World Economic and Financial Surveys

Regional Economic Outlook

Sub-Saharan Africa

Resilience and Risks

OCT 10

INTERNATIONAL MONETARY FUND

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Cataloging-in-Publication Data

Regional economic outlook : Sub-Saharan Africa : resilience and risks. -- Washington, D.C. :
International Monetary Fund, 2010. – (World economic and financial surveys, 0258-7440)
p. ; cm.

"Oct. 10."
Includes bibliographical references.
ISBN 978-1-58906-949-7

1. Economic forecasting – Africa, Sub-Saharan. 2. Africa, Sub-Saharan – Economic conditions. 3. Monetary policy – Africa, Sub-Saharan. 4. Africa, West – Economic conditions. 5. Fiscal policy – Africa, West. I. International Monetary Fund. II. Series: World economic and financial surveys.

HC800 .R445 2010

Please send orders to:
International Monetary Fund, Publication Services
PO Box 92780, Washington, DC 20090, U.S.A.
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E-mail: publications@imf.org
Internet: www.imfbookstore.org

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Abbreviations

CEMAC	Central African Economic and Monetary Union
CFA	Currency zone of CEMAC and WAEMU
CPI	Consumer price index
EMBI	Emerging Market Bond Index
FDI	Foreign direct investment
G-7	Group of seven industrialized nations
GDP	Gross domestic product
HIPC	Heavily Indebted Poor Countries
LIC	Low-income countries
MDRI	Multilateral Debt Relief Initiative
NPLs	Nonperforming loans
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of the Petroleum Exporting Countries
PFM	Public Financial Management
PPP	Public-private partnerships
REER	Real effective exchange rate
REO	Regional Economic Outlook
SSA	Sub-Saharan Africa
TFP	Total factor productivity
VAR	Vector autoregression
WAEMU	West African Economic and Monetary Union
WEO	*World Economic Outlook*

The following conventions are used in this publication:

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

Preface

This October 2010 issue of the *Regional Economic Outlook*: *Sub-Saharan Africa* (REO) was prepared by a team led by Abebe Aemro Selassie under the direction of Saul Lizondo. The team included Valerie Cerra, Norbert Funke, Cheikh Gueye, Duval Guimarães, Robert Keyfitz, Tidiane Kinda, Alexis Meyer-Cirkel, Montfort Mlachila, Alun Thomas, Taufik Rajih, Gustavo Ramirez, Jon Shields, Amadou Sy, and Irene Yackovlev. Specific contributions were made by Calixte Ahokpossi, Alfredo Baldini, Jeromir Benes, Andrew Berg, Mai C.Dao, Vivien Foster (World Bank), Alexei Kireyev, Rainer Köhler, Rafael Portillo, Rupa Ranganathan (World Bank), and Cemile Sancak; with editorial assistance from Jenny Kletzin DiBiase. Production was by Natasha Minges, and the editing and production was overseen by Joanne Blake and Martha Bonilla of the External Relations Department.

Main Findings

Resilience through the global recession; economic recovery proceeding apace; some downside risks

- Economic activity in sub-Saharan Africa is projected to expand by 5 percent in 2010 and 5½ percent in 2011. Should this prevail, economic growth in most countries in the region would have effectively bounced back to close to the high levels registered in the mid-2000s.
- The region's resilience through the global financial crisis owes much to sound economic policy implementation. Before the 2007–09 global shocks, most of the region's economies were in good shape: steady growth, low inflation, sustainable fiscal balances, rising foreign exchange reserves, and declining government debt. When the shocks hit, countries were able to use fiscal and monetary policies nimbly to dampen the adverse effects of the sudden shifts in world trade, prices, and financial flows.
- Growth in 2010 and 2011 is expected to be broad based. Domestic demand is expected to remain strong on the basis of rising real incomes and sustained private and public investment. In addition, exports are expected to benefit from the increased reorientation of trade toward fast-growing markets in Asia.
- Nevertheless, the legacy of the global financial crisis is evident in macroeconomic indicators. Unemployment has risen substantially in countries with more developed manufacturing sectors. Fiscal balances have deteriorated, particularly in middle-income countries and oil exporters. Exports have also not yet climbed back to precrisis levels. Credit growth remains subdued.
- Risks remain weighted on the downside. Globally, the recovery in advanced countries still looks shaky and financing flows could be jeopardized by fiscal retrenchment in these countries. Domestically, the busy election calendar (elections are scheduled in 17 countries) could delay required reforms.

Policies to sustain the recovery

- A shift in the emphasis of fiscal policy from near-term output stabilization towards medium-term financial and debt sustainability considerations is increasingly necessary in many countries. With growth in most countries in the region now reverting to close to potential, even where fiscal deficits have risen primarily because of automatic stabilizers, spending and revenue trajectories should now be determined by medium-term fiscal objectives. Continued fiscal support is likely warranted only in a handful of economies where growth is set to remain below potential and which do not face debt sustainability risks.
- Monetary policy can more readily remain in wait-and-see mode. As in the case of fiscal policy, national authorities have made adroit use of monetary instruments in recent years, including drawing on foreign reserve buffers, in the case of fixed exchange rates, or allowing flexibility, in the case of floating rates, to offset the impact of external shocks. These have proved more effective than previously assumed in influencing domestic monetary conditions. As long as inflationary pressures and credit growth stay low, there is little urgency to reverse interest rate cuts.
- Over the long term, improving public services and infrastructure, strengthening financial systems, and maintaining an open business climate should remain paramount policy objectives. In the first regional case study to be published in this series of Regional Economics Outlooks, the relatively slow growth of countries in the West African Economic and Monetary Union over the last 15 years is seen to be associated with somewhat weaker policy environments and recurrent political instability. More robust fiscal frameworks can help to maintain macroeconomic stability while directing resources toward priority spending needs.

1. Resilience and Risks

Introduction

Sub-Saharan Africa's recovery from the global financial crisis is proceeding apace. Following a sharp drop in the growth rate to 2½ percent in 2009, the region's economy is set to expand by almost 5 percent this year and a higher still 5½ percent in 2011. If these projections prevail, economic growth in most countries in the region will have effectively bounced back to the high levels registered in the mid-2000s. The overall picture, therefore, is one of resilience in the face of one of the most wrenching periods for the global economy.

But this picture is not without blemishes. First, the economic slowdown in 2009 has exacted a heavy toll. Most significantly, progress toward the Millennium Development Goals (MDGs) has likely been delayed as a result of falling incomes and increasing unemployment. And with limited formal safety nets in place to help those affected, the implications for human suffering have been dire. Second, should global economic growth fail to hit the 4–4½ percent rate currently being projected for 2011 and beyond, the prospects for sub-Saharan Africa would also be more circumspect. So while growth is set to recover in the region, the slowdown has been costly, and future recovery will be fairly contingent on the health of the global economy.

The rest of this chapter aims to provide a detailed picture of recent developments and prospects by addressing three questions:

- What are the prospects for a sustained recovery in sub-Saharan Africa?
- What explains sub-Saharan Africa's resilience?
- What has been the legacy of the global financial crisis and what are the policy priorities now?

This overview chapter is complemented by two analytical chapters:

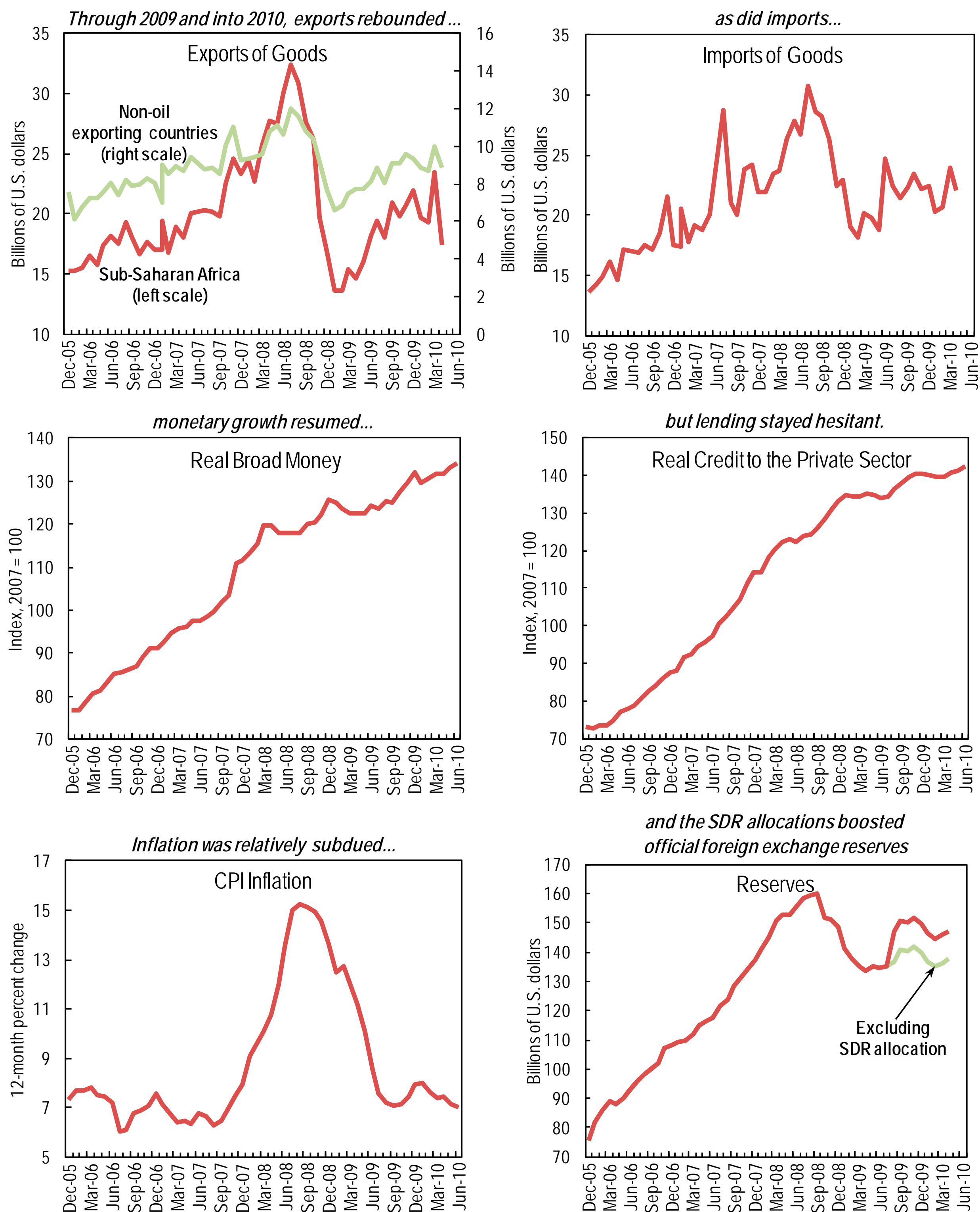
- *Monetary Policy Effectiveness in sub-Saharan Africa*. A central argument in previous editions of this publication has been the countercyclical manner in which fiscal and monetary policies were conducted in most countries in the region during the global financial crisis. The last *Regional Economic Outlook* looked closely at fiscal policy; this time, the focus is on the role of monetary policy.
- *The Quest for Higher Growth in the West African Economic and Monetary Union (WAEMU) and Implications for Fiscal Policy*. Long-term growth in the WAEMU region has been lower than in sub-Saharan Africa's top performers. This chapter considers what may be needed to increase trend growth in the region and the fiscal policy implications.

What Are the Prospects for a Sustained Recovery in Sub-Saharan Africa?

The high frequency indicators available for countries in the region all point to a stalling or marked drop in economic activity from late 2008 through early 2009 and a sustained recovery since then. This is perhaps most evident in trade data—the main channel through which the global recession affected sub-Saharan Africa (Figure 1.1). After peaking in July 2008, export proceeds fell by more than 50 percent through February 2009 as both prices and volumes plummeted. Imports fell in tandem with exports. This pattern tracked closely the experience of other regions in the world. It is important to note,

This chapter was prepared by Abebe Aemro Selassie, Jon Shields, and Alexis Meyer-Cirkel; research assistance was provided by Gustavo Ramirez and Duval Guimarães.

Figure 1.1. Sub-Saharan Africa: Macroeconomic Indicators



Sources: IMF, *Direction of Trade Statistics*; and IMF, *International Financial Statistics*.

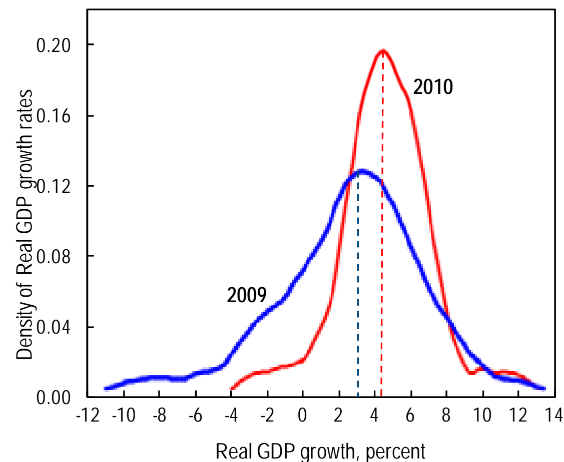
Note: Country coverage is limited by availability of monthly data. For example, the figure on CPI inflation covers from 33 to 42 countries, depending on the time period; for the reserves data, only 31 countries are used throughout, covering approximately 95 percent of 2009 sub-Saharan African reserves.

however, that although exports have been increasing fairly rapidly since mid-2009, in both sub-Saharan Africa and the world, as of April 2010, they both remained well below their precrisis peak. The behavior of other economic and financial indicators in sub-Saharan Africa, such as broad monetary aggregates and credit to the private sector, are also consistent with a sharp but fairly short-lived retrenchment in activity from late 2008 through early 2009.

The recovery looks fairly broad-based.

- All four country groupings that this publication considers (oil-exporting, middle-income, fragile, and other low-income countries) are expected to see an expansion in output of 3 percent or more in 2010. The grouping that was hit hardest by the crisis, the middle-income countries, after contracting by about 1¾ percent in 2009, is set to expand by 3¼ percent in 2010. The region's 29 low-income countries have fared better during the global recession. While growth decelerated from 6¼ percent during 2004–08 to 4¾ percent in 2009, this was still a high rate by historic standards, particularly in the context of the deepest global recession in several decades.
- Within each of these groupings, the dispersion of output growth rates among countries is also expected to narrow substantially in 2010 (Figure 1.2). Only Madagascar, still in the grips of heightened political uncertainty, is expected to experience a contraction in economic activity this year.
- In geographic terms, it was the southern part of the continent that was hit hardest by the global recession—with output in Botswana, Namibia, and South Africa, contracting in 2009 and barely expanding in Lesotho and Swaziland. The subregion's slump reflected the heavy toll the crisis exacted on the demand for minerals and precious stones, and in the case of South Africa its strong links to the global economy, particularly in exports sensitive to credit conditions in advanced countries (finished goods, inputs for manufactured products, and so forth). But activity in all countries in the subregion is expected to rebound in 2010 because of the resurgence of mining output and demand for consumer and capital goods.

Figure 1.2. Sub-Saharan Africa: Distribution of GDP Growth in 2009 and 2010



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

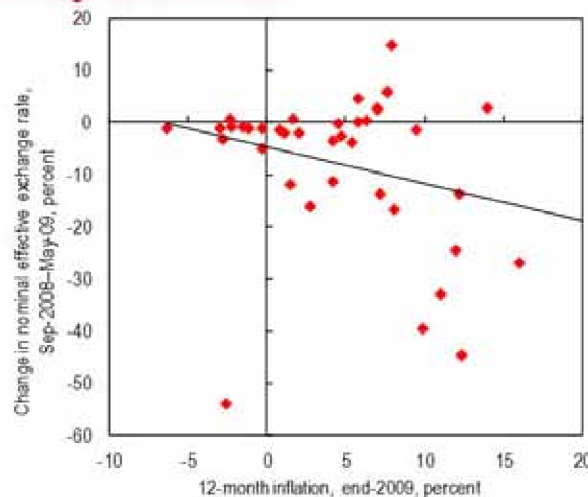
Although the pattern varies, inflation in most countries decelerated markedly through 2009 and is set to remain subdued in 2010. For the region as a whole, the 12-month inflation rate ended in 2009 below 8 percent, compared with more than 13 percent a year earlier in the wake of the spike in food and fuel prices. Inflation in 2009 remained highest in those countries where effective exchange rates depreciated most significantly in the wake of financial turmoil in late 2008 (Figure 1.3). But even in these countries inflation remains on a downward trend. By the end of 2010, only 6 countries (mostly fragile states) are projected to have double-digit inflation compared with 27 countries at end-2008.

As elsewhere, fiscal deficits in most sub-Saharan African countries are set to remain elevated in 2010, after having increased in 2009. The overall fiscal balance for the region, on average, deteriorated by some 6½ percentage points of GDP between 2008 and 2009. But mainly, it was the middle-income and oil-exporting countries, with more financing room, that experienced the largest deteriorations in their fiscal balances in 2009 (as implied by movement to below the 45° line in Figure 1.4a).

Both a decline in revenues (as activity slowed and commodity prices fell) and increases in spending (particularly discretionary spending increases in the middle-income and oil-exporting groupings) contributed to increases in fiscal deficits. In 2010, while the average fiscal deficits of oil exporters are expected to more than halve from 7½ percent to 3½ percent of GDP (Figure 1.4b), because of higher oil prices, other country groupings will show more modest changes. For the region as a whole, an average deficit of about 4½ percent of GDP for the general government balance is expected in 2010, compared with 5 ¾ percent in 2009.

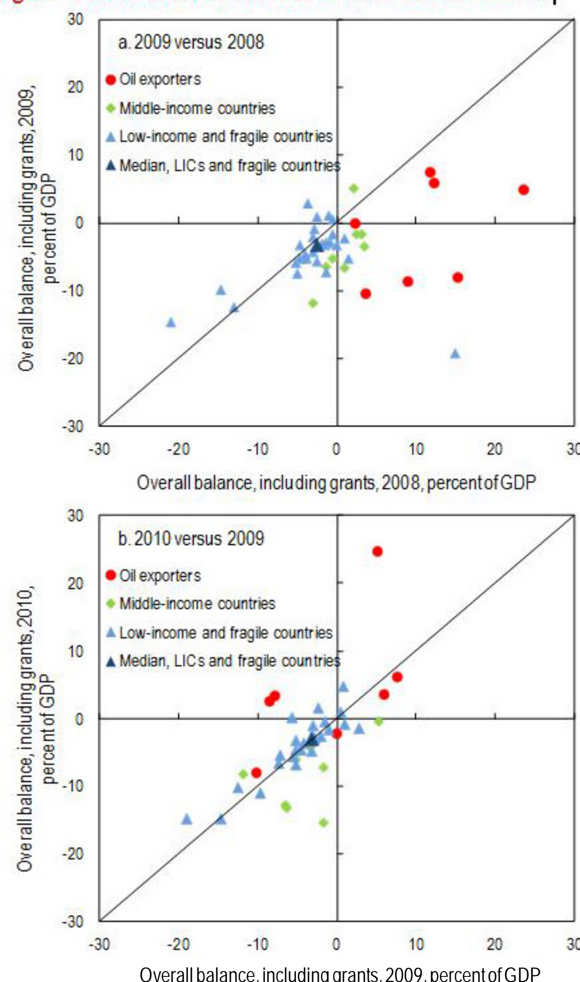
The external accounts of most countries are expected to remain fairly steady in 2010. Oil exporters generally experienced sharp deteriorations in their external balances relative to (declining) GDP in 2009 because of lower oil prices; but only a partial rebound is expected this year. In other country groupings, trade balances have been less affected by the global financial crisis because fluctuations in the value of imports have tended to offset a major part of the changes in exports. External reserve positions, after deteriorating in the early months of the global financial crisis as several countries sought to support their exchange rates, and subsequently receiving a boost of nearly US$12 billion from SDR allocations in August/September 2009, have since remained fairly stable.

Figure 1.3. Sub-Saharan Africa: Nominal Effective Exchange Rate and Inflation



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

Figure 1.4. Sub-Saharan Africa: Overall Fiscal Balance



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

Financial sectors in most countries have also proved fairly resilient. This reflects, on the one hand, the relatively subdued impact of the crisis on output compared with other regions and, on the other, the limited exposure of banks to the market and liquidity risk that took a toll in many advanced countries. In most countries in sub-Saharan Africa, balance sheet structures are simpler than in advanced countries, being concentrated on the asset side on traditional lending and holding of government securities. On the funding side, banks in the region rely on retail deposits, which tend to be a more stable source of funding.[1] Nonetheless, localized difficulties were experienced in a number of countries (for example, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Ghana, Nigeria). These largely reflected preexisting weaknesses, exacerbated in some countries by the economic downturn.

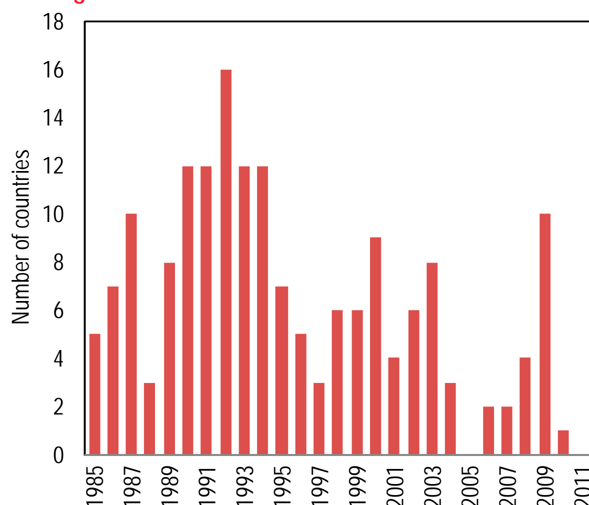
Outlook for 2011 and Beyond

The prospects for the region are promising. With the expansion in global output set to continue, IMF country teams are projecting that, barring shocks, most countries will grow faster in 2011 than in 2010: for the median country, growth is set to increase by more than ½ a percentage point between the two years. And in aggregate, average economic growth for the region is expected to be 5½ percent in 2011 compared with just under 5 percent this year. It is important to note, however, that this assumes that no country will have negative growth in 2011—a relatively rare event historically (Figure 1.5).

Beyond output, other key variables are also expected to evolve favorably:

- Fiscal balances are expected to improve somewhat in 2011 relative to 2010—although they would still remain well below levels that prevailed in the mid-2000s (see below).[2]
- Although ratios of government debt to GDP are expected to rise, on average, the deterioration should be relatively modest in 2011 reflecting additional debt relief as well as improved fiscal performance and faster growth.
- Only a slight deterioration is projected in external current account balances in 2011 as demand growth dips marginally in the region's trading partners. Little change is expected in the levels of foreign exchange reserves.

Figure 1.5. Sub-Saharan Africa: Number of Countries with Negative Growth



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

The diversity in experience and prospects between different countries in sub-Saharan Africa can be effectively conveyed by considering the five largest economies in the region and also the five countries that have performed least effectively over the last three years. Boxes 1.1 and 1.2 show the main features of these countries' backgrounds, policies, and economic developments.

[1] A notable exception is South Africa where there is significant reliance by banks on wholesale funding. But reflecting strong balance sheets and prudent lending practices, the banking sector there too has remained profitable through the recession.

[2] Data for the overall fiscal balances of fragile countries up to 2010 reflect a number of one-off Heavily Indebted Poor Countries (HIPC) and Multilateral Debt Relief Initiative (MDRI) operations that can in some cases mask the underlying picture.

Box 1.1. What Are the Prospects and Challenges in the Five Largest Economies?

The five largest economies (South Africa, Nigeria, Angola, Ethiopia, and Kenya) account for two-thirds of the region's output and just under half of its population. The group is also quite diverse, comprising a middle-income oil importer, two oil exporters (one of which is also now middle income) and two low-income oil importers (Ethiopia, Kenya) with a more diversified (but, in Ethiopia's case, small) export base. As well, per capita incomes in the last two countries are quite different—about US$330 in Ethiopia and US$840 in Kenya. This diversity mirrors the heterogeneity of the region. All told, therefore, prospects in these five countries should be a useful proxy for trends in the region.[1]

Among the five, only South Africa went into recession in 2009. It felt the impact of the crisis particularly strongly both because of its stronger trade and financial linkages and because the crisis hit the country after economic growth had already started decelerating. The effect was quite brutal, leading to the loss of about 1 million jobs. Angola was also affected heavily by global developments, particularly the volatility in oil prices, and growth decelerated from more than 13 percent in 2008 to under 1 percent in 2009. The other three countries fared much better. In Nigeria and Kenya, growth actually increased slightly; whereas in Ethiopia the marginal fall still left growth at almost 10 percent.

The five countries are set to grow on average by some 5 percent this year and 5½ percent in 2011, playing off the global recovery. But this will require addressing the following challenges:

In **South Africa**, the growth momentum, after three quarters of acceleration, showed signs of tapering off in the second quarter of this year. Despite this, the recovery is expected to be sustained, with output growth of 3–3½ percent projected for 2010–11. In this context, the key for macroeconomic policy is to strike the right balance between supporting the ongoing recovery and strengthening policy buffers, including external reserves. Reforms to improve the effectiveness and efficiency of labor and product markets could help to raise potential growth and to make such growth more labor intensive.

In **Nigeria**, strong non-oil growth in recent years, in particular in agriculture, looks set to continue. GDP growth of about 7½ percent is projected for 2010–11. With growth at potential, it will be important to ensure that fiscal policy is appropriately countercyclical to avoid overheating the economy and to replenish the oil savings account. Improvements in infrastructure and business environment can further increase Nigeria's growth potential.

In **Angola**, the government's adjustment program, supported by an IMF stand-by arrangement, has largely succeeded in restoring macroeconomic stability, following the initially destabilizing effects of the 2009 oil price collapse. Output growth is expected to approach 6 percent in 2010 and 7 percent in 2011, helped by growing oil production. Large government payment arrears to domestic contractors and suppliers has weighed on output in the non-oil sector; resolution of these arrears will be needed if growth objectives are to be realized. Further fiscal consolidation is also needed to strengthen the external position and fully stabilize the economy.

In **Ethiopia**, the economy has recently enjoyed strong and broad-based growth, including rising contributions from the service sectors and industry. Macroeconomic imbalances heightened sharply in 2008–09, but a strong tightening of monetary and fiscal policies since late 2009 has helped reduce inflation to single digits and rebuild international reserves. Exchange rate adjustments have also helped. GDP growth of 8–8½ percent is projected for 2010–11. Monetary policy has been recast to support remonetization. Structural reforms and liberalization will be needed to improve the business environment and secure a robust supply response from the private sector.

In **Kenya**, a fine line should be followed between maintaining the recovery through further fiscal stimulus measures and ensuring that there are no risks to debt sustainability. Similarly, monetary policy will need increasingly to be directed toward inflation objectives. Although growth is recovering well, it is expected to stay below its potential of 6 percent for the next two years.

[1] The correlation between real GDP growth in these five countries and the rest of sub-Saharan Africa is quite high at 87 percent.

Box 1.2. How Can the Region's Five Weakest Growth Performers Sustain Recovery?

The five countries in which output actually fell between 2007 and 2009 were Botswana, Chad, Eritrea, Seychelles, and Zimbabwe. As in the case of the five largest economies, this group is quite disparate, comprising two middle-income countries (Botswana, Seychelles), an oil exporter (Chad), and two fragile states (Eritrea, Zimbabwe). In aggregate they account for about 5 percent of the region's total output and population.

With the exception of Botswana, poor policy environments before the crisis were the main sources of the drops in output, although the crisis added to countries' difficulties. Deep-rooted policy challenges remain in a number of these countries.

In **Botswana**, the demand for diamonds collapsed as the global financial crisis unfolded. However, because of previously prudent policies, the authorities were able to ease fiscal and monetary policies promptly, and the nonmining sector grew by a healthy 6¼ percent in 2009. Overall, the economy contracted by 3¾ percent in 2009. With a rebound of activity in the diamond sector and continuing strength elsewhere in the economy, activity is expected to accelerate to 8½ percent in 2010 and settle back to 5 percent in 2011. In future, public spending will need to return to a more sustainable level with an emphasis on quality and effectiveness.

In **Chad**, the chronically unstable security situation and poor business environment have hindered growth and poverty reduction, notwithstanding sizable oil revenues collected since 2003. Following a weak 2009, real GDP is expected to increase by 4¼ percent in 2010. To date, the oil revenue windfall has led to a weakening of public financial management practices and an unsustainable level of government spending. Medium-term fiscal policy needs to be set with an eye to the trend decline of oil resources over the next 20 years. This will require across-the-board improvements in public financial management practices.

In **Eritrea**, output fell by 10 percent in 2008 in the wake of the world food and fuel price crises and a severe drought, while inflation surged to double digits. The authorities responded by loosening fiscal and monetary policies, through increased social subsidies. The financing of large fiscal deficits, however, further stressed an already fragile banking system. With the return of rains in 2009, growth reached an estimated 3½ percent. Economic growth is expected to remain sluggish in 2010 in the absence of key structural reforms, such as liberalization of the trade and exchange systems, a reform of the banking system, and correction of an overvalued exchange rate.

In **Seychelles**, the radical reform program initiated in 2008 has corrected years of policy errors and structural distortions. The outlook is positive, with GDP growth of 4–5 percent projected for 2010–11. Although the economy proved resilient to the global crisis, tourist and export earnings remain sensitive to the external environment and the threat of piracy. Building on a successful debt restructuring, and prudent fiscal and monetary policies, progress in tax reform and public enterprise restructuring will be key to securing high medium-term growth.

In **Zimbabwe**, a decade of incoherent economic and structural policies and poor governance resulted in a cumulative output decline of more than 40 percent by 2008, inflation spiraling out of control, and a humanitarian crisis. Since 2009, strengthened economic policies, higher commodity prices, and good agricultural seasons have underpinned economic recovery. Real GDP is projected to increase by 6 percent in 2010. Maintaining this growth momentum will require fiscal restraint, in particular with respect to the public sector wage bill, resolution of infrastructure bottlenecks, further progress in containing banking system vulnerabilities, restructuring the Reserve Bank of Zimbabwe, and strengthening property rights enforcement.

Comparing Recoveries

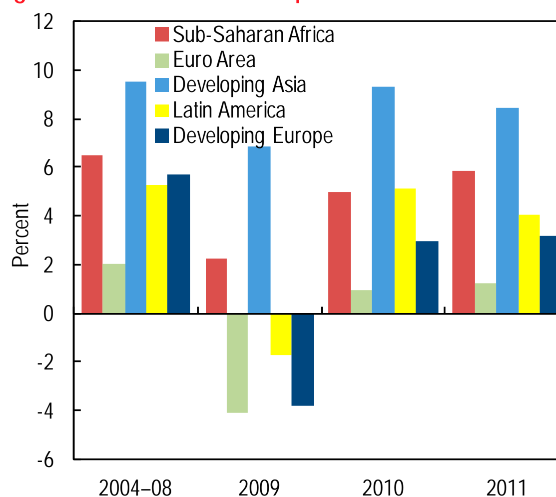
Sub-Saharan Africa's growth performance has kept pace with or surpassed that of other developing regions through the global downturn. In particular, sub-Saharan Africa's performance has most closely paralleled that of developing Asia in having avoided a contraction in output (Figure 1.6). Certainly, some countries in both regions were hit very hard (South Africa in sub-Saharan Africa and Malaysia in developing Asia, for instance). But, on the whole, most countries in these regions escaped with a slowdown in growth in 2009 rather than a recession. They are also enjoying a fairly robust rebound in activity through 2010. It is only in 2011 that the profiles of the projections for the two regions part, with growth in developing Asia set to decline slightly; while growth in sub-Saharan Africa is projected to increase moderately.

Risks

This relatively favorable outlook for sub-Saharan Africa is nonetheless subject to some important qualifications:

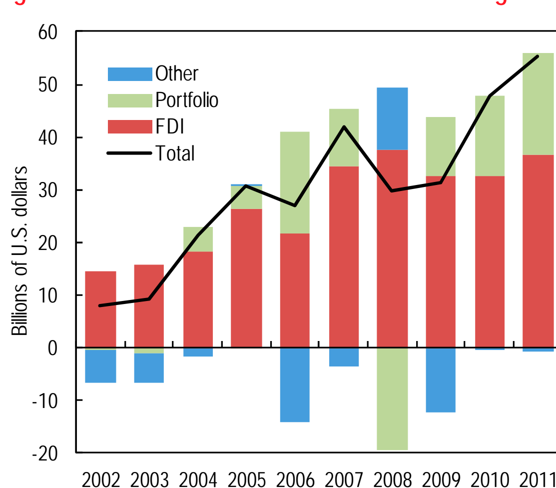
- Just as the region's recovery has hinged on broader developments in the global economy so will the prospects for further increase in economic growth in 2011. Should global economic growth fail to reach the consensus (and IMF) forecast of more than 4 percent in 2010 and 2011, the likelihood of a further acceleration in growth to 5½ percent in sub-Saharan Africa would become quite slim. For now, the baseline scenario for the global economy on which this publication's projections for sub-Saharan Africa are anchored, is continued recovery, albeit with differentiation across regions and persisting concerns about rising sovereign risk in many advanced countries. Nevertheless, given the heightened risks of the recovery stalling in all or some key trading partners of sub-Saharan Africa, we discuss below what might prevail should these risks materialize.
- Sub-Saharan Africa's growth will also closely hinge on sustained financing flows (both from official and private sources) at their recent elevated levels (Figure 1.7). If instead risk aversion was to prevail for an extended period or, say, fiscal retrenchment in Europe was to lead to a sharp drop-off in donor support, this would almost certainly hamper the envisaged acceleration in GDP growth.
- While region-wide developments tend to be influenced by global factors, the economic fortunes of individual countries tend to be impacted more by domestic developments.

Figure 1.6. International Comparisons: Real GDP Growth



Source: IMF, World Economic Outlook.

Figure 1.7. Sub-Saharan Africa: Private Financing Flows



Source:IMF, *World Economic Outlook.*

For example, in 2009, political instability accounted for output disruptions in four of the eight countries that experienced a contraction in output. In this regard, 2011 could be particularly challenging with the possibility of elections in as many as 17 countries in the region. Although there is little evidence in sub-Saharan Africa of the occurrence of systematic political business cycles, this heavy political calendar could delay some required policy reforms (Box 1.3).[3]

A Downside Scenario

While our central scenario remains very much for the global recovery to be sustained and for sub-Saharan Africa to do particularly well, downside risks to the global recovery have heightened in recent months. This begs the question, how will the region fare if there is a hiatus in the global recovery? The July 2010 *World Economic Outlook* update included estimates of the possible growth impact of heightened financial stress and contagion as a result of mounting sovereign risk. Assuming shocks to financial conditions and domestic demand in the euro area as large as those experienced in 2008, the illustrative model simulations suggested that world growth next year would be reduced by some 1½ percentage points relative to the baseline—that is, global growth just below 3 percent rather than the 4¼ percent currently projected for 2011.

Under such a downside scenario, projected growth in sub-Saharan Africa for 2011 would drop from about 5½ percent to 4 percent. About half of this drop would stem from an assumed cutback in oil production as oil exporters respond to lower OPEC quotas. Growth in oil-importing countries would be about ¾ of a percentage point lower than in the central scenario. Within this group, countries heavily dependent on exports to and tourist receipts from Europe would be hit particularly hard. The impact on their external balances, however, would be mitigated by a reduction in import growth, as demand growth slows, and by much lower oil prices. Assuming only limited responses in government spending, fiscal balances in oil-importing countries would generally deteriorate by less than 1 percent of GDP, but some oil exporters could experience a fiscal deterioration relative to the central scenario of up to 5 percent of GDP. In sum, the effect of a significant slowdown in global growth would be to dampen growth in the region quite markedly, and delay further the effort to rebuild policy buffers.

As long as these risks do not materialize, our view remains that the region is poised to do quite well, with our baseline scenario showing growth almost reverting back to the high rates enjoyed during 2004–08. The reasons for this are considered next.

[3] Countries where major elections in 2011 are planned or have been mooted include Benin, Cameroon, Cape Verde, Chad, Comoros, Democratic Republic of Congo, The Gambia, Liberia, Madagascar, Niger, Nigeria, São Tomé & Príncipe, Seychelles, Swaziland, Uganda, Zambia, and Zimbabwe.

What Explains Sub-Saharan Africa's Resilience?

Two factors that helped to underpin sub-Saharan Africa's resilience during the global recession are likely to be of continuing importance in sustaining the region's recovery. First, the improved economic fundamentals and policy space that provided room for the effective use of countercyclical macroeconomic policy in the global downturn will continue to provide some protection from future fluctuations. Second, insofar as trade remains a crucial factor for sustained growth in many countries, the pronounced shift in the region's trading pattern toward faster-growing parts of the global economy should help to maintain export growth, as it did increasingly during the mid-2000s. By limiting the direct impact on the region's economies of the global recession, these factors also make it less likely that potential growth will be permanently affected.

Policy Response, Unchanged Potential Growth

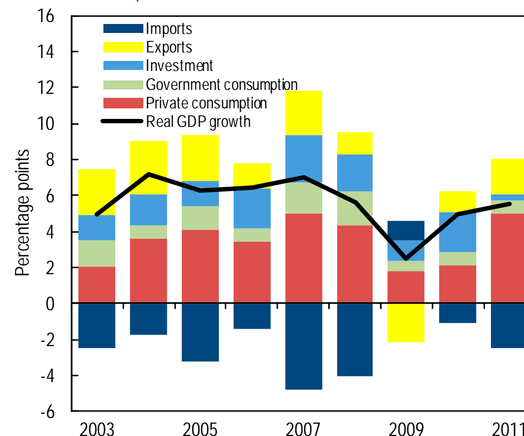
Several factors specific to sub-Saharan Africa have helped to maintain activity through the global recession:

- Most sub-Saharan African countries were on a better macroeconomic footing on the eve of the global financial crisis than possibly ever before. Accordingly, in contrast to previous global shocks, when countries were unable to offset the impact on their domestic economies, this time they were able to ease monetary and fiscal policies to help limit the adverse effects.[4] Although policy space has been somewhat depleted by these actions, there remains some additional scope for further loosening action.

- Second, domestic demand has been a driving force behind growth in sub-Saharan Africa in recent years (Figure 1.8). This trend is expected to continue. In 2011, with few countries in the region set to embark on anything like the policy tightening currently being implemented or contemplated by some advanced countries and emerging markets, our projections are for private consumption, and to a lesser degree, exports and government consumption to provide the main impetus for growth.

- Third, and a bit more speculatively, our view is that potential growth in most sub-Saharan African countries has not been affected much by the global financial crisis. In other words, the factors thought to have lowered potential growth in most of the advanced countries are largely absent in most low-income sub-Saharan Africa countries. These factors include high household and sovereign indebtedness and weakened financial systems. The implications of the likely increased cost of funding over the long term and the steep increase in unemployment are also likely to be smaller in low-income countries.

Figure 1.8. Sub-Saharan Africa: Contributions to Real GDP Growth, 2003–11[1]



Sources: IMF, *World Economic Outlook*; and IMF, African Department database.
[1]Contributions do not always sum to GDP growth because of statistical discrepancies.

[4] See April 2010 *Regional Economic Outlook: Sub-Saharan Africa* on countercyclical fiscal responses; and Chapter 2 of this edition on monetary policy responses during the global financial crisis.

To be sure, the reduced growth path for many advanced economies will have some impact on growth in the region—and output levels may have been permanently affected, as elsewhere in the world—but these factors may be mitigated to some degree by the increased orientation of the region's trade toward the other faster developing parts of the global economy. We consider this next.

Impact of the Differing Growth Prospects for Asia, Europe, and the United States

A positive development for the region's dynamism in recent years has been the increasing orientation of some of its trade toward fast-growing parts of the world—particularly China and other developing countries in Asia and Latin America. But the impact of this shift has varied from country to country and it remains difficult to quantify the net effect on economic growth in the region.

Starting with the aggregate picture, the region's main trading bloc remains the European Union; exports to the European Union and other advanced countries still account for more than half of all exports from sub-Saharan Africa. Despite the heterogeneity of sub-Saharan Africa, this finding is true even at the level of individual countries. And this is just for goods. If one were to include trade in services, including tourism and other income flows, such as workers' remittances, the share would likely be much higher for a vast majority of countries. Therefore, a first stylized fact to be considered with regard to external markets is the continued importance of the European Union and other advanced economies as counterparties for the region.

Second, in most sub-Saharan African countries, exports of goods and services make relatively small contributions to aggregate demand. For more than half of the countries in the region—including all but a handful of low-income oil importers—the ratio of exports to GDP is less than 30 percent. The major exceptions are the oil exporters.

Potential gains to output from a rapid rate of increase in exports outside the European Union and other advanced countries are therefore limited. In practice, it is the exporters of oil and other natural resources that are most likely to benefit in the short term. Even then, with output constrained more by supply than demand, most of the impact is likely to be felt through higher prices rather than volume. However, over the longer term, noncommodity exporters may increasingly gain as new markets are exploited.

Nevertheless, there have been some dramatic shifts in trading patterns during the last few years toward China and other parts of Developing Asia (Table 1.1 and Figure 1.9). These shifts have been so marked that by 2009, the share of China in sub-Saharan Africa's total exports and imports exceeded that of most other regions in the world. The nature of export growth to Developing Asia and its impact can perhaps be best illustrated by considering three countries in the region: Angola, Kenya, and Nigeria:

- Angola's share of exports to Developing Asia increased by 22 percentage points to 50 percent between 2005 and 2010—a period in which Angola's exports (which are predominantly oil and account for nearly 60 percent of GDP) effectively tripled in U.S. dollar terms. In this case, not only was the price of Angola's exports affected by Developing Asia's rapid growth but there was also a large shift in its volume.
- Nigeria's exports are also predominantly oil, but the share going to Developing Asia, while rising swiftly, has been much more modest, increasing by 6¾ percentage points to 10½ percent of total exports between 2005 and 2010. Nevertheless, export earnings have increased sharply in recent years because of higher oil prices. Thus, in this case, the

impact of surging demand in Developing Asia has worked primarily through its impact on world oil prices.

- Kenya's share of exports to Developing Asia increased by just 2 percentage points to 14 percent of the total between 2005 and 2010. Kenya has a fairly diversified export base, and growth in Developing Asia seems to have had a much more limited impact on export volume and prices.

It is hard to quantify how significant an impetus to growth the increasing importance of Developing Asia to the world economy and the reorientation of trade will be for the entire region. Although higher growth in partner countries will certainly be a boon, it is difficult to foresee a significant direct impact on growth for most countries given the limited share of exports in their output. There is, however, a minority of countries, including the major natural resource exporters, for which the impact of Developing Asia on global export demand and commodity prices will be significant in both the short and long term.

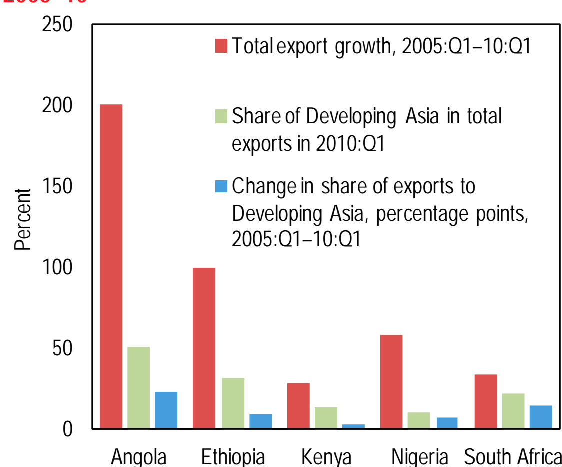
In sum, our view is that the region's increased exposure to demand from Developing Asia has certainly helped attenuate the impact of the global financial crisis and will help keep growth on its current trajectory for some countries. This will support other factors that remain the key drivers of growth: primarily political stability; the business climate, including the prudent exploitation of natural resources; and the quality of economic management.

Table 1.1. Share of China in Total Merchandise Trade

	2000	2005	2009
	(Percent of total)		
Share of China in total world trade	3.8	7.2	9.6
Exports	4.1	7.9	10.8
Imports	3.5	6.5	8.4
Share of China in Sub-Saharan Africa trade	3.4	7.8	13.6
Exports	3.3	7.6	12.6
Imports	3.5	7.9	14.5
Share of China in European Union trade	1.8	3.2	4.5
Exports	1.0	1.6	2.5
Imports	2.6	4.9	6.5
Share of China in Developing Asia trade	2.5	4.0	5.8
Exports	2.1	3.2	4.4
Imports	2.8	4.4	6.4
Share of China in Middle East trade	4.1	6.3	9.7
Exports	3.8	5.9	8.6
Imports	4.7	6.9	10.9
Share of China in Western Hemisphere trade	1.5	5.0	9.1
Exports	1.0	3.2	6.8
Imports	2.0	6.8	11.3

Source: Arora and Vamvakidis, 2010; and IMF, *Direction of Trade Statistics*.

Figure 1.9. The Increasing Role of Developing Asia. 2005–10



Sources: IMF, *Direction of Trade Statistics;* and IMF staff calculations.

What Is the Legacy of the Global Financial Crisis and What Are the Policy Priorities Now?

The legacy of the global recession on the main macroeconomic aggregates in sub-Saharan Africa, then, can be roughly summarized as follows (Figure 1.10):

- Output growth for a majority of low-income countries in 2010 is expected to revert back to just a little shy of the boom years of 2004–08, although the picture is much more mixed for middle-income countries and oil exporters. Some middle-income countries are benefiting temporarily from a bounce back from the slowdown, whereas others are still weighed down by its impact. For oil exporters, no repeat is expected of the rapid buildup in oil production that allowed Angola and Equatorial Guinea to grow at double-digit rates in the mid-2000s. Nevertheless, a positive general feature across sub-Saharan Africa is that rising investment rates (public and private) during the 2000s seem unlikely to be interrupted.

- The global financial crisis has taken its toll on fiscal balances, particularly in middle-income countries and oil exporters. Revenues have fallen in these country groupings as a share of GDP, reflecting lower-than-trend output and below-peak commodity prices, while government spending growth has been maintained to offset external shocks. This has not yet seriously impacted debt levels in any country grouping, but it will do so soon, unless there is fiscal adjustment.

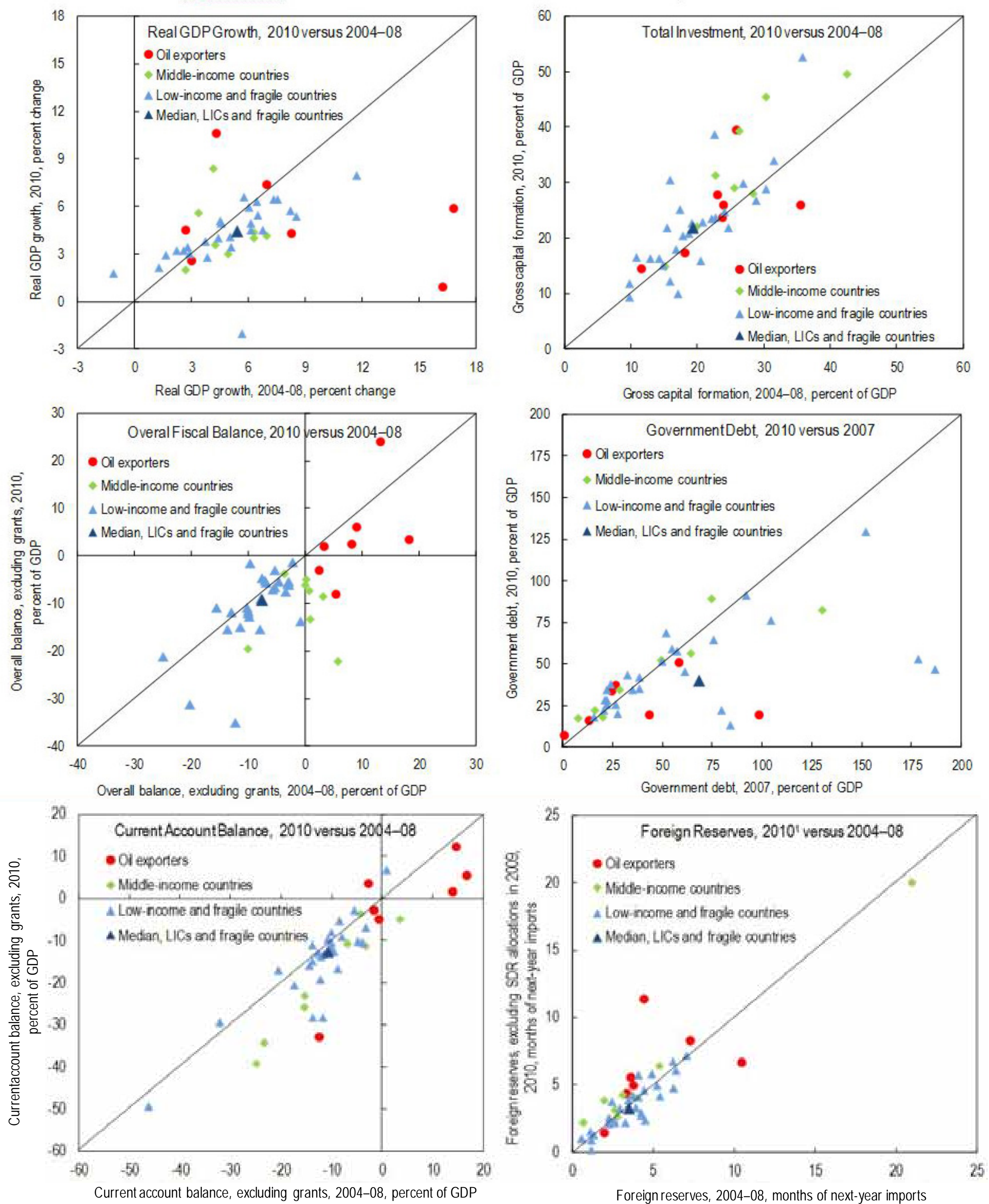
- Most middle-income and oil-exporting countries have yet to restore the levels of exports, relative to GDP, that they achieved before the global financial crisis; whereas import ratios are generally closer to previous trends. In reaction to the initial sharp deterioration in external balances, a few countries drew heavily on their foreign exchange reserves to support their exchange rates and have not yet replenished them. But most low-income countries experienced little underlying change in their external balances or in reserves during the slowdown; and they benefited in addition from the IMF's SDR allocations in August and September 2009.

With this as background, what should fiscal and monetary policy focus on now? Some important considerations for the coming months are set out below.

Fiscal Policy

As the global financial crisis started to weaken economic activity, in a break from past experience, fiscal policy in most countries in the region became countercyclical. In most cases, this amounted to spending (in real terms) being maintained at the elevated levels of previous years while tax revenue shortfalls were generally accommodated. In particular, government spending as a ratio to GDP was higher in 2009 than in 2008 in 31 out of 44 countries in the region. And this relatively broad-based spending increase occurred in the face of declining revenue ratios in many countries. Moreover, spending is set to remain at these higher levels in most countries in 2010. Indeed, in the 29 low-income countries in the region, for example, the median level of spending is actually estimated to increase from 24 percent to 24¾ percent of GDP between 2009 and 2010.

Figure 1.10. Sub-Saharan Africa: After the Global Recession, 2010 versus 2004–08



Sources: IMF, *World Economic Outlook;* and African Department database.
[1] The value of the SDR allocations made in August/September 2009 is subtracted from foreign reserves for 2010.

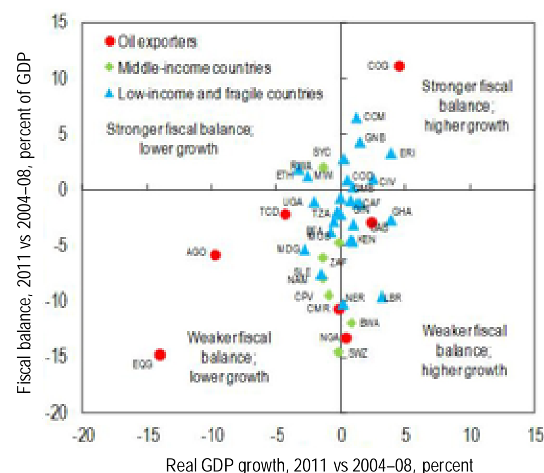
The result has been wider fiscal deficits virtually across the board. Between 2008 and 2009, the median fiscal deficit in the region (excluding grants) increased by some 2½ percentage points of GDP—by ¾ of a percentage point of GDP in the case of the 29 low-income countries. Wherever financing constraints were not binding, it clearly made sense for fiscal policy to be put on such an expansionary footing as growth decelerated. And as a sign of how much macroeconomic conditions in the region have improved, these marked increases in the fiscal deficits have been financed with relative ease and without engendering macroeconomic imbalances.

