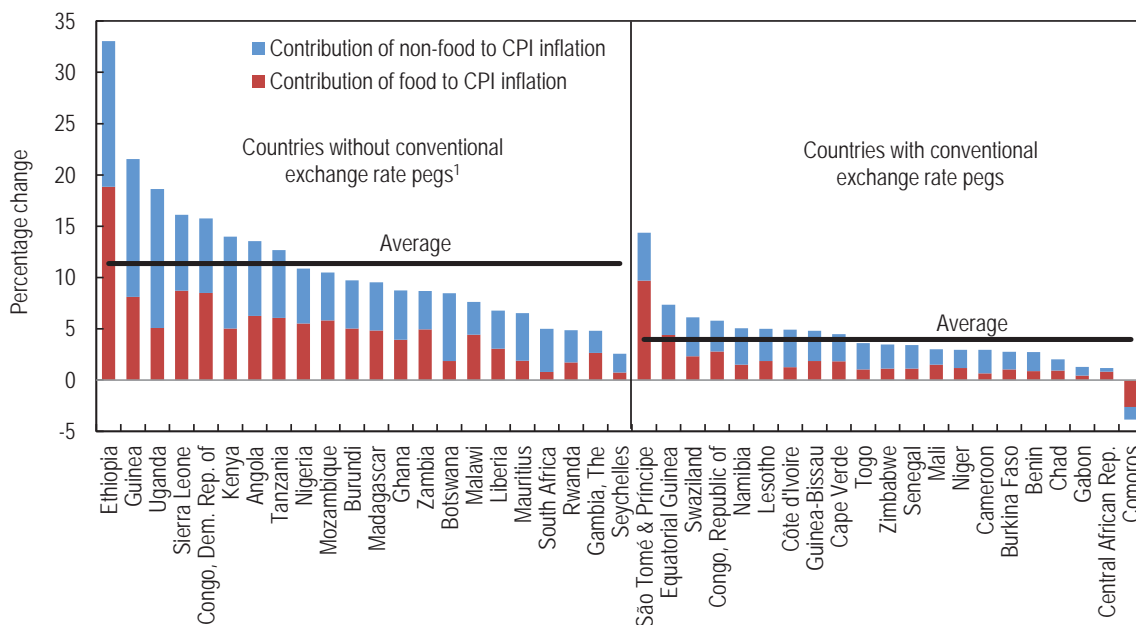
A major theme in the October 2011 *Regional Economic Outlook* was the perceptible rise in inflation across the region, linked to the surge in global food and fuel prices in the first half of 2011. Inflation as of December 2011 was running at an average of 9¾ percent across the region, up from 7 percent a year earlier. The pick-up in inflation was distributed quite unevenly across the region, with East Africa being most severely affected: 12-month inflation in the East Africa Community (EAC) countries rose by almost 16 percentage points (to 20 percent) from end-2010 levels, with Ethiopia experiencing a surge from 15 percent to 36 percent over the same period. By contrast, some countries experienced only a modest uptick in inflation that quickly abated after global prices plateaued. Within WAEMU, for instance, 12-month inflation rates hardly rose above 5 percent and generally ended the year little different from where they started; while oil producers experienced a modest decline

in inflation levels over the year, most notably in Angola.

Several factors determined this disparity in performance. As shown in Figure 1.8, food prices—which can constitute more than half of total household spending—were key in explaining increases in the consumer price index (CPI) in 2011. But the weights of food and beverages in CPI baskets—and hence the sensitivity to changes in food prices—differ markedly across the region. In addition, the rise in global food prices was not uniform across commodities—with the ensuing price shock to food importers dependent on the particular product imported. Finally, domestic supply conditions varied across the region, with drought conditions in some parts of the continent (including the Horn of Africa) intensifying price pressures, while good harvests in other subregions (including parts of Southern Africa) helping to limit price increases.

With regard to the effects of rising world oil prices, differences in fuel price policies played a key role,

Figure 1.8. Sub-Saharan Africa: Consumer Price Index and Food Inflation, Average 2011



Sources: IMF, Information Notice System; IMF International Financial Statistics; and IMF, African Department database.

¹ Includes all SSA countries whose exchange rate regime is not classified as either a conventional peg or a currency board, ranging from de facto crawling pegs to fully floating regimes, according to the IMF's 2011 *Annual Report on Exchange Arrangements and Exchange Restrictions* (AREAER).

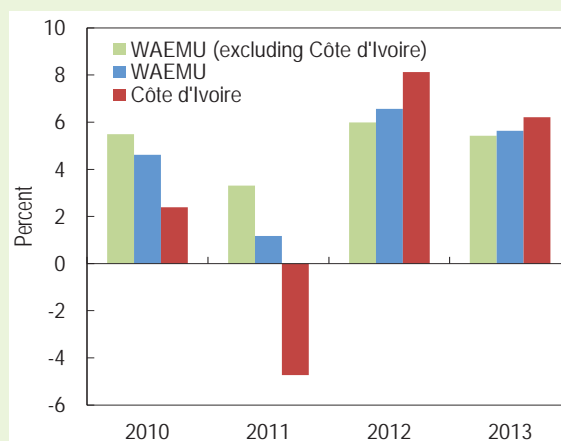
Box 1.2. Impact on WAEMU of the Recovery in Côte d'Ivoire and the Drought in the Sahel¹

Economic growth in the West Africa Economic and Monetary Union (WAEMU) in 2011 was influenced by two major developments: (i) the political crisis in Côte d'Ivoire; and (ii) the drought in the Sahel.

After a decade of political instability and economic stagnation, Côte d'Ivoire experienced an armed conflict for several months in the aftermath of the November 2010 presidential election. While the conflict ended in April 2011, it had a severe impact: economic activity contracted sharply in early 2011, and, despite the subsequent recovery, annual GDP declined by an estimated 4.7 percent. Growth is expected to rebound to about 8 percent in 2012, and then to moderate to 6–6.5 percent in the medium term. With Côte d'Ivoire accounting for about 30 percent of WAEMU's GDP, these gyrations have a major impact on regional growth (see Figure 1). Beyond this mechanical impact on regional aggregates, the recovery in Côte d'Ivoire will positively affect other countries in the region (especially landlocked WAEMU countries) through the resumption of trade, remittances, and investment. However, the large borrowing needs of Côte d'Ivoire may generate negative spillovers in the regional financial market. In spite of this, the recovery offers opportunities to accelerate regional integration within the WAEMU and the Economic Community of West African States (ECOWAS) in the medium term.

The recent drought severely affected Burkina Faso, Mali, Niger, and Senegal (WAEMU member countries), as well as Chad, The Gambia, and Mauritania. It is estimated that between 8 and 10 million people in these countries now experience food insecurity and require assistance. The humanitarian relief effort is being led by the World Food Program, which has estimated the eventual cost at around U.S.\$800 million. Agricultural output of staple foods in the affected countries is estimated to have declined by around one-third, although the impact varied greatly across countries and crops. Most of the adverse effects of the drought on GDP were registered in 2011. Provided that key inputs for the planting season become available and agricultural production rebounds, the end of the drought should lead to higher regional growth in 2012. Nevertheless, the drought's most acute effects on the population are being felt in 2012 through intensified levels of hunger and malnutrition. Food prices could also increase further before the next crops arrive. Overall fiscal deficits are likely to rise in 2012 in the affected countries, with increases in the order of at least 2 percent of GDP in Mali and 2–2½ percent of GDP in Gambia. Similarly, current account deficits are also expected to widen. Reflecting these factors, growth in the WAEMU was very low in 2011 (about 1 percent), but is expected to rebound sharply in 2012 (to about 6.5 percent), notwithstanding the weaker external environment.

Figure 1. West Africa: Real GDP Growth, 2010–13



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

This box was prepared by Hervé Joly and Doris Ross.

¹ For more details, see the Staff Report for 2012 Regional Consultations with the WAEMU, available via the Internet at <http://www.imf.org/external/pubs/ft/scr/2012/cr1259.pdf>.

with many countries (including in southern and eastern Africa) allowing full pass-through into domestic fuel prices, while other countries (including the oil producers and WAEMU countries) limited or prevented pass-through via fiscal measures (raising subsidies or reducing effective tax rates). These different structural features determined the varying direct impact on economies of the global price shocks—but they were only part of the inflation picture in 2011.

Equally important were the differences in the monetary policy response to the price shocks, which influenced the knock-on effects of the initial shock on other domestic prices and the exchange rate. In countries with formal exchange rate pegs, there was little evidence of such inflationary effects, even in cases where there was some modest effective exchange rate depreciation. In countries with formal inflation targeting regimes, such as South Africa, the inflation impact was limited to the first-round effects of the rise in import prices.

It was a different story, however, in some fast-growing countries with floating exchange rate regimes that had kept interest rates close to the low levels they reached during the global downturn. Strong credit growth already pointed to the prospect of inflationary pressures in these countries, and those that experienced strong food price pressures proved to be particularly vulnerable to knock-on effects. In several cases, exchange rates depreciated in response to the loose policy stance, further contributing to price pressures; inflation rates approached or exceeded 20 percent by the fourth quarter of 2011 in Burundi, Ethiopia, Kenya, Tanzania, and Uganda.

A tightening in monetary policy in most of these countries eventually broke the price spiral. As explored in Box 1.3, increases in policy interest rates and reserve requirements (tighter control of base money in the case of Ethiopia) bolstered exchange rates and took some of the pressure out of credit and product markets. Inflation rates have begun to ease, but remain elevated, most notably in Ethiopia, Tanzania, and Uganda, and will take some time

(and appropriately tight monetary policy) to return to single-digit levels.

Further abatement of inflation is projected throughout the region in 2012. Important in this context is the assumption that relatively weak global growth will prevent a resurgence of commodity prices over the year—although rising oil prices in the first months of 2012, triggered in good part by supply concerns, point to some risk in this regard.

As shown by the abundance of countries to the right of the diagonal line in Figure 1.9.—which compares the projected fall in inflation through 2012 with the corresponding change in 2011—inflation rates in most countries are not expected to return to end-2010 levels soon. And even the modest improvement shown here assumes some firming of interest rates in countries where policy interest rates remain cyclically low.

FISCAL POLICY CONSOLIDATION TAKING PLACE GRADUALLY AND UNEVENLY

Fiscal policy contributed to the generally accommodative policy climate in the region in 2011 (Figure 1.10). Although most oil exporters and MICs began to unwind the effects of the fiscal expansion implemented during the global crisis by reducing nonresource fiscal deficits, many low-income countries saw fiscal deficits continue to rise or slowly level off. There was little implied fiscal stimulus, but even these modest adverse movements in fiscal deficits were not in general warranted by countercyclical considerations. Fiscal deficits remain generally above debt-stabilizing levels.

Among oil exporters, the recovery in hydrocarbon-related and other tax revenue allowed some positive dynamics to emerge. Despite growth in government spending, non-oil fiscal deficits declined in all countries except Cameroon and Gabon (where national elections were taking place), and overall fiscal surpluses were the norm.

Among middle-income countries there was also a more consistent picture of modest fiscal consolidation. Countries in this group were among those

Box 1.3. East Africa: Persistence of the Food and Fuel Shock

This box explores the surging inflation in several countries in East Africa in 2011 (Figure 1). Recent analysis of East African countries shows that their food and nonfood domestic inflation is more susceptible to world food price shocks than elsewhere in sub-Saharan Africa.¹ This may reflect differences in structural factors, such as the degree of self-sufficiency in food or the relative importance of administrative price controls. But larger second-round effects compared to other countries following food and nonfood price shocks point also to excessive monetary accommodation or demand pressures when the shocks occurred.

In 2011, food inflation peaked in Kenya (22 percent) and Ethiopia (52 percent), boosted in part by local food shortages in the wake of the drought in the Horn of Africa. Burundi, Tanzania, and Uganda also saw significant increases in food inflation. At the same time, consumer price inflation was also affected by higher nonfood inflation in Burundi, Kenya, Tanzania, and Uganda. Higher transportation costs associated with rising global prices of oil were particularly important in landlocked Burundi and Uganda, while power tariffs rose sharply in Tanzania.

Currency depreciation and monetary policy accommodation also played a role. Policy interest rates, which had been reduced to historically low levels during the global recession of 2009, were not increased significantly until late 2011, despite strong economic activity and rising inflation. Monetary aggregates in Burundi, Ethiopia, Kenya, Tanzania, and Uganda grew at rates in excess of 20 percent in the period preceding the spike in inflation.

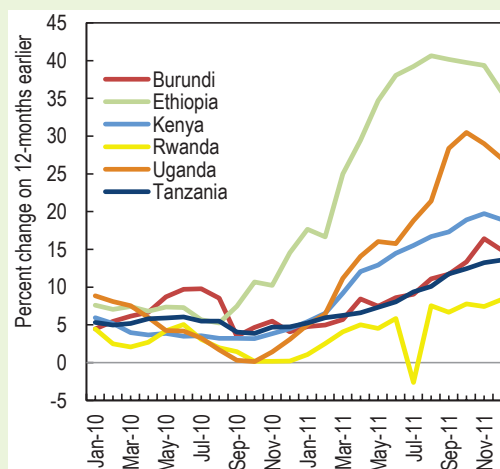
To curb potential second-round effects, Burundi, Kenya, Tanzania, and Uganda hiked policy rates in late 2011, while Ethiopia squeezed the monetary base. Policy rates in Uganda rose by 17 percentage points during 2011, and Kenya increased policy rates during the last quarter by a cumulative 11 percentage points (Figure 2). Tanzanian monetary authorities tightened monetary policy in late 2011 by increasing reserve requirements and reducing net open positions. In response, broad money growth slowed in Kenya and Tanzania, and flattened out in Uganda, while exchange rates in Kenya, Tanzania, and Uganda appreciated and consumer price increases began to level off.

As a result of these policy measures, the outlook for inflation has improved, although the outlook for growth has deteriorated. Uganda's growth forecast for 2012 has been revised down by $\frac{3}{4}$ percent since last October. Indeed, the central bank in Uganda has begun to ease interest rates from its recent high, although the continued momentum of inflation may require further monetary tightening in Ethiopia and Burundi. In general, tighter fiscal policies would help reduce the burden being placed on monetary policy and help sustain lower inflation in the region.

This box was prepared by Jon Shields and Oral Williams.

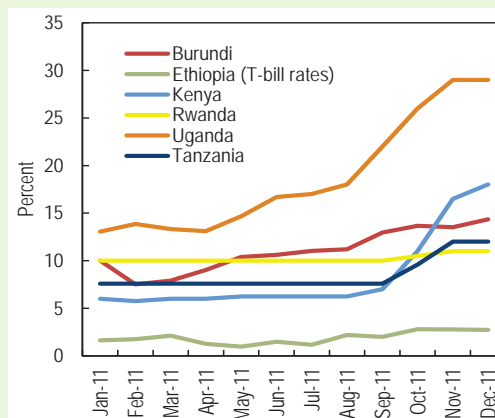
¹ Stepanyan, Ara, forthcoming, 2012, "Second-Round Effects of Common versus Idiosyncratic Shocks of Food and Non-food Prices in sub-Saharan Africa," International Monetary Fund.

Figure 1. Eastern Africa: CPI Inflation, Jan. 2010–Dec. 2011



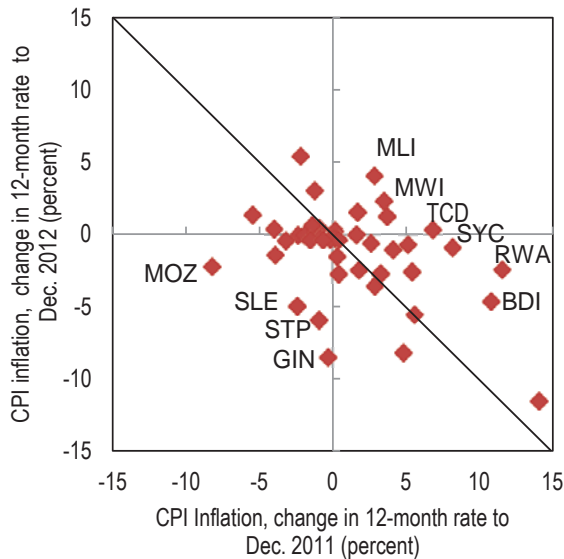
Sources: IMF, International Financial Statistics; and IMF African Department database.

Figure 2. Eastern Africa: Policy Interest Rates, Jan.–Dec. 2011



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

Figure 1.9. Sub-Saharan Africa: Changes in CPI Inflation from 12 Months Earlier, End-2012 vs. End-2011



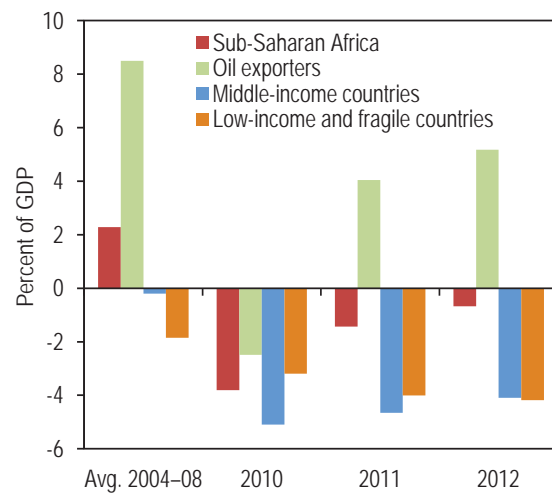
Sources: IMF, African Department database; IMF, Information Notice System; and IMF, International Financial Statistics.

hardest hit by the global crisis, but in most cases they also had room for fiscal policy to help counteract the downturn. In more recent times, they have begun to withdraw fiscal stimuli. An exceptional case was that of Swaziland, where a decline in revenue from the Southern African Customs Union (SACU) has been a major driver of the fiscal deficit.

Among low-income and fragile countries, despite the deterioration of 1 percentage point of GDP in the overall fiscal balance in 2011, nearly as many countries saw deficits decline as rise. Overall fiscal deficits remained well under 5 percent of GDP in most cases. Furthermore, many widening deficits were associated either with bursts in government capital spending related to potentially high-yielding projects or with one-off events (post-election conflict in Côte d'Ivoire). Tax revenues in nonresource-exporting LICs returned to their recent long upward trend relative to GDP (Figure 1.11).

A similar mixed picture is expected in 2012. While fiscal buffers will still mostly be smaller than in 2004–08 (a weaker average fiscal balance for the region of about 3 percentage points of GDP), there

Figure 1.10. Sub-Saharan Africa: Overall Fiscal Balance, 2004–12



Source: IMF, World Economic Outlook database.

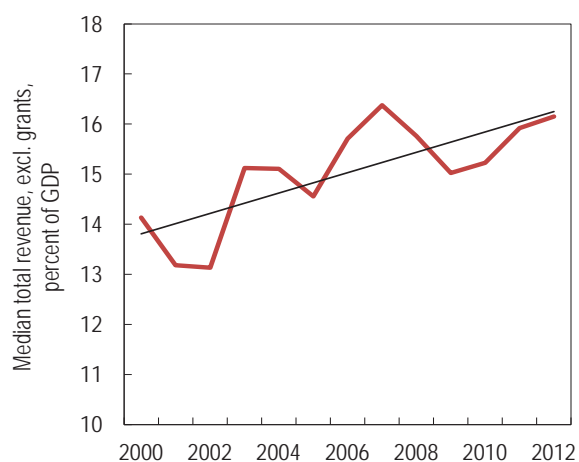
is likely to be some fiscal consolidation in about one-half of low-income and fragile countries relative to 2011. In many cases this consolidation will reverse the expansion of 2011, supported by the slowing, or at least plateauing, of spending growth that began during the global downturn, with revenue improvements also playing an important role in some cases. Similar consolidation processes are expected among the MICs. For oil exporters, the patterns of 2011 will largely be repeated.

Significant differences exist among low-income countries. In many countries where deficits are expected to widen, large new capital investments (particularly in infrastructure) are again expected to account for much of the change, as is the case in Ethiopia, Tanzania, and Rwanda.

EXTERNAL ACCOUNTS GENERALLY ROBUST

Most countries in sub-Saharan Africa benefited from the recovery in export demand that followed the 2009 downturn and the surge in commodity prices in 2010 and early 2011. Nevertheless, with

Figure 1.11. Sub-Saharan Africa Nonresource Exporting LICs: Total Revenue, Excluding Grants, 2000–12



Source: IMF, World Economic Outlook database.

the pause in world trade growth in the second half of 2011, and further anticipated weakness this year, the impulse to economic activity provided by exports is expected to soften in 2012. This is likely to be most evident in MICs, reflecting in particular South Africa's dependence on manufactured as well as commodity exports and Botswana's reliance on diamond exports. However, with the euro area now buying less than one-fifth of sub-Saharan African exports—and China and other emerging markets becoming major destinations for the region's output—low-income and fragile economies are better placed to ride out a euro area-centered slowdown in global trade flows, but are still vulnerable to a broad-base decline in world trade (Figure 1.12).

Among low-income and fragile countries, two major trends are prevalent. For a few producers of nonrenewable natural resources—notably Liberia, Madagascar, Niger, and Sierra Leone—the exploitation of new mining developments (as well as oil in the case of Niger) will provide major boosts to exports, adding nearly 3 percentage points to the group's total export volume growth in 2012 and nearly 1 percentage point to GDP growth. Elsewhere, exports will broadly follow world trends.

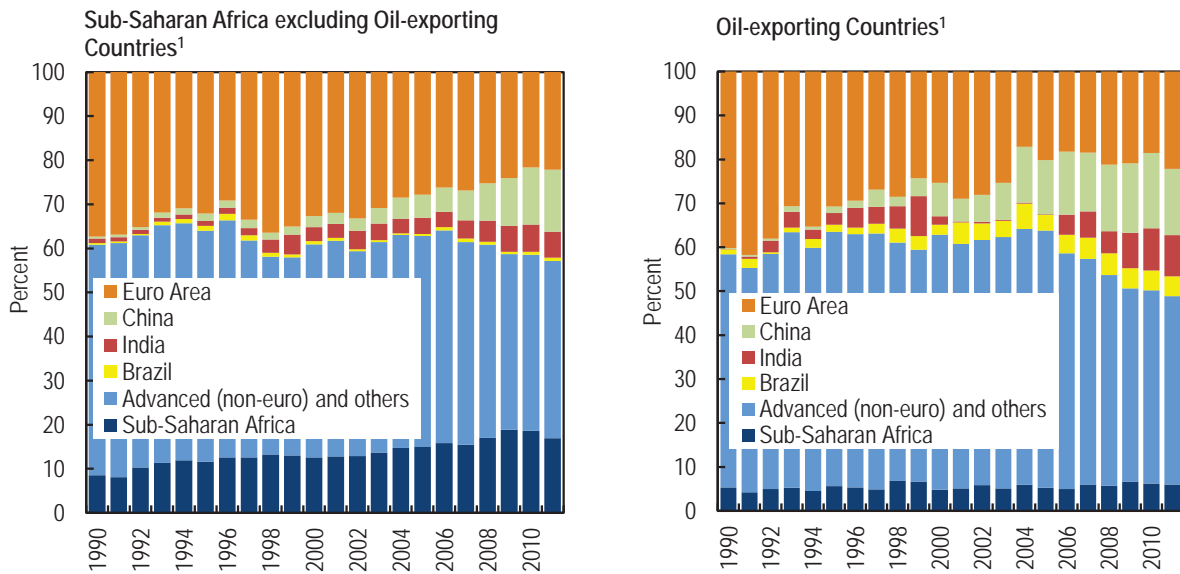
For most non-oil countries in sub-Saharan Africa, with terms of trade expected to decline from their high 2011 levels, the growth of imports in 2012 is generally expected to exceed that of exports. Reflecting also the stability of remittances in nominal terms since 2007—despite the volatile economic environment in which migrants have been working, inside and outside sub-Saharan Africa—a small deterioration is expected in the current account position of middle- and low-income countries overall. Offsetting this is a modest improvement in the surpluses of oil exporters, augmenting the significant improvement recorded in 2011 (Figure 1.13).

Mauritius, Nigeria, South Africa, and a few natural resource producers (Ghana, Zambia, Zimbabwe) continued to attract sizable portfolio inflows as investors in advanced countries and emerging markets extended their search for higher returns. But interest in other frontier markets in sub-Saharan Africa has remained well below precrisis levels, perhaps continuing to reflect the lack of high interest rate opportunities and exchange rate volatility (IMF, 2011, Chapter 2). A promising sign, nonetheless, is the increasing number of investor funds focused on sub-Saharan Africa.

PROGRESS ON POVERTY REDUCTION

Recent estimates by the World Bank confirm that the declining trend in the headcount poverty index since the mid-1990s continued into the latter part of the 2000s. Measured on the basis of a poverty line of US\$1.25 a day in 2005 prices, the estimated proportion of the region's population living in poverty fell from 56.5 percent in 1990 to 47.5 percent in 2008. But the region is lagging significantly in terms of making progress toward achieving the first Millennium Development Goal (MDG) of halving poverty rates, and it remains, by a significant margin, the region of the world with the highest incidence of poverty (Figure 1.14). Based on the progress made in recent years in reducing poverty, sub-Saharan Africa, along with South Asia, is not now expected to meet the 2015 MDG target.

Figure 1.12. Sub-Saharan Africa: Total Exports Shares by Partner



Source: IMF, Direction of Trade Statistics.

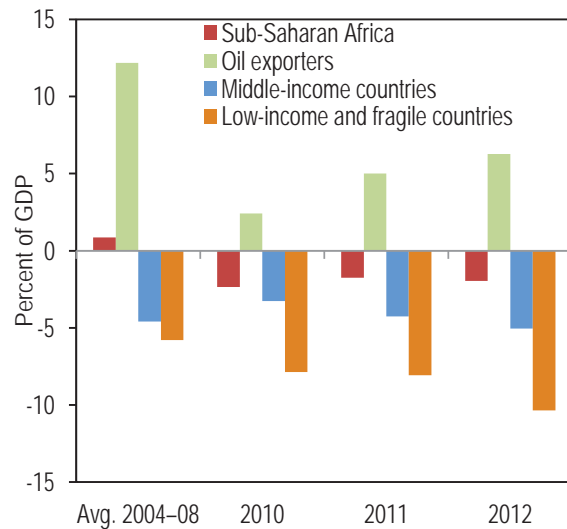
¹ Oil-exporting countries include Angola, Cameroon, Chad, Republic of Congo, Equatorial Guinea, Gabon, and Nigeria.

RISKS TO THE ECONOMIC OUTLOOK

Our key assumption thus far has been that world economic growth in 2012 will slow moderately, with only a mild pick-up expected through 2013 (Table 1.1 and Figure 1.2).⁴ There are significant downside risks to this scenario, with immediate threats including renewed escalation of the euro area crisis and a potential surge in oil prices stemming from heightened geopolitical uncertainties. Either of these developments would have significant adverse effects on sub-Saharan Africa.

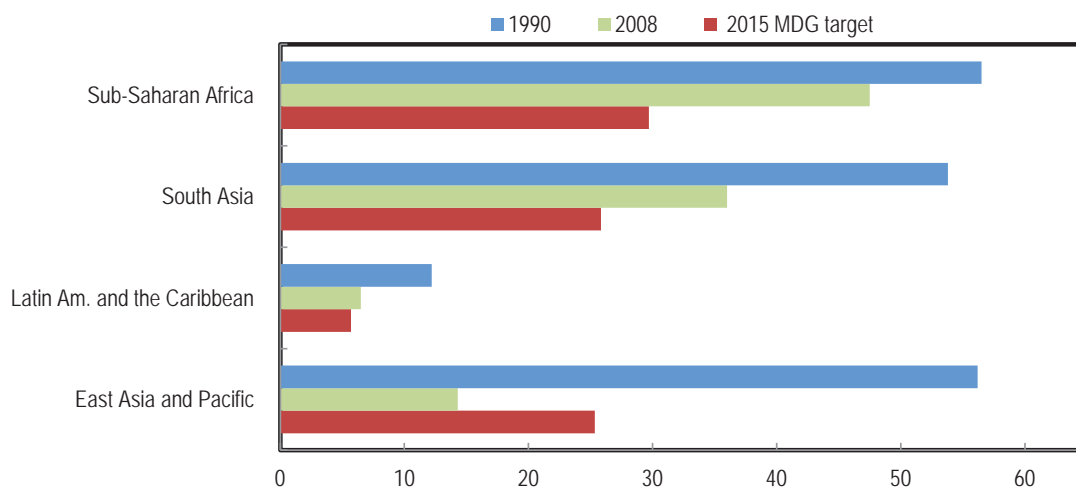
The April 2012 *World Economic Outlook* (WEO) envisages some further slowing of global growth (year-on-year) in 2012, with weaknesses concentrated in the advanced economies. There are, however, significant uncertainties around this baseline. The associated risk profile for output growth in sub-Saharan Africa in Figure 1.15 shows solid output growth in 2012 appears highly likely, but some slowing in the pace of growth relative to

Figure 1.13. Sub-Saharan Africa: External Current Account Balance, 2004–12



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

⁴ For further discussion of the global outlook, see the IMF's *World Economic Outlook*, April 2012.

Figure 1.14. Sub-Saharan Africa: Headcount Poverty Index Using the \$1.25 a Day Poverty Line

Source: World Bank, World Development Indicators.

2011 cannot be ruled out. To gain a better understanding of the downside risks, we consider two specific scenarios involving adverse global shocks.

Intensified stresses in the euro area

The first “downside” scenario is one in which financial stresses in Europe intensify significantly, driven by a tightening of bank credit and sharpened concerns over government finances and the quality of bank assets. This would, in turn, yield a significant contraction in output in the euro area, with knock-on effects on other parts of the global economy. The specific scenario explored in the WEO would result in global output falling (relative to the baseline projection) by about 2 percent by 2013, resulting in declines in oil and non-oil commodity prices of 17 percent and 10 percent, respectively.⁵

What would this mean for sub-Saharan Africa?

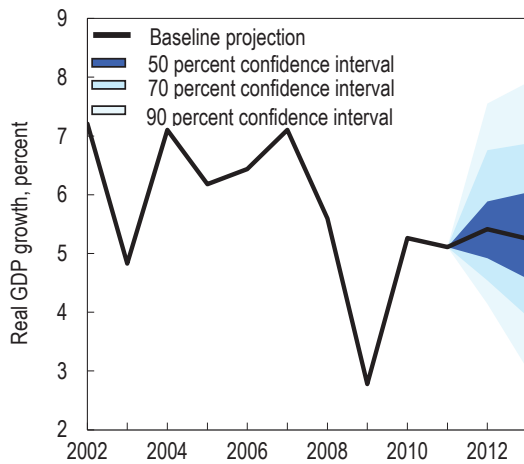
- Because most financial sectors are relatively insulated from global financial markets, spillovers from the global economy would be transmitted primarily through declines in

exports, tourism, direct investment, remittances, and, over time, aid flows.

- Two assessments of the effects of this global economic weakening on sub-Saharan Africa—one based on the IMF’s global economic model, a second based on a bottom-up assessment of the likely impact on a group of the larger economies in sub-Saharan Africa—yield similar conclusions: output growth in the region would be 0.5-0.6 percentage points lower in both 2012 and 2013. The effects would, however, differ significantly across country groupings.
- The slowing of growth would be more significant (around 0.7 percentage points in each year) in South Africa, where exports would be significantly affected by the contraction of demand in Europe. Any direct impact on the financial sector would be modest, although swings in capital flows (and weak exports) would affect the rand. The slowdown in South Africa would spill over to the other members of the South African Customs Union, possibly with a lag.
- Notwithstanding weaker oil prices, the major oil exporters would likely see only marginal

⁵ Were these events to be accompanied by a sharp generalized increase in global risk aversion, the impact on the global economy and, by extension, sub-Saharan Africa would be more marked.

Figure 1.15. Sub-Saharan Africa: Growth Prospects, 2012 and 2013



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

effects on non-oil output, with the main effect of the shocks being smaller accumulation of foreign reserves. Budgets for 2012 have, in the main, been framed on conservative oil price assumptions, so budget outlays should not be derailed by the envisaged oil price decline. Countries with weaker reserve positions could experience speculative capital outflows. Only in Cameroon—where non-oil exports to Europe are important—is growth likely to slow noticeably (by some 0.5 percentage points in each year).

- The projected impact on low-income countries is sensitive to country circumstances. Kenya's merchandise exports and tourist receipts rely significantly on European exports, so growth could slow quite significantly (at least 0.5 percentage points) in both 2012 and 2013. Ethiopia would be only modestly affected, provided that remittances and service exports prove as resilient as in 2009; the favorable effect of lower oil prices would dominate any losses in merchandise exports. The outlook would, however, be less benign if aid flows, also an important source of foreign exchange, were to come under pressure.

- Ghana, an emerging oil producer, would experience shocks to exports, although gold prices would likely remain robust in this scenario and cocoa export prices have been hedged through 2012. But there would also be adverse effects on capital flows, with the exit of foreign investors from the government securities market and some squeeze on direct investment, as financing from European banks dries up. In the aggregate, growth losses on the order of 0.5 percentage points each year are plausible. Growth in the DRC could be lower in 2012 by a similar amount, should lower commodity prices and financing constraints discourage foreign investment in the natural resource sector.

The expected impact on other sub-Saharan African economies in a “euro-area crisis” scenario would vary quite widely, but the cases discussed above point to the key drivers: reliance on European markets for noncommodity exports (including tourism); the size of foreign reserve buffers; some offsetting benefits for oil importers from a decline in world oil prices; the robustness of remittances; and the importance of foreign portfolio flows. Any adverse shock to aid flows would have significant effects in aid-reliant countries, such as Burundi, Ethiopia, Malawi, and Rwanda.

An oil price surge

The second “shock” scenario we consider is a surge in world oil prices driven by geopolitical tensions. It is useful to distinguish between two cases: a moderate shock (a 20 percent increase in oil prices in 2012-13, as compared to current projections, with limited impact on global output) and a severe shock of the type considered in the April 2012 *World Economic Outlook* (50–60 percent jump, with an ensuing global output drop of 1¼ percent relative to the *WEO* baseline).

Considering first the moderate-shock scenario, the impact on individual sub-Saharan economies is, of course, dependent on whether the country is an oil exporter or importer:

Box 1.4: Growth Dynamics in the SACU Region in the Aftermath of the Financial Crisis¹

For several years, GDP growth of SACU members has been lower than elsewhere in sub-Saharan Africa (Figure 1). Growth rates in the SACU show a fair amount of correlation across countries, reflecting both the exposure to common external shocks, and the transmission of shocks within the region, which is influenced by the union's revenue sharing rules.

After a solid rebound in 2010, real GDP growth in **South Africa** has remained at around 3 percent, supported by private and public consumption. Unemployment, which rose to around 25 percent during the crisis, is only now edging down. Growth has been hampered by the slow recovery in exports and private investment (Figure 2), partly reflecting weakness in Europe (South Africa's main trading partner) and a decline in the country's external competitiveness (due to rising domestic costs). Strikes in mining and manufacturing also affected output in 2011.

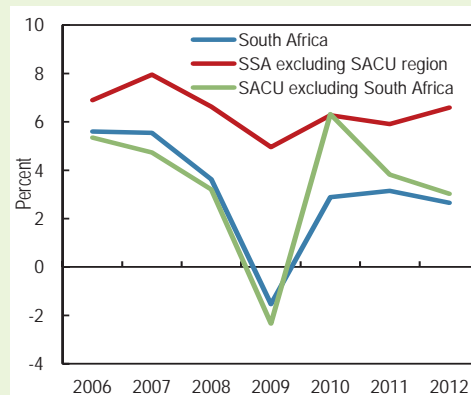
Given the weak external environment, South African GDP growth is projected at 2½–3 percent in 2012, gradually rising to 3½–4 percent in the medium term. This path will affect other SACU members (with some lag) through its impact on payments. Individual country outlooks in the region will also be affected by country-specific circumstances:

- GDP growth in **Botswana** and **Namibia** bounced back strongly in 2010 to 6½–7 percent, as a result of a recovery in external demand for mineral products. In Botswana, growth has since slowed, reflecting both some easing of demand for diamonds (the key export) and supply bottlenecks. In Namibia, output expansion in 2011 was adversely affected by severe flooding, affecting both agriculture and mining. Given external conditions, growth in both countries is projected at around 3–4 percent in 2012.
- **Swaziland** was severely affected in 2011 by a sharp fall-off in SACU revenue-sharing payments (a lagged response to recession in South Africa in 2009), undermining the already stretched fiscal situation and contributing to the emergence of large domestic arrears. Against a backdrop of continued fiscal stresses, GDP is expected to decline by 2.7 percent in 2012.
- **Lesotho** also saw a drop-off in SACU receipts in 2010–11, prompting a sizable fiscal adjustment, but growth has remained robust, bolstered by expanding diamond production and the initiation of major infrastructure projects. GDP is expected to rise by 5 percent in 2012–13.

This box was prepared by Nir Klein.

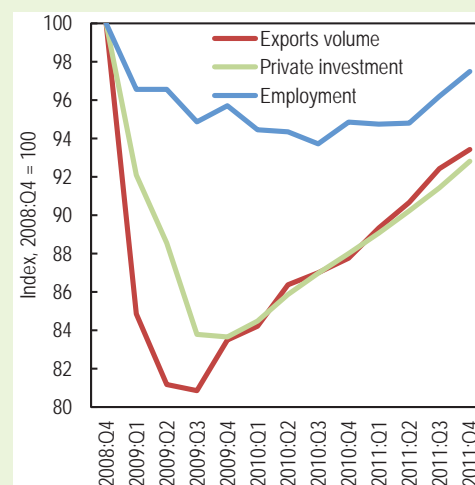
¹ The South African Customs Union (SACU) includes Botswana, Lesotho, Namibia, South Africa, and Swaziland; the customs revenue collected by the Union is shared among the five member states in a manner that is not closely aligned with economic size, providing substantial revenues (relative to GDP) to the smaller economies.

Figure 1. Real GDP Growth in Sub-Saharan Africa and the SACU Region



Source: IMF, World Economic Outlook database.

Figure 2. South Africa: Exports Volume, Private Investment, and Employment



Source: Country authorities.

Box 1.5. Sub-Saharan Africa’s Exposure through Trade to the Economic Slowdown in the Euro Area

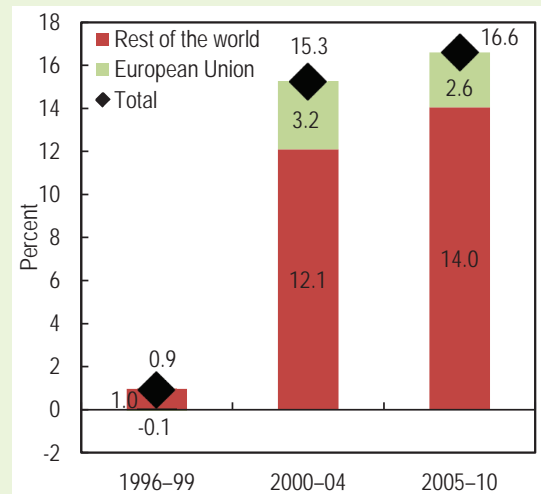
The contraction of economic activity in Europe has so far had a limited impact on growth in most of sub-Saharan Africa, with South Africa as a significant exception. Provided that commodity prices remain at relatively high levels, exports from sub-Saharan Africa are not expected to decline sharply. If the slowdown in Europe induced much lower global growth, then the negative impact on commodity prices would likely be much higher. While Europe continues to be sub-Saharan Africa’s main trading partner (accounting for approximately 30 percent of the region’s merchandise exports over the 2000–10 period), there are two reasons why most countries in sub-Saharan Africa are not as directly exposed to the economic slowdown in Europe through trade as they were in the past or relative to other regions.

First, as shown in Figure 1.12 of the main text, most countries in sub-Saharan Africa have diversified their exports away from Europe and toward emerging markets as well as intraregional trade. Merchandise exports from sub-Saharan Africa to the European Union as a share of total exports decreased from 33 percent over the 1995–2004 period to 26 percent over the 2005–10 period. This implies that the same decrease in exports to Europe would have a lower impact on growth in the region, and that exporting to other regions with higher growth (including within Africa) is a source of added strength.

Second, while exports account on average for about 36 percent of GDP over the 2000–10 period, 80 percent of these exports are commodities. Given that the contribution to commodity exports growth from the rest of the world has been higher than from Europe (Figure 1), the deceleration of export growth to Europe will have a limited impact on sub-Saharan Africa.

In fact, sub-Saharan Africa is the region with the highest reliance on primary commodity exports after the Middle East and North Africa, as shown by the low levels of manufactures exports as a share of GDP (Figure 2). Thus, a decline in noncommodity exports would have a limited impact on most countries in the region.

Figure 1. Sub-Saharan Africa: Average Contribution to Commodity Export Growth by Destination



Source: IMF staff calculations based on data from United Nations Conference on Trade and Development.

Figure 2. Selected Regions: Manufactures Exports



Source: IMF staff calculations based on data from World Bank, World Development Indicators.

This box was prepared by Rodrigo Garcia-Verdu.

- For **oil exporters**, the price jump would provide sizable windfall revenues to national budgets (as in 2008), with the impact on the national economy depending very much on the policy response (“spend” or “save”).⁶ If windfall revenues are saved (in the form of higher foreign reserves), the short-term impact on growth would be limited, concentrated in the oil sector and those sub-sectors from which it buys inputs.⁷ Were these revenues to be spent, there would be a short-term surge in both growth and inflation—with the longer-term impact dependent on the extent to which new spending is focused on productive capital investment.
- For **oil importers**, the effects of the price shock would depend both on fuel-pricing policy and any ensuing monetary policy response:
 - In southern Africa and East Africa, where pass-through of import price increases to retail prices is the norm, the first-round effects of the price shock would likely be accommodated, with central banks tightening policy only to prevent a more generalized increase in inflation. IMF country teams’ analyses suggest adverse growth effects on the order of 0.3–0.5 percentage points in both 2012 and 2013, with additional inflation of some 2–4 percentage points spread over two years.⁸
 - West Africa would likely seek to shield domestic consumers from the effects of the fuel price increases, implying minimal

direct impact on inflation but at the cost of widening fiscal deficits (on the order of 1–1½ percent of GDP) and current account deficits.⁹

The severe-shock scenario would, of course, have a much larger impact on national economies, given the adverse shock to global output (and hence demand for African exports). The broad outlines of the impact would be along the lines sketched above, but with proportionally larger real income shocks in oil importing countries and a decline of non-oil exports in all countries. The adverse impact on growth and inflation in southern and East Africa would, of course, be much greater, with the monetary policy response a key influence on outcomes. The surge of fiscal and external deficits in western African economies favoring tight control of retail fuel prices would be large, requiring some mix of foreign reserve depletion, increased foreign borrowing (assuming availability), and almost certainly some fuel price adjustments to limit borrowing needs.

Homegrown risks to the outlook

Not all risks stem from the uncertain global environment. Key domestic risk factors include: (i) rising internal tensions, most strikingly in Mali but also in several Sahel countries and, more generally, in countries where growth is either sluggish or noninclusive; (ii) political tensions linked to elections and possible transfers of power; and, as always, (iii) climatic shocks.

⁶ See Chapter 3 for discussion on past experience regarding the use of revenue windfalls.

⁷ Consumer price inflation would likely be little affected, given the propensity of most oil producers in sub-Saharan Africa to limit pass-through of rising world fuel prices into domestic retail prices.

⁸ In countries with floating exchange rates (such as South Africa and the large EAC countries), exchange rate depreciation would be part of the adjustment process.

⁹ Preventing the pass-through of oil price increases to consumers, while appearing to contain inflation, is typically a poor policy choice, transferring the burden from fuel consumers to the general tax-payer (a move favoring the better off) and creating significant economic distortions.

MACROECONOMIC POLICY CHOICES IN AN UNCERTAIN WORLD

The economies of sub-Saharan Africa are, for the most part, expected to record solid growth in 2012 and beyond. With fiscal deficits well above precrisis levels in most oil-importing countries, and above debt-stabilizing levels in many of these countries, there is a good case for some fiscal consolidation in most low-income countries—to rebuild fiscal buffers, enhance the capacity to manage adverse shocks, and contain debt accumulation. The case for adjustment is not compelling in countries where growth remains weak, or where vulnerability to developments in Europe poses a threat to growth. But demand management is only one factor to weigh in setting policies: the adequacy of foreign reserves, the pace of debt accumulation, and the scale and quality of public investment are also key in assessing budgetary policy choices. Countries with significant monetary policy autonomy—about half of sub-Saharan Africa—have an additional, more flexible tool to deploy for macroeconomic management, but in several countries monetary policy will need to focus primarily on reducing sharply elevated inflation rates.

Policymakers in sub-Saharan Africa continue to confront an unusually uncertain external environment, with the global pace of economic recovery having slowed and with potential trouble spots ahead. Contingency planning in the fiscal area is warranted, most importantly in countries where adjustments of exchange rates and interest rates are not options for national policymakers. Given the variation in country circumstances, there are no “one-size-fits-all” policy prescriptions, but some general guidelines can be specified:

- In countries where fiscal deficits are above debt-stabilizing levels, where fiscal policy buffers (including borrowing capacity) are limited, and where growth is likely to remain robust, there are good grounds for consolidation measures to strengthen the fiscal position over time. Unless downside risks materialize, 2012 is not “the rainy day” for which ongoing fiscal stimulus is

needed, but rather a period during which fiscal positions should be strengthened.

- By contrast, in countries where output is below trend levels and growth is slowing, or where exposure to euro area developments is significant, substantial fiscal tightening—further reducing demand—would be inappropriate at this juncture. Nevertheless, as in advanced countries, credible medium-term adjustment plans are needed if rising public debt levels are becoming a concern. Accommodative monetary policy offers the best route to support economic activity for such countries, given that inflation is adequately contained.
- For the countries that experienced large jumps in inflation rates during 2011, eventually triggering a significant tightening of monetary policy, reducing inflation to “normal” levels should remain a key priority. Monetary policy should only be adjusted on the basis of clear progress toward inflation objectives.
- Contingency plans should be developed to allow appropriate responses to adverse shifts in the global economy. Absent monetary/exchange rate tools, the focus has to be on designing temporary fiscal measures that could support demand (in countries where automatic stabilizers are weak and governments have borrowing space) and on improving targeted social safety nets to pave the way for pass-through of oil price shocks into domestic prices. Where available, monetary policy can be adjusted speedily to respond to adverse external shocks.

Oil exporters

For most oil exporters, the growth outlook is favorable, even with a weakening of oil prices; foreign reserve buffers need rebuilding, notably in Nigeria, implying a need to save oil revenues (via fiscal surpluses). That said, large infrastructure gaps in most countries (for example, Angola) argue for increased public investment, provided that projects can be appropriately designed and effectively executed without straining domestic capacity. Each

country will have to find its own appropriate mix of reserve accumulation balanced against judicious additional public investment.

It is noteworthy that both Angola and Nigeria are targeting reductions in non-oil balances in 2012, facilitating reserve accumulation, while seeking to shift the composition of public spending toward investment (in physical and human capital). Cameroon seeks to follow this path but an underestimation of the cost of fuel subsidies and uncertainty regarding the capacity of the regional market to absorb the planned securities issuance could result in sizable budgetary arrears. Fiscal policy in Equatorial Guinea and the Republic of Congo aims at scaling up investment to close the infrastructure gap, although weak public financial management is hindering implementation effectiveness.

Middle-income countries

In South Africa, a significant output gap and slow growth, with initially moderate public debt levels, have justified significant fiscal easing since the onset of the 2008–09 global recession; monetary policy, operating within an inflation targeting regime, has also been accommodating. Given the projected weakening of growth, with vulnerability to Europe an important risk factor, continuation of this policy mix is warranted in 2012—but fiscal consolidation will be needed over the medium term to halt the debt build-up.

Among the smaller middle-income countries, there is scope for fiscal tightening this year, absent a strong shock to external demand, with sizable adjustment an imperative in Swaziland, while in Botswana fiscal adjustment is already underway.

Among the recent arrivals in the lower middle-income group, continued growth in both Senegal and Zambia provides room for fiscal tightening; the fiscal deficit is well above sustainable levels in Senegal, while there is a need to rebuild fiscal and foreign reserve buffers in Zambia. In Ghana, where non-oil sector growth is strong and inflation has eased, there is also a need to rebuild weakened fiscal and reserve buffers.

Low-income countries

Sub-Saharan Africa's low-income and fragile countries constitute a diverse group, with the drivers of economic growth differing significantly across countries. New natural resource exploitation is driving dramatic growth surges in Niger and Sierra Leone, political events are influencing economic developments in several countries (such as Côte d'Ivoire, Mali, and Madagascar), while sizable concessional aid inflows are providing financing for appropriately large fiscal deficits in other countries (such as Mozambique, São Tomé and Príncipe, and Tanzania). Severe infrastructure gaps in most cases provide an argument for high levels of public investment, financed by external borrowings where sufficient domestic savings cannot be mobilized. Nevertheless, weak implementation and absorption capacities caution against “big pushes” that can result in wasted resources and renewed debt burdens. Against this background, macroeconomic policy assessments require careful consideration of individual country situations—including, in fragile states, taking explicit account of measures needed to reinforce internal stability.

In most countries in the EAC, returning inflation rates to single-digits from the elevated levels reached in 2011 is an overarching priority (Box 1.3): monetary policy has been sharply tightened, with gradual easing being called for only when achievement of this objective is credibly assured. Inflation remains a significant problem also in Guinea (a hangover from economic mismanagement under military rule in 2009–10) and Sierra Leone (reflecting fiscal slippages that created intense monetization pressures on the central bank). Tight fiscal policy will be key to containing monetary growth and, by extension, lowering inflation.

In Côte d'Ivoire, policies are framed around the twin objectives of facilitating economic recovery and managing the social impact of the post-election crisis: fiscal deficits are sharply higher in 2011–12 to accommodate these objectives, financed in good part through external support in 2011 and debt issuance on the regional (WAEMU) market in

2012, with price stability being assured via participation in the WAEMU currency union. In Liberia, budgetary policies were organized around the principle of balanced cash budgets until the achievement of the HIPC Completion Point in June 2010; since then, modest deficits have emerged, in good part reflecting the shift by development partners from grant-based aid (above the line) to long-term concessional loans (below-the-line). Higher deficits would be justified to accommodate well-designed, high-return investment projects, most notably in electricity generation.

Ethiopia has recorded rapid economic growth over an extended period, fueled in part by heavy public investment in infrastructure. The sustainability of this growth model over the medium term is uncertain, given the constraints on private sector development, the absence of savings incentives (given highly negative real interest rates), and the contraction, in relation to GDP, of the banking system. Financial sector reforms, including movement towards market-driven credit allocation, are an important priority.

Countries requiring fundamental policy adjustments

In some countries, more fundamental policy adjustments are needed to improve or sustain growth and reduce macroeconomic imbalances. In Eritrea, comprehensive reforms are needed to set its economy on a strong, sustained growth trajectory, including internal market liberalization, exchange rate adjustment, and greater openness to international trade. In Malawi, the economy has slowed, as an overvalued exchange rate, coupled with de facto rationing of foreign exchange, has created increasing economic disruption: the main policy imperative is liberalization of the foreign exchange market, supported by appropriately tight monetary and fiscal policies to contain inflation. In Swaziland, substantial fiscal retrenchment, including reducing an exceptionally high public wage bill, is essential to align spending levels with average revenue levels (which are volatile from year to year, given fluctuations in the SACU revenue pool).

In Zimbabwe, firm measures are needed to prevent the public sector wage bill from crowding out other priority outlays, and policy uncertainty needs to be reduced if nonmineral growth is to be sustained. Zimbabwe's large debt overhang remains a serious impediment to medium-term fiscal and external sustainability, and will need to be addressed as part of a comprehensive arrears clearance framework.

THE DEVELOPMENT AGENDA FOR SUB-SAHARAN AFRICA

The focus in this chapter has been on the near-term economic outlook and the associated implications for macroeconomic policies—a focus warranted by the difficult and uncertain international economic situation. Sound macroeconomic policies can deliver only an enabling environment for economic development—which needs to be supplemented by a capable state apparatus, delivering essential services (such as security) and high levels of well-executed public investment in infrastructure and human capital, financing itself through sensibly designed taxation policies, and providing a business environment, including an efficient and stable financial system, that is supportive of private sector activity. A broadly stable political environment is, of course, a fundamental requirement for growth—with the track record of countries at one time wracked by civil strife underscoring that political stability can best be maintained if growth is both sustained and inclusive. The historical experience has made it clear that this circular linkage can be virtuous or vicious, depending on how it is managed.

Significant strides have been made in sub-Saharan Africa over the past decade in improving both the capacity of the state (including its financing via revenue mobilization) and the environment for private sector activity. Further progress in both areas will be needed if the strong growth over the past 10–15 years, which was assisted by strong global demand for Africa's natural resources, is to be sustained and become more broad-based in the years ahead.

2. The Impact of Global Financial Stress on Sub-Saharan African Banking Systems

INTRODUCTION AND SUMMARY

In the last few years, the world has experienced three episodes of global financial stress. The most significant took place after the collapse of the U.S. investment bank Lehman Brothers in late 2008. The other episodes, in mid-2010 and late 2011, have involved the deterioration of European public finances and financial conditions. The theme that runs through these three episodes is a generalized increase in global risk aversion (Figure 2.1). This chapter explores the channels through which global financial stress affects sub-Saharan African banking systems,¹ reviewing the effects of the 2008–09 financial turmoil and the recent European crisis.

The main findings are the following:

- Most sub-Saharan African banking systems have proved resilient to the recent episodes of global financial stress.² Although there has been pressure on loan quality, profitability, and bank liquidity, most banking systems withstood stress without experiencing a crisis.

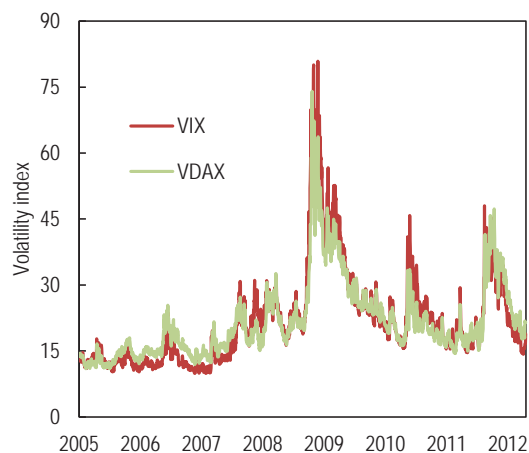
This chapter was prepared by Jorge Iván Canales-Kriljenko, Mauro Mecagni, and Alexis Meyer-Cirkel; with research assistance from Sandra Donnally, Samuel Fahlberg, Emily Forrest, Cleary Haines, Brian Moon, and Luiz Edgard R. Oliveira; editorial assistance from Jenny Kletzin DiBiase; and administrative assistance from Natasha Minges and Anne O'Donoghue.

¹ Banks and other deposit-taking institutions dominate the financial systems in most of sub-Saharan Africa, with a few exceptions that include countries in southern Africa and offshore financial centers like Mauritius and Seychelles. Data availability prevents examination of the evolution of micro-finance institutions, which play a useful and expanding financial role, and of Islamic banks.

² Banking systems in the CFA franc zone have also been resilient to political stress in Côte d'Ivoire during 2010.

- The channels for transmitting financial stress are primarily indirect.³ Direct linkages are limited by the relatively modest scale of banks' foreign assets and liabilities. Most banking systems in the region have small cross-border liabilities, rely on stable domestic retail funding, and are typically quite liquid. The key indirect channel is the impact of global financial stress on world growth and trade, with attendant spillovers on commodity prices, external demand, economic activity, and, as a result, on the quality of loan portfolios.
- The macroeconomic impact of the 2008–09 crisis on sub-Saharan Africa's economies was marked but short lived. Sharp exchange rate movements posed challenges for banks or firms with net open foreign exchange positions, especially in a few dollarized economies.

Figure 2.1. Global Risk Aversion, 2005–12¹



Source: J.P. Morgan (updated on April 2, 2012).

¹ VIX is the Chicago Board of Options Exchange Volatility Index of the U.S. SP500 stock market index, while the VDAX is the German equivalent.

³ Direct linkages refer to relations between countries' financial systems, while indirect linkages refer to macroeconomic channels of contagion.

- Recent European financial distress is not expected to significantly disrupt most sub-Saharan African banking systems. First and foremost, baseline projections in the April 2012 *World Economic Outlook* suggest a much more modest slowing of world growth and trade than was observed in 2008–09 (Chapter 1). Secondly, the low financial integration of sub-Saharan African economies limits the direct exposure of most banking systems to worsening financial conditions abroad. However, intensification of the crisis in the euro area along the lines discussed in Chapter 1 would likely impose further strains on the quality of loan portfolios, albeit without creating severe distress.

Although external developments do not pose an immediate threat to the region's banking systems, there is no room for complacency in regard to ensuring financial stability.

- For the 16 sub-Saharan African jurisdictions for which Basel Core Principles have been assessed, observance of these principles compares well to that in other regions, although there are still significant shortcomings in prudential regulation and supervision.⁴
- Credit to the private sector in several sub-Saharan African countries has continued to grow at high rates throughout the global financial crisis. Although some of the credit growth may reflect financial deepening from a very low base, it may also reflect a deterioration in the quality of banks' loan portfolios.
- During the last few years, Pan-African banking groups have expanded rapidly in the region (see below), and in many host countries they already manage a significant share of domestic deposits. The spread of these banking groups has increased competition in national banking systems, while also contributing to the

introduction of new technologies, products, and management techniques (FSB, IMF, and World Bank, 2011). But rapid expansion of these groups may, in some cases, have outpaced supervisory capacity. Under adverse economic conditions across the region, these banking groups could become a channel for cross-border contagion.

- Banks in sub-Saharan Africa have asset-side exposures to segments of the European financial system that have come under stress, posing a risk to banks' foreign assets.

These findings have the following policy implications, which should be adapted according to each economy's level of financial development and implementation capacity:

- Country authorities need to move ahead with their plans to strengthen supervisory capacity and financial sector resilience. Close bank monitoring in countries experiencing fast credit growth is a priority.
- The emergence of Pan-African banking groups creates the need for regional supervisory arrangements to ensure that these banks are subject to consolidated supervision. Effective mechanisms for limiting cross-border contagion—such as ring-fencing arrangements aimed at preserving subsidiaries' resources—could be added to a review of existing banking-resolution frameworks.⁵
- Given financial stresses in Europe, supervisory authorities should undertake a review of commercial bank and central bank standards and practices in regard to the placement of foreign investments and deposits.
- Further actions are warranted to explore the impact of macroeconomic developments on systemic financial risk in Africa. International financial institutions can play a facilitating role in this regard, but enhanced dialogue between

⁴ Financial assessments by the World Bank and IMF under the FSAP provide a rich source of information on banking systems and the quality of bank supervision and oversight in the countries assessed.

⁵ Ring-fencing arrangements could also be of value in preventing the spillover of problems of non-African parent banks into their African subsidiaries.

the relevant authorities in the region's largest financial systems would improve the evaluation of systemic risks.

THE REGION'S BANKING SYSTEM EXPERIENCE IN 2008–09

Financial stress in the wake of the Lehman collapse triggered a sizable shift away from risky assets and activities. This, in turn, contributed to a sharp global slowdown.

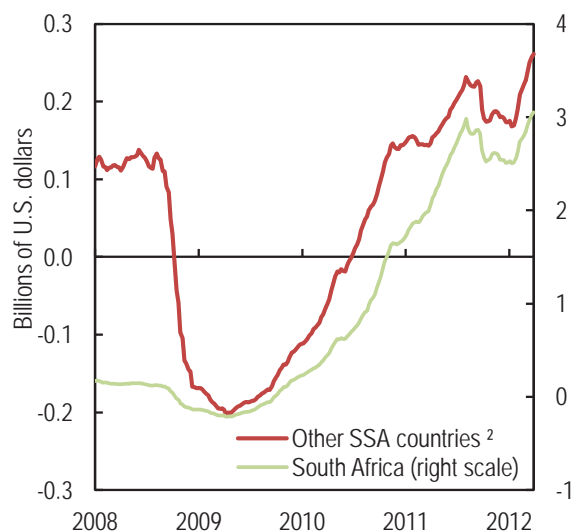
Direct Financial Impact

Among sub-Saharan African countries, South Africa was most affected by the global financial turmoil because its equity market and deep, liquid bond market attract sizable amounts of foreign portfolio investment and carry trade. After the Lehman collapse, South Africa faced significant declines in stock prices and currency depreciation. It also

experienced portfolio investment outflows, which nevertheless look modest compared with the large inflows that it received between mid-2009 and mid-2011.

