United States International Trade Commission

U.S. Trade and Investment With Sub-Saharan Africa

Third Annual Report

Investigation No. 332-415
USITC Publication 3552
December 2002

U.S. International Trade Commission

Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436

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EXECUTIVE SUMMARY

This report is the third in a 5-year series documenting U.S.-sub-Saharan Africa (SSA) trade and investment flows. The U.S. International Trade Commission (Commission or USITC) compiled this report at the request of the United States Trade Representative (USTR). In a letter dated April 12, 2000,[1] the United States Trade Representative asked the U.S. International Trade Commission to submit a report that provides: an analysis of U.S.-SSA merchandise trade and services trade flows; country-by-country profiles of the economies of each SSA country, including information on major trading partners, and a summary of the trade and investment climates in each; a summary of U.S. foreign and total direct investment and portfolio investment in SSA; information on SSA privatization efforts; updates on progress in regional integration in SSA, including statistics on U.S. trade with the major regional groupings; and a summary of multilateral and U.S. bilateral assistance to SSA countries.

In a letter dated July 10, 2002,[2] the USTR requested the Commission to provide the following additional information: the value of U.S. imports from SSA under the African Growth and Opportunity Act (AGOA) including its Generalized System of Preferences (GSP) provisions, by beneficiary country and major product categories; information on investment developments related to AGOA; a description and analysis of major SSA export sectors; expanded information on regional integration in SSA, including information on the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC); a description of major U.S. trade capacity-building initiatives related to SSA; and a description of major non-U.S. trade preference programs for countries in SSA.

The data included in this report generally cover either calendar or fiscal year 2001, depending on data availability. In cases where it is useful to show a trend, data for 1997 through 2001 are provided. In addition, when possible, up-to-date developments in economic, social, trade, and commercial policies are included for the period January 2002 through mid-year.

In general, a number of factors, including political and economic transitions in several sub-Saharan African nations, resulted in a precipitous decline in trade and a related drop in investment flows with this region from 1999 forward. However, trade began a modest recovery in 2001 and that trend continued through the first half of 2002. The next section summarizes major developments in U.S.-SSA trade and investment trends.

[1] Copy of the request letter is in appendix A.
[2] Copy of the request letter is in appendix A.

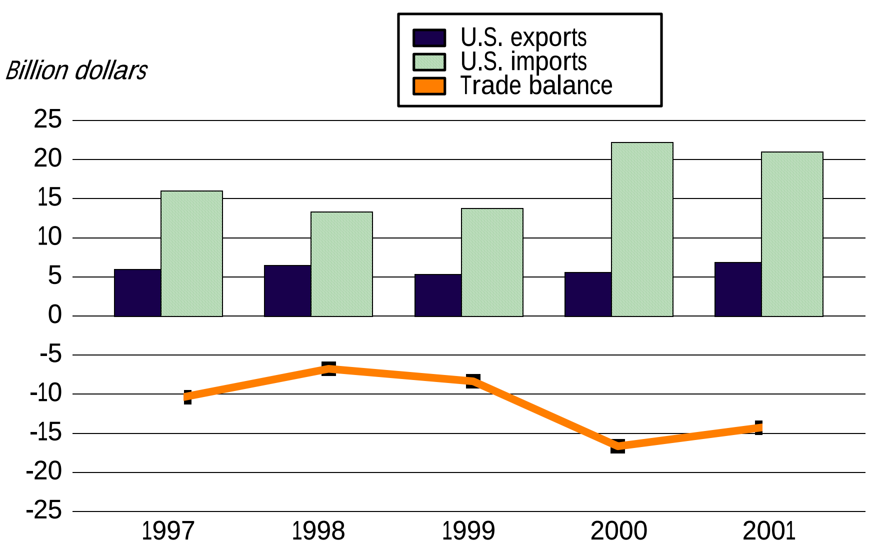
U.S.-Sub-Saharan Africa Trade

- In 2001, total U.S. merchandise exports to sub-Saharan Africa totaled $6.8 billion, up from $5.6 billion in 2000 (figure ES-1). U.S. exports to the region in the transportation sector increased by 58.8 percent, but declined in the footwear sector by 28.7 percent. U.S. exports of all nonpetroleum products rose by 21.3 percent to $6.7 billion, led by large increases in exports of transportation equipment and miscellaneous manufactures--especially airplanes and other aircrafts, parts for boring and sinking machinery, and parts and accessories for motor vehicles.

- Total U.S. merchandise imports from the region declined 5.2 percent in 2001 to $21.1 billion, primarily due to falling petroleum prices and decreased imports of crude petroleum from Nigeria. Nonpetroleum imports decreased by 17.8 percent, while transportation equipment imports increased by 115.9 percent.

- The United States posted a cross-border surplus in services trade of $2.6 billion in 2000. The predominant U.S. cross-border service exports to Africa

Figure ES-1
U.S. trade with sub-Saharan Africa, 1997-2001



Source: Compiled from official statistics of the U.S. Department of Commerce.

included tourism, freight transport, and education. U.S. service imports were mainly travel and tourism, passenger transport, and freight transport. Port services and telecommunication services also accounted for significant shares of U.S. service imports from Africa.

African Growth and Opportunity Act

- Table ES-1 lists the SSA countries designated as AGOA beneficiaries as of November 22, 2002.

Table ES-1
AGOA beneficiary countries, as of November 22, 2002 (36)

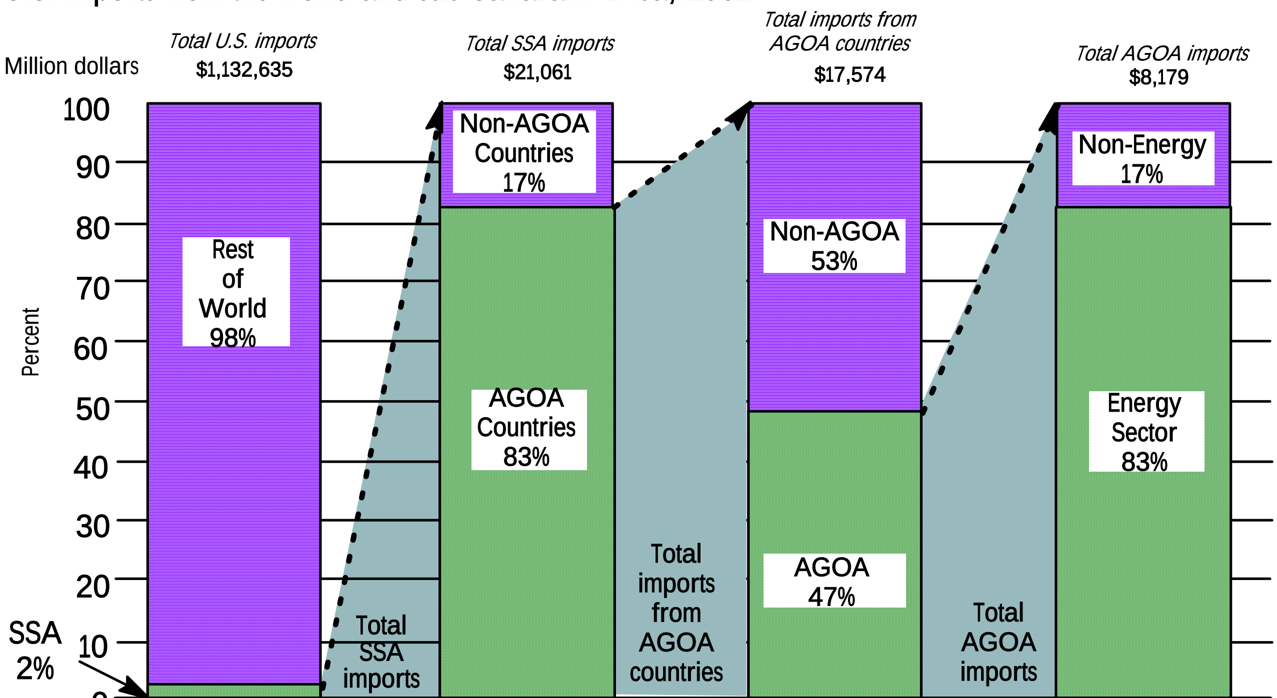
Benin	Guinea	Nigeria
Botswana	Guinea-Bissau	Republic of the Congo
Cape Verde	Kenya	Rwanda
Cameroon	Lesotho	São Tomé and Principe
Central African Republic	Madagascar	Senegal
Chad	Malawi	Seychelles
Côte d'Ivoire	Mali	Sierra Leone
Djibouti	Mauritania	South Africa
Eritrea	Mauritius	Swaziland
Ethiopia	Mozambique	Tanzania
Gabon	Namibia	Uganda
Ghana	Niger	Zambia

Source: USDOC, "Country Eligibility List," found at Internet address *http://www.agoa.gov*, retrieved Nov. 22, 2002.

- U.S. imports under the African Growth and Opportunity Act (AGOA) first entered the United States in January 2001. Total imports from SSA countries eligible for the AGOA benefits (including the GSP provisions) totaled $8.2 billion in 2001 (figure ES-2).

- The largest share of U.S. imports under AGOA came from Nigeria (69.5 percent), followed by Gabon (11.5 percent) and South Africa (11.3 percent). These imports were dominated by U.S. purchases of energy-related products in 2001. The remaining AGOA imports were comprised of smaller quantities of textiles and apparel, minerals and metals, transportation equipment, agricultural products, and chemicals and related products.

Figure ES-2
U.S. imports from the world and sub-Saharan Africa, 2001



Note.—AGOA imports include GSP provisions.

Source: Compiled from official statistics of the U.S. Department of Commerce.

- Table ES-2 presents AGOA-related investment in SSA. Evidence of AGOA's investment impact manifested itself in increasing foreign direct investment (FDI) flows, as well as increased employment and output in targeted industries. Although investment is concentrated in southern SSA and in the textile and apparel industry, examples of AGOA-related investment emerged across the continent in a number of sectors.

Table ES-2
Selected examples of recent AGOA-related investment, employment increases, and industry output expansion, 2000-2002

Country	Examples
Botswana	• As of early 2002, five companies in the textiles sector had obtained necessary approval to commence exports under AGOA.[1]
Côte d'Ivoire	• In anticipation of AGOA qualification, Henan Youbioa Textile (China), in partnership with an Ivorian entrepreneur, prepared to invest $9 million in a new textile factory to export under AGOA.[2]
Kenya	• Economy-wide, AGOA is expected to create 50,000 jobs directly and 150,000 jobs indirectly.[3]

Table ES-2-Continued
Selected examples of recent AGOA-related investment, employment increases, and industry output expansion, 2000-2002

Country	Examples
Kenya-Continued	• AGOA helped Kenya revive its cotton growing sector. From August 2000 to July 2001, Kenyan textile exports to the United States quadrupled, thereby encouraging cotton farmers to increase production.[4]
Lesotho	• Textile manufacturing projects investments were the main source of foreign exchange and new employment in Lesotho. Most investors were from Taiwan, South Africa, and South Korea.[5] • In 1999, 17,000 textiles workers were employed in the industry, into which companies, most of Asian origin, have invested millions to access the U.S. market through the AGOA program. As of January 2002, there were 40,000 employees, each earning an average of $80 a month.[6] • The U.S. market has become an increasingly important destination for clothing and footwear exports, and accounted for nearly half of Lesotho's total exports. This trend is expected to continue as the country continues to benefit from AGOA.[7] • The Swaziland factory, combined with Nien Hsing's (Taiwan) factories in Lesotho, was expected to give the company a monthly output of 93,000 dozen garments.[8] • The Lesotho government received plans for over $120 million in new investments aimed at exporting products under the AGOA program.[9]
Madagascar	• AGOA was a significant incentive for new investment in Madagascar, which represented $113 million, generating 52 new apparel companies and 43,000 new jobs in 2001.[10] • Since Madagascar qualified for AGOA, economy-wide employment increased by 10 percent.[11] • Madagascar's textile and apparel exports to the United States in 2001 increased 83 percent. This increase was due, in part, to the special apparel provision of AGOA which allows poorer countries to use any textile materials for exports.[12] • Foreign investments rose sharply in Madagascar after it qualified for trade benefits under AGOA.[13] • Madagascar's exports of textiles and garments to the United States were $64.5 million in the first half of 2001, thereby encouraging businesses to triple industrial investment. Investment in the industry in the first half of 2001 represented a 200 percent increase over the whole of 2000.[14]
Mauritius	• According to the Mauritius Freeport Authority, AGOA encouraged Mast Industries Ltd. (U.S.), the GAP (U.S.), Eddie Bauer (U.S.), and William E. Conner & Assoc. (Hong Kong) to open regional buying offices in the country. Also in the textile sector, Shenxi (China) was building a $60 million spinning mill. CMT Ltd. (Mauritius) and Indo Count Industries Ltd. (India) jointly invested $40 million in an additional cotton spinning plant. The Mauritius Board of Investment reviewed other projects worth over $100 million submitted by Indian, Swiss, and Italian companies.[15]

See footnotes at end of table.

Table ES-2-Continued
Selected examples of recent AGOA-related investment, employment increases, and industry output expansion, 2000-2002-Cont.

Country		Examples
Namibia	•	In early 2002, Ramatex Textiles (Malaysia) constructed an integrated textile and clothing complex in Windhoek's Otjimuise suburb. The Namibia Investment Center stated that negotiations were underway for two additional factories.[16]
Rwanda	•	The Hong Kong-based firm Competent Group of Garment Manufacturing announced plans to invest $11 million to establish a manufacturing plant in Rwanda. The plant is expected to provide employment for 2,500 Rwandans and to produce knitwear and cotton clothing for export to the U.S., European, and African markets.[17]
South Africa	•	In August 2001, Frame Textiles (South Africa) planned investments worth $25 million over the following two years to boost competitiveness and capacity in a bid to penetrate the U.S. market more effectively.[18]
	•	A representative of the Clothing Industry Export Council stated that AGOA-related activities and investment could lead to 300,000 new jobs in the clothing industry and a further 100,000 jobs in the textiles industry, with additional job opportunities in the agricultural sector from increased cotton production.[19]
	•	As of mid-2002, nearly 90,000 South Africans were employed in jobs related to industries accessing AGOA benefits.[20]
	•	As of September 2001, the main South African sectors to benefit from AGOA were the apparel, steel, and automotive sectors, as well as certain sectors of the fruit industry. Some parts of the fruit industry held a 50 percent share in the U.S. market.[21]
	•	According to the National Association of Automobile Manufactures of South Africa, the increase in exports of locally assembled cars and commercial vehicles in 2001 was, in part, due to AGOA.[22]
	•	In October 2000, Ramatex Textiles (Malaysia) invested $110 million in a textile mill and export garment factory in the Eastern Cape in an AGOA-related investment.[23]
Swaziland	•	In Swaziland, Nan Woei Industrial (Taiwan) invested $2.4 million in new sewing machines. Nien Hsing Textile opened a new denim plant in Swaziland, with a capacity of 45,000 dozen garments a month. The Swaziland factory, combined with Nien Hsing's factories in Lesotho, is expected to give the company a monthly output of 93,000 dozen garments. Nien Hsing invested NT $1 billion ($28.9 million) in a denim fabric mill which will produce 1.6 million yards per month.[24]
	•	The minister of finance stated that 18 foreign manufactures had indicated their intention to invest a total of E188 million ($21.9 million) in 2002 in order to gain U.S. market access through AGOA.[25]

See footnotes at end of table.

Table ES-2-Continued
Selected examples of recent AGOA-related investment, employment increases, and industry output expansion, 2000-2002-Cont.

Country	Examples
	• AGOA helped attract Tex-Ray (Taiwan) to Swaziland. The company invested $24 million to expand its factory. This investment is expected to create 4,000 new jobs.[26]
Uganda	• In February 2002, the Ugandan minister of Tourism and Trade launched Star Coffee. The firm invested about Shs 150 million ($85,000) in processing the coffee. For the first time in 100 years, a Ugandan firm added value to coffee and exported it as a processed product. The coffee was processed into instant coffee and exported to the United States.[27]
	• In order to take advantage of AGOA, the government encouraged farmers to grow cotton through its Cotton Development Organization. The historical cotton growing areas have resumed cotton production, and Uganda boasts of its excellent long staple cotton.[28]
	• OTK (South Africa) bought a cotton gin in Uganda to supply South African spinners with raw materials to fully exploit AGOA.[29]

[1] *EIU Viewswire*, "Botswana: Business: Industry Overview: Manufacturing," Apr. 8, 2002.

[2] *EIU Viewswire*, "Côte d'Ivoire: Business: Industry Overview: Manufacturing," Apr. 16, 2002.

[3] *Inter Press Service*, "Economy/ Africa Grew Faster in Developing World in 2001-Study," May 31, 2002.

[4] *EIU Viewswire*, "Sub-Saharan Africa: Economy: News Analysis: U.S. Trade Legislation has Brought Benefits for Some," Aug. 31, 2001.

[5] U.S. Department of State, "Lesotho Investment Climate Statement 2002," MASERU 00407, found at Internet address *http://www.itc.newsedge-web.com*, retrieved on June 14, 2002.

[6] *The Survivor* (Lesotho), "Africa a Focus for U.S. Investment," Jan. 24, 2002.

[7] *EIU Viewswire*, "Lesotho: Business: Industry Overview: Manufacturing," Apr. 8, 2002.

[8] *Manchester Trade: Africa Business & Policy Update*, "Taiwan: Garment Makers Expand Sub-Saharan Africa Plants," July 25, 2002.

[9] *Inter Press Service*, "Economy/ Africa Grew Faster in Developing World in 2001-Study," May 31, 2002.

[10] U.S. Department of State, Cable ANTANA 01768, Aug. 2, 2002.

[11] *Manchester Trade: Africa Business & Policy Update*, "USTR Robert B. Zoellick Visits Sub-Saharan Africa February 14-20," Feb. 21, 2002.

[12] *Manchester Trade: Africa Business & Policy Update*, "Investment Key to AGOA Success," July 31, 2002.

[13] *Inter Press Service*, "Economy/ Africa Grew Faster in Developing World in 2001-Study," May 31, 2002.

[14] *EIU Viewswire*, "Madagascar: Economy: News Analysis: Disruption to Exports Threatens Trade," Apr. 2, 2002.

[15] U.S. Department of State, Cable PORT L 00922, Aug. 9, 2002.

[16] *EIU Viewswire*, "Namibia: Business: News Analysis: Ramatex Textiles Complex on Track," Feb. 14, 2002.

[17] *BBC Monitoring*, "Hong Kong Textile Company Pledges to Invest 11m Dollars in Rwanda," Nov. 19, 2001.

[18] *EIU Viewswire*, "Sub-Saharan Africa: Economy: News Analysis: U.S. Trade Legislation has Brought Benefits for Some," Aug. 31, 2001.

[19] *EIU Viewswire*, "South Africa: Business: News Analysis: Textile Firms Come to Terms with Globalization," Dec. 8, 2002.

[20] *The Associated Press*, "Report Shows U.S. Trade Deal Boosting South Africa's Economy," Aug. 16, 2002.

Table ES-2-Footnotes Continued

[21] *Business Monitor International*, "South Africa: Quarterly Economic Outlook-Q4 2001 Economic Outlook," Sept. 28, 2002.

[22] *EIU Viewswire*, "South Africa: Business: News Analysis: Automotive and Pharmaceuticals Updates," Jan. 31, 2001.

[23] *EIU Viewswire*, "South Africa: Economy: News Analysis: Country Seeks Inroads into U.S. Market," Nov. 15, 2000.

[24] *Manchester Trade: Africa Business & Policy Update*, "Taiwan: Garment Makers Expand Sub-Saharan Africa Plants," July 25, 2002. (1 US $ = 34.7 NT.)

[25] *EIU Viewswire*, "Swaziland: Economy: News Analysis: Concern Grows Over AGOA Benefits," May 28, 2002. (1 US $ = 8.6 E.)

[26] *EIU Viewswire*, "Swaziland: Economy: News Analysis: U.S. has Renewed AGOA Eligibility," Feb. 14, 2002.

[27] Katamba Mohammed, "Local Firm Produces Instant Coffee for American Market," *The Monitor* (Kampala), Feb. 22, 2002. (1 US $ = 1,755.7 Shs.)

[28] U.S. Department of State, Cable KAMPAL 02074, Aug. 8, 2002.

[29] Jim Fisher-Thompson, "AGOA Creating New Jobs and Investment in South Africa: USTR Zoellick Will Visit the Country," *Manchester Trade: Africa Business & Policy Update,* Feb. 12, 2002.

- Table ES-3 presents examples where AGOA facilitated political reforms conducive to establishing investment-friendly environments. In an effort to establish and to maintain AGOA eligibility, various governments instituted changes, including reducing bureaucratic red tape, and improving and reforming land-use policies.

Foreign direct investment in sub-Saharan Africa

- In 2001, SSA received $14.3 billion in investments, or 7.7 percent of global foreign investment flows to developing countries. Almost one-half of 2001 inflows reflected the financial restructuring resulting from the sale of a South African company to a British firm. Without this transaction, investment flows would have totaled an estimated $6.9 billion, or a 9.2-percent decline from 2000.