Still, these more recent increases in fiscal deficits come on top of an upward drift in spending levels relative to GDP in most countries in recent years. Revenue ratios have not kept pace. The trend in these two aggregates cannot continue in this vein without triggering either an undesirable buildup of debt or the risk of countries resorting to harmful forms of financing, such as domestic arrears or the inflation tax. So while work by IMF staff shows that the increase in indebtedness as a result of the countercyclical policy response and the drop in growth in the wake of the global financial crisis has not—to a significant degree—pushed public debt toward unsustainable trajectories, this may yet happen if fiscal deficits do not soon revert back to their medium-term sustainable levels.[5]

Thus, looking ahead, a shift in the emphasis of fiscal policy likely is necessary in many countries in the region. Specifically, with growth in most countries in the region having reverted close to potential, the motivation for wider fiscal deficits can no longer be a means of supporting output. In three-fourths of the countries in the region (33 out of 44), growth in 2011 is set to be above or within 1 percentage point of the levels registered in 2004–08. At the same time, fiscal balances have deteriorated relative to GDP in 24 of these countries, with a deterioration in excess of 5 percentage points of GDP in 11 countries (Figure 1.11). In these cases it will be particularly important to review the consistency of fiscal deficits with financing and debt sustainability considerations. At the same time, to promote growth, poverty reduction, and investment over the medium term, attention should increasingly be refocused on the composition and quality of government spending and revenue. Accordingly:

- if the current and projected levels of the fiscal deficit are already consistent with medium-term objectives, no change in the overall fiscal stance would be required;
- where the fiscal deficit has increased as a result of discretionary measures to help support output to levels above those consistent with medium-term objectives, these measures should be reversed or offset in forthcoming budgets as soon as evidence is clear that output growth has reverted to potential levels; and
- even where the fiscal deficit has increased largely on account of the operation of automatic stabilizers to levels above those consistent with medium-term objectives,

Figure 1.11. Sub-Saharan Africa: GDP Growth and Fiscal Balance



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

[5] April 2010 *Sub-Saharan Africa Regional Economic Outlook* and IMF (2010a).

policymakers should ensure that revenue collections and spending are on a trajectory that will allow the fiscal deficit to revert back to its desired medium-term path.

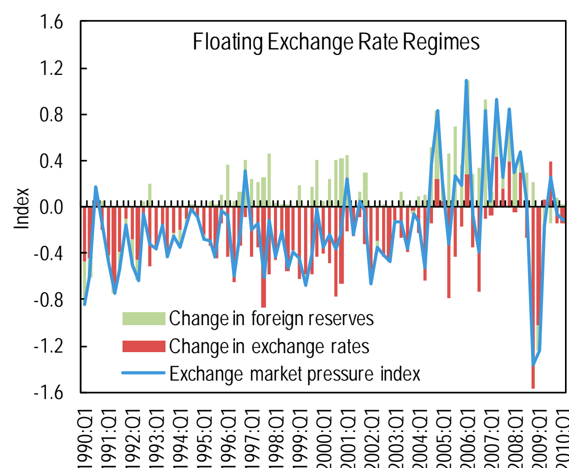
Is the uncertainty regarding the global growth outlook an argument for maintaining an accommodative fiscal stance? Our view is that, barring a realization of the fears for the global economy, fiscal policy should be reoriented promptly toward medium-term policy objectives in sub-Saharan Africa in all countries where output growth has reverted close to potential. It made good sense to use fiscal policy to counter the effects of the large adverse shock engendered by the global financial crisis. But for smaller shocks, governments should look to use other levers, including monetary policy, as the main line of defense. This is because in most countries in the region, fiscal institutions and policy levers are not conducive to a nimble response to more moderate shocks.

Monetary Policy

As with fiscal policy, the monetary policy response in sub-Saharan Africa—first, to the food and fuel price crisis and second, to the global recession—has on the whole been appropriately countercyclical. As food and fuel prices shot up, policymakers considered the steep increases as a largely temporary phenomenon and increased interest rates only moderately. And when the global economy looked headed into recession, policymakers lowered nominal interest rates quickly and by significant margins (see the next chapter). In real terms, however, policy rates did not fall as much or even increased somewhat in some countries as inflation decelerated much more sharply.

On the basis of past relationships, we would expect the fall in nominal policy rates to have provided some support to output (Chapter 2). However, the effect may have been dampened or even offset during the global financial crisis. When central banks tried to lower domestic interest rates in response to slowed economic activity, particularly in some countries with open capital accounts and floating exchange rate regimes, domestic interest rates often drifted upward because of rising global risk premiums. Overall, the monetary policy response can perhaps be characterized as fairly nimble and effective. Policymakers moved adroitly from dealing with inflationary shocks (the food and fuel price shock) to countering more recessionary pressures (the global downturn). The shift over time in the manner in which exchange rate policy was conducted is another case in point. In the countries with flexible exchange rate regimes, a much greater willingness to allow exchange rates to adjust was evident in 2008–09 (Figure 1.12), even against the backdrop of generally comfortable international reserve levels in many countries. And as for the overall effectiveness of the monetary policy response during the crisis, it can be gauged by the fact that in the vast majority of countries, inflationary pressures have remained contained and excessive balance of payments pressures have been avoided.

Figure 1.12. Sub-Saharan Africa: Exchange Market Pressure Index,[1] 1990–2010



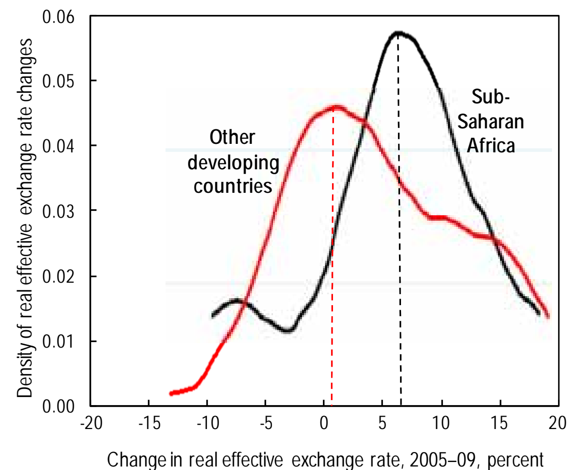
Sources: IMF, *International Financial Statistics;* and IMF staff calculations.

[1]Unweighted averages of country-specific indices. The index is the weighted average of quarterly changes in foreign reserves and quarterly changes in nominal bilateral exchange rates, using the inverse of their standard deviations as weights. Changes in foreign reserves are normalized on base money.

Looking ahead, we see the challenge for monetary policy in the region as follows. In most countries, inflationary pressures look fairly subdued. Consequently, a broadly neutral monetary policy stance is appropriate in these cases. Where there is a clearer case for a tighter monetary policy stance are those countries where inflation is projected to be in double digits (some 6 countries) or above inflation targets. In these cases, unless there are clear signs that inflationary pressures are of a transitory nature, intermediate monetary targets—policy interest rates or reserve money growth—should be tightened. On the other side, in countries where inflation is subdued, output gaps are not expected to close in the near term, and foreign exchange reserve levels are adequate, there may be a case for further easing of monetary policy.

A trend that also bears careful monitoring in the coming months is the nontrivial appreciation of real effective exchange rates observed in many countries in the region. In particular, real effective exchange rates in most countries appear to have appreciated by about 10 percent between 2005 and 2009 (Figure 1.13). This appreciation may to some degree be an equilibrium phenomenon, in view, among other factors, of improvements in the terms of trade of most countries. Still, the large number of countries in the region in which real exchange rates have appreciated (particularly compared with the experience of other developing countries) warrants careful monitoring in coming months.

Figure 1.13. Difference in Real Effective Exchange Rate Index between 2005 and 2009



Sources: IMF, *Information Notice System*; and IMF staff estimates.

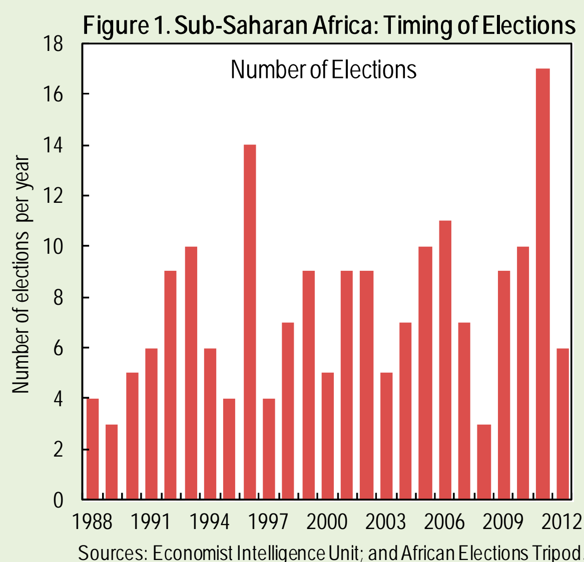
Box 1.3. National Elections and Economic Activity: Are There Political Business Cycles in Sub-Saharan Africa?

Seventeen out of 44 countries in sub-Saharan Africa may stage national elections in 2011: potentially the heaviest political calendar in the region in at least 20 years (Figure 1). Evidence from other parts of the world points to the presence of pronounced budget cycles around elections in some countries. So the question arises whether macroeconomic prospects will be affected by this tight bunching of elections in sub-Saharan Africa—either, in a narrow sense, by the potentially destabilizing impact of fiscal give-aways or postponement of fiscal adjustment or, more broadly, by governments trying to manipulate the overall economic environment.

Elections with major consequences for economic policy determination occur normally on four- or five-year cycles in sub-Saharan Africa. Fixed terms tend to be the norm for the election of presidents with extensive executive powers and for legislatures in countries with constitutional monarchies or with appointed presidents. This raises the possibility of administrations attempting to align business cycles with election cycles on a systematic basis.

Using a database covering more than 150 elections in 44 countries during 1988–2009, we looked for evidence of consistent patterns in government spending, fiscal balances, or economic growth around elections. These proved hard to detect, particularly for economic growth.

Figure 1. Sub-Saharan Africa: Timing of Elections



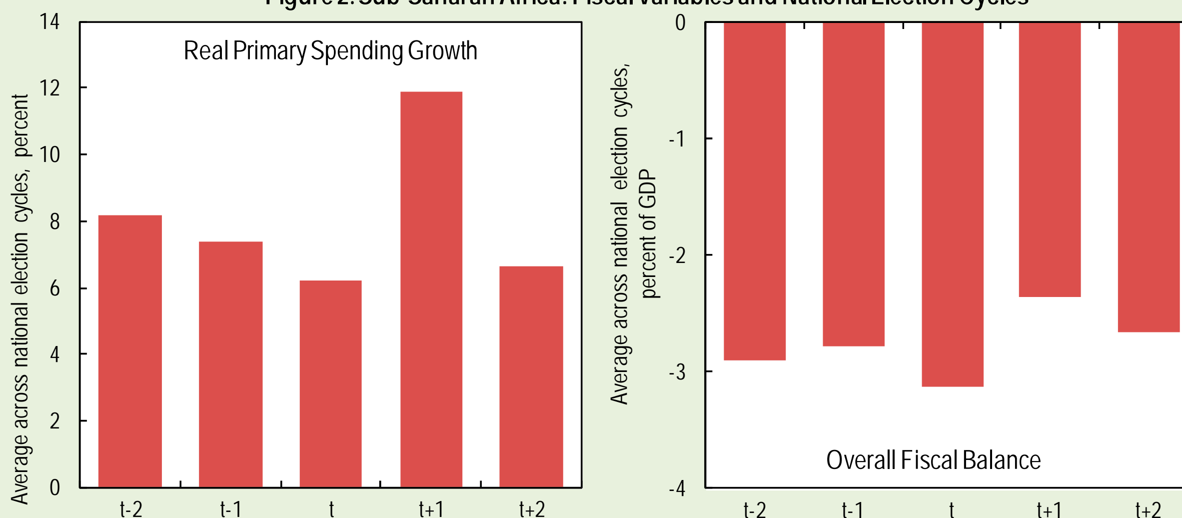
Sources: Economist Intelligence Unit; and African Elections Tripod.

Averaged across all countries and all elections, both government spending growth and fiscal balances tended to be fairly similar in all years of a typical election cycle. Although fiscal balances were slightly lower on average in election years, and spending was slightly higher on average in the year following elections, the differences were not significant (Figure 2). Indeed, when looked at in isolation: in most countries, in most years, fiscal balances were actually higher in election years than in preceding years.

In some countries, however, such as Gabon, Ghana, Kenya, Mozambique, Niger, Seychelles, and Togo, two or more election years during the period were associated with a discernible cycle in fiscal variables, in the sense that real spending growth was markedly higher and/or fiscal balances were markedly lower in these years than in all of the surrounding years. Even when fiscal data for these countries were averaged across all election periods, some regular cyclical patterns were observable.

Turning to measures of economic activity, there was very little evidence of systematic patterns around election years in sub-Saharan Africa. This is perhaps not surprising, considering the limited evidence of cycles in fiscal variables and the particular difficulties that would be faced by an administration in sub-Saharan Africa in attempting to manipulate economic cycles. First, the impact of the government sector (and the central bank) on the real side of the macro economy has tended to be rather limited, particularly where the agricultural or natural resource sectors are dominant. Second, the weakness of fiscal institutions may have inhibited governments' ability to affect very precisely the timing of spending outlays and their impact on output. Third, exogenous shocks may have swamped any domestic action. Fourth, fiscal actions may often have been subject to binding financing constraints.

Figure 2. Sub-Saharan Africa: Fiscal Variables and National Election Cycles



Sources: IMF, *World Economic Outlook;* and IMF, African Department database.
Note: t corresponds to the year in which each election is held.

The few examples in sub-Saharan Africa of systematic fiscal cycles do not seem to have been associated with particular types of political regimes.[1] Some countries exhibiting these cycles were states that have been classified as authoritarian whereas others have had various levels of functioning democratic institutions. This may reflect that, while democratic governments may have greater incentive to manipulate the fiscal or economic cycle for electoral gain, autocracies may in practice have both more potential to deliver the desired economic boost and more confidence that they can mop up its aftereffects.

Implications for 2011

For most of the 17 countries where major national elections are planned or possible in 2011, history does not indicate any generally observable systematic association between elections and fiscal or economic activity variables. A few countries have shown some tendency towards preelection spending surges, but there are only rare examples of any impact on output growth.

Other important influences on economic activity may swamp any potential impact from elections in 2011. The rebound from the global recession in 2009 has provided sufficient momentum in most countries to ensure a strong growth performance in 2011, if the global recovery continues. Fiscal balances are also under strain because of weaker revenue bases and some countercyclical spending: countries have already drawn on fiscal buffers built up during the mid-2000s. On the monetary side, scope for further easing is fairly limited.

Nonetheless, there is a danger that the elections could delay necessary fiscal adjustment. Several countries with elections slated for 2011 are expected to experience both fairly robust growth and elevated fiscal deficits. This may point to the need for cuts in politically sensitive areas, a reprioritization of spending, or revenue enhancement. The election timetable may complicate such decisions.

[1] Block, Ferree, and Singh (2003) reported, however, that multiparty competition increased the likelihood of election years being associated with more stimulative fiscal and monetary policies in sub-Saharan Africa.

This box was prepared by John Shields and Duval Guimaraes.

2. Monetary Policy Effectiveness in Sub-Saharan Africa

Introduction and Summary

Monetary authorities in sub-Saharan African countries have experienced significant challenges in managing a period of inflationary pressures (2007–08) and, soon after, recessionary pressures (2008–09), both coming from abroad. It is accordingly an opportune time to take stock of the experiences and efficacy of the monetary policy response to these recent challenges. Indeed, with fiscal policy space narrowing, monetary policy is likely to take center stage in managing economic shocks in coming months, underscoring the importance of strengthening its effectiveness. To address these issues, this chapter asks the following questions:

- How did the monetary authorities react to the global shocks of recent years?
- How effective was monetary policy in achieving policymakers' objectives?
- How can policies be adopted to improve the effectiveness of monetary policy?

The main conclusions are as follows:

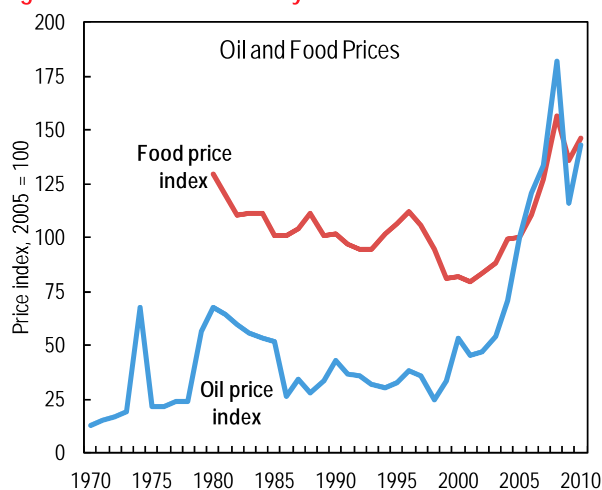
- The authorities reacted to the recent global shocks, although sometimes with a delay. Overall, they reacted with moderate tightening in response to a perceived temporary shock (food and fuel price), followed by loosening as global growth slowed.
- Monetary policy is more effective in sub-Saharan Africa than is perhaps commonly believed. Changes in base money growth and policy interest rates feed through to changes in broader monetary aggregates and market interest rates, respectively, with the impact larger in sub-Saharan Africa than other broad country groupings. Linkages from interest rates to economic activity and inflation are weaker, and global factors are also at work.
- Nominal exchange rate flexibility has played a role as a shock absorber during these two shocks, facilitating current account adjustment. For countries with fixed exchange rates, reserve buffers have been useful for financing current account deficits.
- Monetary authorities often face policy dilemmas that complicate macroeconomic stabilization in sub-Saharan Africa. These dilemmas are associated with the nature of shocks hitting sub-Saharan African economies. During the recent crisis, reserve money growth and the discount rate have sometimes moved in directions that exert offsetting expansionary and contractionary impulses (with Zambia offering a typical example).
- In many sub-Saharan African countries, the major constraints to the monetary transmission mechanism include a high level of excess liquidity in the financial system, underdeveloped financial markets, and substantial monetary financing of fiscal deficits (fiscal dominance). Countries should address these issues in order to make monetary policy more effective.

This chapter was prepared by Valerie Cerra, Robert Keyfitz, Taufik Rajih, Alun Thomas, with contributions from Gustavo Ramirez and Duval Guimarães.

Recent Shocks and the Policy Response

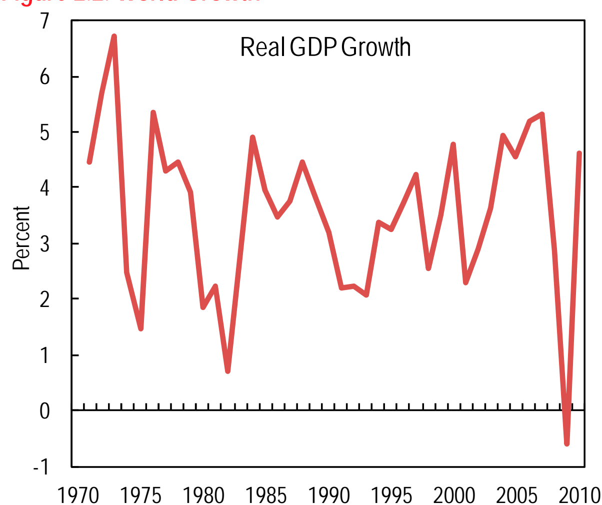
Sub-Saharan Africa was hit by sizable shocks to food and oil prices in 2007–08 and by the global financial crisis in 2009. The buildup of prices was large in a historical context with food and oil prices rising to their highest levels since the 1970s (Figure 2.1). In late 2008, these prices declined markedly with the onset of the global financial crisis. And the global economic slowdown triggered by the crisis was, by far, the most pronounced over the last forty years (Figure 2.2).

Figure 2.1. World Commodity Prices



Source: IMF, *World Economic Outlook.*

Figure 2.2. World Growth



Source: IMF, *World Economic Outlook.*

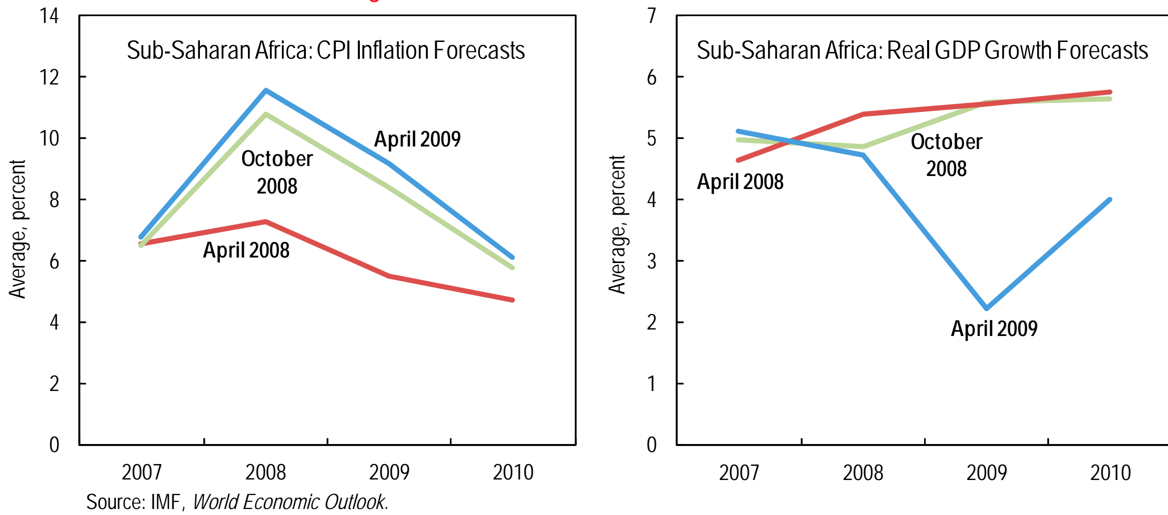
How Did the Monetary Authorities Perceive and React to the Shocks?

Assessments of current conditions and near-term outlooks were dramatically revised during 2008–09 as global price and demand shocks swept across the region. Successive vintages of *World Economic Outlook* forecasts—which are based on IMF staff's discussions with authorities on country prospects and policies—illustrate the way perceptions evolved in real time during the period (Figure 2.3).

Forecasts in early 2008 expected current year inflation to increase only marginally, even though global food, metal, and energy prices had risen steeply since early 2007. But, by October 2008 additional data led to a sharp upward revision of 3½ percentage points on average for 2008 and 3 percentage points for 2009.

The outlook for growth in 2009 remained strong and largely unchanged during the rising inflation episode of 2008, but between October 2008 and April 2009, forecasts dropped by an average of 3½ percentage points. Oil exporters were especially hard hit, and countries with fixed exchange rate regimes fared worse than floaters (Box 1). All groups anticipated a rebound in 2010, although with forecasts remaining well below precrisis expectations. Interestingly, despite the collapse in anticipated growth, the outlook for inflation continued to rise between October 2008 and April 2009, though pressure was expected to abate quickly. Inflation outcomes were diverse, depending on local market conditions and on the impact of policies to control or subsidize food and fuel prices. On average, inflation peaked early in 2008:Q3 at about 16 percent, 10 percentage points above the second half of 2007 (Figure 2.4).

Figure 2.3. Revisions to Inflation and Growth Forecasts

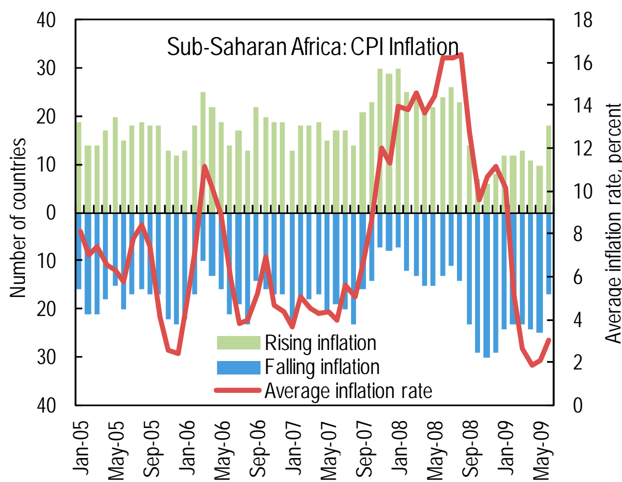


Source: IMF, *World Economic Outlook*.

With most central banks in the region targeting interest rates and reserve money growth at different times depending on circumstances, it is useful to consider the relationship between both of these instruments and broader banking and economic aggregates. In terms of policy interest rates, monetary authorities generally responded to inflationary pressures by raising them (Figure 2.5). Increases were, however, modest and the average rate in the region edged up by only ½–1 percentage point, resulting in highly negative ex post real rates.

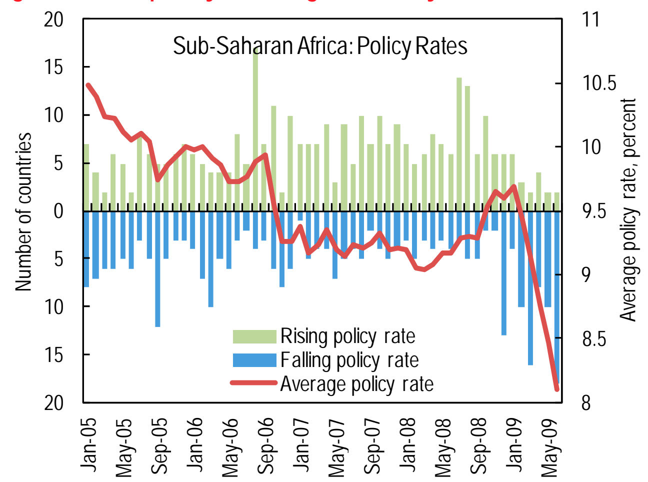
This measured response is consistent with a supply shock that was expected to be transitory. With inflationary expectations contained and adequate financing available to cover transitory impacts on the balance of payments and fiscal accounts, policy makers might reasonably have chosen to implement countercyclical stabilization policies to smooth demand and accommodate transitory price pressures. Policy rates also responded to global market conditions, including risk premiums. From October 2008, the preponderance of policy rate changes led to an easing in the monetary stance,

Figure 2.4. Frequency of Changes in Inflation



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

Figure 2.5. Frequency of Changes in Policy Rates



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

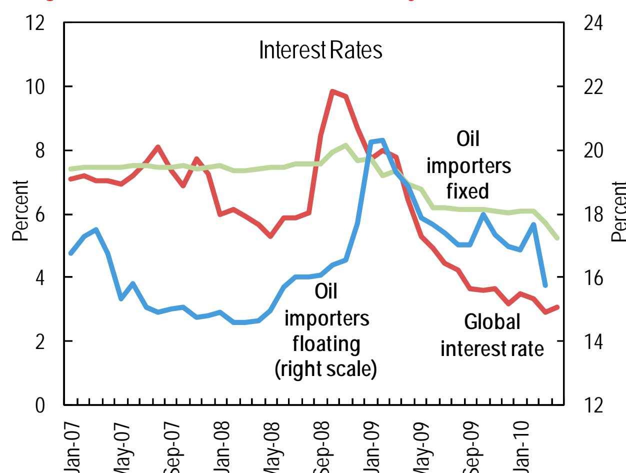
lowering the average policy rate to 8 percent, the lowest for many years. In non-oil countries with floating regimes, policy rates followed a global interest rate index (comprising the Libor and the Emerging Market Bond Index (EMBI) spread), although at a much higher level and with a lag of about one quarter (Figure 2.6). Policy rates in non-oil fixed rate countries were at a similar level and moved synchronously with the global index, but the response was more muted.

Changes in reserve money growth provide an alternative measure of policy changes. Oil exporters had extreme volatility in monetary growth (because of changes in foreign reserves linked to commodity prices), compared with almost no movement in interest rates (Figure 2.7). At the other extreme, non-oil floating exchange rate countries, which hiked and later cut their discount rates by about 4–6 percentage points, chose to raise reserve money growth during the commodity price shock but lowered it as inflationary pressures abated. Non-oil fixed exchange rate countries experienced considerable reserve money growth volatility during the price shock but also subsequently lowered reserve money growth as inflation subsided.

While the monetary response was broadly as expected in terms of nominal interest rates—first a moderate tightening to accommodate most of the first round of the price shock, followed by a reduction as the external environment deteriorated and growth began to slow—inflation developments reversed this countercyclical response. Real rates turned negative with the spike in inflation in 2008, but subsequently rose as inflation plummeted, at the same time that growth started slowing down.

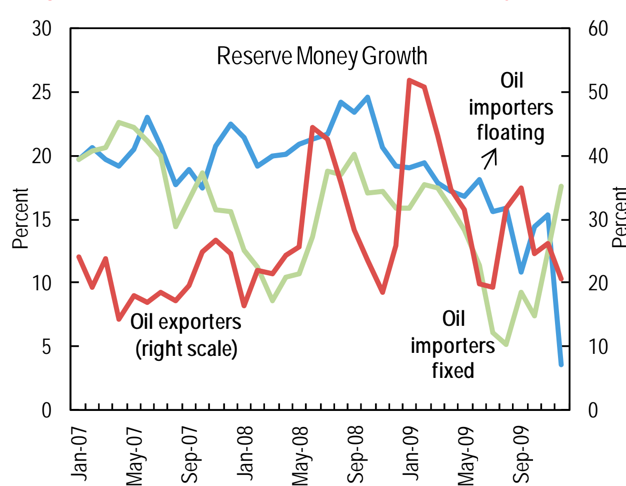
In retrospect, monetary policy might have been loosened more aggressively at that point, though in light of rising risk premiums, the scope for reducing policy rates without triggering more outflows is unclear (see discussion of risk premiums and exchange rates in the next section). Moreover, average nominal policy rates by mid-2009 were the lowest they had ever been.

Figure 2.6. Sub-Saharan Africa: Policy Rates



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

Figure 2.7. Sub-Saharan Africa: Reserve Money Growth



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

How Did Monetary Policy Affect Macroeconomic Performance?

In response to changing global and domestic conditions, countries in the region used their monetary instruments to varying degrees, as discussed above. Naturally, monetary policy has limitations, particularly in addressing large and complex shocks such as those experienced during 2007–09, and is constrained by institutional and structural characteristics. However, such limitations, while different in nature, are not unique to the region. For example, many advanced countries at the moment face the zero lower bound on interest

Box 2.1. Classification of Exchange Rate Regimes

This chapter categorizes the many exchange rate regimes into three broad groups: oil exporters, oil importers with pegged exchange rate arrangements, and oil importers that are money targeters. The exchange rate regime classification follows the latest IMF de facto classification.

Oil Exporters	Oil Importers	
	Fixed/Pegged/Crawling Peg Exchange Rate	Monetary and Inflation Targeters
Angola	Benin	Burundi
Cameroon	Botswana	Congo, Democratic Republic of
Chad	Burkina Faso	Ethiopia[2]
Congo, Republic of	Cape Verde	Gambia
Equatorial Guinea	Central African Republic	Ghana[3]
Gabon	Comoros	Guinea
Nigeria	Cote d'Ivoire	Kenya
	Eritrea	Liberia
	Guinea-Bissau	Madagascar
	Lesotho	Malawi
	Mali	Mauritius
	Namibia	Mozambique
	Niger	Rwanda
	Senegal	São Tomé & Príncipe[4]
	Seychelles[1]	Sierra Leone
	Swaziland	South Africa
	Togo	Tanzania
		Uganda
		Zambia

[1] Seychelles became a money targeter in November 2008.

[2] Ethiopia officially has a crawling peg arrangement against the U.S. dollar but is classified under money targeters in this chapter in view of its repeated devaluations in recent years.

[3] Ghana has been an inflation targeter since 2007.

[4] São Tomé & Príncipe became pegged to the euro as of January 2010.

This box was prepared by Alun Thomas.

rates. The important question for sub-Saharan African countries is how effective monetary policy actions are in stabilizing economic conditions—including output and inflation—given the various constraints. To gauge this, we proceed as follows in this section.[1]

- We first consider the transmission of monetary policy through the interest rate and credit channel. Our approach is to analyze the transmission of changes in central bank instruments to the banking

[1] To some extent, it is still on the early side to provide a comprehensive answer to this question because monetary policy operates with a lag and policy actions from 2008–09 may still be *(continued)* playing out. In addition, output growth data are not final for some countries. Consequently, we proceed by estimating the monetary transmission mechanism using data from the past decade or more to gauge the likely impact of recent policy actions.

sector (using bivariate regressions) and in a second stage the link between banking sector and outcome variables (growth, inflation, broad monetary aggregates, and the exchange rate) through a vector autoregression (VAR).

- We then look at the exchange rate channel emphasizing on how the outcome variables evolved in countries with fixed versus floating exchange rate regimes.

Interest Rate and Credit Channels

Typically, central banks change policy rates with a view to affecting lending and deposit rates offered by banks. This in turn induces changes in the behavior of the general public. How effective are central banks in influencing commercial banks' interest rates? To examine this effectiveness, we consider bivariate regressions of changes in interest rates and changes in reserve money.

- Changes in bank lending and deposit rates are closely associated with changes in the central bank policy rate, with the association stronger for policy rate increases. Since 1995, central bank discount rates have had a stronger contemporaneous correlation with lending rates in sub-Saharan Africa than in Organization for Economic Co-operation and Development (OECD) countries (Box 2.2).[2] When lagged effects are taken into account, the OECD linkage becomes slightly stronger. For sub-Saharan African countries, these linkages are heterogeneous, with the CFA zone, South Africa common monetary area, Gambia, and Malawi experiencing almost full pass-through of the policy to lending rate (27 countries in all) and 6 other sub-Saharan African countries experiencing relatively little pass-through. The banking sector in many sub-Saharan African countries is highly concentrated, so banks may try to take advantage of an increase in the policy rate to expand their lending profit margins, while keeping lending rates fixed downward with policy rate movement. Indeed, there is evidence for an asymmetrically higher pass-through to lending and deposit rates when policy rates increase. However, the difference is economically small (5 basis points).

- Reserve money and broad money growth are strongly related, reflecting limited monetization among African countries. After allowing for lagged effects, an additional 1 percent rise in reserve money growth translates into a 0.32 percent rise in broad money for the median sub-Saharan African country, but has almost no impact in OECD countries (Box 2.2). This strong link between reserve money and broad money is notable given the use of reserve money targeting in most sub-Saharan African countries with floating rate regimes. However, this partly reflects the underdevelopment of the banking system, so that reserve money and the common component of currency in circulation account for a larger share of broad money. Before the global crisis and quantitative easing, reserve money constituted less than 10 percent of broad money in advanced countries, compared with more than 30 percent in most African countries.

Whereas central bank actions affect lending and deposit rates and broad money, interest rate and liquidity changes in the banking sector must also affect economic activity for policy to effect stabilization.

[2] Mishra, Montiel, and Spilimbergo (2010) find that the long-run linkage between movements in discount rates and money market rates is weaker in LICs than among advanced and emerging countries. Since this chapter looks at linkages between the discount rate and the lending rate, the difference in results may relate to the behavior of money market rates. Indeed, Mishra and others find that the relationship between money market and lending rates is comparable across country groups.

Box 2.2. Empirical Evidence on the Credit and Interest Rate Channels in Sub-Saharan Africa

To understand the effectiveness of credit and interest rate channels, we first analyze the transmission of changes in central bank instruments to the banking sector and as a second stage the link between the banking sector and the rest of the economy. Evidence for sub-Saharan Africa on the link between central bank and deposit bank interest rates and between reserve money and broad money is shown in Table 1. It presents results of bivariate regressions on monthly data based on the specification in Mishra, Montiel, and Spilimbergo (2010). The regressions are conducted for each individual country and take the general form:

$$d(y_t) = \beta_0 + \beta_1 d(x_t) + \beta_2 d(x_{t-1}) + \ldots + \beta_5 d(x_{t-4}) + \beta_6 d(y_{t-1}) + \ldots + \beta_9 d(y_{t-4}) + \varepsilon_t$$

The contemporaneous impact of x on y is captured by β_1, and the long-run effect is given by $\beta_{lr} = \Sigma_{i=1}^{5}\beta_i \,/\, (1-\Sigma_{i=6}^{9}\beta_i)$. The table summarizes the 75th percentile, median, and 25th percentile country results for the contemporaneous and long-run effects of each pair of independent and dependent variables. The results for sub-Saharan African countries are compared with results from OECD countries as a benchmark.

Table 1. Monetary Transmission in Sub-Saharan Africa

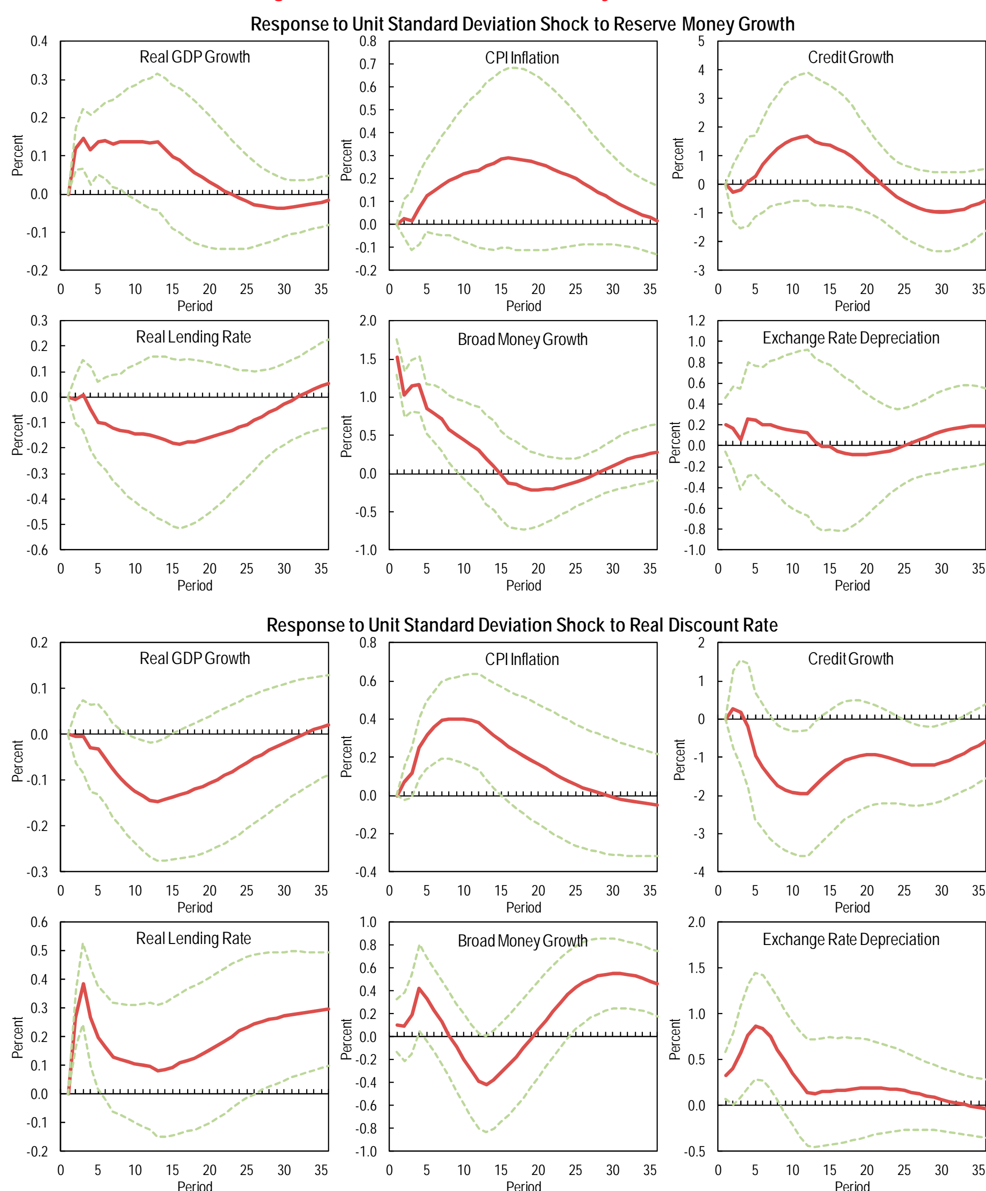
x	Discount Rate		Reserve Money	Discount Rate		Reserve Money
y	Lending Rate	Deposit Rate	Broad Money	Lending Rate	Deposit Rate	Broad Money
		(1995–09)			(2007–09)	
Sub-Saharan Africa						
Contemporaneous impact						
75th	0.92	0.28	0.35	0.39	0.37	0.36
Median	0.41	0.10	0.26	0.05	0.06	0.22
25th	0.15	-0.03	0.14	-0.04	-0.38	0.15
Long-run impact						
75th	0.86	0.65	0.52	0.61	0.71	0.43
Median	0.68	0.32	0.32	0.22	0.15	0.33
25th	0.34	-0.05	0.17	-0.03	-0.36	0.18
OECD						
Contemporaneous impact						
75th	0.42	0.33	0.04	0.37	0.61	0.06
Median	0.23	0.22	0.02	0.07	0.33	0.04
25th	0.09	0.09	0.01	0.05	0.25	0.01
Long-run impact						
75th	0.93	0.84	0.06	0.92	1.06	0.23
Median	0.81	0.66	0.04	0.47	0.62	0.10
25th	0.61	0.47	0.01	0.40	0.37	0.05

Source: IMF; *International Finance Statistics*; and IMF staff estimates.

This box was prepared by Valerie Cerra.

VARs are a standard method for investigating the full monetary transmission mechanism, including the impact on real economic activity and inflation. A panel VAR was estimated for sub-Saharan African countries (oil countries were excluded given the extreme volatility of data) for real GDP growth, inflation, deposit bank credit growth to the private sector, the real lending rate, reserve money growth, the real discount rate, broad money growth, and exchange rate depreciation relative to the U.S. dollar (Figure 2.8). Exogenous variables include global food and oil prices, global interest rates, and G-7 industrial production. The VAR spans 2001–09, using monthly data (expressed on an annualized basis) for all variables except annual real GDP (which holds the same value for each month in the year). We considered separately the impact of a positive shock to the discount rate and reserve money since both of these targets are used at different times by central banks in the region. The main findings are as follows:

Figure 2.8. VAR Model of Monetary Transmission

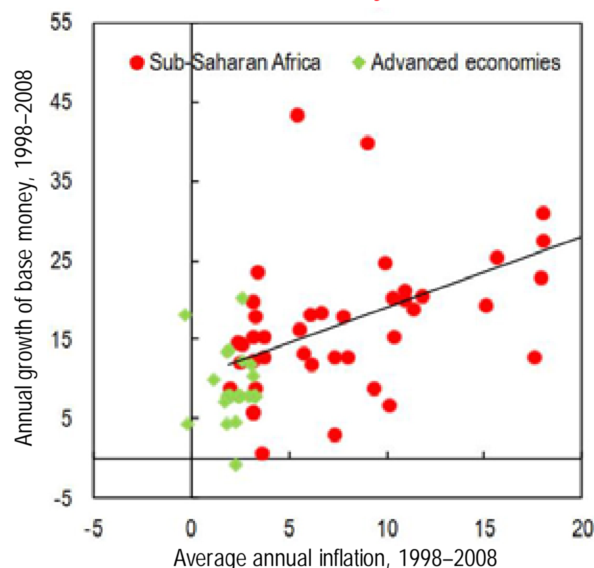


Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

- A positive shock to reserve money growth generates increases in output growth, inflation, and monetary aggregates, and leads to exchange rate depreciation in floating rate regimes. Real interest rates become negative, although the results are not significant. These changes are all in the direction we would expect a priori. The effects of reserve money growth on inflation strengthen over time. The broader message here is the importance of money as a determinant of inflation in most countries in the region whereas the weak link between money and inflation has led most advanced countries to focus on interest rates as the key monetary policy variable (Figure 2.9). It seems therefore that monitoring the evolution of reserve money in most sub-Saharan African countries is of some importance.

- An increase in the discount rate depresses growth, but, somewhat anomalously, increases inflation and depreciates the exchange rate. Growth and deposit money banks' credit to the private sector both slow in response to a hike in the discount rate, but inflation rises. This phenomenon has been observed in similar studies for advanced countries (the "price puzzle") and may simply reflect central bankers increasing interest rates in anticipation of increases in inflation.[3,4]

Figure 2.9. Sub-Saharan Africa and Advanced Economies: Inflation and Base Money



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

Offsetting Policy Instrument Effects

Monetary instruments do not always move in tandem because of the nature of shocks hitting the sub-Saharan African economies. Reserve money growth and the discount rate sometimes move in directions that exert offsetting expansionary and contractionary impulses. Indeed, since 1995, as well as in the recent period of the global shocks, monthly changes in the discount rate and reserve money growth are uncorrelated contemporaneously. This lack of relationship may also help explain the "price puzzle" mentioned above. That is, the increase in the discount rate may be associated with a rise in inflation because authorities are partially accommodating supply shocks through an increase in reserve money growth.

[3] The inclusion of global oil and food price variables in the VAR controls for these effects to some extent, but perhaps not for other supply shocks.

[4] To check for robustness, we also looked at the period 2007–09 and fixers and floaters separately. Reserve money growth shocks have a greater impact on growth, inflation, and exchange rate depreciation over the recent period. Shocks to the discount rate have less impact on the lending rate, but marginally more impact on growth. Policy interest rate changes have little effect on growth for fixers whereas reserve money growth shocks have a longer lasting impact on growth relative to floaters.

Some insight on this issue can be obtained from a case study of Zambia during the commodity shock and global crisis (Box 2.3 and IMF Country Report No. 10/208). Initially following the global commodity price shock, monetary authorities allowed higher reserve money growth to accommodate the shock, partly as they assumed it would be temporary and partly to help finance the fiscal budget. Meanwhile, nonperforming loans (NPLs) started to rise and banks' risk appetites waned. As banks shifted their portfolios to excess reserves, private credit and broad money slumped. Given these developments, combined with lags in monetary transmission, the central bank was sanguine that the reserve money growth would not fuel inflation. Reserve money growth shot up from single digits to about 40 percent over the course of 2008. At the same time, higher domestic and global risk premiums depressed foreign interest in Zambian government securities, requiring an increase in interest rates to shore up demand. In short, policy interest rates and money growth both rose during 2008.

The Zambia case study illustrates monetary policy conduct and challenges in response to supply shocks. A negative supply shock leads to lower economic growth and higher inflation. But as growth slows, profitability declines and risk premiums on loans and securities increase. Thus, interest rates may rise even as the central bank tries to loosen monetary conditions. The rise in risk premiums and the decline in banks' asset quality may then weaken the interest rate and credit channels of monetary transmission.

In sub-Saharan Africa, there is a reasonably strong link between changes in policy interest rates and commercial bank lending and deposit rates. Moreover, the central bank is able to affect growth somewhat through this channel. However, the influence of monetary policy on growth is weakened by supply shocks and changes in risk premiums at times of global turbulence.

Exchange Rate Channel

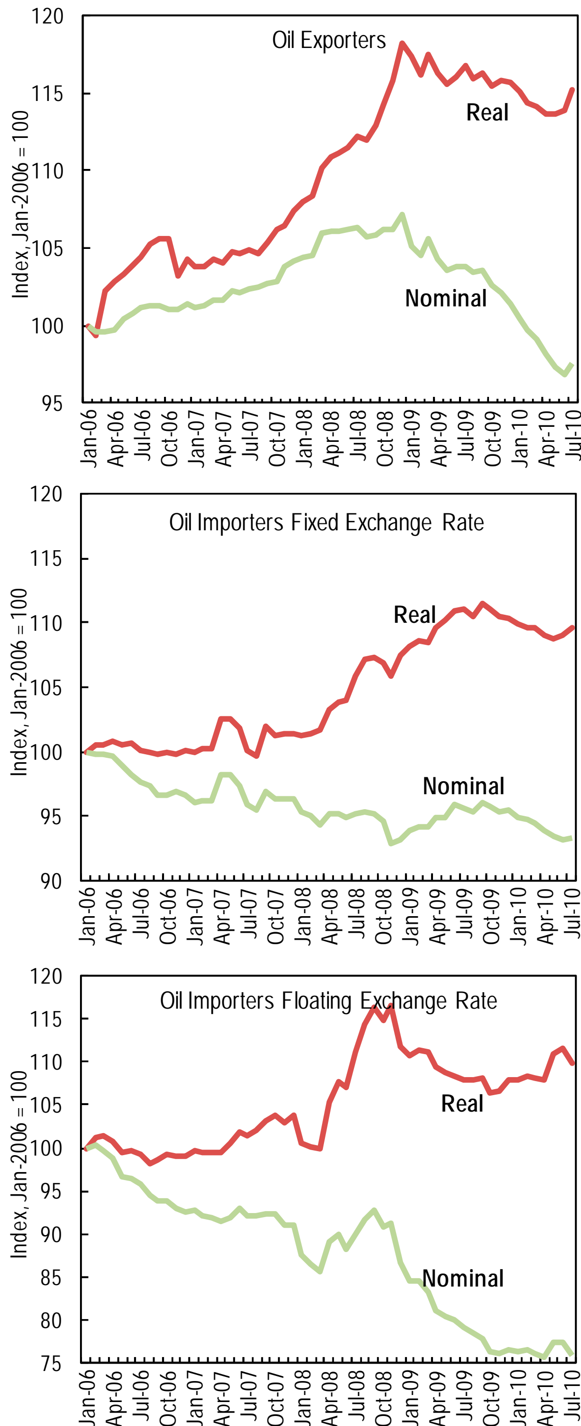
In this section, we consider how countries with different exchange rate regimes fared in terms of stabilizing inflation and output during the last few years. For ease of analysis, we use the three-way classification noted earlier in Box 1 comprising oil-exporters, most of which fix their exchange rates to the U.S. dollar or euro (7 countries); oil-importing countries with fixed exchange rates (17 countries); and oil-importing countries with floating exchange rates (19 countries).

Nominal exchange rates in countries with fixed exchange rate regimes have remained stable throughout the period of commodity price shocks and the financial crisis, although the currencies of oil exporters, especially those closely aligned to the U.S. dollar, followed the commodity price cycle (Figure 2.10). For the floaters, currencies depreciated somewhat with the onset of the global food and fuel price shock and there was a more pronounced depreciation once the global recession commenced.

But perhaps the most interesting development is that, as of mid-2010, real effective exchange rates for the three groupings were all some 10–15 percent more appreciated relative to their levels in early 2006. Floaters experienced sizable inflationary impulses during the price shock that were only partly offset by nominal depreciations. Their real effective exchange rates were some 10 percent more appreciated as of July 2010 than four years earlier. Real exchange rates of oil exporters and the non-oil fixers have evolved in a broadly similar fashion[5] with both groups experiencing more limited depreciations in effective terms and still enough inflation to end up with a real exchange rate appreciation of broadly the same magnitude as the floaters. The interesting question is how different growth and balance of payments outcomes have been in the floating-regime countries that have witnessed considerably more movement in nominal exchange rates.

[5] Not surprisingly, because except for Nigeria, all of the other oil-exporters have fixed exchange rate regimes.

Figure 2.10. Sub-Saharan Africa: Nominal and Real Effective Exchange Rates



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

Floaters

For floaters, the bilateral exchange rates against the U.S. dollar have been closely aligned with the U.S. dollar Treasury bill rate and with the EMBI spread since 2003, with the relationship having strengthened considerably over time (Table 2.1). Since 2007, the coefficients indicate that a 1 percent decline in the U.S. Treasury bill rate leads to a local currency appreciation of about ½ percent whereas a decline in the EMBI spread by 1 percent leads to a local currency appreciation of the same magnitude. The inflation rate of the floaters was more adversely affected by the commodity price shocks than countries with fixed currencies but the recent sizable depreciation among this group has not reignited inflation. Comparing movements in the real exchange rate with changes in real policy interest rates reveals that the two components of the monetary stance moved in opposite directions during 2008 as inflation reached its peak, but the situation has reversed subsequently.

How did the recent events affect growth and the current account among floaters? The non-oil floaters have experienced strong growth in recent years, averaging more than 6 percent in 2007 and 2008. However, growth subsided considerably to 4 percent in 2009 and contributed to a moderation in imports. During this period, the flexible exchange rate helped to cushion current account adjustments because it only deteriorated by only about 1 percentage point of GDP between 2007 and 2009.