In addition to South Africa, 10 other financially more advanced sub-Saharan African markets experienced portfolio capital outflows in late 2008 that eventually reverted to inflows in late 2009. Although foreign investors had paid increasing attention to these countries since the mid-2000s, the size and development of their financial markets and the cross-border flows they received remained limited (Figures 2.2 and 2.3). Data from the coordinated portfolio and direct investment surveys confirm that equity investments are a significant portion of GDP only in South Africa (Figure 2.4). In most countries, the European presence is through foreign direct investment, rather than portfolio investment. Although European investors play an important role in many of the region's countries, South African investors themselves play an

Figure 2.2. Sub-Saharan Africa: Bond Flows, 2008–12¹

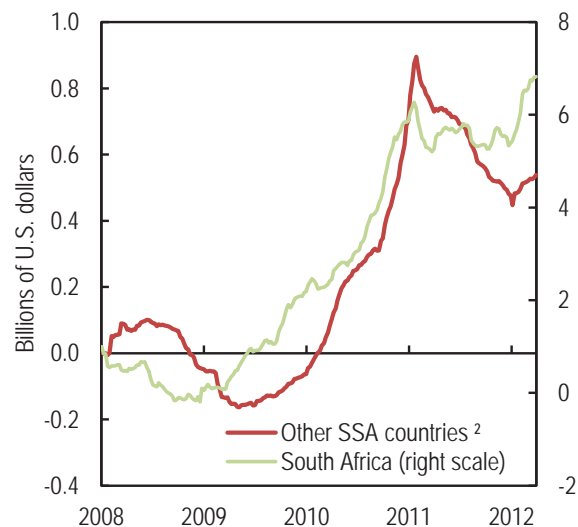


Source: EPFR Global database.

¹ Cumulative since July 2004. Data corresponds to cumulative flows of investment in bonds issued by entities of the corresponding SSA countries by global exchange traded funds and mutual funds, expressed in U.S. dollars, as reported to the EPFR Global database.

² Other SSA countries for which data are available include Botswana; Congo, Dem. Rep. of; Côte d'Ivoire; Gabon; Ghana; Nigeria; and Zambia.

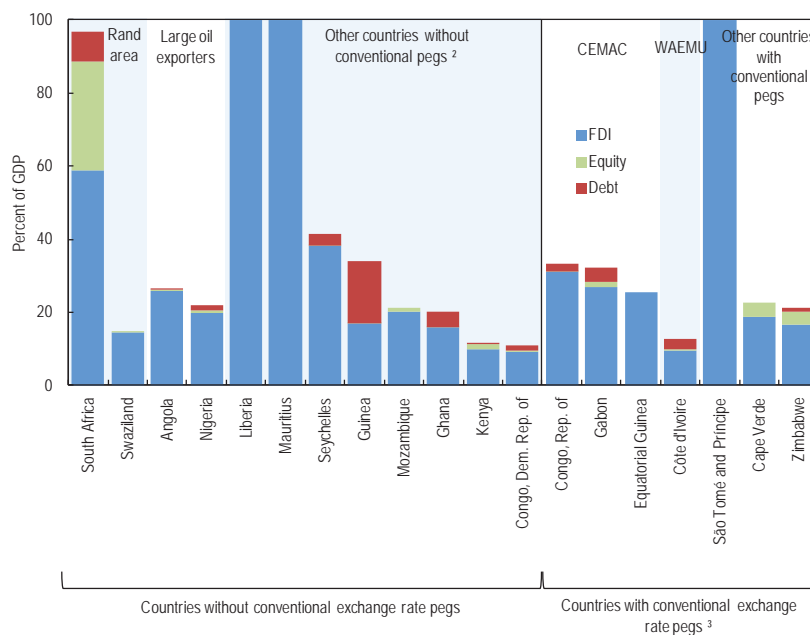
Figure 2.3. Sub-Saharan Africa: Equity Flows, 2008–11¹



Source: EPFR Global database.

¹ Cumulative since November 2000. Data corresponds to cumulative daily flows of investment in stocks issued by entities of the corresponding SSA countries by global exchange traded funds and mutual funds, expressed in U.S. dollars, as reported to the EPFR Global database.

² Other SSA countries for which data are available include Botswana, Ghana, Côte d'Ivoire, Kenya, Malawi, Mauritius, Namibia, Nigeria, Zambia, and Zimbabwe.

Figure 2.4. Sub-Saharan Africa, Select Countries: Portfolio and Foreign Direct Investment, June 2011¹

Sources: Coordinated Portfolio and Direct Investment Surveys.

¹ Each bar represents total portfolio and direct investment liabilities of each SSA country to European, U.S., and South African investors. Figures truncated to 100 percent of GDP and data are only shown for those countries that breach 10 percent of GDP. Those for Liberia (a shipping registry center) account for about 950 percent of GDP. That for offshore center Mauritius accounts for 317 percent of GDP, while total investment for São Tomé and Príncipe account to over 1,000 percent of GDP.

² Includes SSA countries whose exchange rate regime falls within a wide dispersion in the degree of flexibility, ranging from de facto crawling pegs to fully floating regimes, according to the IMF's 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

important role in some of the smaller sub-Saharan African economies (Figure 2.5).

The impact of the global shift in risk aversion on asset prices varied significantly between South Africa and frontier sub-Saharan African markets.⁶ This effect can be measured by estimating the sensitivity of local stock prices and exchange rates to movements in the Chicago Board of Options' Exchange Volatility Index (VIX), a proxy for global risk aversion (Figure 2.6). While the South African rand reacted more strongly to the VIX relative to most emerging market currencies, its stock prices reacted less. Interestingly, however, stock prices reacted more in South Africa than in frontier sub-Saharan African markets.

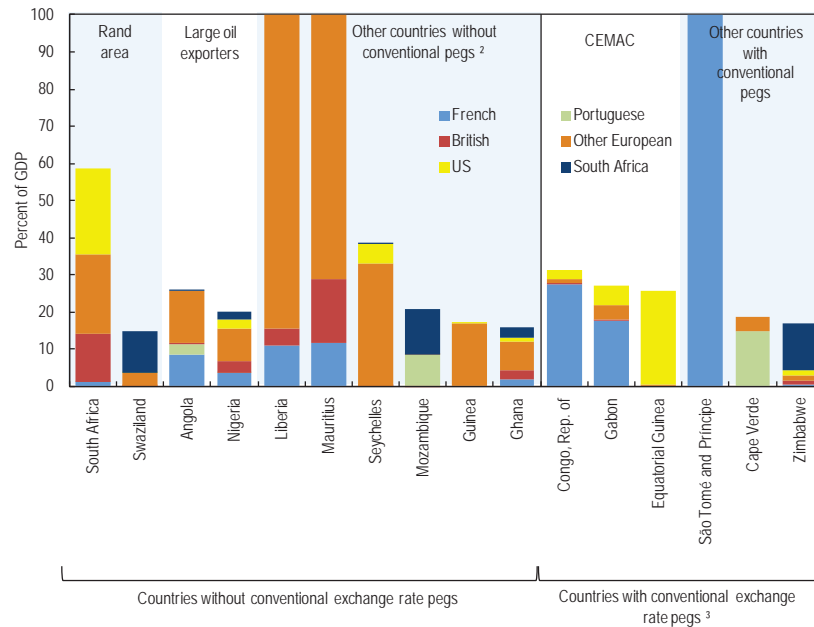
⁶ Frontier markets include Angola, Ghana, Kenya, Mauritius, Mozambique, Nigeria, Senegal, Tanzania, Uganda, Zambia, and Zimbabwe (see IMF, 2011).

Although the effect on stock prices and exchange rates was contained, the flight from risky assets did indirectly affect some of the sub-Saharan African frontier markets. For example, in Zambia the sharp reduction in foreign investors' demand for Zambian bonds led to a credit crunch when the banking system took over as the primary source of government financing (Portillo, 2011).

Outside of the frontier markets, the global shift away from risky assets did not have a major direct impact on most sub-Saharan African countries, as they are not significantly integrated into global financial markets.⁷ Most sub-Saharan African countries are still financially underdeveloped; many retain significant capital controls, some of which were tightened at the margin during the crisis (Figure 2.7). The median sub-Saharan African

⁷ For an early assessment, see IMF 2009 (Chapter II).

Figure 2.5. Sub-Saharan Africa, Select Countries: Inward Portfolio and Foreign Direct Investment, 2010¹



Sources: Coordinated Portfolio and Direct Investment Surveys.

¹ Each bar represents total portfolio and direct investment liabilities of each SSA country to European, U.S., and South African investors. Figures truncated to 100 percent of GDP and data are only shown for those countries that breach 10% of GDP. Those for Liberia (a shipping registry center) account for about 950 percent of GDP. That for offshore center Mauritius accounts for 317 percent of GDP, while total investment for São Tomé and Príncipe account to over 1,000 percent of GDP.

² Includes SSA countries whose exchange rate regime is classified as either a conventional peg or a currency board, according to the IMF's 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

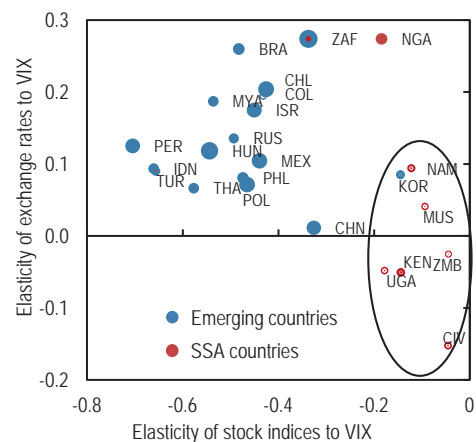
country experienced a decline in nonresident capital inflows; with no systematic resident capital flow activity, foreign direct investment also declined, but remained positive, and foreign exchange reserves (net of the 2009 IMF SDR allocation) fell more markedly in countries with fixed exchange rate regimes.

Resilient Banking Systems in the Region

Nigeria was the only sub-Saharan African country to experience a banking crisis in 2009 (Figure 2.8). Its origins lay primarily on deficiencies in corporate governance (masked during the boom) rather than on external financial shocks (see Box 2.1). All other sub-Saharan African banking systems generally proved resilient in the face of the global economic crisis. Specifically:

- Banks' foreign assets and liabilities were not materially affected over the course of the global

Figure 2.6. Select Countries: Exchange Rate Flexibility and Stock Market Sensitivity to Changes in Global Risk Aversion^{1,2}

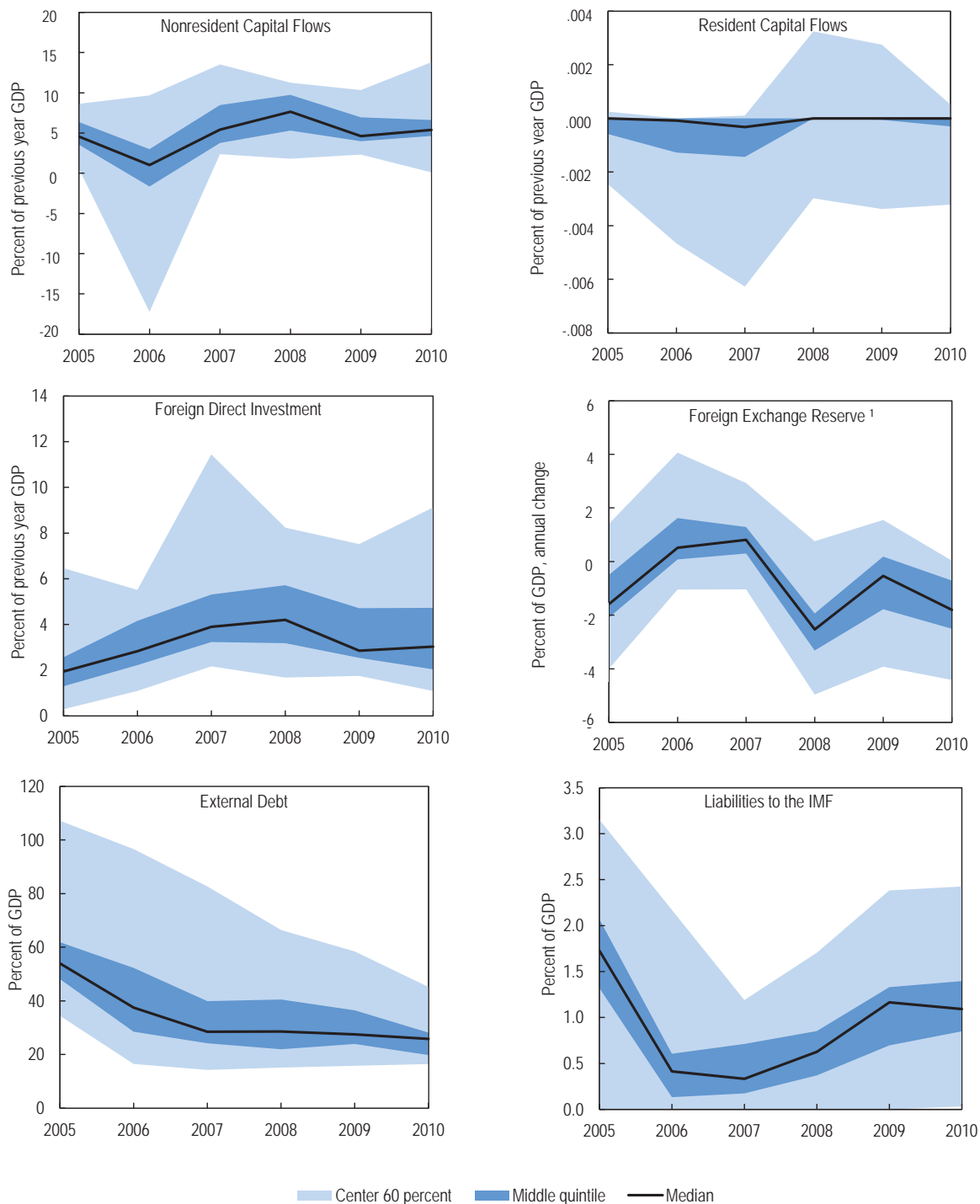


Source: Bloomberg and IMF staff estimates.

¹ A positive exchange rate sensitivity to the VIX index indicates the domestic currency depreciates when the VIX index increases.

² Bubble size represents R squared in linear regressions on VIX (logs, daily).

Figure 2.7. Sub-Saharan Africa: Capital Flows and External Debt, 2005–10



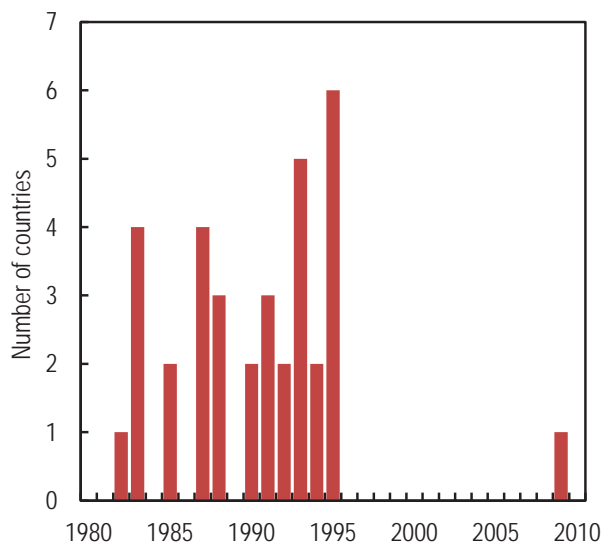
Sources: IMF, World Economic Outlook database; and IMF, Statistics Department, International Financial Statistics database.

¹ Excludes 2009 SDR allocation.

financial crisis in most sub-Saharan African countries (Figure 2.9), although some countries (notably South Africa) experienced a drop-off in foreign funding (Appendix Tables 2.1–2.3).

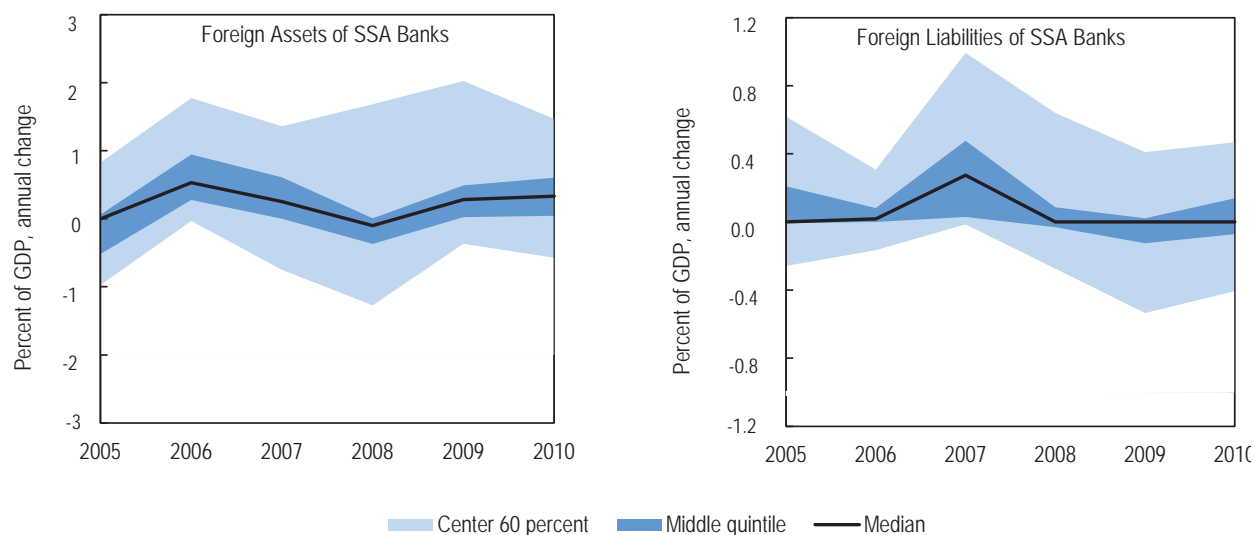
- In most banking systems, domestic bank deposits continued to increase in percent of GDP throughout the period.⁸ That said, banks in some countries needed central bank liquidity support during the crisis period, with deposits declining in relation to GDP in a few countries through June 2009.
- On average, credit to the private sector in relation to GDP increased throughout the crisis period, albeit by less than deposits. Real credit stocks continued to increase in frontier markets and financially developing economies, but came to a halt in oil-exporting economies by early 2010, later rebounding as oil prices recovered

Figure 2.8. Sub-Saharan Africa: Systemic Banking Crises, 1980–2010



Sources: Laeven and Valencia (2008); and IMF staff estimates.

Figure 2.9. Sub-Saharan Africa: Banks' Foreign Assets and Liabilities, 2005–10



Sources: IMF, Statistics Department, International Financial Statistics database.

⁸ In particular, sub-Saharan African bank deposits increased, on average, by 3 percentage points of GDP between June 2008 and June 2009, and by another 3 percentage points between June 2009 and June 2011.

Box 2.1. Nigeria's Banking Crisis

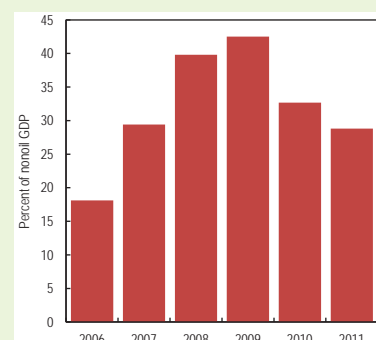
The 2009 banking crisis in Nigeria followed a period of high credit growth under weak regulation and supervision. Following a consolidation of the sector in 2005–06, and amidst large oil-related inflows and a loose monetary policy stance, loans to the private sector climbed from 18 percent of non-oil GDP to 40 percent in about two years (Figure 1). A large share of this expanding credit was used to purchase equities, in many cases with commercial banks extending the credit. Another significant share financed unhedged oil imports. When the stress generated by the global financial crisis burst the equity bubble and oil prices collapsed (Figure 2), many stock-backed and oil-related loans became nonperforming. Although official statistics showed a relatively resilient banking outlook by March 2009 (see Table 1), special audits undertaken by the Central Bank of Nigeria (CBN) revealed a different picture. Ten banks (managing about 40 percent of banking system assets) were either insolvent or substantially undercapitalized. About one-third of bank loans were nonperforming.

The CBN took firm actions to contain the damage and considerably strengthen the system. The CBN promptly: (i) injected the equivalent of U.S.\$4.2 billion (2.5 percent of 2009 GDP) into the troubled banks; (ii) guaranteed all interbank transactions, foreign credit lines, and pension deposits; (iii) replaced management in eight of the intervened banks; and (iv) committed to protect all depositors and creditors against losses. The CBN then set up the Asset Management Company of Nigeria (AMCON), which since late 2010 has replaced nonperforming loans (NPLs) with tradable zero coupon bonds, bringing five of the eight insolvent banks to zero equity. These five banks have entered merger/acquisition agreements to meet prudential requirements, while the other three (smaller) banks have been temporarily nationalized and fully recapitalized by AMCON. The equivalent of U.S. \$23 billion (face value) in bonds (16 percent of 2011 non-oil GDP) has been issued to fund these operations. All interbank past-due liabilities were removed at the end of 2011.

The Nigerian banking crisis is a reminder of the importance of a strong regulatory and supervisory framework, especially in the context of rapid credit growth affected by external developments. The CBN has implemented several reforms, including stricter regulations on corporate governance and risk management; frequent on-site supervision; programs to improve the CBN's ability to assess systemic risks; and initiatives to boost cross-agency and cross-border cooperation among regulators.

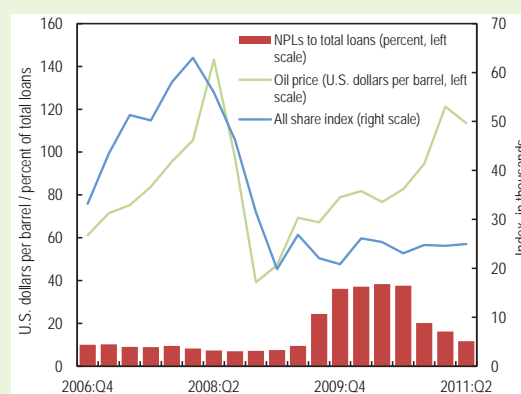
This box was prepared by Gonzalo Salinas.

Figure 1. Nigeria: Loans from Commercial Banks to the Private Sector, 2006–11¹



Source: Country authorities.
¹ October 2011.

Figure 2. Nigeria: Oil Price, Stock Exchange Index (All Share), and Nonperforming Loans, 2006–11



Sources: Country authorities; Datastream; and IMF, World Economic Outlook database.

Table 1 Nigeria: Financial Soundness Indicators, 2007–11

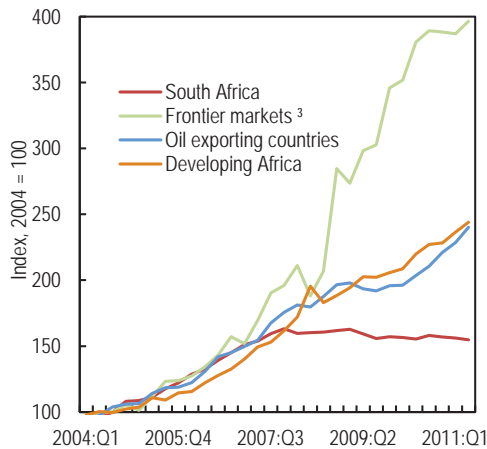
	2007	2008	2009	2010	2011 ¹
Capital Adequacy					
Regulatory capital to risk-weighted assets	23.4	22.6	20.9	7.0	9.9
Regulatory Tier I capital to risk-weighted assets	22.0	22.3	18.8	4.1	6.3
Capital (net worth) to assets ²	17.0	18.5	15.2	3.2	3.9
Asset quality and composition					
Nonperforming loans to total gross loans	9.5	7.2	36.1	20.1	11.6
Nonperforming loans net of loan-loss provision to capital	9.9	8.8	41.5	64.2	34.7
Earnings and profitability					
Return on assets	0.5	0.4	-1.5	2.1	0.2
Return on equity	3.0	1.9	-9.6	65.4	4.5
Liquidity					
Liquid asset to total assets	24.2	18.8	17.3	18.0	23.3
Liquid assets to short-term liabilities	30.2	24.2	22.1	19.8	25.7

Source: Country authorities.

¹ June 2011.

² The average ratio for the 14 non-intervened banks is considerably above the minimum regulatory threshold of 10 percent.

Figure 2.10. Sub-Saharan Africa: Real Domestic Bank Credit, 2004–11:Q2^{1,2}



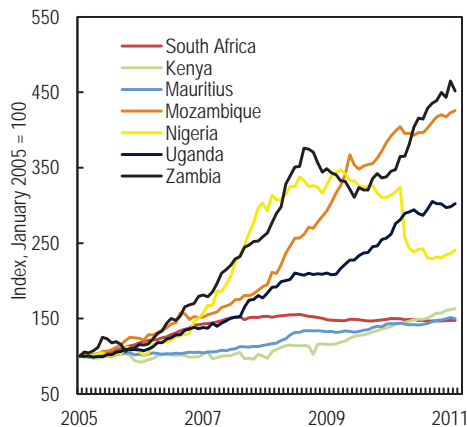
Source: IMF, Statistics Department, International Financial Statistics database.

¹ Index includes subsidiaries of foreign banks.

² Data availability for certain countries is through 2011:Q1 (Equatorial Guinea and Guinea-Bissau), 2010:Q4 (Central African Republic), or 2010:Q3 (Chad).

³ The sharp increase in frontier markets partly reflects currency depreciation in partially dollarized economies.

Figure 2.11. Sub-Saharan Africa, Select Countries: Real Credit Developments, 2005–11^{1,2}



Source: IMF, Statistics Department, International Financial Statistics database.

¹ Index at constant real exchange rates.

² The index indicates the evolution of real credit to the private sector at constant exchange rates. The credit denominated in domestic currency has been deflated by the CPI and the credit denominated in foreign currency has been converted into domestic currency at the exchange rate of January 2005.

(Figures 2.10 and 2.11). By contrast, real credit has been declining in South Africa since early 2007 by over 10 percent of GDP.⁹ This decline reflects significant deleveraging in the banking system, which relied heavily on domestic wholesale funding.

Financial soundness indicators worsened moderately with the marked slowdown in global economic activity. Nonperforming loans increased and profitability declined. Most sub-Saharan African financial firms were able to withstand the associated stress, partly because they had built capital and liquidity buffers (Figure 2.12). As often happens during recessions, capital-adequacy ratios tended to improve as the slowdown in credit reduced growth in risk-weighted assets.

FINANCIAL SECTOR VULNERABILITIES TO ONGOING EUROPEAN FINANCIAL STRESS

Notwithstanding significant easing of pressures since December 2011, financial conditions in Europe remain under stress.¹⁰ Here we consider the exposure of sub-Saharan African banks to adverse developments in Europe, and examine the potential direct and indirect channels of transmission.

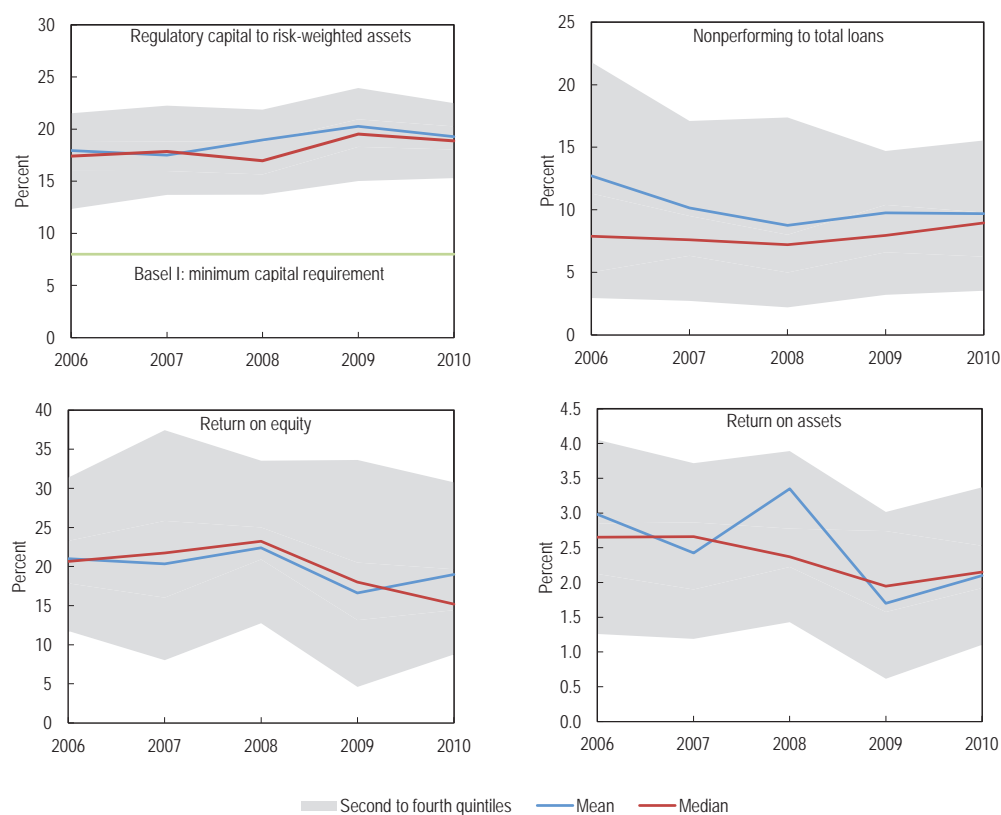
A first observation is that European banks have a sizable presence in sub-Saharan Africa, largely reflecting historical linkages (Figures 2.13 and 2.14). On average, more than 90 percent of all sub-Saharan African liabilities to Bank for International Settlements (BIS)-reporting banks are to European banks.

European banks conduct cross-border transactions and manage subsidiaries, branches, and representative offices in many sub-Saharan African countries. The importance of these subsidiaries is particularly large in some countries. For instance, subsidiaries of

⁹ This cannot be entirely attributed to the crisis; the National Credit Act, starting in mid-2007, was also a factor. This legislation imposed stricter criteria for granting bank loans, especially for mortgage financing.

¹⁰ See the April 2012 Global Financial Statistical Report (IMF 2012).

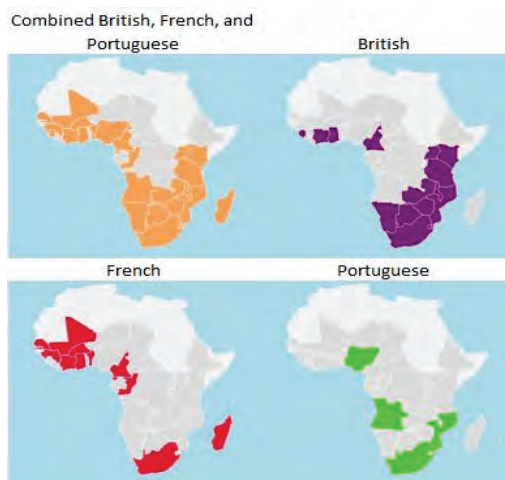
Figure 2.12. Sub-Saharan Africa: Financial Soundness Indicators, 2006–10¹



Sources: Country authorities; and IMF staff estimates.

¹ The official definition of soundness indicators varies by country. Includes data for up to 33 out of the 45 countries in SSA, but each chart considers only countries for which data are available for all the years.

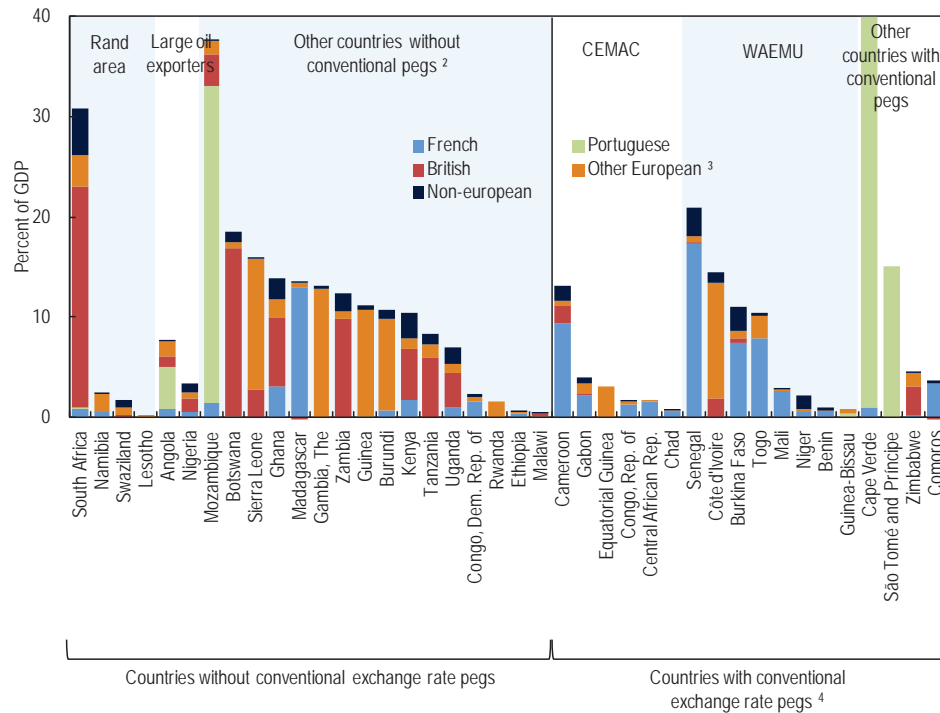
Figure 2.13. Sub-Saharan Africa: Presence of European Banks, 2011



Source: IMF, African Department database.

British financial institutions manage more than 30 percent of deposits in Botswana, Mauritius, South Africa, and Zambia, while affiliates of Portuguese banks manage about two-thirds of deposits in Angola. Other European banks have a much smaller presence (Appendix Table 2.4).

A second observation is that the European banks active in sub-Saharan Africa have been affected to different degrees by financial stress in Europe (Figure 2.15). Rating agencies have downgraded several banks in France, Portugal, and the U.K. since September 2011.

Figure 2.14. Sub-Saharan Africa: Liabilities to BIS-Reporting Banks, June 2011¹

Sources: Bank of International Settlements; and IMF, Statistics Department, International Financial Statistics database.

¹ Amount outstanding of consolidated foreign claims of banks from corresponding BIS-reporting countries on each SSA African country on an ultimate risk basis. Includes credit provided by subsidiaries.

² Includes SSA countries whose exchange rate regime is classified as either a conventional peg or a currency board, according to the IMF's 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ "Other European countries" often includes French, Portuguese, and British banks where reporting countries do not disaggregate data enough. It usually refers to French banks for which disclosure is limited. Scale truncated to 40 percent. Observation for Cape Verde is 75 percent, mostly to Portuguese banks.

⁴ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

Direct Linkages

Despite the strong presence of European banks, most sub-Saharan African bank credit and funding availability is unlikely to be directly affected for several reasons:

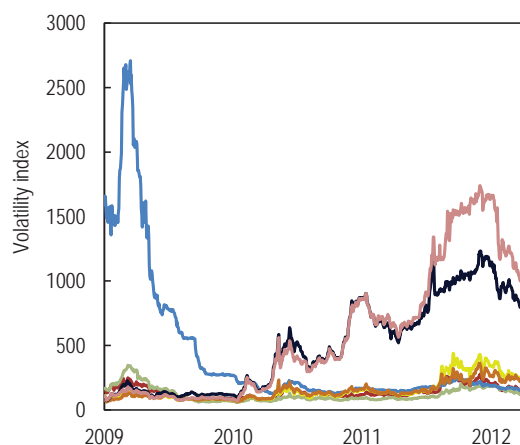
- Residents' cross-border liabilities to European banks are a relatively small share of GDP for most of the region's countries, with a few exceptions (Figure 2.16).¹¹ On an ultimate risk basis, these liabilities amounted to, on average, 5 percent of GDP in June 2011, with a median of 3 percent of GDP. Notable

¹¹ Although aggregate banking system data could mask some large exposures at the institutional level, it is unlikely that these are systemically important.

exceptions include Cape Verde, The Gambia, São Tomé and Príncipe, Sierra Leone, and Togo. For these countries, reduced access to cross-border credit lines could cut short funding for ongoing investment projects and other economic activity. This partly reflects prevalent capital controls (Figure 2.17), but it also underscores how these small economies with underdeveloped domestic financial markets often fund their large investment needs in specific sectors (tourism, shipping, mining) with cross-border lending from European banks.

- Sub-Saharan African banks rely on relatively stable domestic retail funding. On average, about 95 percent of liabilities are to domestic

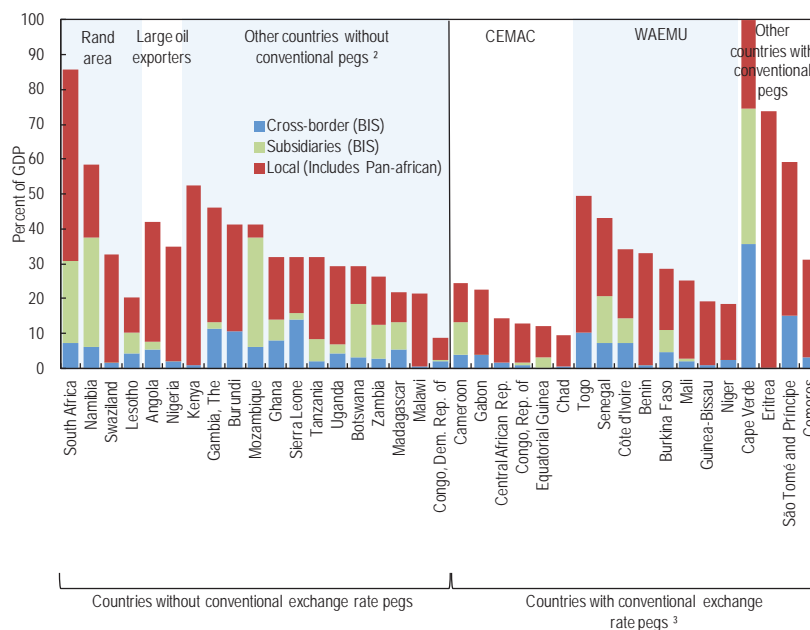
Figure 2.15. Credit Default Swap Spreads, 2009–12



Source: Bloomberg (updated on April 2, 2012).

residents, mostly in the form of deposits (Figure 2.18). Financial deepening implies that borrowers are increasingly able to borrow from local banks and fund themselves on local markets. Only in a few countries do banking groups rely on short-term wholesale funding—most notably in South Africa, where wholesale funds are from domestic contractual savings institutions with a strong home bias. But there is room for contagion even with stable domestic funding; subsidiaries of European banks may follow tighter lending behavior in the event of financial difficulties in home markets as part of risk-management guidelines for the group.¹² More generally, foreign banks play a significant role in the intermediation of domestic savings, including through their subsidiaries (Figures 2.19 and 2.20).

Figure 2.16. Sub-Saharan Africa: Bank Credit to SSA Residents¹



Sources: Bank of International Settlements; and IMF, African Department database.

¹ Includes bank credit to central bank and other banks, nonbank private sector, and nonbank public sector. Cross border credit and credit by subsidiaries of BIS-reporting banks to SSA residents add to the amounts outstanding of consolidated foreign claims and other exposures of BIS-reporting banks on SSA African countries on an ultimate risk basis. Credit by subsidiaries and local banks add to the corresponding credit granted by the SSA-country banking system, as reported to the International Monetary Fund for the production of International Financial Statistics. Scale truncated to 100 percent of GDP. Observation for Cape Verde deposits is 115 percent of GDP. Banking system data not available for Ethiopia, Guinea, Rwanda, and Zimbabwe.

² Includes all SSA countries whose exchange rate regime is classified as either a conventional peg or a currency board, according to the IMF's 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

¹² This risk may be lower in cases where the sub-Saharan African subsidiaries contribute a significant share of the global bank's profit and growth prospects.

- Most of the region’s local banking systems are liquid. Local deposits often exceed domestic credit (i.e., loan-to-deposit ratios are well below one). Reserve requirements are high, and some countries have structural liquidity positions that result in persistent excess reserves. Sub-Saharan African banking systems are thus robust to liquidity shocks, at this stage, although standard liquidity indicators have declined slightly in the last few years.

Although direct risks to funding may be modest, there is potential vulnerability via the significant assets that sub-Saharan African residents hold in European banks (including central and commercial banks). By June 2011, BIS-reporting banks held the equivalent of 14 percent of sub-Saharan African countries’ GDP in deposits and other financial

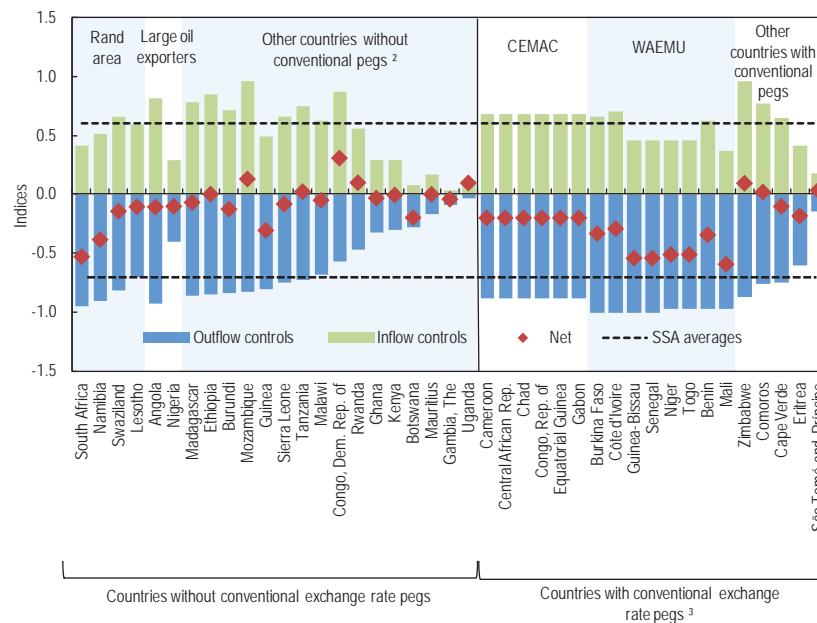
instruments, while external loans to sub-Saharan African residents averaged only about 6 percent of GDP across the countries considered (Figure 2.21). Sub-Saharan African countries are typically net creditors of BIS reporting banks. By contrast, the typical emerging market net foreign asset position with BIS reporting banks is negative.

Indirect Linkages

As was the case in 2008–09, European financial stress poses an indirect risk to sub-Saharan African banks, mostly via knock-on effects to the region’s exports and output (Chapter 1).

The econometric exercise summarized in Box 2.2 confirms that increases in global risk aversion and deteriorating credit conditions in Europe hurt African economies via their impact on global

Figure 2.17. Sub-Saharan Africa: Prevalence of Capital Inflow and Outflow Controls, June 2011 ¹

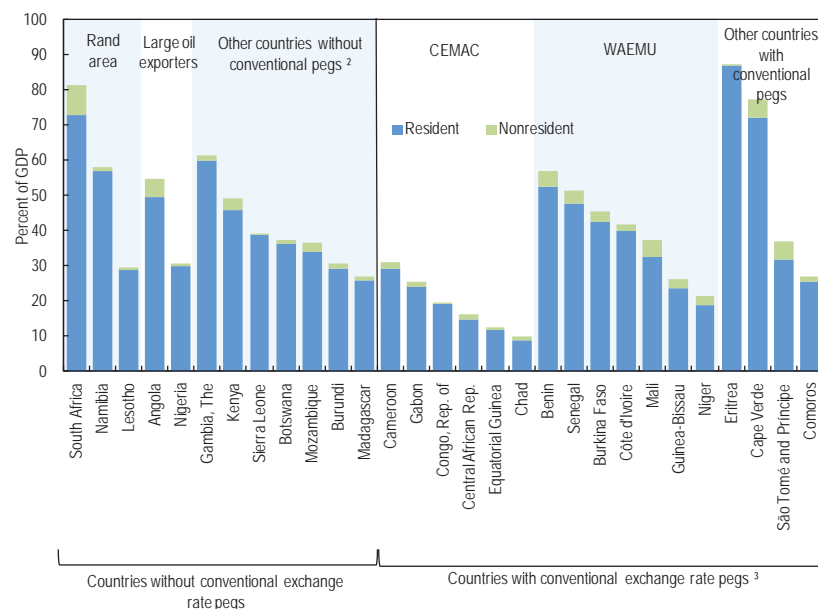


Sources: IMF, Annual Report on Exchange Arrangement and Exchange Restrictions; and IMF staff estimates.

¹ The IMF de jure capital control indices average binary indicators of restrictiveness in 62 categories of capital transactions. The categories include foreign exchange and domestic currency accounts of residents and nonresidents, restrictions related to the financial sector, and repatriation and surrender requirements. The index distinguishes between inflows (nonresidents’ investments in the country) and outflows (residents’ investments abroad). This broad restrictiveness index can have a value between zero and 1, and higher values represent more restricted cross-border capital flows. The indices measure the prevalence of controls, not the intensity, severity, or degree of enforcement of these controls. Countries displayed in order of higher to lower indices of outflow controls within each group.

² Includes all SSA countries whose exchange rate regime is classified as either a conventional peg or a currency board, according to the IMF’s 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

Figure 2.18. Sub-Saharan Africa: Banking System Funding, June 2011¹

Source: IMF, Statistics Department, International Financial Statistics database.

¹ Includes banking system data from disaggregated information submitted to the IMF for the preparation of monetary statistics and the compilation of summary data presented at the IFS. About half the sample is reporting under the new standardized format.

² Includes all SSA countries whose exchange rate regime is classified as either a conventional peg or a currency board, according to the IMF's 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

economic conditions. The impulse-responses suggest that most of the adverse effect would fall on South Africa. Frontier markets would also be affected, but to a lesser degree.

Impact on the Region's Banking Soundness: Bank Evidence

Bank soundness indicators are also adversely affected by deterioration in the external environment (Box 2.3).

- Global risk aversion affects sub-Saharan African banks' liquidity and profitability.
- As could be expected, higher export prices increase bank profitability and reduce nonperforming loans, consistent with previous research findings (Flamini, McDonald, and Schumacher, 2009; Hartelius, 2010).
- Surprisingly, faster credit growth is associated with declining nonperforming loans (NPLs) in sub-Saharan Africa. However, this likely reflects

time lags because NPLs normally deteriorate later in the credit cycle. Indeed, although not all credit booms lead to a crisis, most banking crises have been preceded by credit booms (Mendoza and Terrones, 2008). International experience suggests that careful oversight is needed even when credit is growing from a very low base and when further financial deepening is warranted.

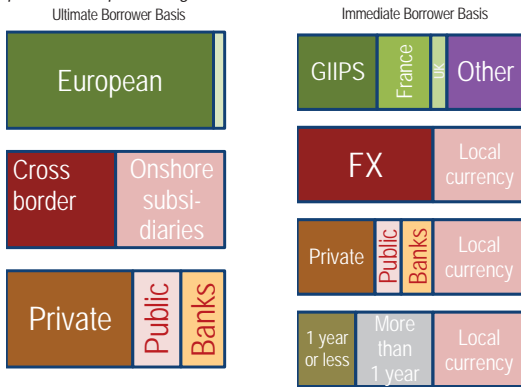
The Region's Capital Buffer Strength

The ability of sub-Saharan African banking systems to withstand global financial stress depends on the strength of their capital buffers. As in many emerging countries, reported capital buffers in sub-Saharan Africa tend to be larger than those prevailing in advanced economies. As shown earlier, this partly reflects the fact that bank profitability largely depends on volatile macrofinancial conditions. Volatility of bank profits may not be a concern if capital buffers are large enough to allow banks to absorb periodic losses.

Figure 2.19. Consolidated Foreign Claims of BIS-reporting Banks on African Countries, 2011

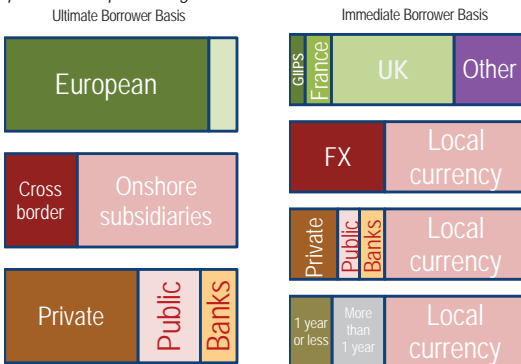
The BIS reports consolidated claims (netting interoffice positions) of banks headquartered in 30 major financial centers on most countries around the world. It distinguishes between claims on an immediate and an ultimate borrower basis. For example, credit from a British subsidiary located in Mauritius to Angola would appear as a claim of Mauritius on Angola on an immediate borrower basis, but as a claim of the UK on an ultimate borrower basis. For sub-Saharan Africa, the structure of immediate and ultimate borrower basis is roughly the same. The simple average across the 45 sub-Saharan African countries of the share of crossborder liabilities in total sub-Saharan African liabilities to BIS reporting banks is fifty percent. Most of the cross-border liabilities are denominated in foreign currency. On average, nonbank private entities receive half of the cross-border credit flows; the rest going to public entities and banks. Of the foreign currency debt, a large share (about a third) has short duration (due in less than a year). GIIPS stands for Greece, Ireland, Italy, Portugal, and Spain.

Composition. Simple average of shares of GDP across SSA countries



When measured in percent of GDP, and averaged across sub-Saharan Africa, the exposure of the region to GIIPS appears quite large, but this reflects mainly the large exposure to Portuguese banks of the smaller Portuguese-speaking countries.

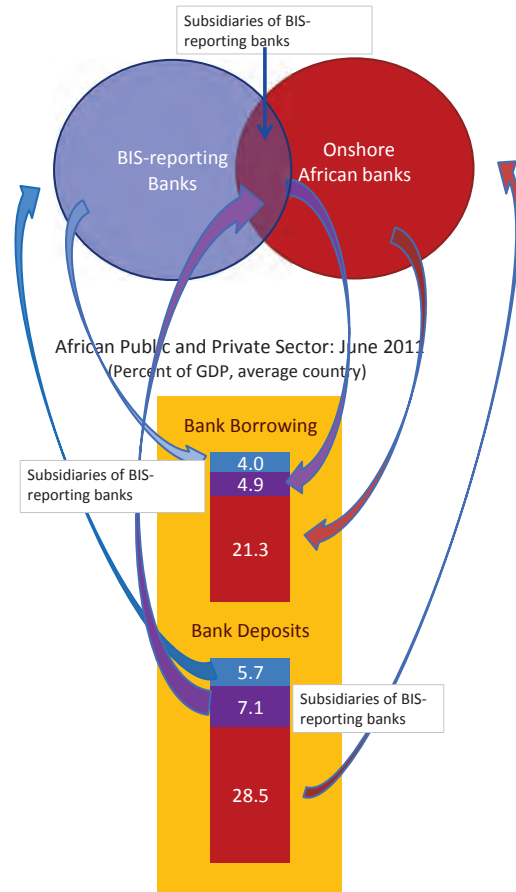
Composition. Simple average U.S. dollar amount across SSA countries



When measured in percent of GDP, and averaged across sub-Saharan Africa, the exposure of the region to the UK appears quite large. This reflects the presence of a large British subsidiary in South Africa, the largest country in the region, which manages about 25 percent of local deposits.

Sources: Bank of International Settlements; and IMF staff estimates.

Figure 2.20. Sub-Saharan Africa: Broad Financial Intermediation in the Average SSA Country, June 2011



Excludes outliers: Liberia (international shipping center), as well as Mauritius and Seychelles (offshore centers).

Residents in sub-Saharan Africa receive credit from and deposit at domestic and foreign banks.

- In most countries, local banks account for most deposits and bank-extended credit.
- European banks account for most of the credit extended locally by BIS-reporting banks.
- Subsidiaries of European banks that manage local deposits provide substantial credit to the local economy in many countries. They also manage a large amount of deposits.
- With some exceptions, direct cross-border credit is relatively small.

Sources: Bank of International Settlements; and IMF staff estimates.

Box 2.2. Global Financial Spillovers into sub-Saharan Africa—A GVAR Approach

Global vector autoregression (GVAR) modeling suggests that shocks to global risk aversion and credit conditions in Europe are systematically transmitted to sub-Saharan Africa. GVAR modeling is well suited for studying the transmission of financial spillovers (Dees and others, 2007; Pesaran and others, 2009a and 2009b; Smith and Galesi, 2011), and it provides insights into the dynamic relationships among real GDP, real private credit, exports, real short-term interest rates, and government spending within a country and across borders. The GVAR for sub-Saharan Africa was estimated using quarterly data from the first quarter of 1991 through the first quarter of 2011 (Meyer-Cirkel and Canales-Kriljenko, forthcoming). Given differences in the level of financial development across the region, sub-Saharan Africa was divided into four groups: South Africa, frontier markets, financially developing economies, and sub-Saharan African commodity exporters, which often have very particular growth dynamics (see the April 2010 *Regional Economic Outlook*).¹

How would a sudden increase in the VIX (as a proxy for global risk aversion) similar to the one observed during the Lehman banking crisis affect sub-Saharan Africa? According to the GVAR, it will affect the region by lowering external demand, reducing commodity prices (Figure 1), and tightening worldwide financial conditions. The net result of these channels would be to contract economic activity in sub-Saharan Africa, but the effect will vary within the region. The contraction in growth will be pronounced in South Africa, mild in developing and frontier sub-Saharan African markets (Figure 2), and wide ranging in other regions of the world (Figure 3).

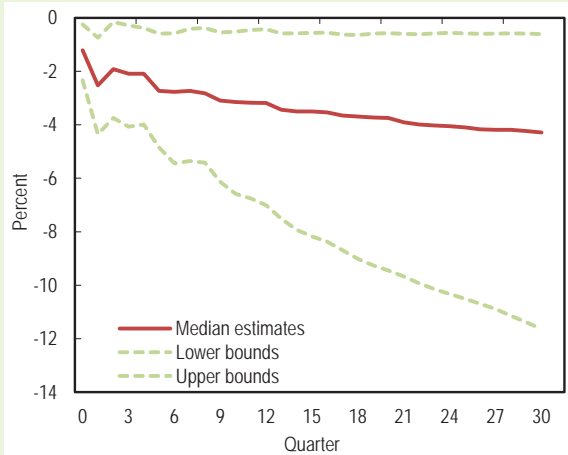
How would a credit crunch in Europe affect sub-Saharan Africa? Impulse responses suggest that independent shocks to credit conditions in Europe, such as those that would take place under episodes of European banking stress, would tend to contract economic activity in the main sub-Saharan African trading partners. The contraction of credit in Europe would adversely affect credit conditions in South Africa, commodity-exporting, and developing sub-Saharan African economies. Although small, the effect is non-negligible. On the other hand, credit dynamics in sub-Saharan African frontier markets appear to be unrelated to those in Europe. Growth would slow down in all sub-Saharan African countries, but especially in South Africa and emerging sub-Saharan African countries as a result of European credit retrenchment (Figure 4).²

The GVAR exercise provides some empirical evidence that global financial conditions affect economic and financial conditions in sub-Saharan Africa. It shows that the effect is stronger if financial stress in one region leads to an increase in global risk aversion. On the other hand, the exercise suggests that a shock to bank lending, with no further spillover effects onto risk aversion, would in general only have a relatively small impact on sub-Saharan Africa's bank lending and GDP growth.

¹ Data availability reduces the number of countries used to compute regional aggregates. In the sample, frontier markets include Kenya, Mauritius, and Uganda. Financially developing economies include Benin, Burkina Faso, The Gambia, Mali, Niger, Senegal, and Malawi. Commodity exporters include Cameroon, Chad, Republic of Congo, Equatorial Guinea, Gabon, and Nigeria.

² Comparisons across regions need to be interpreted with caution given differences in data quality and availability (including on banking sector development) and significant structural change in many countries in the sample.

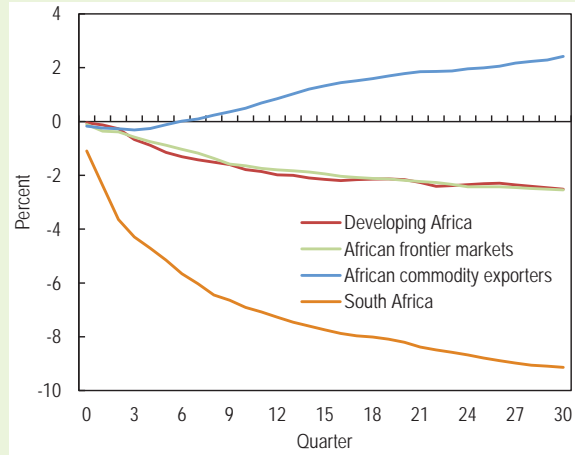
Figure 1. World: Increased Risk and Oil Price¹



Source: IMF staff estimates.

¹ Generalized impulse response function of oil price index to a one standard deviation positive shock to VIX.

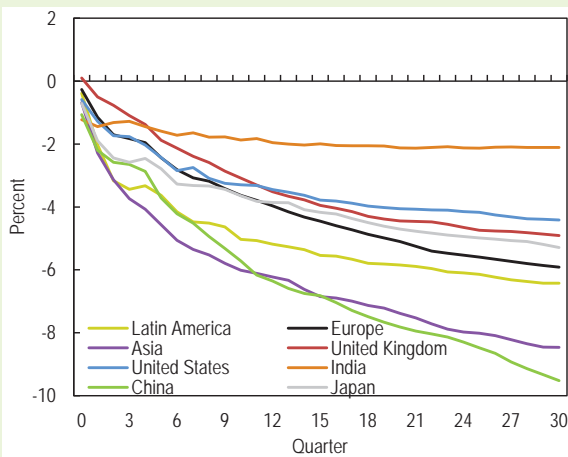
Figure 2. Sub-Saharan Africa: Risk Aversion and Output Effects¹



Source: IMF staff estimates.

¹ Effects of Lehman-default size jump in volatility index in regional output over a 30-quarter horizon.

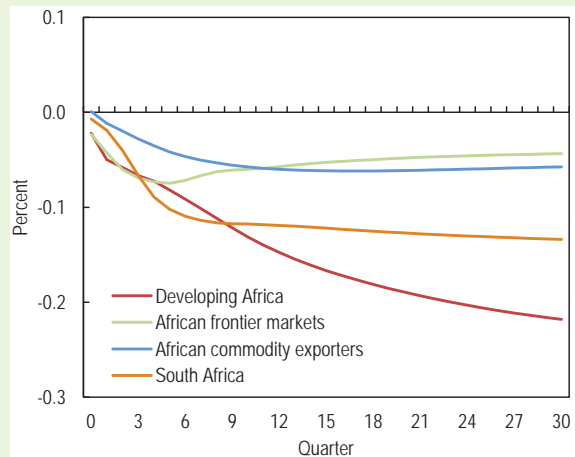
Figure 3. World: Shock in Risk Perception Reduces Global Output¹



Source: IMF staff estimates.

¹ Effects of Lehman-default size jump in volatility index in regional output over a 30-quarter horizon.

Figure 4. Sub-Saharan Africa: Spillovers from Credit Shocks in Europe¹

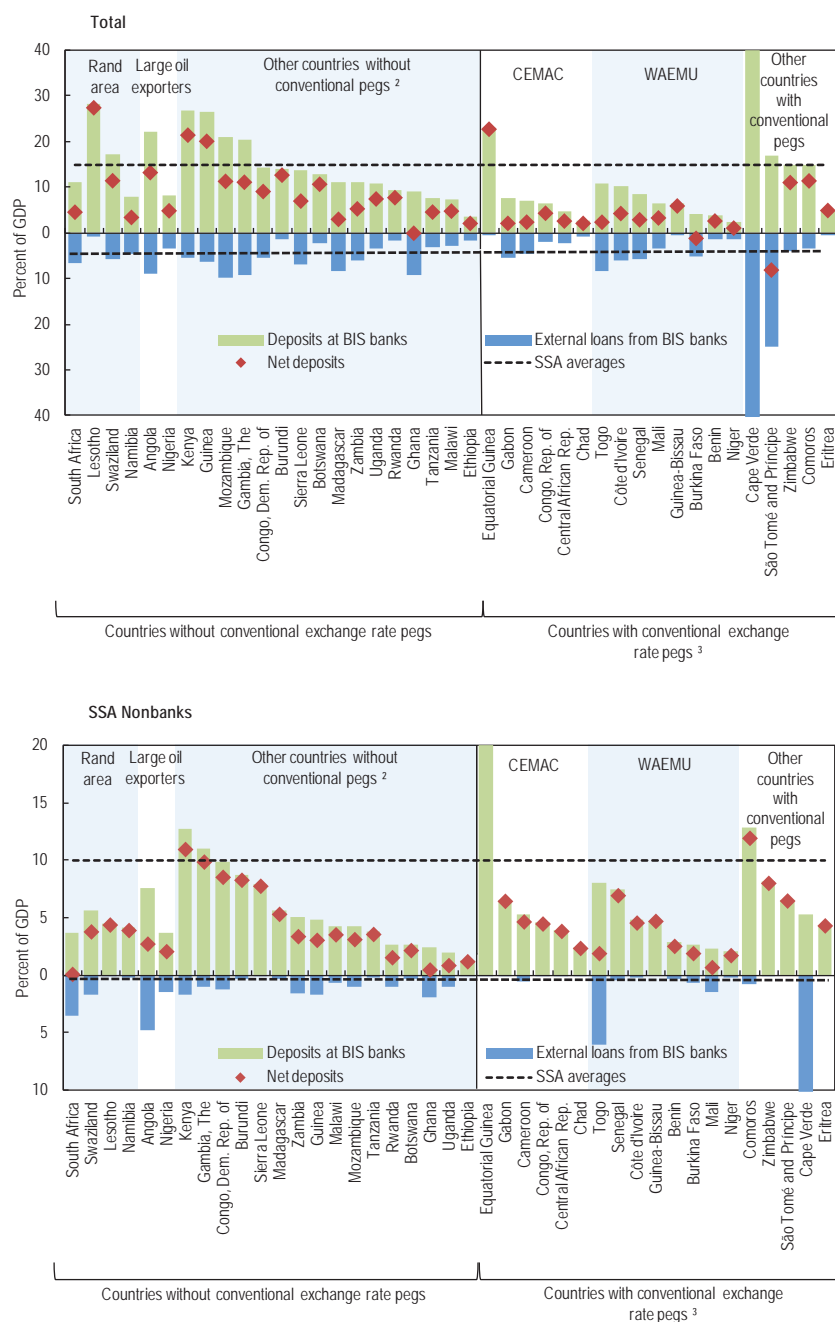


Source: IMF staff estimates.