- The drop in foreign investment flows was attributed to armed conflicts, political and policy uncertainty, and social problems that discouraged foreign investment. SSA countries were also adversely affected by a decrease in tourism activities after the terrorist attacks in the United States on September 11, 2001, and by low commodity prices that resulted in reduced investment flows to those sectors.

- In 2000, South Africa, Angola, and Nigeria were the largest recipients of global and U.S. foreign investment flows to SSA. U.S. investments were principally in the petroleum, mining, and manufacturing sectors.

Table ES-3
Selected examples of AGOA-related facilitation of investment and reform, 2000-2002

Country	Examples
Madagascar	• In an effort to maintain the AGOA-driven investment levels in the textile industry, the government announced plans to reduce regulatory hurdles, such as reducing waiting time for securing official approval for investment in the export processing zone and allowing the development of export processing zones on privately-owned land.[1]
Mauritius	• An advisor to the Prime Minister of Mauritius urged Indian businessmen to make investments in order to take advantage of AGOA.[2] • The Mauritian Information Technology Minister, while leading an information technology and telecommunications delegation to India, stated, "Our inclusion in the Africa Growth and Opportunities Act can also be leveraged [as an investment opportunity]."[3]
Nigeria	• The Nigerian government assisted Nigerian manufacturers in exporting goods to the United States under the AGOA program in order to achieve export expansion and diversification, as well as to improve the Nigerian economy.[4]
Senegal	• The government expended significant energy to attract investors interested in relocating existing apparel factories to Senegal, in particular from Mauritius, in order to access AGOA benefits.[5]
Swaziland	• In 2001, Swaziland was warned that it would lose its AGOA benefits if its human rights record did not improve. The embassy of Taiwan in Swaziland expressed, for the first time, disapproval towards an action of the Swaziland government. Taiwan is a significant investment source for the manufacturing sector, which the Swaziland government is trying to develop to take advantage of the AGOA program.[6]
Tanzania	• In February 2002, Tanzania qualified for textile and apparel benefits under AGOA. AGOA eligibility conditions were similar to eligibility criteria for the IMF/World Bank HIPC initiative. Policy initiatives aimed at attaining AGOA eligibility assisted Tanzania to also meet IMF and World Bank requirements, and thereby to qualify for the HIPC debt relief program.[7]
Uganda	• In November 2001, Uganda completed the last step for AGOA approval by amending the Customs Management Act. The Uganda Investment Authority stated that the government must allow foreign ownership of real estate before maximum AGOA benefits will be realized.[8]

[1] *EIU Viewswire*, "Madagascar: Economy: News Analysis: New Figures Confirm Surge in Exports to U.S.," Dec. 26, 2001.
[2] *Businessline* (Islamabad), "India: "Mauritius, a Gateway to U.S. Markets," Feb. 19, 2001.
[3] *Businessline* (Islamabad), "India: Mauritius Seeks Help to Become Cyber Island," Mar. 15, 2001.
[4] *Asia Intelligence Wire*, "Government to Assist Manufacturers Export Under AGOA," July 26, 2002.
[5] U.S. Department of State, Cable DAKAR 01864, July 25, 2002.
[6] *EIU Viewswire*, "Swaziland: Politics: News Analysis: A Controversial Royal Decree," Aug. 13, 2001.
[7] *Manchester Trade: Africa Business & Policy Update*, "Tanzania Gains Textile Free Trade with U.S.," Feb. 14, 2002.
[8] *EIU Viewswire*, "Uganda: Economy: News Analysis: Africa Growth and Opportunity Act to Create Jobs," Nov. 7, 2001

Regional integration

- During 2001, progress on economic regional integration in sub-Saharan Africa continued to move slowly, and remained hampered by political instability and economic problems in some member countries.
- The Economic Community for West African States (ECOWAS) committed to proceed toward a common currency. The Southern African Customs Union (SACU) agreed to a new tariff revenue-sharing formula to disburse more equitably tariff collections among its members. The Tripartite Commission for East African Co-operation (EAC) was officially inaugurated in January 2001 after ratification of the treaty by all three member countries: Kenya, Uganda and Tanzania.
- A single passport was implemented for travel throughout the CEMAC region in July 2001. In April 2002, CEMAC created a regional coordination and administration committee mandated to conclude an economic partnership agreement with the European Union (EU).

U.S. Trade Capacity-Building Initiatives

- In 2001, USAID undertook a survey of U.S. government agencies' trade capacity-building initiatives. Based on this survey, 14 percent, or $192 million, of the $1.3 billion distributed to all developing and transitional countries during FY1999 through FY2001 went to trade capacity-building initiatives in SSA.
- Although numerous government agencies were involved in this effort, USAID represented more than 50 percent of total SSA funding for FY1999 through FY2001.
- U.S. government agencies provided assistance through various funding channels with the largest share (25.9 percent) falling under the "trade facilitation" category. Ghana was the primary recipient in SSA, receiving more than 30 percent and more than 18 percent of total SSA funding for FY1999 through FY2001, and FY 2001, respectively.

Other Trade-Related Initiatives

- GSP, first approved by GATT members in 1971, was made permanent with the 1979 "Enabling Clause." GSP programs represent the main trade preferences programs carried out by developed countries.

- As of mid-2002, 16 GSP programs were in operation, carried out by 28 developed countries. Each country designs and maintains its own GSP program with regard to product coverage and country eligibility.

- As of mid-2002, the United States granted preferences to 147 developing countries; the EU granted preferences to 167 developing countries; Japan granted preferences to 163 developing countries; and Canada granted preferences to 181 developing countries.

- The main impact of the Everything But Arms Initiative is expected to be the liberalization of certain agricultural markets covered under the Common Agricultural Policy. EU duties on highly sensitive products–bananas, rice, and sugar—will be gradually eliminated between Jan. 1, 2002 and Sept. 1, 2009.

Sector Profiles

The five sectors discussed below are: agriculture, fisheries, and forest products; chemicals; petroleum and energy-related products; minerals and metals; and textiles and apparel. Table ES-4 provides a tabular overview comparing U.S. imports, U.S. exports, and U.S. FDI positions in these five sectors.

Agriculture, Fisheries, and Forest Products

- SSA represents a relatively small market for U.S. exports of agriculture, fisheries, and forest products, about 1 percent, by value, in 2001. Such exports declined 13 percent, by value, that year compared with the previous year. Major SSA markets for U.S. sector exports in 2001 included Nigeria, which accounted for about one-third of the total, and South Africa, which accounted for one-quarter. Grains were the principal products, accounting for nearly one-half of total U.S. sector exports to SSA in 2001.

- SSA also is a minor source of U.S. imports of agriculture, fisheries, and forest products, about 1 percent in 2001. U.S. sector imports from SSA declined 6 percent in 2001 compared with the previous year. Major SSA suppliers in 2001 included Côte d'Ivoire and South Africa, each of which accounted for about one-quarter of the total. Principal products included cocoa beans, vanilla beans, tobacco, and coffee.

Table ES-4
SSA sector profile summary data, 2001

(*Million Dollars*)

	U.S.-SSA trade										
	U.S. imports										
	Total			AGOA/GSP			U.S. exports			U.S. FDI Position	
Sector	Value	Major sources	Major products	Value	Major sources	Major products	Value	Major markets	Major products	Value	Major countries
Agriculture, fisheries, and forest products	956	Côte d'Ivoire, South Africa	Cocoa, coffee	175	South Africa, Malawi	Sugar, fruit and nuts	796	Nigeria, South Africa	Cereals, printed matter	90	South Africa
Chemicals	648	South Africa, Nigeria	Organic chemicals, inorganic chemicals	128	South Africa, Kenya	Inorganic chemicals, organic chemicals	811	South Africa, Nigeria	Rubber and plastics, organic chemicals	346	South Africa
Petroleum and energy-related products	14,300	Nigeria, Angola, Gabon	Crude petroleum	6,800	Nigeria	Crude petroleum	119	South Africa, Nigeria	Refined petroleum products	5,378	Nigeria, Guinea, Angola
Minerals and metals	3,100	South Africa	Diamonds, precious metals	319	South Africa	Iron, steel, aluminum	250	South Africa, Nigeria	Articles of iron or steel	177	South Africa, Zimbabwe
Textiles and apparel	992	Mauritius, Lesotho, South Africa	Woven and knit apparel	358	Lesotho, Madagascar, Kenya	Woven and knit apparel	120	South Africa, Nigeria, Tanzania	Used clothing and textiles	([1])	([1])

[1] Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce; U.S. Department of Energy; *Mining Africa Yearbook*, 2002.

- U.S. imports under AGOA (including GSP) in 2001 represented about 18 percent of total sector imports from SSA, but only about 2 percent of total imports under the program. Principal suppliers were South Africa, Malawi, and Côte d'Ivoire. Major products imported under the program included sugar, tobacco, and oranges.

- The U.S. FDI position in the SSA food and kindred products sector is relatively minor, accounting for less than 1 percent of total U.S. FDI in the region in 2001. South Africa was, by far, the leading SSA country for which U.S. sector FDI position data were reported in 2001. Numerous U.S.-based food corporations operate in the region, and investment activity was reported in 2001 by U.S. firms such as Coca-Cola, Cargill, and H.J. Heinz.

- Numerous multilateral lending institutions have financed projects in this sector in the region. Such projects range from micro-credit programs for individual farmers to large loans for infrastructure and rural development projects.

Chemicals

- Chemical production in South Africa accounted for 5 percent of South Africa's gross domestic product (GDP) and 25 percent of all South Africa's sales of manufactured products. Production was dominated by such chemical end-use products as soaps and synthetic detergents, pharmaceuticals, rubber and plastics products, and fertilizers, and was primarily targeted at meeting local needs.

- South Africa was by far the SSA country most involved in international trade in chemicals, accounting for 71 percent of SSA chemical exports and 39 percent of SSA chemical imports. Major imports by SSA nations included pharmaceuticals, and truck and bus tires. SSA exports were primarily organic and inorganic chemicals, and natural rubber.

- A major concern of potential investors in developing the sub-Saharan Africa chemical industry was the limited potential for a reasonable return on their investment. Despite ample domestic natural resources to support a petrochemical industry, ancillary issues complicate possible major multinational investments. For example, conflicts and political unrest in the regions where the necessary resources, primarily petroleum and natural gas, are found have already complicated the delivery of these materials to established energy industry facilities.

Petroleum and Energy-Related Products

- SSA accounted for less than 1 percent of the total value of U.S. exports of the products in this sector. U.S. exports to SSA consisted of refined petroleum products (85 percent) and specialty coals (14 percent). U.S. imports of petroleum and energy-related products from SSA accounted for about 10 percent of the total value of U.S. imports of these products from all sources. Crude petroleum from Nigeria, Angola, and Gabon was the primary U.S. import in this sector from SSA. The only significant AGOA import in this sector was crude petroleum from Nigeria, which accounted for 80 percent of total sector AGOA imports in 2001.

- The state-owned petroleum industries in Angola and Nigeria entered into joint venture agreements with large multinational petroleum companies. Joint ventures accounted for about 90 percent of Nigeria's total production of crude petroleum during 2000-2001. However, foreign operators reportedly remained reluctant to commit to future exploration and development plans because of Nigerian arrearages in such programs. While a joint venture with Royal Dutch Shell produced nearly 50 percent of Nigeria's total production of crude petroleum during 2000-2001, U.S. investment in the industry has decreased significantly since 1998.

Minerals and Metals

- The minerals and metals sector was one of the most important sectors in SSA, because the region has vast natural resources. The sector provided significant employment and export revenues for many countries.

- Important products included diamonds, platinum-group metals, ferroalloys, iron / steel, and aluminum. Prices for key metals continued their 5-year decline through 2001 as a result of global overproduction and global economic stagnation, resulting in sector contraction and reduced economic growth in many countries.

- The minerals and metals sector accounted for 25 percent of total regional export value. More than 75 percent of exports were concentrated in four product groups: precious metals, gemstones, ores and concentrates, and ferroalloys. SSA imports included metal construction products, largely to support the growth of the oil and gas industries.

- South Africa dominated sector production and was the leading U.S. supplier. The country increased its U.S. import market share to 90 percent in 2001.

- FDI in the SSA minerals and metals sector has been limited recently by the political and economic instability in minerals and metals countries, the worldwide economic slowdown, and weak metals prices. Investment in mineral exploration expenditures declined by 31 percent to $494 million in 2001.

- Governments in the region actively promoted and sought foreign investment through enhanced financial, taxation, private property, and regulatory laws. In contrast, South Africa's 2002 Minerals Bill, which will return ownership of mineral tracts to the state, is claimed by producers to negatively affect investment as well as the financial health of the companies working in that country.

Textiles and Apparel

- Mauritius, South Africa, Kenya, Zimbabwe, and Madagascar were the top five SSA textiles and apparel producers. SSA countries accounted for less than one percent of world exports of textiles and apparel to the global market. Textile and apparel industries were, however, significant contributors to industrial production and sources of employment in many SSA countries.

- SSA countries offer relatively low labor rates and ample labor pools. However, poverty, the lack of capital, obsolete machinery, insufficient raw materials (such as yarns and fabrics), low labor productivity, and inadequate infrastructure in many SSA countries limited the competitiveness of their textile and apparel industries.

- SSA countries are implementing programs and policies to expand their textile and apparel industries and thereby boost their level of industrialization. Export processing zones with attractive corporate incentives have been established and some state-run industries have been privatized.

- On Oct. 1, 2000, AGOA authorized preferential treatment for qualifying textiles and apparel from eligible SSA countries for 8 years. AGOA allowed the President to proclaim duty-free and quota-free treatment to apparel assembled in SSA countries from U.S.-origin fabrics, as well as specified quantities of apparel made from "regional fabrics" that are produced in SSA countries from U.S. or SSA yarns. On Aug. 6, 2002, President Bush signed the Trade Act of 2002, which authorized an increase in the size of the caps, clarified that preferential treatment is provided for garments assembled from knit-to-shape components in SSA countries, allowed lesser developed designated beneficiaries to use third-country fabrics under the regional cap, and made Namibia and Botswana eligible for this designation.

- SSA accounted for less than 1 percent of total U.S. exports in 2001. Used clothing accounted for 51 percent of total U.S. exports of textiles and apparel to SSA.

- U.S. imports of textiles and apparel from the SSA countries rose by 26 percent in 2001 over 2000, to $992 million, which can likely be attributed to the implementation of AGOA. Leading articles imported from the SSA countries were cotton sweaters, trousers, and shirts, as well as wool or cashmere sweaters.

- SSA countries have recently expanded incentives to attract foreign investment in the textile and apparel industries. Known U.S. investors and apparel buyers include Levi Strauss, Sara Lee, Victoria's Secret, the Gap, Nordstroms, and Wal-Mart. The International Finance Corporation has approved projects and loans to modernize certain textile facilities in SSA. Some SSA countries have recently been troubled, however, by political instability that has disrupted textile operations and led to some plant closures.

Country Profiles

- While SSA generally continued to implement economic reforms and to move toward market-based economies, the pace of reform has slowed. A key reason for the deceleration is that many governments have completed the politically easy reforms and now face the more politically difficult reforms, such as privatization of utilities, reduction in civil servant rosters, and addressing agricultural subsidies.

- SSA generally experienced a relatively strong 4.3 percent GDP growth in 2001 in part because of robust agricultural performance in East Africa, cessation of some regional conflicts, and improved macroeconomic management. This performance was substantially better than the 1 percent increase from 1999 to 2000. Disparities remained widespread as a total of 36, or 80 percent, of the countries ranked below the region's average per capita GDP in 2001.

- Debt levels, decreasing aid levels, continued reliance on primary commodities experiencing declining international prices, political upheavals, retrenchment away from macroeconomic reforms, and the AIDS/HIV pandemic continued to impede reaching the estimated 6- to -7 percent growth rate necessary for sustained economic development.

- Most of the governments in SSA are World Trade Organization (WTO) members or are involved as WTO observers. Thirty-eight governments in SSA are WTO members, while three others have established accession working parties, and others have requested observer status without as yet electing to accede to the WTO. Many governments resort to excessive and prohibitive tariffs and additional non-tariff charges and do not promote the transparency of a tariff regime that would reduce uncertainty for traders that would allow for expanded trade.

- Economic growth varied significantly in 2001, ranging from a petroleum-led annual growth rate of 65 percent in Equatorial Guinea to economic implosion and an annual growth rate of negative 7.5 percent in Zimbabwe. South Africa and Nigeria combined accounted for approximately 48 percent of the total SSA GDP in 2000.

- The top-ranking countries, by 2001 per capita income, were Seychelles, Mauritius, Gabon, South Africa, and Botswana, of which, only Gabon represents a substantial petroleum-producing country. The countries with the lowest 2001 per capita income were Ethiopia, Burundi, Eritrea, Sierra Leone, and Malawi, all of which, except Malawi, continued to experience significant internal or regional conflict.

- SSA world trade volume has increased by only 10 percent, relative to world trade volumes that tripled in the last two decades. Although some countries have successfully diversified their trade structure in recent years, including Madagascar, Mauritius, and Senegal, most countries' trade relied heavily on a limited number of primary products, many of which continued to experience volatile or declining international prices.

- FDI flows into Africa fell in 2000, bringing the continent's share of global FDI to less than 1 percent. Frequent factors inhibiting investment into many SSA countries were inadequate infrastructure, especially transportation; a small domestic market size; lack of political or bureaucratic transparency; social unrest; and high input costs, such as energy or imported inputs.

- Generally, sectors experiencing the most privatization or non-petroleum investment were:
    - telecommunications in Burkina Faso, Gabon, The Gambia, Ghana, Kenya, Mali, Mauritania, Rwanda, and South Africa;
    - banking and finance in Angola, Guinea-Bissau, Mauritius, Mozambique, Sudan, and Tanzania; and
    - textiles and apparel in Benin, Cape Verde, Lesotho, Madagascar, Mauritius, and Swaziland.

TABLE OF CONTENTS

TABLE OF CONTENTS—*Continued*

TABLE OF CONTENTS—*Continued*

Page

TABLE OF CONTENTS—*Continued*

Page

TABLE OF CONTENTS—*Continued*

TABLE OF CONTENTS—*Continued*

TABLE OF CONTENTS—*Continued*

TABLE OF CONTENTS—*Continued*

TABLE OF CONTENTS—*Continued*

TABLE OF CONTENTS—*Continued*

Glossary of Abbreviations and Acronyms

ADB	Asian Development Bank
AfDF	African Development Fund
AfDB	African Development Bank
AGOA	African Growth and Opportunity Act
ATIA	African Trade Insurance Agency
ATRIP	African Trade and Investment Policy Program
AU	African Union
CACEU	Central African Customs and Economic Union
CEMAC	Communauté Economique et Monétaire de l'Afrique Centrale
CFA	Communauté Financière Africaine
CMA	Common Monetary Area
COMESA	Common Market for Eastern and Southern Africa
DROC	Democratic Republic of the Congo
EAC	Tripartite Commission for East African Cooperation
ECA	United Nations Economic Commission for Africa
ECOWAS	Economic Community of West African States
EU	European Union
FDI	Foreign direct investment
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GSP	U.S. Generalized System of Preferences
HIPC	Heavily Indebted Poor Countries
HTS	Harmonized Tariff Schedule
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFC	International Finance Corporation
IGAD	Intergovernmental Authority on Development
IMF	International Monetary Fund
IOC	Indian Ocean Commission
JSE	Johannesburg Stock Exchange
MIGA	Multilateral Investment Guarantee Agency
NEPAD	New Partnership for African Development
NTF	Nigerian Trust Fund
OAU	Organization of African Unity
PRGF	Poverty Reduction Growth Facility
PRSC	Poverty Reduction Support Credit
PRSP	Poverty Reduction Strategy Paper
ROC	Republic of the Congo

Glossary of Abbreviations and Acronyms-Cont.

SACU	Southern African Customs Union
SADC	Southern African Development Community
SDR	Special Drawing Rights
SSA	Sub-Saharan Africa
TDA	U.S. Trade and Development Agency
TRIPS	Agreement on Trade-Related Aspects of Intellectual Property Rights
UDEAC	l'Union Douanière et Economique
UEMOA	Union Economique et Monétaire Ouest Africaine
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
URA	Uruguay Round Agreements
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USDOC	U.S. Department of Commerce
USITC	U.S. International Trade Commission
USTR	United States Trade Representative
WAEMU	West African Economic and Monetary Union
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

INTRODUCTION

Purpose and Organization of the Report

This is the third report in a 5-year series documenting U.S.-sub-Saharan Africa (SSA) trade and investment flows.[1] In a letter dated Apr. 12, 2000,[2] the United States Trade Representative (USTR) asked the U.S. International Trade Commission (Commission or USITC) to submit, annually for 5 years, a report that provides:

- an analysis of U.S.-SSA merchandise trade and services trade flows;
- country-by-country profiles of the economies of each SSA country, including information on major trading partners, and a summary of the trade and investment climates in each;
- a summary of U.S. foreign and total direct investment and portfolio investment in SSA;
- information on SSA privatization efforts;
- updates on progress in regional integration in SSA, including statistics on U.S. trade with the major regional groupings; and
- a summary of multilateral and U.S. bilateral assistance to SSA countries.