Table 2.1. Determinants of Bilateral U.S. Dollar Exchange Rate Change
(National currency per U.S. dollar)[1]

	(2003–09)	(2007–09)
U.S. Treasury bill rate	0.35 ***	0.47 ***
EMBI interest rate spread	0.61 ***	1.08 ***
R-squared	0.21	0.35
DW statistic	1.95	1.98
Countries (number)	14	14

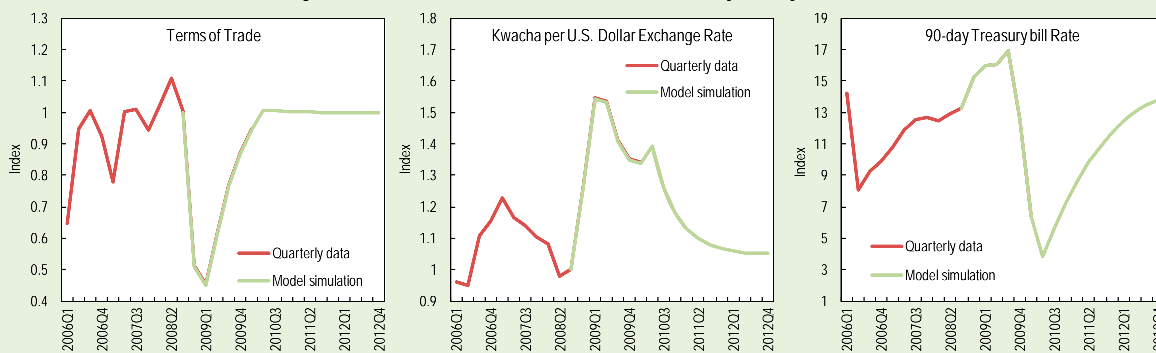
Sources: IMF, *International Financial Statistics*; and IMF staff estimates.
Note: *** 1% significance; ** 5% significance; * 10% significance.
[1]With controls for domestic money growth, inflation, U.S. inflation, and the lagged real exchange rate.

Box 2.3. A Model-Based Analysis of Monetary Policy in Low-Income Countries during the Crisis: The Case of Zambia

A structural model can help to make sense of economic developments where reduced form correlations are difficult to interpret. This box uses a small, simple, but sophisticated model developed by the IMF's African and Research Departments in an ongoing joint project, to analyze how monetary policy responded to external shocks hitting Zambia in 2008–09. Zambia is in many ways a representative of sub-Saharan African low-income country. It is dependent on commodity exports (copper) and shocks to export and import prices play an important role. Financial markets are thin and access limited, attenuating the direct impacts of interest rates on economic activity, though bank lending remains important.

In 2008–09, Zambia experienced in rapid sequence the impact of the food/fuel price shock followed by the global financial crisis. We interpret this period as being driven mainly by two external shocks: the terms of trade and country risk premium. The latter is not readily observable but can be inferred from the observed trajectory of the nominal exchange rate. We thus simulate the combined effects of the observed movements of the terms of trade and the exchange rate, looking to see how the model helps us understand the behavior of the rest of the key variables in the face of these shocks. Figure 1 (panels 1 and 2) shows the sharp decline in the country's terms of trade, reflecting the collapse in the price of copper—Zambia's main export—and depreciation of the nominal exchange rate from mid-2008 through early 2009 and subsequent recovery.

Figure 1. Zambia: External Shocks and Monetary Policy, 2008–09

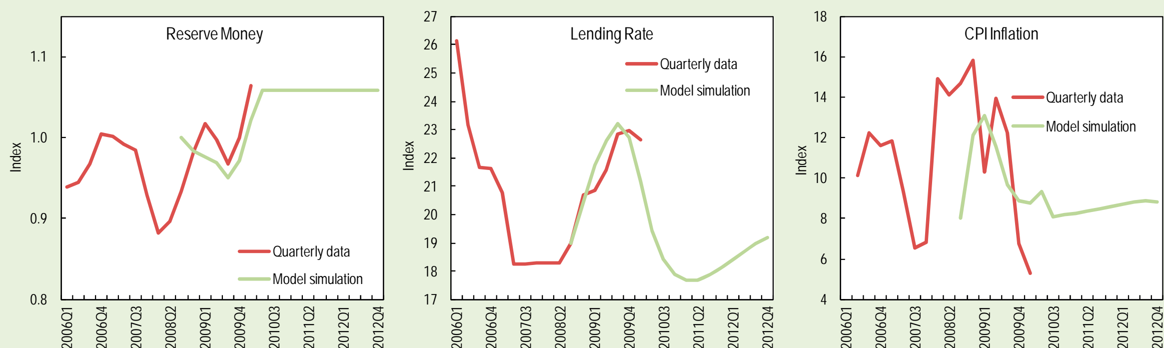


Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

Monetary policy: The Bank of Zambia targets monetary aggregates while the exchange rate floats. In the model, the lending rate depends on the value of private firms, reflecting the notion that banks become less willing to lend when the value of firms declines. We capture the Bank of Zambia's monetary policy in 2008–09 by choosing the trajectory of reserve money that reproduces observed 90 days Treasury bill rates. The third panel of Figure 1 shows how the Treasury bill interest rate increased somewhat early in 2009 and then collapsed toward the end of the year. Figure 2 shows that the model's logic tracks fairly well the evolution of reserve money, commercial bank lending rates, and CPI inflation. In particular, note how the rise in the nominal Treasury bill rates in mid-2009 required a decline in high-powered money, but after 3–4 quarters, policy was loosened and the Treasury bill rates fell sharply.

Despite the looser policy stance, lending rates continued to rise substantially (second panel of Figure 2). In the model, this occurs because the negative trade shock reduces real activity and thus the implied value of firms. This in turn makes bank loans riskier, leading banks to demand higher spreads between lending and Treasury bill rates for a given quantity of lending to the private sector. This is consistent with the rise in NPLs observed in Zambia over this period. The higher lending rates further depress domestic demand, with the result that inflation comes down fairly quickly.

Figure 2. Zambia: Model-Based Projections, Selected Variable, 2008–09



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

Why were policy rates (briefly) tightened in early 2009? As Figure 2 shows, inflation was fairly high in late 2008/early 2009, reflecting the past effects of the 2008 food/fuel price shock. At the same time, exchange rate was weakening sharply. It may have seemed appropriate then to tighten monetary policy to fight inflation and perhaps resist the nominal depreciation. However, because the model is structural, we can use it to ask whether a different monetary policy response might have mitigated some of the effects of the shocks. Indeed, additional results (not shown) suggest that higher initial money growth would have diminished the increase in lending rates relative to the baseline, mitigating the decline in domestic demand, at a cost of slightly higher but still declining inflation.

Beyond helping to understand events in Zambia, the model-based exercise illustrates a number of points of more general interest:

- Care must be taken in interpreting reduced-form correlations. For example, lending rates and short-term rates may move in opposite directions, as in Zambia in 2008/2009, even when, as in the model as calibrated to Zambia, monetary policy remains at least somewhat effective.
- The rapid sequence of first, food/fuel prices and second, the global financial crisis shows the need for forward-looking policymaking. It is risky to drive by looking only at the rear-view mirror, as with monetary policy risks, which are excessively tight when a loosening is required.

This box was prepared by Alfredo Baldini, Jaromir Benes, Andy Berg, Mai C. Dao, and Rafael Portillo.

Although the real effective exchange rate appreciated marginally more for the floaters during this period, the deterioration in the current account was moderated by import prices rising more than domestic substitutes facilitating a decline in the import-to-GDP ratio by 2½ percent over the two-year period. With less current account adjustment needed, reserve movements were fairly modest (Figure 2.11).

Fixers

For the fixers, nominal and real exchange rate movements were muted, with the fixed exchange rates helping to contain inflationary pressures. Indeed, oil exporters with fixed exchange rates had the lowest inflation rates during the commodity price boom (August 2007–August 2008), perhaps owing to subsidization. Although subject to less inflationary pressure than the floaters, real policy interest rates fell by more among the fixers during 2008 but have subsequently rebounded as inflation fell and the real exchange rate stabilized.

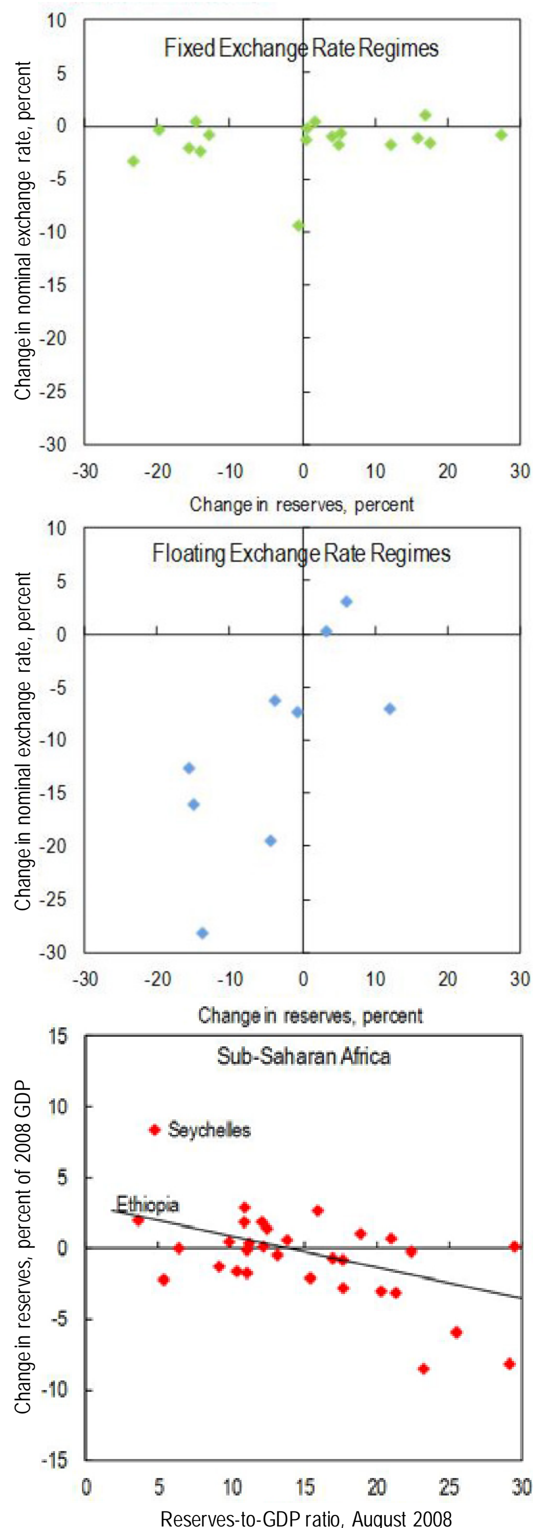
For the non-oil fixers, output growth was less impressive than for the floaters during 2007–08

at 3½ percent, but subsided by the same magnitude to 1½ percent in 2009. Without the benefit of exchange rate adjustment, the current account deteriorated considerably among these economies between 2007 and 2009 (average decline of 2½ percent of GDP) with the average decline in the import ratio at only ½ percent. Without nominal exchange rate adjustment, non-oil fixers made greater use of reserve changes to finance the current account deterioration. Between August 2008 (the eve of the financial crisis) and June 2009, nominal exchange rates for fixed exchange rate regimes varied between ± 2 percent while changes in reserves varied between ± 30 percent (Figure 2.11). Interestingly, reserve movements were quite strong in a number of oil-importing countries with fixed exchange rates during this period (Burkina Faso, Cote d'Ivoire, Namibia, and Senegal), some of which were likely associated with large IMF disbursements. Since mid-2009, reserves have recovered in a number of countries.

Reserve changes were not only influenced by a deterioration in the current account but also by the amount available before the crisis. Countries with large reserve buffers used these to cushion the effects of the crisis whereas countries with very low reserves (Ethiopia and Seychelles) needed to build up financing buffers.

Countries with floating exchange rate regimes have been associated with higher inflation during the recent crisis but the ability to adjust the nominal exchange rate has facilitated less volatility in current account and reserve movements compared with fixers. Although the reduction in the growth rate during the crisis was comparable for the floaters and fixers, the former enjoyed higher levels of growth both before and during the crisis.

Figure 2.11. Sub-Saharan Africa: Reserves and Exchange Rate Movements



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

Constraints on Monetary Policy Effectiveness

Sub-Saharan Africa is characterized by a number of factors that constrain its monetary policy effectiveness. These impediments include reserve levels that exceed required levels in many countries, significant central bank financing of fiscal deficits, weak financial systems in general, and underdeveloped financial markets. However, in recent years, some of these impediments have become less binding, thereby enhancing the effectiveness of monetary policy.

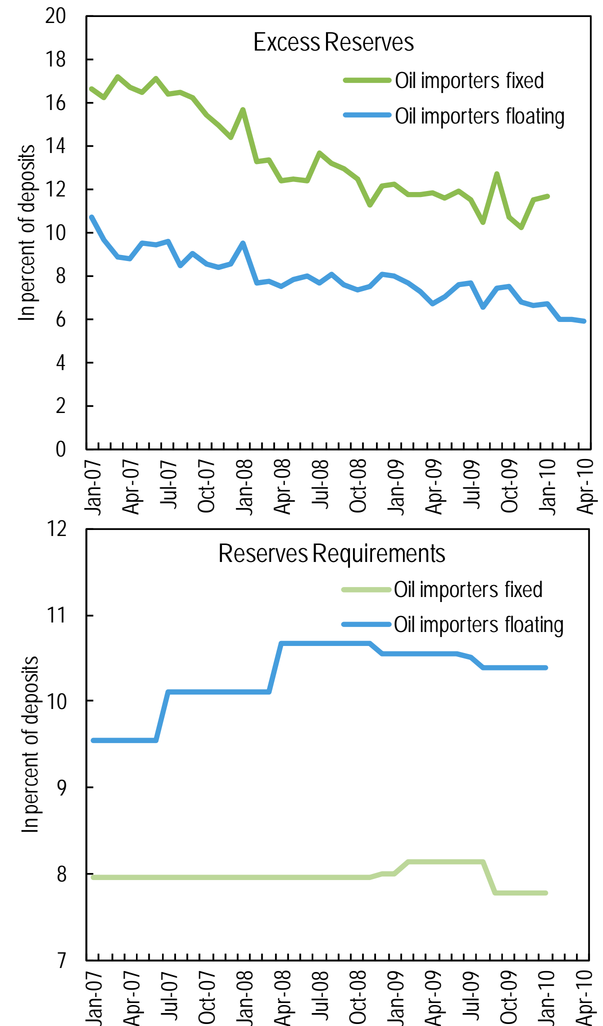
Excess Reserves

One factor that may limit the effectiveness of the monetary policy transmission mechanism is the level of excess reserves in the banking system. A number of countries have used reserve requirements to influence the monetary policy stance but if the level of excess reserves is far beyond this benchmark, the potency of this monetary policy measure is diluted. Saxegaard (2006) has documented a secular increase in reserve requirements over time among African countries, arguing that this change reflects an increased focus on stabilizing inflation coupled with a lack of open-market monetary policy instruments. Since 2007, excess reserves have declined in most countries (Figure 2.12). Indeed, a few non-oil floaters have reduced reserve requirements (Kenya and Mozambique) in response to the scarcity of liquidity during the global crisis and, among this group, excess reserves in percent of deposits are currently about 6 percent, arguably a level in which monetary policy can be effective (see the discussion of private sector credit).

Central Bank Financing of Fiscal Deficits

High fiscal deficits can also interfere with the operation of monetary policy by making monetary policy subordinate to the concerns of fiscal policy (fiscal dominant regime). In recent years, monetary authorities' net claims

Figure 2.12. Sub-Saharan Africa: Excess Reserves and Reserves Requirements

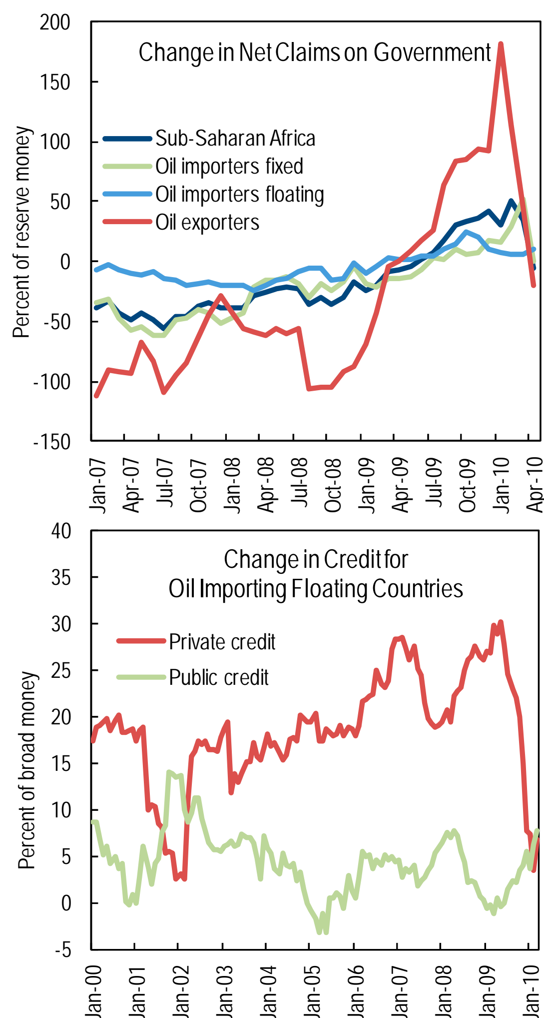


Sources: IMF, *International Financial Statistics*; and IMF, Monetary and Capital Markets department database.

on government as a share of reserve money have been growing in sub-Saharan Africa, reflecting rising fiscal deficits financed by central banks, in part as donor disbursements fell short of budget commitments (Figure 2.13).[6] If this trend continues, and if it creates high-powered money in excess of its demand, it could increase inflation expectations and make stabilization more difficult and costly. The government can

[6] Baldini and Poplawski-Ribeiro (2008) give evidence of the relative importance of fiscal and monetary determinants of inflation in sub-Saharan Africa, and show that a number of countries were characterized by chronic fiscal dominant regimes during 1980–2005.

Figure 2.13. Sub-Saharan Africa: Monetary Indicators



Sources: IMF, *International Financial Statistics*; and IMF staff estimates.

also finance fiscal deficits by selling its securities to deposit banks. For non-oil floating rate countries, changes in public sector credit of deposit banks have had a striking negative relationship with their credit to the private sector. During the global financial crisis, the negative relationship could partly reflect crowding out of private borrowing as banks reduced their exposure to risky loans. However, the relationship has also held tightly over the past decade.

Private sector credit is influenced by excess reserves and fiscal policy (see panel regression in Table 2.2). Real private sector credit is significantly related to real interest rates and money growth but the responsiveness to monetary policy instruments is considerably stronger for countries with low excess reserves. This is consistent with greater monetary policy effectiveness when excess reserves are low, although the relationship may also reflect a more developed financial sector.[7] The flipside for countries with high excess reserves is that monetary authorities may have particular difficulty stimulating credit growth during a downturn (monetary policy "pushing on a string"). For the subset of countries with low reserves, private sector credit is crowded out through higher government borrowing from the bank and non-bank systems. Changes in commodity price terms of trade also play an important role in the full sample, substituting for other forms of liquidity in the economy. For countries with low excess reserves, during 2007–09, the combination of the 2 percentage point reduction in the real LIBOR rate and the 1 percent decline in the domestic lending rate helped sustain a 7 percent increase in real private sector credit. However, this was offset by a 4 percent of GDP deterioration in the fiscal balance that lowered real private credit by 4 percent, with a slight increase as a net effect.

Weak Financial Systems

When financial systems are under stress, the propagation of monetary policy may be curtailed. For instance, banks may respond to an injection of liquidity by accumulating additional excess reserves rather than extending loans, as they try to rebuild their liquidity and capital buffers. If the economic environment entails greater risk, banks may be reluctant to reduce interest rates or increase lending given the higher risk of default. In addition, concerns about poor asset quality of existing loans may lead banks to be cautious in making new loans.

[7] Countries with low excess reserves are those with excess reserve levels that are below 10 percent and include Gambia, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, South Africa, Tanzania, and Uganda; the median estimate of the low excess reserves sample is 4.1 percent.

Table 2.2. Change in Real Private Credit

	Full Sample	Countries with Low Excess Reserves	
Real lending rate (t-1)	*-0.80 ****	*-1.56 ****	*-1.64 ****
Change in real money supply (t-1)	*1.91 ****	*3.21 ****	*3.25 ****
Change in fiscal balance-to-GDP ratio	*-0.03*	*1.10*	*1.14 **
Change in real government credit (t-1)	*-0.06*	*-0.30 **	*-0.32 ***
Change in real LIBOR interest rate	*-1.31*	*-2.83 **	*-2.90 **
Change in commodity price terms of trade	*0.22 ****	*-0.02*	*-0.01*
VIX index (log)	*-0.01*	*-0.06*	*-0.07*
Real GDP growth	*0.91 **	*0.51*	
Private credit to GDP ratio (t-1)	-1.08 ***	-0.96 ***	-0.93 ***
R-squared	0.41	0.58	0.58
DW statistic	1.97	2.38	2.42
Countries (number)	21	9	9

Sources: IMF, *International Financial Statistics*; and IMF staff estimates.
Note: *** 1% significance; ** 5% significance; * 10% significance.

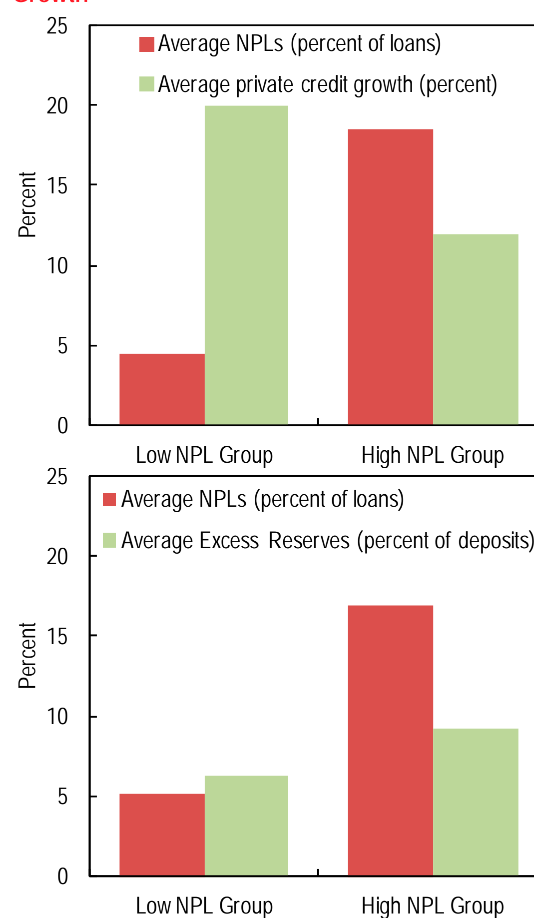
They may keep their portfolio in government securities or reserves at the central bank instead.

Recent developments point to such weaknesses. Based on the 30 countries for which data on both credit growth and NPLs in 2008 were available, the 15 countries with the lowest NPLs also had the highest growth of credit to the private sector (Figure 2.14). This suggests that a strong banking system is needed to generate funding for private sector activity although reverse causality may also be at work if NPLs are projected to rise. Likewise, for the 22 countries with data on both NPLs and excess reserves, the 11 countries with the lowest NPLs also held the lowest excess reserves.

Underdeveloped Financial Markets

The effective transmission of monetary policy to the economy relies on well functioning financial institutions and markets. Indeed, across countries, financial depth in banking sector assets and liabilities and the development of financial markets (stocks, bonds, insurance) are associated with a stronger link between central bank policy and deposit bank interest rates (Box 2.4). In many countries in sub-Saharan Africa, the financial sector is underdeveloped with some financial markets absent, and these characteristics can lead to high

Figure 2.14. NPLs, Excess Reserves, and Credit Growth



Sources: IMF, *International Financial Statistics*; and IMF, African and Monetary and Capital Markets departmental databases.

risk premiums. These factors reduce the impact of policy interest rate changes on economic aggregates and constrain the ability of monetary authorities to conduct appropriate policy.

In spite of these drawbacks, sub-Saharan Africa has a higher interest rate transmission than the average across other countries of the world.

Box 2.4. Financial Development and Other Factors Affecting Monetary Transmission

Using a database on financial development and structure (Beck and others, 2008), the involvement of financial development and other factors in strengthening transmission channels can be investigated. The table shows results from a panel version of the relationships in Box 2, using monthly international data from 1995 (as available). For each bivariate regression, a measure of financial development (or other variable) interacts with the independent variable:

$$d(y_t) = \beta_0 + \sum_{j=0}^{4} \beta_{j+1} d(x_{t-j}) + \sum_{j=1}^{4} \beta_{j+5} d(y_{t-j}) + \beta_{10} I_{t-4} + \sum_{j=0}^{4} \beta_{j+11}\, I_{t-4} * d(x_{t-j}) + \varepsilon_t$$

The table shows the marginal long-run effects on the interaction term. Higher incomes (measured from low-income = 1 to OECD = 5) and variables gauging greater development of the financial system are associated with stronger responses of the lending and deposit rates to changes in the discount rate (columns 1 and 2), but are negatively associated with the link from reserve money growth to broad money growth (column 3).

x	Discount Rate		Reserve Money
y	Lending Rate	Deposit Rate	Broad Money
Interaction variable:			
Income group	0.07	0.08	-0.11
Sub-Saharan Africa	0.16	0.18	0.10
Oil exporters	0.45	0.01	0.25
Oil importers fixed	0.10	-0.08	0.04
Oil importers floating	-0.16	0.09	0.08
Deposit banks' reserves (percent of liabilities)	-0.34	-0.52	-0.01
Deposit banks' assets (percent of total bank securities)	0.44	0.05	-0.74
Other financial institutions' assets (percent of GDP)	0.70	0.99	-0.10
Deposit banks' private sector credit (percent of GDP)	0.02	0.22	-0.24
Stock market capitalization	0.08	0.15	-0.07
Private bond market capitalization	0.40	0.32	-0.04
Life insurance premium volume	2.85	6.31	-2.67
International debt issues	1.91	0.43	-0.05
Net loans from nonresident banks (percent of GDP)	-7.19	-6.60	-0.61
Offshore bank deposits (percent of domestic bank deposits)	-0.43	-0.34	0.00
Remittances	-0.65	0.09	0.00
Concentration	-0.01	-0.30	0.40
Fiscal balance (percent of GDP)	0.00	0.00	0.00
Current account balance (percent of GDP)	0.01	0.01	0.00

Source: Beck and others (2008); Financial Development Database; and IMF staff estimates.

Interestingly, the interest rate links are stronger for sub-Saharan Africa than for the average country in the panel, which includes many other emerging and developing countries in addition to advanced countries. Deposit bank reserves held at the central bank, loans from nonresident banks, and offshore deposits tend to weaken the link from the policy rate to market rates, as does higher concentration in the domestic banking system. Remittances weaken the link to the lending rate but slightly increase the link to the deposit rate. A higher ratio of deposit bank reserves relative to their liquid liabilities is associated with a much weaker interest rate link. Lastly, the interest rate link is also stronger when the fiscal and current account balances improve, although the relationship is small in magnitude.

This box was prepared by Valerie Cerra.

Looking Forward

Economies of sub-Saharan Africa are regularly buffeted by severe external shocks, requiring macroeconomic tools for stabilization. Monetary policy can play a role in adjustment, particularly as fiscal positions become strained and geared toward other purposes. In some countries, central banks could more actively use their monetary policy instruments. The scope is greatest for countries with floating exchange rates or for a few fixed exchange rate countries with limited capital mobility. But even for countries in which policy rates are set exogenously (members of currency union or fixed exchange rate countries passively tied to global interest rates), the evidence suggests that these passive changes in policy instruments have significant transmission to the banking sector and domestic economy. Nonetheless, given the size of shocks, monetary policy is far from fully effective and will need to be complemented by supportive structural policies and safety nets.

Measures to speed the identification and reaction to changes in economic conditions would improve policymaking. These measures could include enhancing the quality and timeliness of statistical data and developing simple models of inflation dynamics. As central banks enhance their analytical capacity, they could also strengthen research on monetary transmission in their countries and build econometric and structural models to explore the best mix of instruments and the magnitude of the policy response.

Countries with floating exchange rate regimes have used the flexibility to dampen the impact of external shocks on their current accounts.

For countries choosing limited exchange rate flexibility, it is particularly important to have other types of buffers, such as sufficient foreign exchange reserves and fiscal flexibility, for adjusting to adverse external conditions.

Institutional and technical developments could improve the execution and effectiveness of monetary policy in the region. Reforms and development should include:

- Developing deeper and more competitive financial markets so that changes in policy instruments will transmit to market interest rates and credit to the private sector.
- Improving banking sector soundness, by modernizing the regulatory environment and improving financial supervision, so that the financial sector has the capacity to lend and will appropriately allocate scarce savings to the most efficient use while prudently managing risk.
- Restoring fiscal sustainability and low deficits, so that monetary policy can perform its stabilization function rather than financing fiscal shortfalls.
- Improving institutions, including central bank independence, accountability, and transparency, as well as broader market infrastructure such as credit reference bureaus, land cadastres, and legal enforcement of contracts.
- Building resilience to shocks through the policies discussed above and through economic diversification.

3. The Quest for Higher Growth in the West African Economic and Monetary Union (WAEMU) and Implications for Fiscal Policy

As elsewhere in sub-Saharan Africa, economic performance in most WAEMU countries has strengthened over the past 15 years. Most WAEMU countries also weathered the impact of the global financial crisis and the earlier oil and food price shocks reasonably well.[1] Improvements in economic fundamentals, together with broadly appropriate policy responses to the crisis, limited global financial integration, and Côte d'Ivoire's postconflict recovery helped to cushion the impact of the external shocks at the regional level.

Despite improvements in fundamentals, long-term growth in WAEMU countries has been lower than in sub-Saharan Africa's top performers. The divergence became more pronounced after what has been dubbed "the great African takeoff" in 1995.[2] From 1995 to 2009, per capita GDP more than doubled in the fastest growing countries in Africa, compared with an increase of just below 60 percent in Burkina Faso, the fastest-growing economy in the WAEMU, and a decline of about 10 percent in Côte d'Ivoire. Despite higher growth since the mid-1990s, the (unweighted) average per capita income level in the WAEMU is still at its 1980 level.

Higher sustained growth is needed to improve living standards and reduce poverty.

The main objective of this chapter is to investigate what may be needed to increase trend growth in the region and to discuss fiscal policy implications. The chapter does not attempt to present new statistical analyses of growth or a vast review of the literature. Rather it draws on recent studies and benchmarking methodology to compare WAEMU countries with sub-Saharan Africa's top performers (Box 3.1). Three questions are central:

- How does economic growth in the WAEMU compare with Africa's top performers?
- What are the factors that explain WAEMU's recent relative underperformance, and what policy lessons can be drawn?
- And given WAEMU's gaps in infrastructure, which is one constraint to faster growth, how can higher public infrastructure investment be implemented within a sustainable fiscal framework?

The key findings of the paper are:

- In the four faster-growing WAEMU countries (Benin, Burkina Faso, Mali, and Senegal), macroeconomic and structural reforms have started to pay off. Since the mid-1990s, average per capita growth in

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This chapter was prepared by Norbert Funke, Cheikh Gueye, Duval Guimarães, Tidiane Kinda, Montfort Mlachila, Amadou Sy, and Irene Yackovlev with contributions from Calixte Ahokpossi, Vivien Foster (World Bank), Rainer Köhler, Gustavo Ramirez, Rupa Ranganathan (World Bank), and Cemile Sancak.

[1] The eight WAEMU countries, which are all members of the CFAF currency zone, are Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo.

[2] See, for instance, IMF (2008).

Box 3.1. Benchmarking Good Performance

There is no generally accepted way of choosing a good set of comparator countries to benchmark performance. Nonetheless, as was done in Johnson and others (2007), the choice must be based on objective and analytically sound criteria.

This chapter chooses the fastest-growing non-oil exporting sub-Saharan African economies outside WAEMU to benchmark performance, with an average per capita growth rate of at least 3 percent during 1995–2009. This more ambitious target than that used in other studies (for example, IMF, 2008, and Radelet, 2010) allows for faster catch-up. With a growth rate of at least 3 percent, incomes would double every 25 years. Eight countries (excluding one WAEMU member) are on the list: Botswana, Cape Verde, Ethiopia, Mauritius, Mozambique, Rwanda, Tanzania, and Uganda. For the purpose of this study, we will refer to these eight fast-growing countries as "high-growth non-oil exporters" or "high-growth countries." While Burkina Faso's growth performance was similar to that of the slowest growing high-growth country, Burkina Faso will only be included in the WAEMU aggregate.

Table 1. Selected Indicators, 1995–2009

	Real GDP per Capita Growth	Real GDP Growth	Natural Resources	Landlocked	Population, 2009	GDP, 2009	GDP per Capita, 2009[1]
	(Average, percent)				*(Millions)*	*(Billions of U.S. dollars)*	
High-growth Non-oil Exporters	**4.3**	**6.8**			**191**	**106**	**558**
Botswana	4.0	5.6	✓	✓	2	12	6,407
Cape Verde	4.9	6.9			1	2	3,070
Ethiopia	4.2	7.1		✓	83	32	390
Mauritius	3.1	4.1			1	9	6,704
Mozambique	5.9	8.2			21	10	465
Rwanda	5.0	9.5		✓	10	5	536
Tanzania	3.4	5.8			41	21	526
Uganda	4.1	7.5		✓	33	16	482
WAEMU	**0.8**	**3.6**			**94**	**68**	**725**
Benin	1.4	4.5			9	7	710
Burkina Faso	3.1	5.9		✓	14	8	564
Côte d'Ivoire	-0.7	2.0			21	22	1,052
Guinea-Bissau	-1.3	1.5			2	1	521
Mali	2.4	4.9		✓	14	9	657
Niger	0.4	3.7		✓	14	5	372
Senegal	1.6	4.1			13	13	994
Togo	-0.6	2.3			7	3	464

Sources: IMF, *World Economic Outlook;* and IMF, African Department database.
Note: green highlights indicate the faster-growing countries in the corresponding subgroup.
[1] Aggregate values are weighted by population.

these countries was 2 percent higher than during the previous 15 years but averaged still about 2 percent less than among sub-Saharan Africa's top performers. In the four other countries (Côte d'Ivoire, Guinea-Bissau, Niger, and Togo) average per capita growth has been slow or even negative, albeit improving where political stability has been achieved.

- The reasons for the growth divergence between the WAEMU and the fastest-growing countries in Africa (high-growth non-oil exporters) are complex, and no single factor or simple story emerges. Political stability is clearly a prerequisite for economic development and, where absent, it has surely depressed economic growth. On average, high-growth sub-Saharan African countries fared somewhat better on a range of determinants of per capita growth, pointing to the need for further broad-based reforms. It will be key to foster investment, trade and nonprice competitiveness (including quality of institutions, infrastructure levels, and costs), financial market development, health, and education. Further growth diagnostics would be needed to compare the costs and benefits of reforms in the above areas.

- Several of the needed reforms will require better and perhaps higher public spending. In addition to health and education, among the factors holding back growth even in the faster-growing WAEMU countries, infrastructure weaknesses (notably acute power shortages and slow road and port transit times) appear to be a significant constraint. More public infrastructure investment can help address these weaknesses, but this requires robust fiscal frameworks. Notably, fiscal policy must balance aggregate demand effects, debt sustainability considerations, and investment needs. Additional efforts are needed to raise revenues and improve fiscal institutions to enhance the composition and quality of spending, and investments need to be fully integrated in medium-term budget frameworks and significant maintenance costs taken into account.

How Does Growth in the WAEMU Compare with Other Sub-Saharan African Countries?

Characterizing the WAEMU Growth Experience

Growth and Income Level

Growth has been significantly lower in WAEMU countries than in high-growth non-oil exporters in sub-Saharan Africa. While averaging 4.9 percent in high-growth non-oil exporters, the average real GDP growth rate in the WAEMU was 2.9 percent during 1980–2009.[3] The difference in growth between WAEMU countries and top performers in sub-Saharan Africa is similar when looking at per capita growth figures. While averaging 2.7 percent in high-growth countries, the average per capita growth rate in the WAEMU was virtually zero percent during 1980–2009.[4] Performance was particularly poor in the slow-growing WAEMU countries, whose average per capita GDP level is now lower than in 1980.

Divergence in growth was more marked after 1995 (Figure 3.1, Table 3.1). While averaging 0.8 percent in WAEMU countries during 1995–2009, the average growth rate stood at 4.3 percent in high-growth sub-Saharan African

[3] In this chapter, growth rates refer to the unweighted average to avoid the regional average being dominated by the two largest countries (Côte d'Ivoire and Senegal). Therefore, data may differ from those in the statistical appendix, which are weighted averages.

[4] The rest of the analysis is done in per capita real GDP growth rate, acknowledging that data on population and growth may be subject to revisions.

countries. However, the low average growth performance in WAEMU countries masks significant heterogeneity across countries. WAEMU countries can be divided into two groups based on their growth performance. The faster-growing countries (comprising Benin, Burkina Faso, Mali, and Senegal) had an average per capita real growth rate of 2.1 percent between 1995 and 2009. The slower-growing countries (comprising Côte d'Ivoire, Guinea Bissau, Niger, and Togo) experienced average per capita real growth rates of -1 percent during the same period. But the faster-growing WAEMU countries experienced lower growth compared with high-growth sub-Saharan African countries after 1994.[5]

To identify possible reasons for the difference in growth between WAEMU countries and high-growth sub-Saharan Africa, the chapter first will compare the growth dynamics between the two groups and then look at determinants of growth.

Table 3.1. Real GDP per Capita Growth, 1980–2009

	1980–94 Average	1995–2009 Average
	(Percent change)	
Sub-Saharan Africa	**-0.2**	**2.3**
High-growth non-oil exporters	1.1	4.3
WAEMU	-0.6*	0.8*
Of which: faster growing	0.1	2.1*

Sources: IMF, *World Economic Outlook*; and IMF, African Department database.
Note: * indicates that the growth rate is significantly lower in WAEMU than in sub-Saharan African high-growth non-oil exporters at the 10 percent significance level.
[1] All growth rates are unweighted averages.

Growth Accelerations, and Decelerations

In line with recent developments in the literature, this section focuses on the dynamics of growth, distinguishing between growth accelerations and growth decelerations (Box 3.2). The analysis points not only to the need to accelerate growth in the WAEMU but also to the importance of minimizing periods of growth decelerations. In this regard, political stability and appropriate policy responses to external shocks will be critical.

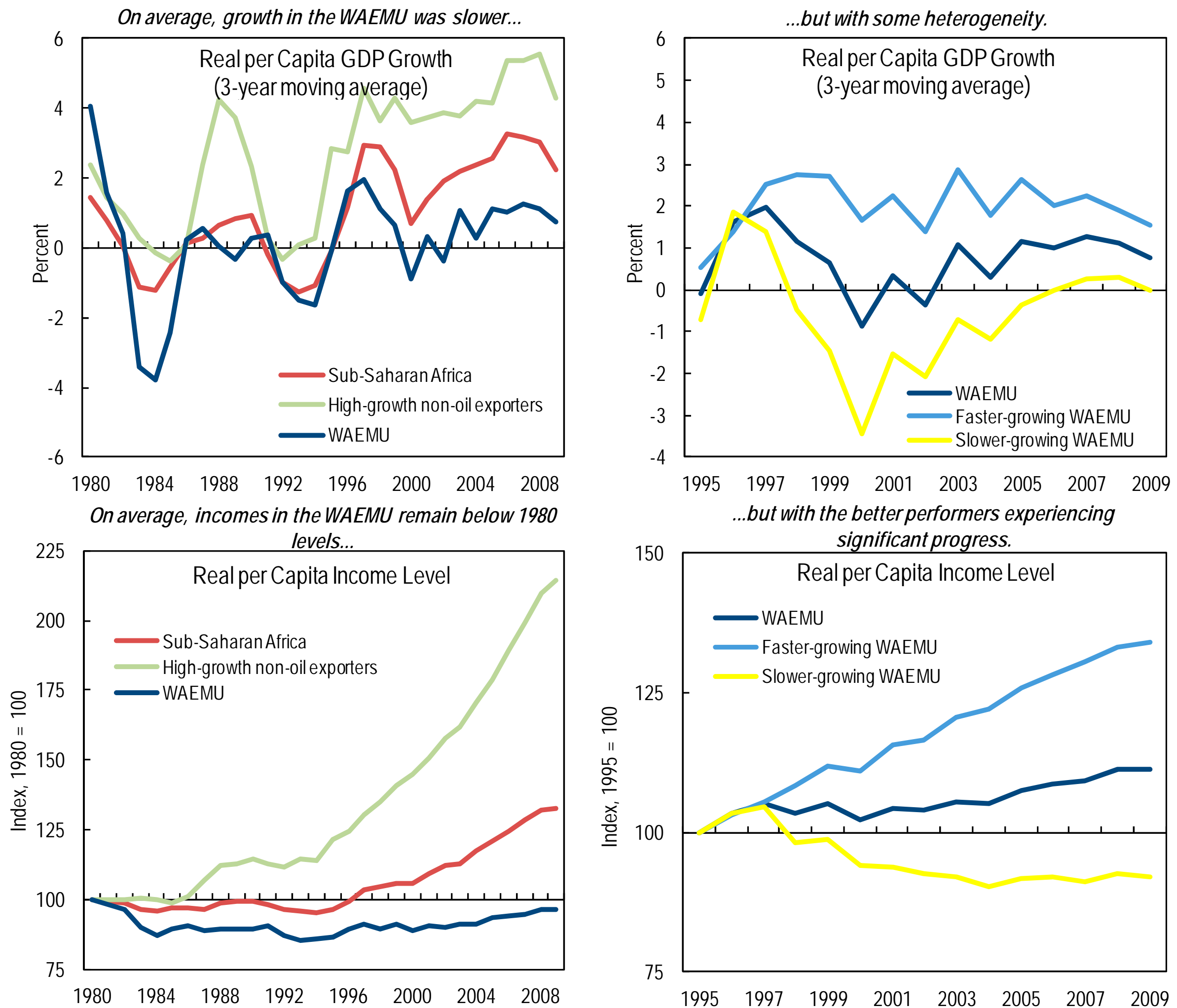
The literature shows that attaining growth acceleration is relatively easy, while sustaining it is rather difficult (Berg and others, 2008). Based on the methodology described in Box 3.2, Table 3.2 illustrates how the frequency of growth accelerations and decelerations in WAEMU countries compares with that of high-growth non-oil exporters.

In line with the findings above, the frequency of growth accelerations in WAEMU countries was lower than that of high-growth non-oil exporters, and WAEMU countries experienced a higher frequency of growth deceleration. After 1994, high-growth countries benefited from an increase in acceleration frequency.

Particularly noteworthy is that high-growth non-oil exporters and the faster-growing countries in the WAEMU essentially avoided periods of growth deceleration, but there was no improvement in the frequency of growth accelerations in the WAEMU. In the slower-growing WAEMU countries, the frequency of growth deceleration also declined but remained higher than that of growth acceleration.

[5] Growth in the faster-growing WAEMU countries is also significantly lower than growth in the slower-growing high-growth non-oil exporters. High-growth sub-Saharan African countries could also be grouped as faster growing (Cape Verde, Mozambique, Rwanda, and Uganda) and slower growing (Botswana, Ethiopia, Mauritius, and Tanzania) based on their average growth rate between 1995 and 2009. Average growth among these slower growing countries was 3.6 percent and among faster growing countries, it was 5 percent.

Figure 3.1. Growth and Income Level, 1980–2009



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

Table 3.2. Frequency of Growth Acceleration and Deceleration, 1980–2009[1]

	1980–94		1995–2009	
	Acceleration	Deceleration	Acceleration	Deceleration
	(Percent)		*(Percent)*	
Sub-Saharan Africa	**0.15**	**0.29**	**0.22**	**0.10**
High-growth non-oil exporters	0.21	0.18	0.31	0.02
WAEMU	0.12	0.33	0.10	0.13
Of which: faster growing	0.20	0.22	0.17	0.02

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

[1]Acceleration defined with 1 percent growth differences.

Box 3.2. Defining Growth Accelerations and Decelerations

The definition of growth acceleration and deceleration is based on a variant of Hausmann, Pritchett, and Rodrik (2005) methodology derived by Arbache and Page (2010). Following Arbache and Page (2010), we define growth acceleration for a given country by the following three conditions that must be satisfied for at least three consecutive years:

- The forward four-year moving average growth rate minus the backward four-year moving average growth rate exceeds 1 percent.
- The forward four-year moving average growth rate exceeds the country's average growth rate.
- The forward four-year moving average GDP per capita exceeds the backward four-year moving average.

Symmetrically, growth deceleration for a given country is defined by the following three conditions that must be satisfied for at least three consecutive years:

- The forward four-year moving average growth rate minus the backward four-year moving average growth rate is less than zero.
- The forward four-year moving average growth rate is below the country's average growth rate.
- The forward four-year moving average GDP per capita is below the backward four-year moving average.

In contrast with Hausmann, Pritchett, and Rodrik (2005), this definition uses a shorter moving average window (four years versus seven years) and a lower growth threshold (1 percent versus 2 percent). In addition, while acceleration is defined relative to each country's average growth in our methodology, Hausmann, Pritchett, and Rodrik (2005) require an average growth rate of at least 3.5 percent during the acceleration episode.

*See Arbache and Page (2010) for more methodological details.

Macroeconomic Management and Structural Developments

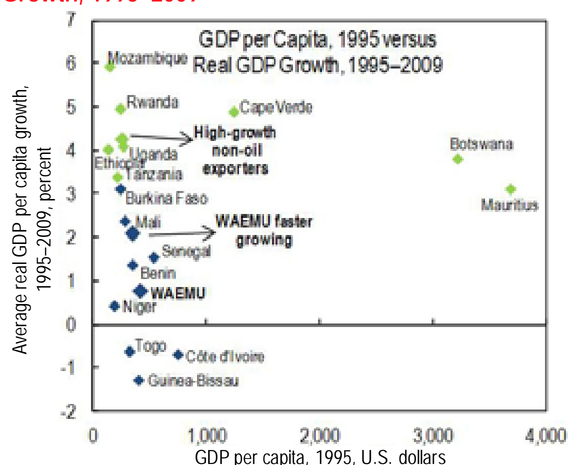
This section compares the performance of WAEMU countries after 1994 with that of high-growth sub-Saharan Africa. The point is not to perform formal empirical tests of the relative importance of individual variables but to do a comparative broad-brush portrait of the environment, macroeconomic management, and structural developments.[6] The discussion is organized around five areas that the growth literature has identified as playing an important role in explaining growth differentials (see, for example, Ndulu and others 2007; IMF 2008; and Selassie, 2008): (1) initial income, endowment, and geography; (2) external environment; (3) macroeconomic management; (4) trade and competitiveness; and (5) other factors. Owing to regional spillover effects, intra-WAEMU growth dynamics also come into play. More recent analysis has underscored the role of political instability as an important determinant of growth decelerations (Johnson and others, 2007).

Initial Income, Endowment, and Geography

Overall, initial income, endowment, and geography are not the decisive factors in explaining growth differentials between WAEMU countries and high-growth countries. Although some poor countries are among the top performers, the countries that experienced the largest growth take-off since 1995 were not systematically poorer, which would be consistent with catch-up growth. At the same time, the richer countries did not systematically experience a lower growth rate (Figure 3.2).

[6] The core of the analysis focuses on identifying differences between key determinants of growth. Endogeneity issues may complicate the interpretation of results.

Figure 3.2. Initial Income and Real GDP per Capita Growth, 1995–2009



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

Previous IMF analysis (IMF, 2008) suggests that natural resources endowments and geography, which have historically been important in determining growth patterns in Africa, have not been decisive factors in explaining the growth take-off since the mid-1990s. This broader finding is also reflected in the sample. Most of the eight high-growth sub-Saharan African economies considered in this chapter managed to grow rapidly without large amounts of natural resources.

In terms of geography, a common argument is that landlocked countries may be more constrained in their access to large markets, which may hinder their ability to exploit economies of scale. But geography in itself does not appear to be a decisive factor for high-growth sub-Saharan Africa and the WAEMU.

The group of high-growth countries includes four landlocked countries, two coastal economies, and two island economies. Long distance from markets has not prevented Mauritius from rapid growth. Conversely, Burkina Faso, the country with the highest growth rate in the WAEMU, is landlocked.

External Environment

Another factor often mentioned is the impact of the external environment on economic growth. Historically sub-Saharan Africa growth has closely tracked global real GDP growth (Drummond and Ramirez, 2009). Cross-country estimates suggest that on average, a 1 percentage point change in growth in the rest of the world leads to a corresponding 0.4–0.5 percentage point change in sub-Saharan Africa countries (see IMF, 2009; and Box 1.2). Various transmission channels affect growth, including export demand, terms of trade changes, and financial linkages. But overall, there is little indication that the external environment is a factor in explaining the WAEMU's lower growth.

Positive terms-of-trade shocks, such as those related to surging commodity prices during the past decade up to the financial crisis, have been found to increase growth (Deaton and Miller, 1996; and Raddatz, 2007). But research also suggests that the positive effects on growth may be short-lived and may even have adverse effects in the longer term, unless countries have good institutions (Collier and Goderis, 2009).
A comparison of the changes in terms of trade between the WAEMU and high-growth sub-Saharan Africa shows that WAEMU countries had somewhat more favorable terms-of-trade changes on average than high-growth countries (Table 3.3).

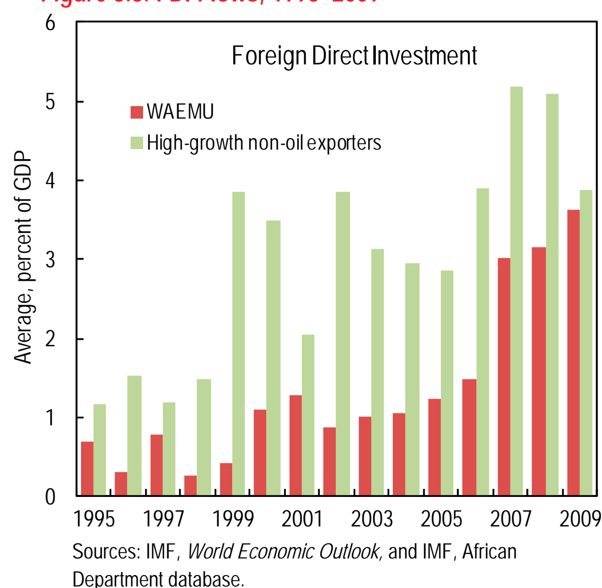
Table 3.3. External Environment, 1980–2009

	1980–94		1995–2009	
	Terms of Trade	FDI	Terms of Trade	FDI
	(Percent change)	*(Percent of GDP)*	*(Percent change)*	*(Percent of GDP)*
Sub-Saharan Africa	**0.2**	**1.0**	**2.6**	**4.5**
High-growth non-oil exporters	-0.8	0.6	0.6	3.0
WAEMU[1]	-0.5	0.4*	2.9	1.4*
Of which: faster growing	0.2	0.1*	3.7	1.5*

Sources: IMF, *World Economic Outlook;* IMF, African Department database; and IMF staff estimates.
Note: * indicates that the WAEMU average is significantly different from SSA high-growth non-oil exporters at the10 percent significance level.
[1]WAEMU terms of trade exclude Guinea-Bissau.

Foreign direct investment (FDI), coupled with technological know-how transfer, may increase growth and help sustain it. Despite recent progress, FDI flows to the WAEMU remain below the flows to high-growth countries. FDI flows to the WAEMU rose from 0.7 percent of GDP in 1995 to 3.6 percent of GDP in 2009. In contrast, from 1995 to 2009, FDI flows to high-growth non-oil exporters significantly outpaced those to WAEMU and averaged more than 4 percent of GDP during the last three years (Figure 3.3). However, a country's attractiveness for FDI depends on a number of factors, including macroeconomic management, competitiveness, and structural reforms.

Figure 3.3. FDI Flows, 1995–2009



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

Macroeconomic Management

Macroeconomic management generally improved in sub-Saharan African countries since the mid-1990s. In terms of inflation, the fixed exchange rate regime has helped the WAEMU to maintain low inflation, which was on average significantly lower than in high-growth sub-Saharan African countries. One difference, however, relates to the level of investment. Consistent with the broader literature, which finds that countries with higher investment tend to grow faster, public and private investment tend to be higher in high-growth sub-Saharan Africa than in WAEMU countries, including the faster-growing countries (Table 3.4). A simple growth accounting exercise confirms the important role of higher capital investment and total factor productivity (TFP) in explaining the relatively poor real GDP growth performance of WAEMU countries. Based on data from Arezki and Cherif (2010), WAEMU countries in general had poor TFP growth and improved only slightly during the last 15 years (Table 3.5).Growth in capital per worker also remained lackluster. On the other hand, growth in both TFP and capital was higher in high-growth non-oil exporters. The empirical evidence from the literature shows that growth can be sustained only if accompanied by relatively high productivity growth.

Trade and Competitiveness

A country's openness to trade and its competitiveness are important determinants of its ability to establish itself firmly in international markets, to attract more FDI, and to achieve the scale of trade and production necessary to reach higher levels of productivity and growth.