¹ Generalized impulse response function of output to a negative shock to European private credit.

This box was prepared by Alexis Meyer-Cirkel.

Figure 2.21. Sub-Saharan Africa: External Loans from and Deposits at BIS-reporting Banks, June 2011¹



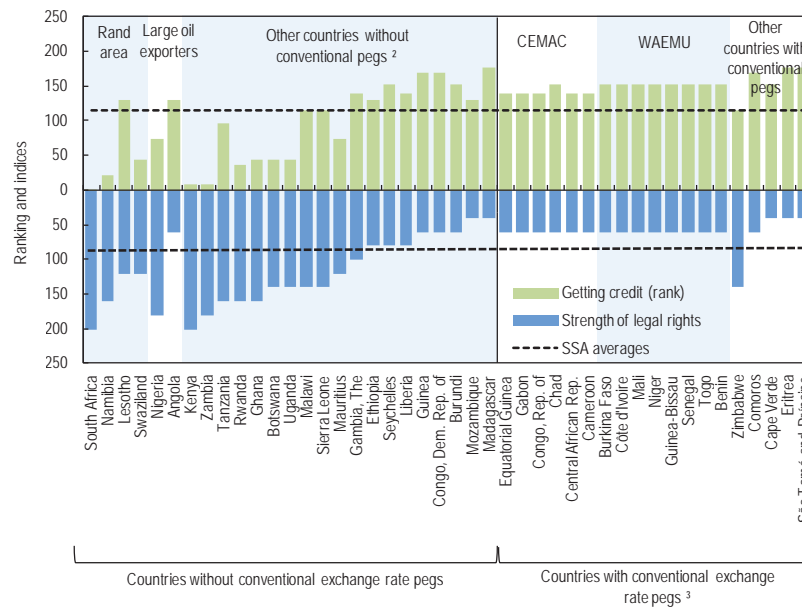
Sources: Bank of International Settlements; and IMF, African Department database.

¹ Total refers to the amount outstanding of external loans and deposits of BIS-reporting banks to all sectors from the BIS locational banking statistics. Nonbanks refers to corporates and nonbank public sector. Scale truncated to 40 and 20 percent of GDP, respectively. Observation for Cape Verde deposits is 88 percent in top panel. Countries displayed in order of higher to lower percentages of deposits at BIS banks within each group, except for South Africa which is shown first.

² Includes all SSA countries whose exchange rate regime is classified as either a conventional peg or a currency board, according to the IMF's 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

Figure 2.22. Sub-Saharan Africa: Ease of Getting Credit (Rank) and Strength of Legal Rights



Source: World Bank, Doing Business Indicators.

¹ Countries displayed in order of higher to lower rankings of strength of legal rights within each group.

² Includes all SSA countries whose exchange rate regime is classified as either a conventional peg or a currency board, according to the IMF's 2011 Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER).

³ Excludes countries in the rand area, which in the chart are grouped along with South Africa for analytical purposes.

For the time being, capital buffers are reported to be strong for the sample of 33 sub-Saharan African countries for which data are readily available. With a median value of about 19 percent (albeit with wide dispersion), in mid-2011 the capital adequacy ratio was more than twice the minimum 8 percent buffer set by the Basel Committee (Basel I). Although global financial distress very slightly increased median nonperforming loans and lowered median profitability, reported capital buffers remained high.

In reality, however, these capital buffers may not be as strong as they appear for at least three reasons:

- As a result of supervisory capacity constraints, and shortcomings in accounting and auditing practices, nonperforming loans may not be recognized, leading to underprovisioning.
- Credit has expanded rapidly in many countries, from both domestic and (in most recent years) foreign banks, making it difficult to detect cases

of “evergreening” of bad loans. The ability of some sub-Saharan African banking systems to enforce financial contracts may be limited (Figure 2.22).

- The aggressive expansion of Pan-African banking groups creates supervisory challenges, especially on those banks incorporated in countries with weak consolidated supervision capacity.

Channels of Pan-African Contagion

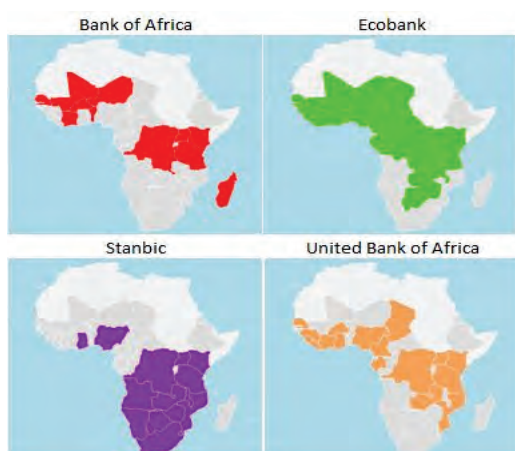
Although most sub-Saharan African banking systems are relatively insulated from external financial volatility, it is possible that difficulties in some Pan-African banks could spread throughout the region.

Over the last few years, Pan-African banking groups have become systemically important for sub-Saharan Africa. At least nine sub-Saharan African financial groups operate banks in seven or more

other African countries (Figure 2.23 and Appendix Table 2.5).¹³ For instance, Ecobank (a Togo-based financial group) has the most widespread presence in sub-Saharan Africa (in more than 30 of the 45 countries), and manages one of the five largest banks in at least 18 countries. South African and Nigerian banking groups (most notably Standard Bank/Stanbic of South Africa and United Bank for Africa of Nigeria) have also aggressively expanded. The Bank of Africa, originally from Mali, operates in 11 sub-Saharan African countries. The financial exposures involved are not trivial. Even with partial bank-level information, these groups manage more than 30 percent of deposits in 13 of the 45 sub-Saharan African countries considered.

The expansion of these banks has improved competition and given rise to economies of scale, because local markets are very small in some jurisdictions. However, although sub-Saharan Africa fares well compared to other regions in its observance of the Basel I Core Principles (Figure 2.24), it faces two major supervisory weaknesses (Beck and others, 2011; Lukonga, 2010):

Figure 2.23. Sub-Saharan Africa: Selected Pan-African Banking Groups, June 2011



Source: IMF, African Department database.

¹³ Some of these regional banks have centralized treasury management, credit decisions, and operational support (Lukonga, 2010).

- Consolidated banking supervision needs significant further development. In most countries, financial soundness indicators may say little about the true financial condition of a given entity or subsidiary because transfers of risky positions across balance sheets of conglomerate entities cannot be ruled out or effectively monitored.
- There are problems of effective coordination between home and host supervisors, although in some cases efforts are underway to strengthen such coordination via the negotiation of memoranda of understanding (MOUs) between countries.

Given these weaknesses, Pan-African banking groups may be inadequately supervised, potentially giving rise to a possible channel of cross-country contagion.

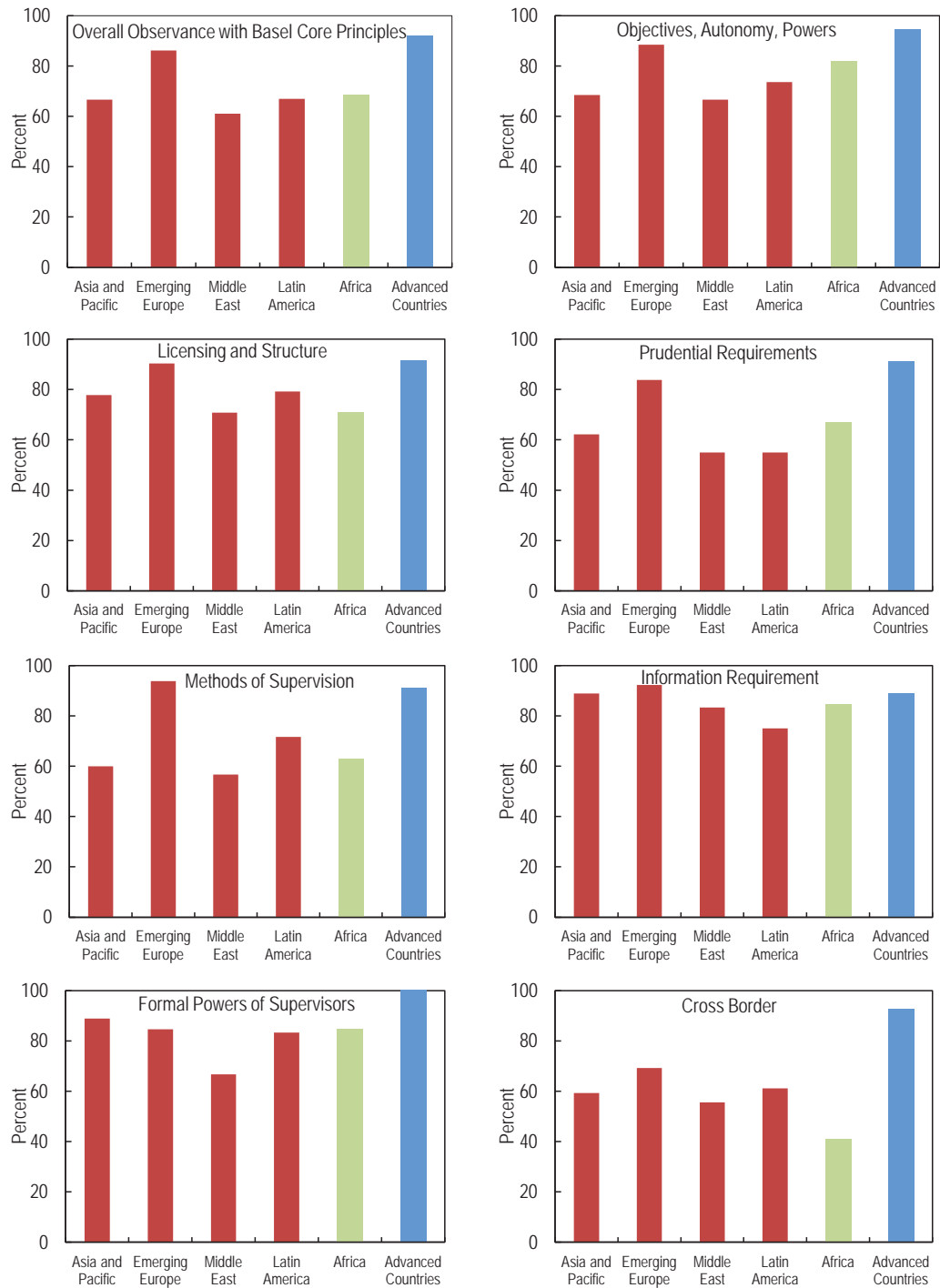
POLICIES TO ENHANCE FINANCIAL SECTOR RESILIENCY

The global economic outlook, though showing some signs of improvement, remains subject to significant downside risks; should these materialize, there will be adverse spillover effects on sub-Saharan African economies and banking systems. Policy measures are warranted to strengthen oversight of banking systems and ensure that the resiliency observed to date is maintained.

External Liquidity Management and Cross-Border Supervisory Cooperation

Given external financial stress, country authorities may need to monitor the placement of external assets to ensure that sub-Saharan African commercial and central banks effectively implement risk management guidelines aimed at safeguarding continued liquidity and availability of these assets. In addition, regulators should consider the adequacy of ring-fencing arrangements for locally operating subsidiaries of international banks.

Figure 2.24. World: Observance of Basel Core Principles, 2011



Source: Standards and Codes database.

Strengthening Effective Supervisory Capacity

Over the past decade many African countries have implemented legislative reforms aimed at strengthening banking regulation. Significant scope exists, however, for further strengthening of supervisory capacity and the actual enforcement of prudential regulations. In a number of countries, bank supervisors lack adequate tools to implement timely corrective measures, and they do not have independent authority to take remedial actions. Because of shortages of qualified resources and expertise in supervisory agencies, bank supervisors often have limited ability to assess the effectiveness of banks' risk management processes and practices.

Country authorities need to further advance their regulatory and supervisory action plans. This requires:

- Strengthening supervisory institutions by allocating sufficient funding and personnel, and granting supervisory authorities with adequate legal protection and corrective power in the conduct of their functions.
- Strengthening loan classification criteria, provisioning requirements, and auditing standards to improve asset valuations and capitalization assessments. In particular, countries experiencing fast credit growth should reinforce supervision.
- Enhancing their ability to conduct stress tests to determine the adequacy of capital and liquidity buffers.
- Improving consolidated supervision capacity for Pan-African banking and financial conglomerates operating in several sub-Saharan African countries, including by enhancing the ability of home-country supervisors to obtain information about intra-group transactions and to monitor operations of all entities in the conglomerate group. Colleges of supervisors with an interest in banking groups should be formed from different districts. Such colleges may also require that existing restrictions on sharing banking

information be addressed to enable proper communication among supervisors.

- Promoting better coordination and information-sharing between home supervisors of international banks operating in sub-Saharan Africa and host country supervisors of subsidiaries. As recommended in the recent joint report to the Group of 20 (FSB, IMF, WB, 2011), supervisory colleges for large international banks should include host authorities if those banks' local affiliates are systemically important to the host country's financial system, even in cases where host country operations make up only a small part of the international group. In this context, it is important to ensure that timely and comprehensive information sharing with host supervisors is underpinned by appropriate legal agreements and confidentiality safeguards.
- Promoting cross-border coordination of regulatory reforms to reduce the likelihood of arbitrage.

Institutional Frameworks for Macroprudential Policies

To internalize the effects of macroeconomic policies, account for systemic risks on banking system soundness, and better coordinate policy reactions to the changing external environment, sub-Saharan African countries would benefit from adopting institutional arrangements that allow for high-level interaction of monetary, fiscal, and financial sector authorities. Macroprudential oversight aims to proactively mitigate systemic risks, and is therefore particularly important in countries such as oil producers that can be heavily affected by external price or demand fluctuations, or in countries where the presence of systemically important Pan-African banking groups requires factoring in the risk of regional contagion. Specific institutional arrangements depend on country circumstances (Nier and others, 2011). Establishing financial stability units at central banks can be a helpful step.

Countercyclical Prudential Regulation

The cyclical behavior of financial soundness indicators in the region suggests the importance of forward-looking countercyclical prudential regulations. The experience of the region suggests, however, that these may usefully be tied to the commodity price and credit cycles rather than solely GDP growth, as is typically the case in dynamic provisioning (Saurina, 2009). For policy options to deal with credit booms, see also Dell’Ariccia and others, forthcoming).

Crisis Management and Resolution

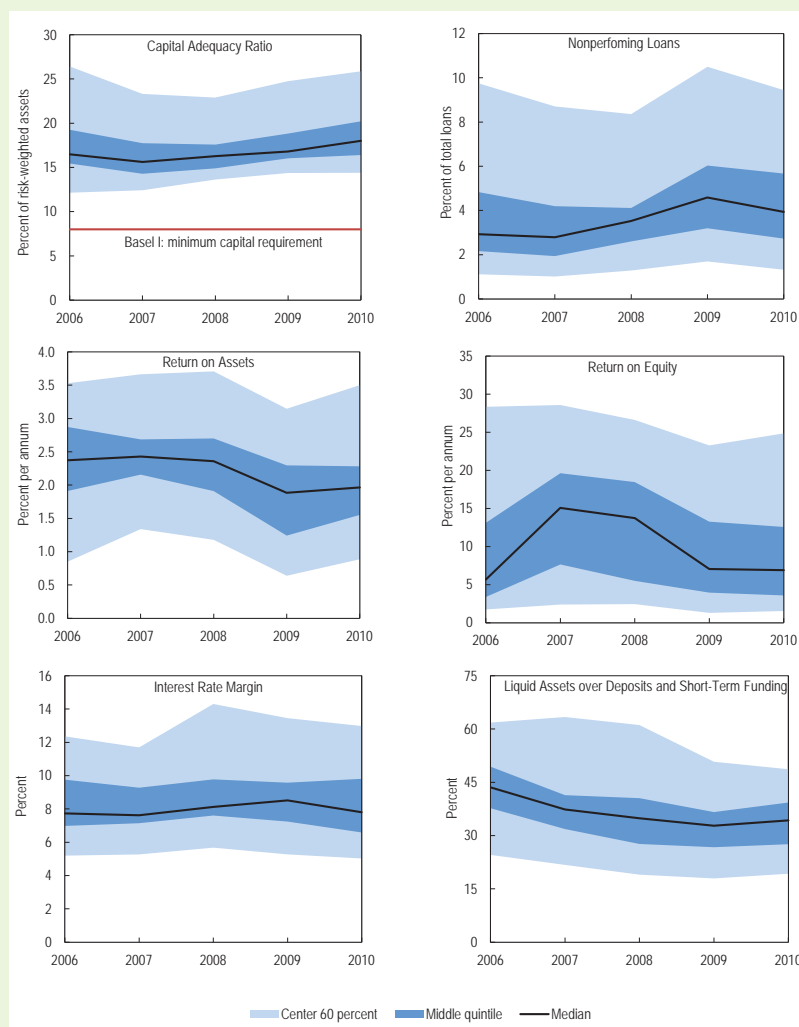
Sub-Saharan African authorities would benefit from running crisis simulation exercises that may highlight deficiencies in country frameworks for managing banking crises and bank resolution. The legal and operational aspects of resolving banking crises—especially systemically important institutions operating across different sub-Saharan African jurisdictions—require special attention. Given the absence of explicit deposit insurance in most sub-Saharan African countries, central banks may need to take stock of their toolkits for dealing with systemic liquidity crises. Institutional frameworks for taking politically difficult actions with respect to the banking system need to be implemented and tested periodically.

Box 2.3. Determinants of Financial Soundness Indicators—Bank-level Evidence

Bank-level data from 71 sub-Saharan African commercial banks suggest that external environment and real and financial domestic activity affect the financial soundness of the region’s banks (Figure 1). The relationships are strong enough to be significant in panel regressions (Canales-Kriljenko, forthcoming). In particular:

- An increase in the VIX (a measure of U.S. stock market volatility that proxies for global risk aversion and has been closely related to financial stress), leads after a one-year lag to higher nonperforming and impaired loan ratios, lower returns on assets and capital adequacy ratios, and tighter liquidity indicators.
- The impact is mainly (but not exclusively) indirect, reflecting the fact that a rising VIX is associated with contracting world economic activity and trade as well as lower commodity prices. The panel regressions show that lower world growth and export prices are associated with higher nonperforming and impaired loan ratios as well as stronger liquidity positions. Lower export prices are also associated with weaker risk-weighted capital adequacy ratios.

Figure 1. Sub-Saharan Africa: Bank-level Panel of Financial Soundness Indicators, 2006–10



Source: BankScope.

Among the domestic variables, higher growth can explain higher returns on bank assets, but it does not seem to explain nonperforming loans, liquidity, or capital adequacy. The higher returns partly reflect banks' ability to apply higher interest rate margins during a boom, which would suggest market power. Higher real credit is strongly associated with lower impaired and nonperforming loan ratios and higher liquidity indicators (Table 1). This suggests that credit conditions play a strong role in measured bank soundness indicators. It also suggests that rather than adjusting for the GDP cycle, prudential regulations should adjust for the credit cycle in assessing the underlying quality of the loan portfolio.

Table 1. Multivariate Pool Regressions on Bank-level Soundness Indicators ¹
(Beta coefficients, unless otherwise indicated)

	Units	ROA	ROE	NPL	LST	LCT	INTMAR	INTREV
VIX(<i>t</i> -1)	Index number	-0.050 ***	-0.194	0.027 ***	-0.191 ***	-0.191 ***	-0.018 ***	-0.056 ***
Export price growth	Percent a year	0.051 **	-0.354 **	-0.074	0.115 **	0.115 **	-0.009	0.005
Real credit growth	Percent a year	-0.085	0.828	-0.446 ***	1.018 ***	1.018 ***	-0.032	-0.029
Adjusted <i>R</i> -squared		0.17	0.02	0.60	0.65	0.65	0.77	0.70
Number of cross sections		71	71	71	71	71	71	71
Pool (balanced) observations		284	284	284	284	284	284	284
Prob (F statistic)		0.00	0.31	0.00	0.00	0.00	0.00	0.00
Durbin Watson		3.33	3.55	1.94	2.02	2.02	1.85	1.62

Source: Canales-Kriljenko, Jorge Iván, forthcoming, (Washington: International Monetary Fund).

Note: The acronyms used in the table are the following: ROA (return on assets), ROE (return on equity), NPL (nonperforming loans), LST (liquid assets to deposit and short-term funding), LCT (liquid assets to customer and short-term funding), INTMAR (interest rate margin), and INTREV (interest rate revenue).

¹ The estimation method is pool least squares, using white cross-section on standard errors and covariance.

This box was prepared by Jorge Iván Canales-Kriljenko.

Appendix Table 2.1. Sub-Saharan Africa: Selected Aggregate Bank Balance Sheet Accounts (June 2011)
(Percent of GDP)

	Foreign Assets	Foreign Liabilities	Net Foreign Assets	Credit					Deposits and Bonds			
				Private sector	Central Government	Public Enterprises	Central Bank	Total	Private sector	Central government	CBD	Total
Rand area												
South Africa	11.4	8.4	3.0	66.5	8.9	1.2	2.1	78.7	68.9	3.4	0.6	73.0
Lesotho	17.9	0.5	17.3	12.2	3.3	0.0	0.7	16.3	28.9	0.0	0.0	28.9
Namibia	10.8	0.9	9.9	45.5	5.2	0.6	0.9	52.3	55.5	1.5	0.1	57.1
Swaziland	8.3	3.9	4.3	24.6	3.4	0.5	2.4	30.9	28.4	1.3	0.0	29.7
Large oil exporters												
Angola	5.1	5.2	0.0	18.5	9.2	1.1	8.0	36.9	47.1	1.5	0.9	49.5
Nigeria	4.0	0.7	3.4	21.9	10.3	0.0	0.6	32.8	27.5	1.2	1.1	29.8
Other countries without conventional exchange rate pegs												
Botswana	4.4	1.1	3.3	22.3	1.1	0.4	2.5	26.4	36.1	0.2	0.0	36.4
Burundi	6.1	1.2	4.9	23.2	5.6	0.2	1.6	30.7	26.8	1.5	1.0	29.3
Congo, Dem. Rep. of	7.0	1.1	5.9	5.4	0.0	0.3	1.0	6.7	22.1	0.7	0.1	22.8
Gambia, The	5.1	1.4	3.7	14.0	15.7	0.0	4.9	34.6	60.0	0.0	0.0	60.0
Ghana	3.0	1.9	1.1	10.9	8.2	2.0	2.9	24.0	19.5	1.7	0.2	21.4
Kenya	3.5	3.5	0.0	34.0	14.3	0.7	2.7	51.7	42.2	3.0	0.6	45.8
Madagascar	3.7	0.8	2.9	10.3	2.5	0.0	3.8	16.6	23.4	2.6	0.0	26.0
Malawi	1.8	0.8	1.0	14.6	2.8	1.3	2.4	21.1	34.6	0.6	0.0	35.1
Mauritius	225.7	128.4	97.3	84.0	16.3	2.5	6.5	109.2	91.6	0.3	0.1	92.0
Mozambique	7.2	2.4	4.8	23.1	6.8	1.9	3.1	35.0	30.1	3.5	0.5	34.1
Seychelles	42.0	30.6	11.5	24.3	14.4	2.4	6.4	47.6	57.5	1.3	0.0	58.8
Sierra Leone	9.5	0.2	9.3	9.4	6.5	0.5	1.5	17.9	36.6	2.0	0.2	38.9
Tanzania	4.8	1.4	3.4	17.3	7.1	1.4	4.0	29.8	28.5	1.9	0.0	30.4
Uganda	3.1	1.7	1.3	16.7	6.4	0.1	2.0	25.2	21.8	0.7	0.4	22.8
Zambia	5.8	2.6	3.2	12.1	7.5	0.1	3.5	23.2	19.8	2.3	0.0	22.1
CEMAC												
Cameroon	4.0	1.6	2.4	12.1	1.3	1.0	6.1	20.5	26.7	2.7	0.0	29.4
Central African Republic	3.2	1.5	1.7	9.5	1.5	0.2	1.7	12.9	13.4	1.3	0.0	14.6
Chad	1.6	0.9	0.7	5.0	1.3	0.3	2.1	8.7	6.8	2.2	0.1	9.0
Congo, Republic of	4.8	0.5	4.3	5.4	0.1	0.2	6.5	12.2	18.7	0.4	0.0	19.1
Equatorial Guinea	1.4	0.9	0.5	6.9	0.0	0.3	4.8	12.1	9.5	2.2	0.0	11.7
Gabon	3.5	1.3	2.2	8.0	3.3	0.1	7.4	18.9	21.6	2.6	0.0	24.2
WAEMU												
Benin	12.2	4.3	7.9	21.7	6.3	0.0	4.1	32.2	42.0	6.9	3.8	52.6
Burkina Faso	9.9	3.1	6.8	17.9	2.3	0.0	3.5	23.6	37.8	2.3	2.3	42.4
Côte d'Ivoire	3.8	1.7	2.2	17.5	5.3	0.0	3.8	26.6	37.3	2.6	0.2	40.1
Guinea-Bissau	7.1	2.7	4.4	15.3	0.0	0.0	3.2	18.5	22.4	1.1	0.2	23.6
Mali	8.6	4.8	3.8	17.3	2.2	0.0	3.8	23.3	26.8	5.5	0.3	32.7
Niger	4.4	2.4	2.0	12.5	1.2	0.0	2.5	16.2	16.1	2.2	0.6	18.9
Senegal	5.7	3.8	1.9	26.3	3.7	0.0	5.9	36.0	43.0	3.3	1.2	47.5
Togo	11.9	6.7	5.2	25.2	7.2	0.0	6.6	39.0	52.5	4.4	2.0	58.8
Other countries with conventional exchange rate pegs												
Cape Verde	3.7	5.1	-1.4	58.2	14.4	1.0	9.6	83.1	68.4	2.6	1.2	72.2
Comoros	3.6	1.7	1.8	17.7	0.3	0.6	9.4	28.0	24.8	0.5	0.0	25.4
Eritrea	11.5	0.1	11.4	14.6	45.1	1.6	12.3	73.5	83.3	3.2	0.3	86.8
São Tomé and Príncipe	14.2	5.1	9.1	34.5	0.2	1.7	7.7	44.1	30.4	1.1	0.4	32.0
Memo:¹												
Mean	13.7	6.7	7.0	22.2	6.7	0.7	4.4	33.9	37.0	1.9	0.5	39.5
Median	5.4	1.7	3.4	17.6	5.3	0.4	3.6	28.9	30.3	1.8	0.2	33.0
Min	1.4	0.1	-1.4	5.4	0.0	0.0	0.6	6.7	9.5	0.0	0.0	11.7
Max	225.7	128.4	97.3	84.0	45.1	2.5	12.3	109.2	91.6	6.9	3.8	92.0

Sources: International Financial Statistics; and World Economic Outlook databases.

¹ Excludes Liberia, Mauritius, and Seychelles.

Appendix Table 2.2. Sub-Saharan Africa: Selected Aggregate Bank Balance Sheet Accounts (June 2008–June 2009)
(Change in percent of GDP over the period)

	Foreign Assets	Foreign Liabilities	Net Foreign Assets	Credit					Deposits and Bonds				
				Private sector	Central Government	Public Enterprises	Central Bank	other banks	Total	Private sector	Central government	Central Bank	Other banks	Total
Rand area													
South Africa	-3.2	-1.8	-1.3	1.2	1.2	0.4	0.1	2.9	0.5	-0.2	0.2	0.5	
Lesotho	0.3	0.0	0.3	0.3	-0.3	-0.4	0.5	0.2	1.9	-1.0	0.0	0.9	
Namibia	12.1	-0.4	12.5	2.0	-0.2	0.4	0.2	2.4	21.4	0.3	-1.2	20.5	
Swaziland	3.4	0.6	2.8	-0.7	-0.1	0.2	-0.4	-1.0	3.4	0.5	0.0	3.9	
Large oil exporters													
Angola	2.4	3.2	-0.8	6.2	3.8	0.2	5.6	15.8	18.3	0.3	-0.1	18.6	
Nigeria	0.3	0.2	0.2	5.2	-1.0	0.0	-2.0	2.1	2.1	0.4	0.5	3.0	
Other countries without conventional exchange rate pegs													
Botswana	-0.1	0.9	-1.0	6.1	-0.6	0.1	0.6	6.2	7.0	0.4	0.1	7.5	
Burundi	-0.4	-0.1	-0.3	0.3	1.1	-0.3	0.8	2.0	1.6	0.2	-0.1	1.7	
Congo, Dem. Rep. of	-0.8	0.0	-0.8	1.2	-0.1	0.0	0.0	1.1	-0.7	0.0	0.4	-0.3	
Gambia, The	-0.8	0.2	-1.1	0.5	-1.2	0.0	-0.5	-1.3	3.4	0.0	0.0	3.4	
Ghana	1.1	0.2	0.8	2.3	0.0	0.6	0.2	3.1	2.8	0.1	0.5	3.4	
Kenya	-2.1	-0.7	-1.3	1.4	1.5	-0.1	-0.6	2.3	0.3	0.7	0.4	1.3	
Madagascar	0.1	0.0	0.1	0.7	0.8	0.0	0.6	2.1	2.7	0.9	0.0	3.6	
Malawi	-0.2	0.2	-0.3	4.9	0.1	0.0	1.7	6.7	8.6	0.1	0.6	9.2	
Mauritius	0.2	1.6	-1.4	5.9	0.3	1.1	0.2	7.5	8.3	0.0	-0.1	8.1	
Mozambique	-1.4	0.6	-2.0	5.1	0.6	0.3	0.2	6.3	3.8	0.0	0.0	3.8	
Seychelles	11.3	6.2	5.1	-0.7	-6.7	-0.2	-4.9	-12.4	-5.8	-0.1	-0.5	-6.4	
Sierra Leone	-0.2	-0.1	-0.1	2.3	1.5	0.2	0.1	4.2	3.3	1.1	0.0	4.4	
Tanzania	-0.2	-0.7	0.5	1.6	-1.4	0.7	1.0	1.9	0.7	0.9	0.0	1.6	
Uganda	-0.2	0.8	-1.0	0.8	-0.4	0.0	-0.1	0.4	0.6	0.0	-0.5	0.1	
Zambia	0.7	0.3	0.4	1.1	-0.3	0.0	-0.4	0.4	0.6	0.1	0.0	0.6	
CEMAC													
Cameroon	-0.5	0.4	-0.9	1.7	0.0	0.1	0.7	2.5	1.9	-0.2	0.1	1.8	
Central African Republic	0.0	-0.1	0.2	-1.0	0.3	-0.2	0.0	-0.9	-0.5	-0.1	0.0	-0.7	
Chad	-0.8	-0.3	-0.6	0.8	0.1	0.2	0.9	2.0	1.3	0.5	0.0	1.8	
Congo, Republic of	0.0	0.1	-0.1	2.0	0.0	-0.1	2.7	4.7	5.1	0.1	0.0	5.2	
Equatorial Guinea	1.5	-0.9	2.4	5.5	0.0	0.3	-1.7	4.1	3.5	1.4	0.0	4.9	
Gabon	0.2	0.2	0.0	2.5	0.6	0.0	2.5	5.7	5.8	0.2	0.0	6.1	
WAEMU													
Benin	-1.9	-0.2	-1.7	1.6	1.7	0.0	-0.2	3.2	5.4	-0.7	-0.9	3.7	
Burkina Faso	1.0	-0.1	1.1	0.8	0.5	0.0	0.0	1.3	2.2	-0.2	0.1	2.1	
Côte d'Ivoire	0.1	0.1	0.0	0.3	-1.1	0.0	1.2	0.4	1.1	-0.3	0.1	0.9	
Guinea-Bissau	1.5	-3.1	4.5	-2.5	-0.8	0.0	-0.5	-3.8	-0.4	0.7	0.6	0.9	
Mali	0.8	0.6	0.2	0.7	0.5	0.0	0.4	1.7	1.3	0.0	-0.2	1.1	
Niger	0.3	1.1	-0.8	2.5	-0.1	0.0	1.6	3.9	2.1	0.0	0.4	2.5	
Senegal	-0.7	-0.2	-0.4	2.2	-0.1	0.0	0.7	2.8	4.1	-0.4	0.4	4.1	
Togo	-0.4	0.2	-0.6	-0.7	5.1	0.0	1.0	5.4	5.7	0.1	1.1	6.9	
Other countries with conventional exchange rate pegs													
Cape Verde	-3.0	0.2	-3.1	5.2	-1.4	-0.5	0.3	3.5	-4.7	0.5	0.0	-4.1	
Comoros	-2.4	0.1	-2.6	3.6	0.2	-0.6	0.4	3.6	1.1	-0.1	0.0	1.0	
Eritrea	-1.9	-0.1	-1.8	-3.1	-8.4	-0.7	-1.0	-13.2	-17.9	-0.6	-0.1	-18.7	
São Tomé and Príncipe	-5.4	-1.8	-3.5	2.3	0.0	0.1	1.4	3.8	1.1	-0.3	0.0	0.8	
Memo:¹													
Mean	0.3	0.2	0.1	1.9	-0.1	0.0	0.3	2.1	2.6	0.1	0.0	2.8	
Median	-0.2	0.1	-0.4	1.6	0.0	0.0	0.2	2.4	2.1	0.1	0.0	2.1	
Min	-5.4	-3.1	-3.5	-3.1	-8.4	-0.7	-4.9	-13.2	-17.9	-1.0	-1.2	-18.7	
Max	12.1	6.2	12.5	6.2	5.1	1.1	5.6	15.8	21.4	1.4	1.1	20.5	

Sources: International Financial Statistics; and World Economic Outlook databases.

¹ Excludes Liberia (large shipping registry) and Mauritius and Seychelles (large offshore centers). Updated banking system information on Ethiopia, Guinea, Rwanda, and Zimbabwe was not readily available.

Appendix Table 2.3. Sub-Saharan Africa: Selected Aggregate Bank Balance Sheet Accounts (June 2009–June 2011)
(Change in percent of GDP over the period)

	Foreign Assets	Foreign Liabilities	Net Foreign Assets	Credit					Deposits and Bonds				
				Private sector	Central Government	Public Enterprises	Central Bank	Total	Private sector	Central government	Central Bank	Total	
Rand area													
South Africa	-5.7	-6.0	0.3	-10.9	1.5	-0.1	-0.1	-9.5	-9.5	0.8	0.1	-8.5	
Lesotho	-3.7	0.0	-3.8	1.6	-0.5	0.0	-0.6	0.5	-4.2	-0.2	0.0	-4.4	
Namibia	-5.3	-0.5	-4.7	1.6	2.0	-0.4	0.1	3.3	-2.5	0.6	0.0	-1.9	
Swaziland	-0.2	3.1	-3.4	2.3	2.0	0.2	1.0	5.5	1.6	-0.5	0.0	1.1	
Large oil exporters													
Angola	-2.0	0.1	-2.1	2.9	-1.7	0.2	-1.7	-0.4	2.5	-1.2	0.8	2.1	
Nigeria	-0.7	-0.4	-0.3	-12.5	2.9	0.0	-1.2	-10.8	-4.6	-0.2	0.4	-4.4	
Other countries without conventional exchange rate pegs													
Botswana	-1.0	-1.5	0.5	-2.0	0.2	0.2	0.5	-1.0	-8.7	-0.4	-0.1	-9.1	
Burundi	-1.6	-0.4	-1.2	6.1	1.4	-0.4	-1.1	5.9	1.9	0.6	1.0	3.5	
Congo, Dem. Rep. of	3.1	-0.1	3.2	-0.5	-0.3	0.2	0.3	-0.3	6.1	0.1	-0.5	5.7	
Gambia, The	0.7	-0.2	0.9	1.8	3.6	0.0	0.6	5.9	7.2	0.0	0.0	7.2	
Ghana	-0.3	0.0	-0.2	-4.4	3.4	-0.5	0.2	-1.2	-0.6	0.3	-0.3	-0.6	
Kenya	-1.7	1.2	-3.0	6.3	3.4	0.3	0.6	10.5	5.9	0.9	-0.1	6.7	
Madagascar	0.0	0.1	-0.1	-0.7	0.0	0.0	0.1	-0.6	0.0	-0.2	0.0	-0.2	
Malawi	0.4	-0.2	0.6	2.9	-1.4	0.8	-0.6	1.7	6.2	0.4	-0.6	6.0	
Mauritius	50.1	38.2	12.0	1.9	-5.3	-1.8	2.0	-3.2	-3.7	0.0	-0.1	-3.8	
Mozambique	0.0	0.6	-0.6	4.5	-1.6	0.8	0.2	3.9	1.1	0.4	0.5	1.9	
Seychelles	-0.6	-5.1	4.5	3.9	-5.9	-0.1	1.7	-0.3	12.4	-0.7	-0.4	11.4	
Sierra Leone	3.7	0.2	3.5	1.7	0.1	0.1	0.0	1.9	9.7	-0.6	0.2	9.3	
Tanzania	0.9	0.5	0.4	2.0	1.8	0.0	-0.1	3.7	4.4	-0.2	0.0	4.2	
Uganda	-0.7	0.0	-0.7	4.8	0.8	0.0	0.3	5.9	5.0	0.2	0.2	5.4	
Zambia	1.5	0.0	1.6	-0.7	3.1	-0.1	0.3	2.5	2.3	0.5	-0.1	2.7	
CEMAC													
Cameroon	1.3	0.3	1.0	1.2	0.2	0.2	-0.9	0.7	2.4	0.3	-0.1	2.6	
Central African Republic	0.9	0.8	0.1	3.2	-0.9	0.0	0.7	2.9	3.7	0.3	0.0	4.0	
Chad	-0.1	-0.9	0.8	0.4	0.9	-0.9	-0.4	0.0	-0.1	0.6	0.0	0.4	
Congo, Republic of	1.2	0.1	1.1	1.0	-0.2	-0.4	-0.4	0.1	2.3	-0.2	0.0	2.0	
Equatorial Guinea	-1.1	0.3	-1.4	0.9	0.0	0.0	-0.4	0.5	-1.4	-0.8	0.0	-2.2	
Gabon	0.3	0.1	0.2	-3.0	1.0	0.1	0.8	-1.2	-3.0	0.5	0.0	-2.5	
WAEMU													
Benin	3.7	0.6	3.1	1.5	1.8	0.0	0.1	3.5	3.4	1.3	2.1	6.8	
Burkina Faso	4.3	0.5	3.8	1.2	0.9	0.0	1.2	3.2	10.3	-0.8	1.9	11.5	
Côte d'Ivoire	1.9	-0.1	2.0	2.8	2.3	0.0	0.6	5.7	10.3	1.1	-0.3	11.1	
Guinea-Bissau	3.2	1.0	2.2	8.6	-1.7	0.0	1.1	8.0	11.2	-0.7	-0.4	10.2	
Mali	3.2	1.1	2.1	0.5	0.2	0.0	0.2	0.9	1.9	0.5	0.1	2.5	
Niger	1.6	-0.3	1.8	0.4	0.6	0.0	-1.2	-0.2	0.5	0.6	-0.1	1.0	
Senegal	0.6	0.9	-0.3	1.9	-0.1	0.0	0.5	2.3	2.5	0.2	0.1	2.8	
Togo	4.1	3.1	1.0	7.7	-2.0	0.0	3.6	9.3	8.4	1.4	0.4	10.2	
Other countries with conventional exchange rate pegs													
Cape Verde	-0.8	-1.1	0.3	0.7	-0.3	0.5	-3.6	-2.7	-5.7	-0.7	1.2	-5.2	
Comoros	2.8	1.2	1.6	5.0	-0.4	0.1	3.5	8.2	5.6	0.4	0.0	6.0	
Eritrea	3.3	0.0	3.3	-2.8	-3.9	-0.2	-1.0	-7.9	-6.6	0.2	-0.1	-6.5	
São Tomé and Príncipe	1.8	-4.5	6.3	9.3	0.2	1.0	-3.8	6.7	5.5	0.5	0.4	6.4	
Memo:¹													
Mean	1.8	0.9	0.9	1.4	0.2	0.0	0.1	1.7	2.2	0.1	0.2	2.5	
Median	0.4	0.0	0.5	1.7	0.2	0.0	0.2	1.9	2.4	0.2	0.0	2.7	
Min	-5.7	-6.0	-4.7	-12.5	-5.9	-1.8	-3.8	-10.8	-9.5	-1.2	-0.6	-9.1	
Max	50.1	38.2	12.0	9.3	3.6	1.0	3.6	10.5	12.4	1.4	2.1	11.5	

Sources: International Financial Statistics; and World Economic Outlook databases.

¹ Excludes Liberia (large shipping registry) and Mauritius and Seychelles (large offshore centers). Updated banking system information on Ethiopia, Guinea, Rwanda, and Zimbabwe was not readily available.

Appendix Table 2.4. Sub-Saharan Africa: Selected Foreign Banking Groups Operating in Africa, 2011
(Share of deposits, 2010, where BankScope data available)

	Foreign Banks Outside Africa																								
	UK				French				Portuguese																
	Barclays Group	ABSA (South Africa) ¹	Standard Chartered	HSBC	Societe Generale	BPCE	Credit Agricole	BNP Paribas	Banco Espirito Santo	Caixa Geral de Depositos (nationalized)	Banco Comercial Portugues	Banco BPI	Other Portuguese	Banco Africano de Investimento	Banco Formento de Angola	Banco Privado Atlantico	Caixa Economica de Cabo Verde	Bank of Baroda (India)	Deutsche Bank	UBS	Citi Group	International Commercial Bank	Procredit Bank (Germany)	Orabank	
Rand area																									
South Africa	x	18	x	x	x		x		x									x	x	x					
Lesotho																									
Namibia		7																							
Swaziland																									
Large oil exporters																									
Angola									10	2	5	x	x	25	18	5									
Nigeria									x											2					
Other countries without conventional exchange rate pegs																									
Botswana	31		23														x								
Burundi																									
Congo, Dem. Rep. of																				3		7			
Ethiopia																									
Gambia, The				20																					
Ghana	9		9		4												0								
Guinea					25		23																	6	
Kenya	10		8														2			3					
Liberia																									
Madagascar					x	x	x																		
Malawi																									
Mauritius	12		4	24		x											3	4							
Mozambique		7							28	34		x													
Rwanda																									
Seychelles	46																9								
Sierra Leone				18																					
Tanzania	4	11	8														1			5					
Uganda	8		11														4			4					
Zambia	20		20														x			x					
CEMAC																									
Cameroon			7		16	20	12														3				
Central African Republic																									
Chad																									
Congo, Republic of						8																			
Equatorial Guinea					24																				
Gabon																				8					
WAEMU																									
Benin					10																			6	
Burkina Faso					12		10																		
Côte d'Ivoire			2		18		9													3					
Guinea-Bissau																									
Mali							3																		
Niger																									
Senegal					22		11													x	x				
Togo																									
Other countries with conventional exchange rate pegs																									
Cape Verde									0	50		10				30									
Comoros																									
Eritrea																									
São Tomé and Príncipe																									
Zimbabwe			10																						
Total number of subsidiaries or branches	9	4	13	2	10	4	3	5	3	4	2	1	3	1	1	1	8	2	1	11	1	1	2	2	
Number in percent of 44 SSA countries	20	9	30	5	23	9	7	11	7	9	5	2	7	2	2	2	18	5	2	25	2	2	5	5	

Sources: Annual reports; BankScope; Bankers Almanac; bank websites; country authorities; and IMF staff.

Note: An "X" represents bank presence for which specific data is not readily available.

¹ Absa is a subsidiary of Barclays.

Appendix Table 2.5. Selected Pan-African Banking Groups, 2011
(Share of deposits, 2010, where BankScope data available)

	Pan African banks											South African								
	Ecobank	Oceanic (absorbed by Ecobank)	United Bank for Africa	Bank of Africa	Access Bank	Afriland	BGFI bank	Banque Atlantique	Commercial Bank	ABC	Societe Ivoirienne de Banque	Banco Equador	Isiland Bank	Compagnie bancaire de l'Afrique occidentale	Banque Sahelo-Saharienne pour l'Investissement et le Commerce	Standard Bank Group/Stianbic	ABSA ¹	Nedbank ²	First Rand	
Rand area																				
South Africa										x							27	18	21	13
Lesotho																	x	7	x	x
Namibia																	x	7	x	x
Swaziland																	43	23	21	
Large oil exporters																				
Angola																	x			
Nigeria	11	6	12		5												x			
Other countries without conventional exchange rate pegs																				
Botswana	14									x							16		x	
Burundi	8			x																
Congo, Dem. Rep. of	3		0	0	3	1	1										5			
Ethiopia																				
Gambia, The	6	x			7															
Ghana	9		2		1												6			
Guinea	25		x																	
Kenya	1		0	2													12			
Liberia	50		x			x														
Madagascar				x																
Malawi	x																20		x	
Mauritius																	7			
Mozambique			0						3								20	7		3
Rwanda	7				7			4												
Seychelles																				
Sierra Leone	12		2		3															
Tanzania	0		0	2	0			2	x								5	11		0
Uganda	1		1	3													16			
Zambia	1		x		x	x				x							15			x
CEMAC																				
Cameroon	9	4	2			18	x	2	5											
Central African Republic	55								22							7				
Chad	27		x						13											
Congo, Republic of	7					x	51													
Equatorial Guinea						45	13		x											
Gabon	x		x				46													
WAEMU																				
Benin	18			30			x	6												
Burkina Faso	16		x	18				x												
Côte d'Ivoire	12		1	5	1			11		8										
Guinea-Bissau	10																			
Mali	14			12				5												
Niger	16			18				15												
Senegal	12		x	4				x						x	x					
Togo	25							x												
Other countries with conventional exchange rate pegs																				
Cape Verde	0																			
Comoros																				
Eritrea																				
São Tomé and Príncipe	3	2				5		2			9	4								
Zimbabwe	x								11								14			
Total number of subsidiaries or branches	31	4	17	12	9	7	6	8	7	6	1	1	1	1	2	17	4	5	8	

Sources: Annual Reports, BankScope, Bankers Almanac, and bank websites.

Note: An "X" represents bank presence for which specific data is not readily available.

¹ Absa is a subsidiary of Barclays.

² Nedbank has a cooperation agreement with Ecobank. It is a subsidiary of a British financial entity, Old Mutual.

Appendix Table 2.6. Sub-Saharan Africa: Capital Adequacy Ratios, 2006–11
(Percent of risk-weighted assets)

	2006	2007	2008	2009	2010	2011
Rand area						
South Africa	12.3	12.8	13.0	14.1	14.9	14.9
Lesotho	19.1	14.1	13.7	13.8	15.3	15.3
Namibia	14.2	15.8	15.5	15.0	15.3	14.5
Swaziland	26.3	23.6	33.8	28.4	19.8	18.9
Large oil exporters						
Angola	18.5	21.9	19.5	19.5	18.6	14.8
Nigeria	40.9	23.4	22.6	20.9	7.0	...
Other countries without conventional exchange rate pegs						
Botswana	16.8	18.5	16.9	19.6	20.5	...
Burundi	13.5	13.5	15.2	19.1	19.7	...
Congo, Dem. Rep. of	10.5	12.8	10.9	14.0	...	...
Ethiopia	11.3	20.0	15.9	18.3	17.5	...
Gambia, The	...	22.5	19.6	18.8	26.0	25.0
Ghana	15.8	14.8	13.8	18.2	19.1	17.4
Guinea	12.4	15.9	15.9	18.5	21.4	17.7
Kenya	17.0	18.0	18.9	19.5	20.8	19.4
Liberia	12.3	28.4	22.0	28.1	27.4	22.8
Madagascar	...	...	...	...	...	...
Malawi	21.8	19.6	21.5	22.6	20.3	20.7
Mauritius	15.8	13.3	15.3	15.4	15.8	15.8
Mozambique	12.5	14.2	13.9	15.1	14.4	17.1
Rwanda	13.7	16.6	15.9	19.0	24.4	27.2
Seychelles	19.6	15.4	12.0	21.6	21.5	24.2
Sierra Leone	33.3	35.0	43.5	34.0	30.7	27.0
Tanzania	16.3	16.2	17.0	18.3	18.5	17.8
Uganda	17.9	19.3	20.7	20.9	20.2	20.3
Zambia	20.4	18.6	18.6	22.3	22.1	19.2
CEMAC						
Cameroon	20.1	17.7	18.6	17.1	17.9	15.8
Central African Republic	22.7	25.5	26.6	36.5	30.9	44.2
Chad	20.1	22.3	19.3	23.7	26.6	25.8
Congo, Republic of	25.4	29.7	26.5	29.7	21.0	16.9
Equatorial Guinea	19.5	19.0	13.7	31.5	26.6	24.2
Gabon	17.8	14.3	19.4	24.0	22.6	16.4
WAEMU						
Benin	1.4	3.0	...	...	10.9	...
Burkina Faso	...	8.4	8.3	7.4	6.3	...
Côte d'Ivoire	12.4	9.5	9.3	...	...	...
Guinea-Bissau	18.2	14.9	11.7	17.8	...	...
Mali	9.2	10.8	11.4	9.9	16.9	17.4
Niger	10.9	11.0	4.9	9.1	6.5	...
Senegal	13.1	13.6	13.9	16.5	18.2	17.2
Togo	2.8	-13.7	13.5	12.3	14.4	...
Other countries with conventional exchange rate pegs						
Cape Verde	11.0	11.4	12.0	11.4	15.6	13.6
Comoros	...	...	...	...	...	...
Eritrea	14.0	16.0	14.0	19.0	...	...
São Tomé and Príncipe	19.8	16.7	24.7	23.2	27.9	...
Zimbabwe	26.5	19.2	43.5	21.6	15.3	...

Source: Country authorities.

Appendix Table 2.7. Sub-Saharan Africa: Nonperforming Loans, 2006–11
(Percent of loans)

	2006	2007	2008	2009	2010	2011
Rand area						
South Africa	1.1	1.4	3.9	5.9	5.8	4.7
Lesotho	2.1	1.4	2.1	3.2	3.1	2.4
Namibia	2.6	2.8	3.1	2.7	2.0	1.9
Swaziland	7.7	7.5	7.6	8.6	9.3	7.5
Large oil exporters						
Angola	4.8	2.9	2.4	2.6	8.6	2.4
Nigeria	10.0	9.5	7.2	36.1	20.1	...
Other countries without conventional exchange rate pegs						
Botswana	1.5	1.3	1.6	3.2	6.1	...
Burundi	1.4	1.6	1.4	5.4	4.3	...
Congo, Dem. Rep. of	...	...	...	...	...	...
Ethiopia	...	...	...	...	...	...
Gambia, The	...	10.4	13.7	12.3	14.5	12.9
Ghana	7.9	6.4	7.7	16.2	17.6	14.1
Guinea	10.5	10.9	4.5	9.5	5.5	2.8
Kenya	20.2	10.6	9.0	7.9	6.2	4.4
Liberia	42.4	16.4	17.4	10.9	25.1	20.8
Madagascar	...	9.1	8.9	11.3	12.4	13.9
Malawi	5.0	3.4	3.2	3.2	3.9	3.9
Mauritius	3.0	2.5	2.0	3.3	2.8	2.6
Mozambique	3.1	2.6	1.9	1.8	1.9	2.6
Rwanda	25.0	18.1	12.6	13.1	10.8	8.0
Seychelles	4.4	2.3	2.0	3.8	5.5	8.1
Sierra Leone	26.9	25.6	17.9	10.6	15.6	15.1
Tanzania	6.8	6.3	6.2	6.6	9.8	6.8
Uganda	2.9	4.1	2.2	4.2	2.1	2.2
Zambia	11.3	8.8	7.2	12.6	14.8	10.4
CEMAC						
Cameroon	12.3	12.5	11.5	12.7	14.8	14.8
Central African Republic	32.9	30.4	21.3	21.3	13.9	14.7
Chad	12.4	11.3	8.0	10.4	12.1	9.8
Congo, Republic of	1.4	2.7	1.6	1.5	2.1	1.5
Equatorial Guinea	14.3	11.3	9.9	11.8	7.2	5.5
Gabon	10.7	7.6	8.5	7.2	9.9	5.5
WAEMU						
Benin	19.4	17.1	18.7	16.6	15.5	...
Burkina Faso	...	...	...	...	9.4	...
Côte d'Ivoire	...	...	...	...	...	...
Guinea-Bissau	2.3	8.2	5.0	7.2	3.5	...
Mali	25.0	25.1	25.3	21.9	21.5	18.5
Niger	21.8	16.7	16.0	14.7	8.9	...
Senegal	16.8	18.6	17.4	18.7	20.2	...
Togo	29.0	22.3	14.9	14.6	...	...
Other countries with conventional exchange rate pegs						
Cape Verde	3.9	5.0	3.1	4.1	4.2	6.0
Comoros	...	...	...	...	...	...
Eritrea	...	...	...	...	...	...
São Tomé and Príncipe	44.3	26.6	19.3	10.2	9.7	...
Zimbabwe	4.2	5.3	6.5	1.8	3.1	...

Source: Country authorities.

Appendix Table 2.8. Sub-Saharan Africa: Return on Assets, 2006–11
(Percent a year)

	2006	2007	2008	2009	2010	2011
Rand area						
South Africa ¹	1.4	1.4	1.5	1.1	1.2	1.5
Lesotho	0.3	1.7	2.7	2.8	2.7	2.8
Namibia	1.5	3.5	4.2	3.0	3.5	2.9
Swaziland	2.9	1.9	4.0	2.5	2.4	2.4
Large oil exporters						
Angola	2.7	2.7	2.4	3.4	3.0	2.7
Nigeria	0.3	0.5	0.4	-1.5	2.1	...
Other countries without conventional exchange rate pegs						
Botswana	6.1	2.6	2.9	2.8	0.9	...
Burundi	1.7	2.3	2.3	2.6	2.5	...
Congo, Dem. Rep. of	...	...	...	...	...	...
Ethiopia	2.9	2.7	3.2	3.4	3.4	...
Gambia, The	...	4.5	0.1	-1.6	-0.5	0.3
Ghana	4.8	3.7	3.2	2.8	3.8	3.9
Guinea	5.3	4.1	3.2	2.0	1.9	2.5
Kenya	2.7	3.0	2.8	2.9	3.7	3.3
Liberia	-0.5	0.6	0.7	0.6	0.5	-0.7
Madagascar	...	3.3	2.9	1.6	5.3	6.5
Malawi	4.2	4.9	4.8	4.7	4.2	3.2
Mauritius	1.7	1.9	1.7	1.6	1.4	1.6
Mozambique	4.0	3.8	3.5	3.0	2.6	2.5
Rwanda	2.4	1.5	2.4	0.7	2.0	2.2
Seychelles	2.7	4.2	4.9	3.5	3.7	3.7
Sierra Leone	5.8	3.1	2.2	1.6	3.4	3.8
Tanzania	3.9	4.7	3.8	3.2	2.2	2.7
Uganda	3.3	3.4	4.0	2.0	3.0	4.0
Zambia	5.1	4.7	3.6	2.1	2.9	3.7
CEMAC						
Cameroon	1.3	1.1	1.1	-0.3	0.4	0.2
Central African Republic	3.8	3.9	2.3	1.6	2.9	2.7
Chad	1.8	1.7	1.9	0.1	1.6	0.4
Congo, Republic of	2.1	2.9	2.5	1.9	2.3	0.9
Equatorial Guinea	1.2	1.0	1.7	1.3	1.5	0.6
Gabon	2.5	2.7	1.8	2.8	0.5	0.8
WAEMU						
Benin	...	...	...	...	0.7	...
Burkina Faso	...	...	...	...	...	...
Côte d'Ivoire	...	...	...	...	...	...
Guinea-Bissau	...	...	...	...	...	...
Mali	13.5	-0.8	0.8	0.6	1.4	1.4
Niger	...	...	...	...	1.7	...
Senegal	1.6	1.6	1.4	1.3	...	...
Togo	...	...	...	...	...	...
Other countries with conventional exchange rate pegs						
Cape Verde	0.8	1.2	1.3	0.7	0.7	0.3
Comoros	...	...	...	...	...	...
Eritrea	3.0	3.0	2.0	...	...	...
São Tomé and Príncipe	-2.8	-0.9	-1.0	0.1	0.7	...
Zimbabwe	16.7	10.3	35.6	0.5	1.9	...

Source: Country authorities.

¹ As in the IMF's *Global Financial Stability Report*, the figures correspond to returns before taxes, as opposed to those published in South African Reserve Bank's financial stability report.

Appendix Table 2.9. Sub-Saharan Africa: Return on Equity, 2006–11
(Percent a year)

	2006	2007	2008	2009	2010	2011
Rand area						
South Africa ¹	18.3	18.1	26.9	18.0	18.3	21.0
Lesotho	4.5	21.0	36.2	33.3	30.9	28.9
Namibia	19.9	44.9	52.1	38.4	41.9	33.9
Swaziland	21.2	14.8	22.7	14.9	14.4	13.8
Large oil exporters						
Angola	28.8	23.6	26.5	36.5	32.1	27.2
Nigeria	1.9	3.0	1.9	-9.6	65.4	...
Other countries without conventional exchange rate pegs						
Botswana	66.9	43.2	45.4	56.5	9.1	...
Burundi	17.5	26.4	29.7	22.8	21.8	...
Congo, Dem. Rep. of	...	...	...	...	...	...
Ethiopia	...	...	...	...	...	...
Gambia, The	...	36.4	0.8	-24.9	4.8	1.8
Ghana	39.6	35.8	30.1	23.6	28.6	27.2
Guinea	73.2	44.8	39.6	24.5	25.4	32.5
Kenya	27.2	28.3	25.2	24.8	30.7	32.2
Liberia	-4.1	4.5	5.4	3.4	0.3	-4.7
Madagascar	...	0.4	0.4	0.2	0.5	0.5
Malawi	36.0	39.9	35.1	34.2	29.4	24.2
Mauritius	22.4	26.4	24.3	21.0	20.0	22.1
Mozambique	60.8	50.7	44.7	36.6	32.5	26.5
Rwanda	27.0	15.5	18.5	5.0	11.2	10.6
Seychelles	41.8	64.2	68.4	38.8	40.1	41.0
Sierra Leone	17.0	10.3	7.2	4.0	12.1	15.6
Tanzania	26.7	29.0	23.2	18.4	12.1	15.1
Uganda	27.3	27.8	27.7	12.7	21.3	27.4
Zambia	30.6	35.1	20.8	9.4	12.1	25.5
CEMAC						
Cameroon	13.8	12.8	13.0	-2.9	5.2	2.2
Central African Republic	20.6	22.8	14.0	8.9	16.0	14.7
Chad	15.5	15.4	17.3	1.0	12.7	3.1
Congo, Republic of	35.3	40.8	32.5	23.3	28.0	14.2
Equatorial Guinea	17.7	13.9	23.9	18.5	14.9	5.4
Gabon	23.5	32.3	20.8	17.2	5.1	8.6
WAEMU						
Benin	-4.8	1.0	12.5	6.0	8.2	...
Burkina Faso	...	...	...	...	...	...
Côte d'Ivoire	...	...	...	...	...	...
Guinea-Bissau	14.4	-12.0	-3.6	-2.5	6.2	...
Mali	8.7	-14.0	12.9	10.0	15.2	15.2
Niger	3.8	4.6	0.2	23.4	14.5	...
Senegal	14.5	14.6	11.6	18.6	...	...
Togo	4.8	8.5	12.7	5.8	...	...
Other countries with conventional exchange rate pegs						
Cape Verde	15.6	21.7	21.3	9.6	8.2	3.7
Comoros	...	...	...	...	...	...
Eritrea	...	...	...	...	...	...
São Tomé and Príncipe	-2.8	0.9	-3.7	...	1.8	...
Zimbabwe	66.3	41.1	55.4	1.9	11.0	...

Source: Country authorities.

¹ As in the IMF's *Global Financial Stability Report*, the figures correspond to returns before taxes, as opposed to those published in South African Reserve Bank's financial stability report.

3. Sub-Saharan Africa's Natural Resource Exporters: Recent Performance and Policy Challenges

INTRODUCTION AND SUMMARY

*Exhaustible natural resources account for a large share of output and export earnings in many sub-Saharan African (SSA) countries. Rising world commodity prices, coupled with new resource discoveries, have stimulated growth in these economies during the past decade. Several additional countries in the region are also poised to become significant resource exporters in the near future. This chapter examines the region's natural resource exporters and the policies that can help them make effective use of these resources to support economic development.*¹

Ensuring that these resources will lead to long-term economic development entails many policy challenges. Some of these challenges involve the natural resource sector's tax/licensing regime and the state's role in the sector. Other policies will need to contend with the fact that government revenues will decline as resources are depleted, requiring decisions on (i) how much of these revenues are consumed today, and (ii) how the resources not consumed today will be transferred to future generations. And yet another set of policy concerns stem from the high volatility of resource prices, necessitating an appropriate framework for macroeconomic management in the face of large fluctuations in export revenues, budget receipts, and, in some cases, foreign direct investment.