In a supplementary letter dated July 10, 2002,[3] the USTR asked the Commission to provide the following additional information:

- the value of U.S. imports from SSA under the African Growth and Opportunity Act, including its GSP provisions, by beneficiary country and major product categories;
- information on investment developments related to AGOA;

[1] In a letter dated June 5, 1996, the USTR asked the Commission to submit, annually for 5 years, the specified report. A first series of reports resulted from section 134 of the Uruguay Round Agreements Act (URAA), which directed the President to develop a comprehensive trade and development policy for the countries of Africa, and to report to the Congress annually for 5 years on the steps taken to carry out that mandate. The Statement of Administrative Action approved by the Congress in the URAA broadly outlined the Administration's plans for this work, and the assistance needed from the Commission for the President to fulfill this assignment. The series consisted of five reports, produced over the period 1995-1999. See USITC, *U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy*, Fifth Annual Report, USITC pub. 3250, October 1999.

[2] Copy of the request letter is in appendix A.

[3] Copy of the supplemental letter is in appendix A.

- a description and analysis of major SSA export sectors;
- expanded information on regional integration in SSA, including information on the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC);
- a description of major U.S. trade capacity-building initiatives related to SSA; and
- a description of major non-U.S. trade preference programs for countries in SSA.

The request letters acknowledged that the information included in the USITC reports would be useful in USTR's work and also in meeting any additional reporting requirements stemming from AGOA.

The report contains six chapters and two appendices. Chapter 1 presents information on U.S. merchandise and services trade with SSA. The services trade analysis includes information on cross-border and affiliate transactions. Chapter 2 presents information on AGOA-related imports and investment. Chapter 3 addresses foreign investment (both direct and portfolio investment) in the SSA region. The chapter also updates and expands the coverage of integration initiatives in the SSA region provided in the last USITC report.[4] Chapter 4 is a compilation of multilateral assistance, U.S. bilateral assistance and other trade-related initiatives related to the SSA region in 2001. Chapter 5 contains a description and analysis of selected SSA export sectors. The sector profiles present information on production, trade and investment for various industry sectors in SSA. Chapter 6 contains country profiles for each of the 48 countries of SSA, including basic economic data as well as a synopsis of the trade and investment climate of each country. The formal requests from the USTR to the Commission for this study are included in appendix A. Relevant statistics on U.S.-SSA trade are included in appendix B.

Approach

The data included in the report generally cover either calendar or fiscal year 2001, depending on availability. In cases where it is useful to show a trend, data for 1997 through 2001 are provided. Developments in economic, trade, and commercial policies cover the period from January 2002 through mid-2002, when possible.

[4] In addition, the previous series of five reports included information on progress on regional integration in SSA. See, for example, USITC, *U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy*, Fifth Annual Report, Inv. No. 332-360, USITC pub. 3250, October 1999, pp. 2-22 through 2-34.

Online web-pages dedicated to data on trade covered under AGOA and all other U.S. trade with SSA are available at the USITC website *http://reportweb.usitc.gov/africa*. These tables will provide year-to-date statistics that update the information contained in certain tables of the published report. The website will be automatically updated with quarterly data as the data become available from the U.S. Department of Commerce (USDOC).

Numerous data sources were used to compile the information in this report. Annual data on the value of U.S. exports to, and imports from, SSA were obtained from the USDOC. Data on U.S. investment flows to SSA were obtained from USDOC and the U.S. Department of the Treasury (Treasury). Information on major developments in the WTO likely affecting U.S.-SSA trade flows was collected from the WTO and other public data sources. Information on U.S. trade and economic activities potentially affecting U.S.-SSA trade and investment flows was collected from USDOC, the U.S. Department of State (State), the U.S. Agency for International Development (USAID), Treasury, the Export-Import Bank of the United States (Eximbank), the Overseas Private Investment Corporation (OPIC), the U.S. Department of Agriculture (USDA), the U.S. Trade and Development Agency (TDA), and other relevant U.S. agencies.

Data on trade and economic policy changes in countries in SSA, as well as information on multilateral project lending, were obtained from USDOC, State, the World Bank, the African Development Bank, the International Monetary Fund, and the Economist Intelligence Unit. In addition, U.S. embassies in the SSA region provided important trade and investment information.

Scope of the Report

As requested by USTR, only the countries of SSA are covered by this report. Figure 1 shows the 48 countries of SSA covered in this investigation. The countries are:

Angola
Benin
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
Chad
Comoros
Côte d'Ivoire

Madagascar
Malawi
Mali
Mauritania
Mauritius
Mozambique
Namibia
Niger
Nigeria
Republic of the Congo
Rwanda

Democratic Republic of the Congo	São Tomé and Principe
Djibouti	Senegal
Equatorial Guinea	Seychelles
Eritrea	Sierra Leone
Ethiopia	Somalia
Gabon	South Africa
The Gambia	Sudan
Ghana	Swaziland
Guinea	Tanzania
Guinea-Bissau	Togo
Kenya	Uganda
Lesotho	Zambia
Liberia	Zimbabwe

All of these countries are classified by the World Bank as developing countries. However, although the countries of SSA share many common characteristics, they vary widely in terms of population, size, geography, natural resources, stage of development, and political stability.[5]

This report also covers U.S. trade flows with the following SSA regional and subregional organizations: the Economic Community of West African States (ECOWAS), the West African Economic and Monetary Union (WAEMU), the Common Market for Eastern and Southern Africa (COMESA), the Southern Africa Development Community (SADC), the Southern Africa Customs Union (SACU), and the Tripartite Commission for East African Cooperation (EAC). At the request of the USTR, the report also discusses the Intergovernmental Authority on Development (IGAD), the Indian Ocean Commission (IOC), and the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC).

[5] See USITC, *U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy*, First - Fifth Annual Reports, USITC pubs. 3000 and 3250, pp. 1-4.

Figure 1
Map of sub-Saharan Africa

The illustration of the map in this figure is an artistic representation of the countries of sub-Saharan Africa. It is not drawn to scale, nor is it intended to depict political or geographical boundaries.

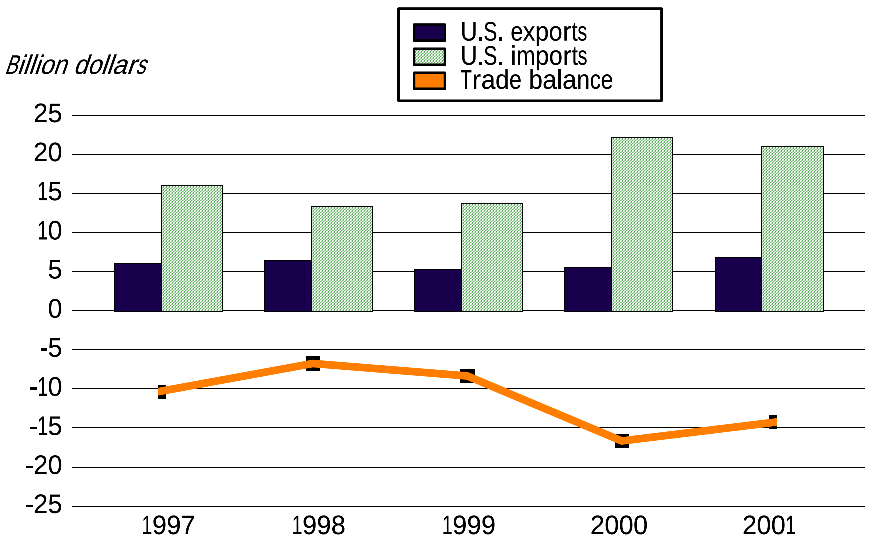
CHAPTER 1
U.S. Merchandise and Services Trade With Sub-Saharan Africa

This chapter discusses the pattern of U.S.- SSA merchandise trade from 1997 to 2001, and services trade flows from 1996 to 2000 (the most recent year for which data on services trade are available). The pattern of merchandise trade is presented by major trading partners and commodity sectors, and for the SSA region as a whole. Data beginning with 1990 are available in prior Commission reports.[1]

U.S. Merchandise Trade

Figure 1-1 shows the trend in U.S.-SSA merchandise trade from 1997 to 2001. In 2001, total merchandise trade (exports plus imports) between the United States and SSA remained at $27.8 billion.[2] The 5.2 percent decline in U.S. imports from the region,

Figure 1-1
U.S. trade with sub-Saharan Africa, 1997-2001



Source: Compiled from official statistics of the U.S. Department of Commerce.

[1] For data series beginning in 1990, see USITC, *U.S.-Africa Trade Flows and Effects, First Report*, USITC pub. 2938, January 1996, table 2-1, p. 2-2.

[2] This report analyzes changes in U.S. merchandise trade on a value basis. A principal reason for the use of value data is that aggregate trade data by quantity are generally not available. Consequently, it is possible (if prices fluctuate significantly) for the value of trade to change considerably, but the quantity of trade to remain the same. Where possible, this report also provides trade information on a quantity basis.

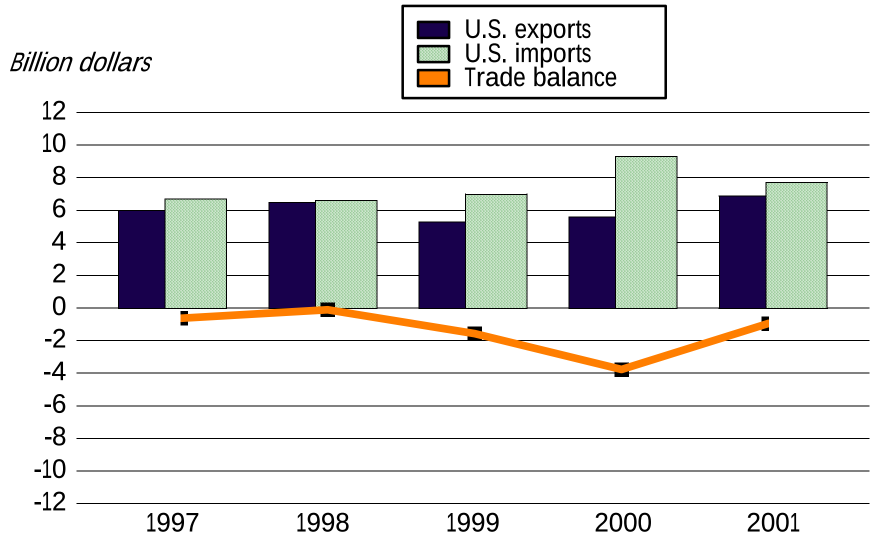
from $22.2 billion in 2000 to $21.1 billion in 2001, was offset by a 21.3 percent increase in U.S. exports to the region, from $5.6 billion in 2000 to $6.8 billion in 2001. The sharp rise in U.S. exports was primarily the result of a 58.8 percent increase in transportation equipment and a 20.0 percent increase in machinery products. Kenya and Nigeria accounted for almost one-half the increase in total U.S. exports to the region. U.S. exports to Kenya rose by $338.4 million, or by 143.7 percent, with most of the increase concentrated in the transportation sector (up by $319.7 million or by 260.9 percent). Exports to Nigeria increased by $235.0 million or 33.0 percent, with much of the change accounted for by increases in exports of agricultural products (up by $67.2 million, or by 37.6 percent), transportation equipment (up by $54.8 million, or by 23.9 percent), electronics (up by $44.9 million, or by 106.7 percent) and machinery (up by $28.8 million, or by 23.4 percent).

With respect to imports, the United States purchased $21.1 billion of merchandise from SSA in 2001, a decrease of 5.2 percent, compared to 2000. Nigeria, Angola, and Gabon accounted for most of the decline of total imports from the region. U.S. imports from Nigeria declined by $763.7 million, or by 7.9 percent, with most of the decline concentrated in the chemicals and related products sector (down by $684.9 million, or by 72.6 percent). Imports from Angola declined by $567.7 million or by 17.0 percent, largely because of a sharp decline in energy-related products (down by $552.7 million, or by 16.6 percent). U.S. imports from Gabon declined by $306.3 million, or by 15.0 percent, mostly because of a decline in energy-related products (down by $204.1 million, or by 10.8 percent).

The decline in total imports from the region was partly offset by increased U.S. imports from Equatorial Guinea, South Africa, and Madagascar. U.S. imports from Equatorial Guinea increased by $240.9 million, or 155.7 percent, mainly because of an increase in energy-related imports (up by $202.6 million, or by 132.8 percent). However, U.S. imports of energy-related products from Equatorial Guinea represented only a small share (2.5 percent) of total U.S. imports of energy-related products from SSA in 2001. For more information on the SSA energy-related products sector, see the petroleum and energy-related sector profile in chapter 5. Imports from South Africa increased by $225.9 million, or by 5.4 percent, primarily because of an increase in imports of transportation equipment (up by $216.6 million, or by 119.0 percent). U.S. imports from Madagascar increased by $114.1 million, or 72.3 percent, because of imports of textiles and apparel (up by $68.8 million, or by 62.6 percent) and imports of agricultural products (up by $44.4 million, or by 112.0 percent). For more information on the transportation sector in South Africa, and the textiles and apparel sector in Madagascar, see the respective country profiles in chapter 6.

The result was a U.S. trade deficit of $14.3 billion with SSA in 2001, a decrease of 14.1 percent over the deficit in 2000. Following a sharp increase of 35.0 percent to $9.3 billion in 2000, U.S. nonpetroleum imports declined in 2001 by 17.8 percent to $7.7 billion. Nonpetroleum trade with SSA is presented in figure 1-2.

Figure 1-2
U.S. nonpetroleum trade with sub-Saharan Africa, 1997-2001



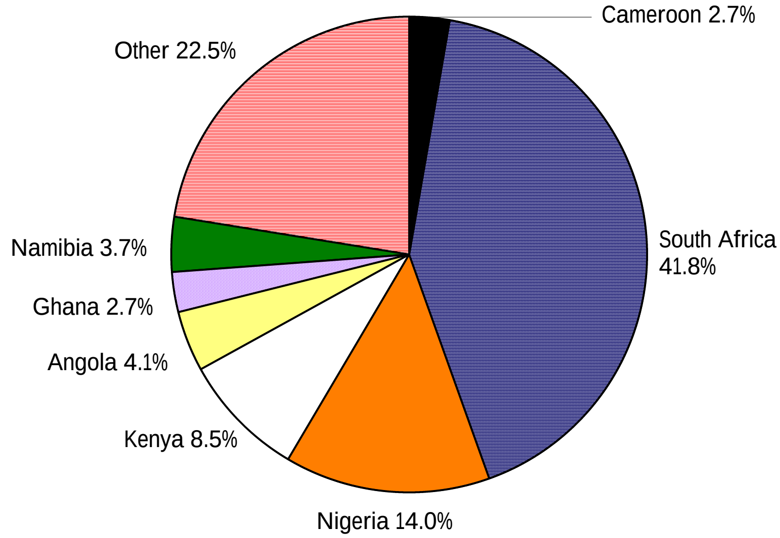
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. Merchandise Exports

Figure 1-3 presents U.S. exports to SSA by major trading partner. The largest U.S. market in 2001 remained South Africa, which accounted for 41.8 percent of U.S. merchandise exports to the region, down from a 50.9 percent share in 2000. Other leading U.S. export markets were Nigeria (14.0 percent of the total), Kenya (8.5 percent), Angola (4.1 percent), Namibia (3.7 percent), Cameroon (2.7 percent), and Ghana (2.7 percent). Cameroon became the sixth largest market for U.S. exports as a result of a $125 million increase in 2001, including a $122 million increase in purchases of U.S. transportation equipment.

A total of 35 countries in the region increased purchases of U.S. merchandise exports in 2001, while 13 recorded a decrease. The largest increases in U.S. exports in 2001 were to Kenya (up by $338.4 million, or by 143.7 percent), Nigeria (up by $235.0 million, or by 33.0 percent), Namibia (up by $170.9 million, or by 217.8 percent), Seychelles (up by $169.0 million, or by 2,424.1 percent), Chad (up by $125.7 million, or by 1,166.0 percent), and Cameroon (up by $125.1 million, or by 212.2 percent). The largest decreases in U.S. exports to the region in 2001 were to Ethiopia (down by $104.4 million, or by 63.2 percent), Mozambique (down by $29.6 million, or by 51.1 percent), Zimbabwe (down by $21.6 million, or by 40.9 percent), Equatorial Guinea (down by $15.1 million, or by 16.0 percent) and Burkina Faso (down by $11.2 million, or by 71.7 percent).

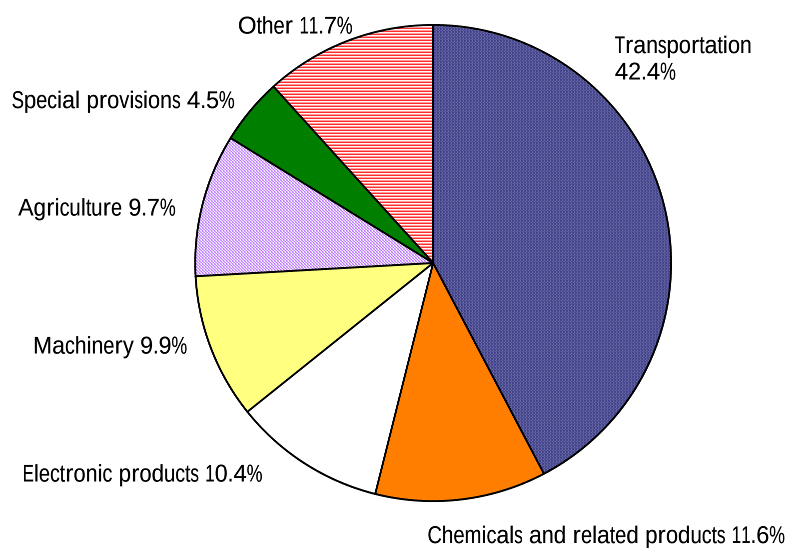
Figure 1-3
U.S. exports to major sub-Saharan Africa trading partners, 2001



Source: Compiled from official statistics of the U.S. Department of Commerce.

As shown in figure 1-4, transportation equipment accounted for the largest share of U.S. merchandise exports to the SSA region, accounting for 42.4 percent of the total in 2001, compared with 32.4 percent in 2000. U.S. exports of chemicals and related products accounted for 11.6 percent of all U.S. exports to the region, down from 12.8 percent in 2000. Electronic products accounted for 10.4 percent of the total in 2001,

Figure 1-4
U.S. exports to sub-Saharan Africa by commodity sectors, by share, 2001



Source: Compiled from official statistics of the U.S. Department of Commerce.

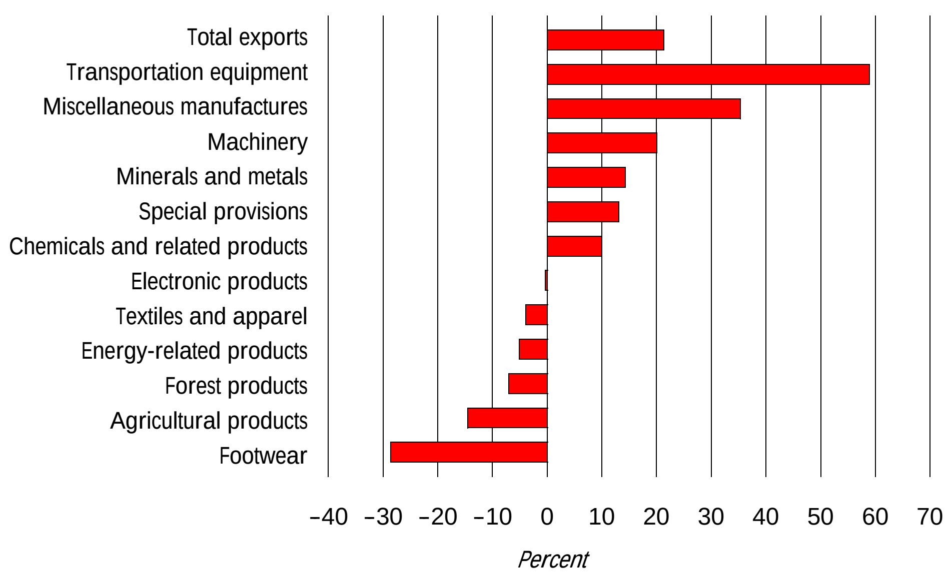
compared to 12.6 percent in 2000. Machinery products decreased slightly to 9.9 percent from 10.0 percent in 2000, while agricultural exports accounted for 9.7 percent in 2001, down from 13.8 percent in 2000.

In absolute terms, U.S. merchandise export sectors with large increases to the SSA region in 2001 included transportation equipment (up by $1.1 billion, or by 58.8 percent), machinery (up by $110.9 million, or by 20.0 percent), and chemicals and related products (up by $70.0 million, or by 10.0 percent). U.S. exports of agricultural products to the region decreased by $111.7 million, or by 15.0 percent. Figure 1-5 presents U.S. export growth rates by commodity sector for 2001; table 1-1 provides data on U.S.-SSA exports and imports by major commodity sector for 1997-2001; and table 1-2 shows the major U.S. commodity exports to SSA at the six-digit level of the Harmonized Tariff Schedule (HTS) for this same period.