Table 3.4. Macroeconomic Policies, 1980–2009

	1980–94				1995–2009			
	Inflation[1]	Public Investment	Private Investment	External Public Debt Stock	Inflation	Public Investment	Private Investment	External Public Debt Stock
	(Percent change)	*(Percent of GDP)*			*(Percent change)*	*(Percent of GDP)*		
Sub-Saharan Africa	**18.0**	**8.1**	**12.3**	**76.9**	**8.6**	**7.5**	**13.8**	**95.8**
High-growth non-oil exporters	26.8	9.7	11.6	60.0	8.5	8.7	14.6	57.8
WAEMU	11.7*	9.0	12.2	102.9*	4.5*	6.2*	11.5*	113.7*
Of which: faster growing	5.4*	6.5*	10.3	64.9	3.2*	7.5*	13.3	58.8

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

Note: * indicates that the WAEMU average is significantly different from high-growth non-oil exporters at the 10 percent significance level.

[1] All growth rates are unweighted averages.

Table 3.5. Growth Accounting, 1980–2007

	1980–94		1995–2007	
	Growth in Capital per Worker	Growth in TFP	Growth in Capital per Worker	Growth in TFP
	(Percent change)			
High-growth non-oil exporters	2.9	0.7	2.8	3.4
WAEMU	0.4*	-0.6*	0.7*	0.2*
Of which: faster growing	1.0*	0.1*	1.7*	1.7*

Sources: Arezki and Cherif (2010); and IMF staff estimates.
Note: *indicates that WAEMU average differed from that of SSA high-growth non-oil exporters at the 10 percent significance level.

Increasing trade openness is a salient feature of improving growth performance throughout sub-Saharan Africa (Table 3.6). In many sub-Saharan African countries, trade liberalization coincided with the overall growth take-off in the mid-1990s. The positive impact of trade openness tends to be more important in countries, in which other conditions are in place, such as high institutional quality, a strong business climate, and adequate infrastructure.

The WAEMU's openness, as measured by its share of exports and imports over GDP, is significantly lower than in both high-growth and non-oil exporters in sub-Saharan Africa (Figure 3.4). In contrast to high-growth non-oil exporters, the WAEMU's global export share has almost stagnated until recently. The recovery during 2008–09 is mostly owing to a decline in world trade as a result of the crisis and the stability of WAEMU exports, because part of the region was less affected than other countries.

Exchange rate and price competitiveness

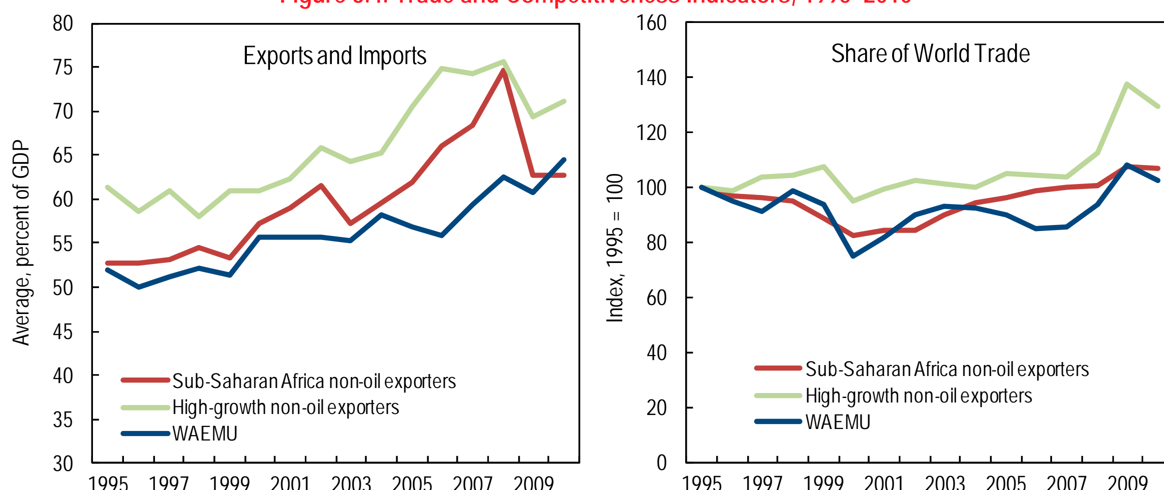
Some observers have pointed to the possible role of the fixed exchange rate to explain the WAEMU's lackluster growth. The gradual appreciation of the WAEMU real effective exchange rate (REER) over the last few years may have constrained the region's competitiveness (Figure 3.5). By the end of 2009, the WAEMU REER had appreciated by more than 14 percent since 1995, the year after the devaluation. Previous IMF analysis (IMF, 2008) has shown that fast growers in sub-Saharan Africa tend to have more flexible exchange rate regimes. While five out of the eight high-growth countries considered in this study are operating in regimes with exchange rate flexibility, three countries (Cape Verde, Ethiopia, and Rwanda) have less flexible systems. Recent IMF staff analyses of the REER in individual WAEMU member countries (see various IMF staff reports of WAEMU member countries) generally found no conclusive evidence

Table 3.6. Trade and Competitiveness, 1980–2009

	1980–94		1995–2009	
	Real Effective Exchange Rate[1]	Trade Openess	Real Effective Exchange Rate[1]	Trade Openess
	(Percent change)	*(Percent of GDP)*	*(Percent change)*	*(Percent of GDP)*
Sub-Saharan Africa	**-37.6**	**63.9**	**15.5**	**77.8**
High-growth non-oil exporters	-28.9	55.9	-0.7	65.5
WAEMU	-50.3	55.8	14.3	55.5*
Of which: faster growing	-49.1	48.7*	7.8	51.3*

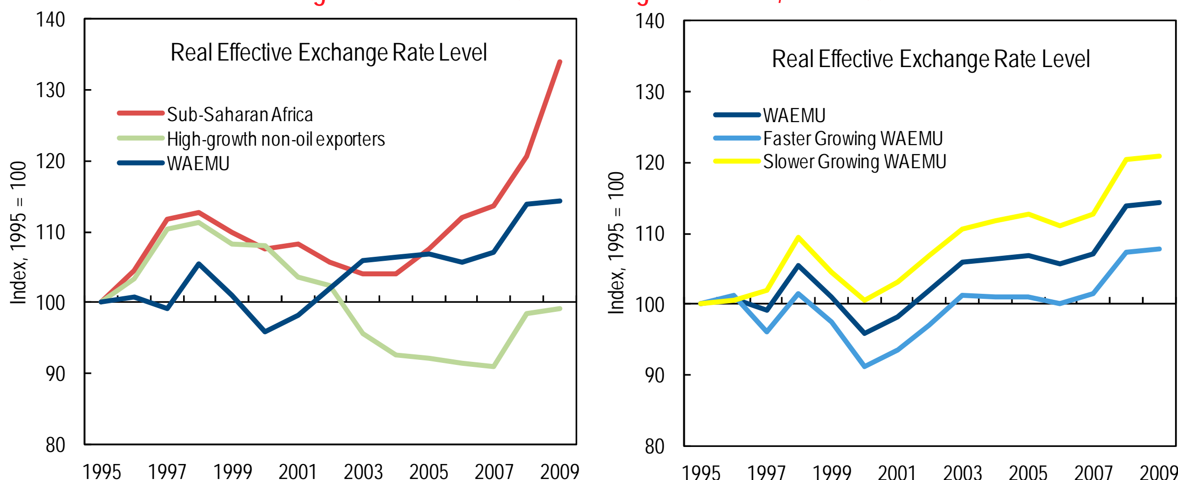
Sources: IMF, *World Economic Outlook;* and IMF, African Department database.
[1] Excludes Angola, Eritrea, Liberia, and Zimbabwe.

Figure 3.4. Trade and Competitiveness Indicators, 1995–2010



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

Figure 3.5. Real Effective Exchange Rate Level, 1995–2009



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

that the REER is overvalued. The weakness of the euro earlier in 2010 has reduced the upward pressure on the REER. To overcome any negative effect the exchange rate level may have on growth, other policies need to be much stronger.

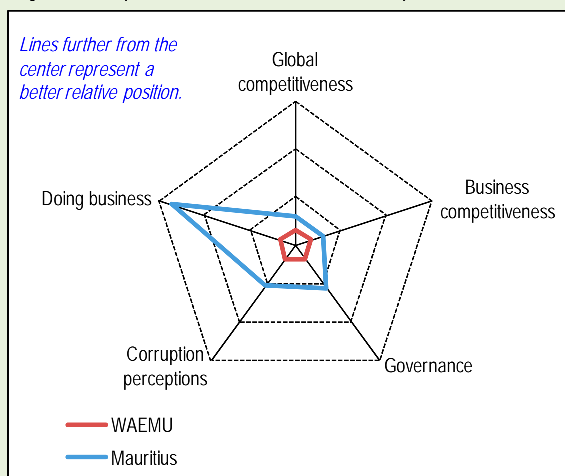
Nonprice competitiveness

Nonprice competitiveness may also play an important role in explaining the WAEMU's subdued international competitiveness. WAEMU countries tend to lag behind high-growth sub-Saharan Africa (Figure 3.6). WAEMU ranks lower on composite competitiveness indicators, such as the Doing Business, Corruption Perception, and Governance indicators. In terms of doing business, the worst performers of the region tend to be close to the bottom of world rankings. Even the best performers of the WAEMU are not among the top 70 percent of performers in the world. International experience, from Mauritius, for example, shows that some key reforms can be quickly implemented (see Box 3.3).

Box 3.3. Improving Nonprice Competitiveness: Lessons from Mauritius

A closer analysis of the experience of a successful reformer may provide interesting lessons for the WAEMU. Mauritius is a good example. Mauritius was considered the best place to do business in sub-Saharan Africa in the World Bank's Doing Business Indicators for 2008, 2009, and 2010 (Figure 1). In 2010, it ranked among the top 20 countries in the world. Several other composite competitiveness indicators position Mauritius as one of the best performers in sub-Saharan Africa, often outranking comparator economies. Mauritius ranks in the top half of the list of most-competitive countries in the world according to the Global Competitiveness Index of the World Economic Forum (surveying 133 countries in 2009–10). On several of the World Bank's World Governance Indicators' dimensions of institutional quality (political stability, government effectiveness, rule of law, and control of corruption), Mauritius ranks high by international standards, outperforming other high-growth economies. Compared with other countries in the region, Mauritius fares particularly well on institutional variables related to commerce, entrepreneurship, and trade (Imam and Minoiu, 2008).

Figure 1. Composite Indicators of Structural Competitiveness



Sources: *World Economic Forum* (2009-10), World Bank, *World Governance Indicators* (2008), World Bank, *Doing Business Indicators* (2010), and Transparency International (2009).

Lessons from Mauritius—which was not better endowed after its independence in 1968 than the average sub-Saharan African economy, having mono-crop agriculture, being prone to terms-of-trade shocks, and susceptible to ethnic tensions (Subramanian and Roy, 2001)—are the following:

- A difficult external environment does not prevent reform, but in fact may highlight the need for reform and provide new incentives. For Mauritius, several external shocks made reforms more urgent. The phasing-out of the Multi-Fiber Agreement for textiles and clothing in December 2004, drastic reductions in the European Union's sugar protocol prices (by 36 percent for 2006–09), and rising prices for imports of petroleum and other commodities caused a cumulative terms-of-trade shock of nearly 20 percent between 1999 and 2009. Continuing with the status quo was not an option.

- Windows of opportunity need to be used. In response to these external shocks that threatened the competitiveness of the traditional pillars of the Mauritian economy, a new government that took office in July 2005 launched a wide-ranging reform strategy.

- Structural reforms should be part of a more comprehensive reform package. Trade was liberalized, various price controls were lifted, and business regulations were simplified. These structural measures were put in place in parallel with macroeconomic reforms. The government initiated far-reaching tax reforms, featuring a flat tax, and established a central revenue authority. It also adopted a fiscal consolidation strategy. The appointment of a Monetary Policy Committee in 2007 was an important step in enhancing monetary policy effectiveness.

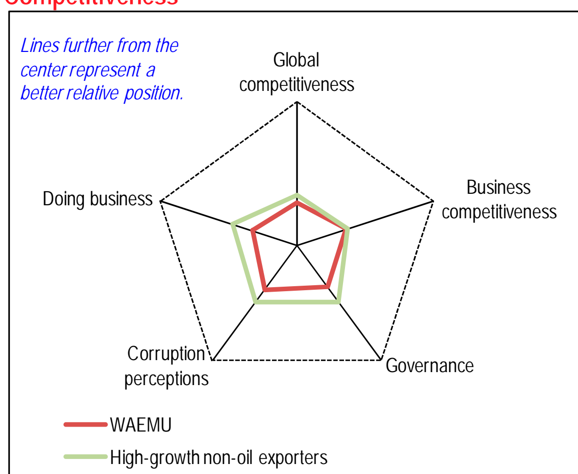
. . . continued

- Important reforms can be implemented quickly. For example, within one year, Mauritius managed to significantly adjust regulations to enable businesses to secure rights to property more easily. Subsequently, Mauritius's Doing Business 2010 rankings on "Registering Property" improved from 131 to 61 (out of 183 economies) compared with rankings in 2009. Mauritius now even outperforms, on average, the Organization for Economic Cooperation and Development (OECD) for starting a business because entrepreneurs need less time, have lower costs, and require minimum capital.
- Communication is critical. Reforms may temporarily hurt some parts of the population. A clear communication strategy needs to be a central element of successful structural reforms.

Mauritius's economy responded strongly to all these reforms, accelerating higher growth and boosting foreign direct investment. The reforms also contributed to a general improvement in the balance sheets of key economic sectors in Mauritius (Imam and Köhler, 2010). Economic stability, solid institutions, political stability, an efficient administration, and market-friendly regulations contributed to Mauritius's impressive performance. These structural conditions in turn helped the country successfully diversify its economy from complete dependence on sugar into textiles, then tourism, and recently information and communication services and financial services (Sacerdoti and others, 2005).

Note: This box was prepared by Rainer Köhler and Calixte Ahokpossi.

Figure 3.6. Composite Indicators of Structural Competitiveness



Sources: *World Economic Forum* (2009–10), World Bank, *World Governance Indicators* (2008); World Bank, *Doing Business Indicators* (2010); and Transparency International (2009).

Institutional quality

Institutional quality is another characteristic that influences competitiveness and sets several of the WAEMU countries apart from high-growth countries. Compared with high-growth non-oil exporters, WAEMU countries, including the fastest growing countries in the region, score somewhat weaker in terms of corruption and have a weaker rule of law (Table 3.7). In general, sub-Saharan African countries still score low on the 1 to 5 scale.

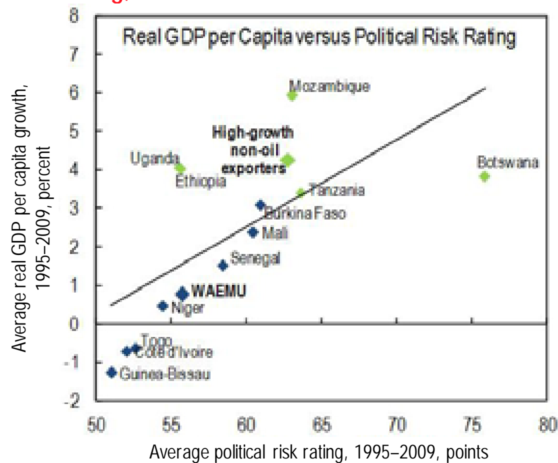
Political stability likely also played a role in the enhanced competitiveness and faster growth rates in high-growth non-oil exporters (Figure 3.7). During 1984–94, country and political risks in the WAEMU were comparable with those in the rest of sub-Saharan Africa. However, since 1995, country and political risks declined more in high-growth non-oil exporters, especially when compared with the change in the WAEMU.

Table 3.7. Institutional Quality, 1996–2008

	Corruption	Rule of Law
	(Index) [1]	
Sub-Saharan Africa	**1.9**	**1.8**
High-growth non-oil exporters	2.4	2.4
WAEMU	1.9*	1.7*
Of which: faster growing	2.0*	2.0*

Source: World Bank Institute, Worldwide Governance Indicators.
Note: * indicates that the WAEMU observation is significantly different from that of high-growth non-oil exporters at the10 percent significance level.
[1] Index varies from 0 to 5, with higher numbers indicating better quality of institutions.

Figure 3.7. Real GDP per Capita Growth and Political Risk Rating,[1] 1995–2009



Sources: IMF, *World Economic Outlook*, and International Country Risk Guide, July 2010.

[1] Rating refers to ICRG political risk rating, which ranges from a scale of 0 to 100, with higher numbers indicating less political risk.

Political instability has been a major determinant in the lackluster growth performance of the slower-growing WAEMU countries with spillovers to the other neighboring countries, especially from Côte d'Ivoire.[7] In a broader study on sub-Saharan Africa, Salinas and others (2010) also find that countries that have had sustained political stability (especially avoiding civil wars) and macroeconomic stability have enjoyed a "stability payoff" through higher growth.

Infrastructure Investment

A lack of infrastructure or inefficient infrastructure reduces the return to trade and economic activity and constrains growth prospects. High quality and inexpensive infrastructure supports industrialization. A report of the Commission for Africa (2005) and subsequent research suggest that raising Africa's infrastructure to international benchmarks could increase annual growth by 1 to 2 percentage points. The growth dividend materializes only if institutions are strong.

Recent World Bank analysis shows that the infrastructure in WAEMU countries lags in key areas compared with high-growth non-oil sub-Saharan Africa and sub-Saharan African low-income countries (Box 3.4). Empirical analyses suggest that infrastructure weaknesses are a constraint to growth, including in electricity supply and in paved road density (Figure 3.8). WAEMU countries, including in particular the faster growing countries, appear to lag in the latter two areas. Investment needs remain large.

Other structural factors

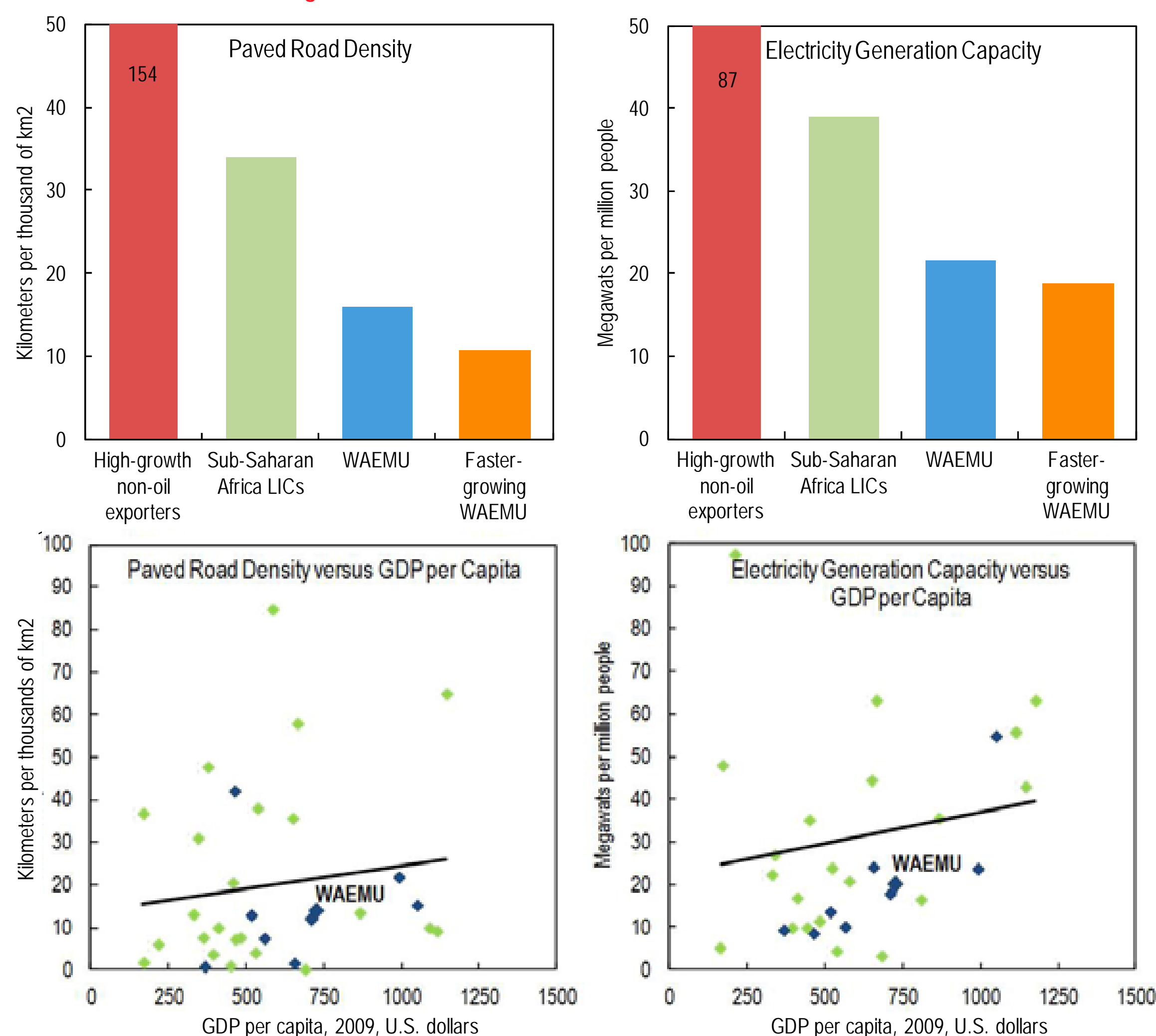
There is widespread support for the importance of human capital for economic development. Education promotes growth by facilitating innovation and adoption of new technologies. Although less research has been done on the economic impact on health, on balance the literature points to the potential importance of health. In both areas, WAEMU countries lag behind high-growth countries (Table 3.8). Improving education and health outcomes would be conducive to higher trend growth.

Deeper financial markets are expected to stimulate growth through better access to private credit, increased capital accumulation, and their influence on the efficiency of capital allocation. Financial markets tend to be less developed in WAEMU countries than in high-growth countries.

High-growth countries witnessed more financial deepening than WAEMU countries. Credit to the private sector surpassed 30 percent of GDP by 2008 in high-growth non-oil exporters, but remained below 20 percent in the WAEMU region as of 2009. The banking sector in the WAEMU is also underdeveloped and access to bank services is very limited. Only about 5 percent of the population has access to a bank—a low number even by sub-Saharan African standards.

[7] See Egoumé and Nayo (2010) for an elaboration of this point.

Figure 3.8. Selected Infrastructure Indicators, 1995–2009[1]



Source: World Bank, *AICD*; and IMF, *World Economic Outlook.*

[1] The indicators for high-growth non-oil countries are biased upward because Mauritius and Cape Verde, the two smaller economies, score highly on both indicators.

Table 3.8. Other Structural Indicators, 1980–2009

	1980–94			1995–2009		
	Life Expectancy at Birth	Primary Completion Rate	Domestic Credit to the Private Sector	Life Expectancy at Birth	Primary Completion Rate	Domestic Credit to the Private Sector
	(Years)	*(Percent of relevant age group)*	*(Percent of GDP)*	*(Years)*	*(Percent of relevant age group)*	*(Percent of GDP)*
Sub-Saharan Africa	**51.4**	**47.2**	**41.2**	**53.1**	**57.3**	**20.8**
High-growth non-oil exporters	52.0	59.4	130.9	54.1	64.2	22.5
WAEMU	48.7*	26.3*	20.7*	52.5*	41.3*	13.0*
Of which: faster growing	48.1*	21.2*	19.9*	52.5*	39.6*	15.4*

Sources: World Bank, *World Development Indicators*; and IMF, African Department database.
Note: * indicates that the WAEMU observation is significantly different from that of high-growth non-oil exporters at the10 percent significance level.

As high-growing African countries move toward the frontier of financial markets, WAEMU also needs a stronger financial system to support investment and long-run growth. Strong regulation and supervision as well as strengthening governance and improving the business climate will be essential ingredients to financial deepening (Nord, 2010).

How Can Fiscal Policy Support the Quest for Higher Growth in the WAEMU?

The Dilemma

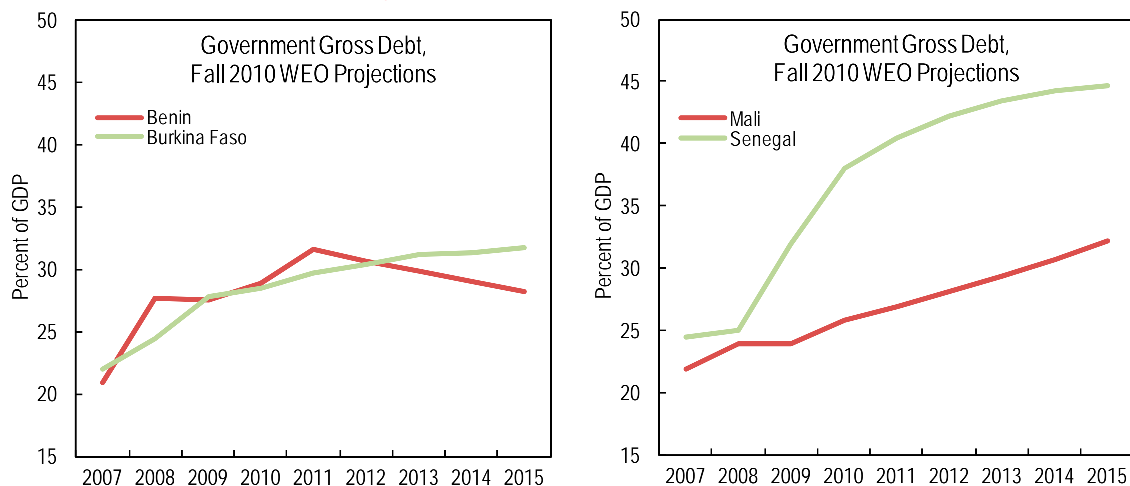
As the impact of the global financial crisis starts to wane, fiscal policy can focus again on longer-term growth and development priorities (Mueller and others, 2009; IMF, 2009). One issue for policymakers is how to balance the need for more priority spending (including on education, health, and infrastructure) with fiscal sustainability and other macroeconomic considerations.

This section focuses on the fiscal implications of weaknesses in infrastructure (see Box 3.4). Governments have started to put more emphasis on infrastructure investments, such as electricity and roads, because investments in some of these areas may be complementary to spending in other priority areas. But many of the policy issues are similar for investments in other priority areas.

Higher public infrastructure investment is constrained by available fiscal space. The debt burden is still high in some countries such as Côte d'Ivoire and Guinea-Bissau that have not yet reached the Heavily Indebted Poor Country/Multilateral Debt Relief Initiative (HIPC/MDRI) completion point. In other countries that benefited from debt relief, debt levels have risen again (Figure 3.9), though in most of them the risk of debt distress is still low or moderate. The challenge is therefore twofold:

- How can fiscal space be increased to accommodate additional public infrastructure investment?
- And how can infrastructure be financed, from public and private sources, to ensure an optimal return on investment and minimize fiscal risks?

Figure 3.9. Government Debt, 2007–15[1]



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

[1]Projections for 2010–15.

Creating More Fiscal Space

Several interrelated policy options could create more fiscal space for priority spending: higher revenues, more efficient spending, and a better spending composition (IMF, 2007).

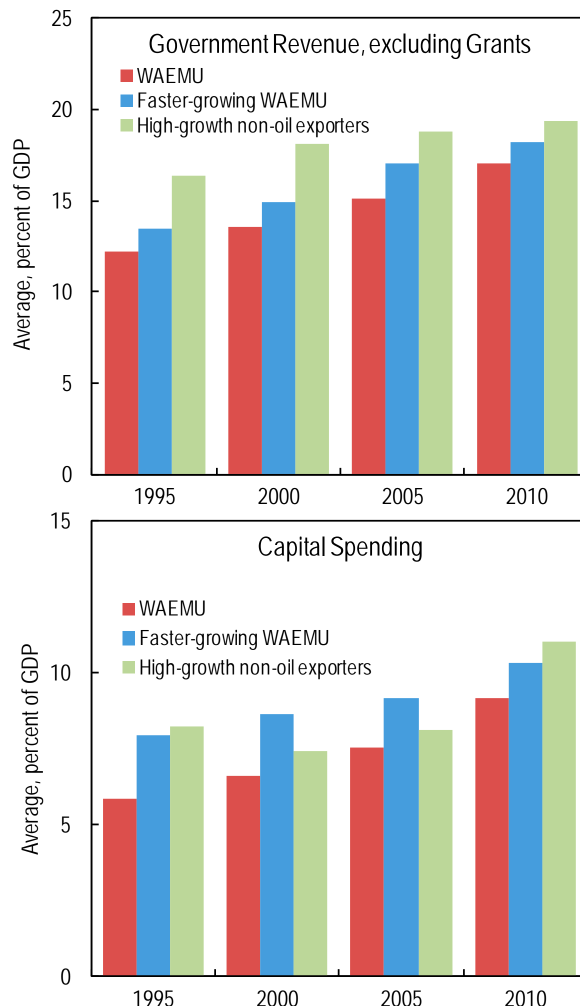
WAEMU countries have made substantial progress during the past 15 years, raising revenues through tax reforms and reforms in customs and tax administration. Revenues have gradually increased, and additional revenues have been used partly for higher capital spending. But revenues and capital spending tend to be lower than in high-growth countries (Figure 3.10). In some countries, additional efforts in these areas will be instrumental to closing the gap between the WAEMU and high-growth countries. In the context of supporting growth, tax policies should also aim at enhancing efficiency, in addition to the objective of creating fiscal space.

All countries need to focus on the quality of investment. Spending quality is key because past experience shows that public investment may fail to boost growth, if spending efficiency is low.

This may result from poor project selection, weak procurement practices, and failure to complete projects and to operate and maintain capital assets (Arslanalp and others, 2010).

To improve the quality of spending, greater emphasis needs to be placed on adequate safeguards for a well-functioning public investment system. Such safeguards would include (i) strategic guidance for public investment and preliminary screening for consistency with the strategic goals of government; (ii) formal project appraisal; (iii) independent review of appraisal; (iv) transparent project selection and well-structured budgeting; (v) timely project implementation; (vi) active adjustment for changes in project circumstances; (vii) facility operation; and (viii) ex-post project evaluation against approved project (Rajaram and others, 2010).

Figure 3.10. Fiscal Indicators, 1995–2010[1]



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

[1]Data for 2010 reflects IMF staff projections.

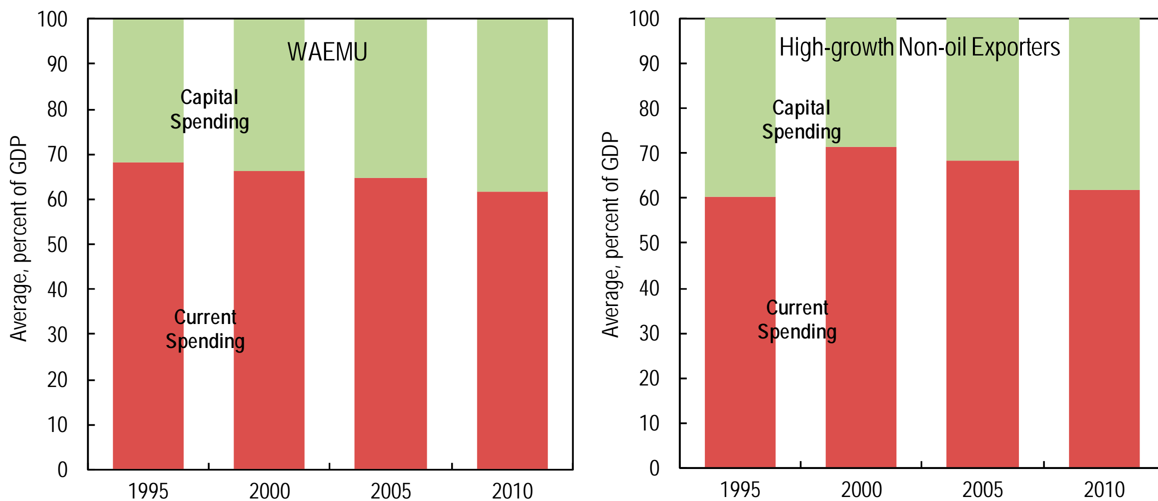
Previous analyses for sub-Saharan Africa have shown that the composition of expenditure is also an important determinant of the effectiveness of fiscal policy (IMF, 2009). The appropriate composition of expenditure is based on various factors, including the level of development, the country's needs for priority spending, and relative absorptive capacities in different sectors. On average, high-quality investments tend to have a more favorable impact on growth than current spending. At the same time, current spending categories, such as wages for delivering critical

services and adequate maintenance of infrastructure, also help to sustain growth.

A closer analysis of the composition of spending in the WAEMU suggests that it is relatively similar to high-growth countries. In both groups, the share of current spending hovers around 60 percent (Figure 3.11). To create more fiscal space for priority spending, including infrastructure investment, it will be important to look at how much current spending could be constrained, for example by reducing subsidies and transfers. It will also be essential to minimize the risk that a gradual increase in the central government wage bill as a share of GDP undermines the capacity to undertake pro-growth policies in the Union; the reversal of any such trend (currently projected for some countries) will require firm regional resolve.

On a more general level, empirical evidence shows that sound budget institutions are essential to implementing fiscal policies effectively and efficiently. Such institutions—defined as the structures, formal and informal rules and procedures that govern budget planning, approval, and implementation—help ensure government accountability and prevent leakage of public funds; increase efficiency of scarce public resources; and improve the chance of maintaining fiscal stability and meeting social development needs.

Figure 3.11. Composition of Government Spending, 1995–2010

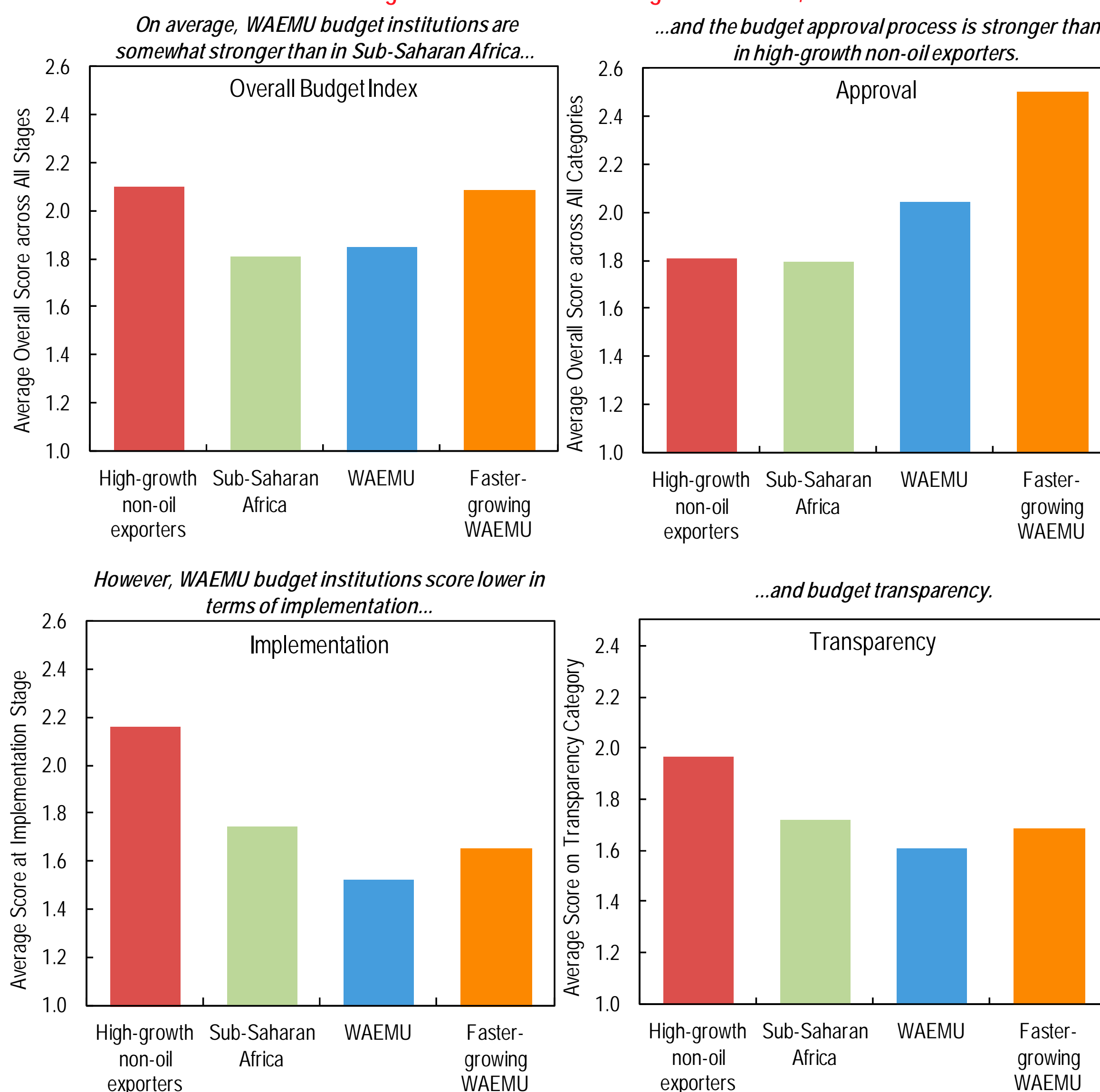


Sources: IMF, African Department database.

Important institutions are those related to planning and implementing the budget and to the sustainability, comprehensiveness, and transparency of the budget process (Figure 3.12).

The budget institutions index compiled by Dabla-Norris and others (2010) assesses the strength of institutions at each stage of the budget process (budget planning and negotiation, approval, and implementation) and across five budget categories (top-down procedures, rules and controls, sustainability and credibility, comprehensiveness, transparency). The index scores range from to 0 (weakest) to 4 (strongest). Although several WAEMU countries have improved their budget preparation and approval process, on average WAEMU countries rank below sub-Saharan Africa and high-growth countries. In particular:

Figure 3.12. Growth and Budget Institutions, 2010



Source: Dabla-Norris and others, 2010.

- When budget institutions are viewed across the stages of the budget process (planning and negotiation, approval, and implementation), on average the WAEMU lags behind high-growth countries. The largest gap is in implementation, pointing to a divergence between announced fiscal policy intentions and fiscal policy actions and outcomes.
- When budget institutions are viewed across various characteristics (procedures, rules and controls, accountability and sustainability, and transparency) the WAEMU also lags behind high-growth countries, in particular in terms of budget transparency. Steps such as making draft budgets available to the public, holding public hearings on the budget in parliament, and timely publication of reconciled accounts of the budget appropriations and execution would improve transparency and the quality of the budget process (and likely outcomes as well).

Ongoing reforms in this area should improve fiscal policies, which should be conducive to higher growth. The WAEMU Commission has launched, with IMF technical assistance, an ambitious program of public financial management (PFM) reform in the region. In 2009, WAEMU countries adopted six regional PFM guidelines, covering all aspects of the budget cycle. Expeditious implementation is needed. Most reforms should be effective by 2016. Further progress on PFM reforms will depend on the design of country-specific programs, strong ownership, and well-defined priorities.

Reducing Fiscal Risks

Better fiscal institutions also reduce fiscal risks. Broadly speaking, fiscal risks can be defined as deviations of fiscal outturns (for example, deficit-to-GDP) from expectations at the time of budget or other fiscal forecasts. Fiscal risks may, for example, arise from macroeconomic shocks, expenditure overruns, or the realization of contingent liabilities.

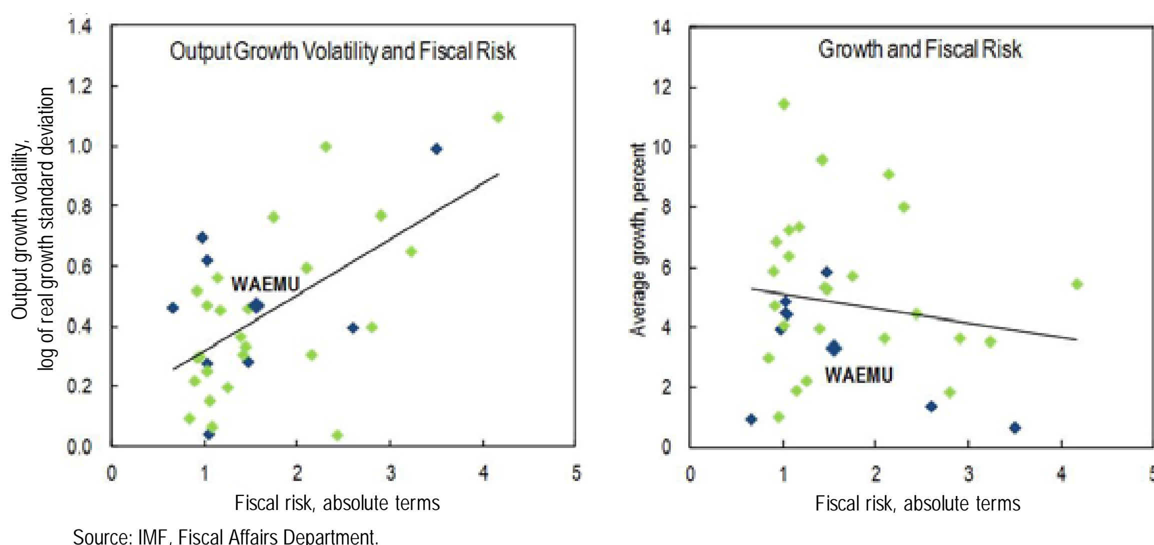
Empirical evidence shows that countries with stronger budget institutions tend to have lower fiscal risks and that countries with lower fiscal risks tend to grow faster. Although causality may go in both directions, fiscal risks are positively correlated with real output growth volatility and negatively correlated with real output growth (Figure 3.13).

Fiscal risks in the WAEMU are mostly related to higher-than-expected spending, including unexpected transfers and subsidies. If not well managed, new large public investments could also become a new source of fiscal risks.

In future, WAEMU countries would benefit from improving institutions and better mitigating fiscal risks. In particular, as countries start to broaden their set of financing options for large investment projects, policymakers' attention should turn to fiscal risks, including those related to contingent liabilities and off-balance-sheet items, which may not be fully apparent in headline fiscal indicators.

Transparent disclosure and management of fiscal risks would help reach this objective by (1) strengthening incentives to ensure that risks are identified, estimated, and carefully managed; (2) promoting earlier, smoother policy responses; (3) increasing confidence among stakeholders in the quality of fiscal management; (4) reducing uncertainty for investors and taxpayers; and (5) improving access to international capital markets.

Figure 3.13. Low-Income Countries: Growth and Fiscal Risks, 1997–2007



Source: IMF, Fiscal Affairs Department.

Optimizing Financing Sources

A country's capacity and financing constraints will be a decisive factor in determining how quickly WAEMU countries can expect to reduce existing gaps, including in infrastructure. While private investment can play an important role, part of large infrastructure projects will likely need to be (co-) financed by public resources. Financing decisions include choosing the most adequate type of financing, whether to offer guarantees, and assessing the size of contingent liabilities.

The financing decision follows choices on strategic planning and budget allocation. In principle, there is a menu of financing options for WAEMU countries including domestic or external, concessional or nonconcessional financing. In practice, large projects will often be financed by a combination of available resources. In the WAEMU, governments have used all these options, including more recently initiating sovereign borrowing on international capital markets for infrastructure purposes (Senegal).

They have also relied on public-private partnerships (PPP) through management and lease contracts, concessions, green field projects, or divestitures.

The interest rate cost alone of a financial instrument gives an incomplete picture; what ultimately matters is the total cost of financing. This includes contingent liabilities—requests for additional capital owing to cost overruns—and also administrative costs, transaction costs, and the opportunity costs of funds. There are trade-offs between some of the costs making up the total cost of financing, most notably between the return paid to investors and the cost of contingent liabilities to government.

A powerful way to lower total cost is to reduce project risks. There are four types of risk: (1) construction risk, (2) operational risk, (3) demand risk, and (4) policy risk. Construction risk relates to uncertainties in finishing the project on time and on budget. Operational risk points to uncertainties in the ongoing costs of service and maintenance. Demand risk arises from actual demand compared with expectations and is the result of market forces and the quality of service.

Policy risk is linked to changes in the policy environment, price and service regulation, third-party access requirements, and other policies that affect the costs of supply or demand facing the service provider. Risks to project implementation can be managed, but others just have to be borne.

A sound principle is that risks have to be borne by those most able to manage them. For example, construction risk arising from poor planning can be managed by improving the incentives for the construction company, for example, through imposing financial penalties for delay.

Policymakers will need to assess carefully the strengths and weaknesses of various financing options, and determine which actions require regional cooperation and which actions can be implemented expeditiously at the country level (see Table 3.9). For example, while public-private partnerships could crowd in private sector investment, bolstering private sector credit and further supporting growth, they typically have high transaction and financing costs. Moreover, they may lead to important contingent liabilities for the government. Contingent liabilities associated with PPPs are not automatically transferred to the provide sector; instead, the degree of sharing of contingent liabilities depends on the contract design. In practice, many PPPs generate long-term liabilities that remain with the government but under many, accounting and reporting systems are not recorded on the government's books in a timely manner. Public-private partnerships require high negotiating capacity, a solid legal framework, and skills in project follow-up from the government.

Concluding Remarks

The best performers in the WAEMU are moving in the right direction, and have broadly gotten important things right, especially macroeconomic and political stability. As a result, they were able to get higher public investment, attract more FDI, and improve living standards faster. More fundamentally, they generally avoided debilitating episodes of growth decelerations. Avoiding macroeconomic and political instability provides an important base for sustained growth.

Nonetheless, as witnessed by the low levels of per capita GDP, much more needs to be done to have a lasting impact on poverty and other lagging social indicators.

No single factor emerges as a silver bullet to increase growth in the region. The WAEMU, and even the best performing countries in the region, lags on a range of determinants of per capita growth, including public and private investment, some nonprice competitiveness indicators, including infrastructure levels and costs, and other factors such as financial market development, health, and education. Several reforms, including in health, education, and infrastructure have implications for fiscal policy. To accommodate higher pro-growth spending, countries will need to increase further revenues and improve the quality of spending, supported by building up capacity in assessing and prioritizing expenditures. Investment decisions should be based on sound economic viability analyses. Investments should be fully integrated in medium-term budget frameworks, and significant maintenance costs should be considered. Any steep increase in capital spending must not undermine the quality of spending.

More generally, the analysis here underlines the need for broad-based reforms. Much has already been achieved. The challenging external environment should provide a good opportunity to accelerate progress. Scarce resources for reforms should be directed to those areas where the needs are most pressing and the binding constraints to growth the largest. Most of the actions need to be done at the national level, supported by more in-depth growth analysis, but there are a number of regional initiatives—such as in the energy and infrastructure sectors—that should also be pursued at the regional level.

Table 3.9. Strengths and Weaknesses of Infrastructure Financing Options

	Strengths	Weaknesses
General Revenues	✓ Legislative control of capital spending and financing. ✓ Easier enforcement of accountability of governments for their investment and financing decisions.	✓ Contingent liabilities are transferred to the government; absence of market signals on the financial viability of projects and the risks involved. ✓ Potential for fund diversion, creating uncertainty about the availability of cash. ✓ Fiscal policies may constrain large infrastructure investment.
Capital Market Debt	✓ Access to competitive debt markets enhances the efficient pricing of bonds; market discipline from bond covenants, investors' due diligence, and market scrutiny. ✓ Legislative control of capital spending and financing and easier enforcement of accountability of governments for their investment and financing decision.	✓ High transaction costs owing to capital market access (underwriting and credit-rating agencies). ✓ Foreign exchange risk on international bonds. ✓ Tax exempt status could introduce market disruptions and encourage rent-seeking activities.
Official Development Assistance (ODA)	✓ Low financing cost (at concessional terms). ✓ Transparency of financial arrangements for public scrutiny.	✓ Resources are scarce, long gestation period (from conception to disbursement), review, monitoring, and evaluation.
Public Private Partnerships (PPP)	✓ Potential for whole-of-life cost savings through bundling the financing, design, construction, operation, and maintenance of infrastructure. ✓ Depending on contract design, some contingent liabilities may be transferred to the private sector. ✓ Crowd-in private sector investment.	✓ Many PPPs generate in practice firm long-term liabilities that are under many fiscal accounting and reporting systems not recorded on the government's books on a timely basis. ✓ High financing costs reflecting the shift of project risks to private sector equity sponsors. ✓ Requires a solid legal framework and project skills. ✓ Transparency and accountability diminished by limited disclosure of contract details for public scrutiny.

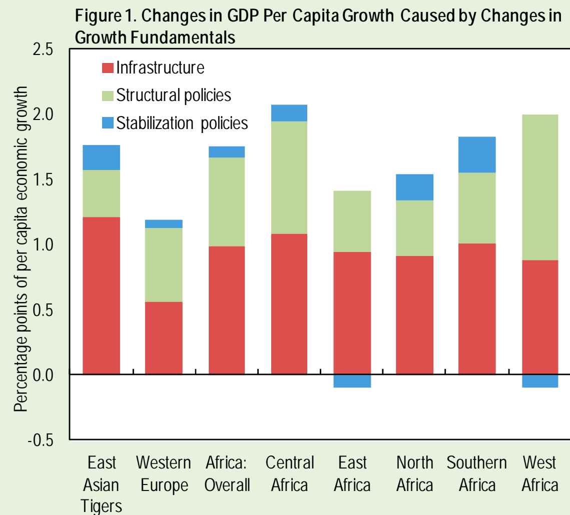
Source: IMF staff estimates.

Box 3.4. Overcoming Infrastructure Bottlenecks in the WAEMU

Infrastructure and Growth

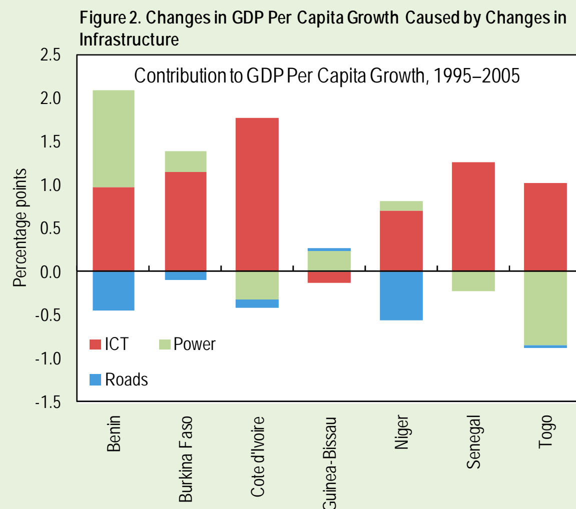
Inadequate infrastructure impedes faster growth in Africa. This view, highlighted by the Commission for Africa (2005), is supported by a considerable volume of economic research.[1] A key question for policymakers is how much infrastructure development contributes to growth compared with other policy parameters. One recent study (Calderón, 2008) finds that across Africa, expanding and improving infrastructure contributed almost 1 percentage point to per capita economic growth from 1990 to 2005, compared with 0.8 percentage point for macroeconomic stabilization and structural policies (Figure 1). For WAEMU countries, estimates from Calderón (2008) suggest that infrastructure improvements between 1995 and 2005, on average, boosted per capita growth rates by 0.8 percentage points, although considerable country-specific differences exist. The estimated payoff of raising Africa's infrastructure to some regional or international benchmark is estimated at 1–2 percentage points in per capita growth (Figure 2).

Figure 1. Changes in GDP Per Capita Growth Caused by Changes in Growth Fundamentals



Source: World Bank, AICD.

Figure 2. Changes in GDP Per Capita Growth Caused by Changes in Infrastructure



Source: World Bank, AICD.

More detailed microeconomic work on the relationship between infrastructure and the performance of firms supports these macroeconomic findings. The data consistently show a strong relationship between infrastructure stocks and the output, productivity, and investment behavior of firms. An exhaustive study analyzed the entire set of investment climate surveys in Africa (Escribano and others, 2008). The central finding was that in most African countries, particularly the low-income countries, infrastructure is a major constraint on doing business and depresses firm productivity by about 40 percent. For many countries, such as Benin and Senegal, the negative effect of deficient infrastructure exceeds that of crime, red tape, corruption, and lack of financing. Across WAEMU countries studied, the most limiting infrastructure factor varies from power in Mali and energy in Senegal, to border and customs clearance issues in Benin, Burkina Faso, and Niger.

Benchmarking WAEMU Infrastructure

On several key infrastructure parameters, WAEMU countries perform significantly worse than other low-income countries. WAEMU lags behind West Africa as a whole on almost all infrastructure indicators with marked differences in paved road density, mainline density, and generation capacity (Table 1). The gap, compared with other low-income countries beyond Africa, is even more dramatic, particularly regarding paved road density, generation capacity, and electricity coverage.