Based on recent experiences working with member countries, the International Monetary Fund (IMF) has been considering the appropriate approaches

This chapter was prepared by Javier Arze del Granado, Montfort Mlachila, Jean-Claude Nachege, Jon Shields, Darlena Tartari, Alun Thomas, and Juan Treviño, with inputs from Shawn Ladd and Geoffrey Oestreicher. Research assistance was provided by Sandra Donnally, Cleary Haines, and Luiz Oliveira, and administrative assistance by Natasha Minges.

¹ For simplicity, "natural resources" is used throughout this chapter to refer to nonrenewable natural resources.

to these issues in developing countries.² Work is underway and close to completion on the three policy areas cited above; work already completed includes Daniel, Keen, and McPherson (2010), Baunsgaard and others (2012), and Akitoby and Coorey (2012). This chapter addresses aspects of the policy issues cited above, but does not attempt to provide comprehensive recommendations.

The chapter's main findings are:

- Natural resource exports are an important contributor to merchandise exports in close to half of the 45 countries in sub-Saharan Africa. Several countries are expected to soon join the ranks of significant natural resource exporters, given recent discoveries and exploration results.
- Natural resource revenues contribute significantly to national budgets in 10 sub-Saharan African countries, with that number also expected to rise in the coming years. The share of resource exports that accrue to national budgets varies widely across countries, with oil producers being the most successful in terms of revenue extraction.
- The present value of budget revenues likely to be collected from natural resource wealth is large in relation to nonresource GDP in many countries, notably in major oil exporters.
- Natural resource exporters have experienced faster economic growth than other sub-Saharan African economies during 2000–12, but the improvement in social indicators is not noticeably faster. Improving service-delivery capacity may be part of the answer to connecting economic growth and improved living standards in resource exporting countries.

² There is a large body of research and policy analysis that addresses these issues; see Collier et al. (2010) for an extensive set of references to this literature.

- Countries that obtain considerable fiscal revenue from natural resources have experienced significantly higher volatility in exports, revenue, and nonresource GDP growth than other sub-Saharan African economies. Some countries have developed effective macroeconomic policy frameworks to manage this volatility, but more-structured policy frameworks are needed in several countries. Fiscal policy in these economies has become less procyclical over the past decade, although the boom-bust cycle has not been eliminated.
- Analysis of international reserves adequacy in resource exporters suggests that a further build-up of reserves is warranted in most countries, given their vulnerability to commodity price shocks. However, more detailed, country-specific analysis would be needed to draw firm conclusions.
- In many resource-dependent countries, non-resource budget deficits currently lie above levels consistent with spreading the proceeds from existing resource wealth evenly over time. Drawing policy prescriptions from this would require careful examination of the countries' fiscal position, including levels and quality of public investment, along with an assessment of prospects for new resource discoveries.

KEY FEATURES AND RECENT EXPERIENCES

This section profiles sub-Saharan Africa's natural resource exporters, and explores how resource dependence has influenced economic development patterns. Countries are deemed significant exporters of natural resources if such exports exceeded one-quarter of total merchandise exports in 2005–10. Among this group of natural resource exporters, countries are deemed "fiscally dependent" on natural resources if revenues derived from natural resource exploitation, on average, exceeded one-fifth of budgetary revenues in the same period.³

³ See Box 3.1. South Sudan has not been included in the analysis.

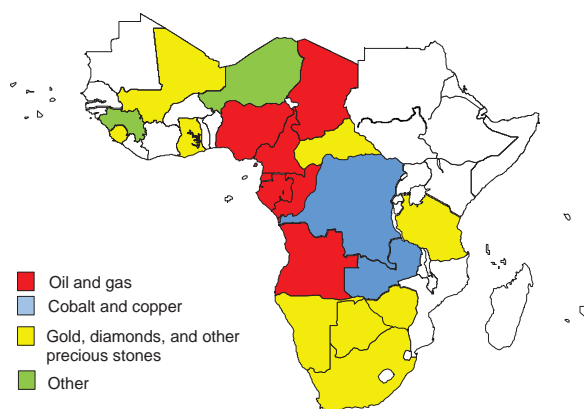
KEY CHARACTERISTICS OF THE RESOURCE EXPORTERS

Twenty of sub-Saharan Africa's 45 countries can be viewed as significant exporters of natural resources, with the bulk of the remaining countries dependent on exports of agricultural commodities (Box 3.1). The grouping includes seven oil exporters; nine exporters of gold, diamonds, and other precious stones; two base metal exporters; and two countries that export a mix of mineral products (Figure 3.1). The significance of resource exports, both in relation to merchandise exports and to nonresource GDP, is highest for the oil exporters, with the value of resource exports exceeding the size of nonresource GDP in several countries (Table 3.1).

Of these 20 resource exporters, 10 countries are fiscally dependent on budget revenues derived from natural resource production. This grouping includes the seven oil exporters, Botswana, the Democratic Republic of the Congo (DRC), and Guinea. By contrast, except for Mali, the other resource exporters receive less than 15 percent of budgetary revenues from natural resource production. Moreover, only two of these countries (Niger, Zambia) are projected to increase markedly their revenue take from natural resources in the 2011–16 period.

For several countries, the prospective public revenues implied by existing resource wealth is sizable

Figure 3.1. Sub-Saharan Africa: Major Nonrenewable Exports



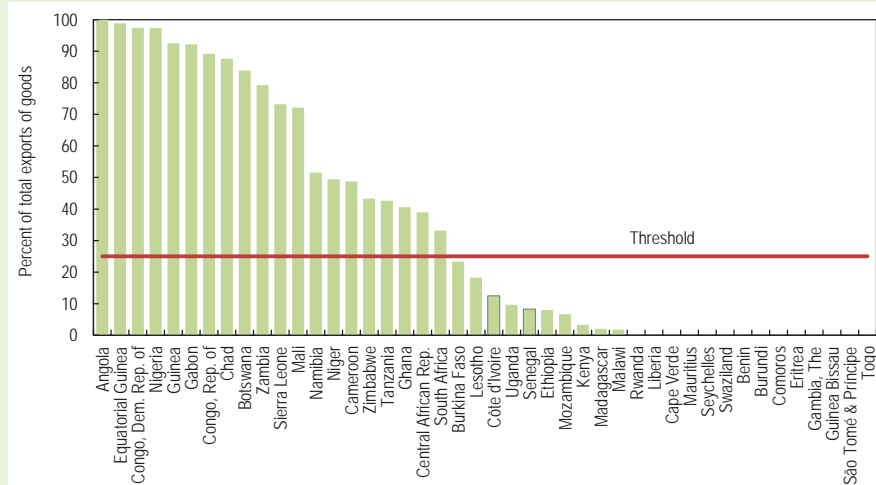
Source: IMF, African Department Database.

Box 3.1. The Distribution of Nonrenewable Natural Resources in Sub-Saharan Africa

About 15 percent of the annual output of sub-Saharan Africa and 50 percent of its exports come from nonrenewable natural resources. In only 20 of the 45 countries in the region are natural resources a major export. Seven of these countries are oil exporters, accounting for more than half of the region's natural resource exports. The other

13 resource-rich economies receive at least a quarter of their export proceeds from mining activities. Gold, diamonds, and other precious stones are the major commodity exports of most of the region's non-oil resource-rich economies. A few, however, depend heavily on base metals and uranium (Niger, Zambia) or benefit from a broad mixture of products (the Democratic Republic of the Congo, Guinea, Namibia, Sierra Leone).

Figure 1. Sub-Saharan Africa: Resource Exports, Average 2005–10¹



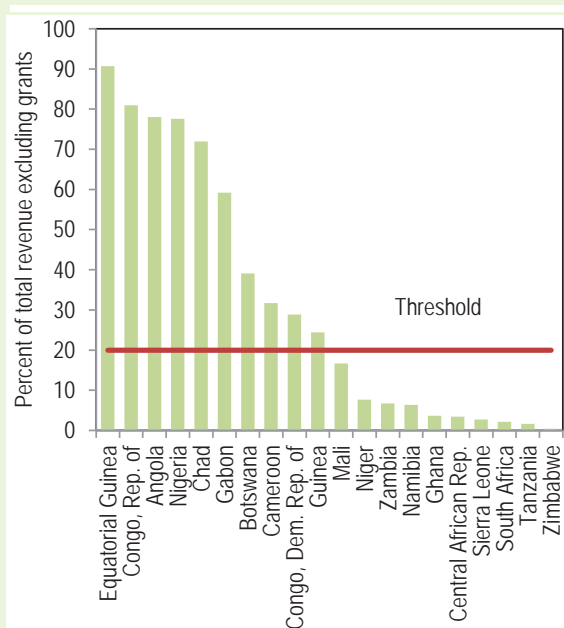
Source: IMF, African Department database.

¹ Data for Côte d'Ivoire and Senegal excludes re-exports of refined oil products.

Given wide variations in the costs of exploiting different nonrenewable resources, and in the ability of tax regimes to harness the associated rents, government revenue from natural resource exploitation differs substantially among countries. While much of this analysis focuses on the 20 sub-Saharan African natural resource exporters, special attention is also paid to the 10 economies deemed fiscally dependent on natural resources.

Some countries currently listed as nonresource-rich have significant resource export potential. For instance, Mozambique, São Tomé and Príncipe, and Uganda are among several countries seeking to exploit oil and gas reserves; prospects for offshore oil deposits in Liberia look bright; and Malawi has sizeable uranium deposits. Some resource exporters, such as Ghana (oil) and Sierra Leone (iron ore), are also broadening the spectrum of their commodity exports. As Collier (2011) has pointed out, it is likely that the bulk of vast exploitable natural resources remain to be revealed, because the identified level of such resources in sub-Saharan Africa is currently far below that of other areas.

Figure 2. SSA Resource-Intensive Countries: Resource Revenue, Average 2005–10



Source: IMF, African Department database.

This box was prepared by Jon Shields.

Table 3.1. Resource-Intensive Countries: Selected Resource Indicators, 2010 (Percent of nonresource GDP, unless otherwise noted)

	Resource exports	Resource revenue	Resource revenue (percent of total revenue)	GDP per Capita (U.S. dollars)	GNI per capita (U.S. dollars)	Subterranean wealth ¹	State partnership in resource extraction (percent of total)	Extractive Industry Transparency Initiative status ²
Oil exporters								
Angola	110.6	59.8	75.9	4,423	3,940	1,121.4	67.0	
Cameroon	10.5	4.8	26.6	1,143	1,180	167.0	45.0	Candidate
Chad	60.2	26.1	67.6	676	620	357.5	0.0	Candidate
Congo, Republic of	224.1	92.0	79.0	2,943	2,150	1,548.1	0.0	Candidate
Equatorial Guinea	171.6	66.4	88.1	19,998	14,540	141.4	Partial	
Gabon	116.3	31.6	53.9	8,643	7,740	919.7	25.0 – 35.0	Candidate
Nigeria	54.3	27.2	72.2	1,222	1,180	772.3	Partial	Compliant
Other fiscally dependent countries								
Botswana	38.2	13.4	31.3	7,403	6,790	199.3	50.0	
Congo, Democratic Republic of	68.6	5.5	26.5	199	180	135.9	30.0	Candidate
Guinea	33.6	5.0	24.8	452	400	44.0	30.0	Candidate
Other countries								
Central African Republic	2.8	0.9	8.0	457	470	n.a.	0.0	Compliant
Ghana	12.0	0.5	3.7	1,283	1,230	49.1	0.0	Compliant
Mali	16.8	3.3	17.1	602	600	75.6	0.0	Compliant
Namibia	17.4	1.8	5.8	5,330	4,500	14.4	50.0	
Niger	11.0	1.7	11.8	358	370	26.2	15.0 – 40.0	Compliant
Sierra Leone	11.1	0.3	2.4	325	340	n.a.	0.0	Candidate
South Africa	8.6	0.6	2.0	7,275	6,090	n.a.	Small	
Tanzania	7.2	n.a.	n.a.	527	530	n.a.	0.0	Candidate
Zambia	51.7	2.7	10.9	1,253	1,070	31.4	15.0 – 20.0	Candidate
Zimbabwe	24.4	0.8	2.5	595	460	n.a.	Partial	

Sources: U.S. Geological Surveys; Mbendi.com; World Bank, World Development Indicators; IMF, African Department database; and IMF staff estimates and calculations.

¹ Subterranean wealth is defined as the net present value of resource wealth times the implicit tax rate (ratio of resource revenues to resource exports, 2005–10).

² Liberia is EITI compliant but is not included in the grouping of resource exporters.

relative to current nonresource GDP, although there is significant variation across countries. These calculations should be considered illustrative, rather than precise; they are based on estimates of: (i) the currently identified resource base; (ii) the share of resource revenues expected (based on recent experience) to accrue to the state;⁴ and (iii) plausible assumptions regarding resource price developments, extraction rates, and discount rates (to calculate present values of future flows).⁵ Countries that can expect large future revenue flows from the identified resource base include the main oil exporters,

⁴ This share could change markedly over time as resource projects mature.

⁵ See the footnotes to Table 3.1 for information sources and assumptions made in these calculations.

Botswana (although likely to decline as a share of nonmineral output), and the Democratic Republic of the Congo. There are also several countries (for example, Ghana, Liberia, Mozambique, Uganda) that, based on recently discovered resources, can anticipate sizable revenue inflows in the future, given an appropriately structured taxation framework.

The focus on prospective public revenues from resource exploitation, rather than on prospective contributions to future GDP, reflects the fact that resource extraction is typically capital-intensive, with international companies providing the bulk of the capital and expertise in most of sub-Saharan

Africa.⁶ As a result, much of the income generated by resource extraction accrues to foreigners, with taxes and other revenues collected by the state often representing the main benefit accruing to nationals. That said, employment in the resource sector can provide an important income source for nationals in some industries, while local purchases of inputs by the resource projects also generates domestic incomes (Table 3.1).

The design of an appropriate licensing and taxation framework is of central importance if countries are to maximize the benefits they receive from their endowment of natural resources; see Daniel, Keen, and McPherson (2010) for extensive discussion of the issues involved. The tax environment within which mineral firms operate should be transparent, provide a level playing field for investors, and ensure adequate incentives for firms to take the risks involved in resource exploration and extraction.

Sub-Saharan Africa's resource exporters have been eager to join the global Extractive Industries Transparency Initiative (EITI), launched in 2002. EITI participants are expected to meet specific governance standards in the resource sector, especially in regard to the transparency of revenue flows through the monitoring, reconciliation, and publication of corporate payments to the state and recorded government revenues for the sector. Fourteen resource exporters in the region are currently participating in the EITI. All but one has completed at least one reconciliation report, and five have been declared fully compliant with EITI requirements.

MACROECONOMIC DEVELOPMENTS IN 2000–11

Growth

Contrary to the “resource curse” experience during the 1980s and 1990s, GDP per-capita growth has, on average, been higher in resource exporters

⁶ State participation in production varies significantly across countries, but is typically well below 50 percent (Table 3.1); an important exception is Botswana, where the government holds a 50 percent share in Debswana, the national diamond producer.

than in other sub-Saharan African countries since 2000, and higher still in the fiscally dependent subsample (Figure 3.2, left panel).⁷ The stronger growth reflects not only favorable commodity-price developments (Box 3.2), but also the effects of new resource discoveries (for example, in Angola, Equatorial Guinea, and Tanzania). The strong performances, if sustained, would imply that the perverse effects of resource wealth cited in the “resource curse” literature—such as the costs of the boom-bust cycle and the erosion of institutional capacity—have been either partly tamed (see below) or are playing a less significant role.

The direct contribution of natural resource production to output expansion varies markedly across countries, from being the dominant contributor to output growth in Equatorial Guinea and the Democratic Republic of the Congo to the more modest contributions observed in South Africa and Zambia (Figure 3.2, right panel). But in many countries, the role of the natural resource sector in driving growth is significantly understated by looking only at production-side measures of the sectoral contribution to output growth. Angola is a good case in point: with oil revenues accounting for almost all merchandise exports, and the nonresource sector consisting in the main of nontradables, it is surging oil output and revenues that is the driver of economic growth, delivering the foreign exchange to finance imports and facilitating the associated expansion of nontradables.

Strong output growth following the discovery of natural resources has changed the composition of output quite markedly among resource exporters, but the effect on the composition of employment has been modest (Box 3.3). In part, this reflects the normally capital-intensive nature of resource production, but it also indicates the emergence of a sharply dualistic economic structure in which low-productivity sectors (such as agriculture and many services) remain largely untransformed. The

⁷ Sachs and Warner (1997, 1999, 2001), among others, raised concerns about the existence of a negative relationship between resource abundance and economic growth; more recent studies suggest that resource abundance increases growth (e.g., van der Ploeg, 2011; Cavalcanti, Mohades, and Raissi, 2009).

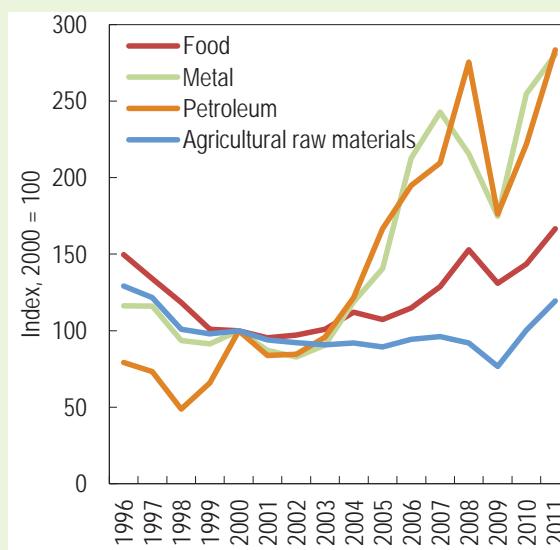
Box 3.2. Global Commodity Price Movements

Natural resource exporters have benefited from a sharp increase in commodity prices over the past decade (Figure 1), while also experiencing increased price volatility. The increase in prices started with the global recovery in 2003 and accelerated in the first half of 2008, before the eruption of the global financial crisis in the last quarter of 2008 led to sharp price drops. Commodity prices recovered beginning in the first quarter of 2009 through April 2011 before easing again, mainly because of a weaker global demand outlook.

The increased level and volatility of commodity prices during the past decade have been attributed to a number of factors. Business cycles in major industrial countries and rapidly rising demand in emerging economies (notably BRIC countries) have been the main factors in driving prices (IMF, 2010 and 2012; World Bank, 2009). The literature suggests that global supply shocks typically do not have a significant long-run impact on most commodity prices, although they may increase volatility. On the other hand, global demand shocks have persistent effects on prices (IMF, 2012). Fluctuations in exchange rates of key currencies, especially between the U.S. dollar and the euro, affect price volatility. Finally, some have argued that the frequency and the magnitude of price swings have become more decoupled from market fundamentals in the short run because of the rapid development of commodities as an asset class, but the jury is still out on this issue.¹

From both a cyclical and long-term perspective, real prices of commodities are at their highest levels since the early 1990s, and remain close to or above the peaks reached in 2008. In particular, since the 1990s, the real prices of sub-Saharan Africa's major nonrenewable exports, energy and metals, have more than tripled and more than doubled, respectively. Surging price levels, however, have been accompanied by increasing short-term volatility in recent years.

Figure 1. Real International Commodity Prices¹

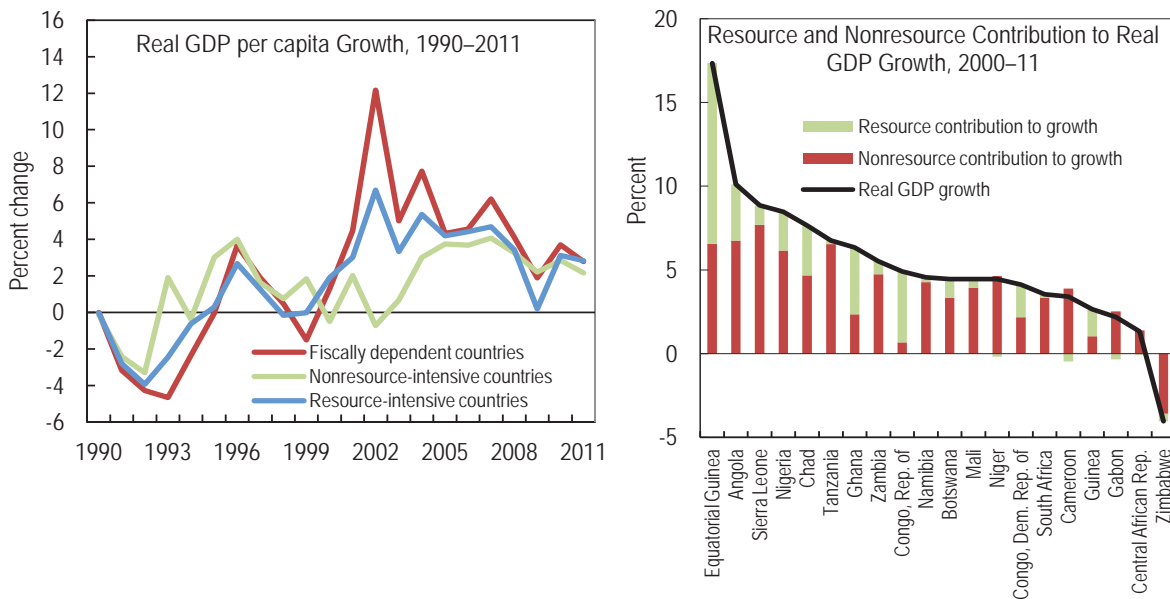


Sources: IMF, Commodity Price System; and IMF, Information Notice System.

¹ Indices of nominal prices deflated by the U.S. CPI.

This box was prepared by Jean-Claude Nachega.

¹ See, for instance, IMF (2010), which argues that trend movement in commodity prices are not significantly affected by speculative activity.

Figure 3.2. Resource-Intensive Sub-Saharan African Countries: Real Resource and Nonresource GDP Growth

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

spillover effects of resource-sector expansion on poverty will likely remain modest until policies targeted at the dominant source of employment (agriculture) are put in place, helped by the availability of resource revenues.

Export Performance and the Real Exchange Rate

Experiences in sub-Saharan African countries sometimes run counter to the presumption that strong growth of natural resource exports will be associated with an appreciation of the real exchange rate. Examination of the evolution of the real exchange rate across sub-Saharan Africa's natural resource exporters since 2000 reveals some interesting patterns (Figure 3.3). For oil exporters and copper/cobalt exporters (Zambia), the movement of the real exchange rate has been broadly aligned with that of real export prices.⁸ However, for the two other groupings ("gold exporters" and "others"), the steady rise of the resource price index has not

been accompanied by significant appreciation of the real exchange rate.⁹ The key explanatory factors appear to be the share of resource income accruing to nationals (high for "oil exporters," lower for "others") and the importance of resource exports relative to total exports. The real exchange rate for sub-Saharan African countries in the nonresource exporter group has shown a slight trend appreciation during the 2000s (bottom right panel of Figure 3.3).

Furthermore, the development of nonresource exports has been relatively weak in many resource exporting countries, particularly for oil exporters, although there is significant variation across countries (Figure 3.4). Nonresource export performance has been particularly weak in the oil exporting countries, with the exception of the Republic of Congo, where sugar and other commodity exports have grown significantly. Resource exporters recording strong nonresource export performances

⁸ The resource price is deflated by the CPI index of countries making up the SDR basket. Both the resource prices and real exchange rates are weighted by the sum of exports and imports to create group aggregates.

⁹ For the gold exporters, the behavior of the real exchange rate is the combination of two distinct profiles, with the real exchange rate in Mali and Ghana having appreciated by about 10 percent and the real exchange rate in Tanzania having depreciated.

Box 3.3. Structural Transformation among sub-Saharan African Countries

As countries become more affluent, the agricultural sector shrinks dramatically in relation to total economic activity. The structural transformation that accompanies economic development is generally characterized by four features: a falling share of agriculture in total output; a falling share of agriculture in total employment; a rising share of urban economic activity and increased migration of rural workers to urban settings; and a demographic transition that leads to a spurt in population growth (Timmer, 2009).

Figure 1. Sub-Saharan Africa: Agriculture Output and GDP per Capita, 2009

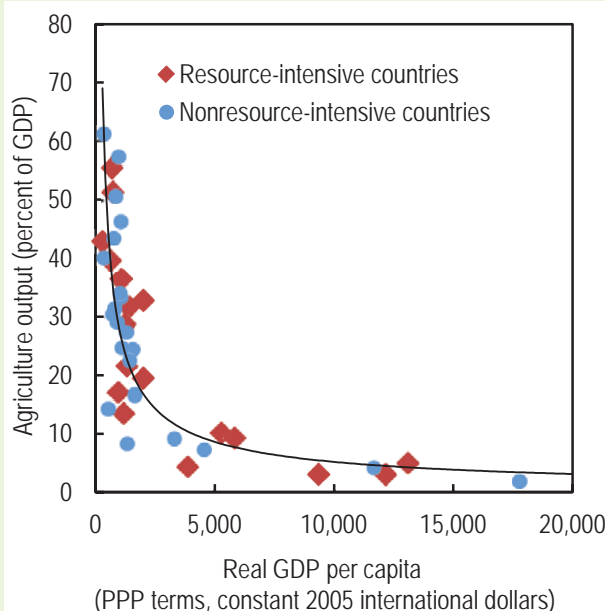
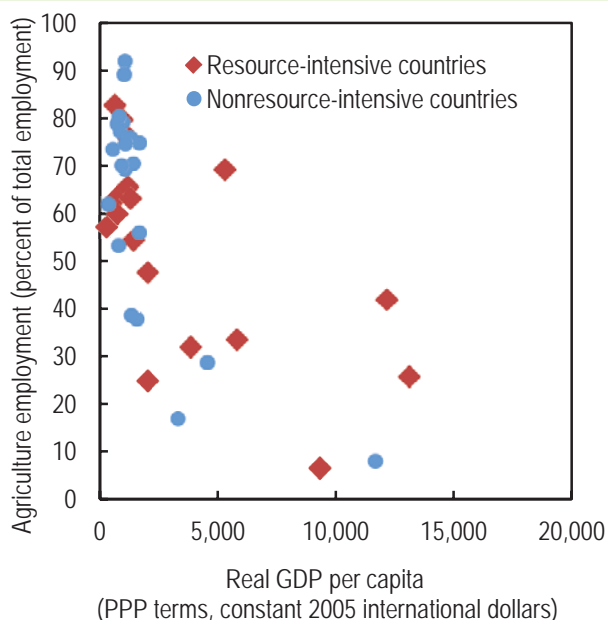


Figure 2. Sub-Saharan Africa: Agriculture Employment Shares and GDP per Capita, 2009



Sources: World Bank, World Development Indicators; and International Labour Organization.

Consistent with this international experience, sub-Saharan African countries (including resource exporters) are characterized by a hyperbolic linkage between agriculture’s share of GDP and real per capita GDP. What is striking for several natural resource exporters is that the agricultural sector’s share of total employment is significantly larger than would be suggested by either GDP per capita or agriculture’s share in GDP, reflecting very low productivity levels in the sector. Intuitively, the discovery of nonrenewable resources has catapulted these economies up the per capita ladder without (for the time being) producing the kind of structural transformation typically associated with economic growth.

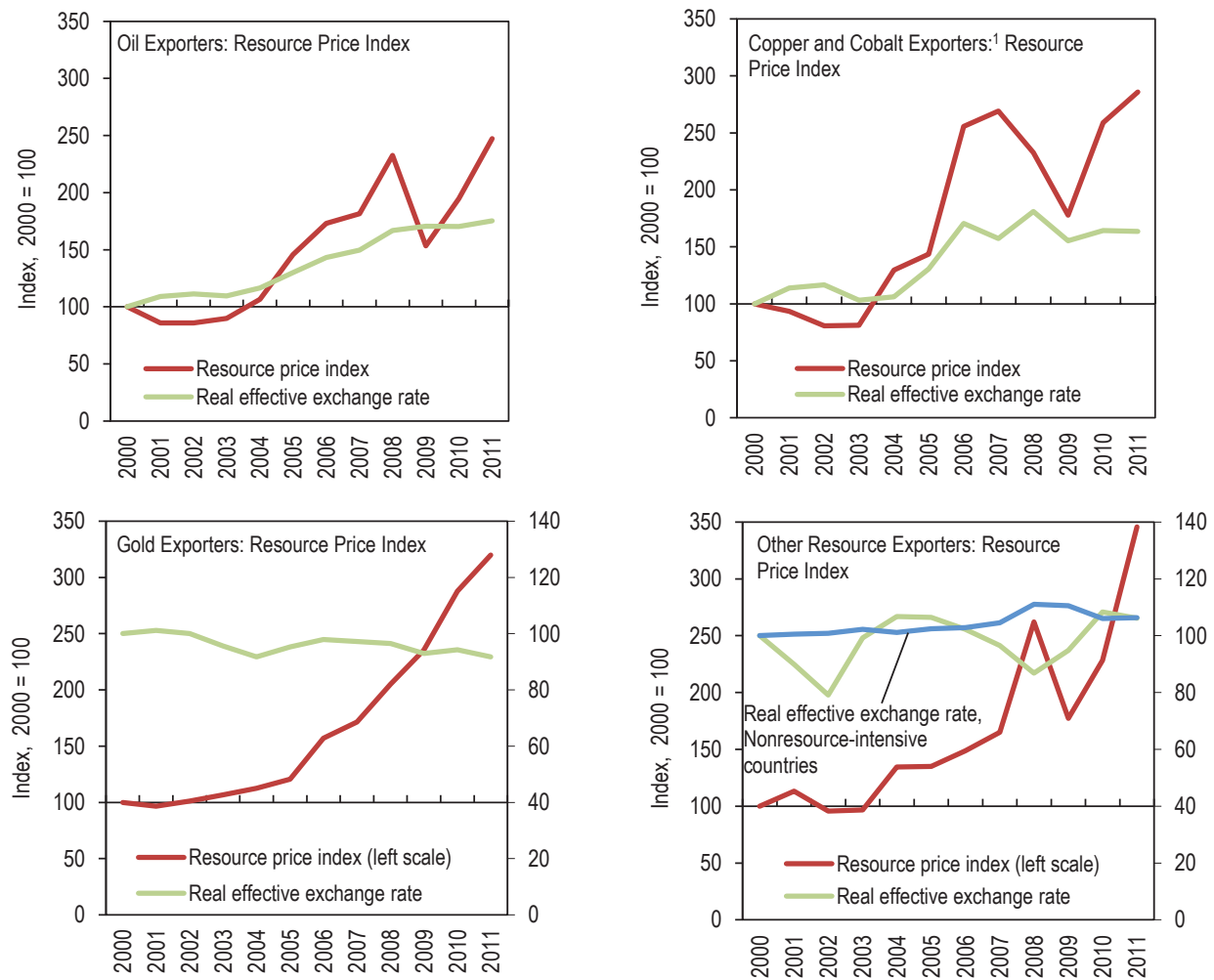
This box was prepared by Alun Thomas.

are typically not fiscally dependent; examples include Ghana, South Africa, and Tanzania. Some countries exporting natural resources have sought to move downstream into domestic processing of raw resources, including the cutting/refining of diamonds (Botswana).

Surging commodity prices and new resource discoveries can drive economic growth, but they can also produce sharp real exchange rate appreciation, thereby squeezing the competitiveness of other sectors that produce tradable goods, most notably nonresource exports. Whether this should

be considered a harmful development (true “Dutch Disease”) or merely the natural evolution of an economy specializing in those products in which it has a comparative advantage, depends on several factors—most importantly, the scale and expected longevity of natural resource production and the extent to which the sectors being squeezed (for example, manufacturing) have special features/dynamism that contribute to faster economic growth over the medium term. If resource production is likely to shrink over time, making diversification into other tradable goods/services a prerequisite

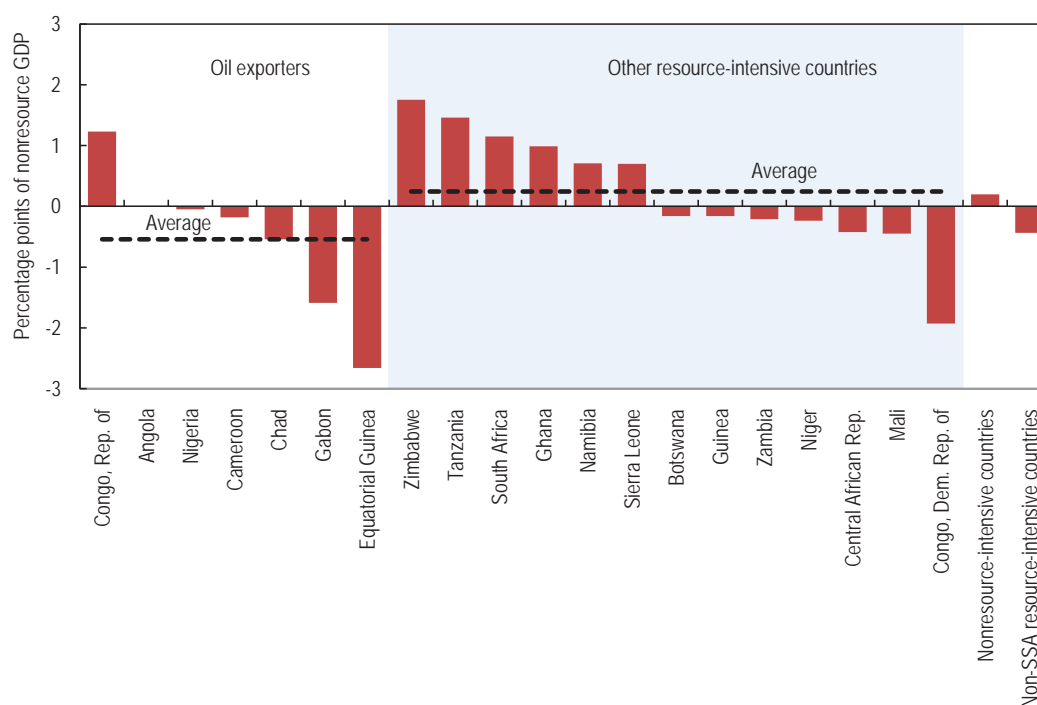
Figure 3.3. Sub-Saharan Africa: Resource Price Index and Real Effective Exchange Rate, 2000–11



Sources: IMF, African Department database; World Bank, Commodity Price Markets; and IMF, Information Notice System.

¹ Excluding Democratic Republic of Congo.

Figure 3.4. Sub-Saharan Africa: Total Nonresource Exports, 2001–11
(Average annual difference in level as a percentage of nonresource GDP)



Sources: IMF, African Department database; and IMF, Strategic, Policy, and Review Department survey data.

for long-term development, policies to support dynamic sectors may be advisable. A first step in that direction would be to move vigorously to improve the business climate, build infrastructure, and invest in human capital.

Public Finances

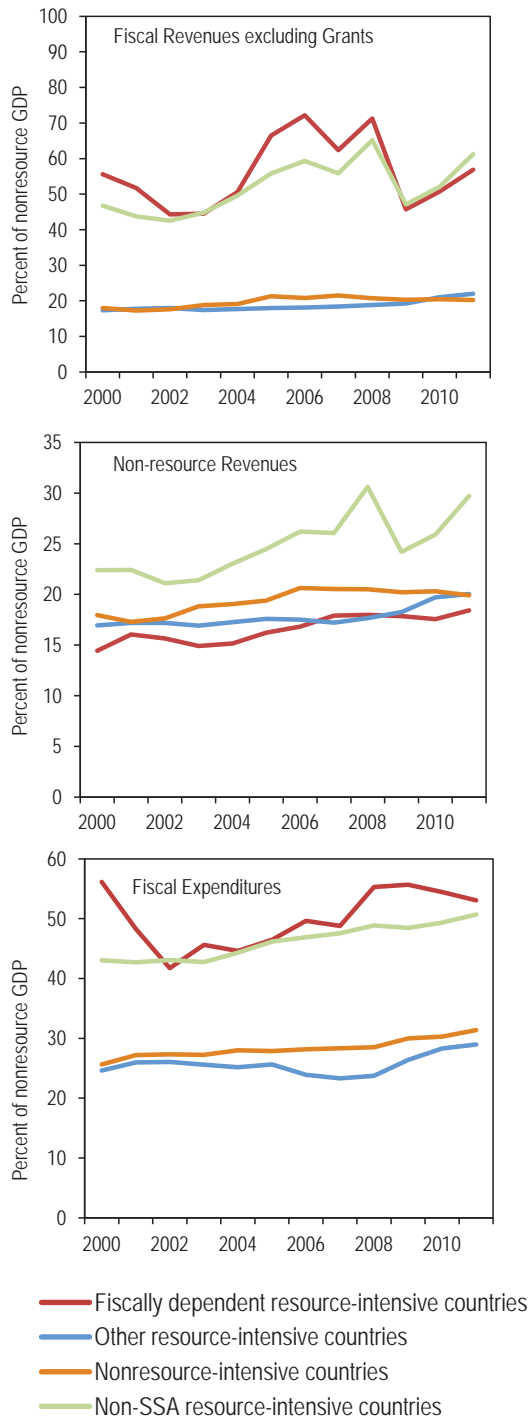
Fiscally dependent resource exporters collect exceptionally high levels of budget revenues relative to nonresource GDP (Figure 3.5, top panel). By contrast, the average revenue take in other resource exporters does not differ noticeably from that in nonresource exporters. The nonresource revenue take is, unsurprisingly, lower in fiscally dependent resource exporters than in nonresource exporters, and it is much lower than in resource-intensive countries outside of sub-Saharan Africa

(Figure 3.5, center panel).¹⁰ In the case of “other resource exporters,” nonresource revenue performance has improved in recent years to match the level in nonresource exporters.

With abundant revenues, budgetary outlays are high in relation to nonresource GDP in most, but not all fiscally dependent economies. Most of the oil producers, along with Botswana, record high levels of expenditures in relation to nonresource GDP (Figure 3.5, bottom panel); by contrast, expenditures in Cameroon, the Democratic Republic of the Congo, and Guinea are more modest, reflecting lower mineral revenues and thus more-constrained fiscal space. The differences in spending levels between “other resource exporters” (whose mineral receipts are relatively modest) and other sub-Saharan Africa economies are not noteworthy.

¹⁰ Non-SSA resource intensive countries include Azerbaijan, Bahrain, Bolivia, Brunei Darusalem, Chile, Ecuador, Indonesia, Kazakhstan, Mongolia, Norway, Oman, Qatar, Russian Federation, Saudi Arabia, Sudan, Suriname, Syrian Arab Republic, Trinidad and Tobago, Turkmenistan, Venezuela, and Republic of Yemen.

Figure 3.5. Sub-Saharan Africa: Fiscal Revenues and Expenditures, 2000–11 (*Unweighted average*)



Sources: IMF, African Department database; and IMF, Strategy, Policy, and Review Department survey data.

VOLATILITY OF THE MACROECONOMIC AGGREGATES

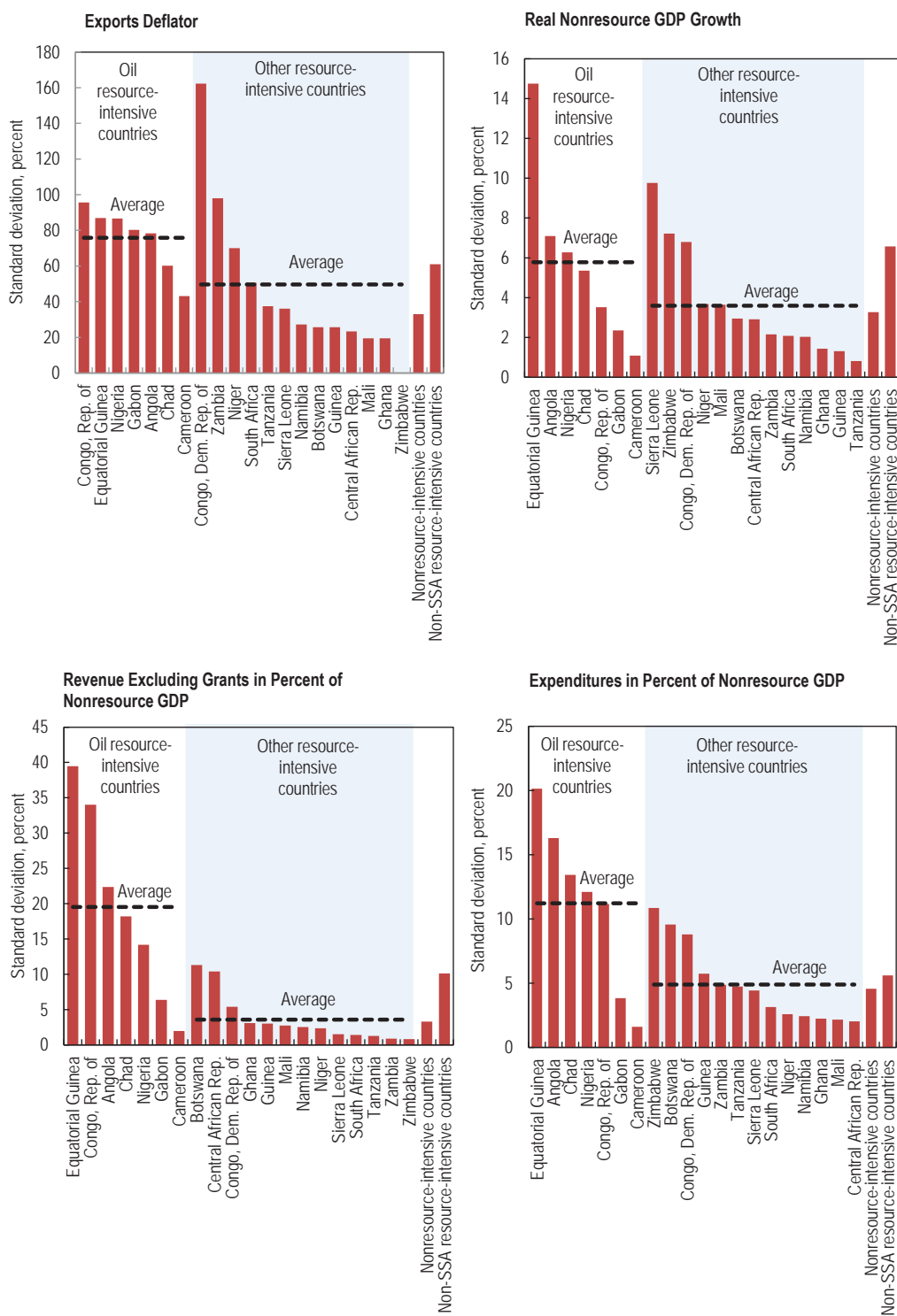
Resource exporters experience higher volatility in export prices than other countries in the region, but its macroeconomic impact is noteworthy only in fiscally dependent countries. Because global prices of natural resources are more volatile than prices of other goods, it is unsurprising that the standard deviation for export prices among the resource exporters is higher than for other sub-Saharan African countries (Figure 3.6, top left panel). Higher export-price volatility translates into higher volatility of budgetary revenues only in the fiscally dependent economies (most notably the oil exporters)—also unsurprising, because it is only in these economies that the resource sector contributes significantly to budget revenues.

The linkage between budgetary revenues and outlays plays an important role in contributing to the macroeconomic volatility in fiscally dependent economies. Budgetary expenditures are significantly more volatile in fiscally dependent resource exporters than elsewhere in the region (or, for that matter, elsewhere in the world). This trend suggests some element of “spend-as-you-go” fiscal practices in countries where the natural resource sector is a significant contributor to budget revenues. Finally, nonresource output growth is significantly more volatile in fiscally dependent resource exporters than in the region’s other economies, but the volatility of nonresource GDP in other resource exporters is, on average, not noticeably different from the level of volatility observed in nonresource exporters.

SOCIAL INDICATORS IN NATURAL RESOURCE EXPORTING COUNTRIES

International experience indicates that in developing economies, an abundance of natural resources does not necessarily translate into less poverty and better social indicators as compared to similarly positioned countries without natural resources. One strand of literature has explored the phenomenon of the so-called “resource curse,” in which new discoveries and price booms in the resource sector

Figure 3.6. Sub-Saharan Africa: Volatility Indicators, 2000–10



Sources: IMF, African Department database; and IMF, Strategic, Policy, and Review Department survey data.

are perversely associated with a slowing of economic growth over time.¹¹ Others have noted that, while resource exploitation can stimulate GDP growth, the fruits of production may accrue only to a small elite, leaving the masses largely excluded from the benefits of growth.¹² The discussion here examines whether economic growth in natural resource exporters in recent years has translated into significant improvements in living standards.

A first point to note is that GDP per capita can be a misleading measure of the income accruing to nationals in resource-rich economies, with corresponding caveats regarding the interpretation of GDP growth rates. With natural resource extraction typically involving foreign-owned firms, capital, and skilled personnel, a significant share of the value of resource output accrues to foreigners, rather than nationals. As Figure 3.7 illustrates, the disparity between GDP and gross national income (GNI) is relatively large for the oil-producing countries, but much less noticeable in other resource exporters or nonresource-intensive economies.¹³ The disparity as one would expect, is most marked for economies in which the share of the oil sector in GDP is large (for example, Equatorial Guinea and the Republic of Congo).

Even so, GNI per capita in sub-Saharan Africa is, on average, higher in natural resource exporters than in nonresource exporters, but this income advantage is not reflected, on average, in significantly higher scores on the human development index (HDI)

(Figure 3.8).¹⁴ There are dangers in reading too much into a comparison of averages for country groups that are themselves highly diverse in terms of income levels. But the broad averages, along with individual country comparisons (for example, Angola versus Ghana), support the concerns frequently expressed about income inequality in resource-rich economies.¹⁵

Cross-country comparisons support the view that faster growth, at least in the oil producers, does not necessarily translate into faster improvements in aggregate social welfare (Figure 3.9). But the HDI probably lags changes in income levels, and the analysis would need to be conducted over a significantly longer time to yield robust conclusions. It should be noted that several oil exporters experiencing strong GDP growth record significant improvements in their HDI score (for example, Angola); growth definitely contributes to social improvement, but not with the same payoff as observed in nonresource exporters.

Examination of the movements of selected social indicators in the 2000–09 period provides a mixed picture regarding the relative performance of natural resource exporters and other countries (Figure 3.10). Faster growth among the natural resource exporters has been accompanied by larger improvements in measles immunization, but somewhat smaller improvements in literacy, infant mortality, and school enrollment rates compared with nonresource economies.

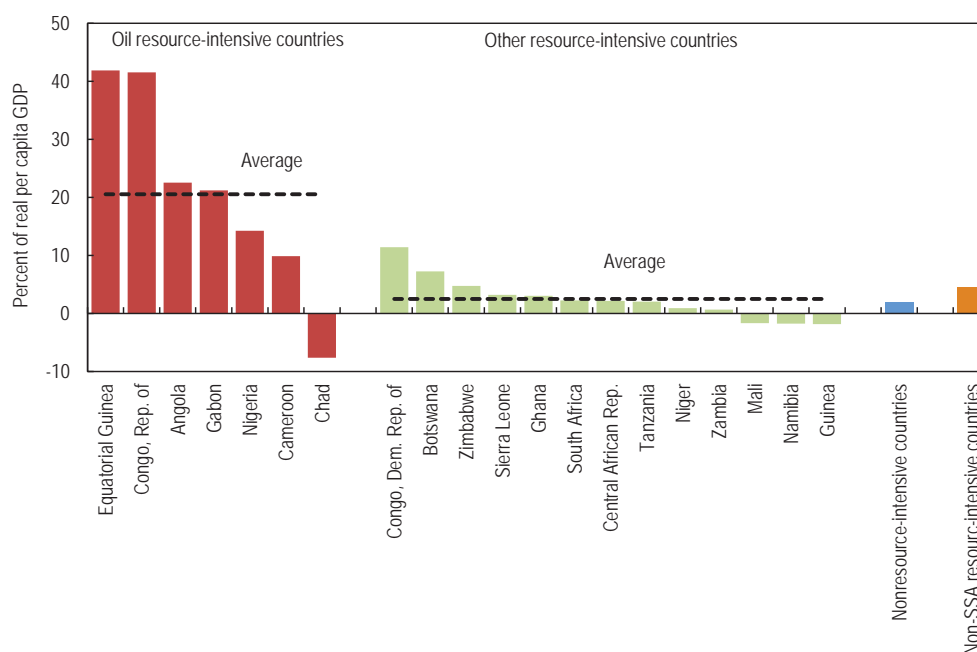
¹¹ Examples of the region's countries deemed by researchers to have suffered from the "resource curse" include Angola, Nigeria, the Democratic Republic of the Congo, and Sierra Leone; Botswana is often cited as an example of a country that has benefited enormously from its mineral endowment.

¹² An illustrative example is Nigeria, where per-capita GDP grew by some 40 percent between 1993 and 2004, yet the poverty headcount ratio at \$1.25 a day (PPP) rose from 49.2 percent to 64.4 percent in this period.

¹³ Significant disparities between GDP and GNI can occur for a variety of reasons unrelated to resources: e.g., a large stock of public foreign debt or a large stock of foreign assets owned by nationals.

¹⁴ The human development index is a composite index measuring average achievement in three basic dimensions of human development—a long and healthy life, knowledge, and a decent standard of living.

¹⁵ Even individual country comparisons require careful analysis: the poor performance of Angola compared to Ghana on the HDI score, despite a large income advantage, could be seen as the legacy of decades of civil war.

Figure 3.7. Sub-Saharan Africa: GDP Minus GNI Per Capita, Selected Years¹

Source: World Bank, World Development Indicators.

¹ Angola, Burundi, Comoros, the Republic of Congo, Equatorial Guinea, Ghana, Guinea-Bissau, Liberia, Niger, Nigeria and Rwanda correspond to 2000; Malawi (2000–01); Togo (2000–04); Benin (2000–05); Burkina Faso, Cape Verde, the Central African Republic, Chad, Mali and Seychelles (2000–06); Eritrea, The Gambia, Madagascar, and Zambia (2000–07); in all cases due to data availability. No GNI data was available for São Tomé and Príncipe. Liberia and Lesotho are excluded due to inconsistencies in the data.

INSTITUTIONAL QUALITY AND RESOURCE ABUNDANCE

A large body of empirical evidence supports the proposition that good institutions contribute to better economic performance in developing economies.¹⁶ Intuitively, better institutional capacity (as reflected in rule of law, low levels of corruption, etc.) contribute to faster growth via the increased certainty they provide to private investors, the reduced incentives for wasteful rent-seeking behavior, and, arguably, better results from public sector investments. This section sketches some stylized facts about the quality of institutions in sub-Saharan Africa's natural resource exporters, while recalling that this grouping includes such diverse states as the Democratic Republic of the Congo and

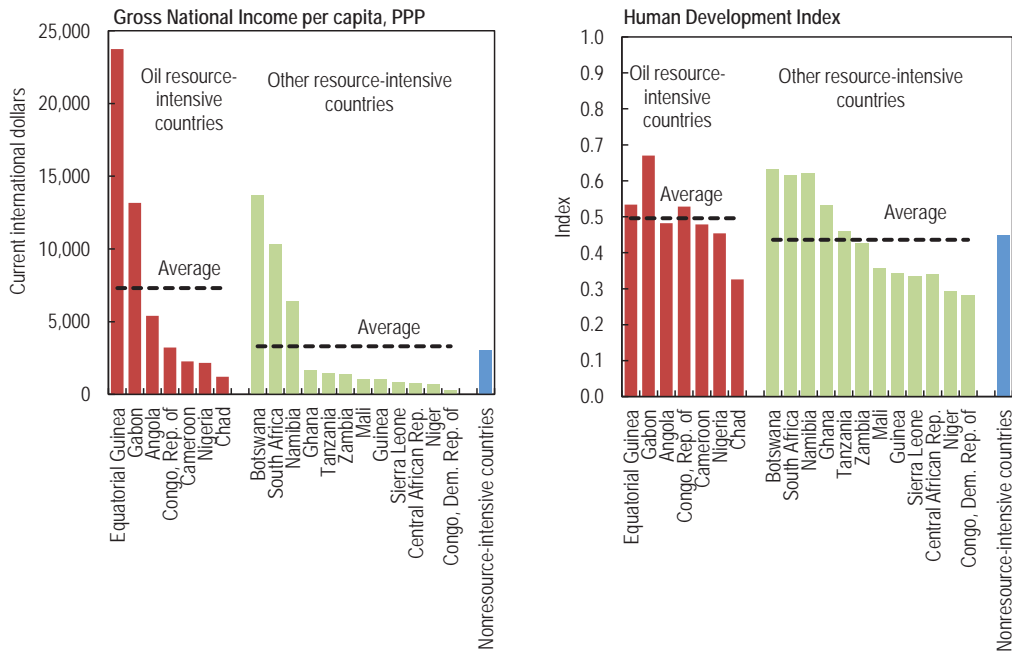
South Africa. The focus is on three discrete measures of institutional quality—control of corruption, rule of law, and government effectiveness.¹⁷

There is a negative correlation between resource dependence and the quality of institutions among resource exporters in the region (Figure 3.11), but causation is far from clear. Do resource-rich Democratic Republic of the Congo and Angola score low on institutional quality because they are rich in natural resources or because of the ravages of civil wars? Were the conflicts in these countries, in turn, so drawn out because of competition for control of these natural resources—competition from both inside and outside the country? Identifying the ways in which resource abundance affects institutional development is not straightforward.

¹⁶ See, for example, Alesina et al. (1992), Mauro (1996), and Barro (1997). Studies that discuss the experience of Africa include Goldsmith (1998), Nkurunziza and Bates (2003), and Iimi (2006).

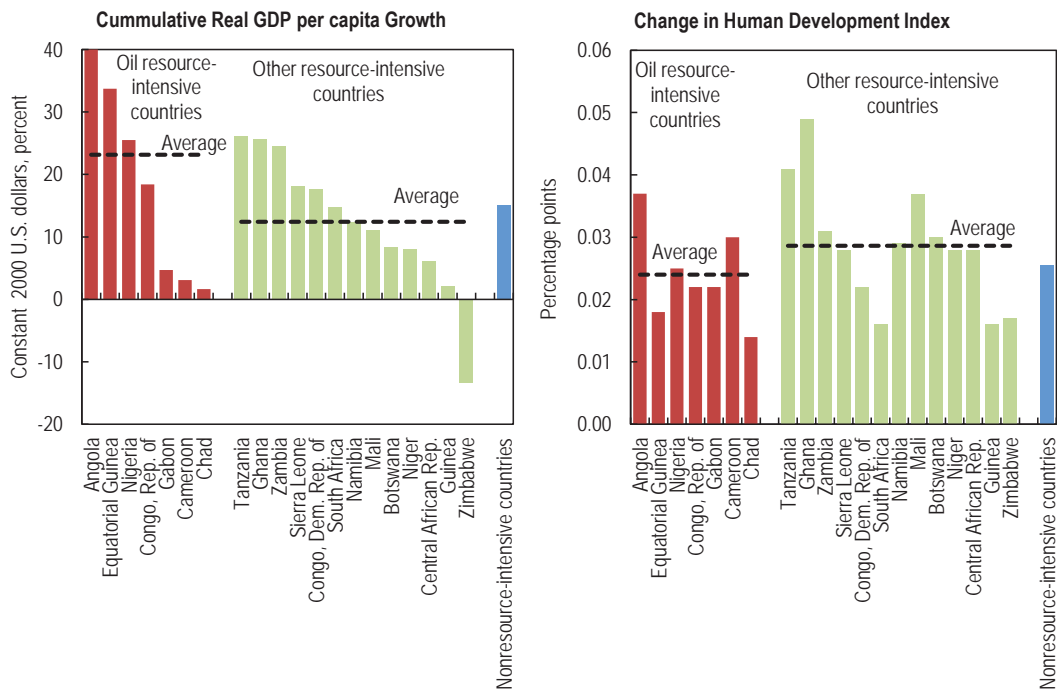
¹⁷ Data are taken from the World Bank's Worldwide Governance Indicators; see Kaufmann, Kraay, and Mastruzzi (2010) for details.

Figure 3.8. Sub-Saharan Africa: Selected Development Indicators, 2010



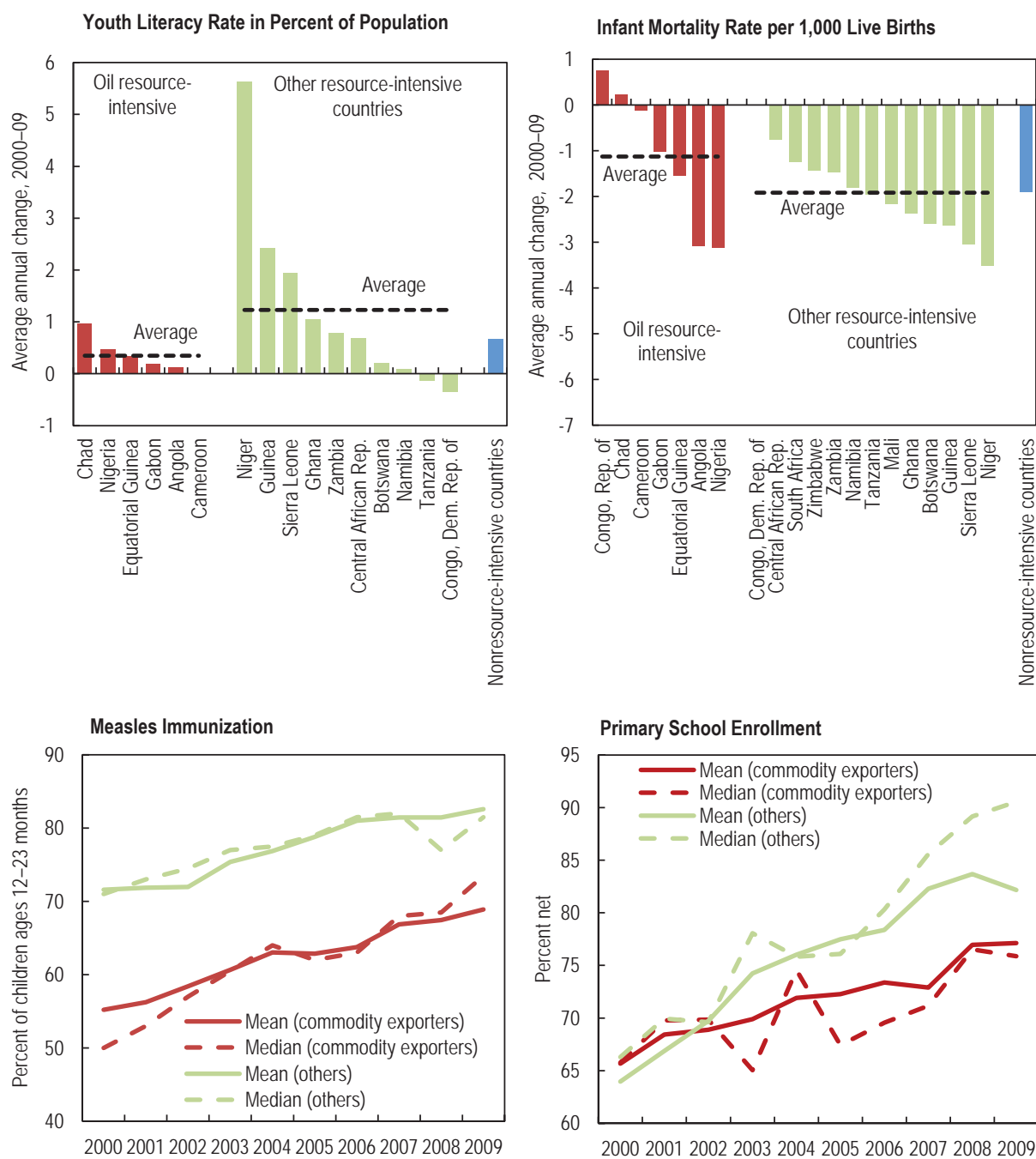
Source: World Bank, World Development Indicators.

Figure 3.9. Sub-Saharan Africa: Selected Development Indicators, 2005–10



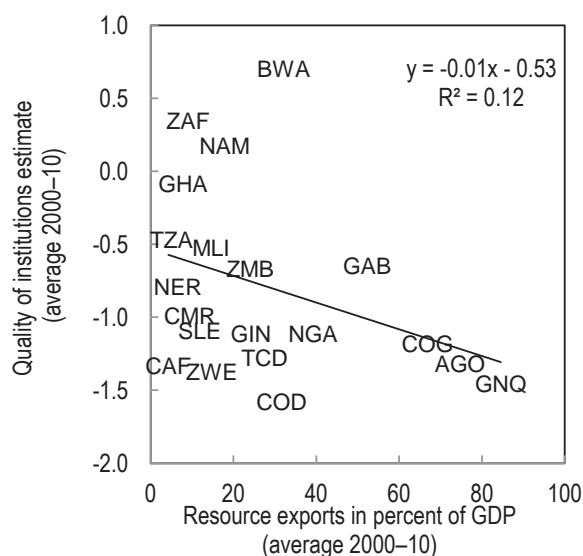
Source: World Bank, World Development Indicators.