U.S. Merchandise Imports

U.S. merchandise imports from SSA decreased by $1.2 billion (or by 5.2 percent) in 2001, following a 61.5 percent increase in 2000. Figure 1-6 shows U.S. imports from SSA by major trading partner. Nigeria remained the largest supplier of U.S. imports from SSA, with $8.9 billion in sales (mostly of petroleum) to the United States, representing 42.3 percent of U.S. imports from the region in 2001. South Africa ranked second, with $4.4 billion in sales (of minerals and metals and transportation

Figure 1-5
U.S. exports to sub-Saharan Africa: Growth rates by commodity sectors, 2001



Source: Compiled from official statistics of the U.S.Department of Commerce.

Table 1-1
Sub-Saharan Africa: U.S. exports of domestic merchandise, imports for consumption, and merchandise trade balance, by major commodity sectors, 1997-2001[1]

(Dollars)

Item	1997	1998	1999	2000	2001
U.S. exports of domestic mercandise:					
Agricultural products	755,915,550	781,187,266	727,752,959	768,772,931	657,105,328
Forest products	205,130,047	193,993,785	154,984,055	158,991,910	147,568,278
Chemicals and related products	741,108,062	677,917,845	610,074,033	709,665,103	779,699,927
Energy-related products	223,822,622	202,882,624	150,167,321	157,501,223	149,189,241
Textiles and apparel	207,255,581	177,826,783	146,319,258	136,098,142	130,527,065
Footwear	17,161,838	14,986,246	16,736,266	14,183,111	10,113,957
Minerals and metals	248,299,973	257,843,682	221,514,187	218,888,636	250,058,717
Machinery	843,488,878	800,858,750	521,813,230	554,716,285	665,592,719
Transportation equipment	1,708,241,693	2,185,508,902	1,700,409,100	1,801,460,433	2,859,923,973
Electronic products	760,916,769	843,286,041	767,999,355	703,397,838	700,468,120
Miscellaneous manufactures	76,254,480	94,322,680	69,140,525	73,292,204	99,214,346
Special provisions	281,832,174	290,634,862	244,786,418	266,316,717	300,702,565
Total	6,069,427,666	6,521,249,465	5,331,696,707	5,563,284,533	6,750,164,235
U.S. imports for consumption:					
Agricultural products	915,079,443	919,205,352	832,664,602	874,842,835	835,736,057
Forest products	101,644,871	105,875,612	109,640,190	140,706,086	119,393,988
Chemicals and related products	836,248,302	761,863,725	849,130,498	1,453,520,970	659,999,263
Energy-related products	11,014,127,414	7,963,730,107	8,000,647,833	15,016,274,113	14,271,302,154
Textiles and apparel	471,310,715	568,440,555	621,955,260	789,240,337	997,994,773
Footwear	1,393,702	811,477	3,422,670	686,473	1,497,322
Minerals and metals	2,269,006,772	2,600,294,817	2,637,107,824	3,200,500,413	3,081,792,446
Machinery	68,348,991	79,263,206	127,684,349	178,378,794	263,164,492
Transportation equipment	80,000,397	104,616,498	200,824,690	185,261,892	399,937,849
Electronic products	31,105,001	35,007,635	56,392,688	58,338,693	52,706,208
Miscellaneous manufactures	87,203,905	90,246,426	99,488,421	97,421,586	108,557,532
Special provisions	120,290,387	129,804,995	210,755,394	217,476,691	268,417,088
Total	15,995,759,900	13,359,160,405	13,749,714,419	22,212,648,883	21,060,499,172
U.S. merchandise trade balance:					
Agricultural products	-159,163,893	-138,018,086	-104,911,643	-106,069,904	-178,630,729
Forest products	103,485,176	88,118,173	45,343,865	18,285,824	28,174,290
Chemicals and related products	-95,140,240	-83,945,880	-239,056,465	-743,855,867	119,700,664
Energy-related products	-10,790,304,792	-7,760,847,483	-7,850,480,512	-14,858,772,890	-14,122,112,913
Textiles and apparel	-264,055,134	-390,613,772	-475,636,002	-653,142,195	-867,467,708
Footwear	15,768,136	14,174,769	13,313,596	13,496,638	8,616,635
Minerals and metals	-2,020,706,799	-2,342,451,135	-2,415,593,637	-2,981,611,777	-2,831,733,729
Machinery	775,139,887	721,595,544	394,128,881	376,337,491	402,428,227
Electronic products	729,811,768	808,278,406	711,606,667	645,059,145	647,761,912

See footnote at end of table.

Table 1-1—Continued
Sub-Saharan Africa: U.S. exports of domestic merchandise, imports for consumption, and merchandise trade balance, by major commodity sectors, 1997-2001[1]

(Dollars)

Item	1997	1998	1999	2000	2001
U.S. imports for consumption–Continued					
Transportation equipment	1,628,241,296	2,080,892,404	1,499,584,410	1,616,198,541	2,459,986,124
Miscellaneous manufactures	-10,949,425	4,076,254	-30,347,896	-24,129,382	-9,343,186
Special provisions	161,541,787	160,829,867	34,031,024	48,840,026	32,285,477
Total	-9,926,332,234	-6,837,910,940	-8,418,017,712	-16,649,364,350	-14,310,334,937

[1] Import values are based on customs value; export values are based on f.a.s. value, U.S. port of export.

Note.—Because of rounding, figures may not add to totals shown.

Source: Compiled from official statistics of the U.S. Department of Commerce.

equipment) and a 21.0 percent share. Third was Angola, with $2.8 billion in sales (mostly energy-related products), representing a 13.2 percent share. U.S. imports from Gabon totaled $1.7 billion (mostly energy-related products), and from the Republic of Congo (ROC), about $0.5 billion. For additional data, see appendix B, table B-3.[3]

Total U.S. imports of SSA energy-related products totaled $14.3 billion in 2001, and accounted for 67.8 percent of all U.S. imports from the region (figure 1-7), down slightly from $15.0 billion, or 67.6 percent of the total, in 2000 primarily because of decreased imports of crude petroleum from Nigeria and lower world petroleum prices. The second-largest import commodity was minerals and metals ($3.1 billion), which accounted for a 14.6 percent share in 2001, compared with 14.4 percent in 2000. Textiles and apparel ($998.0 million) represented 4.7 percent of the total. For more information, see the respective industry and sector profiles in Chapter 5.

In absolute terms, the largest increase in U.S. imports from SSA in 2001 came from transportation equipment (up by $214.7 million, or by 115.9 percent) and textiles and apparel (up by $208.8 million, or by 26.5 percent). A smaller increase was measured for imports of machinery (up by $84.8 million, or by 47.5 percent). Significant decreases of U.S. imports from the region were recorded for chemicals and related products (down by $793.5 million, or by 54.6 percent), energy-related products (down by $745.0 million, or by 5.0 percent) and minerals and metals (down by $118.7 million, or by 3.7 percent). Table 1-3 shows the major U.S. commodity imports from SSA at the HTS six-digit level for 1997-2001. Growth rates by commodity sectors are shown in figure 1-8.

[3] Table B-3 presents changes in sectoral trade between 1997 and 2001 for the 10 largest SSA trading partners of the United States, based on total trade turnover (exports plus imports).

Table 1-2
Sub-Saharan Africa: U.S. exports, by major commodity items, 1997-2001

(Dollars)

HTS No.	Description	1997	1998	1999	2000	2001
8802.40	Airplanes and other aircraft nesoi, of an unladen weight exceeding 15,000 kg	130,651,831	583,041,436	422,581,019	539,629,241	1,147,073,529
8431.43	Parts for boring or sinking machinery, nesoi	418,795,205	424,669,802	275,529,016	302,866,705	454,715,848
1001.90	Wheat (other than durum wheat), and meslin	222,732,534	249,814,260	250,978,937	300,270,976	287,165,536
9880.00	Estimate of non-Canadian low-value export shipments; compiled low-value shipments to Canada; and shipments not identified by kind to Canada	215,865,549	218,069,225	170,295,762	182,989,298	229,079,132
8708.99	Parts and accessories for motor vehicles, nesoi	53,878,684	100,549,524	39,465,301	89,422,963	206,131,715
8703.23	Passenger motor vehicles with spark-ignition internal combustion reciprocating piston engine, cylinder capacity over 1,500 cc but not over 3,000 cc	26,901,995	35,698,704	32,432,411	38,974,540	120,942,312
8803.30	Parts of airplanes or helicopters, nesoi	155,948,415	170,623,090	133,636,982	127,299,144	94,188,886
8802.30	Airplanes and other aircraft nesoi, of an unladen weight exceeding 2,000 kg but not exceeding 15,000 kg	91,106,252	83,919,280	126,941,978	79,701,250	72,176,955
2713.12	Petroleum coke, calcined	54,624,503	47,829,237	58,529,148	58,276,265	65,273,651
8473.30	Parts and accessories for automatic data processing machines and units thereof, magnetic or optical readers, transcribing machines, etc., nesoi	72,128,239	90,430,466	83,915,736	70,864,522	61,677,829
6309.00	Worn clothing and other worn textile articles	109,226,985	88,279,006	67,197,046	60,404,283	61,652,761
8704.10	Dumpers (dump trucks) designed for off-highway use	98,499,547	66,496,579	34,551,607	33,802,382	58,235,525
8525.20	Transmission apparatus incorporating reception apparatus for radiotelephony, radiotelegraphy, radiobroadcasting or television	39,485,822	57,769,239	51,256,427	49,111,582	57,064,271
8431.49	Parts and attachments, nesoi, for derricks, cranes, self-propelled bulldozers, graders, etc., and other grading, scraping, etc., machinery	89,070,899	115,179,178	42,965,382	41,368,008	50,541,811
3100.00	Fertilizers (includes crude fertilizers from other areas)	59,123,714	21,272,909	47,245,848	42,599,378	49,930,451
1006.30	Rice, semi-milled or wholly milled, whether or not polished or glazed	78,015,469	60,671,979	66,826,292	53,468,799	47,107,455
8431.41	Buckets, shovels, grabs and grips for derricks, cranes, bulldozers, angledozers, graders, scrapers, borers, extracting, etc., machinery	9,900,429	6,559,782	33,242,507	46,109,292	46,137,950
9018.90	Instruments and appliances for medical, surgical or veterinary sciences, nesoi, and parts and accessories thereof	18,047,507	20,232,903	24,643,085	29,031,919	42,207,661

Table 1-2—*Continued*
Sub-Saharan Africa: U.S. exports, by major commodity items, 1997-2001

(Dollars)

HTS No.	Description	1997	1998	1999	2000	2001
3004.90	Medicaments, in measured doses, etc. (excluding vaccines, etc., coated bandages etc. and pharmaceutical goods), nesoi	7,493,552	13,834,306	23,100,831	22,093,846	38,691,086
8431.39	Parts for lifting, handling, loading or unloading machinery, nesoi	44,315,191	61,341,532	39,624,085	25,677,563	37,629,031
8411.12	Turbojets of a thrust exceeding 25 kn	12,577,928	5,230,000	9,135,000	8,333,800	36,960,732
8479.89	Machines and mechanical appliances having individual functions, nesoi	35,848,179	36,460,692	24,121,242	36,741,319	36,425,071
8471.80	Automatic data processing units, nesoi	37,267,196	60,813,890	47,496,386	46,473,989	35,802,405
4901.99	Printed books, brochures, leaflets and similar printed matter, nesoi	24,325,182	22,319,835	25,415,995	30,150,029	35,677,003
2710.00	Petroleum oils and oils from bituminous minerals (other than crude) and products therefrom, nesoi, containing 70% (by weight) or more of these oils	59,285,480	44,223,531	40,874,087	26,673,945	33,496,311
	Subtotal	2,165,116,287	2,685,330,385	2,172,002,110	2,342,335,038	3,405,984,917
	All other	3,904,311,379	3,835,919,080	3,159,694,597	3,220,949,495	3,344,179,318
	Total	6,069,427,666	6,521,249,465	5,331,696,707	5,563,284,533	6,750,164,235

Note.—Because of rounding, figures may not add to totals shown. The abbreviation “nesoi” stands for “not elsewhere specified or included.”

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table 1-3
Sub-Saharan Africa: U.S. imports, by major commodity items, 1997-2001

(Dollars)

HTS No.	Description	1997	1998	1999	2000	2001
2709.00	Petroleum oils and oils from bituminous minerals, crude . . .	7,515,971,485	5,279,111,112	5,001,603,197	8,723,257,287	11,763,116,582
2710.00	Petroleum oils and oils from bituminous minerals (other than crude) and products therefrom, nesoi, containing 70 percent (by weight) or more of these oils	1,815,158,046	1,469,781,506	1,826,913,733	4,146,183,74	1,613,767,108
7110.11	Platinum, unwrought or in powder form	584,092,150	655,025,976	548,919,598	744,737,163	802,297,889
7110.21	Palladium, unwrought or in powder form	103,263,710	196,517,794	277,486,130	409,020,685	403,801,756
7102.31	Diamonds, nonindustrial, unworked or simply sawn, cleaved or bruted	268,456,832	219,992,625	284,056,284	272,590,846	339,710,363
8703.24	Passenger motor vehicles with spark-ignition internal combustion reciprocating piston engine, cyclinder capacity over 3,000 cc	11,100	0	82,066	1,022,134	255,636,991
1801.00	Cocoa beans, whole or broken, raw or roasted	197,735,178	338,189,950	296,213,426	270,307,532	246,750,210
9801.00	Imports of articles exported and returned, not advanced in value or condition; imports of animals exported and returned within 8 months	110,574,553	116,923,641	194,089,224	194,542,730	238,519,496
2713.11	Petroleum coke, not calcined	615,922,007	361,427,992	381,841,064	690,560,244	225,035,269
7110.31	Rhodium, unwrought or in powder form	44,846,277	109,587,646	116,393,462	252,476,583	217,579,069
6110.20	Sweaters, pullovers, sweatshirts, vests and similar articles of cotton, knitted or crocheted	63,493,484	80,480,489	90,608,399	139,655,644	214,516,754
6203.42	Men's or boys' trousers, bib and brace overalls, breeches and shorts of cotton, not knitted or crocheted	108,679,812	137,674,224	153,515,459	192,883,121	202,121,753
6204.62	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, not knitted or crocheted	46,439,118	84,313,541	111,721,076	116,430,404	195,983,989
2711.29	Petroleum gases and other gaseous hydrocarbons in a gaseous state, nesoi (other than natural gas)	455,777,584	359,600,828	360,584,427	689,757,508	183,302,306
2711.11	Natural gas, liquefied	75,658	52,808	6,809	41,071,084	176,129,032
7102.39	Diamonds, nonindustrial, worked, including polished or drilled	133,266,407	107,935,421	83,240,870	150,116,206	169,989,767
8421.39	Filtering or purifying machinery and apparatus for gases, nesoi	0	7,564,327	37,344,764	69,230,295	166,303,192
2620.90	Ash and residues nesoi, containing metals or metallic compounds nesoi	153,579,165	186,456,068	186,325,531	167,950,066	145,923,724
0905.00	Vanilla beans	28,117,239	24,832,399	19,950,548	32,746,566	90,245,008
2711.12	Propane, liquefied	212,192,366	192,471,048	175,423,891	258,586,430	87,935,389

Table 1-3—*Continued*
Sub-Saharan Africa: U.S. imports, by major commodity items, 1997-2001

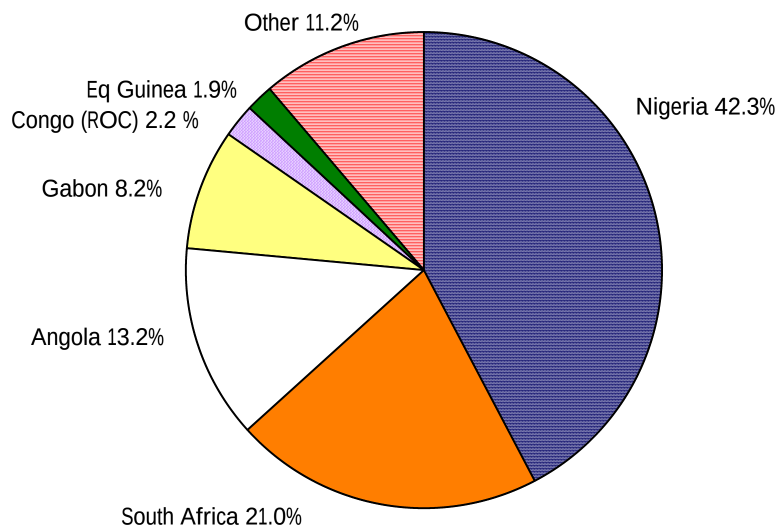
(Dollars)

HTS No.	Description	1997	1998	1999	2000	2001
2901.29	Acyclic hydrocarbons, unsaturated, nesoi	18,970,276	25,550,839	39,106,809	75,367,179	77,156,835
2606.00	Aluminum ores and concentrates	109,293,365	97,317,970	90,715,503	77,152,343	68,170,532
2901.22	Propene (propylene)	116,589,664	107,219,749	148,209,953	274,800,569	67,756,936
2901.21	Ethylene (ethene)	90,088,390	81,834,167	108,559,120	256,015,559	66,487,281
6205.20	Men's or boys' shirts of cotton, not knitted or crocheted	75,762,181	76,834,933	76,119,770	78,266,372	66,073,489
	Subtotal	12,868,356,047	10,316,697,053	10,609,031,113	18,324,728,294	18,084,310,720
	All other	3,127,403,853	3,042,463,352	3,140,683,306	3,887,920,589	2,976,188,452
	Total	15,995,759,900	13,359,160,405	13,749,714,419	22,212,648,883	21,060,499,172

Note.—Because of rounding, figures may not add to totals shown. The abbreviation "nesoi" stands for "not elsewhere specified or included."

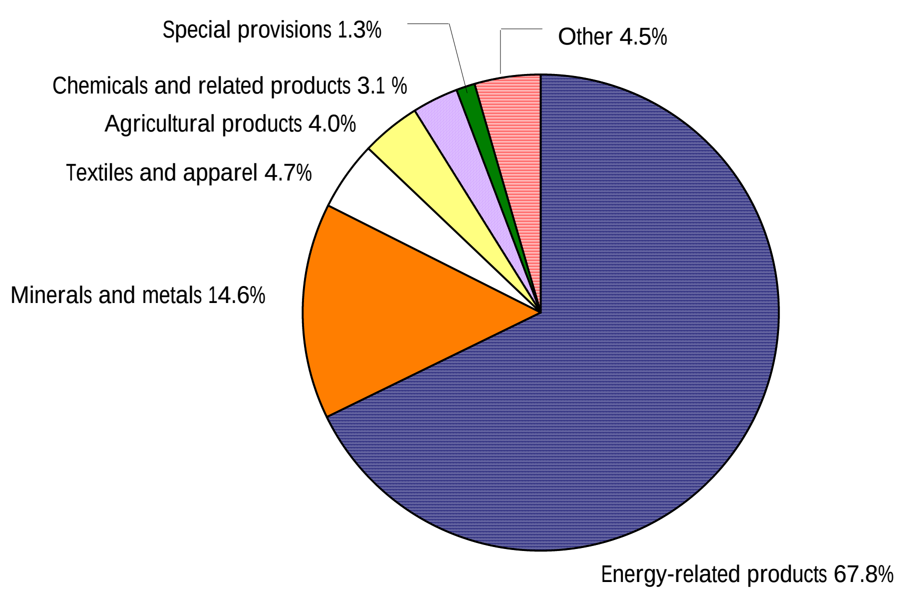
Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 1-6
U.S. imports from major sub-Saharan Africa trading partners, 2001



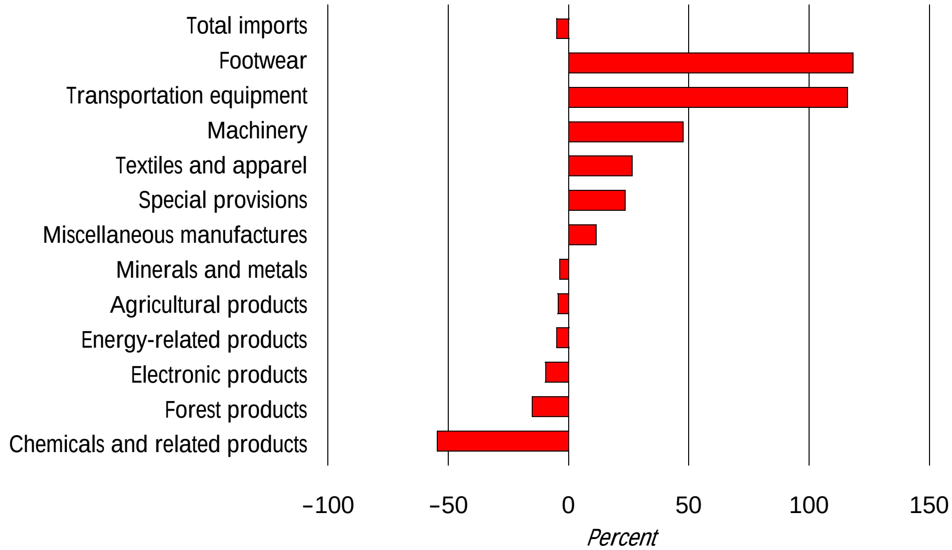
Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 1-7
U.S. imports from sub-Saharan Africa, by commodity sectors, by shares, 2001



Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 1-8
U.S. imports from sub-Saharan Africa: Growth rates by commodity sectors, 2001



Source: Compiled from official statistics of the U.S.Department of Commerce.