[1]On the importance of infrastructure, visit http://www.infrastructureafrica.org.

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WAEMU consumers pay exceptionally high prices for infrastructure services by global standards and when compared with other parts of Africa (Table 2). The prices for the monthly Internet basket and power tariffs in the WAEMU are four times the prices in other developing countries. Three WAEMU member countries—Burkina Faso, Mali, and Senegal—are among the five countries in sub-Saharan Africa charging the highest prices for power.

Table 1. Benchmarking WAEMU Infrastructure with Other Regions

	WAEMU	ECOWAS	Low-income sub-Saharan Africa	Other Low-income Countries
Paved road density	14	31	31	134
Mainline density	6	28	10	78
Mobile density	50	72	55	76
Internet density	2	2	2	3
Generation capacity	20	31	37	326
Electricity coverage	17	18	16	41
Improved water	60	63	60	72
Improved sanitation	33	35	34	51

Source: AICD.

There are two main explanations for the high prices charged for critical infrastructure services in the WAEMU:

Table 2. Indicative Infrastructure Costs

	WAEMU	Sub-Saharan Africa	Other Developing Countries
Power tariffs (US$ per kilowatt-hour)	0.13-0.26	0.03-0.43	0.05-0.10
Port container handling charges (US$ per TEU)	160-260	100-320	80-150*
Road freight tariffs (US$ per ton-kilometer)	0.08	0.04–0.13	0.01–0.04
Mobile telephony (US$ per basket per month)	9-16	2.6–21.0	9.9
Internet dial-up service (US$ per month)	20-75	6.7–148.0	11

Sources: Banerjee and others (2008); Eberhard and others (2008); Minges and others (2008); Teravaninthorn and Raballand (2008).

Note: Ranges reflect prices in different countries and various consumption levels. Prices for telephony and Internet represent all developing regions, including Africa. * represents global best practice.

- Small-scale of production and reliance on suboptimal technologies. The clearest example is the power sector, where many WAEMU members (notably Burkina Faso, Guinea-Bissau, Mali, Niger, and Senegal) are characterized by very small national power systems heavily reliant on inefficient small-scale thermal generation fueled by expensive imports of oil. Average historic costs of power production in these countries are as high as US$0.17 per kilowatt-hour in Mali compared with US$0.08 in Benin and Togo with access to more cost-effective hydropower, and US$0.04 in Côte d'Ivoire, where natural gas is available (Figure 3).
- High profit margins. These arise from lack of competition in service provision and inadequate price regulation. A salient example is the WAEMU's road freight sector, where charges average about US$0.13 compared with US$0.05 per ton-kilometer in southern Africa and less than US$0.04 in the rest of the developing world. These high charges are explained by a trucking industry cartel, operating under restrictive regulations. Trucking industry profit margins in West Africa were found to be about 80 percent, compared with 20–60 percent in southern Africa.

Not only are infrastructure services expensive in the WAEMU area, but the quality of service can also be poor. This reflects not only inadequate infrastructure "hardware," but also deficient "software," that is, a host of regulatory and institutional issues that plague the infrastructure sectors. These "software" issues are also major culprits that constrain trade and growth, especially in the transport sector. Overall, high costs reflect a number of issues that can and need to be corrected by appropriate policies. To the extent that subsidies are directed to these areas, they are typically poorly targeted and introduce distortions in the economy, which should be phased out expeditiously.

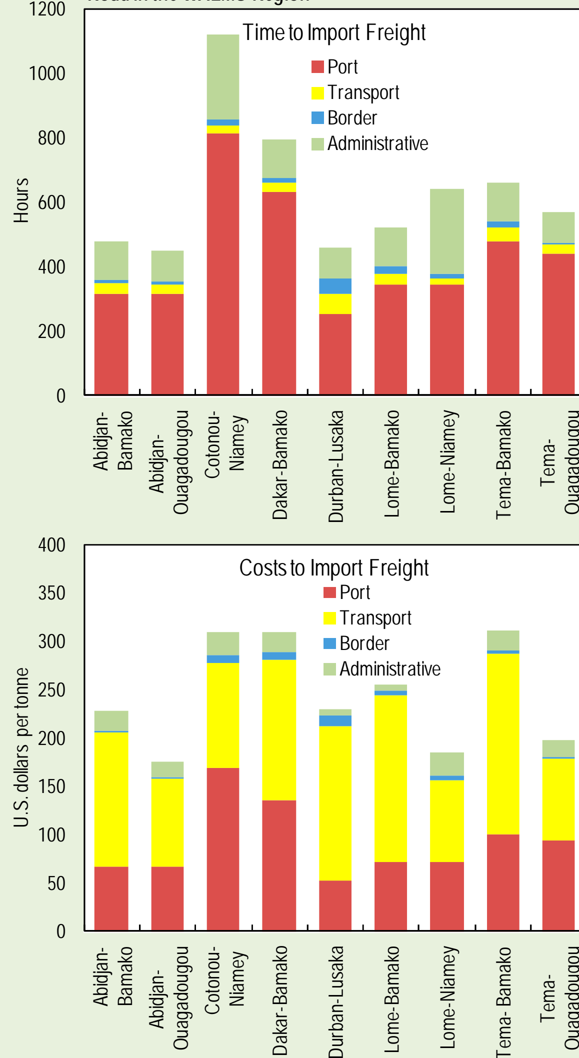
Financial Cost of Addressing the Problem

Addressing the challenge of deficient and expensive infrastructure in the WAEMU requires substantial outlays (Briceño-Garmendia and others, 2009). To redress the infrastructure backlog within 10 years, the total spending needs for the region would require annual spending of 19 percent of GDP to meet the basic infrastructure thresholds. The WAEMU region already spends 8 percent of GDP toward meeting the annual spending needs

…continued

for infrastructure. Efficiency losses drain 4 percent of the regional GDP. If the region is able to minimize efficiency losses, the funding gap would decline to 7 percent of the regional GDP (Table 3).

Figure 3. Comparative Time and Cost of Moving Imports via Road in the WAEMU Region



Source: World Bank, AICD.

Table 3. Overall Infrastructure Spending Needs, 2006–15

	Total Needs	Spending	Efficiency Gains	Funding Gap
Total	**19.0**	**8.0**	**4.0**	**7.0**
Telecommunications	1.9	1.6	0.4	0.0
Irrigation	1.0	3.0	0.3	0.4
Power	7.0	3.0	2.4	1.0
Transport	3.0	1.5	0.4	1.0
Water and sanitation	6.0	1.6	0.5	4.0

Source: World Bank, AICD.

Policy Recommendations

A number of avenues—both at the macroeconomic and sectoral levels—can be explored to address deficient infrastructure and drive down the prices for infrastructure services. At the macroeconomic level, close attention will need to be paid to prioritization and financing of infrastructure.

At the sectoral level, recommendations are as follows:

- *Expand regional power trade.* Regional power trade, through the West Africa Power Pool, is the WAEMU's best prospect for driving down the exorbitant costs of power generation. Trading for power could save US$435 million a year in energy costs for the entire power pool and save 5 million tons of carbon through the development of cost-effective and environmentally sounder hydropower.

- *Liberalize trucking.* In a region that depends largely on agriculture, reduced transport costs will improve growth. Existing restrictive regulations in the WAEMU have empowered cartels, provided a disincentive for upgrading and maintaining the trucking fleet, and resulted in overloading of trucks. Creating a competitive environment for trucking services in the WAEMU is essential to reducing transport costs. Reduced transport prices can lower costs, boosting competitiveness and fostering trade and growth in the region.

- *Address nonphysical barriers to corridor movement.* Reducing the time spent at borders and lowering high costs of customs clearance can reduce overall transport costs by about 10 percent. Decreasing random checkpoints and multiple police and customs clearance processes can speed up movement of goods within the WAEMU. Tackling the pervasive corruption along transport corridors is critical to alleviating challenges that impede transport operators and prevent economic drain in the region.

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- *Reduce delays at ports*. Improving efficiency of ports by reducing waiting times for berths and dwell times for cargo and containers can eliminate long delays encountered in moving freight across the WAEMU. Improving the handling capacity of ports can further reduce the delays. Improved ports can shorten transportation times across corridors. Efficient trade logistics in the region will make the WAEMU more competitive.

Note: This box was prepared by Vivien Foster and Rupa Ranganathan (World Bank).

Statistical Appendix

Unless otherwise noted, data and projections presented in this report are IMF staff estimates as of September 23, 2010, consistent with the projections underlying the Fall 2010 *World Economic Outlook*.

The data and projections cover the 44 countries of the IMF's African Department. Data definitions follow established international statistical methodologies to the extent possible. However, in some cases data limitations limit comparability across countries.

Country Groupings

As in previous *Regional Economic Outlooks,* countries are aggregated into four nonoverlapping groups: oil exporters, non-oil-exporting middle-income, low-income, and fragile low-income countries (see the appendix tables).

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

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

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

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

Methods of Aggregation

In Tables SA1–4, SA 6–13, SA15, and SA22–AA23, country group composites are calculated as the arithmetic average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the WEO database.

In Tables SA16–21 and SA24–26, 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 and SA14, country group composites are calculated as the geometric average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the WEO database.

Table SA MN 1. Sub-Saharan Africa: Country Groupings

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

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

Table SA MN 2. Sub-Saharan Africa: Member Countries of Regional Groupings

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

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Table SA1. Real GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**8.5**	**11.2**	**7.6**	**7.4**	**9.2**	**7.0**	**4.8**	**6.4**	**6.7**
Excluding Nigeria	**10.8**	**12.3**	**11.2**	**9.3**	**12.5**	**8.6**	**1.5**	**4.9**	**5.6**
Angola	16.8	11.2	20.6	18.6	20.3	13.3	0.7	5.9	7.1
Cameroon	3.1	3.7	2.3	3.2	3.3	2.9	2.0	2.6	2.9
Chad	8.3	33.6	7.9	0.2	0.2	-0.4	-1.6	4.3	3.9
Congo, Rep. of	4.3	3.5	7.8	6.2	-1.6	5.6	7.5	10.6	8.7
Equatorial Guinea	16.2	38.0	9.7	1.3	21.4	10.7	5.3	0.9	2.1
Gabon	2.7	1.4	3.0	1.2	5.3	2.7	-1.4	4.5	5.0
Nigeria	7.0	10.6	5.4	6.2	7.0	6.0	7.0	7.4	7.4
Middle-income countries	**4.9**	**4.8**	**4.9**	**5.6**	**5.5**	**3.7**	**-1.7**	**3.3**	**3.6**
Excluding South Africa	**4.6**	**6.3**	**2.1**	**5.3**	**5.4**	**3.7**	**-0.7**	**5.6**	**4.4**
Botswana	4.1	6.0	1.6	5.1	4.8	3.1	-3.7	8.4	4.8
Cape Verde	7.0	4.3	6.5	10.1	8.6	5.6	3.0	4.1	6.0
Lesotho	3.3	2.3	1.1	6.5	2.4	4.5	0.9	5.6	3.8
Mauritius	4.3	5.5	1.5	3.9	5.4	5.0	2.5	3.6	4.1
Namibia	6.3	12.3	2.5	7.1	5.4	4.3	-0.8	4.4	4.8
Seychelles	6.3	-2.9	7.5	8.3	19.7	-1.3	0.7	4.0	5.0
South Africa	4.9	4.6	5.3	5.6	5.5	3.7	-1.8	3.0	3.5
Swaziland	2.7	2.5	2.2	2.9	3.5	2.4	1.2	2.0	2.5
Low-income countries	**6.3**	**5.8**	**6.6**	**6.4**	**6.4**	**6.3**	**4.7**	**5.1**	**6.3**
Excluding fragile countries	**7.1**	**6.5**	**7.4**	**7.3**	**7.2**	**6.9**	**5.1**	**5.3**	**6.6**
Benin	3.9	3.0	2.9	3.8	4.6	5.0	2.5	2.8	3.6
Burkina Faso	5.5	4.5	8.7	5.5	3.6	5.2	3.2	4.4	4.7
Ethiopia	11.8	11.7	12.6	11.5	11.8	11.2	9.9	8.0	8.5
Ghana	6.2	5.6	5.9	6.4	5.7	7.2	4.1	5.0	9.9
Kenya	5.0	4.6	6.0	6.3	6.9	1.3	2.4	4.1	5.8
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-3.7	-2.0	2.8
Malawi	6.1	5.5	2.6	7.7	5.8	8.8	7.5	6.0	6.2
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.4	5.1	5.4
Mozambique	7.6	8.8	8.7	6.3	7.3	6.7	6.3	6.5	7.5
Niger	5.1	-0.8	8.4	5.8	3.4	8.7	-1.2	3.5	5.2
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	5.4	5.9
Senegal	4.4	5.9	5.6	2.4	5.0	3.2	2.2	4.0	4.4
Tanzania	7.3	7.8	7.4	6.7	7.1	7.4	6.0	6.5	6.7
Uganda	8.2	6.8	6.3	10.8	8.4	8.7	7.2	5.8	6.1
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.3	6.6	6.4
Fragile countries	**3.3**	**3.2**	**3.6**	**2.8**	**3.2**	**3.5**	**3.0**	**3.8**	**4.8**
Including Zimbabwe	**2.6**	**...**	**...**	**2.5**	**2.9**	**2.5**	**3.1**	**3.9**	**4.8**
Burundi	3.8	4.8	0.9	5.1	3.6	4.5	3.5	3.9	4.5
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.3	4.0
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.5
Congo, Dem. Rep. of	6.5	6.6	7.8	5.6	6.3	6.2	2.8	5.4	7.0
Côte d'Ivoire	1.6	1.6	1.9	0.7	1.6	2.3	3.8	3.0	4.0
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.6	1.8	2.8
Gambia, The	4.6	7.0	0.3	3.4	6.0	6.3	5.6	5.0	5.4
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	3.0	3.9
Guinea-Bissau	2.8	3.1	5.0	2.2	0.2	3.6	3.0	3.5	4.3
Liberia	6.4	2.6	5.3	7.8	9.4	7.1	4.6	6.3	9.5
São Tomé & Príncipe	6.1	6.6	5.7	6.7	6.0	5.8	4.0	4.5	5.5
Sierra Leone	6.8	7.4	7.2	7.3	6.4	5.5	3.2	4.5	5.2
Togo	2.3	2.3	1.2	3.7	1.9	2.2	3.1	3.3	3.5
Zimbabwe[1]	-8.8	...	...	-3.7	-3.7	-18.9	5.7	5.9	4.5
Sub-Saharan Africa	**6.5**	**7.2**	**6.3**	**6.4**	**7.0**	**5.6**	**2.5**	**4.9**	**5.5**
Median	5.2	4.8	5.3	5.6	5.4	5.0	3.0	4.4	5.0
Including Zimbabwe	6.3	…	…	6.4	7.0	5.6	2.5	4.9	5.5
Excluding Nigeria and South Africa	7.3	7.6	7.4	7.1	8.0	6.7	3.3	5.1	5.9
Oil-importing countries	**5.5**	**5.2**	**5.7**	**5.9**	**5.9**	**4.9**	**1.3**	**4.1**	**4.9**
Excluding South Africa	**6.1**	**5.9**	**6.0**	**6.3**	**6.3**	**5.9**	**4.0**	**5.1**	**6.1**
CFA franc zone	4.8	7.7	4.9	2.9	4.6	4.1	2.6	3.8	4.3
WAEMU	3.6	2.9	4.7	3.2	3.3	4.1	2.9	3.7	4.4
CEMAC	6.0	12.6	5.1	2.5	5.8	4.2	2.3	4.0	4.1
EAC-5	6.7	6.3	6.6	7.6	7.2	5.7	4.8	5.4	6.2
SADC	6.5	5.7	6.7	7.1	7.5	5.5	-0.4	3.9	4.5
SACU	4.9	4.8	5.0	5.6	5.4	3.7	-1.8	3.3	3.6
COMESA	7.3	6.8	7.2	7.9	8.0	6.7	5.2	5.2	6.3
Resource-intensive countries	**7.7**	**10.2**	**6.8**	**6.8**	**8.3**	**6.5**	**4.2**	**6.2**	**6.4**
Oil	8.5	11.2	7.6	7.4	9.2	7.0	4.8	6.4	6.7
Non-oil resource-intensive countries	3.4	4.7	2.3	3.5	3.4	3.3	0.5	4.8	4.4
Non-resource-intensive countries	**5.7**	**5.3**	**6.0**	**6.2**	**6.2**	**5.0**	**1.4**	**4.1**	**5.0**
Coastal Non-resource-intensive countries	5.2	4.9	5.4	5.6	5.8	4.1	0.0	3.5	4.4
Landlocked Non-resource-intensive countries	8.0	6.9	8.3	8.6	7.7	8.5	6.3	6.1	6.7
MDRI	6.7	6.3	6.9	6.8	6.4	7.1	5.0	5.4	6.4
Fixed exchange rate regimes	4.8	7.6	4.7	3.1	4.5	3.9	2.4	3.8	4.3
Floating exchange rate	6.9	7.1	6.6	7.1	7.5	5.9	2.5	5.1	5.8

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**10.8**	**11.3**	**8.3**	**12.2**	**12.5**	**9.5**	**8.0**	**7.2**	**7.3**
Excluding Nigeria	**12.2**	**8.1**	**10.4**	**16.4**	**15.9**	**10.4**	**7.4**	**6.2**	**6.7**
Angola	17.1	9.0	14.1	27.5	20.1	14.7	8.1	6.6	8.4
Cameroon	3.6	4.9	3.2	2.9	4.1	3.2	3.0	3.3	3.4
Chad	4.8	2.1	11.0	4.7	3.1	3.2	-0.5	4.9	5.5
Congo, Rep. of	5.7	5.0	5.4	5.9	6.6	5.4	3.9	6.1	6.6
Equatorial Guinea	29.3	28.4	22.8	29.8	47.2	18.1	27.6	10.8	6.7
Gabon	4.3	2.3	4.3	4.9	5.9	3.9	-0.8	5.8	5.4
Nigeria	9.8	13.3	7.0	9.6	10.1	8.9	8.3	7.9	7.7
Middle-income countries	**4.9**	**4.8**	**4.9**	**5.6**	**5.4**	**3.7**	**-1.7**	**3.3**	**3.6**
Excluding South Africa	**4.5**	**6.3**	**2.1**	**5.3**	**5.0**	**4.0**	**-0.7**	**5.6**	**4.4**
Botswana	4.1	6.0	1.6	5.1	4.8	3.1	-3.7	8.4	4.8
Cape Verde	7.0	4.3	6.5	10.1	8.6	5.6	3.0	4.1	6.0
Lesotho	3.3	2.3	1.1	6.5	2.4	4.5	0.9	5.6	3.8
Mauritius	4.3	5.5	1.5	3.9	5.4	5.0	2.5	3.6	4.1
Namibia	6.3	12.3	2.5	7.1	5.4	4.3	-0.8	4.4	4.8
Seychelles	6.1	-2.9	7.5	8.3	7.3	10.2	0.7	4.0	5.0
South Africa	4.9	4.6	5.3	5.6	5.5	3.7	-1.8	3.0	3.5
Swaziland	2.7	2.5	2.2	2.9	3.5	2.4	1.2	2.0	2.5
Low-income countries	**6.3**	**5.8**	**6.5**	**6.4**	**6.5**	**6.3**	**4.7**	**5.1**	**6.0**
Excluding fragile countries	**7.1**	**6.5**	**7.4**	**7.3**	**7.2**	**6.9**	**5.1**	**5.3**	**6.3**
Benin	3.9	3.0	2.9	3.8	4.6	5.0	2.5	2.8	3.6
Burkina Faso	5.5	4.5	8.7	5.5	3.6	5.2	3.2	4.4	4.7
Ethiopia	11.8	11.7	12.6	11.5	11.8	11.2	9.9	8.0	8.5
Ghana	6.2	5.6	5.9	6.4	5.7	7.2	4.1	5.0	6.0
Kenya	5.0	4.6	6.0	6.3	6.9	1.3	2.4	4.1	5.8
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-3.7	-2.0	2.8
Malawi	6.1	5.5	2.6	7.7	5.8	8.8	7.5	6.0	6.2
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.4	5.1	5.4
Mozambique	7.6	8.8	8.7	6.3	7.3	6.7	6.3	6.5	7.5
Niger	5.1	-0.8	8.4	5.8	3.4	8.7	-1.2	3.5	5.2
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	5.4	5.9
Senegal	4.4	5.9	5.6	2.4	5.0	3.2	2.2	4.0	4.4
Tanzania	7.3	7.8	7.4	6.7	7.1	7.4	6.0	6.5	6.7
Uganda	8.2	6.8	6.3	10.8	8.4	8.7	7.2	5.8	6.1
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.3	6.6	6.4
Fragile countries	**3.2**	**3.2**	**3.3**	**2.6**	**3.4**	**3.5**	**2.9**	**3.8**	**4.8**
Including Zimbabwe	**2.6**	**...**	**...**	**2.5**	**2.9**	**2.5**	**3.1**	**3.9**	**4.8**
Burundi	3.8	4.8	0.9	5.1	3.6	4.5	3.5	3.9	4.5
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.3	4.0
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.5
Congo, Dem. Rep. of	6.5	6.6	7.8	5.6	6.3	6.2	2.8	5.4	7.0
Côte d'Ivoire	1.5	1.6	1.3	0.0	2.1	2.5	3.7	3.1	4.0
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.6	1.8	2.8
Gambia, The	4.6	7.0	0.3	3.4	6.0	6.3	5.6	5.0	5.4
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	3.0	3.9
Guinea-Bissau	2.8	3.1	5.0	2.2	0.2	3.6	3.0	3.5	4.3
Liberia	6.4	2.6	5.3	7.8	9.4	7.1	4.6	6.3	9.5
São Tomé & Príncipe	6.1	6.6	5.7	6.7	6.0	5.8	4.0	4.5	5.5
Sierra Leone	6.8	7.4	7.2	7.3	6.4	5.5	3.2	4.5	5.2
Togo	2.3	2.3	1.2	3.7	1.9	2.2	3.1	3.3	3.5
Zimbabwe[1]	-8.8	...	...	-3.7	-3.7	-18.9	5.7	5.9	4.5
Sub-Saharan Africa	**7.2**	**7.2**	**6.5**	**8.0**	**8.1**	**6.4**	**3.6**	**5.2**	**5.7**
Median	5.3	4.9	5.3	5.6	5.5	5.2	3.1	4.5	5.2
Including Zimbabwe	6.3	...	...	6.4	7.0	5.6	2.5	4.9	5.5
Excluding Nigeria and South Africa	7.8	6.5	7.1	9.0	9.0	7.2	5.0	5.4	6.1
Oil-importing countries	**5.5**	**5.2**	**5.6**	**5.9**	**5.9**	**4.9**	**1.3**	**4.1**	**4.8**
Excluding South Africa	**6.1**	**5.9**	**6.0**	**6.2**	**6.3**	**6.0**	**4.0**	**5.1**	**5.8**
CFA franc zone	6.0	5.1	6.2	5.5	7.8	5.3	4.8	4.7	4.8
WAEMU	3.6	2.9	4.5	3.0	3.5	4.2	2.9	3.7	4.4
CEMAC	8.4	7.4	7.9	8.1	12.2	6.3	6.7	5.7	5.1
EAC-5	6.7	6.3	6.6	7.6	7.2	5.7	4.8	5.4	6.2
SADC	6.5	5.5	6.1	8.0	7.4	5.7	0.6	4.0	4.7
SACU	4.9	4.8	5.0	5.6	5.4	3.7	-1.8	3.3	3.6
COMESA	7.3	6.8	7.2	7.9	7.9	6.8	5.2	5.2	6.3
Resource-intensive countries	**9.6**	**10.3**	**7.3**	**10.9**	**11.2**	**8.6**	**6.9**	**6.9**	**6.9**
Oil	10.8	11.3	8.3	12.2	12.5	9.5	8.0	7.2	7.3
Non-oil resource-intensive countries	3.4	4.7	2.0	3.2	3.6	3.4	0.4	4.9	4.4
Non-resource-intensive countries	**5.7**	**5.3**	**6.0**	**6.2**	**6.1**	**5.1**	**1.4**	**4.1**	**4.8**
Coastal Non-resource-intensive countries	5.2	4.9	5.4	5.6	5.7	4.1	0.0	3.5	4.2
Landlocked Non-resource-intensive countries	8.0	6.9	8.3	8.6	7.7	8.5	6.3	6.1	6.7
MDRI	6.8	6.5	6.9	6.8	6.8	7.2	5.0	5.3	6.1
Fixed exchange rate regimes	5.8	5.3	5.8	5.4	7.4	4.9	4.4	4.6	4.7
Floating exchange rate	7.6	7.7	6.7	8.5	8.2	6.7	3.4	5.3	5.8

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA3. Real Per Capita GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**5.6**	**8.2**	**4.7**	**4.5**	**6.2**	**4.2**	**2.0**	**3.6**	**3.9**
Excluding Nigeria	**7.7**	**9.2**	**8.1**	**6.3**	**9.4**	**5.7**	**-1.2**	**2.1**	**2.8**
Angola	13.5	8.0	17.2	15.2	16.9	10.1	-2.3	2.8	4.0
Cameroon	0.3	0.9	-0.5	0.4	0.4	0.1	-0.8	0.1	0.4
Chad	5.7	30.4	5.3	-2.3	-2.3	-2.9	-4.0	1.8	1.4
Congo, Rep. of	1.4	0.6	4.7	3.2	-4.4	2.6	4.4	7.5	5.7
Equatorial Guinea	12.9	34.1	6.7	-1.6	18.0	7.6	2.4	-1.9	-0.7
Gabon	0.4	-1.1	0.5	-1.3	2.7	1.2	-2.8	3.0	3.5
Nigeria	4.2	7.6	2.6	3.4	4.1	3.1	4.1	4.5	4.6
Middle-income countries	**3.7**	**3.7**	**3.9**	**4.5**	**4.4**	**2.0**	**-2.9**	**2.1**	**2.4**
Excluding South Africa	**3.4**	**5.1**	**1.0**	**4.2**	**4.1**	**2.5**	**-1.7**	**4.5**	**3.4**
Botswana	3.0	4.8	0.8	4.3	3.5	1.8	-4.9	7.0	3.4
Cape Verde	5.4	2.5	5.0	8.3	7.1	4.1	0.2	2.2	3.1
Lesotho	1.4	0.0	-0.8	4.6	0.6	2.6	-1.0	3.7	1.9
Mauritius	3.5	4.6	0.7	3.1	4.8	4.1	1.8	2.8	3.4
Namibia	4.4	10.4	0.7	5.2	3.5	2.4	-1.6	3.5	4.0
Seychelles	5.6	-2.5	7.0	6.1	19.1	-1.5	0.4	3.7	4.6
South Africa	3.7	3.5	4.3	4.5	4.5	1.9	-3.0	1.8	2.2
Swaziland	2.3	2.1	1.8	2.5	3.1	2.0	0.8	1.6	2.1
Low-income countries	**3.7**	**3.0**	**4.0**	**3.8**	**3.9**	**3.7**	**2.1**	**2.5**	**3.8**
Excluding fragile countries	**4.5**	**3.9**	**4.8**	**4.8**	**4.7**	**4.4**	**2.6**	**2.9**	**4.2**
Benin	0.9	-0.3	-0.4	0.9	1.8	2.2	-0.3	0.0	0.8
Burkina Faso	2.9	1.3	6.1	3.1	1.2	2.8	0.9	2.1	2.4
Ethiopia	8.9	8.9	9.8	8.7	8.9	8.3	7.2	5.5	6.0
Ghana	3.5	3.0	3.2	3.8	3.1	4.6	1.5	2.4	7.2
Kenya	3.1	2.6	4.0	4.4	5.0	-0.4	0.6	2.3	4.0
Madagascar	2.8	2.4	1.8	2.2	3.4	4.3	-6.2	-4.5	0.2
Malawi	3.9	3.3	0.5	5.6	3.7	6.6	5.4	3.9	4.1
Mali	2.2	0.0	3.7	2.9	2.0	2.6	2.1	2.8	3.0
Mozambique	5.4	6.6	6.5	4.2	5.2	4.6	4.2	4.4	5.4
Niger	1.9	-3.8	5.2	2.6	0.3	5.4	-4.2	0.3	2.0
Rwanda	6.6	5.9	7.5	7.3	3.3	8.9	2.0	3.2	3.7
Senegal	2.0	3.4	3.2	0.0	2.5	0.8	-0.2	1.6	2.0
Tanzania	5.1	5.5	5.1	4.8	5.0	5.3	3.9	4.4	4.6
Uganda	4.7	3.4	2.9	7.2	4.9	5.2	3.5	2.1	2.4
Zambia	3.8	3.4	3.4	4.2	4.2	3.7	4.3	4.6	4.4
Fragile countries	**0.3**	**-0.4**	**0.8**	**-0.1**	**0.4**	**0.6**	**0.1**	**0.9**	**1.9**
Including Zimbabwe	**-0.1**	**...**	**...**	**-0.3**	**0.2**	**-0.2**	**0.4**	**1.1**	**2.1**
Burundi	1.8	2.8	-1.1	3.1	1.5	2.5	1.4	1.8	2.4
Central African Republic	0.6	-1.0	0.4	1.8	1.7	0.0	-0.3	1.8	1.6
Comoros	-0.7	-2.3	2.1	-0.8	-1.6	-1.1	-0.3	0.0	0.3
Congo, Dem. Rep. of	3.4	3.5	4.6	2.5	3.2	3.1	-0.2	2.4	3.9
Côte d'Ivoire	-1.7	-3.3	-0.8	-2.2	-1.4	-0.7	0.7	0.0	1.0
Eritrea	-5.2	-2.8	-1.4	-7.1	-1.9	-12.6	0.5	-1.3	-0.3
Gambia, The	1.9	4.3	-2.3	0.7	3.3	3.6	2.9	2.3	2.8
Guinea	0.8	0.4	1.0	0.4	-0.4	2.6	-2.7	0.5	1.3
Guinea-Bissau	0.5	0.6	2.6	-0.1	-2.0	1.3	0.8	0.5	1.3
Liberia	2.7	0.8	2.4	3.7	4.4	1.9	-0.2	1.9	5.6
São Tomé & Príncipe	4.4	4.8	3.9	5.0	4.3	4.1	2.4	2.8	3.8
Sierra Leone	3.4	3.1	3.4	3.9	3.5	2.9	0.7	1.9	2.5
Togo	-0.3	-0.3	-1.4	1.1	-0.6	-0.3	0.5	0.7	1.0
Zimbabwe[1]	-8.8	...	...	-3.7	-3.7	-18.9	5.7	5.9	4.5
Sub-Saharan Africa	**4.3**	**5.0**	**4.2**	**4.3**	**4.9**	**3.2**	**0.3**	**2.8**	**3.3**
Median	3.0	2.8	2.9	3.1	3.3	2.6	0.6	2.2	2.8
Including Zimbabwe	4.3	5.0	4.2	4.3	4.8	3.2	0.4	2.8	3.3
Excluding Nigeria and South Africa	4.7	4.8	4.8	4.5	5.4	4.0	0.9	2.6	3.5
Oil-importing countries	**3.7**	**3.4**	**4.0**	**4.1**	**4.1**	**2.7**	**-0.5**	**2.3**	**3.1**
Excluding South Africa	**3.6**	**3.3**	**3.6**	**3.8**	**3.8**	**3.4**	**1.7**	**2.8**	**3.7**
CFA franc zone	2.0	4.5	2.2	0.2	1.8	1.5	0.0	1.3	1.7
WAEMU	0.8	-0.6	2.0	0.5	0.7	1.4	0.2	1.0	1.7
CEMAC	3.3	9.6	2.4	-0.2	3.0	1.6	-0.3	1.5	1.6
EAC-5	4.3	3.9	4.2	5.3	4.8	3.4	2.5	3.0	3.8
SADC	4.8	4.3	5.3	5.5	5.9	3.4	-2.0	2.3	2.9
SACU	3.7	3.7	4.0	4.5	4.4	1.9	-3.0	2.1	2.3
COMESA	4.7	4.3	4.7	5.2	5.3	3.9	2.8	2.9	4.0
Resource-intensive countries	**4.9**	**7.2**	**4.0**	**4.0**	**5.5**	**3.7**	**1.5**	**3.5**	**3.7**
Oil	5.6	8.2	4.7	4.5	6.2	4.2	2.0	3.6	3.9
Non-oil resource-intensive countries	1.1	1.7	0.3	1.4	1.2	1.1	-1.6	2.7	2.2
Non-resource-intensive countries	**3.9**	**3.6**	**4.3**	**4.4**	**4.4**	**2.9**	**-0.4**	**2.3**	**3.1**
Coastal Non-resource-intensive countries	3.6	3.5	4.0	4.1	4.4	2.2	-1.6	1.9	2.9
Landlocked Non-resource-intensive countries	5.1	4.1	5.6	5.6	4.7	5.2	3.6	3.5	4.0
MDRI	4.0	3.6	4.2	4.2	3.8	4.5	2.4	2.8	3.8
Fixed exchange rate regimes	2.1	4.5	2.0	0.4	1.9	1.4	-0.1	1.4	1.8
Floating exchange rate	4.8	5.1	4.7	5.1	5.5	3.6	0.4	3.0	3.6

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA4. Real Per Capita GDP
(U.S. dollars, at 2000 prices, using 2000 exchange rates)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**691**	**634**	**660**	**686**	**724**	**752**	**768**	**796**	**826**
Excluding Nigeria	**959**	**845**	**902**	**949**	**1,024**	**1,076**	**1,064**	**1,086**	**1,114**
Angola	1,132	828	970	1,117	1,306	1,437	1,405	1,444	1,501
Cameroon	679	679	675	678	681	682	676	677	679
Chad	296	293	308	301	294	286	275	279	283
Congo, Rep. of	1,170	1,120	1,173	1,211	1,158	1,188	1,241	1,334	1,410
Equatorial Guinea	3,923	3,449	3,679	3,620	4,272	4,596	4,704	4,615	4,580
Gabon	4,069	4,030	4,051	3,998	4,107	4,157	4,039	4,161	4,308
Nigeria	596	559	574	593	617	637	663	693	725
Middle-income countries	**3,404**	**3,145**	**3,268**	**3,412**	**3,563**	**3,633**	**3,528**	**3,600**	**3,685**
Excluding South Africa	**2,554**	**2,424**	**2,445**	**2,544**	**2,649**	**2,711**	**2,664**	**2,772**	**2,861**
Botswana	4,390	4,179	4,211	4,391	4,544	4,624	4,396	4,703	4,863
Cape Verde	1,586	1,398	1,467	1,590	1,703	1,772	1,776	1,814	1,871
Lesotho	378	367	365	381	384	394	390	404	412
Mauritius	4,499	4,272	4,303	4,436	4,647	4,837	4,923	5,061	5,233
Namibia	2,668	2,524	2,542	2,674	2,768	2,835	2,789	2,887	3,001
Seychelles	9,533	8,095	8,660	9,186	10,943	10,783	10,830	11,226	11,746
South Africa	3,564	3,281	3,422	3,576	3,736	3,807	3,691	3,756	3,840
Swaziland	1,722	1,645	1,674	1,716	1,769	1,804	1,819	1,848	1,886
Low-income countries	**277**	**258**	**267**	**277**	**287**	**296**	**302**	**309**	**320**
Excluding fragile countries	**298**	**273**	**285**	**298**	**312**	**324**	**332**	**342**	**355**
Benin	350	345	343	347	353	361	359	360	363
Burkina Faso	278	258	273	282	285	293	296	302	309
Ethiopia	161	134	147	160	174	189	202	213	226
Ghana	318	296	306	317	327	342	347	355	381
Kenya	458	424	441	460	483	481	485	496	516
Madagascar	241	229	233	239	247	257	241	231	231
Malawi	160	150	151	159	165	176	186	193	201
Mali	298	280	291	299	305	313	320	328	338
Mozambique	345	310	331	345	363	379	395	413	435
Niger	178	166	174	179	179	189	181	182	186
Rwanda	298	261	280	301	311	339	345	357	370
Senegal	508	490	506	506	518	523	522	530	540
Tanzania	402	363	382	400	420	443	460	480	502
Uganda	320	290	299	320	336	353	366	373	382
Zambia	387	359	371	387	403	418	436	456	476
Fragile countries	**219**	**218**	**219**	**219**	**219**	**221**	**221**	**223**	**227**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	109	107	105	109	110	113	115	117	120
Central African Republic	218	214	215	218	222	222	221	225	229
Comoros	372	371	379	376	370	366	365	365	366
Congo, Dem. Rep. of	94	88	92	94	97	100	100	103	107
Côte d'Ivoire	541	555	551	539	531	528	532	532	537
Eritrea	169	185	182	169	166	145	146	144	143
Gambia, The	489	486	475	478	494	512	527	539	554
Guinea	391	385	389	391	389	399	389	391	396
Guinea-Bissau	284	280	287	286	281	284	287	288	292
Liberia	127	119	122	126	132	134	134	137	144
São Tomé & Príncipe	720	660	686	720	751	782	801	824	855
Sierra Leone	249	232	240	249	258	265	267	272	279
Togo	226	227	224	227	225	225	226	227	230
Zimbabwe	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**640**	**597**	**617**	**639**	**664**	**681**	**679**	**694**	**713**
Median	379	363	371	381	384	394	390	404	412
Including Zimbabwe	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	382	353	367	381	398	412	415	425	439
Oil-importing countries	**621**	**584**	**601**	**621**	**642**	**655**	**645**	**656**	**670**
Excluding South Africa	**321**	**301**	**310**	**320**	**331**	**341**	**346**	**354**	**366**
CFA franc zone	495	483	492	492	500	507	507	513	521
WAEMU	360	353	359	360	362	367	367	371	377
CEMAC	805	781	797	797	818	830	828	840	853
EAC-5	370	338	353	371	389	402	412	424	440
SADC	1,065	984	1,022	1,065	1,113	1,142	1,113	1,131	1,155
SACU	3,386	3,127	3,251	3,396	3,543	3,611	3,501	3,572	3,655
COMESA	250	229	238	249	262	271	276	283	293
Resource-intensive countries	**686**	**639**	**659**	**682**	**714**	**738**	**749**	**774**	**802**
Oil	691	634	660	686	724	752	768	796	826
Non-oil resource-intensive countries	668	656	658	667	676	684	675	692	707
Non-resource-intensive countries	**624**	**584**	**603**	**625**	**647**	**662**	**652**	**661**	**676**
Coastal Non-resource-intensive countries	1,116	1,044	1,079	1,118	1,160	1,182	1,156	1,172	1,199
Landlocked Non-resource-intensive countries	192	173	182	192	201	211	218	225	233
MDRI	275	255	265	275	285	297	303	312	323
Fixed exchange rate regimes	512	500	508	510	518	524	522	528	537
Floating exchange rate	671	621	644	671	700	721	718	735	757

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**10.8**	**14.9**	**14.8**	**8.1**	**5.6**	**10.5**	**11.0**	**10.6**	**8.9**
Excluding Nigeria	**9.5**	**14.6**	**10.2**	**7.9**	**6.0**	**8.8**	**8.9**	**8.7**	**7.5**
Angola	20.9	43.6	23.0	13.3	12.2	12.5	13.7	13.3	11.3
Cameroon	2.7	0.3	2.0	4.9	1.1	5.3	3.0	3.0	2.7
Chad	1.5	-4.8	3.7	7.7	-7.4	8.3	10.1	6.0	3.0
Congo, Rep. of	3.9	3.7	2.5	4.7	2.6	6.0	4.3	5.2	4.5
Equatorial Guinea	4.3	4.2	5.7	4.5	2.8	4.3	7.2	8.0	7.1
Gabon	2.1	0.4	1.2	-1.4	5.0	5.3	2.1	3.0	3.5
Nigeria	11.6	15.0	17.9	8.2	5.4	11.6	12.4	11.9	9.8
Middle-income countries	**5.9**	**1.9**	**3.6**	**5.1**	**7.1**	**11.5**	**7.1**	**5.5**	**5.7**
Excluding South Africa	**7.7**	**5.2**	**5.5**	**8.3**	**7.4**	**11.8**	**7.2**	**5.2**	**5.0**
Botswana	9.4	7.0	8.6	11.6	7.1	12.6	8.1	6.7	6.3
Cape Verde	2.9	-1.9	0.4	4.8	4.4	6.8	1.0	1.8	2.0
Lesotho	6.7	5.0	3.4	6.1	8.0	10.7	7.2	6.3	6.0
Mauritius	7.4	4.7	4.9	9.0	8.8	9.7	2.5	2.5	2.6
Namibia	5.6	4.1	2.3	5.1	6.7	10.0	9.1	6.5	5.9
Seychelles	9.0	3.9	0.6	-1.9	5.3	37.0	31.8	-2.4	2.5
South Africa	5.6	1.4	3.4	4.7	7.1	11.5	7.1	5.6	5.8
Swaziland	7.0	3.4	4.8	5.3	8.2	13.1	7.6	6.2	5.6
Low-income countries	**9.0**	**6.9**	**8.9**	**7.9**	**7.8**	**13.4**	**13.5**	**6.4**	**6.2**
Excluding fragile countries	**8.9**	**7.2**	**8.3**	**7.6**	**7.6**	**13.7**	**13.7**	**5.6**	**6.0**
Benin	3.9	0.9	5.4	3.8	1.3	8.0	2.2	2.8	2.8
Burkina Faso	3.8	-0.4	6.4	2.4	-0.2	10.7	2.6	2.3	2.0
Ethiopia	13.8	8.6	6.8	12.3	15.8	25.3	36.4	2.8	9.0
Ghana	13.0	12.6	15.1	10.2	10.7	16.5	19.3	10.6	8.8
Kenya	9.6	11.8	9.9	6.0	4.3	16.2	9.3	4.1	5.0
Madagascar	12.5	14.0	18.4	10.8	10.4	9.2	9.0	9.0	8.8
Malawi	11.5	11.4	15.5	13.9	7.9	8.7	8.4	8.0	8.0
Mali	3.1	-3.1	6.4	1.5	1.5	9.1	2.2	2.1	2.6
Mozambique	10.2	12.6	6.4	13.2	8.2	10.3	3.3	9.3	5.6
Niger	3.8	0.4	7.8	0.1	0.1	10.5	1.1	3.4	2.0
Rwanda	10.9	12.0	9.1	8.8	9.1	15.4	10.4	6.4	6.5
Senegal	3.2	0.5	1.7	2.1	5.9	5.8	-1.7	0.9	2.1
Tanzania	6.6	4.1	4.4	7.3	7.0	10.3	12.1	7.2	5.0
Uganda	6.7	5.0	8.0	6.6	6.8	7.3	14.2	9.4	5.5
Zambia	13.7	18.0	18.3	9.0	10.7	12.4	13.4	8.2	7.5
Fragile countries	**9.4**	**5.7**	**11.6**	**9.1**	**8.5**	**12.2**	**12.6**	**10.1**	**7.5**
Including Zimbabwe	**…**	**...**	**...**	**...**	**...**	**...**	**12.4**	**9.9**	**7.5**
Burundi	11.4	8.0	13.5	2.7	8.3	24.4	10.7	7.2	8.4
Central African Republic	3.5	-2.2	2.9	6.7	0.9	9.3	3.5	1.4	2.4
Comoros	4.0	4.5	3.0	3.4	4.5	4.8	4.8	2.6	2.9
Congo, Dem. Rep. of	14.7	4.0	21.4	13.2	16.7	18.0	46.2	26.2	13.5
Côte d'Ivoire	3.2	1.5	3.9	2.5	1.9	6.3	1.0	1.4	2.5
Eritrea	16.4	25.1	12.5	15.1	9.3	19.9	34.7	20.5	15.0
Gambia, The	6.2	14.3	5.0	2.1	5.4	4.5	4.6	3.9	5.0
Guinea	25.0	17.5	31.4	34.7	22.9	18.4	4.7	15.4	16.5
Guinea-Bissau	4.0	0.8	3.3	0.7	4.6	10.4	-1.6	1.5	2.5
Liberia	9.8	3.6	6.9	7.2	13.7	17.5	7.4	7.2	4.3
São Tomé & Príncipe	19.5	12.8	17.2	23.1	18.5	26.0	17.0	12.3	7.4
Sierra Leone	12.5	14.2	12.0	9.5	11.6	14.8	9.2	16.5	8.2
Togo	3.8	0.4	6.8	2.2	0.9	8.7	1.9	2.2	2.0
Zimbabwe	…	...	...	...	...	...	6.5	4.7	7.8
Sub-Saharan Africa	**8.3**	**7.5**	**8.8**	**6.9**	**6.8**	**11.7**	**10.4**	**7.5**	**7.0**
Median	6.8	4.2	6.4	6.1	6.8	10.4	7.4	6.2	5.5
Including Zimbabwe	…	...	...	...	...	...	10.4	7.5	7.0
Excluding Nigeria and South Africa	8.9	8.7	8.9	7.9	7.2	11.9	11.6	6.9	6.5
Oil-importing countries	**7.2**	**4.1**	**6.0**	**6.4**	**7.4**	**12.4**	**10.1**	**5.9**	**6.0**
Excluding South Africa	**8.8**	**6.6**	**8.5**	**8.0**	**7.7**	**13.2**	**12.7**	**6.2**	**6.1**
CFA franc zone	3.1	0.4	3.7	3.1	1.5	6.8	2.9	3.2	3.1
WAEMU	3.4	0.3	4.7	2.2	2.0	7.9	1.0	1.9	2.3
CEMAC	2.8	0.4	2.7	4.1	1.0	5.7	4.8	4.6	3.9
EAC-5	8.1	7.7	7.7	6.7	6.1	12.3	11.4	6.5	5.3
SADC	7.8	6.0	6.5	6.8	8.1	11.6	9.2	7.4	6.8
SACU	5.8	1.8	3.6	5.0	7.1	11.5	7.2	5.7	5.8
COMESA	10.9	9.0	10.2	9.2	9.8	16.3	19.6	6.7	7.3
Resource-intensive countries	**10.3**	**13.4**	**13.8**	**8.3**	**5.8**	**10.5**	**10.1**	**10.0**	**8.5**
Oil	10.8	14.9	14.8	8.1	5.6	10.5	11.0	10.6	8.9
Non-oil resource-intensive countries	8.1	5.8	8.3	9.2	6.9	10.5	5.0	6.0	5.9
Non-resource-intensive countries	**7.1**	**3.8**	**5.7**	**6.1**	**7.5**	**12.5**	**10.4**	**5.9**	**6.0**
Coastal Non-resource-intensive countries	6.5	3.5	4.9	5.5	6.9	11.6	7.6	5.7	5.6
Landlocked Non-resource-intensive countries	9.5	5.1	9.0	8.3	9.4	15.8	20.4	6.5	7.0
MDRI	8.2	5.4	7.7	7.7	7.7	12.4	14.1	6.5	6.1
Fixed exchange rate regimes	3.6	1.1	3.8	3.5	2.2	7.4	3.7	3.7	3.5
Floating exchange rate	9.4	9.0	9.9	7.7	7.8	12.6	11.8	8.3	7.7

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

Table SA6. Total Investment
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**21.4**	**21.7**	**20.7**	**21.1**	**21.5**	**22.0**	**25.3**	**24.7**	**22.5**
Excluding Nigeria	**18.8**	**19.1**	**17.5**	**18.8**	**19.6**	**19.1**	**21.3**	**19.7**	**18.3**
Angola	11.6	9.1	8.1	11.3	13.7	16.0	14.8	14.5	11.0
Cameroon	18.1	18.9	19.1	16.8	17.6	18.1	16.6	17.3	17.7
Chad	25.7	24.3	20.2	32.6	26.6	24.8	33.9	39.6	34.7
Congo, Rep. of	23.6	22.5	22.4	24.8	26.4	22.1	24.6	23.7	24.4
Equatorial Guinea	35.4	43.7	39.9	32.5	35.3	25.9	46.7	26.1	32.8
Gabon	23.7	24.4	21.3	25.1	24.9	23.1	22.9	26.1	26.1
Nigeria	23.1	23.3	22.8	22.6	22.8	24.0	28.0	27.9	25.1
Middle-income countries	**20.5**	**19.1**	**18.6**	**20.2**	**21.7**	**22.9**	**20.1**	**23.0**	**22.5**
Excluding South Africa	**25.8**	**26.3**	**23.5**	**23.9**	**25.3**	**29.7**	**26.2**	**29.4**	**28.2**
Botswana	28.3	33.2	26.3	24.0	25.8	32.4	24.0	28.2	26.1
Cape Verde	42.5	39.5	36.0	38.0	47.0	52.0	44.7	49.6	45.8
Lesotho	26.3	24.6	23.9	24.8	27.8	30.4	33.2	39.3	43.3
Mauritius	25.5	24.4	22.5	26.6	26.8	27.1	27.6	29.0	28.5
Namibia	22.7	19.1	19.7	22.3	23.7	29.0	28.7	31.4	29.2
Seychelles	30.1	18.9	34.3	28.1	29.1	40.1	29.3	45.4	47.3
South Africa	19.8	18.1	18.0	19.7	21.3	22.0	19.3	22.1	21.8
Swaziland	15.0	15.5	15.8	14.6	14.0	15.3	15.9	14.9	14.6
Low-income countries	**21.5**	**19.5**	**20.6**	**21.0**	**22.6**	**23.5**	**22.9**	**23.5**	**24.3**
Excluding fragile countries	**23.4**	**21.1**	**22.4**	**23.1**	**24.9**	**25.6**	**24.9**	**25.1**	**25.3**
Benin	19.0	18.5	18.6	17.2	20.5	20.0	24.1	22.7	23.5
Burkina Faso	18.7	16.2	20.3	16.4	19.6	20.9	18.5	20.8	20.1
Ethiopia	24.7	26.2	23.8	25.2	25.8	22.5	22.4	22.0	24.2
Ghana	31.5	28.1	28.9	30.4	33.8	36.2	33.1	34.0	32.4
Kenya	17.7	14.4	16.9	17.9	19.1	20.3	20.9	20.5	17.9
Madagascar	28.8	25.8	23.8	25.0	28.3	40.9	32.4	26.9	27.9
Malawi	24.0	18.2	22.7	25.7	27.0	26.3	24.9	24.8	24.6
Mali	16.6	16.5	15.5	17.0	16.9	17.2	16.2	18.0	19.1
Mozambique	17.4	18.6	18.7	17.7	16.1	15.7	21.0	25.2	26.0
Niger	22.7	14.6	23.1	23.6	23.0	29.2	37.0	38.8	38.8
Rwanda	20.9	19.9	20.9	19.7	20.2	23.5	21.4	23.0	22.7
Senegal	30.2	26.0	28.5	28.2	34.0	34.1	28.2	28.8	29.5
Tanzania	26.9	22.6	25.1	27.6	29.6	29.8	29.0	29.8	30.0
Uganda	22.1	20.2	22.4	21.2	23.7	23.0	24.2	23.6	24.4
Zambia	22.7	24.9	23.7	22.1	22.0	20.8	23.5	23.8	24.1
Fragile countries	**13.4**	**13.4**	**13.4**	**12.7**	**12.9**	**14.3**	**13.9**	**16.3**	**19.5**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	15.4	13.3	10.8	16.3	17.5	19.4	20.8	21.9	22.1
Central African Republic	9.7	6.8	9.8	10.1	10.0	11.6	11.6	11.9	12.7
Comoros	10.7	9.4	9.3	9.6	11.2	14.3	12.4	16.6	17.5
Congo, Dem. Rep. of	16.0	12.8	13.8	13.2	18.2	22.0	19.4	30.5	40.3
Côte d'Ivoire	9.7	10.8	9.7	9.3	8.7	10.1	10.2	9.5	11.0
Eritrea	15.9	20.3	20.3	13.7	12.7	12.7	9.1	12.3	10.3
Gambia, The	20.5	24.2	21.9	23.9	18.4	14.0	18.2	15.9	16.2
Guinea	17.0	20.7	19.5	17.2	14.2	13.2	13.0	10.0	11.2
Guinea-Bissau	12.9	12.6	13.9	11.5	13.7	12.6	15.5	16.3	16.7
Liberia	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	35.8	41.6	35.0	39.8	31.4	31.0	48.6	52.6	43.1
Sierra Leone	14.3	10.8	17.4	15.2	13.2	14.8	14.9	16.4	19.1
Togo	14.8	14.5	16.3	16.1	13.8	13.3	14.5	15.2	15.9
Zimbabwe	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**21.1**	**20.1**	**19.9**	**20.7**	**21.9**	**22.8**	**22.8**	**23.8**	**23.1**
Median	21.1	19.5	20.6	21.6	21.6	22.0	22.7	23.6	24.3
Including Zimbabwe	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	21.1	20.1	20.0	20.7	22.0	22.8	22.7	22.9	23.0
Oil-importing countries	**20.9**	**19.3**	**19.5**	**20.6**	**22.1**	**23.2**	**21.4**	**23.2**	**23.4**
Excluding South Africa	**22.0**	**20.4**	**21.0**	**21.4**	**23.0**	**24.3**	**23.3**	**24.2**	**24.8**
CFA franc zone	20.7	20.4	20.4	20.5	21.5	20.8	23.0	22.1	22.9
WAEMU	18.0	16.3	17.8	17.1	18.8	19.9	19.4	20.0	20.7
CEMAC	23.4	24.5	23.0	23.9	24.2	21.7	26.7	24.1	25.0
EAC-5	21.8	18.6	20.8	21.8	23.5	24.2	24.3	24.5	23.9
SADC	20.0	18.4	18.0	19.6	21.2	22.7	20.4	22.7	22.2
SACU	20.3	18.9	18.4	19.9	21.5	22.6	19.8	22.7	22.2
COMESA	21.6	19.9	20.4	21.2	22.8	23.7	22.9	23.3	24.3
Resource-intensive countries	**20.9**	**21.4**	**20.2**	**20.4**	**20.8**	**21.8**	**24.2**	**23.9**	**21.9**
Oil	21.4	21.7	20.7	21.1	21.5	22.0	25.3	24.7	22.5
Non-oil resource-intensive countries	18.3	19.7	17.5	16.8	17.0	20.3	17.5	18.6	18.5
Non-resource-intensive countries	**21.2**	**19.2**	**19.7**	**21.0**	**22.7**	**23.5**	**21.8**	**23.7**	**23.9**
Coastal Non-resource-intensive countries	21.2	19.1	19.5	21.0	22.7	23.8	21.7	23.7	23.4
Landlocked Non-resource-intensive countries	21.1	19.7	20.5	20.8	22.4	22.3	22.2	23.6	25.5
MDRI	23.1	21.3	22.2	22.5	24.4	25.0	24.2	25.0	26.1
Fixed exchange rate regimes	20.6	20.2	20.3	20.3	21.3	21.1	23.1	22.4	23.0
Floating exchange rate	21.2	20.1	19.8	20.8	22.0	23.1	22.7	24.0	23.1