Figure 3.10. Sub-Saharan Africa: Social Indicators and Resource Abundance, 2000–09



Source: World Bank, World Development Indicators.

Figure 3.11. Sub-Saharan Africa: Resource Dependence and Institutional Quality



Sources: World Bank, Worldwide Governance Indicators; and IMF, African Department database.

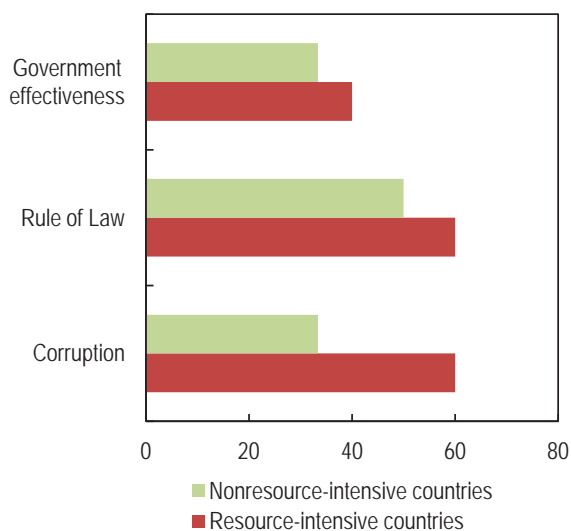
On a more encouraging note, the data for the three indicators suggest that resource exporters may be achieving institutional improvements at a faster pace than in other sub-Saharan African economies. Specifically, a larger proportion of resource-abundant countries have made progress in each of the three measures of institutional quality in 2000–09 (Figure 3.12, left panel), and the proportion of countries achieving progress in all three categories is larger for resource exporters than other countries (Figure 3.12, right panel).

MACROECONOMIC POLICY MANAGEMENT ISSUES

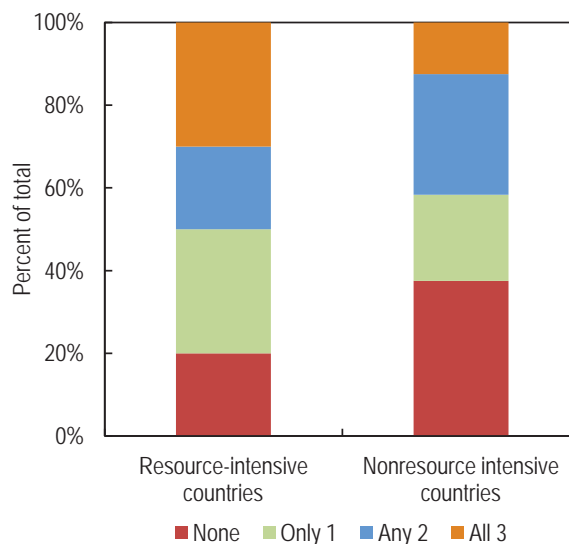
As noted at the outset, countries with a significant endowment of nonrenewable natural resources face several distinct policy challenges. The discussion of policy-related issues in this section is selective, leaving a more-comprehensive policy analysis to other work being undertaken by IMF staff. Topics examined here include: (i) the macroeconomic policy frameworks currently employed by those sub-Saharan African

Figure 3.12. Sub-Saharan Africa: Recent Changes in the Quality of Institutions

Proportion of Countries with Rating Improvement between 2000 and 2009 (percent of total)



Composition of Rating Improvement by Indicator between 2000 and 2009



Source: IMF staff calculations with data from the World Bank, Worldwide Governance Indicators. See Kaufmann, Kraay, and Mastruzzi (2010).

countries that are particularly vulnerable to resource price volatility; (ii) the experience in recent years in delinking fiscal spending patterns from volatile revenue flows, breaking the procyclical fiscal policies that contributed to the boom-bust cycle; (iii) the appropriate level of foreign reserves for natural resource exporters; and (iv) the sustainability of current fiscal policy stances over the medium term, given the existing stock of natural resources.

MACROECONOMIC POLICY FRAMEWORKS IN SELECTED RESOURCE EXPORTERS

Fiscally dependent resource exporters display a variety of institutional arrangements to manage resource revenue. Some countries consciously adopt a “revenue windfall” strategy by making conservative export-price assumptions when formulating annual budgets.¹⁸ Some countries have introduced savings or stabilization funds, although, in practice, the linkages between these funds and budget operations can involve significant discretion. Discussions of appropriate fiscal frameworks have been an important component of the IMF’s policy dialogue with sub-Saharan African countries that rely on large and volatile resource revenues to fund national budgets.¹⁹

Some countries have developed explicit fiscal frameworks aimed at saving resources for the future and/or creating a fiscal buffer to help insulate budget spending from revenue volatility:

- Since 1994, fiscal policy in Botswana has been guided by a Sustainable Budget Index principle, which seeks to ensure that “noninvestment” spending is financed only with nonresource revenue—with resource revenues used either to finance investment or saved for the future. There is also a medium-term fiscal objective (on

¹⁸ The fiscal “protection” provided by this mechanism can be quite limited; given high price volatility, price assumptions viewed as cautiously conservative at the outset of the budget planning process can still prove to be overly optimistic, creating revenue shortfalls that—absent strong fiscal buffers—can create severe fiscal and macroeconomic stresses.

¹⁹ See Baunsgaard et al. (2012) for a discussion of the relevant issues.

the cumulative budget balance over the five-year period of each development plan) and a cap on the expenditure-to-GDP ratio, although these objectives are not binding constraints. Over time, Botswana has built a large stock of government savings in its Pula Fund, managed by the Bank of Botswana. While there are no firm rules guiding the flows of funds into and out of the Pula Fund, the fund is intended to hold resources for future generations, while also serving as a revenue stabilization mechanism when resource revenues fall sharply (as occurred during the recent global crisis).

- Since 2004, Nigeria has adopted an oil price rule in planning budgetary revenues, linked to a historical moving average of oil prices but also adjusted in budget negotiations. Oil revenues in excess of the budget target were deposited in the Excess Crude Account (ECA), which could be drawn upon when revenues fell short of target. A large balance was built up in the ECA as oil prices surged through 2008, with these funds then being drawn down when oil prices dropped in 2009. Withdrawals from the ECA continued during 2010–11, even as oil prices recovered sharply—undermining the stabilization function of the ECA. Legislation was passed in 2011 to replace the ECA mechanism with a sovereign wealth fund (SWF), which contains clearer rules governing the flow of funds into and out of the SWF. Nigeria’s SWF has three distinct sub-components: a stabilization fund, a fund to finance domestic priority investments, and a fund for longer-term savings purposes.²⁰
- As a new oil-producing country, Ghana has put in place a legal framework governing the collection, allocation, and management of petroleum revenue, with 70 percent of resource revenues allocated to the budget and the rest split between a stabilization fund and a heritage fund. Revenues are calculated based on a five-year moving average of oil prices and any

²⁰ As of now, a SWF is not yet operational and the ECA mechanism is still in effect.

revenues in excess of the budgeted amount are placed in the stabilization and heritage funds.

Other countries do not employ formal budgetary rules but take account of stabilization and long-term savings/investment concerns in a variety of other ways:

- In the context of a Stand-By Arrangement (SBA) with the IMF since 2009, Angola's budgets have been built on consciously conservative assumptions about world oil prices, with a view to building a strong foreign reserve buffer to help maintain macroeconomic stability in the face of oil revenue volatility.
- Chad accumulated significant savings from oil revenues during the period of high prices (and high domestic output levels), which then provided the resources to maintain spending levels when resource revenues collapsed in 2009 (savings levels, however, have not been rebuilt since oil prices rebounded). Equatorial Guinea followed a similar saving-spending pattern, but still retains sizeable assets offshore.
- In several cases, resource revenue is used in a selective way to support capital expenditure. Thus, Guinea has set up a dedicated account in the budget for this purpose (called the Special Investment Fund). Angola has earmarked a fraction of oil revenue for a special fund designed to prevent interruptions in selected investment projects during oil price busts.

While nominal exchange rate regimes vary across the fiscally dependent resource exporters, they are all characterized by limited flexibility. Five of the 10 countries in the group under consideration (Cameroon, Chad, Equatorial Guinea, Gabon, and the Republic of Congo) belong to a monetary union, the Central African Economic and Monetary Community (CEMAC), whose currency is pegged to the euro. Botswana operates a crawling peg exchange rate arrangement, linked to a basket of currencies; Angola, the Democratic Republic of the Congo, Guinea, and Nigeria manage their exchange rates with varying degrees of tightness. The Banque des Etats de l'Afrique Centrale (BEAC), CEMAC's

regional central bank, establishes international reserves policy for the region as a whole; Botswana maintains a minimum of six months of liquid reserves (outside the Pula Fund); and the other countries in the group are currently attempting to strengthen their reserves by taking advantage of favorable commodity prices.

MANAGING REVENUE VOLATILITY: THE END OF BOOM-BUST CYCLES?

The volatility of resource revenues often contributed to substantial macroeconomic instability in sub-Saharan Africa's resource exporters: governments responded to surging resource revenues by ramping up spending levels, providing a sharp stimulus to economic activity that was then forced to a halt when budget revenues dropped sharply on the down-side of the commodity price cycle, creating significant disruptions of economic activity. At the root of this boom-bust cycle—an important feature of the “resource curse”—was the tendency to quickly spend new revenues in the boom period, often supplemented by funds borrowed on the strength of expected future resource revenues.

Reviewing the fiscal management track record for the region's resource exporters since 2000 offers a more encouraging story: in many fiscally dependent countries, the link between surging resource revenue and spending levels has weakened significantly, contributing to a more stable macroeconomic environment. Nigeria's experience is illuminating: the build-up of savings in the Excess Crude Account (with a corresponding accumulation of foreign reserves) in the period of surging oil prices through mid-2008 provided a sufficient buffer to allow the non-oil economy to escape virtually unscathed when oil revenues collapsed in 2009.²¹

²¹ Angola's experience over the same period was less benign: public spending (including quasi-fiscal operations) had reached very high levels by 2008, leaving the fiscal position exposed when oil revenues dropped sharply in 2009, which resulted in a run-down on reserves, large budgetary arrears, and financial stresses on both corporations and banks.

The relevant country experiences are summarized in Figure 3.13, with two distinct narratives emerging:²²

- For Botswana, Cameroon, and Nigeria (right panel), the data show no systematic links between the evolution of resource revenues and nonresource fiscal deficits (excluding grants). Rising resource revenues in the period through 2006 was accompanied by fiscal consolidation, rather than stimulus; as resource revenues declined from 2008 levels, the nonresource fiscal deficit rose substantially, made possible by the prior build-up of fiscal buffers.
- For Angola, Republic of Congo, and Gabon (left panel), movements in resource revenues often led to changes in spending (and the non-oil deficit)—but the pass-through was typically less than complete, with fluctuations in the nonresource balance showing less amplitude than the corresponding fluctuations in resource revenues.

Effective management of resource revenue volatility could be improved in many countries by adopting stronger fiscal frameworks. Well-specified fiscal principles and rules can help insulate fiscal policy-making from populist pressures to spend available resources. Nigeria's Excess Crude Account mechanism, though flawed and politically vulnerable, undoubtedly contributed to better policy outcomes as oil revenues rose during 2004–08; other countries would benefit from the adoption of fiscal rules or principles, customized to accommodate country-specific features, to guide policy over the commodity price cycle.²³

²² Guinea and DRC had much lower revenues relative to other fiscally dependent economies so that fluctuations in resource revenue did not pose such a policy challenge. Chad and Equatorial Guinea were excluded from the analysis because of data limitations.

²³ Chile's structural budget surplus rule is often cited as a model for other developing countries.

FOREIGN RESERVE TARGETS FOR RESOURCE EXPORTERS IN SUB-SAHARAN AFRICA

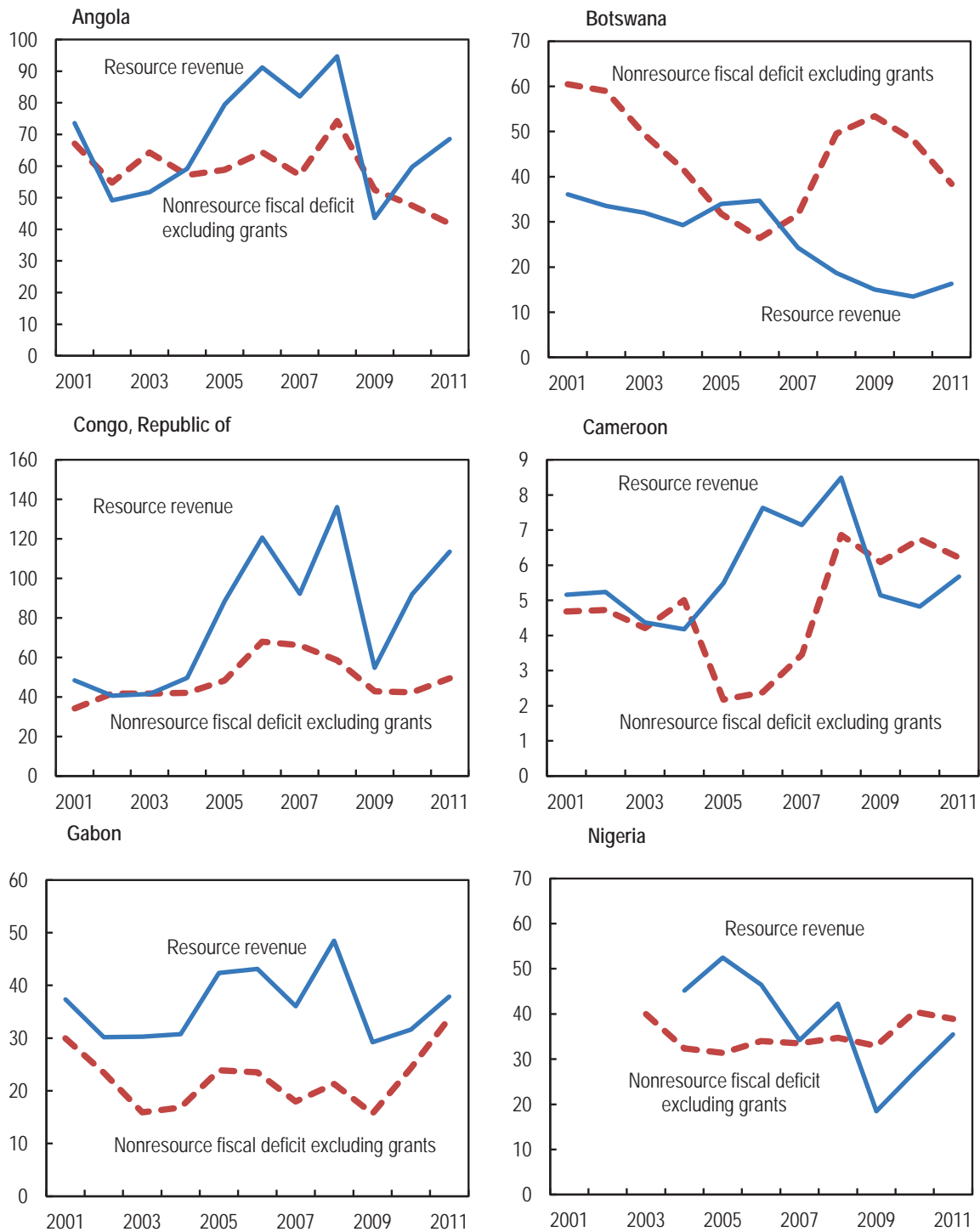
Export revenues from natural resources can be highly volatile, suggesting that these exporters should hold above-average levels of international reserves. Higher reserve levels provide policymakers with space to cushion the impact of external shocks on the domestic economy, but they also come at a cost in terms of foregoing the higher rates of return that could be obtained via additional domestic fixed investment (or repayment of nonconcessional debt).

This section uses a recently developed methodology to calculate an appropriate level of foreign reserves for selected resource-exporting low-income countries in sub-Saharan Africa (Box 3.4). The approach balances the risk-reducing effects of reserves against their carrying cost, leaving other motives for accumulating reserves out of the calculus.

The statistical analysis suggests that the adverse domestic impact of external shocks is larger in resource exporters than elsewhere, and it confirms the effectiveness of reserves in preventing and mitigating the domestic effects of external shocks. The analysis also confirms that the appropriate level of foreign reserves depends on a country's exchange rate regime: countries preferring pegged or tightly controlled exchange rates should target substantially higher reserve levels than those willing to let the exchange rate act as a shock absorber (for example, Zambia).

The estimated results for individual countries suggest that current reserve levels are generally too low in the region, although the findings for each country are sensitive to assumptions about the cost of holding reserves (Table 3.2). These results are intended to be illustrative rather than to provide firm policy prescriptions. As the methodology focuses exclusively on the precautionary motive for holding reserves, countries that include savings held for future use as part of foreign reserves should be targeting higher reserves levels than suggested

Figure 3.13. Sub-Saharan Africa Fiscally Dependent Countries: Resource Revenue and Nonresource Fiscal Deficit
(Percent of nonresource GDP)



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

Table 3.2. Sub-Saharan Africa: Optimal Level of Reserves in a Sample of Resource-Intensive Countries
(Months of imports, except where noted)

	Actual Reserves (months of imports)	Probability of a drop in domestic demand ¹	Real domestic demand loss ² (percent of GDP)	Optimal level of reserves based on cost of holding reserves		One month imports in percent of GDP
				2%	4%	
Angola	7.6	0.1	5.8	6.4	3.3	3.6
Congo, Dem. Rep. of	1.5	0.3	8.7	4.7	2.2	6.2
Ghana	3.4	0.1	8.6	4.3	2.0	4.4
Guinea	4.4	0.3	8.2	10.0	6.3	3.3
Nigeria	4.8	0.2	8.5	9.8	5.8	2.9
Sierra Leone	2.4	0.2	9.4	3.8	1.7	6.7
Tanzania	4.7	0.1	6.9	5.7	2.9	3.6
Zambia	3.9	0.2	9.0	9.6	5.6	3.3
Zimbabwe	0.3	0.4	10.8	6.1	2.8	6.4
CEMAC	5.0	0.1	17.6	10.0	9.0	3.4

Source: IMF staff calculations.

¹ Probability estimated at the actual level of reserves.

² Domestic demand loss estimated at the actual levels of reserves.

here.²⁴ Also, the approach does not distinguish between different types of resource exporter: countries heavily dependent on specific commodities (for example, oil) would need to factor in the special features of that commodity (such as price and domestic supply volatilities) in estimating the level of reserves needed to provide an adequate shock-absorber.

FISCAL SUSTAINABILITY AND RESOURCE REVENUES

There is extensive debate over the pace at which low-income countries should spend the revenues generated by nonrenewable natural resources. There is a case for saving some of these revenues to benefit future generations who will not have the use of these depleted reserves. But there are also those who argue that future generations will almost certainly be much better off than the current one, and will thus have less need for natural resource proceeds. In addition to determining an appropriate level of savings, there is then the question as to how these savings should be invested—in financial assets held

²⁴ Saving for future use could be held as part of foreign reserves but could also be held in special funds, such as a sovereign wealth fund.

abroad, or in building domestic capital (physical or human). Many have argued that the severe infrastructure gaps in most of the region's economies, along with the low levels of physical and human capital, provide a strong case for using resource revenues to fund domestic investments (Collier and others, 2010). Others have cautioned that the scaling up of domestic investment must also consider domestic absorption capacity, and that any scaling up requires strengthening of public-investment-management capacity to ensure investments yield good returns (Gupta and others, 2011).

We examine two distinct concepts of a sustainable fiscal position: (i) a path for the nonresource deficit that is fully financed with a constant annual flow of real revenues from resource wealth over an extended period (specifically, 30 years); and (ii) a path for the nonresource deficit fully financed with an annual flow of revenues from resource wealth that is a constant share of nonresource GDP. *Sustainability here means spreading the entire proceeds of resource wealth “evenly,” in some form or other, over a 30-year period.*

This analysis is modest in scope, focusing on whether the current fiscal position—specifically, the current level of the nonresource deficit—can be sustained over the medium to long term. It does not consider whether the current level or mix of spending is appropriate, but rather the technical question as to whether it can be sustained for an extended period. This analysis seeks to specify the sustainable level of the nonresource deficit, and then to compare that to current deficit levels.

The key measure that anchors this exercise is the estimated resource wealth—defined to be the present value of the revenues that the government can expect to obtain, over the specified time period, from the *currently identified stock of resources*. To the extent that one can confidently expect the discovery of new resources in the years ahead, this measure understates the amount of resource wealth and, by extension, the levels of the nonresource deficit necessary for fiscal sustainability.

Using estimates of known resource endowments, Figure 3.14 shows the sustainable paths for the

Box 3.4. Estimating Reserve Adequacy in Resource-Exporting Low-Income Countries

IMF (2011a) and Dabla-Norris, Kim, and Shirono (2011) develop a methodology for assessing reserve adequacy in low-income countries (LICs) that seeks to quantify the benefits of holding reserves for precautionary purposes. These analyses estimate both the likelihood and the scale of a drop in domestic demand in a country; compare the benefits of holding additional reserves in containing demand declines with the costs of holding additional reserves (the potential returns on foregone investment less the returns earned on liquid foreign assets); and then seek to identify the level of reserves that balances marginal benefits and costs. The statistical analysis is based on the experience of a sample of 49 low-income countries, of which 13 are resource exporters.

This methodology is extended here, using the same data set, to distinguish between resource exporters and other low-income countries. The results suggest that the probability that resource exporters face a demand drop is not different from that of the rest of the sample, but that domestic demand drops tend to be more pronounced in resource exporters (see table below).

Figure 1. Low-Income Countries: Estimations of the Likelihood and Severity of a Drop in Domestic Demand

Probability of domestic demand drop		Magnitude of domestic demand drop	
Reserves, months of imports (t-1)	-0.0894 *** (0.0338)	Reserves, months of imports (t-1)	-2.257 *** (0.6647)
Flexible exchange rate regime (t-1)	-0.3786 *** -0.1367	Flexible exchange rate regime (t-1)	-8.6235 *** (2.1732)
Government balance, % of GDP (t-1)	-0.0324 *** (0.0125)	External demand growth	-1.0024 ** (0.4275)
CPIA (t-1)	-0.3040 *** (0.1071)	Terms of trade growth	-0.0855 * (0.0482)
IMF program (t)	-0.3052 ** (0.1414)	Change in FDI to GDP	-0.0229 (0.3361)
Resource intensive	0.0436 (0.1558)	Resource intensive	10.5733 *** (2.7660)
Constant	0.8376 ** (0.3742)		
Number of observations	445	Number of observations	420
R ²	0.11	R ²	0.42
		Fixed Effects	Yes

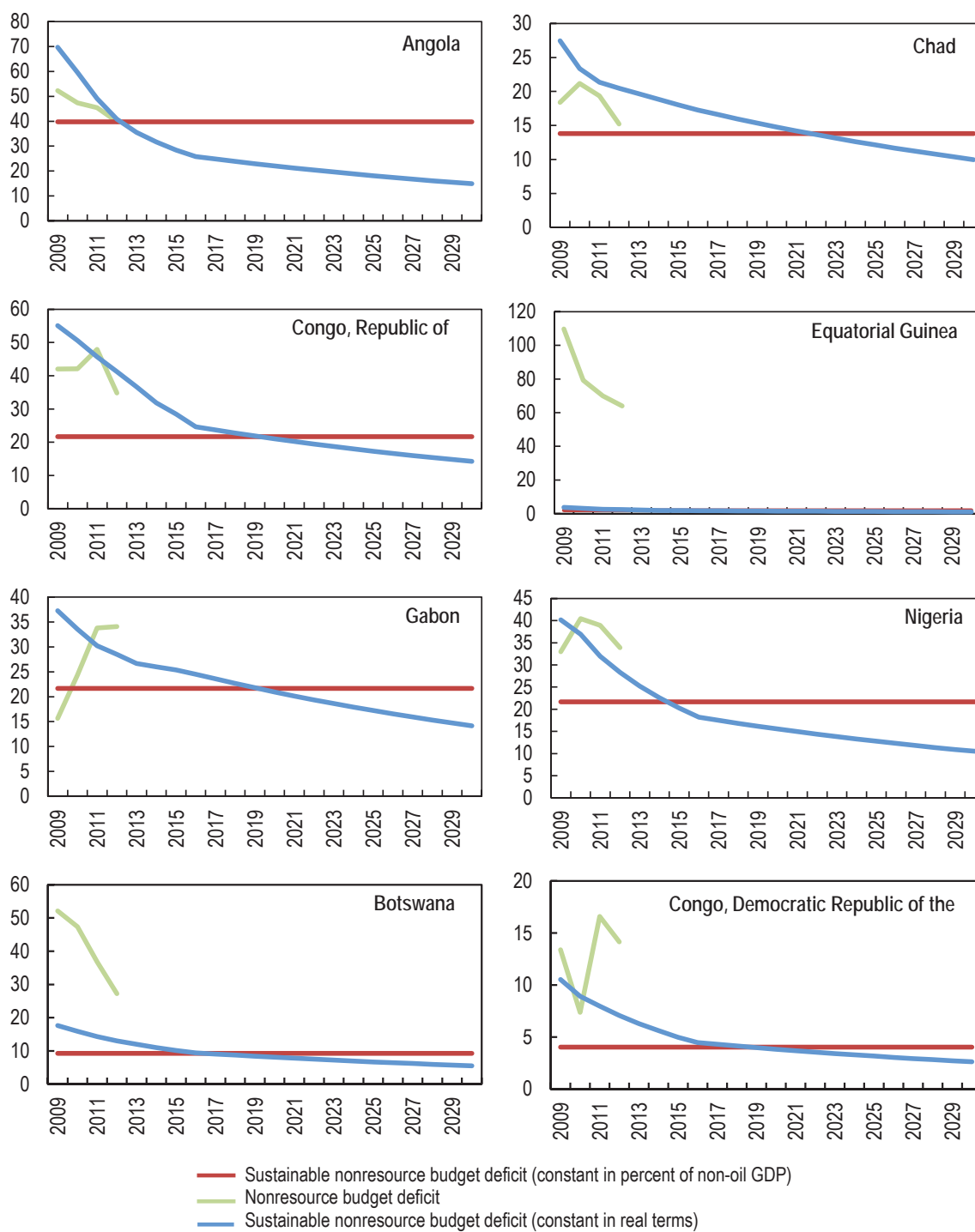
Source: IMF, staff calculations.

Note: T-statistics reported in parenthesis.

The regression coefficients are used to estimate the “optimal” level of reserves in selected low-income countries in sub-Saharan Africa under various assumptions, with some summary results shown in Table 3.2. Calculations are made at the level of the union for the CEMAC countries.

This box was prepared by Javier Arze del Granado and Darlena Tartari.

Figure 3.14. Selected Countries: Fiscal Benchmarks Using Spring 2012 *World Economic Outlook* Resource Price Projections
(Percent of nonresource GDP)



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

nonresource deficits of selected resource-rich sub-Saharan African economies, as well as the estimated/projected levels of the nonresource deficits during 2009–12.²⁵ The sustainable path associated with a constant annual flow of real revenues from resource wealth declines steadily over time as a share of nonresource GDP, given the steady increase of the latter over time. The sustainable path associated with a constant nonresource deficit to nonresource GDP level over time is, by definition, a flat line.

- Except for Angola, the current levels of the nonresource fiscal deficit exceed the level consistent with ensuring an annual revenue flow from resource wealth at a constant *share* of nonresource GDP. Measured by this criterion, the use of resource revenues is currently significantly front-loaded; nonresource deficits need to be reduced from current elevated levels via fiscal adjustment measures. This “overspending” from the stock of mineral wealth is highest in Equatorial Guinea and lowest in the Democratic Republic of the Congo.
- The situation is quite different if the objective is to ensure the budget receives a constant *level* of resource revenues each year in real terms. Nonresource deficit levels in Angola, Chad, and the Republic of Congo lie at or below the trajectory for a deficit consistent with achieving this objective, although gradual fiscal adjustment will be required over time to remain aligned with the target trajectory. Nonresource deficit levels in the other five countries lie above the target path; the use of resource revenues is still front-loaded relative to the target, and fiscal adjustment measures are needed both to reach the sustainable trajectory and maintain it.

The conclusion from these calculations is that observed nonresource deficits are, in most cases,

²⁵ Key assumptions underpinning the analysis include: (i) trend growth in the nonresource economy at a rate of 4 percent per annum; (ii) full depletion of the existing stock of resources over the 30-year period; (iii) commodity price assumptions taken from the IMF’s *World Economic Outlook* (April 2012) through 2017 and constant in real terms thereafter; (iv) broadly unchanged budgetary revenue take from resource revenues; and (v) a discount rate of 4 percent in real terms.

higher than can be sustained over the next 30 years, given the existing stock of resource wealth. Of course, existing budget deficits could be justified by reference to temporarily high levels of investment expected to contribute to stronger growth over the medium term. Moreover, there may be excellent prospects for the discovery of new natural resources that would significantly increase the value of resource wealth, supporting higher sustainable deficit levels than estimated here—although prudential considerations suggest that policies should be framed on the basis of identified resource stocks rather than on hopes of future discoveries that may not materialize. The fact that observed nonresource deficits cannot be sustained over the medium term indicates that budgetary policy warrants careful review. Absent firm indications that new commercially viable projects will be coming on stream and that budgetary investment is yielding high returns, fiscal adjustment will be needed over the medium term to avoid debt accumulation. This implies that attention should be given now to boosting nonresource revenues and reforming expenditure policies (measures that will take time to yield results).²⁶

CONCLUSIONS

This chapter has provided an overview of the experience of nonrenewable resource exporters in sub-Saharan Africa since 2000. Key conclusions include:

- Helped by favorable commodity-price developments and new resource discoveries, resource exporters achieved higher per capita GDP growth over the period than was recorded in other countries in the region—although the pace of improvement on social indicators may be slower than appears warranted by these growth rates.
- Macroeconomic volatility remains a significant factor in fiscally dependent resource exporters—that is, countries where resource revenues

²⁶ Independent of sustainability concerns, poor quality public investment would indicate the need for reforms that would improve project selection and execution processes.

contribute significantly to budget revenues.

There is still, in several countries, a propensity to pass resource revenue surges quickly into higher spending levels, but the scale of the pass-through appears to be relatively modest in most cases, and a far cry from the strongly procyclical fiscal policies of the past, which both wasted resources and created significant disruption.

- By and large, sub-Saharan Africa's resource exporters are aware of the need to transparently manage natural resource revenue, and a majority of them have chosen to participate in the EITI. This is an area where sustained effort is essential to ensure resources are not a "curse."

Macroeconomic policy has been covered only lightly, but some policy implications emerge from this analysis:

- Developing macroeconomic policy frameworks that effectively handle the volatility of resource revenues is an important task for several countries. Stronger frameworks and rules,

well integrated with the budget process, could provide better outcomes, in terms of maintaining macroeconomic stability, than discretionary (and somewhat ad hoc) policy formulation.

- Building adequate reserve buffers is an important component of a framework for handling the volatility of international commodity markets. While determining adequate reserve levels is a country-specific exercise, it appears that a number of resource exporters still need to continue rebuilding reserves after the 2009 shock.
- Fiscal sustainability has a special dimension in producers/exporters of nonrenewable natural resources, as these endowments and their associated revenue flows will be exhausted over time unless new resource discoveries offset this depletion. While many of the region's countries are benefiting from ongoing expansion of their identified resource base, sustainability issues warrant attention in policy formulation.

Statistical Appendix

Unless otherwise noted, data and projections presented in this *Regional Economic Outlook* are IMF staff estimates as of April 20, 2011, consistent with the projections underlying the April 2012 *World Economic Outlook*.

The data and projections cover 44 countries in sub-Saharan Africa covered by the IMF's African Department. No data are yet available for South Sudan. Data definitions follow established international statistical methodologies to the extent possible. However, in some cases data limitations limit comparability across countries.

COUNTRY GROUPINGS

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

- The seven 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 11 middle-income countries not classified as oil exporters or fragile countries had average per capita gross national income in the years 2008–10 of more than US\$992.70 (World Bank using the Atlas method).
- The 14 low-income countries not classified as oil exporters or fragile countries had average per capita gross national income in the years

2008–10 equal to or lower than \$992.70 (World Bank, Atlas method) and IRAI scores higher than 3.2.

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

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

METHODS OF AGGREGATION

In Tables SA1–4, SA7–SA8, SA14, 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 *World Economic Outlook* (WEO) database.

In Tables SA9–SA13, 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: 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	Equatorial Guinea	Eritrea	Tanzania	Lesotho	South Africa
Mali	Gabon	Ethiopia	Uganda	Madagascar	Swaziland
Niger		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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REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA1. Real GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	8.6	11.2	7.5	7.6	9.5	7.1	5.2	6.6	6.0	7.1	6.1
Excluding Nigeria	11.0	12.3	10.9	9.9	13.4	8.8	2.4	4.4	4.1	7.0	5.3
Angola	17.8	11.2	20.6	20.7	22.6	13.8	2.4	3.4	3.4	9.7	6.8
Cameroon	3.0	3.7	2.3	3.2	3.4	2.6	2.0	2.9	4.1	4.1	4.5
Chad	8.7	33.6	7.9	0.2	0.2	1.7	-1.2	13.0	1.6	6.9	0.1
Congo, Rep. of	4.3	3.5	7.8	6.2	-1.6	5.6	7.5	8.8	4.5	3.1	5.4
Equatorial Guinea	16.2	38.0	9.7	1.3	21.4	10.7	5.7	-0.8	7.1	4.0	6.8
Gabon	2.7	1.4	3.0	1.2	5.6	2.3	-1.4	6.6	5.8	5.6	2.3
Nigeria	7.0	10.6	5.4	6.2	7.0	6.0	7.0	8.0	7.2	7.1	6.6
Middle-income countries¹	5.0	4.9	5.0	5.5	5.6	4.1	-0.6	3.8	4.3	3.5	4.1
Excluding South Africa	5.3	5.8	4.2	5.3	5.7	5.5	2.0	6.4	7.7	5.9	5.8
Botswana	4.1	6.0	1.6	5.1	4.8	3.0	-4.9	7.2	4.6	3.3	4.6
Cape Verde	7.2	4.3	6.5	10.1	8.6	6.2	3.7	5.2	5.0	4.3	4.4
Ghana	6.5	5.3	6.0	6.1	6.5	8.4	4.0	7.7	13.6	8.8	7.4
Lesotho ²	3.9	2.4	3.1	4.4	4.9	4.7	3.6	5.7	4.2	5.2	2.2
Mauritius	4.6	5.5	1.5	4.5	5.9	5.5	3.0	4.1	4.1	3.6	4.0
Namibia	6.1	12.3	2.5	7.1	5.4	3.4	-0.4	6.6	3.6	4.0	4.2
Senegal	4.5	5.9	5.6	2.4	5.0	3.7	2.1	4.1	2.6	3.8	4.5
Seychelles	3.8	-2.9	6.7	6.3	9.9	-1.0	0.5	6.7	4.9	2.8	3.7
South Africa	4.9	4.6	5.3	5.6	5.5	3.6	-1.5	2.9	3.1	2.7	3.4
Swaziland	2.6	2.3	2.2	2.9	2.8	3.1	1.2	2.0	0.3	-2.7	-0.9
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.4	7.6	6.6	7.7	8.3
Low-income and fragile countries	6.2	5.6	6.5	6.5	6.5	6.1	5.0	5.8	5.1	6.0	5.9
Low-income excluding fragile countries	7.3	6.6	7.6	7.7	7.6	7.1	5.5	6.3	5.8	5.9	5.9
Benin	3.9	3.1	2.9	3.8	4.6	5.0	2.7	2.6	3.1	3.5	4.7
Burkina Faso	5.5	4.5	8.7	5.5	3.6	5.2	3.2	7.9	5.6	5.0	6.4
Ethiopia ²	11.8	11.7	12.6	11.5	11.8	11.2	10.0	8.0	7.5	5.0	5.5
Gambia, The	3.6	7.0	-0.3	0.8	4.0	6.5	6.7	5.5	3.3	-1.7	9.7
Kenya	5.1	4.6	6.0	6.3	7.0	1.5	2.6	5.6	5.0	5.2	5.7
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-4.1	0.5	0.5	2.9	5.1
Malawi	5.6	5.5	2.6	2.1	9.5	8.3	9.0	6.5	5.5	4.3	4.1
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.5	5.8	2.7	6.0	5.8
Mozambique	7.8	7.9	8.4	8.7	7.3	6.8	6.3	6.8	7.1	6.7	7.2
Niger	5.2	-0.8	8.4	5.8	3.1	9.6	-0.9	8.0	2.3	14.0	6.6
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	7.5	8.8	7.6	7.0
Sierra Leone	6.8	7.4	7.2	7.3	6.4	5.5	3.2	5.0	5.3	35.9	9.1
Tanzania ²	7.3	7.8	7.4	7.0	6.9	7.3	6.7	6.5	6.7	6.4	6.7
Uganda ²	8.2	6.8	6.3	10.8	8.4	8.8	7.2	5.9	6.7	4.2	5.4
Fragile countries	3.1	2.9	3.6	2.7	3.1	3.3	2.9	3.8	1.7	6.6	5.8
Burundi	4.7	3.8	4.4	5.4	4.8	5.0	3.5	3.8	4.2	4.8	5.0
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.3	3.1	4.1	4.2
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.2	2.5	4.0
Congo, Dem. Rep. of	6.5	6.6	7.8	5.6	6.3	6.2	2.8	7.0	6.9	6.5	6.7
Côte d'Ivoire	1.6	1.6	1.9	0.7	1.6	2.3	3.7	2.4	-4.7	8.1	6.2
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.9	2.2	8.7	7.5	3.4
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	1.9	3.6	4.7	4.8
Guinea-Bissau	3.1	2.8	4.3	2.1	3.2	3.2	3.0	3.5	5.3	4.5	4.7
Liberia	6.0	2.6	5.3	7.8	9.4	4.7	2.8	5.0	6.4	8.8	5.1
São Tomé & Príncipe	6.0	4.5	1.6	12.6	2.0	9.1	4.0	4.5	4.9	5.5	6.0
Togo	2.4	2.1	1.2	4.1	2.3	2.4	3.4	4.0	4.1	4.4	4.6
Zimbabwe ³	-7.2	-5.7	-5.7	-3.5	-3.6	-17.6	5.8	8.1	9.3	4.7	6.3
Sub-Saharan Africa	6.5	7.1	6.2	6.4	7.1	5.6	2.8	5.3	5.1	5.4	5.3
<i>Median</i>	5.1	4.6	5.3	5.3	5.2	5.0	3.2	5.5	4.8	4.7	5.1
Excluding Nigeria and South Africa	7.3	7.3	7.1	7.1	8.1	6.7	3.7	5.6	5.4	6.3	5.7
Oil-importing countries	5.5	5.2	5.6	5.9	5.9	4.9	1.6	4.6	4.7	4.6	4.9
Excluding South Africa	6.0	5.7	5.8	6.1	6.3	5.9	4.2	6.0	5.8	6.0	5.9
CFA franc zone	4.9	7.7	4.9	2.9	4.6	4.3	2.7	4.9	3.0	5.5	4.9
WAEMU	3.7	2.9	4.7	3.2	3.4	4.3	2.9	4.6	1.3	6.4	5.7
CEMAC	6.1	12.6	5.1	2.5	5.9	4.3	2.4	5.1	4.6	4.6	4.0
EAC-5	6.7	6.2	6.6	7.7	7.1	5.7	5.1	6.0	6.2	5.5	6.0
SADC	6.4	5.6	6.5	7.1	7.6	5.3	0.2	3.8	3.8	4.3	4.5
SACU	4.9	4.8	5.0	5.6	5.5	3.6	-1.6	3.2	3.2	2.7	3.5
COMESA (SSA members)	6.9	6.4	6.7	7.3	7.7	6.3	5.3	6.1	6.0	5.0	5.6
MDRI countries	6.6	6.1	6.7	6.7	6.5	7.1	5.1	6.2	6.6	6.1	6.1
Countries with conventional exchange rate pegs	4.8	7.6	4.7	3.1	4.6	4.0	2.5	4.9	3.1	5.3	4.7
Countries without conventional exchange rate pegs	6.9	7.0	6.6	7.2	7.6	6.0	2.9	5.4	5.5	5.5	5.4

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	10.9	11.3	8.3	12.1	13.2	9.5	8.0	7.9	8.3	7.7	7.4
Excluding Nigeria	12.5	8.0	10.3	16.1	17.7	10.4	7.5	7.0	7.7	7.2	7.6
Angola	18.0	9.0	14.1	27.6	24.4	15.0	8.1	7.6	8.8	9.0	8.7
Cameroon	3.6	4.9	3.2	2.9	4.0	3.1	2.9	3.7	4.7	3.9	4.1
Chad	4.8	2.1	11.0	4.7	3.1	3.0	0.0	15.0	2.5	7.0	1.5
Congo, Rep. of	5.7	5.0	5.4	5.9	6.6	5.4	3.9	6.5	7.4	7.4	7.7
Equatorial Guinea	29.3	28.4	22.8	29.8	47.2	18.1	27.6	5.4	12.6	5.0	15.7
Gabon	4.2	2.3	4.3	4.9	6.2	3.4	-0.5	5.7	7.2	6.9	4.3
Nigeria	9.8	13.3	7.0	9.6	10.1	8.9	8.3	8.5	8.6	8.0	7.3
Middle-income countries¹	5.0	4.9	5.0	5.5	5.6	4.1	-0.6	3.8	3.8	3.4	4.0
Excluding South Africa	5.3	5.8	4.2	5.3	5.7	5.5	2.0	6.4	5.6	5.5	5.3
Botswana	4.1	6.0	1.6	5.1	4.8	3.0	-4.9	7.2	4.6	3.3	4.6
Cape Verde	7.2	4.3	6.5	10.1	8.6	6.2	3.7	5.2	5.0	4.3	4.4
Ghana	6.5	5.3	6.0	6.1	6.5	8.4	4.0	7.7	8.2	7.6	6.2
Lesotho ²	3.9	2.4	3.1	4.4	4.9	4.7	3.6	5.7	4.2	5.2	2.2
Mauritius	4.6	5.5	1.5	4.5	5.9	5.5	3.0	4.1	4.1	3.6	4.0
Namibia	6.1	12.3	2.5	7.1	5.4	3.4	-0.4	6.6	3.6	4.0	4.2
Senegal	4.5	5.9	5.6	2.4	5.0	3.7	2.1	4.1	2.6	3.8	4.5
Seychelles	3.8	-2.9	6.7	6.3	9.9	-1.0	0.5	6.7	4.9	2.8	3.7
South Africa	4.9	4.6	5.3	5.6	5.5	3.6	-1.5	2.9	3.1	2.7	3.4
Swaziland	2.6	2.3	2.2	2.9	2.8	3.1	1.2	2.0	0.3	-2.7	-0.9
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.4	7.6	6.6	7.7	8.3
Low-income and fragile countries	6.4	5.8	6.6	6.5	6.7	6.4	5.0	5.8	5.0	5.8	5.9
Low-income excluding fragile countries	7.3	6.6	7.6	7.7	7.6	7.1	5.5	6.3	5.8	5.6	5.9
Benin	3.9	3.1	2.9	3.8	4.6	5.0	2.7	2.6	3.1	3.5	4.7
Burkina Faso	5.5	4.5	8.7	5.5	3.6	5.2	3.2	7.9	5.6	5.0	6.4
Ethiopia ²	11.8	11.7	12.6	11.5	11.8	11.2	10.0	8.0	7.5	5.0	5.5
Gambia, The	3.6	7.0	-0.3	0.8	4.0	6.5	6.7	5.5	3.3	-1.7	9.7
Kenya	5.1	4.6	6.0	6.3	7.0	1.5	2.6	5.6	5.0	5.2	5.7
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-4.1	0.5	0.5	2.9	5.1
Malawi	5.6	5.5	2.6	2.1	9.5	8.3	9.0	6.5	5.5	4.3	4.1
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.5	5.8	2.7	6.0	5.8
Mozambique	7.8	7.9	8.4	8.7	7.3	6.8	6.3	6.8	7.1	6.7	7.2
Niger	5.2	-0.8	8.4	5.8	3.1	9.6	-0.9	8.0	2.3	5.1	5.6
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	7.5	8.8	7.6	7.0
Sierra Leone	6.8	7.4	7.2	7.3	6.4	5.5	3.2	5.0	5.3	35.9	9.1
Tanzania ²	7.3	7.8	7.4	7.0	6.9	7.3	6.7	6.5	6.7	6.4	6.7
Uganda ²	8.2	6.8	6.3	10.8	8.4	8.8	7.2	5.9	6.7	4.2	5.4
Fragile countries	3.1	2.9	3.3	2.4	3.3	3.4	2.9	3.9	1.6	6.7	5.7
Burundi	4.7	3.8	4.4	5.4	4.8	5.0	3.5	3.8	4.2	4.8	5.0
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.3	3.1	4.1	4.2
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.2	2.5	4.0
Congo, Dem. Rep. of	6.5	6.6	7.8	5.6	6.3	6.2	2.8	7.0	6.9	6.5	6.7
Côte d'Ivoire	1.5	1.6	1.3	0.0	2.1	2.5	3.7	2.8	-4.9	8.4	6.1
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.9	2.2	8.7	7.5	3.4
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	1.9	3.6	4.7	4.8
Guinea-Bissau	3.1	2.8	4.3	2.1	3.2	3.2	3.0	3.5	5.3	4.5	4.7
Liberia	6.0	2.6	5.3	7.8	9.4	4.7	2.8	5.0	6.4	8.8	5.1
São Tomé & Príncipe	6.0	4.5	1.6	12.6	2.0	9.1	4.0	4.5	4.9	5.5	6.0
Togo	2.4	2.1	1.2	4.1	2.3	2.4	3.4	4.0	4.1	4.4	4.6
Zimbabwe ³	-7.2	-5.7	-5.7	-3.5	-3.6	-17.6	5.8	8.1	9.3	4.7	6.3
Sub-Saharan Africa	7.3	7.2	6.5	7.9	8.3	6.4	3.7	5.7	5.7	5.6	5.7
<i>Median</i>	5.2	4.6	5.3	5.4	5.4	5.0	3.3	5.6	5.0	5.0	5.1
Excluding Nigeria and South Africa	7.7	6.3	7.0	8.7	9.4	7.3	5.1	6.2	5.8	6.1	6.2
Oil-importing countries	5.5	5.2	5.6	5.9	6.0	5.0	1.6	4.6	4.3	4.4	4.8
Excluding South Africa	6.1	5.8	5.9	6.2	6.4	6.1	4.2	6.0	5.2	5.7	5.7
CFA franc zone	6.0	5.1	6.2	5.5	7.8	5.3	4.8	5.5	4.0	5.6	6.0
WAEMU	3.6	2.9	4.5	3.0	3.5	4.3	2.9	4.7	1.2	5.7	5.6
CEMAC	8.3	7.4	7.9	8.1	12.2	6.2	6.8	6.3	6.6	5.5	6.4
EAC-5	6.7	6.2	6.6	7.7	7.1	5.7	5.1	6.0	6.2	5.5	6.0
SADC	6.6	5.5	6.0	7.9	7.9	5.6	0.9	4.3	4.4	4.2	4.8
SACU	4.9	4.8	5.0	5.6	5.5	3.6	-1.6	3.2	3.2	2.7	3.5
COMESA (SSA members)	7.2	6.7	7.1	7.6	8.0	6.7	5.3	6.1	6.0	5.0	5.5
MDRI countries	6.7	6.3	6.7	6.6	6.8	7.2	5.1	6.2	6.1	5.9	5.9
Countries with conventional exchange rate pegs	5.8	5.3	5.8	5.5	7.5	4.9	4.5	5.4	3.9	5.4	5.7
Countries without conventional exchange rate pegs	7.6	7.6	6.6	8.4	8.5	6.7	3.6	5.8	6.0	5.6	5.7

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA3. Real Per Capita GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	5.7	8.2	4.6	4.7	6.6	4.3	2.4	3.8	3.2	4.2	3.3
Excluding Nigeria	8.1	9.3	7.9	6.9	10.4	6.0	-0.2	1.6	1.4	4.2	2.6
Angola	14.6	8.0	17.2	17.4	19.3	10.9	-0.2	0.4	0.4	6.5	3.6
Cameroon	0.2	0.9	-0.5	0.4	0.6	-0.2	-0.8	0.4	1.6	1.6	2.0
Chad	6.1	30.4	5.3	-2.3	-2.3	-0.8	-3.6	10.3	-0.9	4.3	-2.3
Congo, Rep. of	1.4	0.6	4.7	3.2	-4.4	2.6	4.4	5.7	1.5	0.2	2.4
Equatorial Guinea	12.9	34.1	6.7	-1.6	18.0	7.6	2.8	-3.6	4.1	1.1	3.8
Gabon	0.4	-1.1	0.5	-1.3	3.0	0.8	-2.8	5.1	4.3	4.0	0.8
Nigeria	4.2	7.6	2.6	3.4	4.1	3.1	4.1	5.1	4.3	4.2	3.7
Middle-income countries¹	3.6	3.6	3.8	4.2	3.5	2.7	-2.0	2.5	2.9	2.1	2.7
Excluding South Africa	3.4	3.9	2.3	3.5	3.7	3.5	0.1	4.5	5.7	4.0	3.8
Botswana	3.0	4.8	0.8	4.3	3.5	1.8	-6.0	5.9	3.4	2.1	3.3
Cape Verde	5.6	2.6	4.9	8.5	7.1	4.7	2.3	3.8	3.6	2.9	3.0
Ghana	3.8	2.7	3.4	3.5	3.8	5.7	1.4	5.0	10.8	6.1	4.7
Lesotho ²	4.3	1.7	2.4	9.5	4.2	4.0	2.8	5.0	3.5	4.4	1.4
Mauritius	3.8	4.6	0.7	3.7	4.9	5.2	2.5	3.7	3.5	3.0	3.4
Namibia	4.3	10.4	0.7	5.2	3.5	1.5	-2.2	5.7	2.8	3.2	3.4
Senegal	2.1	3.4	3.2	0.0	2.5	1.2	-0.3	1.7	0.2	1.4	2.1
Seychelles	2.8	-2.5	6.2	4.2	9.3	-3.2	0.1	3.8	3.7	1.6	2.5
South Africa	3.6	3.5	4.3	4.5	3.4	2.5	-2.6	1.8	1.9	1.4	2.2
Swaziland	1.6	1.7	1.3	1.7	1.6	1.6	-0.3	2.4	0.7	-2.3	-0.5
Zambia	3.3	3.1	3.0	3.7	3.6	3.1	3.8	5.0	4.0	5.1	5.7
Low-income and fragile countries	3.5	2.8	3.9	3.7	3.7	3.3	2.3	3.1	2.4	3.3	3.2
Low-income excluding fragile countries	4.6	3.9	4.9	4.9	4.8	4.3	2.8	3.6	3.1	3.2	3.2
Benin	0.8	-0.2	-0.4	0.9	1.8	2.2	-0.1	-0.2	0.3	0.7	1.9
Burkina Faso	2.9	1.3	6.1	3.1	1.2	2.8	0.8	5.5	3.2	2.6	4.0
Ethiopia ²	8.9	8.9	9.8	8.7	8.9	8.3	7.2	5.5	5.0	2.6	3.0
Gambia, The	0.6	3.8	-3.3	-2.1	1.1	3.6	3.9	2.7	0.5	-4.3	6.8
Kenya	2.4	2.6	4.0	3.2	3.9	-1.4	-0.4	2.5	2.0	2.2	2.7
Madagascar	2.8	2.4	1.8	2.2	3.4	4.3	-6.6	-2.0	-2.0	0.3	2.5
Malawi	3.0	3.3	0.5	-0.8	6.5	5.4	6.0	3.5	2.5	1.4	1.2
Mali	1.4	-0.9	2.9	2.0	1.1	1.8	1.3	2.7	-0.4	2.8	2.6
Mozambique	5.7	5.8	6.3	6.6	5.2	4.7	4.2	4.7	5.0	4.7	5.1
Niger	2.1	-3.8	5.2	2.6	0.0	6.3	-3.9	4.7	-0.8	10.6	3.4
Rwanda	6.6	5.9	7.5	7.3	3.3	8.9	2.0	5.3	6.6	5.4	4.8
Sierra Leone	3.4	3.1	3.4	3.9	3.5	2.9	0.7	2.3	2.7	32.4	6.3
Tanzania ²	5.1	5.5	5.1	5.1	4.9	5.2	4.6	4.5	4.6	4.3	4.6
Uganda ²	4.7	3.4	2.9	7.2	4.9	5.3	3.5	2.2	3.0	0.5	1.7
Fragile countries	0.2	-0.7	0.9	-0.1	0.3	0.5	0.0	0.9	-1.1	3.7	2.9
Burundi	2.6	1.7	2.3	3.3	2.7	3.0	1.4	1.8	2.1	2.8	3.0
Central African Republic	0.6	-1.0	0.4	1.8	1.7	0.0	-1.9	0.8	0.6	1.5	1.7
Comoros	-0.7	-2.3	2.1	-0.8	-1.6	-1.1	-0.3	0.0	0.1	0.3	1.9
Congo, Dem. Rep. of	3.4	3.5	4.7	2.5	3.2	3.1	-0.2	3.9	3.8	3.4	3.6
Côte d'Ivoire	-1.7	-3.3	-0.8	-2.2	-1.4	-0.7	0.7	-0.6	-7.5	5.0	3.1
Eritrea	-4.5	-2.6	-1.2	-4.3	-1.9	-12.6	0.7	-0.9	5.4	4.3	0.4
Guinea	0.8	0.4	1.0	0.4	-0.4	2.6	-2.7	-0.6	1.0	2.1	2.3
Guinea-Bissau	0.8	0.3	1.8	-0.2	0.9	1.0	0.7	1.2	3.1	2.2	2.5
Liberia	2.2	0.8	2.4	3.7	4.4	-0.4	-1.4	0.7	3.7	6.1	2.4
São Tomé & Príncipe	4.4	3.0	0.1	10.9	0.4	7.4	2.3	2.7	3.0	3.4	3.9
Togo	-0.2	-0.5	-1.4	1.5	-0.2	-0.1	0.9	1.5	1.6	1.8	2.0
Zimbabwe ³	-7.8	-6.8	-6.7	-3.4	-3.9	-18.2	5.8	8.1	9.3	4.7	6.3
Sub-Saharan Africa	4.2	4.9	4.1	4.3	4.6	3.4	0.6	3.1	2.9	3.2	3.0
Median	2.8	2.6	2.5	3.2	3.3	2.7	0.7	2.7	2.9	2.8	2.8
Excluding Nigeria and South Africa	4.6	4.6	4.5	4.5	5.5	4.1	1.2	3.0	2.8	3.7	3.2
Oil-importing countries	3.5	3.3	3.8	4.0	3.6	3.0	-0.3	2.8	2.7	2.6	2.9
Excluding South Africa	3.5	3.1	3.4	3.6	3.7	3.4	1.7	3.5	3.3	3.5	3.4
CFA franc zone	2.0	4.5	2.1	0.1	1.9	1.6	0.0	2.2	0.4	2.8	2.2
WAEMU	0.7	-0.7	1.9	0.4	0.6	1.5	0.2	1.8	-1.4	3.5	2.8
CEMAC	3.3	9.6	2.4	-0.2	3.1	1.7	-0.2	2.6	2.1	2.1	1.6
EAC-5	4.0	3.8	4.3	4.9	4.3	2.9	2.3	3.2	3.4	2.7	3.2
SADC	4.8	4.1	5.0	5.6	5.4	3.7	-1.3	2.2	2.2	2.6	2.9
SACU	3.6	3.7	4.0	4.5	3.4	2.4	-2.7	2.1	2.0	1.5	2.3
COMESA (SSA members)	4.3	4.0	4.3	4.6	5.0	3.6	2.6	3.5	3.4	2.4	3.0
MDRI countries	3.9	3.3	4.0	4.0	3.8	4.4	2.4	3.6	4.0	3.5	3.4
Countries with conventional exchange rate pegs	2.1	4.5	2.0	0.5	1.9	1.4	-0.1	2.4	0.6	2.8	2.2
Countries without conventional exchange rate pegs	4.7	5.0	4.6	5.1	5.1	3.8	0.8	3.2	3.3	3.2	3.2

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table 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	2013
Oil-exporting countries	681	625	649	676	715	743	761	790	816	849	877
Excluding Nigeria	917	804	856	905	983	1,034	1,032	1,046	1,062	1,103	1,131
Angola	992	708	829	974	1,162	1,288	1,285	1,290	1,295	1,379	1,429
Cameroon	679	679	675	678	682	681	675	678	688	699	713
Chad	298	293	308	301	294	292	281	310	308	321	313
Congo, Rep. of	1,170	1,120	1,173	1,211	1,158	1,188	1,241	1,312	1,331	1,334	1,366
Equatorial Guinea	3,923	3,449	3,679	3,620	4,272	4,596	4,722	4,555	4,740	4,792	4,973
Gabon	4,070	4,030	4,051	3,998	4,118	4,152	4,035	4,240	4,420	4,599	4,636
Nigeria	596	559	574	593	617	637	663	697	727	758	786
Middle-income countries¹	2,092	1,956	2,021	2,100	2,169	2,215	2,158	2,198	2,243	2,276	2,323
Excluding South Africa	806	766	778	803	829	851	845	878	915	942	971
Botswana	4,390	4,179	4,211	4,391	4,544	4,624	4,344	4,602	4,758	4,859	5,021
Cape Verde	1,588	1,398	1,466	1,591	1,704	1,784	1,825	1,893	1,962	2,018	2,078
Ghana	472	438	452	468	486	514	521	547	606	643	673
Lesotho ²	505	457	468	513	534	555	571	599	620	648	657
Mauritius	4,677	4,413	4,444	4,610	4,833	5,084	5,211	5,401	5,589	5,755	5,949
Namibia	2,663	2,524	2,542	2,674	2,768	2,810	2,747	2,904	2,984	3,079	3,183
Senegal	509	490	506	506	518	525	523	532	533	540	552
Seychelles	7,480	6,742	7,159	7,456	8,151	7,891	7,901	8,200	8,506	8,641	8,858
South Africa	3,553	3,281	3,422	3,576	3,698	3,789	3,689	3,756	3,828	3,883	3,969
Swaziland	1,531	1,485	1,505	1,531	1,555	1,579	1,575	1,613	1,624	1,587	1,579
Zambia	364	341	351	364	377	389	404	424	441	463	489
Low-income and fragile countries	262	246	254	262	271	277	283	291	298	308	318
Low-income excluding fragile countries	279	254	266	279	292	304	311	322	332	343	354
Benin	350	345	343	347	353	360	360	359	360	362	369
Burkina Faso	278	258	273	282	285	293	296	312	322	331	344
Ethiopia ²	161	134	147	160	174	189	203	214	224	230	237
Gambia, The	469	482	467	457	462	479	497	511	513	491	525
Kenya	441	414	430	444	461	454	453	464	474	484	497
Madagascar	241	229	233	239	247	257	240	235	231	231	237
Malawi	147	141	142	141	150	158	168	174	178	180	183
Mali	280	268	275	281	284	289	293	301	299	308	316
Mozambique	346	307	327	348	366	383	400	418	440	460	483
Niger	178	166	174	179	179	190	183	192	190	210	217
Rwanda	298	261	280	301	311	339	345	364	388	408	428
Sierra Leone	249	232	240	249	258	265	267	273	280	371	395
Tanzania ²	377	341	358	376	394	415	434	453	474	495	517
Uganda ²	320	290	299	320	336	353	366	374	385	387	394
Fragile countries	211	209	211	210	211	212	212	213	210	218	224
Burundi	139	131	134	139	142	147	149	151	155	159	164
Central African Republic	218	214	215	218	222	222	218	220	221	224	228
Comoros	380	379	387	384	378	373	372	372	373	374	381
Congo, Dem. Rep. of	89	83	87	89	92	95	95	99	102	106	110
Côte d'Ivoire	541	555	551	539	531	528	532	529	489	513	529
Eritrea	167	179	177	169	166	145	146	145	153	159	160
Guinea	391	385	389	391	389	399	389	386	390	399	408
Guinea-Bissau	267	262	267	266	269	271	274	277	285	292	299
Liberia	143	135	138	143	149	149	147	148	153	163	166
São Tomé & Príncipe	650	599	600	666	668	718	734	754	777	804	835
Togo	225	226	223	226	226	226	227	231	234	239	243
Zimbabwe ³	351	398	371	359	345	282	299	323	353	369	393
Sub-Saharan Africa	630	590	608	629	653	669	668	684	700	717	735
<i>Median</i>	384	382	379	380	383	394	402	421	440	462	486
Excluding Nigeria and South Africa	379	352	364	378	394	407	410	422	432	447	460
Oil-importing countries	612	578	594	613	631	643	634	646	657	669	684
Excluding South Africa	323	305	313	322	333	341	345	356	366	377	389
CFA franc zone	491	480	488	489	496	503	503	511	511	525	536
WAEMU	356	350	356	356	358	362	363	369	361	374	384
CEMAC	805	781	797	797	818	831	828	844	863	879	893
EAC-5	360	330	344	361	377	389	398	411	425	437	451
SADC	997	924	957	998	1,041	1,065	1,042	1,059	1,076	1,094	1,118
SACU	3,398	3,141	3,267	3,420	3,538	3,624	3,525	3,600	3,674	3,730	3,816
COMESA (SSA members)	249	233	240	249	260	265	271	280	289	295	303
MDRI countries	276	256	265	276	285	297	303	313	324	335	346
Countries with conventional exchange rate pegs	524	512	520	522	531	537	536	546	547	560	571
Countries without conventional exchange rate pegs	661	613	635	661	689	709	707	724	743	761	781