Trade Balance

In 2001, the U.S. merchandise trade deficit with SSA decreased by $2.3 billion to $14.3 billion, compared with a deficit of $16.6 billion in 2000 and $8.4 billion in 1999. Excluding petroleum, the U.S. trade deficit with the region decreased by $2.8 billion, from $3.8 billion in 2000 to $1.0 billion in 2001. The nonpetroleum trade deficit totaled $1.6 billion in 1999 and $0.1 billion in 1998.[4]

The SSA country with which the United States had the largest trade deficit in 2001 remained Nigeria measured at $8.0 billion, down from $9.0 billion in 2000; followed by Angola ($2.5 billion in 2001, down from $3.1 billion in 2000); Gabon ($1.7 billion in 2001, down from $2.0 billion in 2000); South Africa ($1.6 billion in 2001, up from $1.4 billion in 2000); and ROC ($0.4 billion in 2001 and $0.4 billion in 2000). The United States had trade surpluses with many SSA countries, including Kenya ($0.4 billion), Namibia ($0.2 billion), and Seychelles ($0.2 billion).

On a sectoral basis, the largest U.S. trade deficit with the SSA region occurred in energy-related products, with a deficit of $14.1 billion in 2001, down slightly from $14.9 billion in 2000. Second was minerals and metals, with a deficit of $2.8 billion in 2001, down from $3.0 billion in 2000. The U.S. trade deficit in textiles and apparels increased from $653 million in 2000 to $868 million in 2001.

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[4] Data were compiled from official statistics of the U.S. Department of Commerce.

Several sectors showed a U.S. trade surplus in the region. The U.S. surplus in transportation equipment measured $2.5 billion in 2001, up from $1.6 billion in 2000. Electronic products registered a $648 million surplus in 2001, up from a $645 million surplus in 2000. Other significant U.S. trade surpluses were in machinery products ($402 million) and chemicals and related products ($120 million). The U.S. trade surplus in footwear was $8.6 million in 2001 and $13.4 million in 2000.

U.S.-Africa Services Trade

Services are provided to foreign customers through cross-border trade and affiliate transactions.[5] The United States recorded a cross-border services trade surplus with Africa of $2.6 billion in 2000 (figure 1-9).[6] U.S. cross-border services exports totaled $5.4 billion in 2000, compared to cross-border imports of $2.7 billion. During 1995-2000, U.S. exports of services increased at an average annual rate of 13.4 percent, while U.S. imports of services from Africa increased at a slower average annual rate of 7.0 percent. The primary U.S. cross-border service exports to Africa were tourism, freight transport, education, and business services, primarily construction-related services (table 1-4).[7] Tourism alone generated $1.4 billion in U.S. exports in 2000, or 26.8 percent of all U.S. exports of services to Africa. Exports of education services reflected the tuition and living expenses of 29,000 African students studying at U.S. colleges and universities during the 2000-2001 academic year. African students, whose numbers increased by 12.7 percent over the previous year, represented approximately 5 percent of all foreign students in the United States.[8] U.S. service imports from Africa totaled $2.7 billion in 2000, of which travel and tourism accounted for 49.7 percent (table 1-5). Passenger transport, freight transport and port

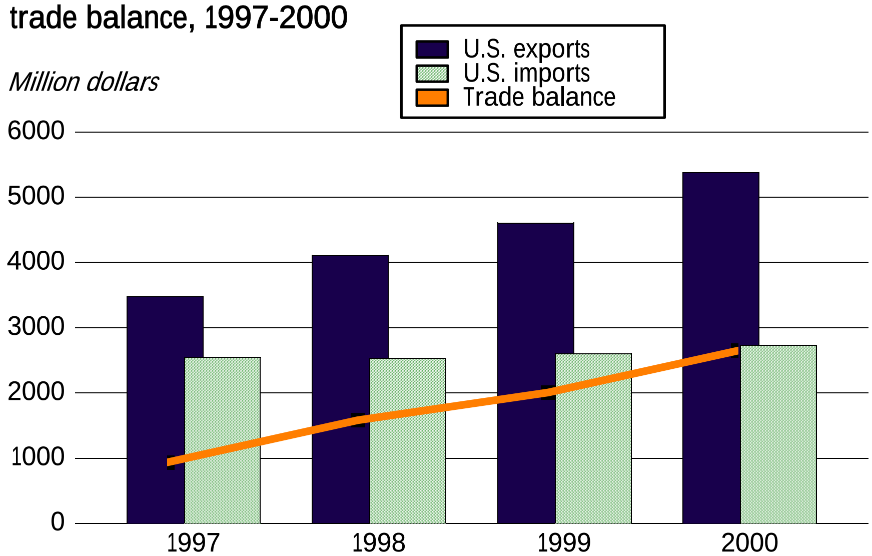
[5] When a service, or a provider or a purchaser of a service, crosses national borders, the sale is a cross-border transaction. When a service provider establishes a commercial presence in a foreign market (an affiliate), sales are called affiliate transactions.

[6] Data regarding cross-border services trade with the African continent are available through 2000. There are no data specific to the SSA region, or to individual countries other than South Africa.

[7] Construction-related services are included within business services in table 1-4, and account for 48.7 percent of business services exports. U.S. tourism exports reflect spending by African residents while traveling in the United States, such as for meals and lodging. Exports of freight transport and port services stem from merchandise trade. Exports of freight services reflect payments to U.S. carriers in return for transporting merchandise to foreign ports, while exports of port services reflect costs incurred by foreign carriers docked in U.S. ports. Exports of education services reflect expenditures by African students studying at U.S. colleges and universities. Exports of construction-related services include the costs of construction, as well as pre-erection, design, and maintenance work. For further detail regarding trade in services, see USITC, *Recent Trends in U.S. Services Trade, 2002 Annual Report,* pub. 3514, June 2002.

[8] Excludes students from Algeria, Egypt, Libya, Morocco, Sudan, Tunisia, and Western Sahara. Institute of International Education, *Open Doors 2001* (New York: Institute of International Education, 2002).

Figure 1-9
U.S. cross-border trade in services with Africa: Exports, imports, and trade balance, 1997-2000



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, November 2001, pp. 66-67.

Table 1-4
Total Africa and South Africa: U.S. cross-border service exports, 1995 and 2000

(Million dollars)

	Africa			South Africa		
Service	1995	2000	Average annual growth	1995	2000	Average annual growth
			Percent			*Percent*
Tourism	699	1,443	15.6	344	429	4.5
Passenger transport	33	69	15.9	1	11	61.5
Freight transport and port services	568	602	1.2	84	129	9.0
Royalties and license fees	205	376	12.9	151	218	7.6
Education	341	603	12.1	34	43	4.8
Insurance[1]	6	-10	([2])	3	-4	([2])
Telecommunications	111	200	12.5	28	98	28.5
Financial services	66	221	27.3	20	57	23.3
Business services[3]	640	1,455	17.9	81	203	20.2
Other[4]	200	423	16.2	55	164	24.4
Total[5]	2,869	5,382	13.4	801	1,348	11.0

[1] Insurance exports are defined as the difference between premiums received from foreign policy-holders and claims collected by foreign policy-holders.
[2] Not a meaningful number.
[3] Data also reflect professional and technical services.
[4] Includes intra-corporate transactions; i.e., U.S. parent firms' receipts from foreign-based affiliates, and U.S.-based affiliates' receipts from foreign parent firms. Large shares of these receipts are in exchange for financial, computer and information, and transportation services. Also includes expenditures of foreign governments and international organizations in the United States, and expenditures of foreign residents employed temporarily in the United States.
[5] Due to rounding and suppression of individual company data, figures may not add to totals shown.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, November 2001, pp. 67-91.

Table 1-5
Total Africa and South Africa: U.S. cross-border service imports, 1995 and 2000

(Million dollars)

Service	Africa 1995	Africa 2000	Africa Average annual growth	South Africa 1995	South Africa 2000	South Africa Average annual growth
			Percent			*Percent*
Tourism	1,063	1,359	5.0	198	269	6.3
Passenger transport	277	453	10.3	119	255	16.5
Freight transport and port services	183	248	6.3	22	63	23.4
Royalties and license fees	2	4	14.9	1	1	0
Education	22	61	22.6	1	([1])	([1])
Insurance[2]	5	-1	([3])	-1	-1	0
Telecommunications	234	222	-1.0	33	432	67.3
Financial services	10	31	25.4	5	14	22.9
Business services[4]	138	228	10.6	16	43	21.3
Other[5]	13	131	58.7	4	([1])	([1])
Total[6]	1,947	2,736	7.0	398	799	15.0

[1] Data have been suppressed to avoid disclosure of individual company operations.
[2] Insurance imports are the difference between premiums paid to foreign insurers and claims received by U.S. policy-holders. Imports are entered as credits on the balance of payments when claims received by U.S. policy-holders exceed premiums paid to foreign insurers.
[3] Not a meaningful number.
[4] Data also reflect professional and technical services.
[5] Includes intra-corporate transactions; i.e., U.S. parent firms' payments to foreign-based affiliates, and U.S.-based affiliates' payments to foreign parent firms.
[6] Due to rounding and suppression of individual company data, figures may not add to totals shown.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, November 2001, pp. 67-91.

services, and telecommunication services also accounted for significant shares of U.S. imports from Africa.[9]

South Africa remained the largest U.S. services trading partner in Africa in 2000, accounting for 25.0 percent of U.S. exports to and 29.2 percent of U.S. imports from the region. Tourism accounted for the largest share of U.S. cross-border exports to South Africa (31.8 percent), followed by royalties and license fees (16.2 percent), and business services (15.1 percent). Passenger transport, telecommunications, financial services, and business services registered the most rapid growth rates of U.S. cross-border service exports to South Africa during 1995-2000, each rising over 20 percent on an average annual basis, compared to 11.0 percent for all service exports. The largest component of U.S. cross-border service imports from South Africa is telecommunication services (54.1 percent), followed by tourism (33.7 percent), and passenger transport services (31.9 percent). Telecommunication services also

[9] Imports of tourism and travel services reflect travel expenditures by U.S. residents in Africa, including those for meals and lodging. Passenger transport services principally include airfares. U.S. imports of freight transport services reflect payments to foreign carriers in return for transporting merchandise to U.S. ports, while imports of port services reflect costs incurred by U.S. carriers docked in foreign ports. Imports of telecommunication services reflect payment by U.S. telecommunication companies to African telecommunication companies in return for terminating telephone calls outbound from the United States to Africa.

registered the fastest growth, with average annual growth of 67.3 percent during 1995-2000, compared to 15.0 percent average annual growth for all services imports. Freight transport and port services, financial services, and business services all recorded average annual growth of greater than 20 percent during the period.

In 1999, majority-owned affiliates of U.S. firms in Africa recorded sales of services totaling $2.3 billion (table 1-6).[10] Sales by U.S.-owned affiliates in South Africa accounted for 45.0 percent of the total, and sales by U.S.-owned affiliates in Nigeria accounted for 11.1 percent. U.S. consumers purchased services valued at $1.2 billion from African-owned affiliates operating in the United States, a significant increase over 1997 purchases of $263 million, but in line with 1998 sales of $997 million.[11] Purchases from South African-owned affiliates were suppressed in 1998 and 1999 to avoid disclosing individual company information, but in 1997, South African-owned affiliates accounted for 73.8 percent of all U.S. purchases from affiliates of African companies. The United States recorded a surplus of $1.1 billion in affiliate transactions with Africa in 1999.

Table 1-6
Sales and purchases through U.S.-owned affiliates and African-owned affiliates, 1997-99

(Million dollars)

	1997	1998	1999
U.S. sales:			
Total Africa	2,144	2,274	2,296
South Africa	960	1,134	1,034
Nigeria	216	247	254
U.S. purchases:			
Total Africa	263	997	1,196
South Africa	194	([1])	([1])
Nigeria	([2])	([2])	([2])

[1] Data have been suppressed to avoid disclosure of individual company operations.

[2] Not available.

Source: USDOC, BEA, *U.S. Direct Investment Abroad: Preliminary 1998 Estimates*, table III-F-17; USDOC, BEA, *U.S. Direct Investment Abroad: Revised Estimates*, various issues, table III-F-17; USDOC, BEA, *Foreign Direct Investment in the United States: Preliminary 1998 Estimates*, table E-13; and USDOC, BEA, *Foreign Direct Investment in the United States: Revised Estimates*, various issues, table E-13.

[10] Data on sales by African-based affiliates of U.S. parent firms extend only through 1999, with country-specific data limited to affiliates located in South Africa and Nigeria. Country-specific information pertaining to sales by U.S.-based affiliates of African firms is available only for firms with parent companies in South Africa.

[11] The large increase in purchases in 1998 had two primary causes. First, equity in several existing U.S. affiliates changed hands, shifting the ultimate beneficial owner from a non-African to an African country. Second, African-owned firms established several new, African-owned affiliates in the United States, thus increasing total U.S. purchases. Telephone interview with USDOC, Bureau of Economic Affairs staff, July 8, 2002.

Box 1-1: U.S.-Africa Services Trade

Total trade in services between the United States and Africa is relatively small, but takes widely varying forms, as illustrated by the following examples. In 1999, South Africa's largest life insurance and mutual fund company, Old Mutual Holdings, moved its primary stock market listing to the London Stock Exchange, which allowed the company to bypass legal restrictions on overseas acquisitions imposed by the South African Government. Old Mutual subsequently purchased a number of foreign affiliates, in order to expand into the U.S. and British financial services markets. These included the acquisitions of two U.S.-based companies, United Asset Management Corp., for $2.2 billion in June 2000, and Fidelity & Guaranty Life Insurance Co., for $635 million in September 2001.[12]

In July 2000, U.S.-based Affiliated Computer Services-Business Process Solutions (ACS-BPS) established a data entry business in Ghana. The Ghanaian facility processes medical and dental insurance records for U.S. insurance companies with a 3-hour turnaround time through a dedicated satellite link. The U.S. Embassy in Accra nominated ACS-BPS for an award to recognize its contribution to the development of Ghana's computer services industry.[13] Also in 2000, U.S. Internet stock brokerage firm E*Trade opened a South African subsidiary, offering online securities trading to South Africans.[14]

In October 2001, U.S.-based Dial-Thru International Corp. announced an agreement with Telkom SA Ltd., the largest South African telecommunication services provider, to jointly provide data, fax, and voice telephony services over the Internet, using fiber optic cables owned by Telkom SA and U.S.-based Global Crossing. The deal is expected to expand both voice and data traffic between the United States and South Africa, thus increasing both U.S. exports and imports of telecommunication services.

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[12] *Institutional Investor,* "Top Spin," February 2002; *Pensions & Investments,* "Changes in Store for UAM's Subs," June 26, 2000, both found at Internet address *http://www.proquest.umi.com/,* retrieved on July 2, 2002; and "Old Mutual Completes Purchase of F&G Life," Fidelity & Guaranty Life Insurance Co., press release, Sept. 28, 2001, found at Internet address *http://www.fglife.com/,* retrieved on July 9, 2002.

[13] U.S. Department of State telegram, "Award for Corporate Excellence," message reference No. 01362, prepared by U.S. Embassy, Accra, June 3, 2002.

[14] *Newsbytes,* "E*Trade South Africa Goes Live," Oct. 2, 2000, found at Internet address *http://www.toolkit.dialog.com/,* retrieved on July 3, 2002.

CHAPTER 2
AGOA-Related Imports and Investment

This chapter provides information on the African Growth and Opportunity Act,[1] including its GSP provisions, as requested by the U.S. Trade Representative's (USTR) supplemental letter to the Commission dated July 10, 2002.[2] U.S. imports under AGOA are discussed by major SSA trading partner and commodity sector, as well as for the SSA region as a whole. Trade data were compiled from official statistics of the U.S. Department of Commerce. Investment developments related to AGOA are also discussed. Since AGOA was only enacted in May 2000, AGOA-related investment data generally are not available. Information on recent AGOA-related investment was obtained primarily from the U.S. Department of State and various other publications, such as the EIU, Businessline, and Manchester Trade.

African Growth and Opportunity Act

The Trade and Development Act of 2000, enacted on May 18, 2000, provided for expanded trade benefits for 48 eligible SSA countries under Title I, which is the AGOA. The AGOA amends the U.S. GSP program, authorizing the President to provide duty-free and quota-free treatment for certain SSA products, if, after receiving advice from the Commission, he determines that the products are not import-sensitive in the context of imports from these countries.[3] The statute also provides for graduation of countries from the program when they become high-income countries and for removal of eligibility of articles, or articles from certain countries, under certain conditions.[4]

On Oct. 2, 2000, the President issued Proclamation 7350, designating 34 countries as AGOA beneficiaries (table 2-1). On Jan. 18, 2001, Swaziland became the 35th AGOA beneficiary country.[5] All AGOA beneficiaries must undergo an annual review to determine that they are making continued progress towards a market-based

[1] Trade and Development Act of 2000, Pub. L. 106-200, Title I, May 18, 2000, 114 Stat. 252.

[2] Copy of the supplemental letter is in appendix A.

[3] The U.S. GSP program authorizes the President to grant duty-free access to the U.S. market for certain goods that are products of designated developing countries and territories. The GSP is authorized by Title V of the Trade Act of 1974, as amended (19 U.S.C. 2461 et seq.). The President implemented the original GSP program by Executive Order 11888 on Nov. 24, 1975, and has modified it through later executive orders and presidential proclamations.

[4] U.S. Department of Commerce "The African Growth and Opportunity Act," found at Internet address *http://www.agoa.gov/About_AGOA/about_agoa.html*, retrieved on Aug. 21, 2002.

[5] 66 *Federal Register (FR)* 15.

Table 2-1
SSA countries designated as beneficiary countries of AGOA on October 2, 2000 (34)

Benin	Guinea-Bissau	Republic of the Congo
Botswana	Kenya	Rwanda
Cape Verde	Lesotho	São Tomé and Principe
Cameroon	Madagascar	Senegal
Central African Republic	Malawi	Seychelles
Chad	Mali	Sierra Leone
Djibouti	Mauritania	South Africa
Eritrea	Mauritius	Tanzania
Ethiopia	Mozambique	Uganda
Gabon	Namibia	Zambia
Ghana	Niger	
Guinea	Nigeria	

Source: USDOC, "Country Eligibility List," found at Internet address *http://www.agoa.gov*, retrieved Nov. 22, 2002.

economy, the rule of law and political pluralism, free trade, and economic policies that will reduce poverty and protect workers' rights. On Dec. 31, 2001, the President approved the designation of 35 SSA countries as AGOA-eligible under the annual review.[6] Côte d'Ivoire was designated the 36th AGOA beneficiary country on May 16, 2002.[7]

On Aug. 6, 2002, the President signed the Trade Act of 2002, modifying certain provisions of AGOA and expanding preferential access for imports from beneficiary SSA countries. The modifications, which are collectively referred to as AGOA II,[8] became effective immediately upon enactment. AGOA II amended AGOA to accomplish the following: (1) to provide preferential treatment to "wholly assembled" apparel articles assembled in one or more beneficiaries from U.S. or SSA knit-to-shape components; (2) to provide preferential treatment for apparel articles that are cut both in the United States and in beneficiary countries; (3) to make a technical correction to allow SSA producers to take advantage of the AGOA benefit for merino wool sweaters; (4) to increase gradually the cap for apparel made in SSA from regional fabric made with regional yarn from the previous level of 1.5 to 3.5 percent of U.S. consumption to the new level of 3 to 7 percent over 8 years; and (5) to grant Namibia and Botswana lesser-developed beneficiary country (LDBC) status, and to allow producers in these LDBCs to use third country fabric and yarn

[6] White House, "President Approves Tariff Preferences," found at Internet address *http://www.white house.gov/news/releases/2002/20020102-4.html,* retrieved on Feb. 11, 2002.
[7] 67 *FR* 98.
[8] Sec. 3108 of The Trade Act of 2002, Pub. L. 107-210, 116 Stat. 1038.

in qualifying apparel through September 2004.[9] This change in designation provides LDBCs greater flexibility in sourcing inputs for duty-free apparel exports to the United States, and expressly adds these two countries to this group despite their slightly higher per capita GNP levels.

AGOA II was designed to improve the operation of AGOA and to improve SSA country utilization of the AGOA program. The program reflects the U.S. commitment to three broad goals: (1) to promote economic development in developing and transitional economies through increased trade rather than foreign aid; (2) to reinforce U.S. trade policy objectives that encourage beneficiary countries to open their markets, to comply more fully with international trading rules, and to participate more actively in the international trading system; and (3) to help maintain U.S. international competitiveness by lowering the costs for U.S. business, as well as lowering prices for American consumers.