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

Table SA7. Gross National Savings
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**32.8**	**24.4**	**28.0**	**42.3**	**35.8**	**33.5**	**31.4**	**32.3**	**29.2**
Excluding Nigeria	**25.2**	**16.9**	**25.8**	**31.6**	**27.2**	**24.3**	**15.2**	**18.8**	**17.1**
Angola	25.4	12.6	24.8	36.5	29.3	23.6	9.8	16.1	12.3
Cameroon	16.9	16.9	16.6	18.9	16.4	15.8	13.9	13.4	13.7
Chad	16.0	6.9	22.6	23.6	16.0	11.1	0.1	7.5	9.3
Congo, Rep. of	21.4	15.0	24.4	26.6	18.2	22.6	16.9	27.9	32.3
Equatorial Guinea	34.0	22.1	33.6	39.5	39.6	34.9	30.7	23.3	21.2
Gabon	41.3	35.5	44.2	40.6	41.6	44.2	37.3	39.3	38.3
Nigeria	37.8	28.9	29.3	49.2	41.6	39.8	42.1	41.0	36.9
Middle-income countries	**16.3**	**16.7**	**16.1**	**16.3**	**16.1**	**16.4**	**16.1**	**18.5**	**16.7**
Excluding South Africa	**29.2**	**28.2**	**28.2**	**30.5**	**31.3**	**27.7**	**21.7**	**23.2**	**21.9**
Botswana	39.0	36.2	41.4	41.2	40.3	35.9	21.9	27.9	26.8
Cape Verde	32.3	25.1	32.5	32.6	32.3	39.1	34.9	31.0	27.6
Lesotho	33.1	21.8	21.3	33.2	45.2	43.8	36.5	20.8	24.4
Mauritius	19.0	22.6	17.4	17.1	21.2	16.7	19.8	19.6	19.5
Namibia	30.2	26.0	24.4	36.1	32.9	31.7	27.0	28.8	23.1
Seychelles	7.2	12.9	14.6	14.2	6.0	-11.7	-5.8	6.0	11.9
South Africa	14.6	15.0	14.5	14.4	14.1	14.9	15.3	17.8	16.0
Swaziland	13.0	19.9	11.8	7.2	14.7	11.2	9.7	2.3	2.3
Low-income countries	**15.5**	**16.4**	**15.4**	**15.2**	**15.9**	**14.5**	**16.3**	**16.3**	**16.2**
Excluding fragile countries	**16.8**	**17.6**	**16.7**	**16.1**	**17.5**	**16.0**	**17.5**	**17.5**	**17.0**
Benin	11.7	11.6	12.4	12.1	10.4	12.0	15.5	13.1	14.5
Burkina Faso	8.3	5.2	8.7	7.3	11.3	9.2	12.1	14.4	12.0
Ethiopia	21.1	24.6	20.0	18.1	23.5	19.3	19.7	20.1	17.8
Ghana	20.9	24.2	20.7	20.5	21.8	17.3	28.0	22.4	23.3
Kenya	15.3	17.2	16.2	15.5	15.3	12.5	14.1	13.8	10.5
Madagascar	16.4	16.6	13.2	16.2	15.6	20.4	11.7	12.4	20.7
Malawi	14.8	7.0	7.3	17.7	25.4	16.4	16.8	23.1	23.0
Mali	8.4	8.6	7.0	13.0	9.2	4.3	6.6	10.0	9.8
Mozambique	7.2	8.5	8.4	7.6	7.2	4.4	9.5	12.0	13.7
Niger	13.5	7.3	14.2	15.0	14.8	16.3	13.2	13.6	16.6
Rwanda	19.1	21.8	21.9	15.4	18.0	18.6	14.1	15.4	14.2
Senegal	19.9	19.1	19.5	18.7	22.2	19.8	19.5	20.1	20.4
Tanzania	18.1	19.2	19.6	17.3	15.2	19.0	20.1	21.3	21.4
Uganda	19.7	20.2	21.0	17.8	19.7	19.7	20.2	17.2	15.3
Zambia	16.3	13.7	15.2	23.3	15.4	13.7	20.3	21.4	20.3
Fragile countries	**10.1**	**11.9**	**10.1**	**11.3**	**9.2**	**7.9**	**10.9**	**10.9**	**12.8**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	5.0	4.9	9.6	1.8	1.8	7.1	6.2	12.9	11.4
Central African Republic	4.1	5.1	3.2	7.1	3.8	1.3	3.8	4.3	4.5
Comoros	3.5	4.8	1.9	2.9	4.9	3.2	4.5	7.7	4.9
Congo, Dem. Rep. of	9.1	9.5	1.5	11.3	17.1	6.1	9.3	9.9	18.7
Côte d'Ivoire	10.9	12.4	10.0	12.1	8.0	12.1	17.4	16.5	14.3
Eritrea	12.7	18.9	20.8	10.2	6.4	7.2	4.2	11.0	16.9
Gambia, The	9.8	17.2	8.2	13.6	8.7	1.3	7.7	4.7	5.4
Guinea	12.5	18.0	19.1	15.0	5.4	4.8	2.9	0.3	2.2
Guinea-Bissau	7.5	10.1	9.5	-0.2	9.1	8.9	11.0	13.8	13.9
Liberia	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	9.5	24.8	24.8	11.0	-6.6	-6.6	20.6	23.5	6.5
Sierra Leone	7.2	4.8	10.2	9.7	7.7	3.3	6.6	7.0	9.6
Togo	12.2	11.6	21.6	13.1	7.6	6.9	7.5	7.4	9.0
Zimbabwe	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**21.5**	**19.1**	**19.7**	**24.4**	**22.6**	**21.6**	**21.4**	**22.6**	**21.0**
Median	15.8	16.8	17.0	15.4	15.4	14.3	14.1	14.9	14.9
Including Zimbabwe	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	19.4	17.7	19.4	21.0	20.5	18.5	16.4	17.6	16.9
Oil-importing countries	**15.9**	**16.6**	**15.8**	**15.8**	**16.0**	**15.5**	**16.2**	**17.4**	**16.5**
Excluding South Africa	**17.2**	**18.0**	**17.0**	**17.1**	**17.9**	**16.1**	**16.9**	**17.1**	**16.9**
CFA franc zone	18.2	15.3	19.0	20.0	18.5	18.2	17.0	17.8	17.8
WAEMU	12.2	11.6	12.3	12.8	12.1	12.1	14.5	14.9	14.4
CEMAC	24.3	19.1	25.8	27.3	24.9	24.3	19.5	20.8	21.2
EAC-5	17.2	18.5	18.5	16.3	16.1	16.5	17.4	17.2	15.5
SADC	17.0	15.9	16.4	18.2	17.6	17.0	15.1	17.9	16.6
SACU	16.2	16.5	16.0	16.2	16.0	16.4	16.0	18.4	16.6
COMESA	17.0	18.6	16.0	15.9	18.7	15.8	16.0	16.2	15.8
Resource-intensive countries	**31.2**	**24.0**	**27.1**	**39.6**	**33.6**	**31.7**	**29.6**	**30.5**	**27.7**
Oil	32.8	24.4	28.0	42.3	35.8	33.5	31.4	32.3	29.2
Non-oil resource-intensive countries	22.1	21.7	22.3	24.5	21.2	20.9	17.9	19.3	17.6
Non-resource-intensive countries	**15.4**	**16.0**	**15.1**	**15.0**	**15.6**	**15.1**	**16.1**	**17.3**	**16.4**
Coastal Non-resource-intensive countries	15.2	16.0	15.3	14.9	14.7	15.0	16.1	17.6	16.5
Landlocked Non-resource-intensive countries	16.0	16.2	14.5	15.1	18.9	15.4	16.0	16.3	15.9
MDRI	16.5	16.7	16.0	16.4	17.3	15.8	16.8	17.3	17.9
Fixed exchange rate regimes	18.7	16.1	19.1	20.5	19.2	18.8	17.3	18.0	17.7
Floating exchange rate	22.1	19.8	19.9	25.3	23.3	22.1	22.2	23.5	21.6

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**7.1**	**5.8**	**8.7**	**11.4**	**3.3**	**6.1**	**-7.6**	**-3.3**	**-0.9**
Excluding Nigeria	**9.6**	**1.9**	**7.8**	**18.4**	**10.2**	**9.8**	**-3.4**	**3.9**	**4.3**
Angola	8.4	-0.4	7.3	14.8	11.3	8.9	-8.6	2.7	3.3
Cameroon	8.5	-0.7	3.2	33.1	4.5	2.3	-0.1	-2.1	-1.8
Chad	5.7	-1.6	1.0	7.4	9.5	12.2	5.8	3.6	9.2
Congo, Rep. of	13.5	3.6	14.6	16.4	9.4	23.5	4.9	24.7	28.5
Equatorial Guinea	18.2	12.3	20.6	23.5	19.3	15.4	-8.0	3.4	-3.9
Gabon	9.2	7.6	8.7	9.2	8.7	11.7	7.5	6.3	7.4
Nigeria	5.3	8.1	9.3	7.0	-1.3	3.5	-10.3	-7.9	-4.3
Middle-income countries	**0.3**	**-1.2**	**0.3**	**1.3**	**1.5**	**-0.4**	**-5.4**	**-6.1**	**-4.9**
Excluding South Africa	**2.2**	**-1.1**	**2.1**	**5.4**	**4.0**	**0.4**	**-6.3**	**-7.6**	**-7.1**
Botswana	3.8	-0.1	6.3	10.1	5.9	-3.0	-11.8	-8.1	-5.2
Cape Verde	-3.6	-3.8	-6.6	-5.3	-0.8	-1.3	-6.4	-13.0	-11.0
Lesotho	7.7	6.2	5.2	13.6	10.5	3.1	-1.7	-15.2	-18.2
Mauritius	0.5	-0.7	-0.3	0.1	0.1	3.5	-3.4	-4.1	-4.8
Namibia	0.9	-3.7	-1.0	2.2	4.4	2.6	-1.7	-7.0	-8.5
Seychelles	-2.4	-0.9	1.7	-6.2	-8.7	2.3	5.0	-0.3	1.9
South Africa	0.1	-1.2	0.0	0.8	1.2	-0.5	-5.3	-5.9	-4.6
Swaziland	1.8	-4.2	-2.6	7.4	7.5	1.0	-6.6	-12.7	-14.8
Low-income countries	**-2.2**	**-2.8**	**-3.5**	**1.4**	**-2.4**	**-3.8**	**-3.8**	**-3.9**	**-4.4**
Excluding fragile countries	**-2.1**	**-2.6**	**-3.1**	**2.2**	**-3.0**	**-4.1**	**-4.4**	**-4.1**	**-4.3**
Benin	-0.7	-1.1	-2.3	-0.2	0.3	-0.1	-3.2	-2.6	-3.4
Burkina Faso	-0.9	-4.7	-5.5	15.5	-5.6	-4.1	-4.7	-4.6	-3.7
Ethiopia	-3.4	-2.7	-4.2	-3.8	-3.6	-2.9	-0.9	-1.5	-2.5
Ghana	-8.2	-5.0	-4.6	-7.5	-9.2	-14.7	-9.8	-10.8	-7.4
Kenya	-2.2	0.0	-1.7	-2.5	-2.8	-3.9	-5.3	-6.6	-5.1
Madagascar	4.4	-6.2	-4.8	37.6	-2.7	-1.9	-3.1	-0.9	-5.1
Malawi	-2.6	-4.8	-1.3	2.9	-4.5	-5.2	-5.8	0.3	-0.6
Mali	5.5	-0.8	-1.1	32.3	-2.3	-0.5	0.6	1.0	-2.8
Mozambique	-3.3	-4.4	-2.8	-4.1	-2.9	-2.5	-5.6	-5.4	-6.9
Niger	7.1	-3.5	-2.0	40.3	-1.0	1.5	-5.3	-3.0	-2.7
Rwanda	0.2	0.9	0.9	0.2	-1.7	1.0	-2.3	1.6	-0.7
Senegal	-3.8	-2.3	-2.8	-5.4	-3.8	-4.7	-5.2	-4.5	-4.8
Tanzania	-3.6	-3.2	-5.2	-4.4	0.0	-5.1	-7.5	-6.4	-6.1
Uganda	-1.4	-1.2	-0.6	-0.9	-1.3	-3.0	-2.1	-2.5	-3.1
Zambia	2.4	-2.9	-2.8	20.2	-1.3	-1.5	-3.2	-2.7	-3.2
Fragile countries	**-2.6**	**-3.7**	**-4.8**	**-2.1**	**0.0**	**-2.4**	**-1.4**	**-2.8**	**-4.5**
Including Zimbabwe	**-2.5**	**...**	**-5.0**	**-2.2**	**-0.2**	**-2.5**	**-1.5**	**-2.8**	**-4.5**
Burundi	-2.2	-4.9	-5.1	-1.4	1.0	-0.7	60.1	-3.1	-3.9
Central African Republic	0.5	-2.2	-4.5	9.0	1.2	-1.0	1.1	-0.7	-1.7
Comoros	-1.7	-1.7	0.1	-2.6	-2.0	-2.5	0.8	4.9	-1.8
Congo, Dem. Rep. of	-4.4	-5.0	-10.3	-1.2	-2.5	-3.0	-4.2	-3.5	-9.5
Côte d'Ivoire	-1.3	-1.7	-1.7	-1.8	-0.8	-0.6	-1.6	-0.2	-2.6
Eritrea	-17.9	-16.6	-22.2	-14.1	-15.7	-21.1	-14.7	-14.6	-12.9
Gambia, The	-3.1	-4.1	-5.8	-5.1	0.5	-1.3	-2.9	-2.8	-2.5
Guinea	-2.2	-5.4	-1.6	-3.1	0.3	-1.3	-7.2	-5.3	-1.7
Guinea-Bissau	-5.6	-7.6	-6.0	-4.6	-5.8	-3.8	2.8	-1.2	-1.3
Liberia	-0.6	0.0	0.0	6.0	3.9	-12.9	-12.3	-10.1	-1.8
São Tomé & Príncipe	28.6	-16.7	37.1	-13.8	121.6	14.9	-19.1	-14.6	3.8
Sierra Leone	2.8	-3.2	-1.9	-2.2	25.8	-4.7	-3.2	-4.8	-5.0
Togo	-1.8	1.0	-3.4	-3.8	-1.9	-0.9	-2.8	-2.9	-2.1
Zimbabwe[1]	-5.1	...	-9.6	-3.6	-4.1	-3.1	-2.7	-1.9	-2.7
Sub-Saharan Africa	**1.8**	**0.6**	**1.9**	**4.6**	**0.9**	**0.8**	**-5.7**	**-4.4**	**-3.3**
Median	-1.1	-2.2	-1.7	0.1	-0.8	-1.0	-3.2	-3.0	-3.2
Including Zimbabwe	2.0	...	1.8	4.6	0.9	0.8	-5.7	-4.4	-3.3
Excluding Nigeria and South Africa	1.4	-1.4	0.0	6.3	1.7	0.4	-3.9	-2.0	-2.2
Oil-importing countries	**-0.9**	**-1.9**	**-1.5**	**1.3**	**-0.3**	**-1.9**	**-4.6**	**-5.0**	**-4.6**
Excluding South Africa	**-1.7**	**-2.6**	**-2.8**	**1.8**	**-1.6**	**-3.3**	**-4.1**	**-4.3**	**-4.7**
CFA franc zone	5.0	0.5	2.5	14.2	3.4	4.3	-0.9	1.3	0.9
WAEMU	-0.2	-2.2	-2.6	7.8	-2.3	-1.7	-2.9	-2.1	-3.3
CEMAC	10.2	3.1	7.7	20.7	9.1	10.3	1.1	4.8	5.1
EAC-5	-2.3	-1.4	-2.5	-2.6	-1.5	-3.7	-3.9	-5.0	-4.7
SADC	0.8	-1.6	0.0	3.1	2.2	0.3	-5.9	-4.6	-3.9
SACU	0.3	-1.2	0.3	1.4	1.6	-0.5	-5.5	-6.2	-4.9
COMESA	-2.0	-2.4	-3.4	1.1	-2.6	-2.7	-2.4	-3.2	-4.2
Resource-intensive countries	**6.1**	**4.6**	**7.4**	**10.0**	**3.3**	**5.1**	**-7.3**	**-3.4**	**-1.3**
Oil	7.1	5.8	8.7	11.4	3.3	6.1	-7.6	-3.3	-0.9
Non-oil resource-intensive countries	0.6	-2.0	0.7	2.1	3.4	-1.1	-5.2	-4.3	-4.3
Non-resource-intensive countries	**-0.9**	**-1.9**	**-1.6**	**1.3**	**-0.6**	**-1.9**	**-4.5**	**-5.1**	**-4.7**
Coastal Non-resource-intensive countries	-0.9	-1.7	-1.1	0.3	-0.1	-1.8	-5.5	-5.9	-4.9
Landlocked Non-resource-intensive countries	-1.2	-2.6	-3.6	5.0	-2.4	-2.3	-1.5	-2.2	-3.7
MDRI	-0.5	-2.7	-2.4	6.4	-1.4	-2.5	-3.0	-2.5	-3.0
Fixed exchange rate regimes	4.3	-0.1	1.9	12.9	3.3	3.7	-1.3	0.2	-0.3
Floating exchange rate	1.2	0.8	1.9	2.9	0.4	0.2	-6.5	-5.4	-3.9

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**6.5**	**5.6**	**8.5**	**9.0**	**3.2**	**5.9**	**-7.8**	**-3.4**	**-1.0**
Excluding Nigeria	**8.0**	**1.4**	**7.3**	**12.1**	**9.8**	**9.5**	**-3.9**	**3.6**	**4.0**
Angola	8.3	-0.8	7.1	14.8	11.3	8.9	-8.6	2.7	3.3
Cameroon	2.4	-0.8	3.0	4.7	3.3	1.5	-0.9	-3.0	-2.5
Chad	3.5	-4.6	-2.4	5.5	8.1	10.7	2.2	2.1	6.8
Congo, Rep. of	13.2	3.3	14.5	16.3	9.1	22.8	4.6	24.2	27.8
Equatorial Guinea	18.2	12.3	20.6	23.5	19.3	15.4	-8.0	3.4	-3.9
Gabon	9.2	7.5	8.7	9.2	8.7	11.7	7.5	6.3	7.3
Nigeria	5.3	8.1	9.3	7.0	-1.3	3.5	-10.3	-7.9	-4.3
Middle-income countries	**0.2**	**-1.3**	**0.2**	**1.3**	**1.5**	**-0.5**	**-5.5**	**-6.3**	**-5.0**
Excluding South Africa	**1.5**	**-1.8**	**1.5**	**4.8**	**3.5**	**-0.5**	**-7.3**	**-8.6**	**-8.2**
Botswana	3.3	-0.7	6.0	9.5	5.2	-3.7	-12.7	-8.5	-5.5
Cape Verde	-10.0	-12.8	-13.1	-11.3	-6.0	-6.9	-11.9	-19.3	-15.9
Lesotho	5.9	3.3	3.0	12.5	9.1	1.5	-5.5	-22.1	-28.3
Mauritius	0.2	-1.0	-0.6	-0.1	-0.1	2.5	-4.4	-4.7	-5.7
Namibia	0.8	-3.9	-1.1	2.1	4.3	2.5	-2.0	-7.3	-8.8
Seychelles	-3.6	-1.0	0.7	-7.6	-9.0	-1.0	1.6	-3.5	-0.3
South Africa	0.1	-1.2	0.0	0.8	1.2	-0.5	-5.3	-5.9	-4.6
Swaziland	1.1	-5.0	-3.6	6.5	7.0	0.5	-7.1	-13.3	-15.5
Low-income countries	**-7.6**	**-7.6**	**-7.9**	**-7.6**	**-7.3**	**-7.8**	**-8.4**	**-8.4**	**-8.7**
Excluding fragile countries	**-8.0**	**-7.8**	**-7.9**	**-8.0**	**-8.1**	**-8.3**	**-8.6**	**-8.4**	**-8.6**
Benin	-3.0	-3.7	-4.3	-2.5	-2.6	-1.8	-6.4	-6.0	-6.6
Burkina Faso	-10.2	-9.3	-10.1	-11.2	-12.1	-8.1	-10.5	-10.8	-9.9
Ethiopia	-7.6	-7.3	-8.4	-7.4	-8.0	-6.9	-5.2	-4.7	-6.5
Ghana	-13.8	-11.3	-9.9	-13.0	-15.3	-19.4	-14.9	-15.3	-11.3
Kenya	-3.3	-1.2	-3.0	-3.6	-4.0	-5.0	-6.2	-7.5	-6.1
Madagascar	-9.5	-14.4	-10.5	-10.3	-7.0	-5.4	-4.2	-1.5	-7.5
Malawi	-15.5	-15.1	-13.4	-14.4	-17.9	-17.1	-14.9	-10.9	-11.8
Mali	-5.5	-4.7	-5.1	-6.6	-7.0	-3.9	-3.5	-2.9	-6.6
Mozambique	-11.3	-11.7	-8.8	-12.0	-12.2	-11.9	-15.2	-15.0	-17.1
Niger	-7.6	-9.3	-9.5	-6.8	-8.1	-4.4	-9.8	-9.4	-8.8
Rwanda	-10.1	-9.2	-10.8	-9.6	-10.7	-10.0	-13.1	-12.1	-12.0
Senegal	-5.8	-4.4	-4.4	-6.9	-6.4	-7.1	-8.3	-6.9	-7.0
Tanzania	-9.9	-10.6	-11.0	-9.7	-7.6	-10.5	-12.4	-12.7	-11.8
Uganda	-7.0	-9.0	-8.1	-6.3	-5.8	-5.7	-5.4	-5.0	-5.2
Zambia	-6.8	-8.4	-8.4	-6.3	-5.8	-5.2	-7.3	-5.5	-5.3
Fragile countries	**-6.0**	**-6.7**	**-8.0**	**-5.9**	**-4.0**	**-5.5**	**-7.4**	**-8.3**	**-9.3**
Including Zimbabwe	**-5.8**	**...**	**-8.1**	**-5.8**	**-4.0**	**-5.4**	**-7.3**	**-8.1**	**-9.1**
Burundi	-20.2	-19.7	-16.8	-19.3	-19.8	-25.6	-20.7	-31.1	-28.2
Central African Republic	-5.5	-5.6	-8.7	-4.4	-2.9	-5.8	-4.2	-6.4	-6.3
Comoros	-7.8	-4.5	-4.2	-7.6	-9.7	-13.0	-8.8	-8.8	-8.9
Congo, Dem. Rep. of	-8.1	-7.0	-15.5	-7.9	-4.8	-5.3	-11.7	-15.4	-19.4
Côte d'Ivoire	-2.3	-2.6	-2.8	-2.4	-1.3	-2.3	-2.2	-1.2	-2.9
Eritrea	-24.8	-31.7	-31.5	-18.2	-18.8	-24.0	-17.2	-21.1	-17.4
Gambia, The	-4.6	-7.2	-7.1	-6.0	-0.4	-2.4	-6.4	-5.2	-4.9
Guinea	-3.2	-6.5	-2.3	-4.6	-0.5	-1.8	-7.6	-5.8	-2.8
Guinea-Bissau	-13.1	-16.3	-12.5	-10.8	-14.0	-11.9	-12.9	-11.7	-12.2
Liberia	-0.9	-0.3	0.0	5.8	3.7	-13.6	-15.5	-13.8	-6.3
São Tomé & Príncipe	-12.2	-35.8	20.0	-29.7	0.2	-15.5	-34.2	-35.1	-11.1
Sierra Leone	-10.0	-12.2	-11.9	-10.4	-6.3	-9.2	-11.1	-11.5	-12.7
Togo	-3.1	0.2	-4.6	-5.2	-3.6	-2.3	-4.4	-5.4	-6.4
Zimbabwe[1]	-5.1	...	-9.6	-3.6	-4.1	-3.1	-3.6	-2.0	-3.0
Sub-Saharan Africa	**-0.1**	**-0.9**	**0.4**	**1.1**	**-0.6**	**-0.5**	**-7.2**	**-5.9**	**-4.8**
Median	-4.9	-5.0	-4.4	-6.3	-4.0	-5.0	-7.6	-7.3	-6.6
Including Zimbabwe	0.1	...	0.4	1.1	-0.6	-0.5	-7.2	-5.9	-4.8
Excluding Nigeria and South Africa	-2.5	-4.7	-3.0	-1.2	-1.5	-2.2	-7.0	-5.0	-5.1
Oil-importing countries	**-3.3**	**-4.1**	**-3.5**	**-2.7**	**-2.5**	**-3.8**	**-6.9**	**-7.2**	**-6.8**
Excluding South Africa	**-6.5**	**-6.8**	**-6.7**	**-6.0**	**-5.9**	**-6.9**	**-8.2**	**-8.3**	**-8.6**
CFA franc zone	1.1	-1.2	0.8	1.9	1.3	2.5	-2.9	-0.7	-1.0
WAEMU	-5.2	-4.8	-5.4	-5.7	-5.6	-4.5	-6.0	-5.4	-6.4
CEMAC	7.4	2.5	7.0	9.7	8.3	9.5	0.2	4.1	4.4
EAC-5	-7.0	-6.7	-7.4	-6.8	-6.2	-7.7	-8.8	-9.4	-8.6
SADC	-0.5	-2.8	-1.0	1.0	1.1	-0.7	-6.9	-5.9	-5.2
SACU	0.3	-1.3	0.2	1.4	1.6	-0.5	-5.6	-6.3	-5.0
COMESA	-6.8	-7.1	-7.9	-6.5	-6.4	-6.2	-6.9	-7.2	-8.2
Resource-intensive countries	**5.4**	**4.2**	**7.1**	**7.8**	**2.9**	**4.8**	**-7.6**	**-3.6**	**-1.6**
Oil	6.5	5.6	8.5	9.0	3.2	5.9	-7.8	-3.4	-1.0
Non-oil resource-intensive countries	-0.6	-3.1	-0.4	1.2	1.3	-2.3	-6.2	-5.3	-5.0
Non-resource-intensive countries	**-3.5**	**-4.1**	**-3.7**	**-3.0**	**-2.8**	**-3.9**	**-6.9**	**-7.4**	**-6.9**
Coastal Non-resource-intensive countries	-2.3	-3.1	-2.2	-1.9	-1.5	-3.0	-6.7	-7.2	-6.3
Landlocked Non-resource-intensive countries	-7.8	-8.1	-9.3	-7.3	-7.6	-6.9	-7.5	-7.8	-9.2
MDRI	-7.0	-7.7	-7.1	-6.6	-6.8	-6.7	-8.0	-7.3	-7.7
Fixed exchange rate regimes	0.7	-1.9	0.1	1.9	1.4	2.0	-3.3	-1.8	-2.3
Floating exchange rate	-0.3	-0.7	0.5	0.9	-1.0	-1.0	-8.0	-6.7	-5.3

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**33.8**	**32.3**	**35.1**	**34.6**	**31.4**	**35.7**	**23.5**	**28.3**	**28.4**
Excluding Nigeria	**33.8**	**27.2**	**30.6**	**35.7**	**35.8**	**39.8**	**28.9**	**32.1**	**32.1**
Angola	44.2	37.5	40.4	46.4	45.8	50.9	30.8	38.4	37.5
Cameroon	18.2	15.2	17.6	19.3	19.1	20.0	17.6	16.6	16.5
Chad	16.8	8.5	9.4	16.9	22.8	26.4	23.4	23.2	24.1
Congo, Rep. of	39.7	30.0	38.6	44.3	39.1	46.6	29.2	44.9	48.4
Equatorial Guinea	36.1	29.8	34.7	40.8	38.3	37.0	41.0	30.5	29.6
Gabon	30.9	30.1	31.3	31.7	29.6	31.9	32.4	29.7	29.3
Nigeria	33.7	35.4	37.9	33.9	28.4	32.8	19.9	25.8	26.0
Middle-income countries	**28.0**	**25.9**	**27.5**	**28.4**	**28.8**	**29.6**	**27.9**	**27.4**	**27.7**
Excluding South Africa	**31.8**	**30.3**	**32.2**	**33.4**	**32.3**	**30.8**	**30.8**	**28.6**	**27.1**
Botswana	36.9	36.6	40.1	39.2	36.6	32.1	32.7	33.7	33.9
Cape Verde	25.7	22.8	24.3	25.6	27.3	28.3	23.8	25.2	24.1
Lesotho	57.9	51.1	52.8	61.7	61.9	62.3	63.2	45.6	39.2
Mauritius	18.7	18.6	18.9	18.6	17.7	19.9	21.3	20.8	19.8
Namibia	28.9	25.6	27.3	29.4	31.7	30.6	29.4	25.3	21.3
Seychelles	37.9	41.6	41.1	42.0	32.2	32.4	35.4	30.3	31.0
South Africa	27.5	25.3	26.8	27.7	28.4	29.4	27.5	27.2	27.8
Swaziland	36.2	30.4	32.3	40.0	39.3	39.2	36.8	26.9	23.1
Low-income countries	**16.4**	**15.9**	**16.0**	**16.4**	**16.9**	**17.0**	**16.9**	**17.8**	**17.9**
Excluding fragile countries	**16.5**	**16.2**	**16.1**	**16.5**	**17.0**	**17.0**	**16.8**	**17.7**	**17.8**
Benin	18.1	16.7	16.8	16.8	20.6	19.4	18.4	17.8	19.0
Burkina Faso	13.0	13.5	12.7	12.4	13.5	13.1	13.6	13.9	14.8
Ethiopia	14.0	16.1	14.6	14.8	12.7	12.0	12.0	13.4	13.4
Ghana	22.4	22.4	21.8	21.9	22.7	23.0	22.7	25.5	24.0
Kenya	21.6	21.4	21.2	21.1	22.0	22.1	22.8	23.0	24.1
Madagascar	11.8	12.0	10.9	11.2	11.7	13.3	11.1	10.5	8.4
Malawi	18.8	16.8	19.2	17.7	19.4	20.9	22.3	25.3	25.5
Mali	18.3	19.0	19.6	18.3	17.5	17.3	20.5	21.9	18.2
Mozambique	14.8	13.1	14.1	15.0	15.9	16.0	17.8	18.8	19.4
Niger	13.7	11.4	10.6	13.0	15.0	18.4	14.6	14.6	15.1
Rwanda	12.8	12.2	12.5	12.1	12.3	14.9	12.8	12.8	13.3
Senegal	19.5	18.3	19.2	19.7	21.1	19.4	18.6	19.3	19.6
Tanzania	15.2	12.7	13.3	15.3	17.4	17.3	17.0	17.7	18.0
Uganda	12.2	10.9	12.2	12.5	12.6	12.8	12.5	12.7	13.3
Zambia	18.0	18.2	17.6	17.2	18.4	18.6	16.0	17.2	18.1
Fragile countries	**16.0**	**14.7**	**15.4**	**16.0**	**16.7**	**17.3**	**17.0**	**18.4**	**18.3**
Including Zimbabwe	**16.0**	**...**	**15.5**	**15.7**	**16.1**	**16.7**	**17.1**	**19.1**	**18.9**
Burundi	19.2	20.1	20.0	18.9	18.6	18.5	18.6	18.3	18.8
Central African Republic	9.4	8.3	8.2	9.5	10.3	10.4	10.8	10.6	10.7
Comoros	14.1	15.6	15.7	13.6	12.7	13.1	13.9	14.3	14.2
Congo, Dem. Rep. of	13.4	9.5	11.4	12.8	14.7	18.5	16.8	19.2	19.4
Côte d'Ivoire	18.2	17.5	17.0	18.4	19.2	18.9	18.9	21.0	19.8
Eritrea	22.3	23.2	25.9	23.0	21.2	18.2	13.1	13.0	13.7
Gambia, The	15.5	14.5	14.5	16.2	16.9	15.2	15.1	14.3	14.6
Guinea	14.1	11.5	14.5	14.4	14.3	15.6	16.5	16.6	17.6
Guinea-Bissau	8.9	8.4	8.9	9.8	8.0	9.1	9.0	10.9	10.5
Liberia	19.1	14.6	14.2	18.9	23.6	24.1	26.7	27.1	28.8
São Tomé & Príncipe	32.1	16.9	64.0	20.9	40.5	17.9	17.2	18.0	31.6
Sierra Leone	12.0	12.6	12.6	12.2	11.3	11.5	11.8	13.0	13.5
Togo	16.4	16.8	15.7	16.9	16.9	15.6	17.0	17.1	17.8
Zimbabwe[1]	9.0	...	18.3	10.5	4.0	3.3	20.2	34.0	33.0
Sub-Saharan Africa	**26.4**	**25.0**	**26.5**	**26.8**	**26.1**	**27.8**	**23.0**	**24.7**	**24.9**
Median	18.2	16.9	17.6	18.4	19.2	18.9	18.6	19.2	19.4
Including Zimbabwe	26.7	...	26.4	26.7	26.0	27.8	23.0	24.8	24.9
Excluding Nigeria and South Africa	22.6	20.2	21.4	23.1	23.5	24.6	21.4	22.8	22.7
Oil-importing countries	**22.8**	**21.4**	**22.3**	**22.9**	**23.4**	**23.8**	**22.7**	**22.9**	**23.0**
Excluding South Africa	**18.3**	**17.8**	**18.1**	**18.5**	**18.7**	**18.6**	**18.5**	**19.2**	**19.0**
CFA franc zone	21.3	18.6	20.1	22.1	22.5	23.4	22.1	22.3	22.3
WAEMU	17.1	16.5	16.4	16.9	18.0	17.6	17.6	18.5	18.1
CEMAC	25.6	20.8	23.8	27.4	27.0	29.1	26.7	26.0	26.5
EAC-5	16.9	15.8	16.2	16.8	17.8	17.9	17.8	18.1	18.8
SADC	27.7	24.9	26.5	28.1	28.8	30.3	26.5	27.3	27.5
SACU	28.3	26.1	27.7	28.7	29.2	29.8	28.1	27.6	27.9
COMESA	16.6	16.6	16.7	16.7	16.3	16.7	16.6	17.3	17.4
Resource-intensive countries	**32.4**	**30.9**	**33.5**	**33.2**	**30.5**	**34.0**	**23.5**	**27.8**	**27.8**
Oil	33.8	32.3	35.1	34.6	31.4	35.7	23.5	28.3	28.4
Non-oil resource-intensive countries	24.5	23.3	24.7	25.4	25.3	23.9	23.7	24.4	23.6
Non-resource-intensive countries	**22.6**	**21.2**	**22.1**	**22.7**	**23.2**	**23.8**	**22.6**	**22.7**	**22.9**
Coastal Non-resource-intensive countries	24.5	22.8	23.9	24.6	25.4	26.1	24.7	24.7	25.1
Landlocked Non-resource-intensive countries	15.3	15.0	15.2	15.5	15.1	15.5	15.5	16.3	16.0
MDRI	16.6	15.4	16.1	16.8	17.0	17.5	16.4	17.8	17.9
Fixed exchange rate regimes	22.4	19.7	21.1	23.3	23.7	24.4	23.2	22.7	22.3
Floating exchange rate	27.3	26.1	27.6	27.5	26.6	28.5	22.9	25.1	25.3

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA11. Government Expenditure
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**27.4**	**26.7**	**26.6**	**25.6**	**28.2**	**29.7**	**31.3**	**31.7**	**29.4**
Excluding Nigeria	**25.8**	**25.7**	**23.2**	**23.6**	**26.0**	**30.3**	**32.8**	**28.6**	**28.1**
Angola	36.0	38.3	33.3	31.6	34.5	42.0	39.5	35.7	34.2
Cameroon	15.9	16.0	14.6	14.5	15.7	18.5	18.4	19.5	19.0
Chad	13.3	13.1	11.7	11.4	14.7	15.7	21.2	21.1	17.3
Congo, Rep. of	26.5	26.7	24.2	28.0	30.0	23.8	24.6	20.7	20.5
Equatorial Guinea	17.9	17.5	14.1	17.3	19.0	21.6	49.0	27.1	33.6
Gabon	21.8	22.6	22.7	22.5	20.9	20.2	24.9	23.4	22.0
Nigeria	28.4	27.2	28.7	26.9	29.7	29.3	30.3	33.8	30.3
Middle-income countries	**27.8**	**27.2**	**27.3**	**27.1**	**27.4**	**30.0**	**33.4**	**33.6**	**32.7**
Excluding South Africa	**30.3**	**32.1**	**30.7**	**28.6**	**28.8**	**31.3**	**38.2**	**37.2**	**35.3**
Botswana	33.6	37.2	34.1	29.7	31.4	35.8	45.4	42.2	39.4
Cape Verde	35.7	35.6	37.5	36.9	33.3	35.1	35.7	44.5	40.0
Lesotho	52.1	47.8	49.8	49.2	52.8	60.7	68.7	67.7	67.4
Mauritius	18.6	19.7	19.4	18.7	17.7	17.3	25.6	25.5	25.6
Namibia	28.1	29.4	28.4	27.3	27.3	28.1	31.3	32.6	30.1
Seychelles	41.4	42.6	40.4	49.6	41.2	33.4	33.8	33.8	31.3
South Africa	27.5	26.5	26.8	26.9	27.2	29.9	32.8	33.2	32.4
Swaziland	35.2	35.5	35.9	33.4	32.3	38.7	43.8	40.2	38.6
Low-income countries	**24.1**	**23.5**	**23.9**	**24.0**	**24.2**	**24.8**	**25.3**	**26.2**	**26.6**
Excluding fragile countries	**24.6**	**24.0**	**24.0**	**24.5**	**25.1**	**25.3**	**25.4**	**26.0**	**26.4**
Benin	21.1	20.4	21.2	19.3	23.3	21.2	24.8	23.8	25.6
Burkina Faso	23.2	22.8	22.7	23.6	25.6	21.2	24.1	24.8	24.7
Ethiopia	21.6	23.4	23.1	22.2	20.7	18.9	17.2	18.1	19.8
Ghana	36.1	33.7	31.7	34.9	38.1	42.4	37.6	40.8	35.4
Kenya	24.9	22.6	24.2	24.6	26.0	27.1	29.0	30.5	30.2
Madagascar	21.3	26.5	21.4	21.5	18.7	18.6	15.3	12.0	16.0
Malawi	34.4	31.9	32.6	32.1	37.3	38.0	37.2	36.2	37.3
Mali	23.8	23.8	24.6	24.9	24.5	21.2	23.9	24.8	24.8
Mozambique	26.1	24.8	22.9	27.0	28.1	27.9	32.9	33.8	36.5
Niger	21.3	20.7	20.2	19.8	23.1	22.8	24.4	24.0	23.9
Rwanda	22.9	21.3	23.4	21.7	23.1	24.8	25.9	25.0	25.3
Senegal	25.4	22.7	23.6	26.6	27.5	26.4	26.9	26.2	26.6
Tanzania	25.0	23.2	24.3	24.9	24.9	27.9	29.5	30.3	29.8
Uganda	19.1	19.8	20.2	18.7	18.4	18.6	17.9	17.8	18.6
Zambia	24.8	26.6	26.1	23.5	24.3	23.8	23.2	22.6	23.4
Fragile countries	**22.0**	**21.4**	**23.4**	**22.0**	**20.7**	**22.7**	**24.4**	**26.7**	**27.6**
Including Zimbabwe	**21.8**	**...**	**23.7**	**21.5**	**20.0**	**22.1**	**24.4**	**27.1**	**28.0**
Burundi	39.5	39.8	36.8	38.1	38.5	44.1	39.3	49.4	47.0
Central African Republic	14.8	13.9	16.9	13.9	13.2	16.2	15.0	17.0	17.0
Comoros	21.9	20.1	19.9	21.2	22.3	26.0	22.8	23.2	23.1
Congo, Dem. Rep. of	21.5	16.6	26.9	20.7	19.5	23.8	28.5	34.6	38.8
Côte d'Ivoire	20.5	20.1	19.9	20.8	20.5	21.1	21.1	22.2	22.7
Eritrea	47.1	54.8	57.5	41.2	39.9	42.1	30.4	34.1	31.0
Gambia, The	20.1	21.7	21.6	22.2	17.3	17.6	21.5	19.5	19.5
Guinea	17.2	17.9	16.9	19.0	14.8	17.5	24.1	22.4	20.4
Guinea-Bissau	22.0	24.7	21.4	20.6	22.0	21.0	21.8	22.6	22.7
Liberia	20.0	14.8	14.2	13.0	20.0	37.7	42.3	40.8	35.1
São Tomé & Príncipe	44.2	52.7	44.0	50.7	40.3	33.5	51.4	53.1	42.7
Sierra Leone	22.1	24.8	24.5	22.7	17.6	20.7	22.9	24.5	26.2
Togo	19.5	16.6	20.3	22.1	20.4	17.9	21.4	22.5	24.2
Zimbabwe[1]	14.1	...	27.9	14.1	8.2	6.4	23.8	36.0	36.0
Sub-Saharan Africa	**26.5**	**25.9**	**26.0**	**25.7**	**26.7**	**28.4**	**30.2**	**30.6**	**29.6**
Median	23.7	23.4	23.6	23.5	24.3	23.8	25.9	25.5	26.2
Including Zimbabwe	26.7	...	26.0	25.7	26.7	28.3	30.1	30.7	29.7
Excluding Nigeria and South Africa	25.1	24.9	24.4	24.2	25.0	26.8	28.4	27.8	27.8
Oil-importing countries	**26.1**	**25.5**	**25.8**	**25.7**	**25.9**	**27.6**	**29.6**	**30.1**	**29.8**
Excluding South Africa	**24.8**	**24.6**	**24.8**	**24.5**	**24.7**	**25.5**	**26.7**	**27.5**	**27.7**
CFA franc zone	20.3	19.8	19.3	20.1	21.2	20.9	25.1	22.9	23.3
WAEMU	22.3	21.4	21.7	22.6	23.6	22.1	23.7	24.0	24.5
CEMAC	18.2	18.3	16.8	17.6	18.7	19.6	26.5	21.9	22.1
EAC-5	23.9	22.5	23.6	23.6	24.1	25.6	26.6	27.5	27.4
SADC	28.2	27.7	27.5	27.1	27.7	30.9	33.4	33.2	32.7
SACU	28.0	27.4	27.5	27.3	27.6	30.4	33.7	33.8	32.9
COMESA	23.4	23.7	24.6	23.1	22.7	23.0	23.5	24.5	25.6
Resource-intensive countries	**27.0**	**26.6**	**26.3**	**25.4**	**27.6**	**29.2**	**31.1**	**31.4**	**29.3**
Oil	27.4	26.7	26.6	25.6	28.2	29.7	31.3	31.7	29.4
Non-oil resource-intensive countries	25.2	26.4	25.1	24.3	24.0	26.1	29.9	29.7	28.6
Non-resource-intensive countries	**26.1**	**25.3**	**25.7**	**25.8**	**26.0**	**27.6**	**29.5**	**30.1**	**29.9**
Coastal Non-resource-intensive countries	26.9	25.8	26.1	26.5	26.9	29.1	31.4	31.9	31.3
Landlocked Non-resource-intensive countries	23.1	23.2	24.5	22.8	22.6	22.4	23.0	24.1	25.2
MDRI	23.5	23.1	23.2	23.4	23.8	24.2	24.4	25.1	25.6
Fixed exchange rate regimes	21.7	21.5	21.0	21.4	22.3	22.4	26.4	24.5	24.6
Floating exchange rate	27.5	26.9	27.1	26.6	27.6	29.5	30.9	31.9	30.6

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA12. Government Debt

(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009
Oil-exporting countries	**31.1**	**56.2**	**35.2**	**21.5**	**22.1**	**20.5**	**24.2**
Excluding Nigeria	**42.7**	**62.3**	**45.8**	**36.5**	**35.8**	**33.4**	**37.5**
Angola	32.3	49.6	33.7	20.8	24.7	32.9	38.3
Cameroon	29.5	61.6	51.5	15.5	9.5	9.5	9.6
Chad	29.4	34.2	33.6	29.6	26.0	23.6	31.4
Congo, Rep. of	112.9	198.7	108.3	98.8	98.6	60.3	57.6
Equatorial Guinea	2.5	6.2	3.0	1.6	1.1	0.7	5.1
Gabon	45.0	65.2	53.8	42.1	43.3	20.8	26.1
Nigeria	23.5	52.7	28.6	11.8	12.8	11.6	15.5
Middle-income countries	**31.4**	**35.4**	**34.2**	**32.2**	**28.2**	**27.0**	**30.6**
Excluding South Africa	**29.3**	**32.2**	**31.3**	**29.2**	**27.7**	**25.9**	**29.0**
Botswana	7.3	9.9	7.4	5.6	7.5	6.2	15.0
Cape Verde	84.4	92.6	96.4	87.3	74.6	71.1	70.8
Lesotho	62.4	61.4	64.0	64.9	63.8	57.8	45.3
Mauritius	51.1	53.3	55.2	52.6	49.0	45.6	49.3
Namibia	23.5	28.1	27.2	24.7	19.9	17.6	15.7
Seychelles	143.0	162.2	147.1	139.5	130.8	135.4	127.3
South Africa	31.7	35.9	34.6	32.6	28.3	27.2	30.8
Swaziland	17.6	19.6	17.4	17.1	16.2	17.6	14.7
Low-income countries	**64.0**	**85.6**	**78.5**	**60.5**	**48.4**	**46.8**	**46.4**
Excluding fragile countries	**51.4**	**73.4**	**66.6**	**47.5**	**34.8**	**34.5**	**37.1**
Benin	28.2	35.1	42.9	14.6	20.9	27.7	27.5
Burkina Faso	31.6	45.8	44.1	21.7	21.9	24.4	27.9
Ethiopia	64.5	105.7	79.0	66.8	38.2	32.9	32.1
Ghana	65.0	94.1	77.9	42.0	51.9	59.2	66.5
Kenya	48.9	54.3	50.1	45.4	49.1	45.6	49.2
Madagascar	56.1	91.6	82.6	41.4	34.6	30.4	33.7
Malawi	74.0	131.6	133.1	29.9	32.6	42.6	45.5
Mali	34.1	49.2	55.2	20.4	21.9	24.0	23.9
Mozambique	50.5	70.7	81.0	53.6	21.9	25.4	29.3
Niger	31.2	58.8	51.6	15.8	15.9	13.9	15.8
Rwanda	47.2	90.8	70.7	26.6	26.9	21.2	20.2
Senegal	33.1	47.5	45.7	23.0	24.5	25.0	32.0
Tanzania	57.2	69.6	69.5	70.4	38.6	37.7	42.8
Uganda	48.1	68.9	65.8	62.8	20.3	22.5	22.2
Zambia	63.8	148.6	87.9	29.8	25.8	26.8	27.7
Fragile countries	**115.3**	**132.6**	**125.0**	**113.7**	**105.3**	**100.1**	**87.2**
Including Zimbabwe	**108.8**	**...**	**121.2**	**111.1**	**103.5**	**99.6**	**87.3**
Burundi	190.7	249.4	192.2	180.3	177.8	153.7	52.3
Central African Republic	92.7	102.9	107.7	93.9	79.1	79.6	26.9
Comoros	69.4	78.1	74.1	73.8	61.6	59.4	56.9
Congo, Dem. Rep. of	153.1	197.5	168.2	134.4	129.1	136.3	138.3
Côte d'Ivoire	80.7	84.9	86.3	84.2	75.6	72.5	65.0
Eritrea	157.3	181.3	144.2	143.4	152.2	165.2	135.0
Gambia, The	97.6	120.9	119.5	127.9	56.7	63.1	58.3
Guinea	117.7	119.8	150.2	137.1	92.4	89.0	77.0
Guinea-Bissau	198.1	229.9	209.7	207.2	186.7	156.9	163.3
Liberia	503.0	...	...	...	594.6	411.4	224.1
São Tomé & Príncipe	202.6	303.0	282.8	259.5	104.0	63.8	65.8
Sierra Leone	125.6	204.7	177.9	136.7	55.2	53.7	61.3
Togo	79.0	93.0	76.8	84.8	84.2	56.3	55.2
Zimbabwe[1]	70.2	...	58.1	64.6	69.8	88.4	89.7
Sub-Saharan Africa	**41.1**	**57.3**	**47.9**	**37.3**	**32.3**	**30.8**	**33.3**
Median	54.4	74.4	72.4	49.0	38.6	37.7	38.3
Including Zimbabwe	50.2	...	65.2	51.2	43.2	41.4	42.7
Excluding Nigeria and South Africa	46.1	57.8	54.0	45.0	37.5	36.2	38.2
Oil-importing countries	**59.6**	**78.5**	**72.2**	**56.6**	**46.0**	**44.5**	**44.6**
Excluding South Africa	**51.1**	**67.1**	**59.0**	**46.9**	**44.3**	**38.0**	**38.7**
CFA franc zone	50.9	63.5	62.9	44.6	42.6	40.9	40.9
WAEMU	51.2	70.6	54.9	49.3	46.1	35.1	36.5
CEMAC	54.0	68.5	63.8	58.6	40.6	38.3	39.1
EAC-5	38.0	46.6	43.6	36.8	31.2	31.8	35.8
SADC	30.3	34.3	33.1	31.1	27.1	26.0	29.6
SACU	66.1	92.4	79.2	62.4	49.4	47.3	46.5
COMESA	35.0	57.5	40.2	27.5	25.8	24.0	27.0
Resource-intensive countries	**31.1**	**56.2**	**35.2**	**21.5**	**22.1**	**20.5**	**24.2**
Oil	56.8	64.0	66.4	60.7	47.7	45.2	44.6
Non-oil resource-intensive countries	44.3	56.6	52.4	43.1	35.2	34.4	37.0
Non-resource-intensive countries	**39.1**	**46.8**	**44.8**	**38.7**	**33.2**	**32.2**	**36.2**
Coastal Non-resource-intensive countries	64.4	95.6	81.5	59.5	42.9	42.3	39.9
Landlocked Non-resource-intensive countries	62.5	89.9	78.4	58.3	43.7	42.2	43.0
MDRI	51.7	66.0	57.9	46.8	47.2	40.5	39.5
Fixed exchange rate regimes	38.9	55.4	45.8	35.3	29.2	28.9	32.1
Floating exchange rate	32.2	47.1	36.2	28.2	25.2	24.5	27.9