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	10.7	14.6	14.7	8.0	5.6	10.4	11.1	11.4	9.7	9.7	8.3
Excluding Nigeria	9.2	13.9	9.8	7.7	5.9	8.8	8.9	7.8	7.8	7.3	5.9
Angola	20.9	43.6	23.0	13.3	12.2	12.5	13.7	14.5	13.5	11.1	8.3
Cameroon	2.7	0.3	2.0	4.9	1.1	5.3	3.0	1.3	2.9	3.0	3.0
Chad	1.5	-4.8	3.7	7.7	-7.4	8.3	10.1	-2.1	1.9	5.5	3.0
Congo, Rep. of	3.9	3.7	2.5	4.7	2.6	6.0	4.3	5.0	1.9	2.7	2.9
Equatorial Guinea	4.3	4.2	5.7	4.5	2.8	4.3	7.2	7.5	7.3	7.0	7.0
Gabon	2.1	0.4	1.2	-1.4	5.0	5.3	1.9	1.4	1.3	2.3	2.6
Nigeria	11.6	15.0	17.9	8.2	5.4	11.6	12.5	13.7	10.8	11.2	9.7
Middle-income countries¹	6.5	3.0	4.8	5.5	7.5	11.8	8.0	4.9	5.6	6.1	5.7
Excluding South Africa	9.4	8.1	9.3	8.1	8.6	12.6	10.6	6.7	7.3	7.1	6.6
Botswana	9.4	7.0	8.6	11.6	7.1	12.6	8.1	6.9	8.5	7.8	6.7
Cape Verde	2.9	-1.9	0.4	4.8	4.4	6.8	1.0	2.1	4.5	2.1	2.0
Ghana	13.0	12.6	15.1	10.2	10.7	16.5	19.3	10.7	8.7	9.6	8.9
Lesotho ²	6.9	4.6	3.6	6.3	9.2	10.7	5.9	3.4	5.6	5.2	4.6
Mauritius	7.4	4.7	4.9	8.7	8.6	9.7	2.5	2.9	6.5	4.8	5.6
Namibia	5.7	4.1	2.3	5.1	6.7	10.4	8.8	4.5	5.8	6.7	5.9
Senegal	3.2	0.5	1.7	2.1	5.9	5.8	-1.7	1.2	3.4	3.0	2.2
Seychelles	9.0	3.9	0.6	-1.9	5.3	37.0	31.7	-2.4	2.6	6.3	3.6
South Africa	5.6	1.4	3.4	4.7	7.1	11.5	7.1	4.3	5.0	5.7	5.3
Swaziland	6.9	3.4	4.9	5.2	8.1	12.7	7.4	4.5	6.1	7.2	6.7
Zambia	13.7	18.0	18.3	9.0	10.7	12.4	13.4	8.5	8.7	5.6	5.2
Low-income and fragile countries	8.9	6.9	8.8	7.9	7.6	13.2	13.8	6.3	10.2	14.5	9.1
Low-income excluding fragile countries	8.7	7.3	8.1	7.5	7.4	13.4	14.2	5.7	10.3	16.4	9.9
Benin	3.9	0.9	5.4	3.8	1.3	8.0	2.2	2.1	2.7	7.0	3.5
Burkina Faso	3.8	-0.4	6.4	2.4	-0.2	10.7	2.6	-0.6	2.7	2.5	2.0
Ethiopia ²	13.8	8.6	6.8	12.3	15.8	25.3	36.4	2.8	18.1	33.9	23.1
Gambia, The	6.2	14.3	5.0	2.1	5.4	4.5	4.6	5.0	4.8	4.7	5.5
Kenya	9.4	11.8	9.9	6.0	4.3	15.1	10.6	4.1	14.0	10.6	5.2
Madagascar	12.5	14.0	18.4	10.8	10.4	9.2	9.0	9.2	10.6	8.9	8.5
Malawi	11.5	11.4	15.5	13.9	8.0	8.7	8.4	7.4	7.6	11.1	11.9
Mali	3.1	-3.1	6.4	1.5	1.5	9.1	2.2	1.3	3.1	6.1	2.2
Mozambique	10.2	12.6	6.4	13.2	8.2	10.3	3.3	12.7	10.4	7.2	5.6
Niger	3.8	0.4	7.8	0.1	0.1	10.5	1.1	0.9	2.9	4.5	2.0
Rwanda	10.9	12.0	9.1	8.8	9.1	15.4	10.3	2.3	5.7	7.9	6.8
Sierra Leone	12.5	14.2	12.0	9.5	11.6	14.8	9.2	17.8	18.5	11.5	9.1
Tanzania ²	5.8	4.1	4.4	5.6	6.3	8.4	11.8	10.5	7.0	17.4	9.5
Uganda ²	6.7	5.0	8.0	6.6	6.8	7.3	14.2	9.4	6.5	23.4	7.6
Fragile countries	9.5	5.3	11.1	9.5	8.8	12.6	12.6	8.9	10.2	7.1	6.0
Burundi	12.5	11.8	1.2	9.1	14.4	26.0	4.6	4.1	14.9	10.3	8.4
Central African Republic	3.5	-2.2	2.9	6.7	0.9	9.3	3.5	1.5	0.7	2.5	1.9
Comoros	4.0	4.5	3.0	3.4	4.5	4.8	4.8	3.9	6.8	5.6	3.1
Congo, Dem. Rep. of	14.7	4.0	21.4	13.2	16.7	18.0	46.2	23.5	15.5	12.7	9.4
Côte d'Ivoire	3.2	1.5	3.9	2.5	1.9	6.3	1.0	1.4	4.9	2.0	2.5
Eritrea	16.4	25.1	12.5	15.1	9.3	19.9	33.0	12.7	13.3	12.3	12.3
Guinea	25.0	17.5	31.4	34.7	22.9	18.4	4.7	15.5	21.5	15.0	11.2
Guinea-Bissau	4.0	0.8	3.2	0.7	4.6	10.4	-1.6	1.1	5.0	3.5	2.5
Liberia	9.8	3.6	6.9	7.2	13.7	17.5	7.4	7.3	8.5	5.2	4.2
São Tomé & Príncipe	20.8	13.3	17.2	23.1	18.6	32.0	17.0	13.3	14.3	8.3	4.9
Togo	3.8	0.4	6.8	2.2	0.9	8.7	1.9	3.2	3.6	1.5	3.0
Zimbabwe ³	...	...	...	...	...	...	6.2	3.0	3.5	6.2	5.1
Sub-Saharan Africa	8.4	7.6	8.9	6.9	6.9	11.7	10.6	7.4	8.2	9.6	7.5
<i>Median</i>	6.8	4.2	6.4	6.3	6.7	10.4	7.2	4.2	6.3	6.5	5.3
Excluding Nigeria and South Africa	9.0	8.8	9.1	7.9	7.4	11.9	11.8	6.8	9.0	11.1	7.7
Oil-importing countries	7.4	4.5	6.3	6.4	7.5	12.4	10.3	5.5	7.5	9.5	7.1
Excluding South Africa	9.0	7.2	8.9	8.0	7.9	13.1	12.9	6.4	9.4	12.4	8.4
CFA franc zone	3.1	0.4	3.7	3.1	1.5	6.8	2.9	1.8	3.3	3.7	3.0
WAEMU	3.4	0.3	4.7	2.2	2.0	7.9	1.0	1.2	3.6	3.5	2.4
CEMAC	2.8	0.4	2.7	4.1	1.0	5.7	4.7	2.4	3.1	3.9	3.6
EAC-5	7.8	7.9	7.4	6.3	6.0	11.5	11.6	7.2	9.4	15.4	7.3
SADC	7.8	6.1	6.6	6.6	8.1	11.5	9.2	6.9	7.0	7.7	6.4
SACU	5.8	1.8	3.6	5.0	7.1	11.6	7.2	4.4	5.2	5.9	5.4
COMESA (SSA members)	11.0	9.6	10.5	9.3	10.0	15.8	19.2	6.3	12.2	17.2	11.1
MDRI countries	8.5	6.2	8.3	7.6	7.8	12.4	13.9	6.6	8.5	13.1	8.9
Countries with conventional exchange rate pegs	3.6	1.0	3.8	3.5	2.2	7.3	3.6	2.1	3.7	4.1	3.4
Countries without conventional exchange rate pegs	9.4	9.0	10.0	7.6	7.9	12.6	12.0	8.5	9.1	10.7	8.3

Sources: IMF, African Development database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	9.6	10.6	10.1	7.6	6.7	12.9	11.6	10.4	9.3	9.4	7.9
Excluding Nigeria	8.4	11.7	7.7	6.2	6.8	9.8	8.0	8.4	7.7	6.8	5.2
Angola	17.3	31.0	18.5	12.2	11.8	13.2	14.0	15.3	11.4	10.0	7.0
Cameroon	3.1	1.0	3.5	2.4	3.4	5.3	0.9	2.6	2.7	3.0	3.0
Chad	3.2	9.2	-3.4	-0.9	1.7	9.7	4.7	-2.2	10.8	5.5	3.0
Congo, Rep. of	4.4	1.1	3.1	8.1	-1.7	11.4	2.5	5.4	3.0	3.0	2.5
Equatorial Guinea	4.4	5.1	3.2	3.8	3.7	6.2	8.1	7.5	7.3	7.0	7.0
Gabon	2.3	-0.5	1.1	-0.7	5.9	5.6	0.9	0.7	2.3	2.3	2.6
Nigeria	10.4	10.0	11.6	8.5	6.6	15.1	13.9	11.7	10.3	11.0	9.5
Middle-income countries¹	7.2	4.6	5.0	6.4	9.1	10.9	6.7	4.3	6.4	5.9	5.6
Excluding South Africa	9.8	8.3	9.5	8.4	9.6	13.5	7.8	6.7	7.2	6.9	6.6
Botswana	9.9	7.9	11.3	8.5	8.1	13.7	5.8	7.4	9.2	6.7	6.6
Cape Verde	3.5	-0.3	1.8	5.8	3.4	6.7	-0.4	3.4	3.6	2.3	2.3
Ghana	13.7	11.8	14.8	10.9	12.7	18.1	16.0	8.6	8.6	9.8	9.0
Lesotho ²	7.2	3.6	5.1	5.9	10.6	10.5	3.8	3.6	6.4	2.9	4.1
Mauritius	7.3	5.6	3.9	11.6	8.6	6.8	1.5	6.1	4.9	5.2	5.6
Namibia	6.4	4.3	3.5	6.0	7.1	10.9	7.0	3.1	7.2	6.2	5.7
Senegal	3.5	1.7	1.4	3.9	6.2	4.3	-3.4	4.3	2.7	2.8	2.1
Seychelles	16.5	3.9	-1.6	0.2	16.7	63.3	-2.6	0.4	5.5	5.0	3.1
South Africa	6.4	3.5	3.6	5.8	9.0	10.1	6.3	3.5	6.1	5.5	5.3
Swaziland	7.7	3.2	7.6	4.8	9.8	12.9	4.5	4.5	7.8	5.1	9.0
Zambia	13.4	17.5	15.9	8.2	8.9	16.6	9.9	7.9	7.2	6.0	5.0
Low-income and fragile countries	10.1	7.9	8.5	8.3	7.2	18.7	7.0	6.5	15.0	11.5	7.7
Low-income excluding fragile countries	10.0	7.5	8.0	7.7	7.4	19.5	6.0	6.1	16.7	12.9	8.2
Benin	4.4	2.6	3.7	5.3	0.3	9.9	-2.9	4.0	1.8	7.2	3.5
Burkina Faso	4.1	0.7	4.5	1.5	2.3	11.6	-0.3	-0.3	5.1	2.5	2.0
Ethiopia ²	19.3	1.7	13.0	11.6	15.1	55.3	2.7	7.3	38.1	25.4	15.5
Gambia, The	5.2	8.1	4.8	0.4	6.0	6.8	2.7	5.8	4.4	5.0	6.0
Kenya	10.0	17.1	4.7	7.3	5.6	15.5	8.0	4.5	18.6	7.0	7.0
Madagascar	13.6	27.3	11.5	10.8	8.2	10.1	8.0	10.2	10.5	9.0	8.5
Malawi	11.6	13.7	16.6	10.1	7.5	9.9	7.6	6.3	9.7	12.1	12.0
Mali	3.7	1.5	3.4	3.6	2.6	7.4	1.7	1.9	5.3	6.0	3.4
Mozambique	9.2	9.1	11.1	9.4	10.3	6.2	4.2	16.6	5.5	5.6	5.6
Niger	4.5	3.7	4.2	0.4	4.7	9.4	-0.6	2.7	1.4	4.5	2.0
Rwanda	11.4	10.2	5.6	12.1	6.6	22.3	5.7	0.2	8.4	7.5	6.0
Sierra Leone	12.4	14.4	13.1	8.3	13.8	12.2	10.8	18.4	16.9	11.0	7.5
Tanzania ²	6.2	4.1	5.0	6.8	5.8	9.3	10.7	7.2	10.9	15.6	7.9
Uganda ²	7.1	0.9	10.7	7.2	4.4	12.5	12.3	4.2	15.7	15.0	5.3
Fragile countries	10.4	8.9	10.4	10.6	6.4	15.7	12.1	8.4	8.7	5.8	5.8
Burundi	12.5	11.8	1.2	9.1	14.4	26.0	4.6	4.1	14.9	10.3	8.4
Central African Republic	4.7	-0.3	2.2	7.1	-0.2	14.5	-1.2	2.3	1.3	1.8	2.0
Comoros	4.4	3.3	7.2	1.7	2.2	7.4	2.2	6.6	7.0	4.3	2.0
Congo, Dem. Rep. of	17.2	9.2	21.3	18.2	10.0	27.6	53.4	9.8	15.4	9.9	9.0
Côte d'Ivoire	3.9	4.4	2.5	2.0	1.5	9.0	-1.7	5.1	1.9	1.5	2.5
Eritrea	17.5	17.4	18.5	9.0	12.6	30.2	22.2	14.2	12.3	12.3	12.3
Guinea	24.6	27.6	29.7	39.1	12.8	13.5	7.9	20.8	20.5	12.0	8.7
Guinea-Bissau	4.6	2.9	-1.0	3.2	9.3	8.7	-6.4	5.7	3.3	2.1	1.7
Liberia	9.5	7.5	7.0	8.9	14.7	9.4	9.7	6.6	11.4	3.3	3.4
São Tomé & Príncipe	21.9	15.2	17.2	24.6	27.6	24.8	16.1	12.9	11.9	6.0	4.0
Togo	4.9	3.9	5.5	1.5	3.4	10.3	-2.4	6.9	1.5	1.0	6.1
Zimbabwe ³	...	...	...	...	...	...	-7.7	3.2	4.9	6.5	5.0
Sub-Saharan Africa	8.7	7.3	7.5	7.3	7.8	13.6	8.4	6.9	9.7	8.6	7.0
<i>Median</i>	6.8	4.4	5.0	7.1	7.1	10.5	4.6	5.5	7.2	6.0	5.5
Excluding Nigeria and South Africa	9.6	8.9	8.5	7.8	7.6	15.2	7.4	7.0	11.5	9.3	6.8
Oil-importing countries	8.3	5.8	6.3	7.1	8.4	13.9	6.8	5.2	9.8	8.2	6.5
Excluding South Africa	10.0	8.0	8.8	8.4	7.8	17.2	7.2	6.5	12.8	10.2	7.4
CFA franc zone	3.7	2.6	2.4	2.5	2.9	7.8	0.7	3.1	3.8	3.6	3.1
WAEMU	4.0	2.8	3.0	2.7	2.9	8.5	-1.5	3.5	3.0	3.3	2.7
CEMAC	3.3	2.5	1.8	2.4	3.0	7.1	2.9	2.8	4.6	3.9	3.6
EAC-5	8.3	8.8	6.0	7.5	5.7	13.5	9.6	5.0	14.6	11.6	6.9
SADC	8.2	7.1	6.4	7.3	9.1	11.0	8.4	6.1	7.6	7.1	6.1
SACU	6.6	3.7	4.0	5.9	8.9	10.3	6.3	3.7	6.3	5.6	5.4
COMESA (SSA members)	12.8	9.9	10.3	9.9	9.1	24.6	9.1	6.2	19.3	13.2	9.2
MDRI countries	9.6	5.9	8.9	7.8	7.7	17.6	7.5	6.4	12.4	10.9	7.4
Countries with conventional exchange rate pegs	4.1	2.9	2.9	2.9	3.5	8.3	1.4	3.3	4.2	3.9	3.5
Countries without conventional exchange rate pegs	9.7	8.3	8.5	8.2	8.7	14.6	9.9	7.7	10.8	9.5	7.7

Sources: IMF, African Development database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA7. Total Investment*(Percent of GDP)*

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	21.8	22.3	20.5	21.9	23.3	20.8	26.1	23.7	21.2	20.6	21.1
Excluding Nigeria	19.1	20.6	17.7	19.3	18.8	19.0	22.2	21.3	19.6	18.1	18.7
Angola	12.8	9.9	8.8	15.4	13.5	16.2	15.2	12.7	11.1	10.4	12.6
Cameroon	16.8	20.4	16.8	14.3	15.0	17.5	16.4	16.1	18.4	19.0	19.4
Chad	26.8	29.3	24.0	26.9	26.5	27.1	36.9	42.4	36.4	22.5	21.9
Congo, Rep. of	20.9	22.5	20.2	21.6	21.8	18.3	22.5	20.5	25.0	28.2	28.5
Equatorial Guinea	35.5	43.7	39.9	32.5	35.3	26.0	48.3	48.4	34.8	33.7	29.2
Gabon	23.4	24.4	21.3	25.1	24.8	21.5	26.9	27.3	28.5	27.3	28.0
Nigeria	23.5	23.3	22.2	23.5	26.4	22.0	28.6	25.2	22.1	22.1	22.6
Middle-income countries¹	20.9	19.3	19.1	20.6	22.2	23.6	21.1	21.1	21.4	21.4	21.8
Excluding South Africa	24.1	22.9	22.8	23.3	25.3	26.4	25.4	26.1	26.0	26.3	26.0
Botswana	28.0	33.2	26.3	24.0	25.8	30.8	30.6	29.9	21.5	20.6	19.8
Cape Verde	41.4	39.5	36.0	38.0	47.0	46.2	39.1	37.8	36.5	34.6	34.7
Ghana	20.9	18.0	19.0	21.7	22.9	23.0	23.8	24.7	26.2	26.5	25.3
Lesotho ²	24.4	25.4	21.6	21.6	25.2	27.9	28.0	30.2	36.9	46.1	48.3
Mauritius	25.6	24.4	22.7	26.7	26.9	27.3	21.2	23.7	24.6	25.1	25.5
Namibia	22.6	19.1	19.7	22.3	23.7	28.2	29.4	28.1	32.4	30.4	29.3
Senegal	30.1	26.0	28.5	28.2	34.0	33.8	29.3	29.7	29.2	30.9	30.7
Seychelles	28.3	20.6	35.1	29.8	28.9	26.9	27.3	36.7	35.4	36.1	31.6
South Africa	19.9	18.1	18.0	19.7	21.2	22.7	19.6	19.4	19.8	19.6	20.2
Swaziland	10.1	1.4	15.9	6.8	12.6	13.9	13.9	12.2	9.6	10.8	12.5
Zambia	22.7	24.9	23.7	22.1	22.0	20.9	21.0	22.6	25.0	24.9	28.0
Low-income and fragile countries	19.9	18.3	19.2	19.6	20.3	22.0	21.2	22.5	23.3	23.8	24.6
Low-income excluding fragile countries	21.6	19.8	21.0	21.6	22.1	23.6	23.2	24.2	24.9	24.3	24.9
Benin	18.0	17.7	17.9	16.4	19.6	18.1	20.8	16.3	17.6	18.3	18.8
Burkina Faso	18.4	16.2	20.3	16.4	18.9	20.2	16.7	19.0	15.7	13.5	15.5
Ethiopia ²	24.0	26.5	23.8	25.2	22.1	22.4	22.7	22.3	23.9	24.5	25.3
Gambia, The	20.8	24.2	21.8	24.3	19.0	14.8	19.5	21.4	17.8	21.5	20.8
Kenya	17.5	14.4	16.9	17.9	19.0	19.2	19.4	21.9	23.1	23.3	25.0
Madagascar	28.8	25.8	23.8	25.0	28.3	41.0	34.1	28.6	25.3	25.0	26.3
Malawi	23.7	18.2	22.7	25.7	26.5	25.7	25.6	26.0	15.0	13.0	11.4
Mali	17.0	16.5	15.5	16.9	16.9	19.0	20.3	18.4	20.4	20.0	21.3
Mozambique	17.2	18.3	17.7	17.0	15.3	17.6	14.9	22.0	24.2	22.7	23.7
Niger	23.3	14.6	23.1	23.6	22.8	32.3	33.0	38.6	39.0	41.4	36.0
Rwanda	20.9	19.9	20.9	19.7	20.2	23.5	22.4	21.9	25.3	25.1	23.6
Sierra Leone	14.3	10.8	17.4	15.2	13.2	14.8	14.9	35.1	57.2	15.5	15.3
Tanzania ²	26.1	21.5	23.9	26.4	28.7	29.7	29.4	30.6	31.8	31.3	30.9
Uganda ²	22.1	20.2	22.4	21.2	23.6	23.0	23.5	24.2	24.7	25.2	26.1
Fragile countries	13.3	13.0	12.9	12.2	13.0	15.2	13.3	15.3	16.3	21.4	23.3
Burundi	14.0	10.4	8.7	14.1	18.2	18.7	18.8	18.0	20.7	19.7	21.1
Central African Republic	10.0	6.8	9.8	10.1	10.7	12.7	13.2	15.1	12.4	14.1	15.9
Comoros	10.7	9.4	9.3	9.6	11.2	14.3	12.4	15.4	18.2	19.2	20.1
Congo, Dem. Rep. of	16.1	12.8	13.8	13.2	18.2	22.4	19.4	27.1	28.6	31.6	31.6
Côte d'Ivoire	9.7	10.8	9.7	9.3	8.7	10.1	8.9	9.0	8.2	12.1	14.6
Eritrea	15.9	20.3	20.3	13.7	12.7	12.7	9.3	9.3	10.0	9.5	8.7
Guinea	17.8	20.7	19.5	17.2	14.2	17.5	11.4	10.6	15.0	37.3	44.1
Guinea-Bissau	8.2	7.6	6.6	6.4	11.7	8.7	10.1	9.8	10.1	10.6	10.0
Liberia	...	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	48.4	43.5	75.6	39.6	53.5	29.5	48.6	48.4	48.1	45.3	35.2
Togo	15.9	14.5	16.3	16.8	14.7	17.3	18.0	18.8	18.6	20.9	21.8
Zimbabwe ³	...	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	20.9	20.0	19.6	20.7	22.1	22.2	22.8	22.4	21.8	21.8	22.3
<i>Median</i>	21.0	20.0	20.3	21.4	21.5	21.7	21.1	22.5	24.1	23.0	23.6
Excluding Nigeria and South Africa	20.5	19.9	19.6	20.3	20.9	22.1	22.3	22.9	22.9	22.8	23.4
Oil-importing countries	20.5	18.9	19.1	20.2	21.5	23.0	21.2	21.7	22.2	22.4	22.9
Excluding South Africa	21.1	19.6	20.2	20.6	21.7	23.2	22.4	23.5	24.0	24.5	25.0
CFA franc zone	20.3	21.0	20.0	19.3	20.6	20.7	23.4	23.8	22.8	22.6	22.7
WAEMU	17.9	16.2	17.6	17.0	18.6	20.2	19.0	19.3	19.1	20.5	21.2
CEMAC	22.8	25.8	22.5	21.7	22.7	21.1	27.8	28.3	26.5	24.8	24.2
EAC-5	21.2	18.1	20.2	21.2	23.0	23.6	23.7	25.1	26.3	26.3	27.0
SADC	20.2	18.4	18.2	20.0	21.1	23.1	20.6	20.6	20.5	20.2	20.9
SACU	20.3	18.7	18.4	19.8	21.5	23.1	20.4	20.1	20.2	20.0	20.5
COMESA (SSA members)	21.3	19.9	20.6	21.1	21.8	23.1	22.1	23.1	23.7	24.1	25.0
MDRI countries	21.6	20.4	20.7	21.1	22.1	23.5	23.0	23.8	24.9	24.9	25.1
Countries with conventional exchange rate pegs	20.3	20.6	20.1	19.3	20.7	21.0	23.5	23.8	23.2	23.0	23.1
Countries without conventional exchange rate pegs	21.0	19.9	19.5	21.0	22.3	22.5	22.7	22.1	21.6	21.5	22.2

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA8. Gross National Savings
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	33.7	23.7	29.2	43.9	38.8	33.1	28.5	25.8	25.9	26.5	25.5
Excluding Nigeria	27.3	14.9	26.3	35.0	31.5	28.8	15.3	24.1	21.9	21.6	21.7
Angola	30.1	13.6	27.5	44.9	35.2	29.0	6.4	23.0	19.2	20.1	18.8
Cameroon	15.8	17.0	13.4	15.9	16.4	16.3	12.7	13.3	14.8	14.3	16.1
Chad	22.3	-20.8	25.1	32.8	38.1	36.0	32.9	38.9	18.8	12.5	25.2
Congo, Rep. of	20.4	16.8	23.9	25.2	15.3	20.6	15.1	25.5	31.2	32.4	32.3
Equatorial Guinea	34.3	22.1	33.6	40.2	40.3	35.1	31.2	24.3	25.1	24.7	22.6
Gabon	41.6	35.5	44.2	40.6	41.8	45.7	33.2	36.4	40.5	39.0	35.5
Nigeria	37.8	28.8	30.9	49.5	43.6	36.0	37.0	26.8	28.4	29.5	27.9
Middle-income countries¹	16.4	16.5	16.1	16.4	16.3	16.6	17.1	17.6	16.8	16.2	16.3
Excluding South Africa	21.5	21.0	21.2	22.7	22.8	19.9	21.5	20.5	17.8	20.0	20.5
Botswana	39.5	36.2	41.4	41.2	40.8	37.6	24.8	24.8	14.7	16.6	18.3
Cape Verde	30.6	25.1	32.5	32.6	32.3	30.5	23.4	25.3	24.1	22.5	24.2
Ghana	14.4	15.7	14.6	14.5	15.0	12.2	20.6	17.4	16.2	19.6	19.3
Lesotho ²	32.5	34.8	20.6	36.8	31.5	39.0	24.9	15.3	20.3	35.0	32.9
Mauritius	19.2	21.9	17.7	17.6	21.5	17.2	13.8	15.6	14.4	14.0	15.4
Namibia	30.1	26.0	24.4	36.1	32.9	31.0	31.3	26.3	26.0	25.9	25.3
Senegal	20.0	19.1	19.6	19.0	22.4	19.7	22.6	23.6	20.9	20.8	20.0
Seychelles	11.7	11.6	12.8	14.0	13.6	6.7	17.5	16.6	13.8	13.6	13.3
South Africa	14.7	15.0	14.5	14.4	14.3	15.5	15.6	16.6	16.5	14.8	14.7
Swaziland	6.4	4.5	11.8	-0.6	10.3	5.7	0.1	-4.3	-1.5	11.2	6.8
Zambia	16.3	13.7	15.2	23.3	15.4	13.8	25.2	29.6	26.2	26.1	30.5
Low-income and fragile countries	14.7	15.6	14.4	14.2	15.2	13.9	14.1	15.6	16.2	14.2	15.9
Low-income excluding fragile countries	16.0	16.7	15.9	15.4	16.7	15.1	15.0	16.8	16.6	14.7	16.2
Benin	10.6	10.7	11.6	11.1	9.4	10.1	11.9	9.1	9.8	10.7	11.4
Burkina Faso	8.2	5.2	8.7	7.3	10.6	9.0	12.3	15.4	11.2	5.5	8.6
Ethiopia ²	21.1	24.6	20.0	18.1	23.5	19.2	19.5	20.7	25.6	17.5	18.8
Gambia, The	12.4	19.7	11.5	17.4	10.8	2.7	7.2	5.7	3.6	3.6	5.9
Kenya	15.8	17.2	17.3	16.9	15.7	12.0	13.4	14.9	11.3	13.7	16.6
Madagascar	15.7	15.3	12.1	15.1	15.6	20.4	13.0	18.9	17.9	18.7	20.8
Malawi	15.1	7.0	10.7	14.4	27.4	16.0	20.1	24.8	11.6	10.8	9.6
Mali	9.1	8.6	7.0	12.9	10.0	6.9	13.0	5.8	10.2	9.7	12.3
Mozambique	6.3	7.7	6.1	6.3	5.6	5.7	2.7	10.3	11.2	10.0	11.3
Niger	14.1	7.3	14.2	15.0	14.6	19.3	7.9	17.7	10.6	14.8	15.3
Rwanda	19.1	21.8	21.9	15.4	18.0	18.6	15.0	15.9	14.9	12.6	15.0
Sierra Leone	7.2	4.9	10.3	9.7	7.7	3.3	6.6	6.3	0.7	5.4	5.9
Tanzania ²	17.8	20.4	18.7	17.4	15.7	16.8	19.0	21.6	23.0	21.7	21.5
Uganda ²	19.9	20.2	21.0	17.8	20.6	19.9	14.8	14.7	13.6	12.7	15.4
Fragile countries	9.8	11.8	8.7	10.0	9.4	9.1	10.5	10.6	14.0	12.1	14.2
Burundi	5.7	5.0	3.3	-8.8	12.2	16.9	7.3	8.1	7.7	7.4	12.4
Central African Republic	4.6	5.1	3.2	7.1	4.5	2.9	5.1	5.1	5.5	6.5	9.1
Comoros	3.8	4.8	1.9	3.6	5.5	3.3	4.7	8.5	8.3	8.1	10.5
Congo, Dem. Rep. of	8.6	9.8	0.5	10.5	17.1	4.9	8.9	20.2	19.9	23.8	25.1
Côte d'Ivoire	10.9	12.4	10.0	12.1	8.0	12.1	15.9	10.1	14.9	9.3	11.6
Eritrea	12.7	18.9	20.8	10.2	6.4	7.2	1.7	3.7	10.8	12.6	11.4
Guinea	11.8	18.3	18.5	12.6	2.6	7.2	1.6	-1.8	8.6	1.2	4.4
Guinea-Bissau	5.3	9.1	4.5	0.8	8.2	3.9	3.7	1.6	3.9	3.5	3.1
Liberia	...	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	27.4	27.5	64.6	13.9	23.7	7.4	23.1	14.3	14.9	10.1	1.6
Togo	8.0	6.2	8.2	9.0	6.0	10.5	11.3	11.7	11.1	11.6	12.5
Zimbabwe ³	...	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	21.5	18.6	19.7	24.6	23.3	21.3	20.1	19.9	19.8	19.3	19.4
<i>Median</i>	15.4	15.5	14.9	15.0	15.5	15.7	14.3	15.7	14.8	13.6	15.3
Excluding Nigeria and South Africa	19.4	16.6	18.8	21.3	21.1	19.1	15.9	18.8	18.0	17.3	18.3
Oil-importing countries	15.7	16.2	15.4	15.6	15.9	15.6	15.9	16.8	16.6	15.4	16.1
Excluding South Africa	16.6	17.2	16.3	16.6	17.3	15.6	16.1	17.0	16.6	15.8	17.2
CFA franc zone	18.3	13.3	18.2	20.0	19.9	20.2	18.7	18.8	18.7	17.0	18.4
WAEMU	12.0	11.3	11.6	12.6	11.9	12.6	14.8	13.3	13.5	11.5	13.0
CEMAC	24.7	15.3	25.0	27.6	27.9	28.0	22.6	24.4	23.7	22.5	23.9
EAC-5	17.2	18.8	18.4	16.4	16.8	15.8	15.4	16.9	15.7	15.8	17.7
SADC	17.5	15.9	16.4	18.9	18.3	17.9	14.8	18.4	17.4	16.7	16.8
SACU	16.3	16.4	16.0	16.2	16.1	17.0	16.3	17.0	16.5	15.3	15.2
COMESA (SSA members)	16.9	17.7	16.1	16.0	18.8	15.6	15.5	17.9	17.5	16.1	18.1
MDRI countries	15.5	15.9	14.7	15.3	16.5	15.0	15.9	17.8	18.0	16.9	18.0
Countries with conventional exchange rate pegs	18.8	14.1	18.5	20.4	20.3	20.5	18.7	18.5	18.6	17.5	18.6
Countries without conventional exchange rate pegs	22.1	19.5	20.0	25.4	23.9	21.5	20.4	20.1	20.0	19.6	19.6

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.

² Fiscal year data.

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

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	8.5	6.0	11.4	12.1	5.2	7.8	-6.5	-2.5	4.0	5.2	4.7
Excluding Nigeria	9.7	2.6	8.9	17.0	10.1	9.8	-3.0	4.2	7.8	8.1	5.8
Angola	8.6	1.4	9.4	11.8	11.3	8.9	-4.9	6.8	12.6	12.2	8.3
Cameroon	8.5	-0.7	3.2	33.1	4.5	2.3	-0.1	-1.1	-1.9	-3.6	-2.5
Chad	3.1	-1.3	1.3	7.7	3.1	4.5	-9.9	-5.2	3.2	6.6	4.9
Congo, Rep. of	13.5	3.6	14.6	16.6	9.4	23.4	4.8	16.1	15.9	15.3	12.5
Equatorial Guinea	18.2	12.3	20.6	23.5	19.3	15.4	-8.0	-5.1	-3.0	-2.5	-1.0
Gabon	9.2	7.6	8.7	9.2	8.7	11.7	7.5	3.0	2.1	5.1	3.9
Nigeria	7.6	8.1	13.0	8.9	1.6	6.3	-9.4	-7.7	1.1	2.9	3.9
Middle-income countries¹	-0.2	-1.5	-0.2	1.2	0.8	-1.5	-5.3	-5.1	-4.6	-4.1	-3.5
Excluding South Africa	-1.3	-2.4	-0.8	2.8	-1.5	-4.4	-5.3	-5.9	-4.9	-3.5	-2.9
Botswana	2.4	0.4	8.1	9.7	2.9	-8.9	-13.0	-7.2	-4.2	0.6	0.5
Cape Verde	-3.8	-4.1	-6.7	-5.7	-1.1	-1.4	-6.3	-10.6	-8.9	-8.8	-7.4
Ghana	-4.9	-3.0	-2.8	-4.7	-5.6	-8.5	-5.8	-7.2	-4.3	-4.9	-4.0
Lesotho ²	9.0	7.5	4.4	13.9	10.7	8.6	-3.9	-5.0	-10.5	0.2	0.7
Mauritius	-3.9	-4.6	-4.7	-4.4	-3.3	-2.8	-3.6	-3.2	-3.4	-2.8	-2.6
Namibia	0.9	-3.6	-1.0	2.0	4.2	2.6	-1.1	-4.8	-7.9	-5.4	-4.4
Senegal	-3.8	-2.3	-2.8	-5.4	-3.8	-4.7	-4.9	-5.2	-6.1	-5.8	-4.4
Seychelles	-2.5	-2.2	-0.3	-6.0	-9.5	5.5	2.8	-0.8	2.6	1.9	2.4
South Africa	0.1	-1.2	0.0	0.8	1.5	-0.5	-5.3	-4.8	-4.6	-4.3	-3.7
Swaziland	1.6	-4.7	-2.0	10.1	4.8	-0.3	-6.4	-13.8	-6.8	2.7	-7.0
Zambia	2.5	-2.9	-2.8	20.2	-1.3	-0.9	-2.5	-3.1	-3.4	-3.1	-1.3
Low-income and fragile countries	-1.8	-2.5	-2.9	0.7	-2.3	-2.2	-3.5	-3.2	-4.1	-4.2	-3.6
Low-income excluding fragile countries	-1.5	-2.3	-2.6	2.0	-2.5	-2.2	-3.4	-3.4	-3.8	-3.9	-3.4
Benin	-0.7	-1.1	-2.3	-0.2	0.3	-0.1	-3.3	-0.4	-1.4	-0.7	-0.9
Burkina Faso	-1.1	-4.7	-5.5	15.5	-6.6	-4.3	-5.3	-5.8	-2.5	-4.7	-2.8
Ethiopia ²	-3.4	-2.7	-4.2	-3.8	-3.6	-2.9	-0.9	-1.3	-1.6	-3.0	-2.3
Gambia, The	-3.2	-4.1	-5.8	-5.1	0.4	-1.4	-2.6	-5.4	-4.4	-5.3	-2.5
Kenya	-2.4	-0.1	-1.8	-2.5	-3.1	-4.2	-5.2	-5.1	-4.1	-4.0	-3.7
Madagascar	-2.5	-5.0	-3.0	-0.5	-2.7	-1.1	-3.1	-0.4	-1.6	-2.6	-3.3
Malawi	-3.8	-6.5	-3.2	0.3	-4.3	-5.1	-5.0	1.5	-7.9	-2.5	-1.7
Mali	5.3	-1.8	-2.3	32.2	-2.0	0.4	-1.2	0.1	-1.3	-1.9	-0.6
Mozambique	-3.3	-4.4	-2.8	-4.1	-2.9	-2.5	-5.5	-4.0	-4.9	-6.3	-6.0
Niger	7.1	-3.5	-2.0	40.3	-1.0	1.5	-5.5	-2.6	-2.3	-3.6	-4.8
Rwanda	0.2	0.9	0.9	0.2	-1.7	1.0	0.3	0.4	-1.9	-2.9	-0.1
Sierra Leone	2.9	-3.2	-1.9	-2.2	26.6	-4.7	-3.2	-6.9	-5.7	-3.8	-2.7
Tanzania ²	-3.0	-2.9	-3.0	-4.9	-4.0	0.0	-4.8	-7.0	-6.0	-6.4	-5.5
Uganda ²	-1.1	-0.9	-0.2	-0.6	-1.0	-2.8	-2.4	-4.7	-7.2	-4.0	-3.6
Fragile countries	-2.4	-3.0	-3.0	-2.3	-1.5	-2.2	-3.7	-3.0	-5.6	-5.0	-4.0
Burundi	-2.7	-3.6	-3.6	-1.0	-2.6	-2.7	-5.0	-3.7	-4.0	-2.4	-5.1
Central African Republic	0.5	-2.1	-4.5	9.0	1.2	-1.0	-0.1	-1.4	-2.4	0.5	0.5
Comoros	-1.7	-1.7	0.1	-2.6	-2.0	-2.5	0.6	7.0	1.2	-0.1	-0.6
Congo, Dem. Rep. of	-3.8	-3.2	-4.3	-3.6	-3.8	-3.8	-5.1	1.5	-6.4	-5.2	-4.2
Côte d'Ivoire	-1.3	-1.7	-1.7	-1.8	-0.8	-0.6	-1.6	-2.3	-5.7	-4.4	-3.2
Eritrea	-17.9	-16.6	-22.2	-14.1	-15.7	-21.1	-14.7	-16.1	-16.2	-13.4	-12.4
Guinea	-2.2	-5.4	-1.6	-3.1	0.3	-1.3	-7.1	-14.0	-2.9	-6.7	-3.4
Guinea-Bissau	-4.9	-7.8	-6.2	-4.8	-5.0	-0.8	2.9	-0.2	-1.9	-1.0	-1.2
Liberia	-0.7	0.0	0.0	6.0	3.9	-13.2	-13.7	-8.5	-3.4	-3.9	-3.0
São Tomé & Príncipe	28.4	-16.1	30.9	-12.7	125.4	14.2	-18.4	-11.0	-10.7	-3.9	-5.6
Togo	-1.4	1.0	-2.4	-2.8	-1.9	-0.9	-2.8	-1.6	-3.4	-6.6	-5.8
Zimbabwe ³	...	...	-8.5	-3.2	-3.8	-2.7	-2.9	-0.3	-2.1	-4.4	-3.5
Sub-Saharan Africa	2.3	0.3	2.7	4.7	1.7	2.0	-5.3	-3.8	-1.5	-0.7	-0.5
<i>Median</i>	-1.4	-2.3	-2.0	-0.6	-1.0	-1.0	-4.4	-3.8	-3.4	-3.3	-2.7
Excluding Nigeria and South Africa	1.8	-1.2	0.8	6.0	1.8	1.5	-3.7	-1.4	-0.3	0.2	-0.3
Oil-importing countries	-0.7	-1.8	-1.0	1.1	-0.2	-1.7	-4.6	-4.5	-4.5	-4.1	-3.5
Excluding South Africa	-1.7	-2.5	-2.3	1.4	-2.1	-2.9	-4.0	-4.1	-4.4	-4.0	-3.4
CFA franc zone	5.1	0.3	2.9	14.1	3.4	4.8	-1.9	-0.7	-0.7	-0.4	-0.2
WAEMU	-0.3	-2.2	-2.6	6.9	-2.2	-1.5	-3.1	-2.7	-3.9	-4.0	-3.0
CEMAC	10.3	3.0	8.3	20.9	8.7	10.4	-0.6	1.2	2.1	2.6	2.3
EAC-5	-2.1	-1.1	-1.8	-2.6	-2.8	-2.3	-4.1	-5.1	-5.1	-4.5	-3.9
SADC	0.9	-1.4	0.4	2.3	2.2	0.8	-5.1	-2.9	-2.0	-1.3	-1.5
SACU	0.3	-1.2	0.3	1.3	1.7	-0.7	-5.5	-5.0	-4.7	-4.0	-3.6
COMESA (SSA members)	-2.3	-2.6	-3.3	0.1	-2.8	-2.9	-3.2	-2.8	-4.0	-3.6	-3.1
MDRI countries	0.0	-2.3	-1.4	6.4	-1.5	-1.1	-2.9	-2.3	-2.8	-3.1	-2.6
Countries with conventional exchange rate pegs	4.5	-0.3	2.2	12.6	3.5	4.4	-2.2	-1.7	-1.7	-1.0	-0.9
Countries without conventional exchange rate pegs	1.9	0.5	2.9	3.2	1.4	1.5	-5.9	-4.2	-1.4	-0.6	-0.4

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA10. Overall Fiscal Balance, Excluding Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	7.9	5.8	11.2	9.9	5.0	7.7	-6.7	-2.6	3.9	5.1	4.6
Excluding Nigeria	8.3	2.2	8.5	11.4	9.8	9.5	-3.3	4.0	7.6	7.8	5.6
Angola	8.4	1.0	9.1	11.8	11.3	8.9	-4.9	6.8	12.6	12.2	8.3
Cameroon	2.4	-0.8	3.0	4.7	3.3	1.5	-0.9	-1.8	-2.5	-4.1	-3.0
Chad	0.8	-4.2	-2.1	5.8	1.7	3.0	-13.4	-6.8	1.4	4.3	2.5
Congo, Rep. of	13.2	3.3	14.5	16.5	9.0	22.7	4.5	16.0	15.5	13.6	12.1
Equatorial Guinea	18.2	12.3	20.6	23.5	19.3	15.4	-8.0	-5.1	-3.0	-2.5	-1.0
Gabon	9.2	7.5	8.7	9.2	8.7	11.7	7.5	3.0	2.1	5.1	3.9
Nigeria	7.6	8.1	13.0	8.9	1.6	6.3	-9.4	-7.7	1.1	2.9	3.9
Middle-income countries¹	-0.8	-1.9	-0.6	0.1	0.3	-2.0	-5.8	-5.5	-5.0	-4.4	-3.8
Excluding South Africa	-4.1	-4.6	-2.9	-2.6	-3.9	-6.6	-7.6	-7.6	-6.4	-5.0	-4.1
Botswana	1.8	-0.3	7.9	9.1	2.2	-9.6	-13.9	-7.5	-4.4	0.4	0.2
Cape Verde	-10.2	-13.0	-13.3	-11.6	-6.3	-6.8	-11.6	-16.9	-11.6	-11.3	-10.8
Ghana	-8.3	-6.9	-6.1	-8.1	-9.3	-11.2	-8.8	-9.5	-6.4	-6.7	-5.0
Lesotho ²	7.3	5.2	2.4	13.0	9.1	6.5	-6.9	-12.4	-19.0	-8.8	-4.7
Mauritius	-4.2	-4.9	-4.9	-4.6	-3.4	-3.4	-5.2	-3.9	-4.0	-3.8	-3.2
Namibia	0.7	-3.8	-1.1	1.9	4.1	2.5	-1.4	-4.9	-8.1	-5.7	-4.5
Senegal	-5.8	-4.4	-4.4	-6.9	-6.4	-7.0	-8.0	-7.8	-8.3	-7.9	-6.5
Seychelles	-3.5	-2.2	-0.5	-7.3	-9.7	2.0	-1.3	-1.7	0.0	-1.6	-0.3
South Africa	0.1	-1.2	0.0	0.8	1.5	-0.5	-5.3	-4.8	-4.6	-4.3	-3.7
Swaziland	0.9	-5.5	-3.0	9.3	4.5	-0.9	-6.9	-14.0	-7.5	2.0	-7.7
Zambia	-6.8	-8.4	-8.4	-6.3	-5.8	-5.0	-5.4	-4.9	-4.7	-4.8	-3.2
Low-income and fragile countries	-6.8	-6.8	-7.3	-6.9	-6.5	-6.2	-7.4	-7.3	-8.0	-7.8	-7.2
Low-income excluding fragile countries	-7.4	-7.4	-7.7	-7.6	-7.5	-6.6	-7.6	-7.2	-7.6	-7.6	-7.1
Benin	-3.0	-3.7	-4.4	-2.5	-2.7	-1.8	-6.5	-1.9	-4.0	-3.6	-3.0
Burkina Faso	-10.4	-9.3	-10.1	-11.2	-13.1	-8.3	-11.2	-10.4	-7.6	-11.9	-9.3
Ethiopia ²	-7.6	-7.3	-8.4	-7.4	-8.0	-6.9	-5.2	-4.6	-4.9	-5.1	-5.5
Gambia, The	-4.7	-7.2	-7.0	-6.1	-0.5	-2.5	-6.9	-9.4	-9.1	-12.0	-7.9
Kenya	-3.5	-1.3	-3.1	-3.6	-4.2	-5.3	-6.0	-5.8	-5.3	-5.4	-5.0
Madagascar	-9.3	-13.2	-10.5	-10.3	-7.0	-5.4	-4.2	-0.4	-2.8	-4.6	-6.0
Malawi	-15.1	-14.9	-13.2	-14.3	-16.9	-16.2	-13.6	-10.3	-12.0	-7.2	-5.3
Mali	-5.7	-5.8	-6.2	-6.7	-6.7	-3.0	-5.8	-2.8	-5.1	-5.0	-3.6
Mozambique	-11.3	-11.7	-8.8	-12.0	-12.2	-11.9	-15.0	-13.0	-12.6	-12.9	-12.3
Niger	-7.6	-9.3	-9.6	-6.8	-8.1	-4.4	-9.9	-7.4	-10.1	-11.5	-12.5
Rwanda	-10.1	-9.2	-10.8	-9.6	-10.7	-10.0	-11.4	-13.2	-13.7	-11.8	-10.1
Sierra Leone	-9.8	-12.2	-11.9	-10.4	-5.5	-9.2	-11.1	-14.0	-13.1	-8.6	-6.3
Tanzania ²	-8.8	-8.2	-9.9	-10.3	-8.9	-6.9	-9.9	-11.6	-10.6	-12.6	-11.1
Uganda ²	-7.2	-9.4	-8.5	-6.5	-5.9	-5.7	-5.0	-7.4	-9.5	-6.5	-5.4
Fragile countries	-5.3	-5.5	-6.1	-5.7	-4.1	-5.3	-7.2	-8.6	-10.1	-9.2	-8.0
Burundi	-18.9	-14.3	-11.9	-14.3	-26.2	-27.6	-23.5	-26.4	-24.7	-19.4	-20.3
Central African Republic	-5.5	-5.5	-8.7	-4.4	-2.9	-5.8	-5.4	-7.7	-5.0	-4.1	-4.9
Comoros	-7.8	-4.5	-4.2	-7.6	-9.7	-13.0	-9.1	-7.8	-7.8	-10.7	-10.5
Congo, Dem. Rep. of	-8.2	-7.0	-11.1	-10.3	-6.1	-6.4	-12.5	-12.6	-15.3	-13.3	-11.1
Côte d'Ivoire	-2.3	-2.6	-2.8	-2.4	-1.3	-2.3	-2.2	-2.8	-6.1	-4.8	-4.3
Eritrea	-24.8	-31.7	-31.5	-18.2	-18.8	-24.0	-17.3	-21.3	-19.4	-14.6	-12.9
Guinea	-3.2	-6.5	-2.3	-4.6	-0.5	-1.8	-7.5	-14.4	-6.4	-9.9	-6.5
Guinea-Bissau	-13.8	-16.7	-12.9	-11.1	-13.2	-15.3	-12.9	-9.9	-9.4	-9.9	-10.0
Liberia	-0.9	-0.3	0.0	5.8	3.7	-13.9	-17.0	-10.9	-9.9	-5.3	-7.2
São Tomé & Príncipe	-12.5	-34.6	15.2	-27.3	-1.1	-14.5	-33.0	-30.3	-28.8	-15.0	-15.9
Togo	-2.7	0.2	-3.6	-4.2	-3.6	-2.3	-4.3	-3.6	-6.8	-10.4	-9.5
Zimbabwe ³	...	...	-8.5	-3.2	-3.8	-2.7	-3.6	-0.3	-2.1	-4.4	-3.5
Sub-Saharan Africa	0.8	-0.9	1.5	1.9	0.5	0.9	-6.5	-4.9	-2.4	-1.6	-1.4
<i>Median</i>	-5.1	-5.5	-4.7	-6.2	-4.0	-5.2	-7.2	-7.6	-6.6	-5.5	-5.3
Excluding Nigeria and South Africa	-1.6	-4.0	-1.9	-0.5	-0.7	-0.8	-6.2	-3.8	-2.4	-1.8	-2.2
Oil-importing countries	-2.7	-3.3	-2.6	-2.1	-1.9	-3.5	-6.4	-6.1	-5.9	-5.6	-5.0
Excluding South Africa	-5.9	-6.1	-5.9	-5.5	-5.7	-6.3	-7.5	-7.4	-7.4	-7.0	-6.2
CFA franc zone	1.5	-1.3	1.3	2.8	1.6	3.2	-3.9	-2.2	-2.3	-2.3	-1.9
WAEMU	-4.9	-4.7	-5.2	-5.3	-5.2	-4.3	-6.1	-5.1	-6.8	-7.1	-6.1
CEMAC	7.7	2.5	7.7	10.6	8.0	9.8	-1.5	0.6	1.6	1.8	1.8
EAC-5	-6.5	-5.8	-6.8	-6.6	-6.6	-6.7	-7.7	-8.9	-8.8	-8.3	-7.4
SADC	-0.1	-2.2	-0.5	0.8	1.5	-0.1	-6.0	-3.8	-2.7	-2.0	-2.2
SACU	0.2	-1.3	0.3	1.3	1.7	-0.7	-5.5	-5.1	-4.8	-4.1	-3.6
COMESA (SSA members)	-6.7	-7.0	-7.6	-6.3	-6.3	-6.4	-6.7	-6.6	-7.1	-6.4	-5.9
MDRI countries	-5.9	-6.6	-5.9	-5.7	-6.1	-5.1	-7.1	-6.4	-6.4	-6.7	-5.9
Countries with conventional exchange rate pegs	1.1	-2.0	0.6	2.6	1.6	2.7	-4.1	-3.2	-3.4	-2.8	-2.6
Countries without conventional exchange rate pegs	0.8	-0.6	1.8	1.8	0.3	0.5	-7.0	-5.2	-2.3	-1.4	-1.2

Sources: IMF, African Development database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA11. Government Revenue, Excluding Grants*(Percent of GDP)*

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	33.7	31.8	34.7	34.7	31.2	36.1	23.7	28.6	34.1	32.8	31.3
Excluding Nigeria	35.1	26.3	32.3	38.6	37.1	41.4	30.9	35.4	39.1	37.1	35.7
Angola	45.5	36.7	43.9	50.2	45.8	50.9	34.5	43.5	48.9	44.8	42.7
Cameroon	18.2	15.2	17.6	19.3	19.1	20.0	17.6	16.8	18.3	17.5	18.6
Chad	17.0	8.8	9.6	17.2	22.8	26.4	16.1	23.6	30.0	28.7	26.6
Congo, Rep. of	39.6	30.0	38.6	44.3	38.9	46.4	29.1	37.4	41.1	44.1	43.5
Equatorial Guinea	36.1	29.8	34.7	40.8	38.3	37.0	41.0	29.9	28.0	25.2	22.2
Gabon	30.9	30.1	31.3	31.7	29.5	31.9	32.6	28.1	27.8	27.1	27.2
Nigeria	32.6	35.4	36.3	32.3	26.9	32.0	17.8	23.3	30.1	29.4	27.9
Middle-income countries¹	26.7	24.8	26.1	26.8	28.1	27.7	26.4	26.0	26.4	26.6	26.7
Excluding South Africa	22.8	22.8	23.2	23.5	22.8	21.8	21.7	21.0	22.7	23.9	23.5
Botswana	35.8	36.3	39.7	38.6	33.9	30.4	32.5	29.2	29.7	31.2	29.4
Cape Verde	25.6	22.8	24.3	25.6	27.3	27.8	23.4	21.7	22.3	22.2	22.9
Ghana	13.6	13.6	13.5	13.7	13.8	13.3	13.5	14.4	18.0	18.4	18.6
Lesotho ²	57.1	49.9	50.2	63.3	59.3	62.8	59.8	45.1	43.1	56.5	53.2
Mauritius	19.4	19.0	19.4	18.9	19.4	20.5	21.2	21.2	20.6	20.8	20.2
Namibia	28.1	25.1	26.2	28.4	30.3	30.8	30.7	28.1	29.1	31.2	32.1
Senegal	19.5	18.3	19.2	19.7	21.1	19.2	18.6	19.4	20.2	21.6	21.5
Seychelles	36.0	39.5	38.5	38.9	31.6	31.5	33.1	34.5	37.9	36.9	35.4
South Africa	27.9	25.3	26.8	27.7	29.6	29.8	27.8	27.5	27.4	27.4	27.7
Swaziland	36.5	31.4	32.2	41.9	36.8	40.2	35.7	25.0	24.3	39.3	28.4
Zambia	18.1	18.2	17.6	17.2	18.4	18.9	16.0	17.8	20.9	20.2	21.9
Low-income and fragile countries	15.5	15.0	15.3	15.5	15.9	16.1	16.2	17.8	18.5	18.6	18.9
Low-income excluding fragile countries	15.6	15.1	15.2	15.5	16.1	16.0	15.9	17.1	17.6	17.7	17.9
Benin	18.2	16.7	16.9	16.9	20.8	19.6	18.5	18.6	17.6	18.9	19.3
Burkina Faso	13.0	13.5	12.7	12.4	13.5	13.1	13.7	15.6	16.9	16.2	16.4
Ethiopia ²	14.0	16.1	14.6	14.8	12.7	12.0	12.0	14.0	13.7	13.8	13.9
Gambia, The	15.8	14.5	14.5	16.4	17.3	16.1	16.1	14.9	14.9	15.8	17.2
Kenya	21.5	21.4	21.2	21.1	22.0	21.8	21.9	23.8	24.5	24.5	24.5
Madagascar	11.8	12.0	10.9	11.2	11.7	13.3	11.1	12.3	10.6	10.1	9.8
Malawi	18.4	16.8	19.2	17.7	18.4	19.9	21.2	24.9	24.5	23.7	24.4
Mali	17.7	18.0	18.4	18.2	17.5	16.2	18.0	18.1	18.1	18.0	18.5
Mozambique	14.8	13.1	14.1	15.0	15.9	15.9	17.6	20.6	21.8	22.2	22.6
Niger	13.7	11.4	10.6	13.0	15.0	18.4	14.7	14.4	15.7	17.9	18.8
Rwanda	12.8	12.2	12.5	12.1	12.3	14.9	12.8	13.2	14.6	14.1	14.3
Sierra Leone	12.0	12.6	12.6	12.2	11.3	11.5	11.8	13.3	15.2	10.7	11.1
Tanzania ²	13.1	11.2	11.8	12.5	14.1	15.9	16.2	15.9	16.5	17.2	16.9
Uganda ²	11.9	10.4	11.7	12.2	12.4	12.8	12.5	12.2	13.3	12.4	13.1
Fragile countries	16.2	14.7	15.3	16.2	16.9	17.6	17.3	18.1	19.2	19.1	19.6
Burundi	14.0	14.6	14.2	14.0	13.8	13.4	13.6	14.6	15.4	16.1	16.4
Central African Republic	9.4	8.3	8.2	9.5	10.3	10.4	10.8	11.6	10.9	11.5	12.0
Comoros	14.1	15.6	15.7	13.6	12.7	13.1	13.9	14.3	16.5	14.0	14.3
Congo, Dem. Rep. of	13.4	9.5	11.4	12.8	14.7	18.5	16.8	19.0	21.2	21.0	21.5
Côte d'Ivoire	18.2	17.5	17.0	18.4	19.2	18.9	18.9	19.2	19.9	18.7	19.2
Eritrea	22.3	23.2	25.9	23.0	21.2	18.2	13.3	13.3	14.2	15.9	16.6
Guinea	14.1	11.5	14.5	14.4	14.3	15.6	16.2	15.3	17.7	19.0	19.6
Guinea-Bissau	9.0	8.6	9.2	10.2	8.0	9.2	9.0	10.8	11.0	12.9	13.1
Liberia	19.2	14.6	14.2	18.9	23.6	24.6	27.8	34.3	32.4	34.5	35.3
São Tomé & Príncipe	29.4	16.3	55.9	19.2	39.0	16.7	16.6	18.8	18.5	23.7	18.7
Togo	16.4	16.8	15.7	17.0	16.8	15.6	16.9	18.8	18.0	18.8	18.8
Zimbabwe ³	...	...	16.2	9.4	3.8	3.0	15.8	29.5	31.3	34.9	36.2
Sub-Saharan Africa	26.7	24.6	26.4	27.1	26.6	28.5	23.0	25.1	27.5	27.2	26.7
<i>Median</i>	17.7	16.7	17.0	17.5	18.8	18.7	17.2	18.9	20.0	20.5	19.9
Excluding Nigeria and South Africa	23.2	19.8	21.8	24.2	24.2	26.2	21.9	24.1	26.4	26.1	25.5
Oil-importing countries	23.2	22.0	22.9	23.3	24.2	23.6	22.6	23.3	23.9	24.0	24.0
Excluding South Africa	17.9	17.6	17.8	18.1	18.2	17.9	17.8	18.8	19.9	20.3	20.3
CFA franc zone	22.0	18.6	20.6	23.0	23.2	24.5	21.6	21.9	23.1	22.9	22.6
WAEMU	17.2	16.6	16.5	17.2	18.3	17.7	17.5	18.1	18.6	18.7	19.0
CEMAC	26.5	20.8	24.6	28.6	27.8	30.6	26.0	25.6	27.1	26.6	25.8
EAC-5	16.5	15.4	15.9	16.3	17.4	17.5	17.5	18.1	19.0	19.2	19.4
SADC	28.3	24.9	26.8	28.6	29.8	31.5	27.3	28.5	29.7	29.7	29.5
SACU	28.4	25.9	27.5	28.5	30.0	30.1	28.3	27.6	27.6	28.0	28.1
COMESA (SSA members)	17.0	17.1	17.1	17.0	16.7	16.9	16.6	18.5	19.4	19.6	19.8
MDRI countries	16.1	14.7	15.6	16.4	16.5	17.4	15.7	17.1	18.6	18.7	19.0
Countries with conventional exchange rate pegs	23.1	19.9	21.7	24.3	24.4	25.4	22.7	22.5	23.6	24.1	23.6
Countries without conventional exchange rate pegs	27.5	25.7	27.5	27.8	27.2	29.3	23.1	25.5	28.2	27.7	27.2

Sources: IMF, African Development database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA12. Government Expenditure
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	25.8	26.0	23.5	24.9	26.1	28.4	30.4	31.1	30.1	27.7	26.6
Excluding Nigeria	26.9	24.1	23.8	27.2	27.3	31.9	34.2	31.3	31.4	29.3	30.1
Angola	37.1	35.7	34.7	38.4	34.5	42.0	39.5	36.7	36.3	32.6	34.4
Cameroon	15.9	16.0	14.6	14.5	15.7	18.5	18.4	18.6	20.7	21.5	21.6
Chad	16.1	13.1	11.7	11.4	21.1	23.4	29.5	30.5	28.6	24.4	24.1
Congo, Rep. of	26.4	26.7	24.2	27.8	29.9	23.6	24.7	21.4	25.6	30.5	31.4
Equatorial Guinea	17.9	17.5	14.1	17.3	19.0	21.6	49.0	35.0	31.1	27.7	23.3
Gabon	21.8	22.6	22.7	22.5	20.8	20.2	25.1	25.1	25.8	22.0	23.3
Nigeria	25.0	27.2	23.3	23.3	25.3	25.7	27.2	31.0	29.1	26.5	24.0
Middle-income countries¹	27.5	26.7	26.7	26.7	27.8	29.8	32.2	31.5	31.3	31.1	30.5
Excluding South Africa	26.9	27.4	26.0	26.1	26.7	28.4	29.3	28.6	29.1	28.9	27.6
Botswana	33.9	36.6	31.8	29.6	31.8	40.0	46.4	36.7	34.1	30.9	29.2
Cape Verde	35.8	35.9	37.6	37.2	33.6	34.6	35.0	38.6	33.9	33.5	33.7
Ghana	21.9	20.5	19.5	21.8	23.1	24.5	22.3	23.9	24.4	25.1	23.7
Lesotho ²	49.8	44.6	47.8	50.3	50.1	56.3	66.7	57.5	62.1	65.3	57.8
Mauritius	23.7	23.9	24.4	23.5	22.8	23.8	26.4	25.1	24.6	24.6	23.5
Namibia	27.4	28.8	27.3	26.4	26.2	28.3	32.1	33.0	37.2	36.9	36.6
Senegal	25.3	22.7	23.6	26.6	27.5	26.3	26.6	27.2	28.5	29.5	28.0
Seychelles	39.5	41.7	38.9	46.2	41.3	29.5	34.4	36.2	37.9	38.5	35.6
South Africa	27.7	26.5	26.8	26.9	28.1	30.2	33.1	32.3	32.0	31.7	31.4
Swaziland	35.6	36.9	35.2	32.6	32.2	41.1	42.6	39.0	31.7	37.3	36.1
Zambia	24.9	26.6	26.1	23.5	24.3	23.9	21.3	22.6	25.6	25.1	25.1
Low-income and fragile countries	22.3	21.8	22.6	22.4	22.4	22.3	23.6	25.1	26.5	26.5	26.1
Low-income excluding fragile countries	22.9	22.5	22.9	23.1	23.5	22.6	23.5	24.3	25.2	25.3	25.0
Benin	21.2	20.4	21.3	19.4	23.4	21.4	25.0	20.4	21.6	22.5	22.2
Burkina Faso	23.4	22.8	22.7	23.6	26.6	21.4	24.9	25.9	24.5	28.1	25.7
Ethiopia ²	21.6	23.4	23.1	22.2	20.7	18.9	17.2	18.6	18.6	18.9	19.4
Gambia, The	20.4	21.7	21.5	22.6	17.9	18.6	23.0	24.3	24.0	27.8	25.1
Kenya	25.0	22.7	24.3	24.7	26.2	27.1	27.9	29.7	29.7	29.9	29.5
Madagascar	21.1	25.3	21.4	21.5	18.7	18.6	15.3	12.7	13.5	14.7	15.8
Malawi	33.5	31.7	32.4	32.0	35.3	36.2	34.8	35.2	36.5	30.9	29.7
Mali	23.3	23.8	24.6	24.9	24.1	19.3	23.7	20.8	23.2	23.0	22.1
Mozambique	26.1	24.8	22.9	27.0	28.1	27.8	32.6	33.6	34.4	35.1	34.9
Niger	21.3	20.7	20.2	19.7	23.1	22.8	24.6	21.8	25.8	29.4	31.3
Rwanda	22.9	21.3	23.4	21.7	23.1	24.8	24.3	26.4	28.3	25.9	24.4
Sierra Leone	21.9	24.8	24.5	22.7	16.8	20.7	22.9	27.3	28.3	19.3	17.4
Tanzania ²	22.0	19.4	21.7	22.8	23.0	22.8	26.1	27.5	27.1	29.8	28.0
Uganda ²	19.1	19.8	20.2	18.7	18.4	18.6	17.5	19.7	22.9	19.0	18.5
Fragile countries	21.5	20.2	21.5	21.9	21.0	22.9	24.5	26.8	29.3	28.3	27.6
Burundi	32.9	28.9	26.2	28.4	40.1	40.9	37.2	41.0	40.0	35.5	36.7
Central African Republic	14.8	13.8	16.9	13.9	13.2	16.2	16.2	19.4	15.9	15.6	16.9
Comoros	21.9	20.1	19.9	21.2	22.3	26.0	23.0	22.1	24.3	24.6	24.8
Congo, Dem. Rep. of	21.6	16.5	22.5	23.1	20.8	24.9	29.4	31.6	36.5	34.3	32.6
Côte d'Ivoire	20.5	20.1	19.9	20.8	20.5	21.1	21.1	22.0	25.9	23.6	23.5
Eritrea	47.1	54.8	57.5	41.2	39.9	42.1	30.6	34.7	33.6	30.4	29.4
Guinea	17.2	17.9	16.9	19.0	14.8	17.5	23.7	29.7	24.1	28.9	26.1
Guinea-Bissau	22.9	25.3	22.1	21.3	21.2	24.5	21.9	20.7	20.5	22.8	23.1
Liberia	20.1	14.8	14.2	13.0	20.0	38.6	44.8	45.2	42.3	39.8	42.5
São Tomé & Príncipe	41.9	50.9	40.6	46.5	40.1	31.2	49.6	49.1	47.4	38.7	34.6
Togo	19.1	16.6	19.3	21.2	20.4	17.9	21.2	22.4	24.8	29.3	28.4
Zimbabwe ³	...	...	24.7	12.7	7.6	5.7	19.4	29.9	33.5	39.3	39.7
Sub-Saharan Africa	25.9	25.5	24.9	25.2	26.1	27.6	29.5	30.0	29.9	28.9	28.1
<i>Median</i>	23.4	23.4	23.2	23.0	23.1	24.2	25.6	27.4	28.3	29.1	27.0
Excluding Nigeria and South Africa	24.8	23.8	23.7	24.7	24.9	26.9	28.1	27.8	28.7	28.0	27.8
Oil-importing countries	25.9	25.3	25.5	25.4	26.1	27.1	29.1	29.4	29.8	29.5	29.0
Excluding South Africa	23.8	23.7	23.7	23.6	23.8	24.3	25.3	26.2	27.3	27.2	26.6
CFA franc zone	20.5	19.9	19.3	20.2	21.6	21.3	25.5	24.1	25.4	25.2	24.6
WAEMU	22.2	21.3	21.6	22.5	23.5	22.0	23.6	23.1	25.3	25.8	25.1
CEMAC	18.8	18.3	17.0	18.0	19.8	20.8	27.5	24.9	25.5	24.7	24.0
EAC-5	23.0	21.2	22.7	23.0	24.0	24.2	25.2	26.9	27.8	27.5	26.8
SADC	28.4	27.1	27.3	27.8	28.3	31.5	33.3	32.3	32.4	31.7	31.7
SACU	28.2	27.2	27.2	27.2	28.3	30.9	33.8	32.7	32.4	32.1	31.7
COMESA (SSA members)	23.7	24.1	24.7	23.3	23.0	23.3	23.3	25.1	26.5	26.0	25.7
MDRI countries	22.0	21.3	21.5	22.1	22.6	22.4	22.8	23.5	25.1	25.4	24.9
Countries with conventional exchange rate pegs	22.0	21.9	21.2	21.7	22.8	22.7	26.9	25.8	27.0	26.9	26.2
Countries without conventional exchange rate pegs	26.7	26.3	25.7	26.1	26.9	28.8	30.1	30.8	30.4	29.1	28.4

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.