On Jan. 24, 2002, the USTR published a *Federal Register* notice announcing the timetable for public hearings for consideration of two petitions to alter AGOA benefits for two products. One petition by Northwest Horticultural Council, Yakima, WA; California Pear Advisory Board, Sacramento, CA; Washington-Oregon Canning Pear Assn., Yakima, WA; Pacific Coast Producers, Lodi, CA; and Signature Fruit Co., LLC, San Roman, CA, proposed the termination of canned pears as a GSP-eligible article. The second petition by Eramet Marietta Inc., Marietta, OH, and Manganese Metal Company Ltd., South Africa, proposed the designation of manganese metal as a GSP-eligible article when imported from AGOA beneficiary countries.[10]

Apparel Provisions

AGOA authorizes preferential treatment for qualifying textiles and apparel from eligible SSA countries until Sept. 30, 2008. The trade benefits are available to designated AGOA beneficiaries provided they meet certain customs-related requirements, including the adoption of procedures to prevent unlawful transshipments and the use of counterfeit documents. AGOA provides for duty-free and quota-free access to the U.S. market for apparel made in eligible SSA countries from U.S. fabric, yarn, and thread. It also provides for substantial growth of duty-free and quota-free apparel imports made from fabric produced in SSA beneficiaries. Apparel imports made with African fabric and yarn are subject to a cap of 3 percent of overall U.S. apparel imports beginning in 2000, and growing to 7 percent of overall imports over an 8-year period. The cap is measured in square meter equivalents, and

[9] LDBCs are designated SSA beneficiaries with a per capita GNP of less than $1,500 in 1998. U.S. Department of Commerce, "President Bush Signs the Trade Act of 2002 on Aug. 6, 2002 — Including AGOA II," found at Internet address *http://www.agoa.gov/index.htm*, retrieved on Aug. 21, 2002.

[10] 67 *FR* 16.

has no dollar equivalent. Under a special rule, Botswana, Namibia, and other LDBCs are to enjoy duty-free U.S. market access for apparel made from fabric and yarn originating anywhere in the world until Sep. 30, 2004. Apparel imported under the special rule is counted against a cap.[11] The Secretary of Commerce is directed to monitor apparel imports on a monthly basis to guard against surges. If increased imports are threatening serious damage to the U.S. apparel industry, the President is to suspend duty-free treatment for the article in question. Preferential treatment for apparel took effect on Oct. 1, 2000; however, beneficiary countries must first establish that they have effective visa and enforcement mechanisms to prevent illegal transshipment. As of November 2002, 18 countries had met these requirements and became eligible for the apparel trade benefits. These countries are: Botswana, Cameroon, Cape Verde, Ethiopia, Ghana, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Senegal, South Africa, Swaziland, Tanzania, Uganda, and Zambia. The USTR has determined that the LDBCs – all 18 countries listed above, excluding Mauritius and South Africa – are eligible for the special rule benefits.[12]

AGOA Forum

President Bush established the U.S.-SSA Trade and Economic Cooperation forum (AGOA Forum) on May 16, 2001, to complement the AGOA.[13] The first AGOA Forum was held in Washington, D.C., on Oct. 29-30, 2001. The Forum was hosted by the Secretaries of State, Treasury, and Commerce, and the USTR. Trade, foreign affairs, and finance ministers from 35 eligible SSA countries participated, along with representatives from African regional organizations. The forum serves as a vehicle for regular dialogue between the United States and SSA countries on issues of economics, trade, and investment. President Bush addressed the Forum, and in his address, announced the creation of a $200 million Overseas Private Investment Corporation [14] support facility to give American firms access to loans, guarantees, and political risk insurance for investment projects in SSA. The President also announced the establishment of a Trade and Development Agency[15] (TDA) regional office in Johannesburg, South Africa, and the TDA Trade for African Development and Enterprise Program, to provide guidance and assistance to governments and companies that seek to liberalize their trade laws, to improve the investment environment, and to take advantage of AGOA.

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[11] Ibid.

[12] U.S. Department of Commerce, "African Growth and Opportunity Act Country Eligibility List," found at Internet address *http://www.agoa.gov/Eligibility/eligibility.htm,* retrieved on Nov. 22, 2002.

[13] USTR, "President Bush and USTR Zoellick Open First U.S.-Sub-Saharan Africa Trade Forum," found at Internet address *http://www.ustr.gov/releases/2001/10/01-90.htm*, retrieved on Feb. 15, 2002.

[14] The Overseas Private Investment Corporation is discussed in greater detail in chapter 4.

[15] The Trade and Development Agency is discussed in greater detail in chapter 4.

The first AGOA forum focused on measures that the United States and SSA countries can take jointly to stimulate economic growth and trade, to enhance democracy and good governance, and to combat HIV/AIDS. During the forum, U.S. officials emphasized the United States' strong commitment to SSA and noted the initial success of increased trade under the AGOA program. (See AGOA imports discussion below). U.S. and SSA delegates underscored the necessity of good governance, rule of law, and political freedom to attract investment and to achieve economic growth. The use of African co-chairs and active question and answer sessions allowed SSA officials the opportunity to speak openly about the benefits and challenges of AGOA.[16]

On Oct. 30, 2001, U.S. Trade Representative Zoellick, signed two agreements–a U.S.-Nigerian Joint Declaration on Electronic Commerce, and a Trade and Investment Framework Agreement (TIFA) between the United States and the Common Market for Eastern and Southern Africa (COMESA). The TIFA represents the first agreement between the United States and a regional organization in SSA.[17]

On Apr. 24, 2002, the Deputy U.S. Trade Representative, Ambassador Jon Huntsman, signed a TIFA agreement between the United States and the West African Economic Monetary Union (WAEMU).[18]

U.S. Imports under AGOA

The first U.S. imports under the additional AGOA benefits entered the United States in January 2001. As shown in table 2-2 and figure 2-1, the countries supplying the most U.S. imports under AGOA (including its GSP provisions) during 2001, included Nigeria ($5.7 billion or 70 percent), Gabon ($938.8 million or 12 percent), and South Africa ($923.2 million or 11 percent). These three countries combined accounted for more than 92 percent of U.S. imports under AGOA (including GSP) in 2001. These three countries' combined imports, however, accounted for 88 percent during the first half of 2002 as countries such as Lesotho ($142 million), Madagascar ($61 million), and Mauritius ($55 million) increased their AGOA (including GSP) imports. For some beneficiary countries, U.S. imports under additional AGOA benefits represented a substantial portion of total AGOA (including GSP) imports (figure 2-1). For example, for the following countries, U.S. imports under additional AGOA benefits represented more than half of total AGOA (including GSP) imports: Nigeria (99 percent), Gabon (99 percent), Lesotho (99 percent), the Republic of the Congo (99 percent), Cameroon (99 percent), Madagascar (95 percent), Kenya (94 percent), Rwanda (83 percent), Mauritius (72 percent), and Swaziland (56 percent).

[16] U.S. Department of Commerce, "The First U.S.-Sub-Saharan African Trade and Economic Cooperation Forum," found at Internet address *http://www.agoa.gov/AGOA_Update/ agoa_update.html*, retrieved on Feb. 19, 2002.

[17] USTR, "Remarks on the Signing of the U.S.-COMESA Trade and Investment Framework Agreement," Oct. 29, 2001.

[18] USTR, "United States and West African Nations Sign Agreement Promoting Trade," Apr. 24, 2002.

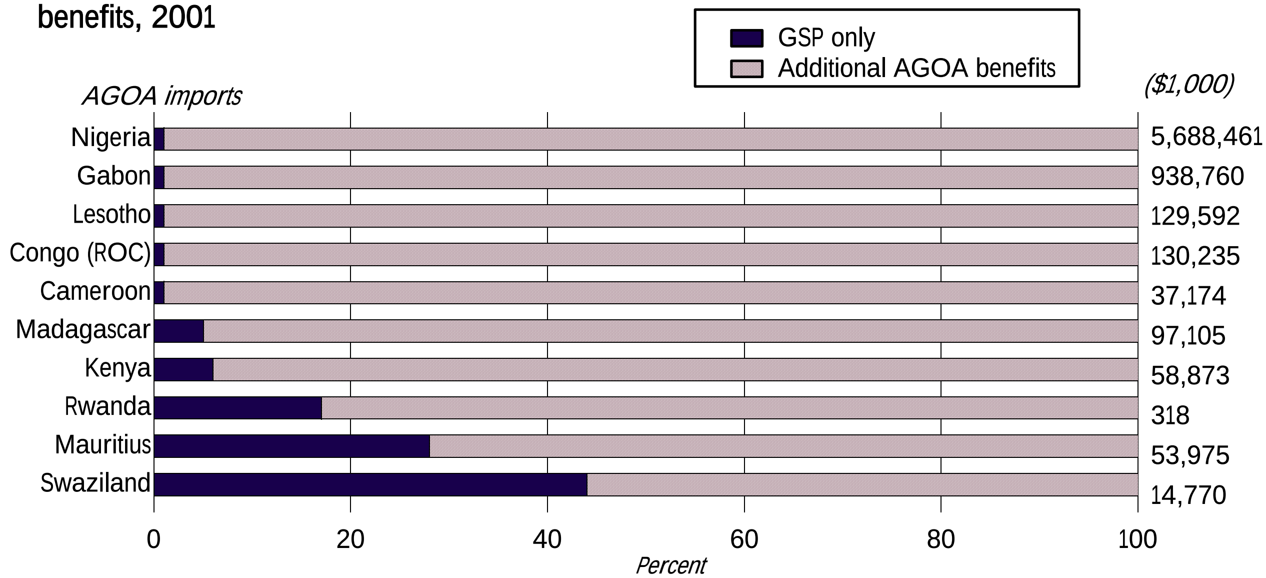
Table 2-2
U.S. imports under AGOA, by sources, 2001, Jan.-June 2001, and Jan.-June 2002

(*1,000 dollars*)

Source	2001		Jan.-June 2001		Jan.-June 2002	
	AGOA (includes GSP)	GSP	AGOA (includes GSP)	GSP	AGOA (includes GSP)	GSP
Benin	178	178	0	0	0	0
Botswana	1,221	1,221	558	558	1,881	440
Cameroon	37,174	443	16,541	293	22,799	142
Cape Verde	152	152	75	75	0	0
Congo (ROC)	130,235	1,489	13,385	65	45,430	2,817
Côte d'Ivoire	13,321	13,321	6,525	6,525	15,729	8,896
Ethiopia	822	607	270	270	1,349	705
Gabon	938,760	65	448,501	18	608,356	121
Ghana	42,889	9,797	24,784	5,839	22,904	5,856
Guinea	191	191	86	86	28	28
Kenya	58,873	3,783	17,887	1,738	48,875	2,243
Lesotho	129,592	69	4,905	0	142,208	169
Madagascar	97,105	4,959	13,749	3,987	61,070	3,200
Malawi	35,362	23,305	16,744	16,744	21,757	1,425
Mali	293	293	142	142	90	89
Mauritania	0	0	0	0	15	15
Mauritius	53,975	15,076	12,785	4,203	55,236	2,452
Mozambique	5,278	5,278	21	21	17	4
Namibia	93	93	2	2	136	133
Niger	42	42	42	42	6	6
Nigeria	5,688,461	359	2,335,079	172	2,340,602	75
Rwanda	318	53	33	33	10	10
Senegal	567	567	312	312	222	221
Seychelles	4,230	4,230	2,233	2,23	0	0
Sierra Leone	387	387	191	191	43	43
South Africa	923,243	505,987	395,690	260,193	556,955	233,082
Swaziland	14,770	6,456	23	17	28,986	48
Tanzania	899	883	206	195	572	286
Uganda	141	141	72	72	15	6
Zambia	775	765	724	714	42	18
Total	8,179,346	600,189	3,311,565	304,742	3,975,333	262,530

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 2-1
U.S. imports under AGOA, by top AGOA beneficiaries, by percent of additional AGOA benefits, 2001



Source: Compiled from official statistics of the U.S. Department of Commerce.

AGOA (including GSP) imports were dominated by U.S. purchases of energy-related products in 2001 (table 2-3). U.S. imports of energy-related products during the second quarter of 2002 totaled $3.0 billion, 87.3 percent of the AGOA (including GSP) total. The remaining AGOA (including GSP) imports comprised smaller quantities of textiles and apparel, transportation equipment, minerals and metals, agricultural products, and chemicals and related products.[19] Table 2-4 shows the major U.S. commodity imports under AGOA from SSA at the six-digit level of the Harmonized Tariff Schedule (HTS) for this period.

AGOA-Related Investment

This section discusses AGOA-related investment in SSA. The first part reviews the examples of AGOA-related investment in SSA. The second part discusses the facilitating role AGOA plays in increasing investment and encouraging economic reform.

[19] Chapter 5 provides additional details on production, trade, and investment for five of these sectors: agriculture, fisheries, and forest products; chemicals; petroleum and energy-related products; minerals and metals; and textiles and apparel.

Table 2-3
Major U.S. imports under AGOA, by major commodity sectors, 2001, Jan.-June 2001, and Jan.-June 2002

Sector	2001 AGOA (includes GSP)	2001 GSP	Jan.-June 2001 AGOA (includes GSP)	Jan.-June 2001 GSP	Jan.-June 2002 AGOA (includes GSP)	Jan.-June 2002 GSP
	Value (1,000 dollars)					
Energy-related products	6,827,424	2	2,832,569	2	3,037,874	0
Textiles and apparel	359,469	3,564	48,029	1,940	364,699	1,680
Minerals and metals	319,134	227,927	154,186	120,195	138,596	95,598
Transportation equipment	300,539	59,339	106,284	24,705	245,080	28,581
Agricultural products	153,515	94,525	53,090	41,444	79,920	31,643
Chemicals and related products	128,083	124,271	62,459	61,744	65,640	62,218
Miscellaneous manufactures	33,049	32,749	17,314	17,254	18,004	17,616
Machinery	22,988	22,976	18,370	18,370	8,867	8,862
Forest products	21,728	21,662	12,619	12,619	11,935	11,751
Electronic products	13,174	13,174	6,468	6,468	4,583	4,581
Footwear	242	0	177	0	136	0
Total, all sectors	8,179,346	600,189	3,311,565	304,742	3,975,333	262,530
	AGOA imports as a share of total sector imports from SSA (Percent)					
Energy-related products	61.87	0.00	46.02	0.00	87.32	0.00
Textiles and apparel	36.59	0.36	11.22	0.45	71.76	0.33
Minerals and metals	10.57	7.55	9.30	7.25	11.66	8.04
Transportation equipment	75.16	14.84	60.53	14.07	87.35	10.19
Agricultural products	19.44	11.97	13.27	10.36	17.94	7.10
Chemicals and related products	22.23	21.56	15.36	15.18	46.30	43.89
Miscellaneous manufactures	37.36	37.02	38.16	38.03	45.62	44.63
Machinery	8.74	8.74	12.97	12.97	7.20	7.20
Forest products	18.85	18.79	19.72	19.72	23.63	23.27
Electronic products	25.45	25.45	25.05	25.05	21.60	21.59
Footwear	17.60	0.00	16.35	0.00	29.62	0.00
Total, all sectors	46.54	3.42	34.54	3.18	62.62	4.14

Note.–Because of rounding, figures may not add to the totals shown.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table 2-4
Leading U.S. imports under AGOA, by HTS descriptions, 2001, Jan.-June 2001, and Jan.-June 2002

(*1,000 dollars*)

HTS6	Description	2001 AGOA (includes GSP)	2001 GSP	Jan.-June 2001 AGOA (includes GSP)	Jan.-June 2001 GSP	Jan.-June 2002 AGOA (includes GSP)	Jan.-June 2002 GSP
270900	Petroleum oils and oils obtained from bituminous minerals, crude	6,548,533	0	2,744,263	0	2,874,622	0
271000	Petroleum oils and oils obtained from bituminous minerals, other than crude; and preparations, n.e.s.o.i	278,888	0	88,304	0	0	0
870324	Passenger motor vehicles with spark-ignition internal-combustion reciprocating piston engine, cylinder capacity over 3,000 cc	232,277	0	78,449	0	132,784	0
620462	Women's or girls' trousers, etc., of cotton, not knitted or crocheted	98,519	0	18,387	0	72,733	0
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts not knitted or crocheted, of cotton	82,362	0	14,094	0	81,768	0
611020	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted, of cotton	61,964	0	2,331	0	68,694	0
760612	Rectangular plates, sheets and strip, over 0.2 mm thick, of aluminum alloy	55,478	55,478	28,372	28,372	32,836	32,836
720241	Ferrochromium, containing by weight more than 4 percent of carbon	42,853	42,853	30,051	30,051	7,524	7,524
720230	Ferrosilicon manganese	37,388	37,387	15,209	15,209	23,878	23,878
720211	Ferromanganese, containing by weight more than 2 percent of carbon	28,058	0	9,147	0	17,243	0
170111	Cane sugar, raw, in solid form, not containing added flavoring or coloring matter	27,561	27,561	7,208	7,208	6,337	6,337
280469	Silicon, containing by weight less than 99.99 percent of silicon	24,692	24,692	12,563	12,563	10,504	10,504
240120	Tobacco, partly or wholly stemmed/stripped	23,968	15,769	13,079	13,079	16,344	1,415
711319	Articles of jewelry and parts thereof, of precious metal (excluding silver)	23,833	23,833	12,200	12,200	13,098	13,098

Table 2-4--*Continued*
Leading U.S. imports under AGOA, by HTS descriptions, 2001, Jan.-June 2001, and Jan.-June 2002
(*1,000 dollars*)

HTS6	Description	2001 AGOA (includes GSP)	2001 GSP	Jan.-June 2001 AGOA (includes GSP)	Jan.-June 2001 GSP	Jan.-June 2002 AGOA (includes GSP)	Jan.-June 2002 GSP
720219	Ferromanganese, containing by weight 2 percent or less of carbon	23,351	23,351	11,237	11,237	6,366	6,366
870870	Road wheels and parts and accessories thereof, for motor vehicles	21,374	21,374	7,661	7,661	8,727	8,727
611010	Sweaters, pullovers, sweatshirts, vests and similar articles of wool or fine animal hair, knitted or crocheted	20,242	0	1,075	0	0	0
080510	Oranges, fresh or dried	14,490	0	760	0	1,433	0
850433	Electrical transformers n.e.s.o.i., having a power handling capacity exceeding 16 kVA but not exceeding 500 kVA	14,314	14,314	14,314	14,314	0	0
620520	Men's or boys' shirts of cotton, not knitted or crocheted	13,823	0	3,301	0	12,531	0
410790	Leather of animals n.e.s.o.i., without hair on	13,728	13,358	7,359	7,327	0	0
284390	Inorganic or organic compounds of precious metals, not gold or silver, whether or not chemically defined; amalgrams of precious metals	13,216	13,216	10,805	10,805	6,504	6,504
220710	Ethyl alcohol, undenatured, of an alcoholic strength by volume of 80 percent or higher	11,572	180	3,900	0	6,490	238
721049	Flat-rolled iron or nonalloy steel, not corrugated, 600 mm or more wide, plated or coated with zinc other than electrolytically	10,881	0	1,701	0	3,610	0
282010	Manganese dioxide	10,389	10,389	3,584	3,584	605	605
	Subtotal	7,733,755	323,756	3,139,354	173,610	3,404,634	118,033
	All other	445,592	276,433	172,211	131,131	570,700	144,497
	Total	8,179,346	600,189	3,311,565	304,742	3,975,333	262,530

Note.–Because of rounding, figures may not add to totals shown. The abbreviation "nesoi" stands for "not elsewhere specified or included."

Source: Compiled from official statistics of the U.S. Department of Commerce.

Examples of AGOA-Related Investment

In addition to having the goal of increasing market access to the United States, AGOA was implemented to encourage investment in SSA. Increased levels of investment also facilitate knowledge, managerial skill, and technology transfers that support long-term economic growth. Despite the crucial role played by investment, specific identification of the motivating factors remains a difficult task, as investment decisions are often very complex and can rarely be attributed to a single factor. Components of investment decisions include domestic market size, labor market flexibility, infrastructure, especially transportation, political stability, macroeconomic stability, and the overall investment climate, as well as numerous other factors. AGOA eligibility improves the overall investment climate in SSA by affording eligible countries duty-free access to the U.S. market. Table 2-5 lists selected examples of AGOA-related investment, employment increases, and industry output expansion in SSA.