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA13. Broad Money
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**22.0**	**17.8**	**16.7**	**19.7**	**24.3**	**31.8**	**38.0**	**37.6**	**40.8**
Excluding Nigeria	**17.9**	**15.0**	**14.9**	**16.9**	**19.0**	**23.7**	**30.5**	**28.4**	**36.0**
Angola	21.0	16.4	16.2	19.0	22.2	31.5	42.4	39.1	54.0
Cameroon	19.3	18.1	17.9	18.3	20.8	21.7	23.5	23.8	24.1
Chad	10.5	8.1	8.0	11.5	11.8	13.3	14.7	15.0	15.3
Congo, Rep. of	16.0	13.4	14.0	16.4	17.8	18.4	22.5	19.1	18.4
Equatorial Guinea	7.0	7.5	6.4	6.3	7.5	7.1	13.3	12.1	14.2
Gabon	18.3	17.4	18.2	19.6	18.9	17.5	22.4	18.0	17.4
Nigeria	24.8	19.4	17.8	21.5	27.8	37.3	42.9	43.6	43.9
Middle-income countries	**72.7**	**62.5**	**67.6**	**73.7**	**79.4**	**80.5**	**77.6**	**83.3**	**84.7**
Excluding South Africa	**52.4**	**47.4**	**49.6**	**54.1**	**55.2**	**55.6**	**57.7**	**58.8**	**59.0**
Botswana	35.7	28.1	28.0	37.4	42.4	42.6	46.1	48.0	47.9
Cape Verde	84.8	76.2	84.0	87.7	88.2	88.0	84.4	83.0	83.0
Lesotho	34.4	30.5	31.0	36.6	36.7	37.0	41.8	45.4	47.4
Mauritius	100.2	93.2	102.2	100.6	101.6	103.7	103.4	104.7	104.2
Namibia	39.2	37.1	37.6	41.7	40.0	39.5	39.1	39.7	40.0
Seychelles	80.8	104.1	100.6	94.4	58.6	46.1	44.7	51.4	53.9
South Africa	75.5	64.6	70.1	76.3	82.7	83.8	80.3	86.6	88.3
Swaziland	23.7	21.6	21.6	24.0	25.4	26.0	30.8	25.0	25.0
Low-income countries	**27.8**	**26.9**	**26.5**	**27.7**	**28.9**	**28.9**	**29.9**	**31.0**	**32.0**
Excluding fragile countries	**29.4**	**28.6**	**28.3**	**29.4**	**30.5**	**30.2**	**31.0**	**32.2**	**33.6**
Benin	33.1	26.5	29.8	32.5	35.6	40.8	41.4	41.4	41.4
Burkina Faso	23.2	24.4	20.8	20.8	25.0	24.7	28.5	30.3	31.2
Ethiopia	34.8	39.0	38.0	36.1	33.0	28.1	24.9	26.1	29.9
Ghana	37.6	33.4	31.3	36.2	40.9	46.2	47.1	47.4	46.0
Kenya	41.2	40.2	39.4	40.3	42.5	43.4	46.0	46.4	46.9
Madagascar	19.7	21.3	18.0	19.2	20.4	19.7	20.8	21.5	21.7
Malawi	20.8	19.8	20.2	18.1	21.7	24.4	26.0	24.8	24.5
Mali	28.7	29.1	29.6	29.1	29.7	26.1	28.1	30.1	30.3
Mozambique	19.7	17.7	18.4	19.5	20.6	22.5	27.6	29.0	31.1
Niger	15.7	15.2	14.0	15.2	17.3	16.6	19.0	18.7	20.3
Rwanda	16.8	15.5	15.2	16.7	18.3	18.2	17.8	17.8	17.8
Senegal	34.8	34.1	33.8	35.8	36.5	33.7	36.8	39.1	41.0
Tanzania	24.6	21.2	22.2	26.0	26.7	26.7	27.8	31.0	33.1
Uganda	18.2	16.9	17.5	18.0	18.1	20.6	20.9	22.1	22.6
Zambia	21.4	21.5	18.0	21.5	22.5	23.3	21.4	21.1	21.9
Fragile countries	**21.4**	**20.4**	**19.8**	**20.9**	**22.4**	**23.4**	**24.9**	**25.4**	**24.7**
Including Zimbabwe	**21.2**	**...**	**19.4**	**20.9**	**21.9**	**22.7**	**24.9**	**25.7**	**25.0**
Burundi	30.5	27.7	29.9	31.7	31.1	32.0	32.4	32.3	29.1
Central African Republic	16.1	16.4	18.0	16.0	14.6	15.5	13.5	13.7	14.4
Comoros	25.6	23.1	23.1	25.9	27.2	28.5	30.3	30.8	31.0
Congo, Dem. Rep. of	11.2	9.9	7.8	10.4	12.4	15.3	16.6	17.4	18.4
Côte d'Ivoire	11.7	11.1	10.7	11.0	13.2	12.4	14.9	15.2	12.3
Eritrea	130.2	129.0	129.3	123.9	127.7	141.3	118.2	115.8	117.1
Gambia, The	38.0	31.3	34.3	41.5	40.3	42.6	45.3	46.3	46.9
Guinea	20.2	18.2	19.0	21.5	19.6	22.7	27.3	30.3	31.3
Guinea-Bissau	19.1	15.4	16.8	17.6	21.6	24.3	24.8	24.8	24.8
Liberia	23.5	18.1	20.4	23.4	25.2	30.5	36.7	36.7	36.3
São Tomé & Príncipe	37.9	28.0	36.0	39.0	42.3	44.2	41.4	38.3	38.1
Sierra Leone	22.0	19.7	21.6	21.4	22.9	24.6	29.7	28.3	30.4
Togo	34.0	31.0	28.8	33.9	38.3	38.0	42.0	43.4	44.7
Zimbabwe[1]	13.7	...	13.1	21.8	12.1	7.8	27.0	32.4	33.0
Sub-Saharan Africa	**42.5**	**37.1**	**38.7**	**42.2**	**45.9**	**48.4**	**49.2**	**51.1**	**52.7**
Median	23.7	21.5	21.6	23.4	25.4	26.7	29.7	30.3	31.1
Including Zimbabwe	43.7	...	38.6	42.1	45.8	48.3	49.2	51.1	52.7
Excluding Nigeria and South Africa	27.3	25.8	25.5	27.2	28.4	29.7	32.4	32.6	35.4
Oil-importing countries	**52.3**	**46.6**	**49.1**	**52.9**	**56.4**	**56.7**	**55.0**	**58.2**	**59.1**
Excluding South Africa	**30.8**	**29.6**	**29.3**	**31.0**	**32.1**	**32.1**	**33.1**	**34.2**	**35.1**
CFA franc zone	19.4	18.3	18.1	19.3	20.9	20.6	23.5	23.4	23.6
WAEMU	23.5	22.2	22.0	23.1	25.4	24.7	27.2	28.3	28.2
CEMAC	15.3	14.3	14.2	15.4	16.3	16.5	19.8	18.5	18.9
EAC-5	29.1	27.4	27.6	29.2	30.4	31.0	32.2	33.6	34.5
SADC	58.8	51.4	54.7	59.3	63.4	64.9	64.2	67.9	70.8
SACU	71.9	61.4	66.5	72.8	78.8	79.9	76.9	82.8	84.3
COMESA	34.9	35.9	35.0	34.9	34.8	34.0	33.9	34.5	35.7
Resource-intensive countries	**22.4**	**18.3**	**17.4**	**20.5**	**24.7**	**31.1**	**36.8**	**36.7**	**39.4**
Oil	22.0	17.8	16.7	19.7	24.3	31.8	38.0	37.6	40.8
Non-oil resource-intensive countries	24.4	21.0	21.1	25.1	27.2	27.4	29.6	30.8	29.9
Non-resource-intensive countries	**54.7**	**48.8**	**51.5**	**55.3**	**58.9**	**59.2**	**57.1**	**60.6**	**61.6**
Coastal Non-resource-intensive countries	62.9	54.8	58.6	63.5	68.2	69.2	67.0	71.5	72.5
Landlocked Non-resource-intensive countries	24.3	24.9	24.2	24.5	24.5	23.4	23.8	24.6	26.3
MDRI	25.1	24.0	23.8	25.1	26.2	26.3	27.2	28.2	29.6
Fixed exchange rate regimes	22.4	21.3	21.0	22.3	23.7	23.5	26.0	25.7	25.9
Floating exchange rate	46.6	40.5	42.5	46.3	50.4	53.4	53.9	56.1	57.9

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA14. Broad Money Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**36.2**	**17.9**	**22.9**	**46.6**	**38.5**	**54.8**	**17.3**	**20.9**	**23.6**
Excluding Nigeria	**35.5**	**24.8**	**34.6**	**36.7**	**30.5**	**50.6**	**17.2**	**14.3**	**33.7**
Angola	62.4	49.8	59.7	59.6	49.3	93.7	27.5	20.2	61.3
Cameroon	10.5	7.3	4.2	9.3	18.6	13.4	6.9	7.2	7.5
Chad	23.4	3.3	32.0	51.9	5.4	24.7	-4.0	20.0	9.2
Congo, Rep. of	28.7	15.9	36.3	47.9	6.9	36.4	5.0	11.9	11.5
Equatorial Guinea	30.7	33.5	34.7	14.1	41.3	30.1	31.4	14.4	27.3
Gabon	14.2	11.6	26.0	17.4	7.2	8.8	2.2	-1.7	7.1
Nigeria	37.1	14.0	16.0	53.4	44.2	57.8	17.5	25.4	17.5
Middle-income countries	**19.0**	**13.3**	**19.3**	**24.1**	**23.1**	**15.1**	**2.0**	**18.2**	**12.3**
Excluding South Africa	**19.8**	**14.2**	**11.3**	**36.7**	**19.4**	**17.5**	**4.7**	**11.0**	**9.1**
Botswana	28.9	13.9	10.6	67.4	31.2	21.1	-1.8	16.1	9.5
Cape Verde	12.5	10.6	15.8	18.0	10.8	7.6	3.5	5.8	9.0
Lesotho	16.8	3.4	9.1	35.3	16.4	19.7	17.7	21.7	15.0
Mauritius	14.7	18.3	15.8	9.5	15.3	14.7	3.4	7.5	5.4
Namibia	16.7	16.2	9.7	29.6	10.2	17.9	5.9	14.2	11.7
Seychelles	-0.3	14.0	1.7	3.0	-20.7	0.5	19.3	20.1	13.3
South Africa	18.9	13.1	20.5	22.5	23.6	14.8	1.6	19.2	12.8
Swaziland	15.6	7.2	9.1	25.1	21.4	15.4	26.8	-12.2	8.3
Low-income countries	**18.5**	**15.7**	**12.3**	**21.7**	**21.8**	**20.9**	**20.8**	**17.7**	**16.5**
Excluding fragile countries	**17.6**	**12.7**	**13.0**	**20.8**	**21.1**	**20.4**	**19.3**	**17.7**	**19.1**
Benin	15.6	-6.7	21.8	16.5	17.6	28.8	6.3	5.3	6.2
Burkina Faso	6.8	-7.2	-3.8	10.2	22.9	12.1	24.1	13.2	9.8
Ethiopia	18.0	10.3	19.6	17.4	19.7	22.9	19.9	24.3	36.0
Ghana	31.0	25.9	14.3	38.8	35.9	40.2	26.9	20.1	27.0
Kenya	14.9	13.4	9.1	17.0	19.1	15.9	16.0	11.6	11.4
Madagascar	17.1	19.4	4.6	24.9	24.2	12.6	10.5	10.5	12.8
Malawi	26.9	31.9	16.2	16.5	36.9	33.1	24.4	9.0	13.5
Mali	5.5	-2.4	11.7	8.8	9.3	0.4	16.2	16.7	9.4
Mozambique	22.2	14.7	22.7	26.0	21.6	26.0	34.6	22.6	21.6
Niger	15.7	20.3	6.6	16.2	23.0	12.2	18.3	6.9	15.1
Rwanda	23.0	12.1	16.7	31.3	30.8	24.2	13.1	12.4	12.3
Senegal	9.5	12.9	7.4	12.7	12.7	1.7	10.6	11.8	11.8
Tanzania	21.5	18.5	19.6	31.3	20.1	18.1	18.5	25.1	21.0
Uganda	16.5	9.0	8.7	16.4	17.4	31.1	25.0	20.6	12.8
Zambia	25.6	32.0	3.3	44.0	25.3	23.2	7.7	16.0	18.0
Fragile countries	**22.0**	**27.7**	**9.7**	**25.2**	**24.5**	**23.2**	**27.2**	**17.6**	**5.0**
Including Zimbabwe	**19.6**	**27.7**	**5.2**	**26.9**	**19.6**	**18.9**	**33.5**	**18.6**	**5.3**
Burundi	20.9	16.7	27.1	16.4	10.1	34.2	19.8	12.2	3.1
Central African Republic	7.7	14.2	16.5	-4.2	-3.7	15.9	-8.1	7.9	11.9
Comoros	8.1	-4.2	6.3	16.0	10.8	11.6	13.5	7.5	6.5
Congo, Dem. Rep. of	45.8	59.6	3.5	60.4	49.5	55.7	50.4	40.5	27.2
Côte d'Ivoire	12.0	20.6	1.7	8.6	25.2	3.8	24.4	6.9	-14.1
Eritrea	11.2	11.7	10.7	5.7	12.1	15.9	13.5	17.9	19.0
Gambia, The	16.5	18.3	13.1	26.2	6.7	18.4	19.4	12.5	12.1
Guinea	35.5	37.0	37.2	59.4	4.7	39.0	25.9	29.2	17.4
Guinea-Bissau	25.7	44.0	20.3	5.3	30.2	28.6	6.5	6.0	6.5
Liberia	33.2	36.1	30.8	27.7	31.6	39.6	24.1	11.2	7.4
São Tomé & Príncipe	32.8	7.4	45.9	39.3	36.4	35.2	14.6	11.6	11.9
Sierra Leone	20.3	-2.4	32.8	18.7	26.1	26.1	31.3	14.2	21.2
Togo	15.2	18.3	1.4	22.1	17.7	16.3	15.9	8.6	8.9
Zimbabwe[1]	1.4	85.9	-47.9	61.3	-44.4	-48.0	297.5	44.8	13.1
Sub-Saharan Africa	**24.2**	**15.5**	**18.3**	**30.3**	**27.6**	**29.1**	**12.8**	**19.0**	**17.5**
Median	17.6	14.0	15.8	18.7	19.7	19.7	16.2	12.5	11.9
Including Zimbabwe	24.0	15.5	17.9	30.4	27.3	28.8	13.1	19.0	17.5
Excluding Nigeria and South Africa	22.6	17.8	17.0	27.1	23.3	27.8	19.1	16.3	20.4
Oil-importing countries	**18.5**	**14.3**	**15.6**	**23.2**	**22.0**	**17.4**	**11.0**	**18.1**	**14.3**
Excluding South Africa	**18.2**	**15.5**	**11.3**	**23.8**	**20.6**	**19.7**	**19.8**	**17.1**	**15.6**
CFA franc zone	14.2	10.7	12.9	16.2	17.5	13.8	12.8	9.5	7.0
WAEMU	10.8	9.2	5.7	11.6	19.1	8.2	17.5	9.8	2.6
CEMAC	18.0	12.2	20.7	21.2	16.0	19.7	8.2	9.1	11.8
EAC-5	17.9	14.0	13.1	22.1	19.6	20.7	18.7	18.1	14.7
SADC	23.7	18.1	21.2	29.0	26.0	24.3	9.2	19.4	19.5
SACU	19.2	13.1	19.5	24.7	23.5	15.2	1.9	18.6	12.6
COMESA	17.9	16.5	9.9	21.3	20.2	21.9	22.2	18.1	19.3
Resource-intensive countries	**33.6**	**18.1**	**20.9**	**44.4**	**36.0**	**48.6**	**16.9**	**19.9**	**20.4**
Oil	36.2	17.9	22.9	46.6	38.5	54.8	17.3	20.9	23.6
Non-oil resource-intensive countries	20.0	18.7	10.5	33.1	22.0	15.8	14.0	13.4	1.1
Non-resource-intensive countries	**18.4**	**13.9**	**16.1**	**22.4**	**22.1**	**17.5**	**10.7**	**18.5**	**15.6**
Coastal Non-resource-intensive countries	18.7	14.0	18.1	22.7	22.6	16.2	6.6	18.0	13.9
Landlocked Non-resource-intensive countries	17.2	13.2	9.0	21.2	20.2	22.2	25.7	20.2	21.3
MDRI	18.7	13.9	13.2	22.5	21.6	22.5	19.2	18.2	19.0
Fixed exchange rate regimes	14.4	10.9	12.6	17.2	17.2	14.3	12.8	9.4	7.5
Floating exchange rate	26.3	16.5	19.6	33.2	29.8	32.3	12.7	21.0	19.5

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA15. Claims on Nonfinancial Private Sector
(Percent of broad money)

	2004-08	2004	2005	2006	2007	2008	2009
Oil-exporting countries	**61.3**	**56.7**	**60.9**	**54.6**	**66.5**	**67.8**	**63.8**
Excluding Nigeria	**42.6**	**41.0**	**40.8**	**41.9**	**44.3**	**45.1**	**48.6**
Angola	40.9	35.7	34.7	42.0	49.0	43.1	52.5
Cameroon	49.0	49.8	53.1	50.1	44.8	47.3	47.3
Chad	40.8	49.3	52.2	36.2	30.3	35.9	42.9
Congo, Rep. of	16.4	22.1	17.2	12.6	12.8	17.2	21.4
Equatorial Guinea	42.2	30.3	33.6	40.6	40.8	65.7	54.4
Gabon	53.4	54.3	49.3	51.4	56.6	55.2	49.7
Nigeria	73.5	66.1	73.7	62.8	81.6	83.5	73.9
Middle-income countries	**101.2**	**101.6**	**101.2**	**102.3**	**100.9**	**100.0**	**98.4**
Excluding South Africa	**77.3**	**82.1**	**83.8**	**72.6**	**73.7**	**74.2**	**76.6**
Botswana	58.0	72.3	70.1	50.3	47.8	49.6	56.2
Cape Verde	56.4	50.7	48.1	53.0	60.1	69.8	75.2
Lesotho	28.6	23.8	31.2	26.3	30.7	30.9	32.4
Mauritius	77.4	78.4	73.7	73.8	76.5	84.7	82.3
Namibia	124.8	125.8	137.7	121.9	124.9	113.7	118.1
Seychelles	40.5	27.2	30.8	28.7	49.1	66.8	53.0
South Africa	104.5	104.4	103.5	106.3	104.6	103.5	101.3
Swaziland	97.3	95.0	102.0	98.9	99.1	91.7	81.9
Low-income countries	**55.9**	**52.0**	**55.0**	**55.4**	**55.6**	**61.3**	**59.6**
Excluding fragile countries	**52.3**	**47.1**	**51.0**	**52.0**	**52.9**	**58.7**	**57.8**
Benin	53.7	56.3	54.3	51.8	54.9	51.2	53.8
Burkina Faso	72.4	61.2	79.2	82.0	67.2	72.5	59.4
Ethiopia	33.7	28.3	31.1	33.9	36.0	39.3	36.4
Ghana	49.9	35.9	47.3	48.6	57.3	60.5	55.5
Kenya	65.7	64.3	64.5	63.0	64.8	72.0	70.6
Madagascar	51.0	45.8	54.1	51.3	48.5	55.4	53.2
Malawi	43.9	30.6	37.2	50.1	48.6	53.1	58.3
Mali	62.3	67.2	56.2	61.7	60.7	65.6	53.2
Mozambique	72.5	59.8	71.6	75.3	72.2	83.6	98.5
Niger	53.4	43.3	48.7	55.2	54.0	65.8	65.8
Rwanda	60.5	59.5	60.6	56.7	52.4	73.3	68.5
Senegal	64.9	59.1	68.5	63.2	62.1	71.5	67.1
Tanzania	42.9	38.8	40.1	40.1	44.9	50.6	56.8
Uganda	45.9	39.6	41.2	45.7	48.1	54.9	57.7
Zambia	48.4	37.5	42.8	45.2	52.5	64.1	56.1
Fragile countries	**69.9**	**70.8**	**70.2**	**69.1**	**66.8**	**72.7**	**67.5**
Including Zimbabwe	**68.3**	**70.8**	**67.8**	**66.9**	**64.3**	**71.6**	**67.0**
Burundi	64.8	80.1	62.0	64.6	62.3	55.2	57.0
Central African Republic	43.0	43.9	37.7	41.7	46.3	45.2	48.7
Comoros	37.0	31.4	38.7	35.2	35.9	43.8	51.0
Congo, Dem. Rep. of	30.1	21.8	23.7	26.7	30.7	47.6	45.7
Côte d'Ivoire	127.8	129.3	128.8	128.8	121.2	130.9	116.2
Eritrea	18.9	20.6	21.2	21.0	16.2	15.6	15.0
Gambia, The	32.0	30.1	31.0	31.1	33.6	34.2	31.6
Guinea	28.9	32.0	34.3	29.6	27.8	20.8	19.2
Guinea-Bissau	11.2	5.2	6.5	11.5	14.2	18.9	22.2
Liberia	36.8	35.8	33.0	36.6	38.7	40.0	42.3
São Tomé & Príncipe	70.6	59.2	73.8	77.3	74.9	67.8	83.8
Sierra Leone	23.6	23.7	21.0	21.0	23.2	28.9	32.0
Togo	53.1	54.9	60.6	49.9	55.1	45.2	47.3
Zimbabwe[1]	34.2	55.2	27.8	26.9	16.5	44.7	54.8
Sub-Saharan Africa	**74.4**	**72.0**	**74.2**	**72.5**	**75.8**	**77.5**	**74.5**
Median	74.3	72.0	74.0	72.4	75.6	77.4	74.5
Including Zimbabwe	54.1	52.1	53.7	53.2	53.8	57.8	57.9
Excluding Nigeria and South Africa	80.6	79.4	80.2	81.0	80.2	82.2	80.0
Oil-importing countries	**58.4**	**56.0**	**58.4**	**57.3**	**57.5**	**62.8**	**61.5**
Excluding South Africa	**62.4**	**62.0**	**63.6**	**62.1**	**59.0**	**65.1**	**60.3**
CFA franc zone	81.0	79.9	82.5	81.9	77.4	83.3	75.2
WAEMU	43.5	44.1	44.4	41.8	40.4	46.9	45.3
CEMAC	53.8	50.8	51.4	51.5	54.0	60.9	62.7
EAC-5	86.1	86.1	85.6	86.8	86.2	85.6	86.2
SADC	102.2	102.7	102.3	103.5	101.9	100.7	99.1
SACU	49.9	46.7	47.7	48.7	49.8	56.7	55.1
COMESA	65.8	63.0	66.6	59.7	69.2	70.4	66.6
Resource-intensive countries	**61.3**	**56.7**	**60.9**	**54.6**	**66.5**	**67.8**	**63.8**
Oil	90.3	95.9	97.2	88.0	84.4	86.1	84.0
Non-oil resource-intensive countries	80.0	78.1	78.9	80.6	80.1	82.1	79.9
Non-resource-intensive countries	**88.9**	**87.2**	**88.0**	**89.6**	**89.2**	**90.3**	**88.8**
Coastal Non-resource-intensive countries	46.3	41.6	43.7	46.9	46.2	52.9	50.0
Landlocked Non-resource-intensive countries	47.3	42.5	46.2	47.0	47.4	53.2	52.7
MDRI	65.1	64.5	66.9	64.8	62.2	67.0	62.7
Fixed exchange rate regimes	76.3	73.6	75.8	74.2	78.6	79.5	76.9
Floating exchange rate	83.2	80.9	82.8	81.0	85.9	85.5	81.6

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**51.5**	**48.9**	**53.5**	**50.8**	**51.3**	**53.1**	**43.0**	**44.1**	**43.1**
Excluding Nigeria	**64.0**	**56.4**	**65.0**	**65.5**	**65.5**	**67.8**	**50.6**	**55.2**	**54.3**
Angola	74.6	69.7	79.3	73.8	74.0	76.3	52.2	56.8	55.1
Cameroon	27.7	22.7	24.5	29.3	31.0	31.1	24.0	26.1	25.6
Chad	54.2	51.4	55.5	56.4	54.8	52.8	42.1	44.6	42.7
Congo, Rep. of	78.0	71.4	82.8	85.7	76.7	73.3	71.9	80.6	82.7
Equatorial Guinea	85.0	90.1	87.4	86.8	81.9	78.8	69.8	68.3	65.5
Gabon	64.1	62.2	64.7	62.2	63.0	68.5	59.1	61.4	61.8
Nigeria	42.7	44.0	45.7	41.0	41.0	41.7	36.9	35.8	34.9
Middle-income countries	**32.4**	**29.0**	**30.0**	**32.4**	**33.5**	**37.1**	**29.1**	**27.1**	**27.0**
Excluding South Africa	**50.5**	**49.3**	**51.6**	**51.8**	**51.0**	**48.6**	**44.5**	**44.1**	**45.1**
Botswana	46.5	44.2	51.4	47.0	47.7	42.2	37.7	40.5	41.9
Cape Verde	40.8	32.0	37.8	45.1	42.8	46.2	37.2	36.8	38.4
Lesotho	57.1	64.2	53.4	53.6	55.7	58.6	49.8	47.4	47.8
Mauritius	57.4	54.0	59.9	61.6	58.8	53.0	48.4	44.3	44.7
Namibia	38.0	34.7	34.1	39.9	39.9	41.5	40.7	40.8	42.8
Seychelles	87.7	74.7	81.4	88.6	85.8	107.8	104.4	94.8	92.3
South Africa	30.1	26.4	27.4	30.0	31.3	35.5	27.1	25.1	24.9
Swaziland	73.9	90.1	76.0	72.9	67.3	63.2	57.3	56.1	55.3
Low-income countries	**28.0**	**26.8**	**26.9**	**28.3**	**28.7**	**29.1**	**26.5**	**28.9**	**31.1**
Excluding fragile countries	**24.2**	**23.5**	**23.3**	**24.7**	**24.4**	**25.2**	**23.3**	**25.1**	**27.5**
Benin	14.9	14.1	12.4	13.4	16.8	17.6	15.3	14.6	14.4
Burkina Faso	10.5	11.3	9.8	10.9	10.5	9.8	12.6	15.9	16.8
Ethiopia	13.6	14.9	15.1	13.9	12.7	11.5	10.5	13.1	15.4
Ghana	39.7	39.3	36.4	40.1	40.0	42.9	50.9	49.6	51.8
Kenya	27.0	26.9	27.6	25.0	24.5	31.2	25.6	26.0	26.0
Madagascar	29.3	32.6	26.9	29.9	30.5	26.5	22.6	24.2	39.3
Malawi	21.8	20.6	20.4	19.4	23.2	25.5	21.2	22.9	24.2
Mali	26.8	24.3	24.5	30.0	26.6	28.5	26.0	29.1	31.0
Mozambique	33.7	30.9	31.7	38.4	35.4	32.3	25.1	26.8	30.9
Niger	17.7	18.3	16.8	16.4	17.4	19.4	19.3	18.5	20.6
Rwanda	12.5	13.1	12.6	11.2	11.1	14.6	10.2	11.1	11.5
Senegal	26.3	27.1	27.0	25.6	25.5	26.3	23.2	24.8	25.0
Tanzania	20.6	18.0	20.1	22.0	21.2	21.8	21.9	23.2	24.6
Uganda	16.0	12.5	13.1	15.5	16.9	21.9	23.7	21.7	22.0
Zambia	37.9	38.2	35.1	39.0	41.4	35.8	35.6	40.0	39.6
Fragile countries	**40.7**	**36.4**	**39.0**	**40.6**	**43.9**	**43.3**	**38.6**	**43.8**	**45.3**
Including Zimbabwe	**41.6**	**...**	**38.8**	**40.5**	**43.5**	**43.4**	**39.0**	**44.3**	**45.5**
Burundi	9.6	9.6	11.5	10.1	8.6	8.2	6.6	7.1	5.6
Central African Republic	13.1	13.8	12.8	14.2	14.1	10.8	9.5	10.0	10.8
Comoros	14.4	15.1	14.1	14.2	14.7	13.9	14.7	15.0	14.9
Congo, Dem. Rep. of	45.6	30.3	33.6	37.6	65.2	61.3	45.2	55.8	61.2
Côte d'Ivoire	49.8	48.6	51.1	52.7	47.8	48.7	49.8	55.4	53.3
Eritrea	5.8	5.8	6.2	6.9	5.8	4.4	4.5	4.4	17.8
Gambia, The	30.0	34.2	32.6	33.3	28.0	21.8	23.7	23.1	22.6
Guinea	32.0	23.5	33.8	39.3	30.1	33.2	24.9	28.3	32.5
Guinea-Bissau	15.5	17.1	16.0	9.9	15.4	19.0	21.1	24.6	25.4
Liberia	72.2	68.7	60.1	82.5	74.9	74.8	55.8	63.5	67.4
São Tomé & Príncipe	12.5	14.1	13.9	13.7	9.3	11.6	10.9	13.5	14.3
Sierra Leone	21.3	23.2	24.1	22.3	19.7	17.2	17.5	20.7	21.7
Togo	31.6	37.1	33.0	26.2	31.5	30.2	29.1	28.7	29.6
Zimbabwe[1]	40.4	...	37.5	39.4	40.1	44.6	44.1	48.7	47.1
Sub-Saharan Africa	**37.6**	**33.9**	**36.4**	**37.6**	**38.5**	**41.4**	**33.2**	**33.6**	**34.0**
Median	30.9	30.3	31.7	30.0	31.0	31.2	25.6	26.8	30.9
Including Zimbabwe	38.5	...	36.4	37.7	38.5	41.4	33.2	33.7	34.1
Excluding Nigeria and South Africa	41.8	37.3	40.9	42.6	43.0	44.9	35.9	39.2	40.3
Oil-importing countries	**30.7**	**28.2**	**29.0**	**30.9**	**31.7**	**33.7**	**28.1**	**28.0**	**28.8**
Excluding South Africa	**31.6**	**30.7**	**31.1**	**32.1**	**32.1**	**32.0**	**29.0**	**31.3**	**33.2**
CFA franc zone	43.0	39.2	42.7	44.6	43.4	44.9	38.6	42.5	42.6
WAEMU	31.1	31.3	31.2	31.8	30.2	30.9	30.2	32.9	32.8
CEMAC	54.4	48.1	54.1	56.9	55.8	57.3	47.5	51.8	51.9
EAC-5	21.7	20.1	21.3	21.2	21.1	24.8	22.7	22.9	23.4
SADC	37.1	31.4	34.0	37.1	39.4	43.6	32.8	32.6	33.1
SACU	31.5	28.2	29.1	31.5	32.6	36.3	28.3	26.4	26.4
COMESA	29.9	29.1	29.1	29.4	31.0	30.9	26.1	28.5	30.7
Resource-intensive countries	**50.0**	**47.1**	**51.7**	**49.7**	**50.0**	**51.4**	**42.6**	**44.1**	**43.2**
Oil	51.5	48.9	53.5	50.8	51.3	53.1	43.0	44.1	43.1
Non-oil resource-intensive countries	43.1	41.2	44.1	45.0	43.3	41.7	40.5	44.0	44.1
Non-resource-intensive countries	**29.2**	**26.6**	**27.3**	**29.2**	**30.2**	**32.6**	**26.6**	**26.2**	**27.0**
Coastal Non-resource-intensive countries	30.2	27.3	28.0	30.3	31.0	34.3	27.8	26.4	27.0
Landlocked Non-resource-intensive countries	24.1	22.5	22.9	23.7	26.3	25.4	22.0	25.1	27.1
MDRI	27.8	25.1	26.0	28.9	29.7	29.3	26.1	29.3	32.1
Fixed exchange rate regimes	43.2	40.1	42.6	44.7	43.5	44.8	38.8	42.2	42.5
Floating exchange rate	36.4	32.6	35.1	36.2	37.5	40.6	32.0	32.0	32.4

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**33.0**	**35.3**	**34.6**	**27.3**	**31.8**	**35.9**	**35.4**	**32.1**	**31.9**
Excluding Nigeria	**40.7**	**42.9**	**41.1**	**35.8**	**39.7**	**44.2**	**44.6**	**41.7**	**42.1**
Angola	46.8	53.7	49.4	36.1	43.5	51.2	46.2	43.3	43.8
Cameroon	28.4	24.5	26.4	27.7	29.5	34.1	28.4	30.3	30.4
Chad	52.6	60.3	48.6	51.5	52.3	50.2	70.1	68.3	60.3
Congo, Rep. of	48.6	46.3	46.7	49.4	53.5	47.0	50.9	50.6	48.5
Equatorial Guinea	38.7	55.0	43.6	33.1	30.3	31.6	57.8	35.4	40.9
Gabon	30.5	32.0	28.3	30.5	30.8	30.7	30.8	32.8	33.4
Nigeria	27.5	30.3	30.2	21.7	26.0	29.5	27.9	24.9	24.5
Middle-income countries	**34.4**	**29.6**	**30.5**	**34.6**	**36.5**	**41.0**	**31.3**	**29.2**	**30.7**
Excluding South Africa	**54.1**	**51.5**	**52.9**	**52.4**	**54.6**	**59.3**	**57.6**	**56.3**	**56.2**
Botswana	35.8	36.5	34.6	30.7	36.1	41.3	43.2	44.4	43.5
Cape Verde	72.6	69.6	66.6	72.7	77.8	76.6	65.7	72.1	71.5
Lesotho	109.4	115.3	107.3	103.3	108.5	112.5	108.7	109.7	105.5
Mauritius	66.4	56.4	65.9	72.9	69.0	67.7	59.1	56.3	56.8
Namibia	40.7	38.2	37.2	37.4	40.9	49.6	52.5	48.9	50.3
Seychelles	107.4	78.9	100.1	102.5	102.9	152.8	133.2	127.6	120.8
South Africa	31.9	26.7	27.9	32.5	34.2	38.5	28.0	26.0	27.7
Swaziland	85.4	91.7	91.0	85.7	79.8	78.7	73.1	70.9	70.6
Low-income countries	**39.5**	**35.7**	**38.0**	**38.7**	**40.7**	**44.3**	**39.5**	**42.1**	**43.7**
Excluding fragile countries	**37.6**	**34.3**	**36.1**	**37.0**	**38.3**	**42.4**	**38.3**	**40.0**	**41.2**
Benin	27.1	25.1	23.0	24.2	32.4	30.9	29.9	28.7	27.9
Burkina Faso	25.3	25.6	25.3	24.2	24.7	26.5	24.8	28.0	29.8
Ethiopia	32.8	28.9	35.5	36.6	32.1	31.0	28.6	31.7	37.8
Ghana	66.0	60.3	61.7	65.1	67.0	76.2	70.4	73.8	66.0
Kenya	36.3	32.9	34.8	34.0	33.9	46.2	38.4	39.0	38.5
Madagascar	45.4	47.5	40.7	41.1	46.5	50.9	45.9	41.2	40.2
Malawi	45.6	41.1	49.3	43.9	42.4	51.2	40.7	40.0	38.7
Mali	35.9	32.6	33.4	35.1	35.6	43.1	37.2	38.9	39.9
Mozambique	44.9	41.8	43.9	47.2	45.2	46.5	43.8	45.9	48.6
Niger	31.3	29.4	31.1	29.5	29.9	36.3	44.8	47.3	44.5
Rwanda	25.9	24.6	24.7	25.1	25.2	29.9	28.3	30.5	30.0
Senegal	45.2	39.8	42.4	43.1	47.8	52.8	43.1	44.3	44.3
Tanzania	30.7	23.3	27.2	32.7	33.8	36.5	37.0	36.9	38.3
Uganda	26.6	22.1	23.9	26.8	27.9	32.0	34.3	33.5	36.4
Zambia	37.2	42.6	36.7	30.1	39.2	37.2	32.2	35.7	37.8
Fragile countries	**45.9**	**39.9**	**44.6**	**44.7**	**49.3**	**50.9**	**44.0**	**50.3**	**53.4**
Including Zimbabwe	**48.1**	**...**	**45.0**	**45.4**	**49.3**	**52.6**	**47.0**	**52.4**	**54.9**
Burundi	44.0	33.9	40.6	48.6	48.3	48.4	37.3	40.7	38.9
Central African Republic	22.1	20.3	20.8	21.9	23.5	23.9	21.0	22.6	22.0
Comoros	39.4	33.0	35.8	38.6	41.3	48.3	48.2	50.5	47.2
Congo, Dem. Rep. of	53.4	34.4	45.2	42.4	68.6	76.4	60.9	75.9	81.4
Côte d'Ivoire	41.7	39.4	43.6	42.4	41.9	41.2	37.9	41.6	43.7
Eritrea	41.6	59.8	54.9	38.4	28.8	26.1	20.5	19.0	21.2
Gambia, The	44.5	48.8	49.3	46.5	40.7	37.2	38.6	38.1	37.6
Guinea	36.4	25.8	35.1	42.6	38.5	40.1	35.0	37.4	42.0
Guinea-Bissau	24.3	23.1	23.1	24.8	24.6	25.8	28.1	30.7	31.2
Liberia	241.6	226.7	214.6	284.1	236.1	246.7	192.5	197.3	211.0
São Tomé & Príncipe	61.2	51.8	52.9	70.6	63.7	66.8	58.0	65.7	69.0
Sierra Leone	32.6	34.4	37.3	32.0	28.7	30.5	30.9	34.6	34.3
Togo	44.8	52.9	41.5	38.9	46.3	44.6	43.7	45.2	46.9
Zimbabwe[1]	55.6	...	47.5	51.4	49.3	74.4	79.6	72.4	69.0
Sub-Saharan Africa	**35.0**	**32.7**	**33.6**	**33.1**	**35.9**	**39.9**	**35.1**	**33.5**	**34.5**
Median	40.2	38.2	40.6	38.4	40.7	43.1	40.7	40.7	40.9
Including Zimbabwe	35.7	...	33.8	33.3	36.0	40.0	35.3	33.7	34.7
Excluding Nigeria and South Africa	41.5	39.6	40.8	39.4	41.8	45.8	43.1	43.6	44.5
Oil-importing countries	**36.5**	**31.7**	**33.4**	**36.3**	**38.2**	**42.7**	**35.2**	**34.6**	**36.3**
Excluding South Africa	**42.0**	**38.5**	**40.7**	**41.1**	**42.9**	**46.7**	**42.4**	**44.5**	**45.8**
CFA franc zone	36.6	36.0	35.9	35.7	37.0	38.3	39.5	39.2	39.7
WAEMU	37.5	35.5	36.8	36.4	38.5	40.5	37.1	39.3	40.1
CEMAC	35.7	36.6	35.0	35.1	35.6	36.3	42.0	39.1	39.3
EAC-5	32.1	27.2	29.8	31.9	32.4	39.1	36.4	36.6	37.4
SADC	36.5	31.7	33.1	35.3	38.5	44.0	35.6	33.8	35.3
SACU	33.2	28.5	29.3	33.4	35.3	39.7	30.1	28.1	29.6
COMESA	41.7	38.3	41.2	40.2	42.1	46.8	40.7	42.7	44.7
Resource-intensive countries	**34.0**	**35.8**	**35.4**	**28.9**	**33.1**	**36.7**	**36.1**	**33.6**	**33.6**
Oil	33.0	35.3	34.6	27.3	31.8	35.9	35.4	32.1	31.9
Non-oil resource-intensive countries	38.6	37.6	38.7	36.2	39.4	41.1	39.5	41.5	42.9
Non-resource-intensive countries	**35.9**	**30.6**	**32.4**	**36.0**	**37.8**	**42.6**	**34.5**	**33.6**	**35.3**
Coastal Non-resource-intensive countries	35.3	30.0	31.4	35.5	37.3	42.4	33.2	31.5	32.9
Landlocked Non-resource-intensive countries	38.8	34.2	38.4	38.4	40.2	43.2	39.5	43.0	45.9
MDRI	38.0	33.6	36.0	37.3	40.3	42.9	38.8	41.5	43.1
Fixed exchange rate regimes	39.9	39.8	39.3	39.1	40.0	41.3	42.4	42.0	42.6
Floating exchange rate	34.0	31.2	32.5	31.9	35.1	39.5	33.5	31.9	33.0

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA18. Trade Balance
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**29.4**	**24.3**	**29.4**	**31.2**	**30.9**	**31.4**	**19.1**	**23.7**	**23.1**
Excluding Nigeria	**39.4**	**30.0**	**40.2**	**42.1**	**41.9**	**42.6**	**20.3**	**29.4**	**29.3**
Angola	48.6	38.6	51.4	51.1	50.8	51.0	21.7	32.4	32.1
Cameroon	1.9	0.0	0.3	3.7	3.4	1.9	-1.5	-0.4	-1.6
Chad	31.1	28.0	37.4	32.7	30.3	27.0	2.5	3.9	9.7
Congo, Rep. of	50.9	46.4	57.8	58.0	47.1	45.4	42.3	49.8	53.6
Equatorial Guinea	61.0	59.0	60.8	65.3	62.7	57.3	26.3	43.4	36.0
Gabon	44.7	41.9	47.4	41.9	43.4	48.8	39.6	39.9	40.0
Nigeria	22.4	20.6	22.0	23.9	22.9	22.7	18.1	19.4	18.6
Middle-income countries	**-1.6**	**-0.5**	**-0.4**	**-1.7**	**-2.4**	**-2.8**	**-1.5**	**-1.6**	**-2.7**
Excluding South Africa	**-5.1**	**-3.8**	**-2.9**	**-2.4**	**-5.3**	**-11.4**	**-14.3**	**-13.2**	**-12.5**
Botswana	11.6	8.3	17.1	16.9	13.0	2.5	-5.6	-3.9	-1.9
Cape Verde	-43.0	-41.0	-35.9	-41.7	-49.6	-46.5	-40.0	-42.0	-41.2
Lesotho	-49.6	-49.1	-49.9	-47.1	-50.6	-51.2	-56.5	-60.0	-55.4
Mauritius	-15.7	-9.1	-12.7	-16.7	-18.7	-21.4	-17.9	-18.1	-18.5
Namibia	-3.3	-4.3	-3.7	1.2	-2.0	-7.6	-12.0	-8.9	-8.9
Seychelles	-34.3	-18.5	-33.9	-29.9	-33.6	-55.4	-40.6	-39.8	-40.1
South Africa	-1.1	-0.1	-0.1	-1.7	-2.0	-1.6	0.1	-0.2	-1.5
Swaziland	-3.9	4.0	-10.2	-9.4	-3.4	-0.3	-1.9	-2.3	-2.4
Low-income countries	**-9.0**	**-6.3**	**-8.6**	**-8.1**	**-9.6**	**-12.2**	**-10.2**	**-10.2**	**-9.7**
Excluding fragile countries	**-12.6**	**-9.8**	**-11.9**	**-11.7**	**-13.3**	**-16.1**	**-13.5**	**-13.5**	**-12.5**
Benin	-11.6	-9.7	-9.3	-11.0	-14.3	-13.6	-14.2	-14.3	-13.7
Burkina Faso	-9.5	-9.6	-10.2	-8.0	-8.8	-10.9	-6.9	-6.0	-6.6
Ethiopia	-20.7	-17.1	-22.6	-23.7	-20.2	-20.0	-19.4	-20.3	-24.3
Ghana	-24.1	-17.0	-23.7	-23.8	-25.9	-30.3	-14.4	-20.7	-11.1
Kenya	-14.5	-10.1	-11.1	-14.6	-15.3	-21.5	-17.3	-17.3	-17.5
Madagascar	-13.1	-10.2	-11.5	-9.9	-13.6	-20.2	-19.4	-13.1	4.9
Malawi	-17.1	-14.1	-21.5	-17.8	-13.0	-19.0	-13.6	-11.2	-9.1
Mali	-3.2	-2.5	-3.2	0.8	-3.3	-8.0	-5.2	-3.3	-1.7
Mozambique	-6.4	-6.1	-7.6	-3.7	-4.9	-10.0	-14.1	-14.7	-13.0
Niger	-6.9	-5.3	-8.7	-6.6	-5.9	-8.1	-14.0	-16.7	-12.4
Rwanda	-10.2	-8.5	-8.8	-9.6	-10.8	-13.1	-14.7	-16.0	-16.5
Senegal	-18.4	-12.3	-15.1	-17.1	-22.1	-25.6	-19.2	-19.1	-19.0
Tanzania	-11.6	-6.9	-7.9	-11.8	-14.8	-16.6	-15.9	-14.7	-15.0
Uganda	-8.3	-8.5	-9.1	-9.3	-8.4	-6.3	-6.4	-7.9	-9.8
Zambia	4.7	-0.5	1.2	12.2	7.8	2.8	7.1	8.5	6.1
Fragile countries	**3.2**	**4.0**	**2.2**	**4.4**	**3.7**	**1.8**	**2.5**	**2.5**	**1.1**
Including Zimbabwe	**1.6**	**...**	**1.0**	**2.9**	**2.7**	**-0.1**	**-0.5**	**0.1**	**-1.2**
Burundi	-20.2	-15.2	-16.6	-20.2	-24.8	-24.1	-14.6	-18.2	-18.6
Central African Republic	-4.1	-1.4	-3.5	-3.1	-4.3	-8.1	-6.9	-7.9	-6.6
Comoros	-23.2	-16.4	-20.8	-22.4	-24.6	-31.9	-29.2	-31.1	-28.7
Congo, Dem. Rep. of	0.7	0.9	-5.6	0.4	8.8	-1.1	-5.2	-6.2	-5.5
Côte d'Ivoire	15.2	16.6	14.6	17.5	12.9	14.2	18.2	20.6	16.5
Eritrea	-33.9	-49.6	-44.2	-29.2	-24.2	-22.0	-17.0	-15.5	-4.0
Gambia, The	-20.8	-18.3	-22.7	-20.7	-20.8	-21.4	-20.9	-20.9	-20.9
Guinea	2.0	3.1	5.4	4.2	-2.5	-0.1	-2.7	-3.6	-3.2
Guinea-Bissau	-3.1	0.8	-0.9	-8.8	-4.1	-2.6	-2.0	-1.0	-0.8
Liberia	-42.3	-36.7	-35.9	-46.3	-39.3	-53.4	-46.6	-45.4	-66.8
São Tomé & Príncipe	-37.8	-28.3	-30.4	-41.2	-41.7	-47.5	-39.4	-42.7	-44.4
Sierra Leone	-8.6	-8.3	-12.2	-6.6	-5.7	-10.0	-10.1	-10.5	-9.3
Togo	-10.0	-13.8	-3.9	-9.0	-11.5	-11.7	-11.9	-14.0	-14.6
Zimbabwe[1]	-12.1	...	-7.9	-9.5	-6.3	-24.7	-34.8	-23.3	-21.7
Sub-Saharan Africa	**7.0**	**4.8**	**6.6**	**7.9**	**7.5**	**8.3**	**3.2**	**5.1**	**5.0**
Median	-8.9	-8.3	-8.8	-9.0	-8.4	-10.0	-12.0	-11.2	-9.1
Including Zimbabwe	7.5	...	6.5	7.8	7.4	8.2	3.0	5.0	4.9
Excluding Nigeria and South Africa	6.6	3.4	6.1	8.2	7.7	7.5	-1.1	2.5	3.2
Oil-importing countries	**-4.5**	**-2.6**	**-3.4**	**-4.2**	**-5.2**	**-7.0**	**-5.5**	**-5.2**	**-5.7**
Excluding South Africa	**-8.4**	**-5.9**	**-7.7**	**-7.3**	**-8.9**	**-12.3**	**-11.1**	**-10.9**	**-10.3**
CFA franc zone	14.7	11.9	15.4	17.0	14.6	14.9	7.5	11.7	11.5
WAEMU	-1.8	0.4	-0.9	0.0	-3.7	-4.9	-2.2	-1.4	-2.1
CEMAC	30.7	24.6	31.7	33.1	31.8	32.4	17.8	24.5	24.6
EAC-5	-12.2	-8.7	-9.7	-12.6	-13.7	-16.2	-14.3	-14.5	-15.2
SADC	3.9	1.6	3.2	4.2	4.7	5.7	0.7	2.7	2.5
SACU	-0.9	-0.1	0.1	-1.1	-1.7	-1.8	-0.8	-0.9	-2.0
COMESA	-11.5	-9.5	-12.0	-11.0	-10.6	-14.5	-13.7	-12.9	-12.7
Resource-intensive countries	**25.6**	**20.5**	**25.4**	**27.9**	**27.0**	**27.3**	**16.6**	**20.8**	**20.3**
Oil	29.4	24.3	29.4	31.2	30.9	31.4	19.1	23.7	23.1
Non-oil resource-intensive countries	8.3	7.4	8.8	12.4	8.0	4.7	4.6	6.0	4.6
Non-resource-intensive countries	**-5.9**	**-3.6**	**-4.7**	**-6.1**	**-6.7**	**-8.5**	**-6.7**	**-6.3**	**-6.8**
Coastal Non-resource-intensive countries	-4.9	-2.7	-3.3	-5.1	-6.2	-7.5	-5.0	-4.8	-5.2
Landlocked Non-resource-intensive countries	-11.0	-9.0	-12.4	-11.3	-9.5	-12.6	-13.4	-13.3	-13.9
MDRI	-6.8	-5.5	-7.0	-5.1	-6.9	-9.3	-8.9	-8.0	-6.7
Fixed exchange rate regimes	11.5	8.7	11.7	13.6	11.5	11.9	4.6	8.3	8.2
Floating exchange rate	6.1	4.0	5.6	6.8	6.7	7.6	2.9	4.6	4.4