² Fiscal year data.

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

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA13. Government Debt
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	29.2	56.6	35.6	17.8	18.0	17.9	21.7	22.6	20.8
Excluding Nigeria	37.4	62.8	46.2	27.1	25.1	26.1	29.7	28.5	24.5
Angola	33.3	51.3	42.5	20.6	20.8	31.5	36.3	37.5	30.9
Cameroon	30.1	61.6	51.5	15.9	12.0	9.5	10.6	12.1	12.9
Chad	29.4	34.2	33.6	29.6	26.0	23.6	30.5	32.6	32.2
Congo, Rep. of	114.4	198.7	108.3	98.8	98.0	68.1	57.2	23.8	22.2
Equatorial Guinea	2.5	6.2	3.0	1.6	1.1	0.7	5.1	7.5	8.4
Gabon	45.0	65.2	53.8	42.1	43.2	20.9	26.4	25.0	20.5
Nigeria	23.5	52.7	28.6	11.8	12.8	11.6	15.2	18.0	17.9
Middle-income countries¹	32.7	39.3	36.7	31.6	28.3	27.5	31.7	35.1	37.9
Excluding South Africa	36.5	52.6	44.7	28.0	28.4	28.5	31.9	34.4	35.0
Botswana	7.1	9.7	7.0	5.4	7.1	6.4	16.1	17.8	17.3
Cape Verde	83.4	92.6	95.7	86.8	73.9	67.9	68.8	74.3	77.6
Ghana	39.3	57.4	48.2	26.2	31.0	33.6	36.2	46.1	43.4
Lesotho ²	57.5	55.7	60.3	62.6	58.2	50.6	38.2	35.2	39.6
Mauritius	49.5	51.7	53.5	51.0	47.3	44.0	50.7	50.5	50.6
Namibia	22.8	27.5	26.0	23.8	19.1	17.7	15.9	15.7	21.8
Senegal	33.1	47.5	45.7	23.0	24.5	24.8	34.6	35.9	40.6
Seychelles	138.4	159.8	141.4	129.8	130.1	130.7	124.4	82.5	77.8
South Africa	31.8	35.9	34.6	32.6	28.3	27.4	31.5	35.3	38.8
Swaziland	17.5	18.5	16.5	17.3	18.4	16.6	12.6	15.9	17.5
Zambia	63.3	148.6	87.9	29.8	26.7	23.5	26.9	25.8	26.1
Low-income and fragile countries	69.2	90.1	81.4	68.4	53.9	52.0	49.3	43.0	44.2
Low-income excluding fragile countries	52.0	72.7	67.5	50.0	35.6	34.1	35.9	38.1	39.1
Benin	28.2	35.1	43.2	14.7	21.1	26.9	27.3	30.0	31.3
Burkina Faso	31.5	45.8	44.1	21.7	21.9	23.9	26.1	27.1	29.4
Ethiopia ²	64.5	105.7	79.0	66.8	38.2	33.0	32.2	36.7	37.3
Gambia, The	107.9	132.9	130.8	142.3	62.5	70.7	65.9	67.4	68.8
Kenya	48.8	55.0	50.8	46.8	46.0	45.5	47.6	49.8	48.9
Madagascar	64.2	100.3	85.4	45.5	44.5	45.2	62.2	64.9	58.8
Malawi	73.8	131.0	132.4	32.2	32.4	41.2	40.1	35.1	42.5
Mali	32.5	46.2	52.9	20.3	21.7	21.6	24.2	29.5	30.6
Mozambique	57.9	70.7	81.0	53.6	41.9	42.1	40.1	39.5	33.2
Niger	31.2	58.8	51.6	15.8	15.9	13.9	15.7	16.4	18.9
Rwanda	47.3	90.8	70.7	26.6	26.9	21.4	23.0	23.2	23.4
Sierra Leone	125.6	204.7	177.9	136.7	55.2	53.7	61.8	65.5	60.0
Tanzania ²	52.2	63.2	62.8	63.0	37.0	35.0	37.1	39.9	44.4
Uganda ^{2,3}	54.4	78.9	75.3	71.8	23.3	22.5	22.2	23.3	29.2
Fragile countries	112.4	132.8	113.7	113.9	101.1	100.2	88.2	56.4	57.4
Burundi	139.0	181.0	137.0	134.1	132.0	110.9	35.3	36.7	35.3
Central African Republic	92.3	101.6	108.2	94.2	78.6	79.0	35.2	37.6	40.9
Comoros	73.0	80.5	71.2	69.8	74.6	68.8	51.9	49.2	44.7
Congo, Dem. Rep. of	150.4	196.0	147.9	149.0	126.1	133.1	136.3	31.0	32.0
Côte d'Ivoire	81.3	84.9	86.3	84.2	75.6	75.3	66.5	66.4	67.9
Eritrea	156.0	140.8	156.2	151.6	156.7	174.9	145.7	144.8	133.8
Guinea	117.7	119.8	150.2	137.1	92.4	88.9	75.8	80.4	72.2
Guinea-Bissau	201.3	224.1	227.3	208.7	178.6	167.5	157.9	49.0	45.2
Liberia	725.1	980.6	864.0	791.4	600.8	388.9	202.2	15.0	13.9
São Tomé & Príncipe	194.7	287.2	256.6	266.0	103.8	60.0	70.8	81.5	74.4
Togo	87.9	93.1	76.9	85.4	100.8	83.2	67.7	32.1	30.8
Zimbabwe ⁴	...	...	51.3	58.2	64.9	91.5	95.0	56.5	70.3
Sub-Saharan Africa	38.8	54.8	45.8	34.5	30.1	29.0	32.5	32.6	33.1
Median	57.3	78.9	70.9	52.3	42.6	41.7	36.7	35.6	36.3
Excluding Nigeria and South Africa	51.1	72.2	61.7	46.1	38.3	37.2	38.7	35.5	35.5
Oil-importing countries	43.2	53.0	49.2	42.4	36.0	35.6	37.3	36.9	39.9
Excluding South Africa	56.9	75.3	67.6	54.1	44.5	43.2	42.7	38.7	41.1
CFA franc zone	47.0	66.9	57.3	40.5	37.9	32.6	33.2	30.0	32.9
WAEMU	53.4	64.5	64.5	47.3	45.5	45.0	43.5	41.8	43.4
CEMAC	41.2	69.5	50.2	34.1	30.7	21.6	22.2	18.6	17.5
EAC-5	52.8	67.3	62.5	56.9	40.0	37.4	37.3	39.1	41.4
SADC	36.3	44.1	40.9	35.1	30.0	31.4	35.2	34.7	36.3
SACU	30.5	34.5	33.3	31.3	27.3	26.2	30.4	33.9	37.3
COMESA (SSA members)	66.8	96.7	77.3	62.0	49.6	48.3	49.1	40.5	42.0
MDRI countries	58.2	87.4	73.3	52.3	40.5	37.5	36.5	31.2	31.9
Countries with conventional exchange rate pegs	46.5	64.2	55.9	41.1	38.1	33.3	33.7	30.8	33.8
Countries without conventional exchange rate pegs	36.5	51.7	42.8	32.7	27.8	27.3	31.1	32.1	32.6

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ Debt data stocks include past unresolved claims of an average of 7.7% of GDP per year, which are currently being negotiated, including HIPC claims.⁴ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA14. Broad Money
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	22.3	18.0	16.9	19.9	24.4	32.1	38.0	34.6	33.5	31.9	33.6
Excluding Nigeria	18.3	15.5	15.4	17.4	19.0	24.2	30.3	27.7	28.6	26.7	28.6
Angola	22.2	17.7	17.5	20.5	22.2	33.2	42.5	36.0	38.6	33.4	35.4
Cameroon	19.3	18.1	17.9	18.3	20.8	21.7	23.5	24.7	25.4	25.3	25.3
Chad	10.5	8.1	8.0	11.5	12.3	12.6	14.2	14.2	15.4	15.5	16.8
Congo, Rep. of	16.0	13.4	14.0	16.4	17.7	18.3	22.5	23.8	27.3	32.2	39.1
Equatorial Guinea	7.0	7.5	6.4	6.3	7.5	7.1	12.0	14.4	11.8	11.8	11.8
Gabon	18.3	17.4	18.2	19.6	18.9	17.5	22.5	21.3	17.4	17.3	19.5
Nigeria	24.8	19.4	17.9	21.5	27.9	37.5	42.9	39.0	36.4	35.1	36.7
Middle-income countries¹	66.6	57.6	62.0	67.0	72.2	74.2	71.8	69.5	69.2	70.0	70.8
Excluding South Africa	38.3	36.3	36.5	37.6	39.1	41.9	43.7	44.3	43.4	45.1	45.5
Botswana	41.4	41.8	43.0	37.4	42.4	42.6	47.2	43.1	41.6	42.4	43.7
Cape Verde	84.5	76.2	84.0	87.7	88.2	86.6	82.9	81.0	69.0	68.4	68.0
Ghana	22.9	20.4	19.3	22.6	24.8	27.4	28.7	30.5	32.6	35.9	38.2
Lesotho ²	34.3	30.1	28.7	37.0	35.4	40.1	41.3	38.1	38.5	37.3	36.4
Mauritius	96.9	90.2	99.0	97.2	98.1	100.0	105.1	106.7	102.8	105.8	101.0
Namibia	44.4	37.1	37.6	41.7	40.0	65.6	65.5	65.3	62.5	62.5	62.5
Senegal	34.7	34.1	33.8	35.8	36.5	33.5	36.9	39.9	39.2	43.0	43.3
Seychelles	83.5	102.1	95.0	88.0	66.6	65.7	55.9	62.5	60.5	59.1	59.1
South Africa	75.7	64.6	70.1	76.3	82.7	84.6	81.2	78.3	78.6	79.3	80.4
Swaziland	23.7	21.5	21.6	24.0	25.4	26.0	30.9	30.8	29.2	28.6	27.0
Zambia	21.4	21.5	18.0	21.5	22.5	23.4	21.4	23.1	23.4	22.1	22.1
Low-income and fragile countries	27.9	27.2	26.9	27.9	28.9	28.5	29.4	32.2	33.5	33.2	33.9
Low-income excluding fragile countries	28.5	28.0	27.9	28.6	29.4	28.7	29.2	31.7	33.2	32.6	33.4
Benin	33.2	26.5	30.1	32.7	35.9	41.1	41.7	44.5	45.1	45.1	45.1
Burkina Faso	23.8	25.1	21.4	21.4	25.8	25.4	28.1	30.2	30.6	32.0	31.9
Ethiopia ²	34.9	39.0	38.0	36.1	33.0	28.1	25.0	27.2	28.8	26.6	25.8
Gambia, The	38.8	31.3	34.2	42.2	41.5	45.0	48.5	49.9	51.5	54.6	54.3
Kenya	41.0	40.2	39.4	40.3	42.4	42.7	44.2	49.8	50.5	51.2	54.9
Madagascar	19.7	21.3	18.0	19.2	20.4	19.7	20.9	20.8	21.3	21.5	21.7
Malawi	20.4	19.8	20.2	18.1	20.5	23.2	24.4	25.1	32.3	32.1	32.1
Mali	28.8	29.1	29.6	29.1	29.7	26.2	28.1	27.7	29.9	29.9	30.8
Mozambique	19.7	17.7	18.4	19.5	20.6	22.4	27.2	27.3	27.9	30.1	31.6
Niger	15.7	15.2	14.0	15.2	17.3	16.6	19.0	21.6	21.7	21.7	21.7
Rwanda	16.8	15.6	15.2	16.7	18.3	18.2	17.8	18.9	19.9	20.0	20.2
Sierra Leone	22.0	19.7	21.6	21.4	22.9	24.6	29.7	31.8	30.9	24.5	24.9
Tanzania ²	26.3	22.7	23.7	27.5	28.8	28.9	29.6	32.4	34.4	34.7	35.0
Uganda ²	18.2	16.9	17.5	18.0	18.1	20.6	20.9	23.8	26.7	23.6	24.7
Fragile countries	26.5	24.9	24.6	25.9	28.3	28.9	30.9	34.5	34.9	36.0	36.4
Burundi	22.6	21.5	21.3	23.7	23.1	23.1	23.8	25.4	22.7	22.4	22.6
Central African Republic	16.1	16.4	18.0	16.0	14.6	15.5	16.8	18.2	20.2	18.9	18.7
Comoros	25.6	23.1	23.3	26.0	27.2	28.5	30.4	34.1	33.1	33.3	33.4
Congo, Dem. Rep. of	10.8	8.3	7.8	10.4	12.4	15.3	16.6	16.5	16.9	17.2	17.2
Côte d'Ivoire	26.3	23.7	24.1	25.3	29.9	28.6	32.3	36.8	38.8	42.2	43.5
Eritrea	130.2	129.0	129.3	123.9	127.7	141.3	121.6	122.1	119.0	119.2	122.5
Guinea	20.2	18.2	19.0	21.5	19.6	22.7	26.9	38.2	35.2	32.0	31.5
Guinea-Bissau	19.4	15.7	17.3	18.2	21.6	24.4	24.4	29.9	31.6	32.5	32.8
Liberia	23.5	18.1	20.4	23.4	25.1	30.5	36.6	43.5	49.5	47.0	45.4
São Tomé & Príncipe	34.2	27.2	33.2	32.9	39.1	38.8	35.5	38.0	34.9	35.1	34.5
Togo	33.4	29.9	28.1	33.4	38.0	37.5	41.3	45.3	47.6	49.8	50.3
Zimbabwe ³	14.3	22.0	11.5	19.7	11.2	7.0	22.4	29.9	31.3	32.3	32.8
Sub-Saharan Africa	42.3	37.1	38.6	41.8	45.4	48.4	49.1	47.6	47.4	46.8	47.8
Median	23.6	21.5	21.4	23.0	25.2	26.8	29.1	31.3	32.4	32.4	33.1
Excluding Nigeria and South Africa	27.6	26.3	26.1	27.3	28.4	30.1	32.5	33.4	34.3	34.0	34.9
Oil-importing countries	51.6	46.0	48.5	51.9	55.4	56.3	54.7	54.3	54.6	54.7	55.4
Excluding South Africa	30.8	29.8	29.6	30.6	31.7	32.2	33.3	35.5	36.2	36.5	37.1
CFA franc zone	21.6	20.3	20.2	21.4	23.4	22.9	25.9	27.7	27.9	29.2	30.2
WAEMU	27.9	26.3	26.1	27.3	30.4	29.4	32.2	35.0	35.9	37.7	38.2
CEMAC	15.3	14.3	14.2	15.4	16.3	16.4	19.6	20.4	20.1	20.7	22.2
EAC-5	29.5	27.7	28.0	29.6	30.9	31.3	31.9	35.6	37.0	36.7	38.3
SADC	58.8	51.6	54.9	59.1	62.9	65.5	64.7	62.0	62.4	61.9	62.5
SACU	72.4	62.1	67.2	72.8	78.9	81.3	78.5	75.5	75.6	76.2	77.3
COMESA (SSA members)	33.7	34.3	33.6	33.8	33.8	33.1	33.0	35.4	36.3	35.6	35.9
MDRI countries	24.0	22.9	22.7	24.1	25.2	25.2	26.1	27.9	29.4	29.6	30.3
Countries with conventional exchange rate pegs	25.0	23.4	23.3	24.7	26.4	27.3	29.8	31.4	31.3	32.3	33.3
Countries without conventional exchange rate pegs	45.9	40.1	42.0	45.5	49.4	52.7	52.9	50.8	50.4	49.6	50.6

Sources: IMF, African Development database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.

² Fiscal year data.

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

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Table SA15. Broad Money Growth*(Percent)*

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	36.3	17.6	22.7	46.3	39.0	55.7	15.7	10.4	17.5	13.2	16.2
Excluding Nigeria	35.5	24.1	33.9	36.2	30.6	52.6	13.7	16.3	21.0	10.3	14.4
Angola	64.5	49.8	59.7	59.6	49.3	104.1	21.5	7.1	33.9	7.2	17.7
Cameroon	10.5	7.3	4.2	9.3	18.6	13.4	6.9	11.3	10.6	6.1	7.7
Chad	22.2	3.3	32.0	52.3	9.8	13.6	1.1	26.1	12.8	13.3	8.8
Congo, Rep. of	28.7	15.9	36.3	47.9	6.9	36.4	5.0	38.9	34.5	27.0	29.3
Equatorial Guinea	30.7	33.5	34.7	14.1	41.3	30.1	18.8	48.9	6.1	19.2	8.2
Gabon	14.2	11.6	26.0	17.4	7.2	8.8	2.2	19.2	0.5	10.5	11.4
Nigeria	37.2	14.0	16.2	53.1	44.8	57.9	17.1	6.9	15.4	15.0	17.3
Middle-income countries¹	19.6	14.6	18.2	23.2	23.8	18.3	4.6	10.3	13.1	13.9	12.3
Excluding South Africa	22.0	19.0	11.4	25.3	24.4	29.9	13.3	20.6	17.4	20.4	15.7
Botswana	17.4	10.7	14.4	9.0	31.2	21.7	-1.3	12.4	14.5	14.1	15.6
Cape Verde	12.5	10.6	15.8	18.0	10.8	7.6	3.5	6.2	-6.9	6.8	6.9
Ghana	31.8	25.9	14.3	38.8	35.9	43.8	26.9	34.4	32.4	37.4	25.2
Lesotho ²	19.9	6.2	4.7	45.1	12.1	31.4	11.9	1.1	12.3	9.9	3.7
Mauritius	14.7	18.3	15.8	9.5	15.3	14.6	8.1	7.6	4.6	11.0	5.2
Namibia	31.7	16.2	9.7	29.6	10.2	92.9	3.6	7.3	4.9	11.1	10.6
Senegal	9.5	12.9	7.4	12.7	12.7	1.7	10.9	14.1	5.3	16.3	8.0
Seychelles	7.9	14.0	1.7	3.0	-8.0	29.0	7.0	13.5	4.5	5.0	7.3
South Africa	18.9	13.1	20.5	22.5	23.6	14.8	1.8	6.9	11.6	11.6	11.0
Swaziland	16.4	10.4	9.7	25.1	21.5	15.4	26.8	7.9	1.2	1.3	-2.5
Zambia	25.6	32.0	3.3	44.0	25.3	23.2	7.7	29.9	21.7	6.6	13.8
Low-income and fragile countries	17.7	15.4	12.4	21.5	19.8	19.6	21.8	23.0	21.7	18.4	17.1
Low-income excluding fragile countries	16.9	11.5	13.4	19.6	20.3	19.9	19.0	21.5	23.5	19.1	18.4
Benin	15.6	-6.7	21.8	16.5	17.6	28.8	6.2	11.6	7.3	9.2	8.3
Burkina Faso	6.9	-7.0	-3.9	10.0	23.8	11.7	18.2	19.1	9.2	13.1	8.2
Ethiopia ²	18.0	10.3	19.6	17.4	19.7	22.9	19.9	24.3	39.2	29.9	25.0
Gambia, The	16.5	18.3	13.1	26.2	6.7	18.4	19.4	13.7	11.0	9.0	14.9
Kenya	14.9	13.4	9.1	17.0	19.1	15.9	16.0	21.6	19.1	20.0	24.4
Madagascar	17.1	19.4	4.6	24.9	24.2	12.6	10.5	8.6	13.3	14.5	15.2
Malawi	26.9	31.9	16.2	16.5	36.9	33.1	23.9	17.8	42.1	12.9	13.8
Mali	5.6	-2.4	11.7	8.8	9.3	0.5	16.0	9.0	15.3	10.6	11.6
Mozambique	22.2	14.7	22.7	26.0	21.6	26.0	34.6	17.6	21.9	23.8	19.5
Niger	15.7	20.3	6.6	16.2	23.0	12.2	18.3	22.6	6.6	19.1	8.6
Rwanda	23.0	12.1	16.7	31.3	30.8	24.1	13.0	16.9	19.6	17.0	14.4
Sierra Leone	24.5	18.6	32.8	18.7	26.1	26.1	31.3	28.5	22.6	20.1	16.9
Tanzania ²	21.5	18.5	19.6	31.3	20.1	18.1	18.5	25.1	22.0	16.8	16.6
Uganda ²	16.5	9.0	8.7	16.4	17.4	31.1	25.0	31.7	25.9	12.5	16.3
Fragile countries	23.3	26.6	15.6	26.1	24.1	24.2	25.1	27.1	13.2	15.6	12.4
Burundi	21.1	26.0	18.7	17.0	9.5	34.2	19.8	19.4	6.4	12.0	13.2
Central African Republic	7.9	14.2	16.5	-4.2	-3.6	16.5	13.7	14.2	15.0	0.1	5.2
Comoros	8.1	-4.4	7.4	15.0	11.0	11.5	13.3	19.4	4.0	6.4	7.8
Congo, Dem. Rep. of	52.5	72.9	24.2	60.4	49.5	55.7	50.4	30.8	24.6	17.5	16.2
Côte d'Ivoire	11.3	9.5	7.4	10.3	23.6	5.7	17.2	18.8	5.6	20.4	11.5
Eritrea	11.2	11.7	10.7	5.7	12.1	15.9	15.7	14.6	20.1	19.3	16.8
Guinea	35.5	37.0	37.2	59.4	4.7	39.0	25.9	74.4	15.5	6.1	11.8
Guinea-Bissau	25.7	44.0	20.3	5.3	30.2	28.6	4.4	28.6	16.7	9.7	7.7
Liberia	33.2	36.1	30.8	27.7	31.6	39.6	24.1	33.5	32.7	11.4	6.2
São Tomé & Príncipe	29.8	1.0	45.1	27.9	38.1	36.8	8.2	25.1	8.0	16.7	9.9
Togo	15.7	18.2	2.3	22.7	19.7	15.6	16.2	16.3	13.0	11.8	8.4
Zimbabwe ³	1.4	85.9	-47.9	61.3	-44.4	-48.0	321.3	68.1	31.3	12.3	11.3
Sub-Saharan Africa	24.1	15.7	18.0	29.6	27.4	29.8	12.7	13.6	16.9	14.9	14.9
<i>Median</i>	18.1	14.1	15.8	18.4	19.7	22.3	16.0	18.3	13.9	12.4	11.5
Excluding Nigeria and South Africa	22.9	18.2	17.1	25.8	23.4	29.8	17.9	20.7	20.6	16.6	16.1
Oil-importing countries	18.9	14.9	15.9	22.5	22.2	18.8	11.2	15.3	16.6	15.8	14.3
Excluding South Africa	18.9	16.4	12.1	22.5	21.0	22.4	19.5	22.3	20.5	18.9	16.7
CFA franc zone	14.1	9.0	13.8	16.5	17.8	13.3	11.0	20.3	9.6	14.0	10.3
WAEMU	10.6	5.9	7.5	12.1	18.9	8.7	14.6	16.2	8.1	15.3	9.5
CEMAC	17.8	12.2	20.7	21.3	16.6	18.2	7.4	24.6	11.1	12.7	11.1
EAC-5	17.9	14.1	12.9	21.9	19.5	20.9	18.7	24.6	21.2	16.8	19.0
SADC	23.7	18.6	21.1	27.3	25.8	25.9	8.8	10.1	16.0	11.7	12.7
SACU	19.0	13.0	19.7	22.2	23.5	16.7	2.0	7.2	11.4	11.5	11.0
COMESA (SSA members)	18.9	19.3	10.5	22.7	20.1	21.9	21.9	22.9	24.8	18.5	18.6
MDRI countries	19.9	16.0	13.6	23.8	22.3	23.7	19.0	22.9	23.1	19.4	16.9
Countries with conventional exchange rate pegs	14.8	9.4	13.4	17.5	17.2	16.7	10.9	19.0	9.0	13.3	10.1
Countries without conventional exchange rate pegs	26.3	16.9	19.5	32.1	30.0	32.9	12.5	12.5	18.4	15.2	15.9

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA16. Claims on Nonfinancial Private Sector*(Percent of broad money)*

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	60.5	56.6	60.0	53.8	65.8	66.5	71.2	66.4	62.5
Excluding Nigeria	40.4	40.1	38.2	39.5	42.4	41.8	47.3	49.5	52.4
Angola	37.7	32.7	31.8	39.5	46.7	37.9	49.7	58.0	56.5
Cameroon	49.0	49.8	53.1	50.1	44.8	47.3	48.2	46.9	54.4
Chad	32.2	49.4	35.6	22.6	23.7	29.8	35.1	35.6	39.1
Congo, Rep. of	16.4	22.1	17.2	12.6	12.8	17.2	21.4	23.0	24.3
Equatorial Guinea	40.6	30.0	33.1	39.1	39.0	61.9	57.8	51.9	64.0
Gabon	53.4	54.3	49.3	51.4	56.6	55.2	49.7	42.5	48.0
Nigeria	73.4	66.1	73.4	62.8	81.3	83.2	86.8	76.9	68.7
Middle-income countries¹	93.8	92.1	93.2	95.2	94.8	93.7	91.3	85.7	79.4
Excluding South Africa	60.7	54.5	61.0	60.2	64.1	63.5	60.7	58.9	62.1
Botswana	47.4	46.8	44.5	49.3	47.2	49.1	54.9	54.3	57.8
Cape Verde	55.1	49.6	46.7	51.3	58.7	69.2	74.8	76.7	75.7
Ghana	49.6	35.9	47.3	48.6	57.3	59.0	54.2	50.9	50.4
Lesotho ²	27.5	22.2	31.3	26.0	30.2	27.6	29.8	37.4	40.6
Mauritius	77.4	78.4	73.7	73.8	76.5	84.8	78.8	82.4	91.1
Namibia	116.0	125.8	137.7	121.9	124.9	69.5	73.8	76.4	79.8
Senegal	64.9	59.1	68.5	63.2	62.1	71.5	66.9	64.6	72.9
Seychelles	31.0	24.3	25.7	25.3	37.0	42.6	36.2	39.4	39.6
South Africa	104.5	104.4	103.5	106.3	104.6	103.5	101.6	95.0	85.6
Swaziland	94.8	86.8	100.0	97.9	98.3	90.9	81.0	74.7	93.0
Zambia	48.4	37.5	42.8	45.2	52.5	64.1	56.1	49.9	52.4
Low-income and fragile countries	49.3	46.3	47.9	48.8	48.9	54.6	54.7	53.9	55.4
Low-income excluding fragile countries	51.0	46.7	49.5	50.9	51.1	56.9	57.3	56.4	57.6
Benin	53.7	56.3	54.3	51.8	54.9	51.2	53.9	52.4	
Burkina Faso	70.4	59.5	77.1	80.0	65.1	70.5	60.7	58.4	56.5
Ethiopia ²	33.7	28.3	31.1	33.9	36.0	39.3	36.4	37.7	34.1
Gambia, The	32.0	30.1	31.0	31.1	33.6	34.2	31.6	31.9	31.3
Kenya	65.7	64.3	64.5	63.0	64.8	72.0	70.6	69.9	76.8
Madagascar	51.0	45.8	54.1	51.3	48.5	55.4	53.2	54.6	51.1
Malawi	41.8	30.1	36.7	48.5	45.1	48.8	54.9	59.7	40.7
Mali	62.3	67.2	56.2	61.7	60.7	65.6	62.7	65.3	70.3
Mozambique	72.5	59.8	71.6	75.3	72.2	83.6	98.5	99.1	97.1
Niger	53.4	43.3	48.7	55.2	54.0	65.8	65.8	59.9	69.0
Rwanda	59.8	57.3	59.8	56.4	52.2	73.0	68.3	64.2	69.0
Sierra Leone	23.6	23.7	21.0	21.0	23.2	28.9	32.0	32.7	32.6
Tanzania ²	42.9	38.8	40.1	40.1	44.9	50.6	56.8	53.0	54.4
Uganda ²	45.3	39.0	40.9	45.1	47.2	54.3	57.2	54.4	62.4
Fragile countries	43.9	44.3	43.7	42.7	42.6	46.0	44.2	42.1	43.7
Burundi	63.2	74.8	62.0	62.0	63.5	53.7	56.2	61.3	80.3
Central African Republic	43.1	45.0	37.7	41.7	46.3	44.9	39.2	48.6	49.7
Comoros	34.6	30.9	37.5	32.8	33.6	38.3	48.7	51.4	54.3
Congo, Dem. Rep. of	28.9	18.5	23.6	25.9	29.9	46.7	43.8	39.8	40.3
Côte d'Ivoire	56.9	60.6	57.2	56.2	53.6	56.9	53.6	49.5	46.7
Eritrea	18.9	20.6	21.2	21.0	16.2	15.6	13.6	12.2	10.6
Guinea	28.9	32.0	34.3	29.6	27.8	20.8	19.2	15.8	23.2
Guinea-Bissau	11.2	5.2	6.5	11.5	14.2	18.9	22.6	27.8	31.3
Liberia	36.8	35.8	33.0	36.6	38.7	40.0	42.3	44.4	44.3
São Tomé & Príncipe	74.3	59.1	74.0	83.9	81.4	73.1	94.1	102.1	109.6
Togo	54.4	57.0	62.4	51.2	55.5	45.8	47.8	50.0	59.7
Zimbabwe ³	34.2	55.2	27.8	26.9	16.5	44.7	51.8	74.9	92.9
Sub-Saharan Africa	71.5	68.9	70.9	69.9	73.4	74.5	74.7	70.6	67.2
<i>Median</i>	48.2	46.3	45.6	49.0	47.9	52.4	54.0	52.7	54.4
Excluding Nigeria and South Africa	49.4	46.6	48.3	48.9	50.3	53.0	53.9	53.8	56.0
Oil-importing countries	76.6	74.6	75.9	77.3	77.0	78.4	76.5	72.7	69.7
Excluding South Africa	52.5	48.7	51.6	52.0	53.1	57.1	56.3	55.3	57.3
CFA franc zone	50.9	51.2	51.3	50.0	48.4	53.6	51.8	49.5	54.0
WAEMU	59.7	58.2	60.6	60.3	57.5	61.8	58.6	56.6	60.0
CEMAC	42.0	44.1	41.8	39.5	39.2	45.3	44.9	42.3	48.9
EAC-5	53.8	50.9	51.7	51.7	54.1	60.9	62.6	60.4	65.9
SADC	84.7	84.0	84.0	86.0	85.3	84.0	84.4	81.2	75.6
SACU	101.4	101.3	101.1	103.4	101.8	99.5	98.1	92.0	83.9
COMESA (SSA members)	49.5	45.8	47.2	48.3	49.5	56.7	54.5	54.2	56.4
MDRI countries	47.2	41.8	46.1	46.8	47.8	53.3	52.8	51.5	52.7
Countries with conventional exchange rate pegs	54.4	54.7	55.9	54.1	52.8	54.5	53.0	51.0	55.7
Countries without conventional exchange rate pegs	75.2	71.9	74.3	73.4	77.8	78.5	79.0	74.3	69.2

Sources: IMF, African Development database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	52.6	49.5	54.3	52.3	52.2	54.7	42.9	48.0	49.9	51.0	47.8
Excluding Nigeria	66.6	58.1	67.4	69.8	67.7	70.0	52.5	59.1	61.1	62.1	58.5
Angola	80.9	75.6	86.5	83.8	78.2	80.5	56.0	63.8	64.4	65.5	60.8
Cameroon	27.7	22.7	24.5	29.3	31.0	31.1	23.5	25.6	26.4	27.5	27.8
Chad	53.9	51.6	54.3	56.1	54.9	52.9	45.9	46.0	50.9	49.5	43.9
Congo, Rep. of	79.8	73.3	84.4	87.4	78.5	75.2	70.4	85.1	87.7	86.5	84.8
Equatorial Guinea	85.0	90.1	87.4	86.8	81.9	78.8	69.7	69.9	71.3	71.2	69.7
Gabon	63.7	62.2	64.7	62.2	62.1	67.3	56.5	60.4	64.5	63.9	58.7
Nigeria	42.9	44.0	45.8	41.1	41.0	42.8	35.0	39.3	41.1	42.4	39.5
Middle-income countries¹	31.8	28.8	29.5	31.9	33.1	35.9	29.3	29.7	31.7	29.9	30.4
Excluding South Africa	37.9	38.1	38.0	38.6	38.5	36.2	35.5	37.7	41.2	41.7	41.5
Botswana	46.4	44.2	51.4	47.0	47.5	42.0	31.8	32.9	35.3	33.6	32.7
Cape Verde	40.6	32.0	37.8	45.1	42.8	45.3	35.6	38.6	43.0	42.9	42.4
Ghana	23.8	23.4	22.5	24.2	24.3	24.8	29.5	29.2	39.3	39.5	38.3
Lesotho ²	53.2	54.8	47.8	55.7	52.7	54.8	42.8	43.4	46.4	48.3	49.0
Mauritius	55.5	52.3	58.0	59.6	56.7	51.1	47.1	50.9	52.3	55.2	55.6
Namibia	38.2	34.7	34.1	39.9	39.9	42.2	42.1	44.6	44.6	44.6	45.0
Senegal	26.3	27.1	27.0	25.6	25.5	26.1	24.4	24.8	23.9	24.6	24.6
Seychelles	87.9	72.5	76.8	82.7	98.7	108.9	122.7	103.0	107.7	113.5	111.8
South Africa	30.2	26.4	27.4	30.0	31.5	35.8	27.4	27.3	28.9	26.3	26.9
Swaziland	75.4	90.1	76.0	72.9	74.6	63.2	63.1	55.8	57.3	53.4	55.1
Zambia	37.9	38.2	35.1	39.0	41.4	35.9	35.6	47.7	47.1	49.2	50.6
Low-income and fragile countries	27.0	25.8	26.2	27.0	27.8	28.4	24.4	28.7	30.3	29.6	29.6
Low-income excluding fragile countries	21.3	20.7	20.7	21.5	21.4	22.4	19.4	22.1	23.7	23.8	23.7
Benin	14.9	14.1	12.5	13.3	17.0	17.8	16.7	17.8	18.0	18.9	18.2
Burkina Faso	10.5	11.3	9.8	10.9	10.5	10.0	12.4	18.1	24.3	24.6	25.1
Ethiopia ²	13.6	14.9	15.1	13.9	12.7	11.5	10.5	13.6	16.9	15.1	15.0
Gambia, The	30.5	34.2	32.5	33.8	28.8	23.1	25.2	23.8	27.0	27.7	27.3
Kenya	27.0	26.9	27.6	25.6	24.4	30.6	23.5	27.7	26.9	22.0	20.3
Madagascar	29.3	32.6	26.9	29.9	30.5	26.6	22.4	24.1	24.1	28.4	32.7
Malawi	21.8	20.6	20.2	19.3	24.5	24.4	20.9	24.5	26.2	26.4	24.8
Mali	27.1	24.3	24.5	29.9	27.4	29.2	23.7	26.0	25.7	27.2	27.4
Mozambique	33.7	30.9	31.7	38.4	35.4	32.3	27.7	31.4	26.9	26.8	27.8
Niger	17.7	18.3	16.8	16.4	17.4	19.4	20.9	21.4	23.3	27.0	27.6
Rwanda	12.5	13.1	12.6	11.2	11.1	14.6	11.0	10.9	13.0	11.9	12.2
Sierra Leone	21.3	23.2	24.1	22.3	19.7	17.2	17.5	21.8	21.8	44.3	44.5
Tanzania ²	22.5	19.2	20.7	22.3	24.7	25.4	24.3	25.4	30.4	37.7	38.0
Uganda ²	16.0	12.5	13.1	15.5	16.8	22.1	19.6	20.4	22.1	20.4	20.9
Fragile countries	41.6	36.9	39.9	41.2	45.1	45.0	40.3	46.6	47.2	44.7	45.2
Burundi	7.9	7.0	8.2	7.5	7.5	9.4	6.5	8.9	7.6	7.5	7.9
Central African Republic	13.1	13.8	12.7	14.2	14.1	10.9	9.8	10.8	12.7	13.6	13.5
Comoros	14.8	15.1	14.1	14.9	15.3	14.5	14.5	15.3	15.6	16.1	16.3
Congo, Dem. Rep. of	45.0	30.7	33.6	34.2	65.2	61.3	45.2	68.8	67.5	61.5	62.1
Côte d'Ivoire	49.8	48.6	51.1	52.7	47.8	48.7	50.9	51.2	51.2	48.0	48.6
Eritrea	5.8	5.8	6.2	6.9	5.8	4.4	4.5	4.8	14.4	19.4	19.7
Guinea	32.7	24.6	34.8	40.6	28.8	34.9	26.5	28.4	30.2	31.2	31.0
Guinea-Bissau	16.2	15.9	17.3	14.8	17.3	15.9	15.5	16.5	23.0	18.2	17.8
Liberia	72.1	68.6	60.0	82.4	74.8	74.7	52.9	55.4	61.6	58.3	60.4
São Tomé & Príncipe	11.7	13.6	12.9	12.7	9.5	9.6	10.1	11.3	9.5	9.7	9.8
Togo	38.3	38.6	40.1	38.2	39.2	35.5	36.7	37.1	37.5	37.2	37.5
Zimbabwe ³	36.2	34.1	33.1	35.5	37.3	40.9	30.5	48.5	50.1	54.0	54.9
Sub-Saharan Africa	37.5	33.7	36.2	37.6	38.6	41.6	32.8	35.6	37.9	37.7	36.6
Median	30.6	28.9	29.7	31.9	30.7	31.7	27.0	28.0	29.5	32.4	32.7
Excluding Nigeria and South Africa	41.4	36.6	40.2	42.4	42.9	44.6	35.4	40.3	43.1	43.4	41.8
Oil-importing countries	30.3	27.9	28.5	30.4	31.4	33.2	27.5	29.4	31.3	29.8	30.1
Excluding South Africa	30.6	27.8	30.0	30.9	31.2	30.9	27.6	31.6	33.9	33.5	33.3
CFA franc zone	43.2	39.4	42.9	45.0	43.7	45.0	38.8	42.6	45.2	45.5	44.3
WAEMU	31.4	31.3	31.5	32.3	30.7	31.2	31.0	32.3	32.7	32.5	32.8
CEMAC	54.6	48.4	54.2	57.1	55.9	57.3	47.1	52.6	56.1	56.6	54.4
EAC-5	22.1	20.4	21.3	21.5	21.8	25.7	21.6	23.8	25.3	24.6	24.0
SADC	37.7	31.7	34.2	37.7	40.3	44.7	33.6	35.6	37.3	36.9	36.8
SACU	31.6	28.2	29.1	31.5	32.9	36.6	28.4	28.4	29.9	27.5	28.0
COMESA (SSA members)	29.7	29.3	28.7	28.9	31.0	30.6	24.9	31.8	33.6	31.4	31.2
MDRI countries	26.9	24.4	25.2	27.6	28.9	28.4	25.0	30.0	33.2	33.5	33.6
Countries with conventional exchange rate pegs	43.2	39.9	42.6	44.9	43.7	44.8	38.9	42.4	44.8	45.1	44.1
Countries without conventional exchange rate pegs	36.4	32.3	34.9	36.2	37.6	41.0	31.5	34.2	36.4	36.2	35.1

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA18. Imports of Goods and Services
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	33.7	35.5	33.6	29.8	33.1	36.7	38.7	40.7	38.7	38.3	37.1
Excluding Nigeria	41.2	43.6	42.0	37.4	39.6	43.7	49.7	43.2	44.0	43.4	41.7
Angola	49.1	58.3	53.6	39.0	43.5	51.2	55.4	42.9	44.9	44.1	43.7
Cameroon	28.3	24.5	26.4	27.7	29.5	33.1	28.3	28.9	29.7	31.9	30.8
Chad	49.9	53.5	42.9	56.9	49.6	46.6	54.8	52.8	66.2	54.6	38.8
Congo, Rep. of	48.6	46.3	46.7	49.4	53.5	47.0	50.2	54.7	55.4	58.9	56.6
Equatorial Guinea	38.7	55.0	43.6	33.1	30.3	31.6	60.3	57.5	46.0	44.2	38.8
Gabon	30.0	32.0	28.3	30.5	30.5	28.6	38.6	36.1	36.0	35.0	35.8
Nigeria	28.6	30.4	28.1	24.9	28.3	31.2	29.7	38.8	34.6	34.3	33.6
Middle-income countries¹	35.2	30.6	31.5	35.1	37.2	41.6	32.9	32.1	34.7	33.6	33.9
Excluding South Africa	46.6	45.5	45.7	44.7	47.6	49.6	48.0	47.6	52.4	51.9	50.4
Botswana	35.1	36.5	34.6	30.7	35.4	38.2	43.4	39.7	42.0	38.6	35.9
Cape Verde	73.0	69.6	66.6	72.7	77.8	78.4	67.9	67.1	71.4	69.3	67.9
Ghana	40.0	36.8	38.0	40.6	40.7	44.0	42.6	43.1	52.8	49.5	47.1
Lesotho ²	119.2	125.4	114.3	123.1	114.2	119.2	114.7	112.1	110.7	116.0	114.7
Mauritius	64.2	54.6	63.8	70.5	66.6	65.3	57.6	63.0	65.4	69.3	68.8
Namibia	40.8	38.2	37.2	37.5	40.8	50.4	55.0	53.3	60.0	60.5	59.1
Senegal	45.1	39.8	42.4	43.1	47.8	52.4	41.3	41.2	41.9	43.7	44.1
Seychelles	102.2	79.9	98.1	98.5	109.3	125.4	132.6	120.8	127.8	133.1	127.5
South Africa	32.0	26.7	27.9	32.5	34.2	38.8	28.3	27.5	29.5	28.1	28.8
Swaziland	86.5	91.7	91.0	85.7	85.5	78.6	80.7	71.1	69.3	65.0	66.1
Zambia	37.2	42.6	36.7	30.1	39.2	37.4	32.2	34.9	39.8	42.2	42.3
Low-income and fragile countries	37.8	33.8	36.4	37.5	38.8	42.6	38.0	42.5	44.2	44.1	42.5
Low-income excluding fragile countries	34.1	30.8	32.7	34.1	34.5	38.6	34.8	37.5	40.1	39.5	37.6
Benin	27.3	25.1	23.2	24.3	32.6	31.1	30.0	29.1	29.1	30.2	29.2
Burkina Faso	25.3	25.6	25.3	24.2	24.7	26.6	23.3	27.2	34.6	37.6	36.6
Ethiopia ²	32.8	28.9	35.5	36.6	32.1	31.1	28.7	33.2	32.3	34.7	33.2
Gambia, The	45.3	48.8	49.2	47.2	41.9	39.3	41.5	42.1	43.7	49.6	45.9
Kenya	36.8	32.9	34.8	35.1	34.8	46.4	36.3	41.7	46.1	38.3	35.1
Madagascar	45.8	48.2	41.5	42.0	46.5	50.9	46.0	37.4	35.6	34.6	35.0
Malawi	44.3	41.1	46.3	44.8	40.3	48.9	39.6	44.2	37.8	36.8	33.7
Mali	35.9	32.6	33.4	35.1	35.6	43.0	31.4	39.9	36.5	39.0	36.5
Mozambique	44.9	41.8	43.9	47.2	45.2	46.4	45.1	49.2	44.1	42.6	42.7
Niger	31.3	29.4	31.1	29.5	29.9	36.3	48.1	50.3	56.1	55.2	48.9
Rwanda	25.9	24.6	24.7	25.1	25.2	29.9	29.2	29.4	35.3	34.1	30.0
Sierra Leone	32.6	34.4	37.3	32.0	28.7	30.5	30.9	52.2	80.0	47.9	48.4
Tanzania ²	32.5	24.9	28.1	32.7	37.4	39.6	37.6	37.0	42.7	51.3	50.1
Uganda ²	26.6	22.1	23.9	26.8	27.9	32.1	34.1	33.4	40.3	37.3	36.5
Fragile countries	46.8	39.8	45.6	45.8	50.5	52.1	45.4	52.9	51.2	53.4	53.1
Burundi	36.1	25.7	33.4	48.2	35.2	37.7	41.3	39.2	36.1	35.9	30.1
Central African Republic	22.0	20.3	20.8	21.9	23.5	23.5	21.6	24.6	22.2	24.6	24.4
Comoros	39.4	33.0	35.8	38.6	41.3	48.4	47.7	50.2	50.9	50.6	48.2
Congo, Dem. Rep. of	53.0	34.4	45.2	40.7	68.6	76.4	60.9	77.2	74.6	66.1	65.0
Côte d'Ivoire	41.7	39.4	43.6	42.4	41.9	41.2	39.0	43.9	39.0	44.4	45.5
Eritrea	41.6	59.8	54.9	38.4	28.8	26.1	23.4	23.3	23.1	22.6	21.9
Guinea	36.0	25.8	35.1	42.6	36.4	40.1	30.8	36.5	39.2	63.5	66.8
Guinea-Bissau	28.4	24.3	26.5	30.1	31.0	29.9	32.1	31.9	35.4	32.6	31.4
Liberia	239.0	214.6	214.3	283.8	235.9	246.4	184.8	185.7	186.9	174.9	156.8
São Tomé & Príncipe	57.1	50.4	49.3	65.6	58.1	62.0	52.4	66.5	61.5	57.1	54.6
Togo	56.6	57.9	58.7	56.2	58.1	52.0	52.3	53.5	55.6	57.2	57.2
Zimbabwe ³	48.4	41.1	42.0	46.3	45.8	67.1	62.1	78.3	77.8	77.9	76.8
Sub-Saharan Africa	35.1	32.6	33.2	33.8	36.1	39.9	36.1	37.2	38.1	37.6	37.0
Median	39.2	37.5	37.7	38.8	39.7	42.1	41.4	42.5	43.2	44.2	43.2
Excluding Nigeria and South Africa	40.7	39.0	40.1	39.2	41.0	44.4	43.6	43.8	45.9	45.5	43.8
Oil-importing countries	36.0	31.5	33.0	35.9	37.7	42.0	34.8	35.4	37.7	37.1	36.9
Excluding South Africa	40.7	37.6	39.4	39.9	41.7	44.8	40.9	44.1	46.9	46.6	44.9
CFA franc zone	36.6	35.8	36.0	36.5	37.1	37.9	39.5	41.5	41.2	42.3	40.1
WAEMU	38.1	35.7	37.7	37.2	39.1	40.9	36.9	40.1	39.7	42.6	41.9
CEMAC	35.3	35.9	34.3	35.7	35.2	35.2	42.2	42.9	42.5	42.0	38.6
EAC-5	32.7	27.6	30.0	32.5	33.5	40.0	35.8	37.7	42.9	41.1	38.7
SADC	36.8	32.2	33.4	35.5	38.7	44.1	37.5	35.0	37.1	36.5	36.8
SACU	33.4	28.6	29.4	33.4	35.4	39.9	30.7	29.6	31.6	30.2	30.7
COMESA (SSA members)	41.5	38.3	40.6	40.1	42.1	46.2	40.1	44.9	47.2	44.6	42.7
MDRI countries	37.3	33.3	35.3	36.7	39.4	41.6	37.7	40.6	43.5	43.9	42.4
Countries with conventional exchange rate pegs	39.4	39.2	38.9	39.0	39.7	40.3	42.3	44.1	44.1	44.9	42.8
Countries without conventional exchange rate pegs	34.1	31.0	31.9	32.7	35.3	39.6	34.7	35.6	36.6	35.9	35.6

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.

² Fiscal year data.