Table 2-5
Selected examples of recent AGOA-related investment, employment increases, and industry output expansion, 2000-2002

Country	Examples
Botswana	As of early 2002, five companies in the textiles sector had obtained necessary approval to commence exports under AGOA.[1]
Côte d'Ivoire	In anticipation of AGOA qualification, Henan Youbioa Textile (China), in partnership with an Ivorian entrepreneur, prepared to invest $9 million in a new textile factory to export under AGOA.[2]
Kenya	Economy-wide, AGOA is expected to create 50,000 jobs directly and 150,000 jobs indirectly.[3]
	AGOA helped Kenya revive its cotton growing sector. From August 2000 to July 2001, Kenyan textile exports to the United States quadrupled, thereby encouraging cotton farmers to increase production.[4]
Lesotho	Textile manufacturing projects investments were the main source of foreign exchange and new employment in Lesotho. Most investors were from Taiwan, South Africa, and South Korea.[5]
	In 1999, 17,000 textiles workers were employed in the industry, into which companies, most of Asian origin, have invested millions to access the U.S. market through the AGOA program. As of January 2002, there were 40,000 employees, each earning an average of $80 a month.[6]
	The U.S. market has become an increasingly important destination for clothing and footwear exports, and accounted for nearly half of Lesotho's total exports. This trend is expected to continue as the country continues to benefit from AGOA.[7]
	The Swaziland factory, combined with Nien Hsing's (Taiwan) factories in Lesotho, was expected to give the company a monthly output of 93,000 dozen garments.[8]
	The Lesotho government received plans for over $120 million in new investments aimed at exporting products under the AGOA program.[9]
Madagascar	AGOA was a significant incentive for new investment in Madagascar, which represented $113 million, generating 52 new apparel companies and 43,000 new jobs in 2001.[10]
	Since Madagascar qualified for AGOA, economy-wide employment increased by 10 percent.[11]
	Madagascar's textile and apparel exports to the United States in 2001 increased 83 percent. This increase was due, in part, to the special apparel provision of AGOA which allows poorer countries to use any textile materials for exports.[12]
	Foreign investments rose sharply in Madagascar after it qualified for trade benefits under AGOA.[13]

See footnotes at end of table.

Table 2-5-*Continued*
Selected examples of recent AGOA-related investment, employment increases, and industry output expansion, 2000-2002

Country	Examples
	Madagascar's exports of textiles and garments to the United States were $64.5 million in the first half of 2001, thereby encouraging businesses to triple industrial investment. Investment in the industry in the first half of 2001 represented a 200 percent increase over the whole of 2000.[14]
Mauritius	According to the Mauritius Freeport Authority, AGOA encouraged Mast Industries Ltd. (U.S.), the GAP (U.S.), Eddie Bauer (U.S.), and William E. Conner & Assoc. (Hong Kong) to open regional buying offices in the country. Also in the textile sector, Shenxi (China) was building a $60 million spinning mill. CMT Ltd. (Mauritius) and Indo Count Industries Ltd. (India) jointly invested $40 million in an additional cotton spinning plant. The Mauritius Board of Investment reviewed other projects worth over $100 million submitted by Indian, Swiss, and Italian companies.[15]
Namibia	In early 2002, Ramatex Textiles (Malaysia) constructed an integrated textile and clothing complex in Windhoek's Otjimuise suburb. The Namibia Investment Center stated that negotiations were underway for two additional factories.[16]
Rwanda	The Hong Kong-based firm Competent Group of Garment Manufacturing announced plans to invest $11 million to establish a manufacturing plant in Rwanda. The plant is expected to provide employment for 2,500 Rwandans and to produce knitwear and cotton clothing for export to the U.S., European, and African markets.[17]
South Africa	In August 2001, Frame Textiles (South Africa) planned investments worth $25 million over the following two years to boost competitiveness and capacity in a bid to penetrate the U.S. market more effectively.[18] A representative of the Clothing Industry Export Council stated that AGOA-related activities and investment could lead to 300,000 new jobs in the clothing industry and a further 100,000 jobs in the textiles industry, with additional job opportunities in the agricultural sector from increased cotton production.[19] As of mid-2002, nearly 90,000 South Africans were employed in jobs related to industries accessing AGOA benefits.[20] As of September 2001, the main South African sectors to benefit from AGOA were the apparel, steel, and automotive sectors, as well as certain sectors of the fruit industry. Some parts of the fruit industry held a 50 percent share in the U.S. market.[21] According to the National Association of Automobile Manufactures of South Africa, the increase in exports of locally assembled cars and commercial vehicles in 2001 was, in part, due to AGOA.[22] In October 2000, Ramatex (Malaysia) invested $110 million in a textile mill and export garment factory in the Eastern Cape in an AGOA-related investment.[23]
Swaziland	In Swaziland, Nan Woei Industrial (Taiwan) invested $2.4 million in new sewing machines. Nien Hsing Textile opened a new denim plant in Swaziland, with a capacity of 45,000 dozen garments a month. The Swaziland factory, combined with Nien Hsing's factories in Lesotho, is expected to give the company a monthly output of 93,000 dozen garments. Nien Hsing invested NT $1 billion ($28.9 million) in a denim fabric mill which will produce 1.6 million yards per month.[24] The minister of finance stated that 18 foreign manufactures had indicated their intention to invest a total of E188 million ($21.9 million) in 2002 in order to gain U.S. market access through AGOA. Consequently, AGOA expiration would lead to significant job losses.[25] AGOA helped attract Tex-Ray (Taiwan) to Swaziland. The company invested $24 million to expand its factory. This investment is expected to create 4,000 new jobs.[26]

See footnotes at end of table.

Table 2-5-*Continued*
Selected examples of recent AGOA-related investment, employment increases, and industry output expansion, 2000-2002

Country	Examples
Uganda	In February 2002, the Ugandan minister of Tourism and Trade launched Star Coffee. The firm invested about Shs 150 million ($85,000) in processing the coffee. For the first time in 100 years, a Ugandan firm added value to coffee and exported it as a processed product. The coffee was processed into instant coffee and exported to the United States.[27]
	In order to take advantage of AGOA, the government encouraged farmers to grow cotton through its Cotton Development Organization. The historical cotton growing areas have resumed cotton production, and Uganda boasts of its excellent long staple cotton.[28]
	OTK (South Africa) bought a cotton gin in Uganda to supply South African spinners with raw materials to fully exploit AGOA.[29]

[1] *EIU Viewswire*, "Botswana: Business: Industry Overview: Manufacturing," Apr. 8, 2002.

[2] *EIU Viewswire*, "Côte d'Ivoire: Business: Industry Overview: Manufacturing," Apr. 16, 2002.

[3] *Inter Press Service*, "Economy/ Africa Grew Faster in Developing World in 2001-Study," May 31, 2002.

[4] *EIU Viewswire*, "Sub-Saharan Africa: Economy: News Analysis: US Trade Legislation has Brought Benefits for Some," Aug. 31, 2001.

[5] U.S. Department of State, "Lesotho Investment Climate Statement 2002," MASERU 00407, found at Internet address *http://www.itc.newsedge-web.com*, retrieved on June 14, 2002.

[6] *The Survivor* (Lesotho), "Africa a Focus for US Investment," Jan. 24, 2002.

[7] *EIU Viewswire*, "Lesotho: Business: Industry Overview: Manufacturing," Apr. 8, 2002.

[8] *Manchester Trade: Africa Business & Policy Update*, "Taiwan: Garment Makers Expand Sub-Saharan Africa Plants," July 25, 2002.

[9] *Inter Press Service*, "Economy/ Africa Grew Faster in Developing World in 2001-Study," May 31, 2002.

[10] U.S. Department of State, Cable ANTANA 01768, Aug. 2, 2002.

[11] *Manchester Trade: Africa Business & Policy Update*, "USTR Robert B. Zoellick Visits Sub-Saharan Africa February 14-20," Feb. 21, 2002.

[12] *Manchester Trade: Africa Business & Policy Update*, "Investment Key to AGOA Success," July 31, 2002.

[13] *Inter Press Service*, "Economy/ Africa Grew Faster in Developing World in 2001-Study," May 31, 2002.

[14] *EIU Viewswire*, "Madagascar: Economy: News Analysis: Disruption to Exports Threatens Trade," Apr. 2, 2002.

[15] U.S. Department of State, Cable PORT L 00922, Aug. 9, 2002.

[16] *EIU Viewswire*, "Namibia: Business: News Analysis: Ramatex Textiles Complex on Track," Feb. 14, 2002.

[17] *BBC Monitoring*, "Hong Kong Textile Company Pledges to Invest 11m Dollars in Rwanda," Nov. 19, 2001.

[18] *EIU Viewswire*, "Sub-Saharan Africa: Economy: News Analysis: US Trade Legislation has Brought Benefits for Some," Aug. 31, 2001.

[19] *EIU Viewswire*, "South Africa: Business: News Analysis: Textile Firms Come to Terms with Globalization," Dec. 8, 2002.

[20] *The Associated Press*, "Report Shows U.S. Trade Deal Boosting South Africa's Economy," Aug. 16, 2002.

[21] *Business Monitor International*, "South Africa: Quarterly Economic Outlook-Q4 2001 Economic Outlook," Sept. 28, 2002.

[22] *EIU Viewswire*, "South Africa: Business: News Analysis: Automotive and Pharmaceuticals Updates," Jan. 31, 2001.

[23] *EIU Viewswire*, "South Africa: Economy: News Analysis: Country Seeks Inroads into US Market," Nov. 15, 2000.

[24] *Manchester Trade: Africa Business & Policy Update*, "Taiwan: Garment Makers Expand Sub-Saharan Africa Plants," July 25, 2002. (1 US$ = 34.7 NT.)

[25] *EIU Viewswire*, "Swaziland: Economy: News Analysis: Concern Grows Over AGOA Benefits," May 28, 2002. (1 US$ = 8.6E.)

[26] *EIU Viewswire*, "Swaziland: Economy: News Analysis: US has Renewed AGOA Eligibility," Feb. 14, 2002.

[27] Katamba Mohammed, "Local Firm Produces Instant Coffee for American Market," *The Monitor* (Kampala), Feb. 22, 2002. (1 US$ = 1,755.7 Shs.)

[28] U.S. Department of State, Cable KAMPAL 02074, Aug. 8, 2002.

[29] Jim Fisher-Thompson, "AGOA Creating New Jobs and Investment in South Africa: USTR Zoellick Will Visit the Country," *Manchester Trade: Africa Business & Policy Update,* Feb. 12, 2002.

Investment Climate and Reform Facilitating Role of AGOA

In order to receive AGOA benefits, a country must have or be making progress toward the following:

- a market-based economy,
- the rule of law and political pluralism,
- elimination of barriers to U.S. trade and investment,
- protection of intellectual property,
- efforts to combat corruption,
- policies to reduce poverty,
- increasing availability of health care and educational opportunities,
- protection of human rights and worker rights, and
- elimination of certain child labor practices.[20]

A government's commitment to these AGOA requirements stands to help create an investment-friendly environment that signals to potential investors the country's commitment to market-based policies.[21] Numerous AGOA-eligible governments have recognized this aspect of AGOA, and have used AGOA eligibility to attract investment and to undertake reforms (table 2-6).

[20] Trade and Development Act of 2000, Pub. L. 106-200, Title I, May 18, 2000, 114 Stat. 252. For more information on AGOA eligibility requirements, see information found at Internet address *http://www.agoa.gov*.

[21] *EIU Viewswire*, "Country seeks inroads into U.S. market," Nov. 15, 2000.

Table 2-6
Selected examples of AGOA-related facilitation of investment and reform, 2000-2002

Country	Examples
Madagascar	In an effort to maintain the AGOA-driven investment levels in the textile industry, the government announced plans to reduce regulatory hurdles, such as reducing waiting time for securing official approval for investment in the export processing zone and allowing the development of export processing zones on privately-owned land.[1]
Mauritius	An advisor to the Prime Minister of Mauritius urged Indian businessmen to make investments in order to take advantage of AGOA.[2] The Mauritian Information Technology Minister, while leading an information technology and telecommunications delegation to India, stated, "Our inclusion in the Africa Growth and Opportunities Act can also be leveraged [as an investment opportunity]."[3]
Nigeria	The Nigerian government assisted Nigerian manufacturers in exporting goods to the United States under the AGOA program in order to achieve export expansion and diversification, as well as to improve the Nigerian economy.[4]
Senegal	The government expended significant energy to attract investors interested in relocating existing apparel factories to Senegal, in particular from Mauritius, in order to access AGOA benefits.[5]
Swaziland	In 2001, Swaziland was warned that it would lose its AGOA benefits if its human rights record did not improve. The embassy of Taiwan in Swaziland expressed, for the first time, disapproval towards an action of the Swaziland government. Taiwan is a significant investment source for the manufacturing sector, which the Swaziland government is trying to develop to take advantage of the AGOA program.[6]
Tanzania	In February 2002, Tanzania qualified for textile and apparel benefits under AGOA. AGOA eligibility conditions were similar to eligibility criteria for the IMF/World Bank HIPC initiative. Policy initiatives aimed at attaining AGOA eligibility assisted Tanzania to also meet IMF and World Bank requirements, and thereby to qualify for the HIPC debt relief program.[7]
Uganda	In November 2001, Uganda completed the last step for AGOA approval by amending the Customs Management Act. The Uganda Investment Authority stated that the government must allow foreign ownership of real estate before maximum AGOA benefits will be realized.[8]

[1] *EIU Viewswire*, "Madagascar: Economy: News Analysis: New Figures Confirm Surge in Exports to US," Dec. 26, 2001.
[2] *Businessline* (Islamabad), "India: Mauritius, a Gateway to US Markets," Feb. 19, 2001.
[3] *Businessline* (Islamabad), "India: Mauritius Seeks Help to Become Cyber Island," Mar. 15, 2001.
[4] *Asia Intelligence Wire*, "Government to Assist Manufacturers Export Under AGOA," July 26, 2002.
[5] U.S. Department of State, Cable DAKAR 01864, July 25, 2002.
[6] *EIU Viewswire*, "Swaziland: Politics: News Analysis: A Controversial Royal Decree," Aug. 13, 2001.
[7] *Manchester Trade: Africa Business & Policy Update*, "Tanzania Gains Textile Free Trade with US," Feb. 14, 2002.
[8] *EIU Viewswire*, "Uganda: Economy: News Analysis: Africa Growth and Opportunity Act to Create Jobs," Nov. 7, 2001

CHAPTER 3
Foreign Investment and Regional Integration

Investment in Sub-Saharan Africa

Overview

In 2001, SSA received $14.3 billion, or 7.7 percent of global foreign investment flows to developing countries. This amount nearly doubled the $7.6 billion received in 2000, which represented 3.5 percent of all investment flows to developing countries (table 3-1).[1] The U.S. share of that global investment flow to Africa represented only a small amount - $798 million in 2001 - or less than 0.1 percent of total U.S. direct investment abroad. However, almost one-half of the 2001 inflows to SSA stemmed from the financial restructuring of DeBeers Group (a South African diamond mining company), which was purchased by Anglo American PLC (United Kingdom). Absent this transaction, investment in SSA would have totaled an estimated $6.9 billion, representing a 9.2-percent decline from 2000.[2]

The drop in foreign investment flows can be principally attributed to geographic fragmentation and domestic conditions in SSA.[3] The fragmentation of African markets reduces their attractiveness as investment destinations because investors prefer access to large or integrated markets. In addition, armed conflicts, political and policy uncertainty, and social problems paint a negative picture of the continent and discourage foreign investment. Recent conflicts in Burundi, the Democratic Republic of Congo (DROC), Eritrea and Ethiopia, Liberia, and Sudan, and political events in Zimbabwe further dampened investor interest in these countries. Investment flows to Africa were also adversely affected by increased security concerns after the terrorist attacks in the United States on Sept. 11, 2001, which reduced tourism receipts, and thus investment in tourism infrastructure such as hotels. In addition, the decline in oil prices reduced investment flows to the petroleum and tourism sectors in the region.[4] The HIV/AIDS pandemic also may have dampened the investment climate because of its adverse effect on the labor supply.[5]

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[1] The World Bank, "Global Development Finance (GDF) 2002, Analysis and Summary Tables," Washington, D.C.2002, pp. 22 and 46.

[2] Anglo American's acquisition of DeBeers shifted ownership of the latter's assets from South Africa to the United Kingdom. Consequently, the United Kingdom's direct investment in South Africa increased by the value of DeBeers assets. The World Bank, "GDF 2002, Analysis and Summary Tables," p.186.

[3] The World Bank, "GDF 2002, Country Tables," Washington, D.C. 2002, p. 22.

[4] The World Bank, "GDF 2002, Analysis and Summary Tables," p.186.

[5] The World Bank, "Intensifying Action Against HIV/AIDS in Africa," found at Internet address *http://www.worldbank.org/afr/aids/*, retrieved on July 2, 2002.

Table 3-1
Global Investment Flows to Developing Countries, 1997-2001

Country/Region	1997	1998	1999	2000	2001
	Value *(million dollars)*				
Sub-Saharan Africa:					
FDI	8,195	6,332	7,937	6,676	13,602
Portfolio equity flows	1,507	681	3,899	893	703
Total	9,702	7,013	11,836	7,569	14,305
Developing Countries:					
FDI	172,494	178,263	184,353	166,691	168,238
Portfolio equity flows	30,094	15,567	34,456	50,867	18,527
Total	202,588	193,830	218,809	217,558	186,765
	Share of total *(percent)*				
Share of Sub-Saharan Africa:					
FDI	4.8	3.6	4.3	4.0	8.1
Portfolio equity flows	5.0	4.4	11.3	1.8	3.8
Total	4.8	3.6	5.4	3.5	7.7

Source: The World Bank, "Global Development Finance 2002, Country Tables," Washington, D.C. 2002, pp. 22 and 48.

Market reform and privatization

The basic elements commonly cited as essential to investor confidence include efficient financial institutions; a legal framework, which defines the rights and obligations of market participants and provides guidelines and rules for financial institutions; and a regulatory and supervisory system to oversee the sector and to ensure competition.[6] SSA countries have undertaken significant financial reforms and established facilities, including capital markets, in the past decade to entice foreign investment.

In 1999, foreign investment accounted for 51.2 percent of the total proceeds from privatization activities in SSA.[7] However, privatization activities in SSA have declined considerably during the last 2 years. The World Bank recorded nine privatization activities in 2001, compared to 35 in 2000.[8] Uganda led in terms of the number of privatization activities with four enterprises divested in 2001, mainly in transportation services.[9] State ownership is estimated at 10 percent of GDP in developing countries on average, suggesting that further privatization is possible in SSA.[10]

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[6] The United Nations Economic Commission for Africa, "Promotion of Capital Markets in Africa in the Context of Enhancing Domestic and External Resource Mobilization for Development," found at Internet address *http://www.uneca.org/*, retrieved on June 9, 2002.

[7] The World Bank, "GDF (GDF) 2001," Analysis and Summary Tables, p. 189-190.

[8] The World Bank, Privatization database, found at Internet address *http://www4.worldbank.org/afr/database/afrpriv/p1getlst.cfm*, retrieved on July 9, 2002.

[9] Ibid.

[10] James S. Guseh, "The Public Sector, Privatization, and Development in sub-Saharan Africa," 2001, found at Internet address *http://www.web.africa.ufl.edu*, retrieved onJuly 10, 2002.

Global Investment Trends

Global Foreign Direct Investment (FDI)

Net FDI in sub-Saharan Africa declined for the period 1997 through 2000, from $8.2 billion in 1997 to $6.7 billion in 2000, as shown in table 3-2. Total private investment flows to SSA spiked in 1999 at $11.8 billion, up from $7.0 billion the previous year, but dropped to $7.6 billion in 2000. The same trend was evident in portfolio equity flows, which rose from $681 million in 1998 to $3.9 billion in 1999, dropping to $893 million in 2000.

Table 3-2
Global investment flows to sub-Saharan Africa, 1997-2000
(Million dollars)

Country/Region	1997	1998	1999	2000
Sub-Saharan Africa investment flows:				
FDI (net)	8,195	6,332	7,937	6,676
Portfolio equity flows	1,507	681	3,899	893
Total private investment flows	9,702	7,013	11,836	7,569
Foreign direct investment flows:				
Angola	412	1,114	2,471	1,698
Nigeria	1,539	1,051	1,005	1,083
South Africa	3,811	550	1,503	961
Portfolio equity flows:				
South Africa	1,393	619	3,855	864
Ghana	46	15	19	17
Nigeria	4	2	2	2
Total investment flows:				
South Africa	5,204	1,169	5,358	1,825
Angola	412	1,114	2,471	1,698
Nigeria	1,543	1,053	1,007	1,085

Source: The World Bank, "Global Development Finance 2002, Country Tables ," pp. 6-8, 22.

FDI flows to SSA are unevenly distributed. In 2000, Angola, Nigeria and South Africa received 25.4 percent, 16.2 percent and 14.4 percent, respectively, of total direct investment flows to the region (table 3-3). The next five countries, Sudan, Mauritius, Uganda, Zambia, and Tanzania, jointly received 19 percent.[11] FDI flows to Angola decreased by 31.3 percent and flows to South Africa decreased by 36.1 percent during 2000, while flows to Nigeria increased by 7.8 percent. FDI flows to Angola and Nigeria were mainly directed to the petroleum sector, where sharply lower oil prices reduced or reversed the growth of inbound direct investment in 2000. Direct investment in South Africa declined as privatization activities declined.[12]

[11] The World Bank, "GDF 2002: Analysis and Summary Tables," p. 212.

[12] United Nations Commission on Trade and Development (UNCTAD), Press Release "Foreign Direct Investment in Africa Shrinks," TAD/INF/PR24, Sept. 18, 2001.