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA19. External Current Account, Including Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**11.5**	**2.5**	**7.3**	**21.5**	**14.6**	**11.6**	**5.3**	**7.5**	**6.7**
Excluding Nigeria	**7.0**	**-2.3**	**8.3**	**13.9**	**9.0**	**6.2**	**-5.5**	**0.1**	**-0.3**
Angola	13.7	3.5	16.8	25.2	15.6	7.6	-5.0	1.6	1.3
Cameroon	-1.1	-3.4	-3.4	1.6	1.4	-1.8	-2.7	-3.9	-4.1
Chad	-9.7	-17.4	2.4	-9.0	-10.6	-13.7	-33.7	-32.0	-25.4
Congo, Rep. of	-2.3	-7.5	2.1	1.9	-8.2	0.6	-7.7	4.2	7.9
Equatorial Guinea	-1.5	-21.6	-6.2	7.1	4.3	9.1	-16.0	-2.8	-11.6
Gabon	18.1	11.2	22.9	15.6	17.6	23.4	16.6	15.2	14.3
Nigeria	14.7	5.7	6.6	26.5	18.7	15.7	14.1	13.0	11.8
Middle-income countries	**-4.3**	**-2.5**	**-2.7**	**-4.0**	**-5.8**	**-6.5**	**-4.1**	**-4.5**	**-5.9**
Excluding South Africa	**3.2**	**1.9**	**4.0**	**6.6**	**5.6**	**-2.3**	**-4.6**	**-6.6**	**-7.1**
Botswana	10.8	3.5	15.2	17.2	14.5	3.5	-2.1	-0.5	0.4
Cape Verde	-10.2	-14.3	-3.5	-5.4	-14.7	-12.9	-9.9	-18.6	-18.2
Lesotho	2.8	-6.1	-7.9	4.7	14.0	9.5	-0.3	-22.0	-22.4
Mauritius	-6.5	-1.8	-5.2	-9.4	-5.6	-10.4	-7.8	-9.4	-9.0
Namibia	7.5	7.0	4.7	13.8	9.1	2.7	-1.7	-2.6	-6.0
Seychelles	-22.9	-6.0	-19.7	-13.9	-23.0	-51.8	-35.1	-39.5	-35.5
South Africa	-5.2	-3.0	-3.5	-5.3	-7.2	-7.1	-4.0	-4.3	-5.8
Swaziland	-2.1	4.4	-4.1	-7.4	0.7	-4.1	-6.2	-12.6	-12.3
Low-income countries	**-6.0**	**-3.7**	**-5.5**	**-5.1**	**-6.5**	**-9.3**	**-6.8**	**-7.3**	**-8.2**
Excluding fragile countries	**-6.9**	**-4.5**	**-6.2**	**-6.3**	**-7.3**	**-10.1**	**-7.9**	**-7.9**	**-8.4**
Benin	-7.3	-7.0	-6.3	-5.1	-10.1	-8.0	-8.5	-9.6	-9.0
Burkina Faso	-10.3	-11.0	-11.6	-9.1	-8.2	-11.7	-6.3	-6.4	-8.1
Ethiopia	-5.4	-1.4	-6.3	-9.1	-4.5	-5.6	-5.0	-3.9	-8.0
Ghana	-10.6	-4.0	-8.3	-9.9	-12.0	-18.8	-5.2	-11.6	-9.1
Kenya	-3.0	0.1	-0.8	-2.5	-3.8	-7.9	-6.7	-6.7	-7.4
Madagascar	-12.4	-9.2	-10.6	-8.8	-12.7	-20.6	-20.7	-14.3	-7.1
Malawi	-9.2	-11.2	-15.4	-7.9	-1.5	-9.9	-8.1	-1.7	-1.6
Mali	-8.0	-7.9	-8.5	-4.0	-7.7	-12.0	-9.6	-8.0	-9.3
Mozambique	-10.9	-10.7	-11.6	-10.7	-9.7	-11.9	-11.9	-13.6	-12.8
Niger	-9.2	-7.3	-8.9	-8.6	-8.2	-13.0	-23.7	-24.2	-21.1
Rwanda	-1.7	1.8	1.0	-4.3	-2.2	-4.9	-7.3	-7.7	-8.6
Senegal	-10.3	-6.9	-9.0	-9.5	-11.8	-14.3	-8.7	-8.7	-9.1
Tanzania	-6.6	-2.3	-3.7	-7.6	-9.1	-10.2	-10.0	-8.8	-8.8
Uganda	-2.4	0.1	-1.4	-3.4	-3.9	-3.3	-4.0	-6.4	-9.2
Zambia	-6.6	-10.4	-8.5	-0.4	-6.5	-7.1	-3.2	-2.4	-3.9
Fragile countries	**-3.2**	**-1.4**	**-3.5**	**-1.0**	**-3.5**	**-6.3**	**-2.4**	**-5.2**	**-7.5**
Including Zimbabwe	**-4.5**	**...**	**-4.6**	**-1.9**	**-4.0**	**-7.5**	**-4.6**	**-6.8**	**-8.7**
Burundi	-10.4	-8.4	-1.2	-14.5	-15.7	-12.3	-14.5	-9.1	-10.7
Central African Republic	-5.6	-1.8	-6.5	-3.0	-6.2	-10.3	-7.8	-7.6	-8.2
Comoros	-7.2	-4.6	-7.4	-6.7	-6.3	-11.1	-7.9	-8.9	-12.5
Congo, Dem. Rep. of	-6.9	-3.3	-12.3	-2.0	-1.1	-15.9	-10.1	-20.7	-21.6
Côte d'Ivoire	1.2	1.6	0.2	2.8	-0.7	1.9	7.2	6.8	2.5
Eritrea	-3.1	-0.7	0.3	-3.6	-6.1	-5.5	-5.0	-1.4	3.2
Gambia, The	-10.7	-7.0	-13.6	-10.2	-9.7	-12.7	-10.5	-11.1	-10.8
Guinea	-4.5	-2.8	-0.4	-2.2	-8.8	-8.4	-10.1	-9.7	-9.0
Guinea-Bissau	0.1	3.5	-0.2	-5.5	0.2	2.3	3.2	2.0	1.9
Liberia	-34.6	-32.8	-37.4	-13.9	-31.4	-57.3	-33.2	-36.7	-55.6
São Tomé & Príncipe	-26.3	-16.8	-10.3	-28.8	-38.0	-37.7	-28.0	-29.1	-36.6
Sierra Leone	-7.1	-5.8	-7.1	-5.6	-5.5	-11.5	-8.4	-9.3	-9.5
Togo	-2.6	-3.0	5.3	-3.0	-6.2	-6.4	-7.0	-7.8	-7.0
Zimbabwe[1]	-13.2	...	-12.2	-9.4	-7.6	-23.4	-29.9	-21.6	-20.0
Sub-Saharan Africa	**0.8**	**-1.4**	**-0.3**	**4.4**	**1.2**	**-0.1**	**-1.6**	**-1.0**	**-1.8**
Median	-5.8	-4.0	-5.2	-5.3	-6.2	-8.4	-7.8	-8.0	-9.0
Including Zimbabwe	1.2	...	-0.4	4.3	1.2	-0.2	-1.7	-1.1	-1.9
Excluding Nigeria and South Africa	-0.9	-2.6	-0.6	2.0	-0.2	-3.2	-6.4	-5.0	-5.6
Oil-importing countries	**-5.0**	**-2.9**	**-3.8**	**-4.5**	**-6.0**	**-7.8**	**-5.4**	**-5.8**	**-7.0**
Excluding South Africa	**-4.8**	**-2.8**	**-4.2**	**-3.5**	**-4.7**	**-8.6**	**-6.9**	**-7.5**	**-8.3**
CFA franc zone	-1.8	-4.6	-1.3	0.1	-1.9	-1.0	-5.1	-3.2	-4.2
WAEMU	-5.2	-4.1	-5.0	-3.7	-6.3	-7.0	-4.2	-4.5	-6.0
CEMAC	1.5	-5.2	2.3	3.8	2.2	4.3	-6.1	-2.0	-2.6
EAC-5	-3.9	-0.7	-1.7	-4.4	-5.3	-7.5	-7.3	-7.3	-8.3
SADC	-2.7	-2.5	-1.9	-0.9	-3.0	-4.9	-5.3	-4.5	-5.3
SACU	-4.1	-2.4	-2.6	-3.8	-5.7	-6.2	-3.8	-4.3	-5.7
COMESA	-5.5	-2.5	-5.7	-5.1	-4.9	-9.3	-7.9	-8.1	-9.1
Resource-intensive countries	**9.9**	**2.1**	**6.4**	**18.8**	**12.5**	**9.7**	**4.5**	**6.3**	**5.4**
Oil	11.5	2.5	7.3	21.5	14.6	11.6	5.3	7.5	6.7
Non-oil resource-intensive countries	2.3	0.8	2.8	6.5	2.1	-0.7	0.3	0.3	-1.8
Non-resource-intensive countries	**-5.9**	**-3.3**	**-4.5**	**-5.8**	**-7.0**	**-8.7**	**-6.1**	**-6.4**	**-7.5**
Coastal Non-resource-intensive countries	-5.9	-3.3	-4.0	-5.8	-7.5	-8.7	-5.5	-5.7	-6.7
Landlocked Non-resource-intensive countries	-6.1	-3.8	-7.6	-6.2	-4.4	-8.8	-8.3	-9.5	-11.4
MDRI	-6.6	-5.1	-6.6	-5.4	-6.6	-9.3	-7.7	-7.8	-8.1
Fixed exchange rate regimes	-1.3	-3.7	-1.2	0.8	-1.2	-1.1	-5.1	-3.8	-4.9
Floating exchange rate	1.2	-0.9	-0.2	5.1	1.7	0.2	-0.8	-0.5	-1.3

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

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

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**11.4**	**2.5**	**7.2**	**21.4**	**14.6**	**11.5**	**5.3**	**7.4**	**6.7**
Excluding Nigeria	**6.8**	**-2.5**	**7.9**	**13.8**	**8.9**	**6.1**	**-5.5**	**0.0**	**-0.3**
Angola	13.9	3.4	16.7	25.6	15.9	7.9	-4.6	1.8	1.6
Cameroon	-1.7	-3.5	-3.9	1.0	0.6	-2.5	-3.4	-4.7	-4.8
Chad	-12.5	-20.5	-1.1	-11.9	-13.1	-16.0	-36.4	-33.6	-27.0
Congo, Rep. of	-2.4	-7.6	2.1	1.8	-8.5	0.0	-7.9	3.8	7.3
Equatorial Guinea	-1.6	-22.0	-6.5	7.1	4.4	9.1	-15.9	-2.7	-11.5
Gabon	18.3	11.9	22.9	15.6	17.6	23.4	16.6	15.1	14.3
Nigeria	14.6	5.7	6.7	26.4	18.7	15.7	14.0	13.0	11.8
Middle-income countries	**-4.2**	**-2.4**	**-2.4**	**-3.9**	**-5.8**	**-6.6**	**-4.1**	**-4.2**	**-5.4**
Excluding South Africa	**-4.6**	**-4.1**	**-2.9**	**-1.6**	**-3.4**	**-10.9**	**-14.3**	**-12.4**	**-11.0**
Botswana	3.5	-1.8	8.6	9.5	5.6	-4.3	-9.6	-4.8	-2.7
Cape Verde	-15.5	-20.0	-8.2	-9.8	-19.8	-19.7	-17.5	-25.7	-23.2
Lesotho	-25.1	-25.9	-29.9	-21.6	-25.7	-22.4	-32.3	-39.1	-33.6
Mauritius	-6.8	-2.1	-5.3	-9.6	-5.9	-11.4	-8.9	-10.5	-9.6
Namibia	-3.3	-2.8	-4.2	2.2	-2.0	-9.7	-14.8	-11.1	-11.1
Seychelles	-24.3	-6.4	-21.3	-15.0	-23.7	-55.3	-40.0	-40.9	-37.0
South Africa	-4.2	-2.2	-2.3	-4.2	-6.1	-6.0	-2.8	-3.3	-4.8
Swaziland	-15.2	-4.9	-17.5	-21.1	-13.2	-19.3	-27.8	-22.8	-20.6
Low-income countries	**-9.8**	**-7.6**	**-9.4**	**-8.9**	**-10.2**	**-13.0**	**-10.7**	**-11.1**	**-11.5**
Excluding fragile countries	**-10.2**	**-8.2**	**-9.7**	**-9.5**	**-10.5**	**-13.2**	**-11.2**	**-11.3**	**-11.3**
Benin	-10.1	-10.2	-8.3	-8.2	-12.9	-11.0	-12.5	-12.0	-11.2
Burkina Faso	-13.7	-14.1	-14.9	-12.0	-12.5	-15.1	-10.8	-10.8	-11.8
Ethiopia	-11.1	-7.0	-12.4	-14.9	-10.6	-10.5	-9.9	-10.1	-13.5
Ghana	-14.6	-8.9	-12.6	-13.0	-15.8	-22.9	-9.7	-15.9	-12.3
Kenya	-3.0	0.1	-0.8	-2.8	-4.0	-7.8	-6.7	-6.6	-7.3
Madagascar	-13.9	-13.0	-11.9	-10.1	-13.3	-21.4	-20.8	-14.4	-7.5
Malawi	-20.5	-18.0	-25.1	-21.5	-16.1	-21.7	-18.0	-16.6	-13.9
Mali	-10.0	-9.8	-10.6	-6.7	-9.5	-13.2	-11.9	-10.3	-11.4
Mozambique	-17.3	-16.5	-17.2	-17.0	-16.0	-19.6	-18.9	-20.5	-20.4
Niger	-11.8	-10.5	-12.2	-10.9	-10.4	-15.2	-24.9	-28.5	-23.5
Rwanda	-12.3	-11.4	-11.3	-12.3	-11.9	-14.4	-17.3	-19.0	-18.4
Senegal	-10.9	-7.9	-9.1	-10.0	-12.8	-14.8	-9.4	-9.4	-9.6
Tanzania	-10.0	-6.1	-7.9	-10.8	-12.0	-13.4	-13.3	-11.5	-11.3
Uganda	-7.9	-8.3	-9.5	-8.0	-7.6	-6.2	-7.3	-8.9	-11.3
Zambia	-8.5	-11.2	-10.3	-2.4	-9.2	-9.3	-5.5	-4.0	-4.9
Fragile countries	**-8.4**	**-5.9**	**-8.1**	**-6.9**	**-9.1**	**-11.9**	**-8.8**	**-10.4**	**-11.9**
Including Zimbabwe	**-10.0**	**...**	**-8.9**	**-8.1**	**-9.6**	**-13.6**	**-11.3**	**-11.9**	**-13.2**
Burundi	-32.2	-25.8	-29.1	-36.3	-37.4	-32.6	-25.2	-29.1	-28.9
Central African Republic	-9.5	-6.9	-8.6	-8.3	-9.8	-13.9	-11.6	-12.6	-11.2
Comoros	-8.7	-4.7	-7.8	-8.3	-9.1	-13.8	-13.8	-16.6	-13.2
Congo, Dem. Rep. of	-13.7	-8.3	-17.2	-9.7	-8.5	-24.6	-21.6	-27.1	-27.4
Côte d'Ivoire	0.9	1.7	0.4	3.0	-1.5	0.8	5.1	6.6	2.4
Eritrea	-10.0	-15.7	-9.0	-7.7	-9.2	-8.3	-7.6	-7.8	-1.2
Gambia, The	-12.1	-10.2	-14.9	-11.2	-10.7	-13.7	-14.0	-13.6	-13.2
Guinea	-4.6	-2.6	-0.5	-2.3	-9.0	-8.8	-10.5	-9.9	-9.4
Guinea-Bissau	-5.6	-2.4	-4.1	-12.4	-5.0	-4.1	-4.8	-2.7	-2.8
Liberia	-184.8	-180.3	-176.8	-202.2	-179.3	-185.1	-147.4	-145.9	-146.5
São Tomé & Príncipe	-46.2	-37.8	-39.5	-53.7	-48.8	-51.2	-44.4	-49.2	-51.9
Sierra Leone	-12.5	-13.2	-14.2	-10.9	-9.0	-15.4	-12.8	-13.0	-11.7
Togo	-3.9	-3.7	4.2	-4.4	-7.9	-7.8	-8.6	-10.2	-11.3
Zimbabwe[1]	-20.1	...	-13.9	-17.0	-14.4	-35.2	-38.4	-26.8	-24.7
Sub-Saharan Africa	**-0.2**	**-2.4**	**-1.2**	**3.5**	**0.2**	**-1.1**	**-2.7**	**-1.9**	**-2.5**
Median	-10.0	-8.3	-9.0	-9.7	-9.5	-13.4	-11.9	-11.1	-11.3
Including Zimbabwe	0.2	...	-1.3	3.3	0.1	-1.2	-2.9	-2.0	-2.6
Excluding Nigeria and South Africa	-4.0	-5.8	-3.8	-1.2	-3.4	-6.1	-9.6	-7.7	-7.8
Oil-importing countries	**-6.5**	**-4.3**	**-5.0**	**-5.9**	**-7.6**	**-9.5**	**-7.2**	**-7.1**	**-8.0**
Excluding South Africa	**-9.2**	**-7.0**	**-8.5**	**-8.0**	**-9.3**	**-13.0**	**-11.6**	**-11.6**	**-11.6**
CFA franc zone	-2.8	-5.6	-2.2	-0.9	-3.1	-2.1	-6.7	-4.4	-5.2
WAEMU	-6.7	-5.5	-6.1	-5.0	-8.0	-8.6	-6.5	-6.2	-7.5
CEMAC	0.8	-5.7	1.6	3.1	1.5	3.6	-6.8	-2.7	-3.1
EAC-5	-7.1	-4.6	-5.8	-7.2	-7.8	-10.1	-9.8	-9.8	-10.4
SADC	-3.2	-3.0	-2.2	-1.5	-3.7	-5.7	-6.1	-4.8	-5.5
SACU	-4.1	-2.4	-2.2	-3.7	-5.7	-6.2	-3.8	-3.9	-5.2
COMESA	-9.6	-6.6	-9.8	-9.3	-8.9	-13.4	-12.2	-12.1	-12.4
Resource-intensive countries	**9.2**	**1.4**	**5.7**	**18.1**	**11.7**	**9.0**	**3.6**	**5.9**	**5.1**
Oil	11.4	2.5	7.2	21.4	14.6	11.5	5.3	7.4	6.7
Non-oil resource-intensive countries	-1.5	-2.2	-0.6	2.5	-2.3	-4.9	-4.5	-2.5	-3.5
Non-resource-intensive countries	**-6.8**	**-4.2**	**-5.2**	**-6.7**	**-8.0**	**-9.9**	**-7.3**	**-7.4**	**-8.3**
Coastal Non-resource-intensive countries	-5.7	-3.3	-3.6	-5.5	-7.3	-8.6	-5.4	-5.6	-6.5
Landlocked Non-resource-intensive countries	-12.6	-10.1	-14.0	-12.8	-11.2	-15.0	-14.8	-15.7	-16.7
MDRI	-10.2	-8.9	-10.4	-8.9	-10.2	-12.8	-11.5	-11.6	-11.4
Fixed exchange rate regimes	-4.4	-6.6	-4.1	-2.5	-4.6	-4.1	-8.7	-6.6	-7.1
Floating exchange rate	0.7	-1.5	-0.6	4.7	1.2	-0.4	-1.5	-1.0	-1.7

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA21. Official Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.0**
Excluding Nigeria	**0.2**	**0.3**	**0.4**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**
Angola	-0.2	0.0	0.1	-0.4	-0.4	-0.2	-0.4	-0.2	-0.2
Cameroon	0.5	0.2	0.5	0.6	0.8	0.7	0.7	0.8	0.7
Chad	2.9	3.2	3.5	2.9	2.5	2.3	2.7	1.5	1.6
Congo, Rep. of	0.2	0.1	0.0	0.0	0.3	0.6	0.2	0.5	0.6
Equatorial Guinea	0.1	0.4	0.2	0.0	0.0	0.0	-0.1	-0.1	-0.1
Gabon	-0.2	-0.7	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Nigeria	0.0	-0.1	-0.1	0.1	0.1	0.0	0.1	0.0	0.0
Middle-income countries	**0.0**	**0.0**	**-0.3**	**-0.1**	**0.1**	**0.1**	**0.0**	**-0.3**	**-0.5**
Excluding South Africa	**7.7**	**6.0**	**6.8**	**8.2**	**9.0**	**8.6**	**9.6**	**5.8**	**3.9**
Botswana	7.2	5.2	6.6	7.7	8.9	7.7	7.6	4.3	3.0
Cape Verde	5.4	5.7	4.7	4.4	5.1	6.8	7.6	7.1	5.0
Lesotho	27.9	19.7	22.0	26.2	39.7	31.9	32.0	17.0	11.2
Mauritius	0.4	0.3	0.2	0.2	0.2	0.9	1.1	1.1	0.6
Namibia	10.8	9.7	8.9	11.6	11.2	12.4	13.1	8.6	5.1
Seychelles	1.4	0.4	1.6	1.1	0.6	3.5	5.0	1.4	1.6
South Africa	-1.0	-0.8	-1.1	-1.1	-1.0	-1.1	-1.2	-1.0	-1.0
Swaziland	13.1	9.3	13.5	13.7	13.9	15.2	21.6	10.3	8.4
Low-income countries	**3.8**	**3.9**	**3.8**	**3.8**	**3.7**	**3.7**	**3.9**	**3.8**	**3.2**
Excluding fragile countries	**3.4**	**3.7**	**3.6**	**3.2**	**3.3**	**3.1**	**3.3**	**3.4**	**2.9**
Benin	2.8	3.2	2.0	3.1	2.8	3.0	4.0	2.4	2.1
Burkina Faso	3.4	3.2	3.3	2.9	4.3	3.4	4.5	4.3	3.7
Ethiopia	5.7	5.6	6.1	5.7	6.1	4.9	4.9	6.2	5.5
Ghana	4.0	4.9	4.3	3.1	3.7	4.1	4.6	4.3	3.2
Kenya	0.1	0.0	0.0	0.3	0.2	-0.1	-0.1	-0.1	-0.1
Madagascar	1.6	3.8	1.3	1.3	0.6	0.8	0.1	0.1	0.5
Malawi	11.3	6.8	9.8	13.5	14.6	11.8	9.9	15.0	12.2
Mali	2.0	2.0	2.1	2.7	1.8	1.2	2.3	2.3	2.1
Mozambique	6.4	5.9	5.7	6.3	6.3	7.7	6.9	6.9	7.6
Niger	2.6	3.2	3.3	2.3	2.2	2.2	1.2	4.3	2.5
Rwanda	10.6	13.3	12.3	8.0	9.7	9.5	10.0	11.4	9.8
Senegal	0.7	1.0	0.2	0.6	1.0	0.5	0.7	0.7	0.5
Tanzania	3.5	3.8	4.2	3.2	2.9	3.2	3.3	2.7	2.4
Uganda	5.5	8.4	8.0	4.6	3.7	3.0	3.3	2.6	2.1
Zambia	1.9	0.8	1.8	1.9	2.6	2.2	2.4	1.6	1.0
Fragile countries	**5.2**	**4.5**	**4.6**	**6.0**	**5.5**	**5.6**	**6.5**	**5.1**	**4.5**
Including Zimbabwe	**5.5**	**...**	**4.2**	**6.1**	**5.7**	**6.0**	**6.6**	**5.1**	**4.5**
Burundi	21.8	17.4	27.9	21.7	21.6	20.3	10.7	20.1	18.2
Central African Republic	3.9	5.2	2.0	5.3	3.5	3.6	3.8	5.0	3.0
Comoros	1.5	0.1	0.4	1.6	2.8	2.8	5.9	7.8	0.7
Congo, Dem. Rep. of	6.8	5.0	4.9	7.8	7.4	8.8	11.5	6.4	5.7
Côte d'Ivoire	0.3	-0.1	-0.1	-0.2	0.8	1.1	2.1	0.1	0.1
Eritrea	6.9	15.1	9.3	4.1	3.1	2.8	2.6	6.5	4.4
Gambia, The	1.5	3.1	1.2	1.0	0.9	1.1	3.5	2.4	2.4
Guinea	0.1	-0.1	0.0	0.1	0.2	0.4	0.4	0.2	0.4
Guinea-Bissau	5.7	5.9	3.9	6.9	5.1	6.4	8.0	4.7	4.7
Liberia	150.2	147.6	139.4	188.4	147.9	127.8	114.3	109.1	90.9
São Tomé & Príncipe	19.9	21.0	29.2	24.8	10.8	13.5	16.3	20.1	15.3
Sierra Leone	5.5	7.3	7.1	5.3	3.5	4.0	4.5	3.7	2.2
Togo	1.3	0.8	1.2	1.4	1.7	1.4	1.5	2.5	4.3
Zimbabwe[1]	7.0	...	1.7	7.6	6.8	11.8	8.5	5.2	4.7
Sub-Saharan Africa	**1.0**	**1.0**	**0.9**	**0.9**	**1.0**	**1.0**	**1.1**	**0.9**	**0.7**
Median	3.0	3.2	3.3	2.9	2.8	3.0	3.5	2.7	2.4
Including Zimbabwe	1.0	...	0.9	1.0	1.0	1.1	1.2	0.9	0.7
Excluding Nigeria and South Africa	3.1	3.2	3.1	3.1	3.1	2.9	3.2	2.7	2.2
Oil-importing countries	**1.4**	**1.3**	**1.2**	**1.4**	**1.6**	**1.7**	**1.8**	**1.4**	**1.1**
Excluding South Africa	**4.4**	**4.2**	**4.2**	**4.5**	**4.6**	**4.4**	**4.7**	**4.1**	**3.3**
CFA franc zone	1.0	1.0	0.9	1.0	1.2	1.1	1.5	1.2	1.0
WAEMU	1.4	1.4	1.2	1.3	1.8	1.6	2.3	1.8	1.5
CEMAC	0.6	0.5	0.7	0.7	0.7	0.6	0.7	0.6	0.6
EAC-5	3.2	3.9	4.1	2.8	2.5	2.6	2.5	2.5	2.1
SADC	0.6	0.5	0.3	0.6	0.7	0.8	0.7	0.4	0.2
SACU	-0.1	-0.1	-0.3	-0.1	0.0	0.0	-0.1	-0.4	-0.5
COMESA	4.1	4.1	4.1	4.2	4.0	4.1	4.3	4.0	3.3
Resource-intensive countries	**0.8**	**0.7**	**0.8**	**0.8**	**0.8**	**0.7**	**0.9**	**0.5**	**0.3**
Oil	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
Non-oil resource-intensive countries	3.8	3.0	3.4	4.0	4.5	4.2	4.8	2.8	1.7
Non-resource-intensive countries	**0.9**	**0.9**	**0.7**	**0.8**	**1.0**	**1.2**	**1.2**	**1.0**	**0.8**
Coastal Non-resource-intensive countries	-0.2	0.0	-0.3	-0.3	-0.2	-0.1	-0.2	-0.2	-0.2
Landlocked Non-resource-intensive countries	6.5	6.3	6.4	6.7	6.8	6.2	6.5	6.2	5.2
MDRI	3.7	3.8	3.8	3.6	3.7	3.5	3.8	3.8	3.3
Fixed exchange rate regimes	3.1	2.9	2.8	3.3	3.4	2.9	3.7	2.8	2.2
Floating exchange rate	0.5	0.6	0.4	0.5	0.5	0.6	0.6	0.5	0.4

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

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

	2004-08	2004	2005	2006	2007	2008	2009
Oil-exporting countries	**130**	**112**	**124**	**133**	**134**	**147**	**146**
Excluding Nigeria	**137**	**122**	**127**	**138**	**144**	**155**	**171**
Angola	179	139	153	183	200	221	243
Cameroon	110	110	107	109	110	113	116
Chad	119	114	120	125	114	123	135
Congo, Rep. of	117	113	112	116	118	125	130
Equatorial Guinea	154	144	148	150	157	170	236
Gabon	106	105	106	102	107	111	111
Nigeria	127	107	123	131	129	143	133
Middle-income countries	**99**	**106**	**106**	**102**	**96**	**87**	**94**
Excluding South Africa	**97**	**104**	**100**	**97**	**92**	**92**	**97**
Botswana	99	109	104	99	90	90	101
Cape Verde	97	97	93	95	98	102	102
Lesotho	93	94	97	95	93	85	90
Mauritius	89	92	87	85	85	96	92
Namibia	105	112	111	107	101	93	103
Seychelles	82	94	92	88	71	65	61
South Africa	100	107	107	103	97	86	94
Swaziland	108	112	110	108	107	102	107
Low-income countries	**94**	**88**	**91**	**93**	**95**	**103**	**110**
Excluding fragile countries	**98**	**91**	**95**	**97**	**100**	**109**	**108**
Benin	119	118	118	118	119	124	123
Burkina Faso	112	111	111	110	109	118	121
Ethiopia	99	85	90	96	100	123	114
Ghana	109	99	109	114	114	108	100
Kenya	132	104	115	134	144	164	165
Madagascar	91	80	84	84	98	109	107
Malawi	71	72	72	70	69	71	78
Mali	110	106	109	108	108	116	117
Mozambique	84	83	84	83	82	91	85
Niger	111	109	112	108	108	119	123
Rwanda	76	69	75	78	78	81	93
Senegal	107	106	104	103	108	113	111
Tanzania	68	72	70	65	64	69	71
Uganda	88	84	88	88	90	92	91
Zambia	149	106	130	170	157	181	156
Fragile countries	**80**	**79**	**77**	**78**	**81**	**83**	**126**
Including Zimbabwe	**…**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	69	64	71	74	68	70	78
Central African Republic	112	108	107	112	113	122	124
Comoros	120	120	117	118	122	122	123
Congo, Dem. Rep. of	29	28	27	30	29	29	163
Côte d'Ivoire	117	116	116	115	117	122	122
Eritrea	107	83	103	114	112	120	164
Gambia, The	56	51	54	54	59	62	57
Guinea	73	83	66	59	80	78	84
Guinea-Bissau	112	109	109	109	112	120	118
Liberia	98	98	98	98	100	98	102
São Tomé & Príncipe	105	84	93	110	119	119	191
Sierra Leone	69	69	69	66	66	76	78
Togo	112	111	112	110	111	117	117
Zimbabwe	…	...	...	...	...	...	...
Sub-Saharan Africa	**106**	**102**	**106**	**107**	**106**	**108**	**113**
Median	107	105	106	107	107	111	111
Including Zimbabwe	…	...	...	...	...	...	...
Excluding Nigeria and South Africa	104	97	100	103	106	113	122
Oil-importing countries	**97**	**98**	**99**	**98**	**96**	**94**	**101**
Excluding South Africa	**94**	**90**	**92**	**93**	**95**	**102**	**109**
CFA franc zone	114	112	113	113	114	120	126
WAEMU	113	112	112	111	112	119	119
CEMAC	116	113	113	115	116	122	134
EAC-5	94	86	90	93	96	104	106
SADC	98	101	101	100	97	92	104
SACU	100	107	107	103	97	87	95
COMESA	91	81	86	91	94	105	119
Resource-intensive countries	**125**	**111**	**120**	**127**	**128**	**138**	**139**
Oil	130	112	124	133	134	147	146
Non-oil resource-intensive countries	101	107	102	98	99	99	105
Non-resource-intensive countries	**96**	**97**	**98**	**98**	**95**	**93**	**101**
Coastal Non-resource-intensive countries	99	102	103	101	98	93	98
Landlocked Non-resource-intensive countries	85	79	82	84	85	93	109
MDRI	90	86	88	88	90	96	104
Fixed exchange rate regimes	113	112	112	112	113	118	124
Floating exchange rate	104	99	104	106	105	106	111

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.
[1] An increase indicates appreciation.

Table SA23. Nominal Effective Exchange Rates[1]
(Annual average; index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009
Oil-exporting countries	**57**	**57**	**56**	**57**	**57**	**59**	**53**
Excluding Nigeria	**44**	**44**	**43**	**44**	**45**	**46**	**46**
Angola	9	9	8	9	9	9	9
Cameroon	111	111	109	108	111	114	115
Chad	115	113	113	113	116	119	120
Congo, Rep. of	117	116	115	115	118	122	122
Equatorial Guinea	123	120	119	119	125	132	130
Gabon	109	108	108	108	110	112	111
Nigeria	68	68	67	69	66	69	58
Middle-income countries	**84**	**94**	**93**	**87**	**78**	**66**	**67**
Excluding South Africa	**81**	**93**	**88**	**80**	**74**	**69**	**69**
Botswana	78	97	88	76	67	62	65
Cape Verde	105	106	104	104	105	106	106
Lesotho	99	106	108	102	97	83	83
Mauritius	74	83	76	71	68	73	69
Namibia	86	94	94	89	82	72	75
Seychelles	80	93	92	92	72	52	37
South Africa	84	94	93	88	79	66	67
Swaziland	91	99	97	93	88	80	81
Low-income countries	**67**	**71**	**69**	**67**	**66**	**64**	**59**
Excluding fragile countries	**76**	**79**	**78**	**76**	**75**	**73**	**68**
Benin	116	117	114	113	117	120	118
Burkina Faso	120	118	116	116	121	128	135
Ethiopia	79	85	83	82	76	68	59
Ghana	45	49	48	47	44	38	29
Kenya	93	88	91	96	98	94	89
Madagascar	59	64	57	54	58	62	56
Malawi	40	47	43	38	36	37	38
Mali	113	112	111	111	114	117	118
Mozambique	54	59	57	51	49	52	48
Niger	115	115	113	113	116	120	121
Rwanda	61	61	63	63	60	59	63
Senegal	112	111	110	110	112	116	117
Tanzania	59	66	63	57	55	56	53
Uganda	82	84	84	81	82	81	72
Zambia	66	57	61	75	65	71	55
Fragile countries	**44**	**49**	**44**	**42**	**42**	**40**	**38**
Including Zimbabwe	**…**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	56	57	58	61	55	49	51
Central African Republic	108	108	106	106	109	112	111
Comoros	115	114	112	113	117	121	121
Congo, Dem. Rep. of	3	3	3	3	2	2	1
Côte d'Ivoire	115	115	113	112	115	119	119
Eritrea	49	45	52	51	49	47	49
Gambia, The	41	37	39	39	42	45	40
Guinea	39	67	42	28	32	28	29
Guinea-Bissau	117	116	116	115	118	120	120
Liberia	54	61	59	57	50	46	46
São Tomé & Príncipe	58	64	62	61	58	45	37
Sierra Leone	56	63	57	56	52	51	48
Togo	121	120	118	118	121	125	126
Zimbabwe	…	...	...	...	...	...	...
Sub-Saharan Africa	**69**	**74**	**72**	**70**	**67**	**63**	**60**
Median	85	93	91	88	79	72	69
Including Zimbabwe	…	...	...	...	...	...	...
Excluding Nigeria and South Africa	61	65	62	60	59	57	54
Oil-importing countries	**75**	**83**	**81**	**76**	**71**	**63**	**61**
Excluding South Africa	**67**	**74**	**70**	**66**	**64**	**60**	**56**
CFA franc zone	114	113	112	112	115	119	120
WAEMU	115	115	113	113	116	120	121
CEMAC	113	112	111	111	114	118	118
EAC-5	76	77	77	76	75	75	71
SADC	59	67	64	60	55	48	48
SACU	84	94	93	87	79	66	67
COMESA	55	61	58	55	52	47	42
Resource-intensive countries	**61**	**63**	**61**	**61**	**60**	**62**	**57**
Oil	57	57	56	57	57	59	53
Non-oil resource-intensive countries	83	97	88	80	78	74	75
Non-resource-intensive countries	**74**	**82**	**80**	**76**	**70**	**62**	**60**
Coastal Non-resource-intensive countries	80	88	87	82	76	67	66
Landlocked Non-resource-intensive countries	53	62	58	53	50	44	40
MDRI	66	70	67	65	64	63	58
Fixed exchange rate regimes	110	110	109	108	110	112	113
Floating exchange rate	63	67	66	64	60	56	53

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.
[1] An increase indicates appreciation.

Table SA24. External Debt to Official Creditors
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009
Oil-exporting countries	**17.1**	**41.7**	**22.0**	**8.0**	**7.9**	**5.8**	**7.0**
Excluding Nigeria	**24.0**	**46.9**	**30.4**	**16.8**	**15.4**	**10.6**	**12.3**
Angola	17.6	33.3	23.8	12.1	9.7	9.0	11.1
Cameroon	18.4	42.0	35.5	5.4	5.0	4.3	4.4
Chad	27.0	34.2	29.0	27.2	23.6	20.9	23.7
Congo, Rep. of	88.1	176.5	76.1	62.2	81.9	43.9	47.5
Equatorial Guinea	2.5	6.1	3.0	1.6	1.1	0.6	1.0
Gabon	31.0	48.9	38.6	32.3	26.5	8.9	10.9
Nigeria	12.3	38.4	16.4	2.1	2.4	2.2	2.6
Middle-income countries	**3.0**	**3.5**	**3.0**	**2.9**	**2.7**	**2.8**	**2.6**
Excluding South Africa	**10.8**	**12.5**	**11.2**	**10.4**	**10.3**	**9.6**	**9.5**
Botswana	3.6	4.9	4.5	3.5	2.9	2.3	2.4
Cape Verde	50.7	58.6	51.3	52.9	48.0	42.9	48.8
Lesotho	50.0	54.2	50.0	50.0	53.6	42.3	42.2
Mauritius	11.6	13.5	11.9	11.0	10.0	11.4	7.8
Namibia	4.7	5.1	4.4	4.5	5.1	4.2	5.0
Seychelles	30.0	33.0	36.7	23.4	25.1	31.8	29.5
South Africa	2.0	2.3	2.0	1.9	1.8	1.8	1.8
Swaziland	13.0	16.4	12.5	12.0	12.5	11.8	12.8
Low-income countries	**47.9**	**72.8**	**62.3**	**43.1**	**32.0**	**29.1**	**29.9**
Excluding fragile countries	**34.4**	**59.9**	**49.2**	**27.4**	**17.7**	**18.0**	**20.8**
Benin	22.1	33.8	37.0	11.5	12.6	15.5	16.1
Burkina Faso	28.3	43.5	38.7	20.0	19.7	19.7	23.8
Ethiopia	36.0	71.6	48.1	39.6	10.4	10.5	12.3
Ghana	39.4	72.6	59.1	17.1	23.9	24.5	32.7
Kenya	27.3	35.5	28.3	25.0	21.5	26.1	25.2
Madagascar	45.2	76.6	69.8	29.5	25.9	24.2	27.3
Malawi	53.4	112.6	108.3	14.6	15.0	16.8	19.1
Mali	30.5	44.9	50.8	18.9	17.7	20.2	22.9
Mozambique	47.1	77.5	70.7	45.5	21.4	20.2	25.1
Niger	31.2	58.8	51.6	15.8	15.9	13.9	15.8
Rwanda	36.8	80.2	58.3	15.6	15.3	14.4	14.3
Senegal	28.4	46.3	40.2	18.5	19.0	18.2	25.1
Tanzania	38.0	52.8	49.3	48.3	19.3	20.2	24.2
Uganda	34.7	56.3	47.9	44.8	12.3	12.2	14.6
Zambia	39.0	114.4	57.5	5.0	9.6	8.6	12.3
Fragile countries	**93.5**	**111.3**	**105.8**	**98.1**	**83.5**	**69.0**	**64.7**
Including Zimbabwe	**83.0**	**…**	**96.6**	**90.7**	**78.2**	**66.5**	**61.4**
Burundi	165.9	208.0	182.0	159.5	150.5	129.3	27.4
Central African Republic	68.0	80.6	75.2	73.7	58.0	52.7	13.3
Comoros	66.8	81.6	67.7	73.4	61.2	50.2	53.9
Congo, Dem. Rep. of	141.1	175.3	162.4	122.0	128.9	116.7	123.4
Côte d'Ivoire	54.7	61.8	55.4	59.2	53.7	43.6	41.5
Eritrea	59.4	54.0	63.9	59.3	58.0	61.9	47.8
Gambia, The	74.0	101.5	99.0	101.7	36.2	31.7	34.1
Guinea	91.3	89.7	110.1	109.8	78.0	68.6	66.2
Guinea-Bissau	161.4	190.9	173.8	171.4	148.8	122.1	126.9
Liberia	653.7	970.7	855.4	783.7	427.1	231.6	188.9
São Tomé & Príncipe	202.6	303.0	282.8	259.5	104.0	63.8	65.8
Sierra Leone	95.6	160.7	144.6	109.9	31.8	31.2	36.8
Togo	79.0	93.0	76.8	84.7	84.2	56.3	55.2
Zimbabwe[1]	32.5	...	33.5	32.6	30.3	33.4	25.3
Sub-Saharan Africa	**18.5**	**31.7**	**23.5**	**14.5**	**12.0**	**10.9**	**11.9**
Median	36.2	58.6	51.3	29.5	21.5	20.2	24.2
Including Zimbabwe	30.8	…	46.8	31.3	24.5	20.7	22.5
Excluding Nigeria and South Africa	19.8	27.9	24.2	18.0	14.3	14.4	14.6
Oil-importing countries	**41.8**	**62.3**	**53.4**	**37.9**	**28.9**	**26.5**	**27.3**
Excluding South Africa	**35.3**	**55.0**	**43.2**	**29.4**	**28.1**	**20.9**	**22.7**
CFA franc zone	41.2	55.0	50.5	36.7	34.3	29.5	31.1
WAEMU	29.8	55.0	36.0	22.4	22.2	13.2	13.7
CEMAC	34.7	50.5	43.0	37.1	20.8	22.3	21.9
EAC-5	11.5	16.4	14.3	9.8	8.3	8.7	9.2
SADC	2.5	2.9	2.5	2.4	2.3	2.2	2.2
SACU	43.2	70.1	54.6	36.5	27.8	26.9	26.3
COMESA	20.3	43.9	25.9	12.1	11.3	8.6	9.9
Resource-intensive countries	**17.1**	**41.7**	**22.0**	**8.0**	**7.9**	**5.8**	**7.0**
Oil	35.2	51.1	41.9	31.6	27.9	23.7	24.5
Non-oil resource-intensive countries	16.8	23.6	20.9	15.1	11.9	12.6	13.0
Non-resource-intensive countries	**10.6**	**14.6**	**13.0**	**9.4**	**7.7**	**8.4**	**9.1**
Coastal Non-resource-intensive countries	50.1	78.6	64.3	44.9	32.8	29.8	28.2
Landlocked Non-resource-intensive countries	43.9	74.5	60.3	35.0	26.3	23.3	25.2
MDRI	36.4	55.2	44.4	31.9	29.1	21.6	23.0
Fixed exchange rate regimes	14.8	26.6	19.1	11.0	8.5	8.6	9.6
Floating exchange rate	8.0	16.5	10.0	5.2	4.1	4.3	5.0

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

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

Table SA25. Terms of Trade
(Index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**142**	**106**	**132**	**145**	**150**	**177**	**131**	**149**	**151**
Excluding Nigeria	**146**	**101**	**128**	**150**	**161**	**191**	**132**	**154**	**157**
Angola	147	98	126	152	159	202	126	148	151
Cameroon	137	100	120	140	163	160	136	153	153
Chad	143	91	120	146	156	200	134	171	174
Congo, Rep. of	143	107	131	150	156	171	138	150	154
Equatorial Guinea	154	104	138	161	167	202	151	181	186
Gabon	138	108	128	137	147	171	133	147	150
Nigeria	139	109	135	142	142	168	131	147	149
Middle-income countries	**115**	**107**	**111**	**117**	**120**	**121**	**129**	**132**	**132**
Excluding South Africa	**106**	**99**	**109**	**112**	**108**	**105**	**108**	**110**	**112**
Botswana	99	87	105	106	96	100	104	103	102
Cape Verde	112	106	125	128	75	128	112	131	130
Lesotho	130	118	121	127	135	150	157	159	172
Mauritius	98	103	101	103	101	81	95	92	98
Namibia	105	96	104	109	113	102	96	104	104
Seychelles	196	222	188	198	211	163	216	190	186
South Africa	116	108	111	118	121	124	132	135	135
Swaziland	129	110	120	126	136	154	140	142	143
Low-income countries	**98**	**94**	**90**	**101**	**102**	**104**	**112**	**122**	**138**
Excluding fragile countries	**91**	**87**	**84**	**94**	**94**	**96**	**104**	**113**	**116**
Benin	147	101	82	227	166	160	257	283	289
Burkina Faso	87	102	76	86	87	84	89	103	100
Ethiopia	91	84	88	91	96	99	97	132	131
Ghana	105	113	99	102	108	106	145	146	193
Kenya	69	78	73	69	63	62	68	65	61
Madagascar	119	99	132	127	122	114	135	133	147
Malawi	53	47	45	57	56	59	68	64	54
Mali	134	121	114	145	135	154	185	200	207
Mozambique	116	101	106	124	126	121	111	113	126
Niger	119	102	99	93	134	165	160	153	154
Rwanda	104	87	94	99	120	119	107	115	110
Senegal	101	100	95	102	94	117	110	117	118
Tanzania	52	60	54	48	48	49	54	58	58
Uganda	75	74	72	73	78	78	93	96	92
Zambia	183	127	139	216	228	208	187	229	223
Fragile countries	**121**	**114**	**107**	**121**	**132**	**130**	**134**	**147**	**230**
Including Zimbabwe	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**	**...**
Burundi	100	100	111	111	86	89	125	98	89
Central African Republic	58	67	64	62	55	44	51	47	47
Comoros	96	190	100	82	64	46	64	55	53
Congo, Dem. Rep. of	233	184	156	231	326	270	224	276	291
Côte d'Ivoire	107	104	96	104	108	121	135	144	135
Eritrea	72	62	73	72	91	61	63	54	576
Gambia, The	103	141	97	112	90	75	76	74	70
Guinea	86	89	87	92	89	74	74	77	78
Guinea-Bissau	63	80	73	55	51	54	52	62	64
Liberia	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	52	54	57	53	45	51	50	62	60
Sierra Leone	87	96	91	85	83	81	73	76	78
Togo	124	104	150	127	113	126	128	177	165
Zimbabwe	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	**119**	**103**	**111**	**121**	**124**	**134**	**128**	**139**	**144**
Median	108	101	103	110	110	118	119	131	133
Including Zimbabwe	...	...	...	...	...	...	...	...	...
Excluding Nigeria and South Africa	112	97	102	116	119	128	120	133	145
Oil-importing countries	**108**	**102**	**102**	**110**	**113**	**114**	**122**	**128**	**135**
Excluding South Africa	**100**	**95**	**93**	**103**	**104**	**104**	**112**	**121**	**135**
CFA franc zone	128	104	112	133	138	153	148	165	165
WAEMU	115	106	98	121	118	133	149	162	159
CEMAC	138	100	124	142	154	171	137	156	158
EAC-5	66	71	67	64	63	63	69	70	67
SADC	116	104	109	119	123	128	126	133	134
SACU	115	107	111	117	120	122	130	133	133
COMESA	103	96	95	106	110	105	110	121	145
Resource-intensive countries	**138**	**106**	**128**	**141**	**145**	**168**	**132**	**149**	**150**
Oil	142	106	132	145	150	177	131	149	151
Non-oil resource-intensive countries	116	103	107	123	124	125	126	138	134
Non-resource-intensive countries	**107**	**101**	**101**	**109**	**111**	**113**	**122**	**127**	**128**
Coastal Non-resource-intensive countries	107	102	103	109	110	112	122	125	127
Landlocked Non-resource-intensive countries	107	98	94	106	118	119	123	142	140
MDRI	108	96	96	112	118	119	124	138	143
Fixed exchange rate regimes	125	103	111	130	135	148	143	158	190
Floating exchange rate	117	103	111	119	122	131	125	135	136

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

Table SA26. Reserves
(Months of imports of goods and services)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries	**6.9**	**3.9**	**6.6**	**7.8**	**6.7**	**9.5**	**7.2**	**6.3**	**6.0**
Excluding Nigeria	**3.7**	**1.5**	**2.7**	**4.3**	**3.8**	**6.4**	**5.0**	**5.5**	**6.5**
Angola	3.3	1.1	2.4	3.9	3.1	6.2	4.4	4.5	4.7
Cameroon	3.6	2.3	2.3	3.4	4.3	5.9	6.6	6.0	5.2
Chad	2.0	0.9	0.8	2.0	2.7	3.4	1.4	1.7	3.3
Congo, Rep. of	4.4	0.5	2.3	4.9	4.7	9.5	7.6	11.6	18.0
Equatorial Guinea	7.2	3.2	7.9	9.7	7.9	7.5	7.6	8.5	8.9
Gabon	3.8	2.2	2.8	3.8	3.3	6.8	5.8	5.5	7.3
Nigeria	10.4	6.0	10.8	11.8	10.1	13.5	9.9	7.2	5.4
Middle-income countries	**3.9**	**3.1**	**3.3**	**3.5**	**4.1**	**5.3**	**5.3**	**5.2**	**5.1**
Excluding South Africa	**7.1**	**6.6**	**6.4**	**6.9**	**7.6**	**8.1**	**8.1**	**8.1**	**8.0**
Botswana	21.0	19.0	21.9	21.4	21.0	21.7	18.8	20.3	21.4
Cape Verde	2.8	2.6	2.6	2.9	2.9	3.0	2.7	2.8	2.9
Lesotho	5.4	4.3	4.3	4.6	6.3	7.4	7.9	6.8	5.3
Mauritius	3.7	4.7	3.4	2.9	3.4	4.1	4.9	4.5	4.6
Namibia	2.0	1.5	1.3	1.5	2.4	3.1	4.4	4.3	3.7
Seychelles	0.7	0.5	0.7	1.3	0.3	0.7	2.0	2.4	2.7
South Africa	3.2	2.3	2.7	2.9	3.4	4.6	4.6	4.6	4.4
Swaziland	2.6	1.7	1.3	1.9	4.2	4.1	4.1	3.2	2.4
Low-income countries	**3.1**	**3.7**	**3.0**	**2.9**	**3.0**	**3.1**	**3.9**	**3.7**	**3.8**
Excluding fragile countries	**3.5**	**4.1**	**3.4**	**3.2**	**3.3**	**3.3**	**4.1**	**3.9**	**3.9**
Benin	7.0	7.6	6.9	6.1	7.0	7.6	7.9	7.7	7.3
Burkina Faso	4.9	5.8	3.6	4.0	5.6	5.5	6.4	6.2	6.1
Ethiopia	2.2	4.1	2.3	1.7	1.9	1.1	2.2	2.3	2.3
Ghana	2.5	3.0	2.6	2.5	2.6	2.1	2.7	2.6	2.9
Kenya	2.9	2.7	2.7	3.0	3.3	3.0	3.7	3.5	3.5
Madagascar	2.5	2.9	2.5	2.0	2.1	3.0	4.0	2.9	3.5
Malawi	1.3	1.1	1.4	1.1	1.3	1.5	0.8	1.8	2.7
Mali	4.5	5.6	4.8	4.6	3.4	3.8	5.5	5.0	4.6
Mozambique	4.1	4.7	3.7	3.8	3.8	4.4	4.7	4.5	4.9
Niger	3.3	2.9	2.8	3.5	3.6	3.6	3.0	2.6	2.8
Rwanda	5.5	5.9	6.2	5.6	4.7	4.8	5.1	4.9	4.9
Senegal	3.5	4.5	3.5	3.0	2.8	3.5	4.5	4.3	4.1
Tanzania	5.2	7.2	5.3	4.8	4.6	4.4	5.0	5.3	5.2
Uganda	6.3	7.1	6.0	6.5	6.6	5.1	5.8	5.2	5.1
Zambia	2.2	1.5	2.1	1.9	2.4	3.2	4.1	3.7	3.9
Fragile countries	**2.2**	**2.5**	**2.0**	**2.0**	**2.1**	**2.4**	**3.3**	**3.1**	**3.2**
Including Zimbabwe	**2.0**	**...**	**...**	**...**	**1.9**	**2.1**	**3.0**	**2.8**	**2.9**
Burundi	3.7	2.4	2.7	3.3	3.8	6.4	6.5	6.0	5.9
Central African Republic	4.2	6.3	5.2	3.8	2.1	3.5	5.3	4.7	4.1
Comoros	6.4	9.0	6.6	5.8	5.5	5.2	6.0	6.6	6.5
Congo, Dem. Rep. of	1.1	1.8	1.4	0.8	0.7	0.7	1.7	1.7	1.8
Côte d'Ivoire	2.8	2.8	2.2	2.6	3.1	3.2	4.2	4.3	4.3
Eritrea	1.0	0.7	0.7	0.8	1.1	1.8	2.1	2.1	2.7
Gambia, The	3.9	3.2	3.8	4.3	4.5	3.7	5.2	4.5	4.1
Guinea	1.2	1.3	1.3	1.1	0.9	1.2	3.1	1.1	1.2
Guinea-Bissau	6.2	6.4	6.5	5.8	6.2	6.3	8.0	7.6	7.6
Liberia	0.5	0.2	0.2	0.5	0.7	1.1	2.1	1.9	2.0
São Tomé & Príncipe	4.5	3.9	3.6	4.5	4.1	6.4	5.9	3.3	5.9
Sierra Leone	4.3	3.3	4.5	4.6	4.4	4.6	6.0	4.8	4.5
Togo	4.1	4.9	2.7	3.9	3.7	5.1	6.1	6.5	5.8
Zimbabwe[1]	0.1	...	...	...	0.3	0.0	0.9	0.5	0.5
Sub-Saharan Africa	**4.6**	**3.5**	**4.1**	**4.7**	**4.7**	**6.1**	**5.5**	**5.1**	**4.9**
Median	3.3	3.0	2.7	3.5	3.4	4.1	4.9	4.5	4.5
Including Zimbabwe	5.3	...	...	...	4.7	6.0	5.4	5.0	4.9
Excluding Nigeria and South Africa	3.8	3.4	3.3	3.8	3.8	4.7	4.7	4.7	5.0
Oil-importing countries	**3.5**	**3.3**	**3.1**	**3.2**	**3.6**	**4.2**	**4.5**	**4.4**	**4.3**
Excluding South Africa	**3.8**	**4.2**	**3.6**	**3.6**	**3.7**	**3.9**	**4.5**	**4.3**	**4.3**
CFA franc zone	4.0	3.1	3.2	4.0	4.2	5.4	5.4	5.9	6.8
WAEMU	3.7	5.5	5.4	5.2	5.4	6.1	6.9	...	...
CEMAC	4.2	2.0	3.1	4.6	4.7	6.6	5.9	7.0	9.1
EAC-5	4.3	4.8	4.1	4.2	4.3	4.0	4.6	4.5	4.4
SADC	3.6	2.9	3.1	3.4	3.6	5.0	4.8	4.7	4.7
SACU	3.9	3.1	3.3	3.6	4.2	5.5	5.4	5.3	5.1
COMESA	2.6	2.9	2.5	2.3	2.6	2.6	3.4	3.2	3.2
Resource-intensive countries	**6.7**	**4.2**	**6.4**	**7.4**	**6.6**	**9.0**	**7.2**	**6.5**	**6.2**
Oil	6.9	3.9	6.6	7.8	6.7	9.5	7.2	6.3	6.0
Non-oil resource-intensive countries	6.1	5.7	5.6	5.9	6.4	6.8	7.3	7.2	7.2
Non-resource-intensive countries	**3.2**	**3.0**	**2.9**	**2.9**	**3.2**	**3.8**	**4.2**	**4.1**	**4.0**
Coastal Non-resource-intensive countries	3.2	2.9	2.9	3.0	3.3	4.1	4.4	4.3	4.2
Landlocked Non-resource-intensive countries	2.9	3.4	2.8	2.6	2.9	2.7	3.4	3.2	3.1
MDRI	3.4	3.8	3.2	3.2	3.3	3.7	4.3	4.3	4.7
Fixed exchange rate regimes	3.7	2.9	2.9	3.7	4.0	5.1	5.2	5.5	6.2
Floating exchange rate	4.8	3.7	4.4	4.9	4.9	6.3	5.5	5.0	4.6

Sources: IMF, African Department database, September 23, 2010; and IMF, *World Economic Outlook* (WEO) database, September 23, 2010.

[1] Following the introduction of the multi-currency system, the gross official reserves for Zimbabwe are reported net of encumbered deposits and securities, banks' current/RTGS accounts, and required statutory reserves.

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ISBN 978-1-58906-949-7

Regional Economic Outlook
Sub-Saharan Africa, October 2010