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

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA19. Trade Balance on Goods
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	30.5	24.8	31.2	32.5	31.7	32.2	18.1	20.4	23.5	24.9	22.2
Excluding Nigeria	41.5	31.6	41.8	45.5	43.9	45.0	21.7	33.4	35.0	37.0	33.7
Angola	53.5	41.9	56.3	59.2	55.1	55.2	25.2	42.5	41.8	44.1	37.9
Cameroon	1.9	0.0	0.3	3.7	3.4	1.9	-1.5	-0.9	-0.7	-1.9	-0.8
Chad	30.9	35.0	36.3	30.9	26.9	25.7	11.2	14.6	15.8	19.2	24.7
Congo, Rep. of	52.7	48.2	59.4	59.7	49.0	47.2	41.0	52.2	50.6	45.1	46.1
Equatorial Guinea	61.0	59.0	60.7	65.3	62.7	57.3	24.2	27.3	38.9	41.5	44.5
Gabon	44.8	41.9	47.4	41.9	42.7	50.3	31.7	36.3	41.5	41.9	35.9
Nigeria	22.9	20.5	24.3	24.2	22.9	22.3	15.2	10.4	14.6	15.5	13.2
Middle-income countries¹	-2.7	-1.4	-1.6	-2.6	-3.4	-4.4	-2.3	-0.8	-1.5	-2.3	-2.1
Excluding South Africa	-8.2	-6.5	-7.4	-5.8	-8.8	-12.6	-10.1	-7.2	-8.6	-8.0	-6.9
Botswana	11.7	8.3	17.1	16.9	13.1	3.2	-5.9	-1.2	-1.6	-0.9	0.5
Cape Verde	-43.4	-41.0	-35.9	-41.7	-49.6	-48.7	-42.3	-40.9	-44.6	-43.3	-43.1
Ghana	-14.9	-10.9	-14.6	-15.6	-15.7	-17.5	-8.6	-9.2	-8.6	-5.7	-4.7
Lesotho ²	-43.9	-45.2	-48.4	-41.4	-43.5	-40.7	-50.0	-46.9	-44.4	-48.6	-47.6
Mauritius	-15.2	-8.8	-12.3	-16.2	-18.0	-20.6	-17.6	-19.5	-20.2	-22.7	-22.5
Namibia	-3.3	-4.3	-3.7	1.2	-2.0	-7.7	-13.7	-10.0	-16.0	-16.9	-15.4
Senegal	-18.4	-12.3	-15.1	-17.1	-22.1	-25.4	-15.9	-15.4	-16.8	-18.0	-18.2
Seychelles	-31.4	-21.3	-35.6	-30.9	-27.2	-42.1	-35.8	-34.6	-39.4	-38.6	-34.4
South Africa	-1.0	-0.1	-0.1	-1.7	-1.8	-1.6	0.1	1.0	0.6	-0.5	-0.6
Swaziland	-5.0	4.0	-10.2	-9.4	-9.2	-0.3	-4.1	-4.1	-2.8	-2.6	-1.9
Zambia	4.7	-0.5	1.2	12.2	7.8	2.8	7.1	16.7	11.6	11.3	12.3
Low-income and fragile countries	-8.0	-5.3	-7.6	-7.8	-8.2	-11.0	-10.7	-10.6	-10.3	-11.0	-9.8
Low-income excluding fragile countries	-12.2	-9.5	-11.3	-12.0	-12.6	-15.3	-14.4	-14.5	-14.9	-14.2	-12.9
Benin	-11.7	-9.7	-9.3	-11.3	-14.4	-13.7	-11.3	-9.4	-9.5	-9.9	-9.9
Burkina Faso	-9.5	-9.6	-10.2	-8.0	-8.8	-10.9	-6.0	-3.4	-3.2	-4.9	-4.0
Ethiopia ²	-20.7	-17.1	-22.6	-23.7	-20.2	-20.1	-19.5	-21.3	-17.6	-21.5	-20.7
Gambia, The	-21.2	-18.3	-22.6	-21.1	-21.4	-22.6	-22.3	-22.2	-22.6	-27.7	-24.2
Kenya	-14.2	-10.1	-11.1	-14.0	-14.8	-20.9	-16.4	-19.4	-23.5	-20.0	-18.3
Madagascar	-13.1	-10.2	-11.5	-9.9	-13.6	-20.2	-19.5	-12.3	-8.8	-2.1	2.8
Malawi	-15.9	-14.1	-18.6	-18.9	-9.9	-18.2	-13.3	-13.7	-8.1	-7.1	-6.0
Mali	-2.9	-2.5	-3.1	0.7	-2.5	-7.3	-2.4	-7.2	-4.4	-4.8	-2.4
Mozambique	-6.4	-6.1	-7.6	-3.7	-4.9	-10.0	-12.8	-12.4	-11.0	-9.5	-8.6
Niger	-6.9	-5.3	-8.7	-6.6	-5.9	-8.1	-15.2	-14.1	-15.8	-11.6	-8.0
Rwanda	-10.2	-8.5	-8.8	-9.6	-10.8	-13.1	-14.7	-14.1	-19.0	-18.3	-15.4
Sierra Leone	-8.6	-8.3	-12.2	-6.6	-5.7	-10.0	-10.1	-16.9	-41.4	9.5	6.5
Tanzania ²	-11.7	-7.3	-8.2	-11.4	-15.1	-16.3	-14.1	-12.4	-13.4	-14.9	-14.0
Uganda ²	-8.3	-8.5	-9.1	-9.3	-8.3	-6.3	-11.7	-9.9	-13.7	-13.0	-11.7
Fragile countries	3.7	5.1	2.4	4.2	4.2	2.7	3.2	3.4	5.5	0.6	1.3
Burundi	-18.0	-11.0	-16.4	-27.2	-17.3	-18.0	-21.2	-20.9	-19.5	-19.5	-13.9
Central African Republic	-4.0	-1.4	-3.5	-3.1	-4.3	-7.7	-7.2	-8.1	-3.8	-5.7	-6.0
Comoros	-22.9	-16.4	-20.8	-21.7	-24.0	-31.5	-28.2	-28.7	-29.5	-29.3	-27.6
Congo, Dem. Rep. of	0.4	1.2	-5.6	-1.2	8.8	-1.1	-5.2	6.0	5.1	6.1	7.5
Côte d'Ivoire	15.2	16.6	14.6	17.5	12.9	14.2	18.4	14.5	20.4	11.8	11.9
Eritrea	-33.9	-49.6	-44.2	-29.2	-24.2	-22.0	-19.9	-19.6	-10.3	-4.1	-2.7
Guinea	3.3	4.2	6.3	5.5	-1.7	2.3	1.3	-1.4	-3.1	-23.0	-26.0
Guinea-Bissau	-6.2	-1.4	-2.9	-9.1	-8.7	-9.1	-10.2	-8.4	-5.5	-7.4	-6.6
Liberia	-39.9	-24.7	-35.8	-46.2	-39.2	-53.4	-47.8	-46.4	-52.9	-55.7	-44.3
São Tomé & Príncipe	-36.0	-27.6	-28.2	-38.1	-40.2	-46.0	-37.9	-44.1	-43.9	-40.1	-38.3
Togo	-15.0	-14.8	-15.1	-15.1	-16.1	-14.0	-13.0	-13.6	-14.8	-16.8	-16.7
Zimbabwe ³	-9.6	-5.2	-7.0	-8.6	-5.8	-21.6	-27.1	-23.9	-20.5	-16.9	-15.2
Sub-Saharan Africa	7.2	4.7	6.9	8.0	7.7	8.5	2.6	4.2	5.6	6.0	5.2
Median	-9.0	-7.8	-9.0	-9.2	-8.7	-10.5	-12.2	-11.2	-9.9	-8.5	-7.3
Excluding Nigeria and South Africa	6.9	3.3	6.0	8.5	8.3	8.3	-0.5	4.1	5.4	6.2	5.5
Oil-importing countries	-4.4	-2.6	-3.4	-4.2	-4.9	-6.7	-5.4	-4.0	-4.3	-5.2	-4.8
Excluding South Africa	-8.1	-5.7	-7.5	-7.1	-8.4	-11.5	-10.6	-9.5	-9.7	-10.0	-8.9
CFA franc zone	14.8	12.3	15.2	16.9	14.4	15.1	7.6	10.1	13.7	12.8	13.2
WAEMU	-2.0	0.4	-1.5	-0.3	-3.8	-5.0	-0.9	-2.2	-0.7	-3.5	-2.8
CEMAC	31.0	25.6	31.7	33.2	31.5	32.9	16.7	21.9	26.3	26.7	27.2
EAC-5	-12.1	-8.9	-9.8	-12.4	-13.4	-15.8	-14.8	-15.0	-18.3	-17.2	-15.6
SADC	4.3	1.4	3.3	4.6	5.5	6.7	1.4	5.2	5.1	5.9	5.1
SACU	-0.9	-0.1	0.1	-1.1	-1.5	-1.7	-0.9	0.3	-0.3	-1.3	-1.3
COMESA (SSA members)	-11.3	-9.1	-11.8	-11.1	-10.4	-14.2	-14.2	-12.0	-12.4	-12.1	-10.7
MDRI countries	-6.6	-5.5	-6.8	-5.4	-6.5	-8.8	-8.5	-5.8	-5.5	-5.8	-4.7
Countries with conventional exchange rate pegs	11.2	8.8	11.2	13.3	10.9	11.9	4.3	6.5	9.5	8.7	9.3
Countries without conventional exchange rate pegs	6.5	4.0	6.1	7.1	7.2	8.0	2.5	4.0	5.1	5.7	4.6

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA20. External Current Account, (Including Grants)
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	12.2	2.6	8.8	22.0	15.4	12.2	1.1	2.4	5.0	6.3	4.5
Excluding Nigeria	9.4	-2.2	8.8	16.7	13.5	10.3	-7.2	3.9	3.5	4.9	3.5
Angola	17.3	3.8	18.7	29.6	21.7	12.7	-8.9	10.4	8.1	9.7	6.2
Cameroon	-1.0	-3.4	-3.4	1.6	1.4	-1.2	-3.7	-2.8	-3.5	-4.8	-3.3
Chad	2.1	-17.1	1.2	5.9	11.6	9.0	-4.0	-3.5	-17.7	-10.0	3.3
Congo, Rep. of	-0.5	-5.7	3.7	3.6	-6.5	2.3	-7.4	5.1	6.2	4.3	3.8
Equatorial Guinea	-1.2	-21.6	-6.2	7.7	5.0	9.1	-17.1	-24.1	-9.7	-9.0	-6.6
Gabon	18.2	11.2	22.9	15.6	17.0	24.2	6.3	9.1	12.0	11.7	7.5
Nigeria	14.0	5.6	8.7	25.3	16.8	13.6	7.9	1.3	6.2	7.3	5.3
Middle-income countries¹	-4.6	-2.7	-3.1	-4.2	-6.0	-7.0	-3.9	-3.3	-4.3	-5.0	-5.4
Excluding South Africa	-2.4	-1.3	-1.5	-0.2	-2.5	-6.6	-3.5	-4.8	-7.5	-5.8	-5.0
Botswana	11.6	3.5	15.2	17.2	15.0	6.9	-5.8	-5.2	-6.8	-4.1	-1.4
Cape Verde	-10.7	-14.3	-3.5	-5.4	-14.7	-15.7	-15.6	-12.5	-12.5	-12.1	-10.5
Ghana	-6.5	-2.2	-4.4	-7.1	-8.0	-10.8	-3.2	-7.3	-10.0	-6.9	-6.0
Lesotho ²	8.2	9.5	-1.0	15.2	6.2	11.1	-3.2	-14.8	-16.6	-11.2	-15.4
Mauritius	-6.3	-1.8	-5.0	-9.1	-5.4	-10.1	-7.4	-8.2	-10.3	-11.1	-10.1
Namibia	7.5	7.0	4.7	13.9	9.1	2.8	1.8	-1.8	-6.2	-4.4	-4.0
Senegal	-10.1	-6.9	-8.9	-9.2	-11.6	-14.1	-6.7	-6.1	-8.3	-10.0	-10.7
Seychelles	-16.5	-9.1	-22.2	-15.8	-15.3	-20.2	-9.8	-20.1	-21.6	-22.5	-18.3
South Africa	-5.2	-3.0	-3.5	-5.3	-7.0	-7.2	-4.0	-2.8	-3.3	-4.8	-5.5
Swaziland	-3.7	3.1	-4.1	-7.4	-2.2	-8.2	-13.8	-16.5	-11.1	0.4	-5.7
Zambia	-6.6	-10.4	-8.5	-0.4	-6.5	-7.2	4.2	7.1	1.2	1.3	2.6
Low-income and fragile countries	-5.8	-3.5	-5.7	-5.3	-5.6	-8.8	-7.7	-7.9	-8.1	-10.3	-9.3
Low-income excluding fragile countries	-6.3	-4.1	-5.8	-6.4	-6.2	-9.2	-8.6	-8.1	-9.4	-10.4	-9.1
Benin	-7.4	-7.0	-6.3	-5.3	-10.2	-8.1	-8.9	-7.2	-7.9	-7.6	-7.4
Burkina Faso	-10.2	-11.0	-11.6	-9.1	-8.2	-11.2	-4.4	-3.6	-4.4	-8.0	-6.9
Ethiopia ²	-5.4	-1.4	-6.3	-9.1	-4.5	-5.6	-5.0	-4.4	-0.2	-8.4	-7.6
Gambia, The	-8.4	-4.5	-10.3	-6.9	-8.3	-12.1	-12.3	-15.7	-14.1	-17.9	-14.9
Kenya	-2.9	0.1	-1.4	-2.2	-3.7	-7.4	-5.7	-6.5	-11.8	-9.6	-8.4
Madagascar	-13.1	-10.6	-11.6	-9.9	-12.7	-20.6	-21.1	-9.7	-7.4	-6.3	-5.5
Malawi	-8.6	-11.2	-11.9	-11.3	1.0	-9.7	-5.5	-1.2	-3.4	-2.1	-1.8
Mali	-7.9	-7.9	-8.5	-4.1	-6.9	-12.2	-7.3	-12.6	-10.2	-10.3	-9.0
Mozambique	-10.9	-10.7	-11.6	-10.7	-9.7	-11.9	-12.2	-11.7	-13.0	-12.7	-12.4
Niger	-9.2	-7.3	-8.9	-8.6	-8.2	-13.0	-25.0	-21.1	-28.5	-26.6	-20.7
Rwanda	-1.7	1.8	1.0	-4.3	-2.2	-4.9	-7.3	-6.0	-10.4	-12.5	-8.6
Sierra Leone	-7.1	-5.8	-7.1	-5.6	-5.5	-11.5	-8.4	-28.8	-56.4	-10.0	-9.4
Tanzania ²	-7.6	-2.5	-5.1	-8.2	-10.4	-11.9	-10.7	-9.3	-9.7	-12.3	-11.2
Uganda ²	-2.2	0.1	-1.4	-3.4	-3.1	-3.1	-8.7	-9.6	-11.1	-12.5	-10.7
Fragile countries	-3.5	-1.4	-4.6	-1.7	-3.5	-6.3	-2.5	-4.9	-2.6	-9.3	-9.0
Burundi	-8.3	-5.4	-5.4	-22.9	-5.9	-1.8	-11.5	-9.9	-12.9	-12.3	-8.7
Central African Republic	-5.5	-1.8	-6.5	-3.0	-6.2	-9.9	-8.1	-9.9	-6.9	-7.6	-6.8
Comoros	-6.9	-4.6	-7.4	-6.0	-5.7	-10.9	-7.7	-6.9	-9.9	-11.1	-9.6
Congo, Dem. Rep. of	-7.5	-3.0	-13.3	-2.7	-1.1	-17.5	-10.5	-6.9	-8.7	-7.8	-6.5
Côte d'Ivoire	1.2	1.6	0.2	2.8	-0.7	1.9	7.0	1.1	6.7	-2.8	-3.0
Eritrea	-3.1	-0.7	0.3	-3.6	-6.1	-5.5	-7.6	-5.6	0.6	2.8	2.6
Guinea	-6.0	-2.5	-1.0	-4.6	-11.7	-10.3	-9.9	-12.4	-6.4	-36.1	-39.7
Guinea-Bissau	-2.9	1.4	-2.1	-5.6	-3.5	-4.9	-6.4	-8.3	-6.2	-7.2	-6.9
Liberia	-31.5	-20.2	-37.4	-13.8	-28.7	-57.3	-38.2	-43.4	-43.2	-60.5	-58.7
São Tomé & Príncipe	-20.9	-16.0	-11.0	-25.8	-29.8	-22.0	-25.5	-34.1	-33.1	-35.2	-33.6
Togo	-8.8	-10.0	-9.9	-8.4	-8.7	-6.8	-6.6	-7.1	-7.5	-9.3	-9.3
Zimbabwe ³	-11.5	-8.4	-10.8	-8.5	-7.1	-22.9	-24.2	-23.1	-17.5	-15.7	-14.9
Sub-Saharan Africa	0.9	-1.5	-0.1	4.3	1.5	0.1	-3.1	-2.4	-1.8	-2.0	-2.6
Median	-5.7	-4.0	-5.3	-5.4	-6.0	-8.1	-7.5	-7.2	-9.2	-9.1	-7.5
Excluding Nigeria and South Africa	-0.3	-2.7	-0.7	2.4	1.2	-1.6	-6.7	-3.5	-4.0	-4.1	-4.1
Oil-importing countries	-5.0	-2.9	-3.9	-4.5	-5.8	-7.6	-5.3	-4.8	-5.5	-6.8	-6.7
Excluding South Africa	-4.7	-2.8	-4.3	-3.6	-4.6	-8.1	-6.5	-6.9	-7.9	-8.9	-8.0
CFA franc zone	-1.0	-4.7	-1.6	1.1	-0.5	0.5	-4.4	-4.7	-3.3	-4.9	-3.9
WAEMU	-5.5	-4.5	-5.7	-3.9	-6.3	-7.0	-3.6	-5.6	-4.8	-8.6	-8.0
CEMAC	3.1	-5.0	2.4	5.9	4.9	7.3	-5.3	-3.9	-2.0	-1.7	-0.4
EAC-5	-4.1	-0.7	2.5	-4.7	-5.2	-7.4	-8.0	-8.0	-11.0	-11.1	-9.6
SADC	-2.3	-2.6	-1.9	-0.7	-2.1	-4.0	-5.9	-1.8	-2.6	-2.9	-3.7
SACU	-4.1	-2.4	-2.5	-3.8	-5.5	-6.1	-4.0	-3.1	-3.7	-4.8	-5.4
COMESA (SSA members)	-5.6	-3.1	-5.9	-5.4	-4.6	-9.1	-7.5	-6.3	-7.3	-8.2	-7.1
MDRI countries	-6.4	-4.9	-6.4	-5.5	-6.2	-8.8	-7.3	-6.1	-7.1	-8.1	-7.1
Countries with conventional exchange rate pegs	-0.6	-3.6	-1.3	1.8	-0.1	0.3	-4.4	-5.1	-4.0	-4.9	-4.1
Countries without conventional exchange rate pegs	1.3	-0.9	0.2	4.9	1.9	0.2	-2.7	-1.7	-1.2	-1.3	-2.2

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.

² Fiscal year data.

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

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA21. External Current Account, Excluding Grants*(Percent of GDP)*

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	11.9	2.4	8.6	21.4	15.0	11.9	0.7	2.1	4.9	6.1	4.4
Excluding Nigeria	9.0	-2.7	8.2	16.4	13.2	10.1	-7.5	3.7	3.3	4.6	3.3
Angola	17.1	3.1	18.2	29.5	21.7	12.8	-8.9	10.4	8.1	9.7	6.2
Cameroon	-2.1	-3.7	-4.3	0.4	-0.2	-2.6	-5.0	-4.4	-4.8	-5.8	-4.3
Chad	0.5	-20.3	-0.6	5.0	10.6	8.0	-5.1	-4.0	-18.3	-10.7	2.6
Congo, Rep. of	-0.7	-5.8	3.7	3.5	-6.8	1.7	-7.6	5.1	5.9	2.6	3.5
Equatorial Guinea	-1.3	-22.0	-6.5	7.7	5.1	9.1	-17.0	-24.0	-9.6	-8.9	-6.5
Gabon	18.3	11.9	22.9	15.6	17.0	24.2	6.2	9.1	12.0	11.7	7.5
Nigeria	13.8	5.6	8.8	24.7	16.3	13.3	7.4	0.9	6.2	7.3	5.3
Middle-income countries¹	-4.7	-2.9	-3.0	-4.3	-6.2	-7.3	-4.2	-3.4	-4.4	-4.9	-5.3
Excluding South Africa	-6.8	-5.6	-5.6	-4.6	-7.0	-10.9	-8.2	-8.1	-9.8	-8.9	-7.7
Botswana	4.3	-1.8	8.6	9.5	6.1	-0.9	-11.0	-8.3	-7.8	-6.3	-4.3
Cape Verde	-16.1	-20.0	-8.2	-9.8	-19.8	-22.4	-21.1	-18.8	-16.1	-14.5	-13.9
Ghana	-9.1	-6.0	-7.8	-8.9	-9.6	-13.3	-6.5	-9.0	-10.5	-7.4	-6.4
Lesotho ²	-25.6	-18.1	-28.2	-25.2	-30.1	-26.2	-37.5	-36.9	-36.2	-45.2	-43.8
Mauritius	-6.6	-2.0	-5.2	-9.3	-5.7	-11.0	-8.5	-8.7	-11.0	-12.0	-10.7
Namibia	-3.3	-2.8	-4.2	2.2	-2.0	-9.8	-12.1	-12.7	-17.6	-17.1	-16.0
Senegal	-10.8	-7.9	-9.0	-9.8	-12.6	-14.6	-7.1	-6.4	-8.9	-10.6	-11.2
Seychelles	-18.1	-9.4	-23.7	-16.9	-16.7	-23.9	-15.2	-22.8	-24.4	-23.4	-19.1
South Africa	-4.2	-2.2	-2.3	-4.2	-5.9	-6.1	-3.0	-2.1	-2.7	-3.7	-4.5
Swaziland	-9.1	-3.7	-9.3	-12.9	-7.9	-11.6	-17.8	-22.7	-14.0	-12.6	-10.6
Zambia	-8.5	-11.2	-10.3	-2.4	-9.2	-9.4	1.8	5.6	0.5	0.6	1.8
Low-income and fragile countries	-9.9	-7.6	-9.7	-9.6	-9.7	-12.8	-11.8	-12.1	-11.9	-13.4	-12.2
Low-income excluding fragile countries	-10.0	-8.1	-9.8	-9.9	-9.8	-12.5	-11.8	-11.8	-12.8	-13.2	-11.8
Benin	-10.2	-10.2	-8.4	-8.4	-13.0	-11.1	-12.8	-10.2	-9.8	-10.0	-9.6
Burkina Faso	-13.6	-14.1	-14.9	-12.0	-12.5	-14.7	-8.8	-7.5	-8.8	-11.4	-10.2
Ethiopia ²	-11.1	-7.0	-12.4	-14.9	-10.6	-10.5	-9.9	-10.8	-5.5	-12.8	-11.9
Gambia, The	-9.6	-7.7	-11.5	-7.9	-8.4	-12.4	-13.5	-15.7	-14.1	-18.8	-15.4
Kenya	-3.0	0.1	-1.4	-2.4	-3.8	-7.4	-5.6	-6.4	-11.8	-9.5	-8.4
Madagascar	-14.6	-13.8	-13.0	-11.2	-13.3	-21.4	-21.2	-9.7	-7.7	-6.6	-5.5
Malawi	-19.0	-18.0	-20.9	-22.5	-12.8	-20.8	-14.9	-17.0	-9.3	-8.5	-7.0
Mali	-9.8	-9.8	-10.6	-6.8	-8.7	-13.4	-9.2	-14.7	-12.2	-13.2	-10.9
Mozambique	-17.3	-16.5	-17.2	-17.0	-16.0	-19.6	-19.1	-19.2	-19.4	-19.0	-18.7
Niger	-11.8	-10.5	-12.2	-10.9	-10.4	-15.2	-25.7	-26.8	-32.6	-30.0	-24.0
Rwanda	-12.3	-11.4	-11.3	-12.3	-11.9	-14.4	-17.3	-17.7	-21.2	-21.1	-16.8
Sierra Leone	-12.5	-13.2	-14.2	-10.9	-9.0	-15.4	-12.8	-31.3	-58.7	-11.6	-10.5
Tanzania ²	-11.2	-6.5	-9.4	-11.4	-13.6	-15.3	-14.0	-12.1	-12.8	-14.9	-13.7
Uganda ²	-7.9	-8.3	-9.5	-8.0	-7.6	-6.1	-10.4	-10.9	-15.1	-14.4	-13.1
Fragile countries	-8.7	-5.8	-8.9	-7.9	-9.2	-11.9	-9.0	-10.1	-7.3	-12.9	-12.2
Burundi	-25.6	-19.7	-25.2	-39.1	-22.0	-22.2	-26.5	-25.1	-23.1	-22.5	-16.1
Central African Republic	-9.4	-6.9	-8.6	-8.3	-9.8	-13.5	-11.7	-13.6	-9.2	-10.7	-10.7
Comoros	-7.7	-4.3	-6.9	-7.1	-7.7	-12.5	-9.9	-16.1	-9.9	-12.6	-10.6
Congo, Dem. Rep. of	-14.0	-8.0	-17.2	-11.4	-8.5	-24.6	-21.6	-13.6	-13.8	-12.3	-11.0
Côte d'Ivoire	0.9	1.7	0.4	3.0	-1.5	0.8	4.9	0.3	5.3	-3.1	-3.2
Eritrea	-10.0	-15.7	-9.0	-7.7	-9.2	-8.3	-10.2	-10.9	-2.6	1.6	2.1
Guinea	-6.1	-2.3	-1.0	-4.7	-11.8	-10.8	-9.9	-12.4	-8.7	-36.2	-39.7
Guinea-Bissau	-8.7	-4.6	-6.1	-12.8	-8.6	-11.3	-14.4	-11.8	-9.1	-11.1	-10.7
Liberia	-181.5	-167.6	-176.7	-202.0	-176.4	-184.9	-142.7	-142.3	-127.8	-122.4	-108.9
São Tomé & Príncipe	-44.5	-36.9	-36.8	-50.0	-46.4	-52.5	-42.9	-56.1	-52.2	-47.4	-44.9
Togo	-10.1	-10.8	-11.0	-9.8	-10.4	-8.3	-8.2	-9.2	-10.9	-13.1	-13.1
Zimbabwe ³	-16.9	-9.9	-12.3	-15.3	-13.3	-33.5	-34.4	-31.5	-23.2	-20.6	-19.5
Sub-Saharan Africa	-0.2	-2.5	-1.0	3.1	0.4	-1.0	-4.4	-3.4	-2.6	-2.6	-3.2
<i>Median</i>	-9.5	-8.2	-9.1	-9.1	-9.2	-12.0	-11.4	-11.9	-10.7	-11.8	-10.7
Excluding Nigeria and South Africa	-3.3	-5.9	-3.8	-0.7	-1.8	-4.4	-9.7	-6.2	-6.3	-6.3	-6.0
Oil-importing countries	-6.4	-4.3	-5.0	-5.9	-7.3	-9.3	-7.0	-6.2	-6.7	-7.8	-7.6
Excluding South Africa	-8.9	-6.9	-8.4	-7.9	-8.9	-12.2	-10.7	-10.8	-11.2	-12.0	-10.8
CFA franc zone	-2.1	-5.7	-2.5	0.1	-1.8	-0.6	-5.9	-6.0	-4.6	-6.1	-4.9
WAEMU	-6.9	-5.8	-6.8	-5.2	-8.0	-8.7	-5.8	-7.6	-6.9	-10.4	-9.5
CEMAC	2.4	-5.5	1.8	5.3	4.2	6.6	-6.0	-4.5	-2.5	-2.4	-0.9
EAC-5	-7.3	-4.7	-6.5	-7.4	-7.9	-10.2	-10.3	-10.3	-13.7	-13.1	-11.4
SADC	-5.5	-3.6	-3.9	-5.1	-6.6	-8.6	-6.2	-4.6	-5.2	-5.9	-6.2
SACU	-3.9	-2.3	-2.2	-3.7	-5.5	-6.1	-3.9	-3.0	-3.6	-4.5	-5.1
COMESA (SSA members)	-9.4	-6.9	-9.6	-9.3	-8.5	-12.8	-11.3	-10.3	-10.5	-10.9	-9.5
MDRI countries	-10.5	-9.1	-10.6	-9.6	-10.3	-12.7	-11.3	-10.0	-10.4	-11.0	-9.7
Countries with conventional exchange rate pegs	-2.8	-5.9	-3.3	-0.6	-2.6	-1.9	-7.2	-7.6	-6.2	-7.5	-6.3
Countries without conventional exchange rate pegs	-0.9	-1.9	-1.4	2.1	-0.9	-2.2	-2.9	-3.8	-2.8	-3.0	-3.6

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA22. Official Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	0.3	0.2	0.2	0.5	0.4	0.3	0.4	0.3	0.1	0.1	0.1
Excluding Nigeria	0.4	0.5	0.6	0.3	0.4	0.3	0.3	0.2	0.2	0.3	0.2
Angola	0.2	0.7	0.5	0.1	0.0	-0.1	0.0	-0.1	0.0	0.0	0.0
Cameroon	1.1	0.3	0.9	1.2	1.6	1.4	1.3	1.6	1.2	1.0	1.0
Chad	1.6	3.2	1.8	0.9	1.0	1.0	1.0	0.5	0.7	0.7	0.7
Congo, Rep. of	0.2	0.1	0.0	0.0	0.3	0.6	0.2	0.0	0.3	1.7	0.3
Equatorial Guinea	0.1	0.4	0.2	0.0	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0
Gabon	-0.2	-0.7	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nigeria	0.3	-0.1	-0.1	0.7	0.5	0.3	0.5	0.4	0.0	0.0	0.0
Middle-income countries¹	0.2	0.2	-0.1	0.1	0.2	0.3	0.3	0.2	0.1	-0.1	-0.1
Excluding South Africa	4.4	4.3	4.2	4.4	4.5	4.3	4.6	3.2	2.3	3.1	2.7
Botswana	7.2	5.2	6.6	7.7	8.9	7.7	5.3	3.1	1.0	2.2	2.9
Cape Verde	5.3	5.7	4.7	4.4	5.1	6.7	5.4	6.4	3.7	2.5	3.4
Ghana	2.6	3.7	3.4	1.8	1.6	2.5	3.3	1.7	0.5	0.5	0.4
Lesotho ²	33.7	27.5	27.2	40.4	36.3	37.2	34.3	22.1	19.6	34.0	28.5
Mauritius	0.3	0.3	0.2	0.2	0.2	0.9	1.1	0.6	0.8	1.0	0.6
Namibia	10.8	9.7	8.9	11.6	11.1	12.5	13.9	10.9	11.3	12.7	11.9
Senegal	0.7	1.0	0.2	0.6	1.0	0.5	0.4	0.3	0.6	0.5	0.5
Seychelles	1.6	0.4	1.5	1.1	1.4	3.7	5.4	2.7	2.8	0.9	0.8
South Africa	-1.0	-0.8	-1.1	-1.1	-1.0	-1.1	-1.1	-0.7	-0.6	-1.1	-1.0
Swaziland	5.3	6.8	5.2	5.6	5.7	3.4	4.0	6.2	2.9	13.0	4.9
Zambia	1.9	0.8	1.8	1.9	2.6	2.2	2.4	1.5	0.8	0.6	0.7
Low-income and fragile countries	4.1	4.0	4.0	4.3	4.2	4.1	4.1	4.2	3.8	3.1	2.8
Low-income excluding fragile countries	3.7	4.1	4.0	3.5	3.5	3.3	3.2	3.7	3.4	2.8	2.6
Benin	2.8	3.2	2.1	3.1	2.8	3.0	3.8	3.0	2.0	2.4	2.1
Burkina Faso	3.4	3.2	3.3	2.9	4.3	3.4	4.4	3.9	4.3	3.4	3.3
Ethiopia ²	5.7	5.6	6.1	5.7	6.1	4.9	4.9	6.4	5.3	4.4	4.2
Gambia, The	1.2	3.1	1.2	1.0	0.1	0.4	1.3	0.0	0.0	0.8	0.5
Kenya	0.0	0.0	0.0	0.2	0.1	-0.1	-0.1	-0.1	-0.1	0.0	0.0
Madagascar	1.5	3.3	1.4	1.3	0.6	0.8	0.1	0.0	0.3	0.3	-0.1
Malawi	10.4	6.8	9.0	11.2	13.8	11.1	9.4	15.7	5.9	6.4	5.2
Mali	2.0	2.0	2.1	2.7	1.8	1.2	1.9	2.1	2.0	2.9	1.9
Mozambique	6.4	5.9	5.7	6.3	6.3	7.7	6.8	7.5	6.4	6.3	6.3
Niger	2.6	3.2	3.3	2.3	2.2	2.2	0.7	5.7	4.1	3.4	3.3
Rwanda	10.6	13.3	12.3	8.0	9.7	9.5	10.0	11.7	10.8	8.5	8.2
Sierra Leone	5.5	7.3	7.1	5.3	3.5	4.0	4.5	2.5	2.3	1.5	1.1
Tanzania ²	3.7	4.0	4.3	3.2	3.2	3.5	3.4	2.8	3.2	2.6	2.5
Uganda ²	5.7	8.4	8.0	4.6	4.5	3.0	1.7	1.3	4.0	1.9	2.4
Fragile countries	5.2	4.4	4.3	6.3	5.7	5.6	6.4	5.1	4.8	3.6	3.2
Burundi	17.4	14.3	19.8	16.2	16.1	20.4	15.0	15.2	10.2	10.2	7.4
Central African Republic	3.9	5.2	2.0	5.3	3.5	3.6	3.6	3.7	2.3	3.1	3.9
Comoros	0.8	-0.3	-0.5	1.1	2.0	1.6	2.2	9.2	0.0	1.5	1.0
Congo, Dem. Rep. of	6.4	5.0	3.9	8.7	7.4	7.2	11.1	6.7	5.1	4.5	4.5
Côte d'Ivoire	0.3	-0.1	-0.1	-0.2	0.8	1.1	2.2	0.8	1.4	0.2	0.2
Eritrea	6.9	15.1	9.3	4.1	3.1	2.8	2.6	5.2	3.2	1.2	0.5
Guinea	0.1	-0.1	0.0	0.1	0.2	0.4	0.0	0.0	2.3	0.1	0.0
Guinea-Bissau	5.8	6.1	4.0	7.1	5.1	6.4	8.0	3.5	2.8	3.9	3.9
Liberia	150.0	147.4	139.3	188.2	147.7	127.6	104.5	98.9	84.6	62.0	50.1
São Tomé & Príncipe	23.6	20.9	25.7	24.2	16.6	30.5	17.5	21.9	19.1	12.3	11.3
Togo	1.3	0.8	1.2	1.4	1.7	1.4	1.5	2.0	3.4	3.8	3.8
Zimbabwe ³	5.4	1.5	1.5	6.8	6.3	10.6	10.2	8.4	5.6	5.0	4.6
Sub-Saharan Africa	1.0	1.0	0.9	1.1	1.1	1.1	1.2	1.1	0.9	0.7	0.6
Median	2.7	3.2	2.1	2.8	2.7	2.9	2.9	2.8	2.3	2.1	2.0
Excluding Nigeria and South Africa	3.1	3.2	3.1	3.1	3.0	2.8	3.0	2.7	2.3	2.1	1.9
Oil-importing countries	1.4	1.4	1.1	1.4	1.5	1.6	1.7	1.5	1.3	1.0	0.9
Excluding South Africa	4.2	4.1	4.0	4.3	4.3	4.1	4.3	3.9	3.3	3.1	2.8
CFA franc zone	1.0	1.0	0.9	1.0	1.3	1.1	1.4	1.3	1.3	1.2	1.0
WAEMU	1.4	1.4	1.2	1.3	1.8	1.6	2.2	1.9	2.1	1.8	1.5
CEMAC	0.7	0.6	0.6	0.6	0.8	0.7	0.7	0.6	0.5	0.7	0.5
EAC-5	3.2	4.0	4.1	2.7	2.7	2.8	2.3	2.3	2.8	1.9	1.8
SADC	0.6	0.5	0.3	0.7	0.7	0.9	0.9	0.8	0.6	0.4	0.4
SACU	-0.1	0.0	-0.4	-0.1	0.0	-0.1	-0.2	-0.1	0.0	-0.2	-0.3
COMESA (SSA members)	3.8	3.8	3.7	3.9	3.9	3.7	3.8	4.0	3.1	2.8	2.4
MDRI countries	4.1	4.2	4.2	4.1	4.1	3.8	4.0	3.9	3.2	2.9	2.7
Countries with conventional exchange rate pegs	2.3	2.3	2.0	2.4	2.5	2.2	2.7	2.5	2.3	2.6	2.1
Countries without conventional exchange rate pegs	0.8	0.8	0.6	0.9	0.9	0.9	1.0	0.8	0.6	0.3	0.3

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.

² Fiscal year data.

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

REGIONAL ECONOMIC OUTLOOK: SUB-SAHARAN AFRICA

Table SA23. Real Effective Exchange Rates¹*(Annual average; index, 2000 = 100)*

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	130	112	124	133	134	147	145	149	153
Excluding Nigeria	136	122	127	137	143	154	166	157	161
Angola	179	138	153	182	200	221	249	235	248
Cameroon	110	110	107	109	110	113	116	109	109
Chad	119	114	120	125	114	123	134	124	116
Congo, Rep. of	118	116	115	117	119	125	129	125	124
Equatorial Guinea	154	144	147	150	157	170	176	178	188
Gabon	106	105	106	102	107	111	111	107	106
Nigeria	127	108	123	131	129	143	134	145	148
Middle-income countries²	101	106	107	104	99	91	96	108	106
Excluding South Africa	106	103	106	109	106	106	104	109	108
Botswana	99	109	104	99	90	90	101	109	109
Cape Verde	100	100	97	98	101	105	106	102	105
Ghana	109	100	109	114	114	108	100	106	101
Lesotho ³	93	94	97	95	93	85	90	103	103
Mauritius	87	91	86	82	83	92	91	93	98
Namibia	105	112	111	107	101	93	102	114	113
Senegal	107	107	104	103	108	113	110	103	104
Seychelles	82	94	92	88	71	65	61	64	59
South Africa	100	107	107	103	97	86	94	109	106
Swaziland	107	112	111	108	105	100	105	114	114
Zambia	149	106	130	171	157	181	155	164	164
Low-income and fragile countries	97	91	94	95	97	106	105	99	98
Low-income excluding fragile countries	95	89	92	93	96	105	104	97	96
Benin	119	118	118	118	119	124	123	115	114
Burkina Faso	112	111	111	110	109	119	122	112	114
Ethiopia ³	99	85	90	97	100	123	114	97	102
Gambia, The	56	51	54	54	59	62	57	55	51
Kenya	121	104	115	124	127	133	133	129	116
Madagascar	91	80	84	85	99	109	107	106	112
Malawi	71	72	73	71	69	71	78	73	72
Mali	110	107	109	108	109	116	117	111	111
Mozambique	84	84	84	83	82	91	85	72	86
Niger	111	109	112	108	108	119	122	114	114
Rwanda	77	70	75	79	79	83	94	87	84
Sierra Leone	72	69	69	72	73	78	79	76	77
Tanzania ³	69	72	70	66	65	69	72	68	64
Uganda ³	90	85	89	89	91	94	93	99	95
Fragile countries	103	102	100	99	105	109	112	107	108
Burundi	70	64	71	74	69	71	78	80	80
Central African Republic	112	108	107	112	113	122	124	118	116
Comoros	120	120	118	118	122	123	122	115	115
Congo, Dem. Rep. of	...	...	...	...	...	...	...	...	...
Côte d'Ivoire	117	116	116	115	117	122	122	115	117
Eritrea	107	83	103	115	113	121	164	182	186
Guinea	73	82	65	57	81	79	82	76	73
Guinea-Bissau	112	109	110	109	112	121	119	115	118
Liberia	82	81	81	82	80	84	89	89	84
São Tomé & Príncipe	94	88	93	93	93	105	117	114	128
Togo	112	111	112	110	111	117	117	110	111
Zimbabwe ⁴	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	108	103	108	109	108	109	112	116	116
<i>Median</i>	107	106	107	105	106	110	111	109	110
Excluding Nigeria and South Africa	107	100	104	107	109	116	118	114	113
Oil-importing countries	99	100	102	101	98	96	99	104	103
Excluding South Africa	99	94	97	99	100	106	105	102	101
CFA franc zone	115	113	113	113	114	121	123	116	116
WAEMU	113	112	112	111	112	119	119	112	113
CEMAC	116	114	114	115	116	122	126	121	120
EAC-5	92	86	91	92	93	97	99	97	91
SADC	102	104	105	104	101	96	103	112	111
SACU	100	107	107	103	97	87	94	109	106
COMESA (SSA members)	101	90	96	102	104	115	112	108	106
MDRI countries	98	92	95	97	98	106	104	99	99
Countries with conventional exchange rate pegs	113	112	112	112	113	118	121	116	117
Countries without conventional exchange rate pegs	106	101	107	109	107	108	110	116	116

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ An increase indicates appreciation.² Excluding fragile countries.³ Fiscal year data.⁴ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA24. Nominal Effective Exchange Rates¹*(Annual average; index, 2000 = 100)*

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	58	58	57	59	58	60	54	51	49
Excluding Nigeria	47	46	45	46	47	48	49	44	43
Angola	9	9	8	9	9	9	9	8	7
Cameroon	111	111	109	108	111	114	115	110	112
Chad	115	113	113	113	116	119	120	117	118
Congo, Rep. of	117	116	115	115	118	122	122	115	117
Equatorial Guinea	123	120	119	119	125	132	130	124	127
Gabon	109	108	108	108	110	112	111	107	108
Nigeria	68	68	67	69	66	69	58	57	54
Middle-income countries²	80	89	88	83	76	65	64	70	68
Excluding South Africa	69	75	73	71	66	62	55	56	53
Botswana	78	97	88	76	67	62	65	68	65
Cape Verde	109	109	107	107	108	110	110	107	108
Ghana	45	49	48	47	44	38	29	29	26
Lesotho ³	99	106	108	102	97	83	83	93	92
Mauritius	74	83	76	71	68	73	69	71	73
Namibia	86	94	94	89	82	72	75	83	81
Senegal	112	111	110	110	112	116	117	111	113
Seychelles	80	93	92	92	72	52	37	40	37
South Africa	84	94	93	88	79	66	67	76	73
Swaziland	91	99	97	93	88	80	81	86	85
Zambia	66	57	61	75	65	71	55	55	52
Low-income and fragile countries	79	83	81	78	78	77	72	66	60
Low-income excluding fragile countries	78	80	79	77	76	75	70	63	58
Benin	116	117	114	113	117	120	118	112	113
Burkina Faso	120	118	116	116	121	128	135	130	136
Ethiopia ³	79	85	83	82	76	68	59	48	39
Gambia, The	41	37	39	39	42	45	40	38	35
Kenya	93	88	91	96	98	94	89	87	77
Madagascar	59	64	57	54	58	62	56	52	52
Malawi	40	47	43	38	36	37	38	35	33
Mali	113	112	111	111	114	117	118	114	115
Mozambique	54	59	57	51	49	52	48	37	42
Niger	115	115	113	113	116	120	121	116	117
Rwanda	61	61	63	63	60	59	63	59	58
Sierra Leone	56	63	57	56	52	51	48	40	35
Tanzania ³	59	66	63	57	55	56	53	49	43
Uganda ³	82	84	84	81	82	81	72	67	57
Fragile countries	86	94	87	82	84	83	83	78	76
Burundi	56	57	58	61	55	49	51	51	49
Central African Republic	108	108	106	106	109	112	111	107	108
Comoros	115	114	112	113	117	121	121	116	119
Congo, Dem. Rep. of	...	...	...	...	...	...	...	...	...
Côte d'Ivoire	115	115	113	112	115	119	119	113	114
Eritrea	49	45	52	51	49	47	49	50	50
Guinea	40	67	42	28	33	29	29	24	20
Guinea-Bissau	117	116	116	115	118	120	120	116	116
Liberia	54	61	59	57	50	46	46	44	42
São Tomé & Príncipe	53	66	61	51	45	40	38	34	34
Togo	121	120	118	118	121	125	126	120	122
Zimbabwe ⁴	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	72	77	75	74	70	66	63	63	59
<i>Median</i>	85	93	92	88	81	72	70	73	73
Excluding Nigeria and South Africa	68	71	69	68	67	66	63	58	55
Oil-importing countries	80	87	85	81	76	69	67	68	64
Excluding South Africa	76	81	78	76	74	72	67	63	58
CFA franc zone	114	114	112	112	115	119	120	114	116
WAEMU	115	115	113	113	116	120	121	116	117
CEMAC	113	112	111	111	114	118	118	113	114
EAC-5	76	77	78	76	76	75	71	67	59
SADC	66	73	71	68	62	56	56	58	56
SACU	84	94	93	87	79	66	67	76	73
COMESA (SSA members)	75	77	77	77	75	72	66	61	54
MDRI countries	76	79	78	76	74	73	67	62	58
Countries with conventional exchange rate pegs	110	110	109	108	111	113	113	110	111
Countries without conventional exchange rate pegs	66	71	69	68	64	59	55	56	52

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ An increase indicates appreciation.² Excluding fragile countries.³ Fiscal year data.⁴ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	15.6	38.8	20.3	6.8	6.6	5.3	6.1	5.4	4.8
Excluding Nigeria	20.3	39.5	26.2	14.3	12.4	9.4	10.7	9.1	7.9
Angola	15.0	36.2	16.5	8.7	7.1	6.9	8.2	8.7	6.4
Cameroon	18.0	40.4	33.4	5.6	5.3	5.1	5.5	6.5	6.8
Chad	27.0	34.2	27.6	28.6	25.1	19.4	24.1	24.9	25.0
Congo, Rep. of	57.2	77.3	64.0	46.6	55.4	42.5	39.1	8.7	10.3
Equatorial Guinea	2.5	6.1	3.0	1.6	1.1	0.6	5.0	4.9	6.6
Gabon	31.0	48.9	38.6	32.3	26.5	8.9	11.0	10.6	8.7
Nigeria	12.3	38.4	16.4	2.1	2.4	2.2	2.3	2.6	2.4
Middle-income countries¹	5.6	9.0	7.1	3.7	4.0	4.2	5.2	5.0	5.1
Excluding South Africa	19.4	36.1	27.5	10.3	12.0	11.3	16.7	16.1	15.8
Botswana	3.2	4.6	3.8	3.1	2.6	2.1	12.1	13.1	10.4
Cape Verde	49.8	58.6	50.8	52.3	47.2	40.3	47.3	50.0	52.2
Ghana	24.0	44.3	36.5	10.7	14.5	14.1	19.4	19.4	19.3
Lesotho ²	47.9	56.6	51.1	52.0	40.2	39.7	40.1	32.8	32.8
Mauritius	7.7	13.1	7.3	6.8	6.0	5.5	7.4	8.3	8.6
Namibia	4.7	5.1	4.4	4.5	5.1	4.3	4.8	4.3	6.7
Senegal	28.4	46.3	40.2	18.5	19.0	18.1	26.7	25.8	24.6
Seychelles	29.0	32.4	34.6	21.8	24.6	31.4	30.0	24.9	24.5
South Africa	2.0	2.3	2.0	1.9	1.8	1.9	1.8	2.0	2.0
Swaziland	...	...	...	...	...	...	...	...	...
Zambia	39.2	114.4	57.5	5.0	10.3	8.6	12.3	10.8	11.4
Low-income and fragile countries	52.2	72.6	63.9	51.6	38.4	34.5	32.4	27.5	27.8
Low-income excluding fragile countries	36.2	58.7	49.8	33.5	19.7	19.5	20.6	23.0	24.1
Benin	22.2	33.8	37.3	11.6	12.7	15.6	16.2	17.9	17.0
Burkina Faso	28.3	43.5	38.7	20.0	19.7	19.7	23.1	24.0	24.9
Ethiopia ²	36.3	71.6	48.1	39.6	11.8	10.4	13.5	18.1	18.9
Gambia, The	83.8	113.7	110.5	115.7	41.8	37.2	40.4	39.1	39.5
Kenya	27.1	35.5	28.3	25.0	21.5	25.3	23.9	26.6	28.9
Madagascar	44.6	78.4	66.5	28.8	26.0	23.4	29.4	28.6	28.0
Malawi	53.8	112.6	107.2	16.9	15.8	16.6	15.9	16.0	16.0
Mali	30.8	48.4	48.3	19.9	18.7	18.9	20.7	28.4	25.6
Mozambique	54.2	77.5	70.7	45.5	40.8	36.6	35.8	36.1	29.2
Niger	31.2	58.9	51.6	15.8	15.9	13.9	15.7	16.4	18.9
Rwanda	36.8	80.2	58.3	15.6	15.3	14.4	14.1	13.9	15.2
Sierra Leone	95.6	160.7	144.6	109.9	31.8	31.2	37.3	41.1	40.9
Tanzania ²	39.7	56.3	50.8	48.3	21.4	21.9	24.1	25.8	29.2
Uganda ²	34.7	56.3	47.9	44.8	12.3	12.4	12.8	13.6	16.9
Fragile countries	94.0	107.5	102.4	99.6	88.0	72.6	63.8	35.5	34.5
Burundi	121.0	151.0	130.4	118.5	111.2	93.7	20.7	22.5	21.2
Central African Republic	66.0	80.7	75.3	70.1	54.6	49.5	15.4	16.5	18.9
Comoros	73.0	80.6	70.6	70.1	75.0	68.5	50.3	47.3	43.2
Congo, Dem. Rep. of	139.7	167.9	156.8	134.2	125.7	114.2	117.2	27.7	24.7
Côte d'Ivoire	54.7	61.8	55.4	59.2	53.7	43.6	40.6	39.0	41.6
Eritrea	58.9	54.0	62.5	58.0	58.0	61.9	49.1	45.8	35.8
Guinea	91.3	89.7	110.1	109.8	78.0	68.6	65.0	65.1	61.4
Guinea-Bissau	164.6	195.4	179.2	176.8	149.0	122.7	127.8	19.0	17.9
Liberia	715.4	969.6	854.5	782.8	593.8	376.1	190.8	11.6	11.1
São Tomé & Príncipe	194.7	287.2	256.6	266.0	103.8	60.0	33.6	81.5	74.4
Togo	79.6	93.1	76.9	85.4	86.5	56.0	55.1	17.1	16.4
Zimbabwe ³	76.2	68.1	64.3	71.4	78.4	99.1	90.7	69.2	57.1
Sub-Saharan Africa	18.4	31.0	23.0	14.6	12.1	11.2	12.1	10.0	9.7
<i>Median</i>	37.7	58.6	51.1	32.3	24.6	21.9	23.9	19.4	19.3
Excluding Nigeria and South Africa	35.5	55.8	45.2	31.0	24.4	20.9	22.6	19.2	18.5
Oil-importing countries	20.1	28.1	24.1	18.4	15.1	15.0	15.3	12.3	12.3
Excluding South Africa	41.8	61.1	52.4	38.2	30.0	27.2	28.0	23.9	24.0
CFA franc zone	33.3	49.3	41.9	28.4	26.4	20.7	22.5	18.8	18.6
WAEMU	41.3	55.4	50.3	36.9	34.5	29.4	30.7	28.3	28.5
CEMAC	25.6	42.4	33.5	20.3	18.9	13.0	13.8	9.7	9.9
EAC-5	35.0	51.2	43.1	36.9	21.2	22.4	20.8	22.6	25.4
SADC	11.9	17.4	14.0	10.2	8.8	9.1	10.0	7.3	6.9
SACU	2.4	2.8	2.4	2.3	2.1	2.1	2.5	2.6	2.6
COMESA (SSA members)	45.1	70.6	56.4	40.0	30.1	28.5	28.4	22.3	22.6
MDRI countries	44.4	71.5	60.0	37.3	28.4	24.8	25.3	19.3	19.6
Countries with conventional exchange rate pegs	32.3	46.7	40.0	28.0	26.0	20.7	22.4	18.9	18.7
Countries without conventional exchange rate pegs	15.0	27.2	19.0	11.4	8.9	8.6	9.5	7.9	7.6

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA26. Terms of Trade on Goods
(Index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	130	103	124	133	135	153	123	138	154	165	162
Excluding Nigeria	127	96	121	130	133	156	118	137	160	176	171
Angola	141	98	130	147	149	182	130	156	188	212	203
Cameroon	110	88	106	119	118	119	101	117	130	125	127
Chad	151	101	137	147	160	208	163	204	262	282	268
Congo, Rep. of	110	106	117	108	116	105	101	120	119	120	129
Equatorial Guinea	138	115	144	129	126	175	139	127	142	173	169
Gabon	130	95	117	132	141	166	121	140	162	175	169
Nigeria	131	108	126	134	136	151	126	139	151	158	155
Middle-income countries¹	115	107	110	117	120	123	126	134	135	130	127
Excluding South Africa	113	105	107	116	117	120	107	112	110	105	102
Botswana	99	100	100	100	99	99	91	94	86	86	87
Cape Verde	117	110	126	131	79	141	118	124	133	123	125
Ghana	118	115	121	116	119	119	99	96	100	88	81
Lesotho ²	64	73	62	65	61	60	50	50	55	53	54
Mauritius	106	106	104	102	112	104	104	100	96	90	88
Namibia	105	96	104	109	111	105	94	95	97	91	92
Senegal	107	100	98	106	98	133	125	127	114	121	119
Seychelles	82	94	85	80	78	73	81	74	70	70	71
South Africa	116	108	111	118	121	124	132	141	143	139	136
Swaziland	83	100	89	76	74	75	91	81	67	74	73
Zambia	182	127	140	215	228	200	167	227	235	228	225
Low-income and fragile countries	96	95	89	94	99	101	99	108	123	115	114
Low-income excluding fragile countries	80	80	75	77	83	85	83	91	98	91	90
Benin	157	116	98	160	215	195	293	410	471	363	399
Burkina Faso	63	70	59	56	62	70	57	44	46	51	50
Ethiopia ²	45	45	43	44	46	49	36	49	71	58	50
Gambia, The	103	141	97	112	90	75	76	67	59	59	66
Kenya	84	87	84	87	84	78	96	101	101	82	81
Madagascar	142	102	105	108	191	205	153	144	142	141	142
Malawi	36	47	37	33	31	31	38	41	41	33	32
Mali	115	118	142	127	98	91	87	63	54	64	70
Mozambique	76	85	70	77	77	72	72	82	96	109	120
Niger	121	102	106	107	131	161	158	146	161	181	174
Rwanda	101	87	94	99	120	105	109	118	133	123	124
Sierra Leone	104	104	109	103	102	101	98	105	101	92	89
Tanzania ²	54	60	54	49	53	56	63	68	70	71	72
Uganda ²	76	72	65	73	77	94	88	98	94	94	97
Fragile countries	140	138	126	143	148	147	148	157	202	200	202
Burundi	97	98	123	100	82	83	77	81	103	86	86
Central African Republic	60	68	67	63	58	46	65	61	59	58	60
Comoros	106	195	102	96	78	59	91	96	91	89	95
Congo, Dem. Rep. of	622	511	422	654	816	708	570	694	610	579	582
Côte d'Ivoire	92	94	85	90	92	100	111	110	109	102	102
Eritrea	58	62	87	66	46	29	23	24	202	319	321
Guinea	88	91	85	97	86	79	80	91	76	83	85
Guinea-Bissau	82	104	94	67	79	66	66	79	103	84	84
Liberia	...	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	63	63	70	67	58	55	67	69	62	67	67
Togo	69	83	75	58	60	70	69	66	67	68	68
Zimbabwe ³	...	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	116	104	110	117	120	129	122	132	142	142	139
<i>Median</i>	99	99	99	101	95	100	95	97	101	91	94
Excluding Nigeria and South Africa	109	98	103	109	113	122	110	121	134	134	131
Oil-importing countries	109	103	103	109	113	115	117	125	131	125	123
Excluding South Africa	101	98	94	100	105	107	102	110	119	112	110
CFA franc zone	109	96	104	108	111	124	118	122	128	134	135
WAEMU	100	97	92	97	100	112	116	112	110	112	113
CEMAC	115	93	113	117	119	133	112	124	138	146	147
EAC-5	73	75	71	71	73	75	83	89	91	82	83
SADC	120	109	112	121	126	132	130	142	148	148	145
SACU	114	107	110	116	119	121	128	136	137	133	130
COMESA (SSA members)	115	107	103	116	125	123	113	131	155	139	134
MDRI countries	107	99	99	107	114	117	106	118	126	120	118
Countries with conventional exchange rate pegs	106	96	103	106	108	119	113	116	133	139	140
Countries without conventional exchange rate pegs	118	105	112	119	123	131	123	136	144	143	139

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.

² Fiscal year data.

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

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	7.3	4.6	6.8	8.3	7.2	9.7	6.1	5.0	5.0	6.1	7.2
Excluding Nigeria	3.7	1.7	2.9	4.4	4.0	5.8	5.0	4.8	5.5	7.1	8.9
Angola	3.1	1.1	2.4	3.9	3.1	5.1	4.6	5.2	6.3	8.4	10.7
Cameroon	3.7	2.3	2.3	3.4	4.4	5.9	6.8	5.7	4.7	3.6	2.9
Chad	2.2	1.1	0.8	2.2	2.9	4.1	1.6	1.2	2.1	3.6	8.4
Congo, Rep. of	4.4	0.5	2.3	4.9	4.7	9.6	6.9	6.5	7.6	12.2	15.8
Equatorial Guinea	7.2	3.2	7.9	9.7	7.9	7.2	4.7	3.1	3.7	3.9	3.8
Gabon	3.5	2.2	2.8	3.8	3.6	5.5	5.0	3.6	4.1	5.2	6.4
Nigeria	9.8	6.4	9.4	10.8	9.5	12.7	7.0	5.1	4.5	5.4	5.8
Middle-income countries¹	3.7	3.0	3.3	3.4	3.9	5.0	4.5	3.9	4.4	4.1	4.2
Excluding South Africa	5.8	5.8	5.7	5.4	5.7	6.2	5.3	4.4	4.7	4.5	4.6
Botswana	21.4	19.0	21.9	21.9	22.7	21.9	17.7	12.8	14.6	14.7	15.2
Cape Verde	3.1	2.6	2.6	2.9	3.6	4.0	4.3	3.4	3.0	3.1	3.2
Ghana	2.9	2.9	2.5	2.5	2.5	3.8	1.8	2.2	2.3	2.4	2.6
Lesotho ²	4.6	3.6	3.7	4.1	5.9	5.7	4.7	3.3	2.5	3.1	3.7
Mauritius	3.7	4.7	3.4	2.9	3.4	4.1	4.3	4.0	4.0	3.4	3.4
Namibia	2.0	1.5	1.3	1.5	2.4	3.2	4.2	2.7	2.8	3.0	2.8
Senegal	3.5	4.4	3.5	3.0	2.8	3.6	4.8	4.1	3.8	3.6	3.1
Seychelles	0.7	0.5	0.7	1.2	0.4	0.7	2.0	2.2	2.4	2.6	2.9
South Africa	3.4	2.3	2.6	2.8	3.3	4.6	4.2	3.8	4.3	4.0	4.0
Swaziland	2.5	1.7	1.3	1.8	4.2	3.8	4.4	3.3	2.8	2.5	1.5
Zambia	2.2	1.5	2.1	1.9	2.4	3.2	4.0	3.3	3.3	3.5	3.7
Low-income and fragile countries	3.4	3.9	3.2	3.2	3.3	3.2	3.9	3.6	3.5	3.5	3.6
Low-income excluding fragile countries	4.0	4.8	3.9	3.7	3.8	3.6	4.2	3.9	3.7	3.7	3.7
Benin	7.0	7.5	6.9	6.1	7.0	7.6	7.7	6.8	5.7	5.2	4.8
Burkina Faso	4.9	5.7	3.6	4.0	5.6	5.7	6.4	5.1	4.7	4.7	4.6
Ethiopia ²	2.2	4.1	2.3	1.7	1.9	1.1	2.2	2.5	2.8	2.6	2.5
Gambia, The	3.9	3.2	3.8	4.3	4.5	3.7	6.6	5.7	5.7	6.0	5.7
Kenya	2.9	2.7	2.6	2.9	3.2	3.0	3.4	3.2	3.1	3.6	3.9
Madagascar	2.5	2.9	2.5	2.0	2.1	3.0	4.2	3.9	4.2	3.9	3.6
Malawi	1.3	1.2	1.4	1.1	1.2	1.5	0.8	1.7	1.3	1.2	1.1
Mali	4.6	5.6	4.8	4.6	3.5	4.6	5.1	4.2	3.8	3.7	3.7
Mozambique	4.0	4.7	3.7	3.8	3.8	4.2	5.4	4.6	4.9	4.8	4.9
Niger	3.2	2.9	2.8	3.5	3.6	3.3	2.9	2.7	2.2	2.6	2.8
Rwanda	5.4	5.9	6.2	5.6	4.7	4.7	5.4	4.5	5.4	5.2	5.2
Sierra Leone	4.3	3.3	4.5	4.6	4.4	4.6	4.9	2.8	3.3	3.1	3.2
Tanzania ²	5.2	7.2	5.3	4.8	4.6	4.4	5.0	4.7	3.5	3.4	3.4
Uganda ²	6.3	7.1	6.0	6.5	6.6	5.1	6.3	4.8	4.3	4.5	4.5
Fragile countries	1.9	2.1	1.7	1.8	2.0	2.2	3.1	3.1	3.1	3.1	3.2
Burundi	3.0	2.1	2.0	3.4	3.5	4.2	4.9	4.7	4.0	4.3	4.6
Central African Republic	4.2	6.3	5.2	3.8	2.1	3.4	5.2	4.7	4.0	4.4	4.6
Comoros	6.4	9.0	6.6	5.8	5.5	5.3	6.6	5.6	6.2	5.9	5.8
Congo, Dem. Rep. of	0.4	0.9	0.4	0.3	0.2	0.1	1.2	1.3	1.3	1.4	1.6
Côte d'Ivoire	2.8	2.8	2.2	2.6	3.1	3.1	3.9	4.6	4.6	4.7	4.9
Eritrea	1.0	0.7	0.7	0.8	1.1	1.6	2.2	2.3	2.6	4.2	5.1
Guinea	0.9	1.3	0.9	0.8	0.7	1.0	2.7	1.9	2.8	2.1	2.0
Guinea-Bissau	5.3	5.6	5.5	4.6	5.3	5.6	7.6	5.5	8.5	8.5	8.5
Liberia	0.5	0.2	0.2	0.5	0.7	1.2	2.4	2.5	2.4	2.2	2.6
São Tomé & Príncipe	4.7	3.9	3.6	4.9	4.1	7.1	6.0	3.9	4.0	4.9	4.5
Togo	3.2	3.5	1.9	3.1	3.2	4.2	4.9	4.3	4.5	4.8	4.6
Zimbabwe ³	0.5	0.5	0.5	0.6	0.5	0.2	0.8	0.4	0.4	0.5	0.4
Sub-Saharan Africa	4.9	3.6	4.3	5.0	4.9	6.5	4.9	4.2	4.4	4.8	5.1
<i>Median</i>	3.3	2.9	2.6	3.4	3.5	4.2	4.7	3.9	3.9	3.8	3.9
Excluding Nigeria and South Africa	4.1	3.9	3.7	4.0	4.1	4.8	4.6	4.2	4.4	5.0	5.6
Oil-importing countries	3.6	3.3	3.2	3.3	3.7	4.4	4.3	3.8	4.1	3.9	4.0
Excluding South Africa	4.1	4.5	4.0	3.9	4.1	4.2	4.3	3.9	3.9	3.8	3.9
CFA franc zone	4.1	3.3	3.3	4.1	4.3	5.4	5.2	4.5	4.5	4.9	5.4
WAEMU	5.4	5.5	5.4	5.2	5.3	5.7	6.2	6.3	6.2	6.0	6.1
CEMAC	4.3	2.2	3.3	4.7	4.8	6.4	5.5	4.4	4.6	5.4	6.5
EAC-5	4.4	5.1	4.3	4.3	4.3	4.0	4.6	4.1	3.7	3.9	4.0
SADC	3.6	3.0	3.2	3.4	3.7	4.9	4.5	4.1	4.7	4.9	5.3
SACU	3.8	3.0	3.3	3.5	4.1	5.3	4.7	4.1	4.7	4.4	4.4
COMESA (SSA members)	2.7	3.1	2.6	2.5	2.8	2.6	3.3	3.1	3.0	3.1	3.2
MDRI countries	3.6	4.0	3.3	3.3	3.5	4.1	4.3	3.9	3.7	3.8	3.9
Countries with conventional exchange rate pegs	3.9	3.1	3.1	3.8	4.2	5.2	5.1	4.3	4.3	4.6	5.1
Countries without conventional exchange rate pegs	5.0	3.8	4.5	5.2	5.0	6.7	4.9	4.2	4.4	4.8	5.1

Sources: IMF, African Department database, April 20, 2012; and IMF, World Economic Outlook (WEO) database, April 20, 2012.

¹ Excluding fragile countries.² Fiscal year data.³ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

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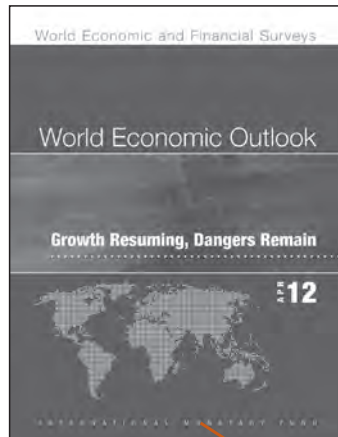
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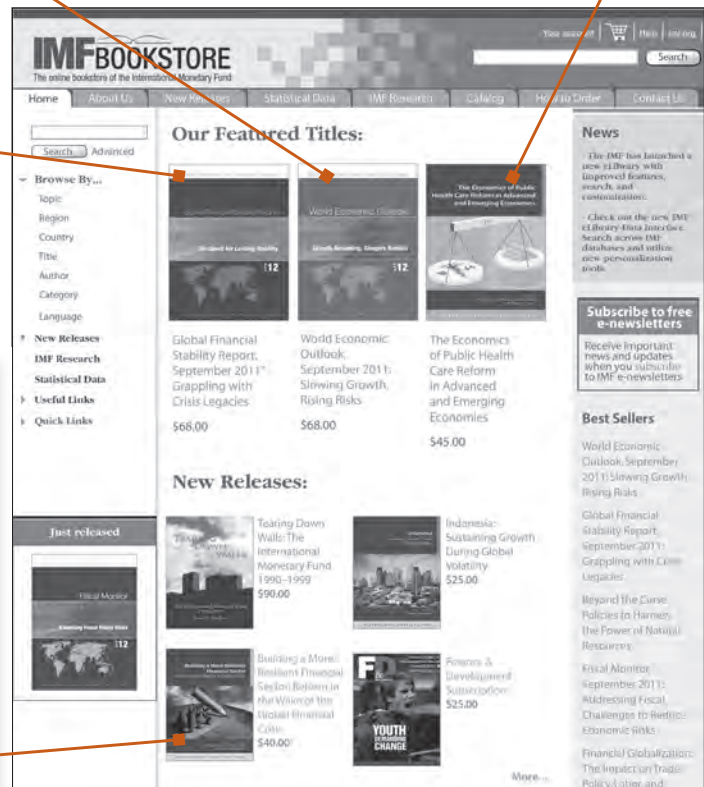
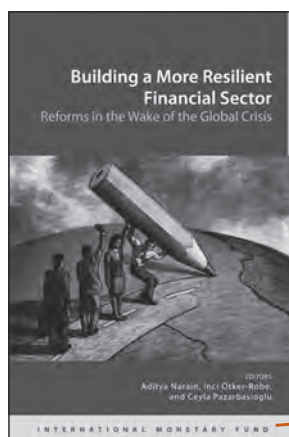


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