Table 3-3
Share of global investment flows to sub-Saharan Africa, 1997-2000

(Percent)

Country	1997	1998	1999	2000
Foreign direct investment:				
Angola	5.0	17.6	31.1	25.4
Nigeria	18.8	16.6	12.7	16.2
South Africa	46.5	8.7	18.9	14.4
Portfolio investment:				
South Africa	92.4	90.9	98.9	103.5
Ghana	3.1	2.2	0.5	2.0
Total investment:				
South Africa	53.6	16.7	45.3	24.3
Angola	4.2	15.9	20.9	22.6
Nigeria	15.9	15.0	8.5	14.4

Source: The World Bank, "Global Development Finance 2002, Country Tables ," pp. 6-8, 22."

While the United States, France, and the United Kingdom remain the principal investors in SSA, it appears that the sources of FDI in SSA are diversifying. For example, Germany, the Netherlands, China, India, Malaysia, Taiwan, and the Middle Eastern countries increased their participation in the SSA investment market. U.S. direct investment flows to SSA countries are primarily directed to the petroleum sector, while those from France target other natural resources extraction. The United Kingdom invests mainly in the services sector, and Germany, the Netherlands and Switzerland primarily invest in manufacturing.[13]

Global Foreign Portfolio Investment

Portfolio equity funds in SSA are funneled through stock exchanges in Africa, and also through other exchanges via mutual funds managed and traded overseas. African companies—particularly South African companies—also list their shares on overseas stock exchanges. Portfolio equity flows to SSA declined by 21.3 percent in 2001, to $703 million (table 3-4). The decline principally reflected Anglo American's acquisition of DeBeers; South African residents' holdings of DeBeers stock were, as a result of the acquisition, counted as outbound investment, rather than as investment in a domestic firm.[14] Except for a one-time surge in 1999, portfolio investment flows to the region have declined every year since 1997.[15]

Many SSA stock exchanges were created or significantly reformed in the 1990s to provide much needed liquidity to finance the development of the SSA region.[16]

[13] UNCTAD, "WIR 2000," Geneva:2000, p. 41-42; and "More than expected," *The Economist*, June 1, 2000, found at Internet address *http://www.economist.com*, retrieved on May 29, 2002.

[14] *Economist Intelligence Unit* (EIU), Country Profile 2001:South Africa, London, p.53.

[15] USDOC, International Trade Administration, "Country Commercial Guide: South Africa 2002," 09/05/2001, found at Internet address *http://www.stat-usa.gov*, retrieved on July 2, 2002.

[16] MBendi, "Africa's Stock Exchanges," found on Internet address *http://mbendi.co.za/exaf.htm*, retrieved on July 14, 2000.

Table 3-4
Global portfolio equity investment flows into sub-Saharan Africa, 1997-2000

(Million dollars)

Country/Region	1997	1998	1999	2000	2001	Share of Total 2000	Change 1999-2000
						Percent	
South Africa	1,393	619	3,855	864	([1])	96.8	-77.6
Ghana	46	15	19	17	([1])	1.9	-10.5
Côte d'Ivoire	18	6	8	6	([1])	0.7	-25.0
Total SSA	1,507	681	3,899	893	703	([2])	-77.1

[1] Not available.

[2] Not a meaningful number.

Source: The World Bank, "Global Development Finance, Country Tables," pp. 6-8, 22.

However, the majority of these exchanges are either not operating or trading at a minimal level. The Johannesburg Stock Exchange (JSE) in South Africa, established in 1887, is the largest and the most active on the continent, with 353 listed companies and a market capitalization of $163 billion in March 2002.[17] JSE accounted for 90 percent of the total market capitalization of all exchanges in SSA in 1999.[18] The Nigeria Stock Exchange ranked second in the region with $2.9 billion in market capitalization in 1999. The Bourse Régionale des Valeurs Mobilières (BRVM), a regional exchange in Abidjan, serving the members of the West African Economic and Monetary Union (WAEMU), was third with $1.5 billion, and the Ghana Stock exchange was fourth with $916 million in market capitalization in 1999.[19] With the exception of the JSE, stock exchanges in Africa are restricted by low liquidity levels; that is, the low value of shares traded relative to total market capitalization.[20] While the exchanges may provide larger corporations with access to additional capital, local companies, which are too few in number and too small, make little use of them. This limited use is likely due to lack of experience and resources for issuing shares, and also because managers fear losing control after going public.[21] The lack of adequate legal and regulatory institutions also plays a role in discouraging portfolio investment through the exchanges. In addition, foreign ownership of securities in Africa is controversial, as there is concern that exposure to foreign markets might bring susceptibility to global volatility.[22]

[17] Johannesburg Stock Exchange, "Market Profile, Apr. 30, 2002," found at Internet address *http://www.jse.co.za/*, retrieved on July 12, 2002.

[18] Jacqueline Irving, "Africa's Struggling Stock Exchanges," *Africa Recovery*, vol. 14, No. 3, p. 25, October 2000 found at Internet address *http://www.un.org/ecosocdev/geninfo/afrec/subjindx/143stock.htm,* retrieved on June 20, 2002.

[19] BRVM serves Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo. MBendi, "Bourse Régionale des Valeurs Mobilières (BRVM - Regional Stock Exchange)," found at Internet address *http://www.mbendi.co.za/exaf.htm*, retrieved on May 24, 2002.

[20] Jacqueline Irving, "Africa's Struggling Stock Exchanges."

[21] Ibid.

[22] Ibid.

U.S. Investment

U.S. Direct Investment in Sub-Saharan Africa

U.S. direct investment flows to Africa totaled $798 million in 2001, or less than 0.1 percent of total direct investment abroad. In 2001, despite large net inflows to Nigeria, U.S. direct investment flows to African countries decreased by 30.7 percent, compared to a 30.9-percent decline in total U.S. direct investment flows abroad (table 3-5).[23] The decline in U.S. investment to SSA was largely due to a reversal of capital flows between the United States and South Africa, the latter of which recorded a net outflow of $4 million, compared with a net inflow of $490 million in 2000. A drop in the value of the rand and uncertainty in the region, compounded by events in Zimbabwe, could have contributed to the flight of investment capital from South Africa. Flows to the continent decreased to $581 million in 2001, from $980 million in 2000. Nevertheless, U.S. direct investment position in Africa increased by 10.1 percent in 2001, to $15.9 billion (table 3-6).[24] South Africa hosts $3 billion or 18.6 percent of U.S. assets in Africa, Angola $1.5 billion or 9.4 percent, and Nigeria $1.3 billion or 8.1 percent. U.S. holdings are principally in the petroleum sector in Angola and Nigeria, and in the mining and manufacturing sectors in South Africa.[25]

U.S. Portfolio Investment in Sub-Saharan Africa

Few SSA companies list their stocks on U.S. exchanges. U.S. portfolio investment in SSA is largely channeled through mutual funds managed by U.S. investment companies. As noted, these funds integrate stocks of SSA companies with those of other emerging markets, or concentrate exclusively on SSA stocks. SSA stocks

Table 3-5
U.S. direct investment abroad: Capital flows, 1997-2001
(Million dollars)

Country/Region	1997	1998	1999	2000	2001
All countries	95,769	131,004	174,576	164,969	113,977
Africa	3,436	3,075	498	1,151	798
Nigeria	375	403	-172[1]	-319	221
South Africa	1,298	-83	872	490	-4
Other	1,763	2,756	-202	980	581

[1] Negative numbers indicate inflows of capital into the United States.

Source: USDOC, BEA, " U.S. Direct Investment Abroad: Country Detail for Selected Items," found at Internet address, *http://www.bea.doc.gov/di/dia-ctry.htm*, retrieved on June 28, 2002.

[23] Bhinda N., Griffith-Jones S., Leape J. and M. Martin, "Private Capital Flows to Africa: Perception and Reality," Forum on Debt and Development, The Hague: 1999, pp. 32-33.

[24] Data specific to SSA are not available. USDOC, BEA, "U.S. Direct Investment Abroad," found at Internet address *http://www.bea.doc.gov/*, retrieved on June 28, 2002.

[25] Except for South Africa and Nigeria, country-specific USDIA data in SSA are not available. USDOC, BEA, "U.S. Direct Investment Abroad: Country detail for selected items," found at Internet address *http://www.bea.doc.gov/*, retrieved on June 28, 2002.

Table 3-6
U.S. direct investment position on a historical cost basis, 1997-2001
(Million dollars)

Country	1997	1998	1999	2000	2001
All countries	871,316	1,000,703	1,173,122	1,293,431	1,381,674
Africa	11,330	14,061	13,621	14,417	15,872
Nigeria	1,396	1,686	1,442	1,237	1,467
South Africa	2,499	2,344	3,009	3,245	2,950
Angola	798	1,116	1,536	1,601	1,498
Other	6,637	8,915	7,634	8,334	9,957

Source: BEA, USDIA, U.S. Direct Investment Abroad, found at Internet address *http://www.bea.doc.gov/bea/di/diapos_01.xls*, retrieved on July 12, 2002.

generally experienced a significant decline in 2001. For example, the Calvert South Africa Fund dropped by 7.6 percent in value during the year ended June 30, 2002.[26]

Regional Integration in Sub-Saharan Africa

With nine major regional trade agreements, SSA has one of the highest number of regional groupings in the developing world. These nine regional organizations, most with overlapping memberships, are: (1) the Economic Community of West African States (ECOWAS),with 15 members; (2) the West African Economic and Monetary Union (WAEMU) with eight members, all also belonging to ECOWAS; (3) the Common Market for Eastern and Southern Africa (COMESA), with 20 members; (4) the Southern African Development Community (SADC), with 14 members; (5) the Southern African Customs Union (SACU), with five members, all also belonging to SADC and two to COMESA; (6) the East African Community (EAC), with three members, two belonging to COMESA and one to SADC; (7) the Inter-Governmental Authority on Development (IGAD), with seven members in eastern Africa; (8) the Indian Ocean Commission (IOC), with five members, four belonging to COMESA and one to SADC; and (9) the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC), with six members.[27]

Regional Integration in 2001

Progress on economic regional integration in SSA moved slowly in 2001. Political instability and economic problems in certain SSA countries remained significant constraints to economic integration. Countries with political instability in 2001 included

[26] USDOC, BEA, "U.S. Direct Investment Position Abroad on a Historical-Cost Basis," found at Internet address *http://www.bea.doc.gov/*, retrieved on June 27, 2002.

[27] K.Y. Amaoko, Executive Secretary of ECA "Accelerating the Pace of Regional Integration in Africa: The Challenges Ahead," Mar. 4, 2002, found at Internet address *http://www.uneca.org/eca_resources*, retrieved on June 10, 2002.

Côte d'Ivoire, Zimbabwe, and DROC, all key members in a number of SSA trade agreements.

Economic problems included inadequate financing, similarity in production structures, and high poverty rates in member countries.[28] These problems were compounded by inadequate infrastructure that made transportation and communication expensive.[29] Internal economic problems also hampered the ability of many SSA countries to promote free trade effectively, and the elimination of tariff barriers to interregional trade continued to pose difficulties for several countries primarily because of the adverse effects on government revenues.[30]

A major impediment to successful regional integration in SSA is the overlapping nature of the many trade agreements within the SSA region. Many SSA countries belong to two or more regional groupings. Of the 48 SSA countries, 26 are members of two regional economic agreements and 15 countries are members of three regional economic agreements. DROC is a member of four regional agreements. Only seven countries belong to one regional agreement.[31] A recent IMF study describes the many complications that arise as a result of these overlapping memberships. Foremost, trade agreement implementation is difficult because of conflicting obligations, particularly when trade blocs have different rules of origin or tariff reduction schedules. For example, COMESA members are not allowed to offer trade preferences to partners in SADC and nine members of SADC are also members of the COMESA organization.[32] Second, SSA countries already facing economic and financial difficulties cannot afford the administrative costs of participation in multiple agreements. As a result, many countries have fallen behind on their obligations to the trade groups. For example, since the implementation of newer trade blocs such as SADC and EAC, contributions to more established blocs like COMESA and CEMAC have fallen. COMESA and CEMAC had a rate of collection which fell from 100 percent in 1993 to just over 50 percent in 1998.[33]

Despite these problems, regional integration advanced, albeit slowly, during 2001. Most importantly, regional blocs in Africa began to expand their role from solely economic to political and military in order to address issues that were more political in

[28] Nigerian Institute of Social and Economic Research. "Reflection on African's Historic and Current Initiatives for Political and Economic Unity,", Mar. 1, 2002, found at Internet address *http://www.allafrica.com/stories/200203010736.html*, retrieved on June 10, 2002.

[29] *New Vision*, "Examine Alternative Transport," May 24, 2002, found at Internet address *http://www.allafrica.com/stories/200205240123.html*, retrieved on June 10, 2002.

[30] United Nations Economic Commission For Africa (UNECA), "Annual Report On Integration In Africa 2002," Mar. 2002, found at Internet address *http://www.uneca.org/adfiii/ariaoverview.htm*, retrieved on June 10, 2002.

[31] K.Y. Amaoko, Executive Secretary of ECA "Accelerating the Pace of Regional Integration in Africa: The Challenges Ahead," Mar. 4, 2002, found at Internet address *http://www.uneca.org/eca_resources*, retrieved on June 10, 2002.

[32] *EIU Viewswire*, "Investors focus on Southern Africa," May 21, 2001, found at Internet address *http://www.viewswire.com/index.asp?layout=display_article&search_text=eac&doc_id=147075*, retrieved on June 10, 2002.

[33] K.Y. Amaoko, Executive Secretary of ECA "Accelerating the Pace of Regional Integration in Africa: The Challenges Ahead," Mar. 4, 2002, found at Internet address *http://www.uneca.org/eca_resources*, retrieved on June 10, 2002.

nature and to help resolve conflicts. This shift indicates that the regional groups are taking a stronger role in the SSA region. Almost every trade bloc in SSA has intervened in regional conflicts. For example, the West African Peace Keeping Mission, known by the acronym ECOMOG, a monitoring group within the ECOWAS, reportedly intervened militarily and with some success in the armed conflicts in Liberia and Sierra Leone.[34] SADC acted as an election observer in Zimbabwe and attempted to end the land seizures there. The Intergovernmental Authority on Development (IGAD), is attempting to negotiate peace in Somalia.[35]

In addition, the trade blocs promoted regional-based development projects. Currently, there are a number of infrastructure projects that are being driven by regional trade agreements, particularly in the energy and telecommunications sectors. Energy pooling through the interconnection of electricity grids in the SADC region, with the establishment of the Southern African Power Pool (SAPP) in 1995, linked the SADC member states into a single electricity grid. The SAPP has become the model for other SSA regions. ECOWAS is developing the West African Power Pool, while the EAC is developing a regional plan for future energy projects and considering the interconnection of electricity grids in the EAC region. Furthermore, COMESA has launched COMTEL to build a regional telecommunications network, and ECOWAS is setting up telecommunication regulatory organs to share information and harmonize regulations.[36]

Many financing and development institutions have begun to approach the blocs instead of individual countries to discuss financial and economic support. One of the most significant projects geared toward the regional blocs is the World Bank-funded Africa Trade Insurance Agency, whose purpose is to provide insurance and other financial services to support trade and investments in Africa among the COMESA countries.

Two other significant developments in 2001 were the creation of the Africa Union (AU) and the New Partnership for African Development (NEPAD). The AU, which replaced the 40-year old Organization of African Unity (OAU) and is modeled on the European Union (EU), was established to promote good governance and economic development in member countries. The AU will feature a standby peacekeeping force, a central bank, and court of justice. The AU will complement NEPAD, an agreement formalized in October 2001, in which African countries agreed to promote strategies of poverty eradication, sustainable development, and economic growth and integration with world markets.[37] For more information on NEPAD, see chapter 4.

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[34] Nigerian Institute of Social and Economic Research, "Reflection on African's Historic and Current Initiatives for Political and Economic Unity," Mar. 1, 2002, found at Internet address *http://www.allafrica.com/stories/200203010736.html*, retrieved on June 10, 2002.

[35] *EIU Viewswire*, "Enhanced regional role," Oct. 18, 2001, found at Internet address *http://www.viewswire...layout=display_print&doc_id=160974*, retrieved on June 5, 2002.

[36] UNECA, "Annual Report on Integration in Africa 2002," Mar. 2002, found at Internet address *http://www.uneca.org/adfiii/ariaoverview.htm*, retrieved on June 10, 2002.

[37] NEPAD, "New Partnership for Africa's Development," found at Internet address *http://www.nepad.org/AA0010101.pdf*, retrieved on Aug. 13, 2002

ECOWAS

Economic Community of West African States

Members: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo

Population: 228.7 million (2001)

GNP: $69.6 billion (2001)

Goals: Free trade area; full economic and monetary union

Status and structure:

ECOWAS, established in 1975, created a customs union among its 15 member states to institute the free circulation of goods, services, labor, and capital within the ECOWAS area. The ECOWAS bloc includes all eight members of the WAEMU and members of the Communauté Financière Africaine (CFA) franc zone. In 1979, a trade liberalization program was launched to reduce and eliminate tariffs within ECOWAS. By January 1990, tariff and nontariff barriers were eliminated on agricultural products. This affected primarily livestock, agricultural, forestry and fishery products, meat, and certain textile fibers. Import duties on industrial products were to be reduced at a rate ranging from 10 to 16.6 percent per year, over a period of 6 to 10 years. After achieving full free trade agreement (FTA) status, there will be three separate groups of countries, according to level of industrial development, within the ECOWAS area.

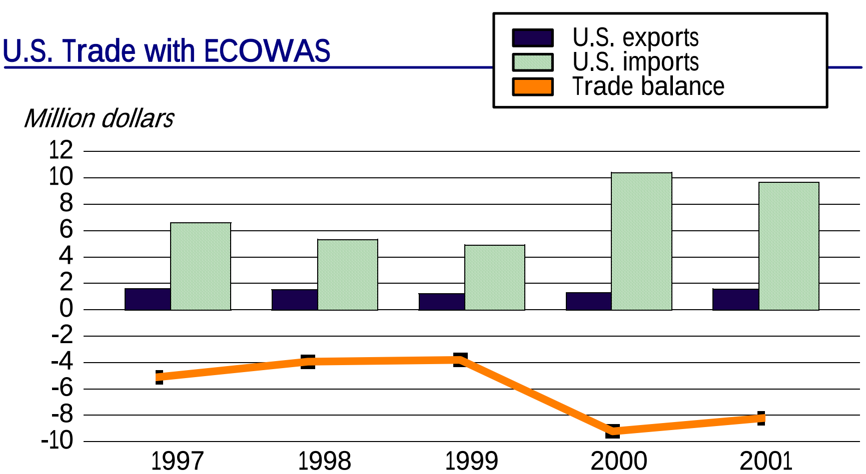
ECOWAS implemented a rules-of-origin regime for manufactured goods to receive preferential treatment -- more than 300 industrial products have been approved for this origin regime. In order to receive a certificate of origin, domestic content must be at least 60 percent or, if less, domestic value-added must be at least 40 percent of the freight on board (f.o.b.) price.

In early 2001, ECOWAS unveiled the West African Monetary Institute, a transitional institution that paved the way for a common central bank.

Trade:

Overall, ECOWAS ranks second among regional trade agreements in SSA with 17 percent of total intraregional trade.[1]

U.S. Trade with ECOWAS



Key Traded Commodities

U.S. Exports

Wheat
Parts of machinery
Rice
Transmission apparatus
Automatic data processing machines
Worn clothing

U.S. Imports

Petroleum products
Cocoa beans
Aluminum ore and unwrought aluminum
Rubber
Diamonds
Wood veneers and chipped woods

Economic Community of West African States

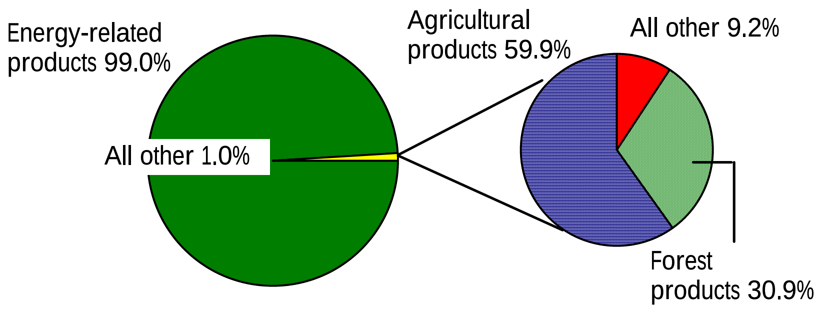
Recent developments:

At the April 2001 meeting of ministers and heads of state, leaders decided to proceed towards a monetary union by committing to reduce central bank financing of budget deficits to 20 percent of the previous year's revenue; reduce budget deficits to 10 percent of the previous year's government revenue; reduce budget deficits to 4 percent of GDP by 2003; create a Convergence Council to help coordinate macroeconomic policies; and set up a common central bank among the non-CFA franc countries by January 2003 as the first step towards establishing a wider monetary union encompassing all the ECOWAS countries by 2004. As Liberia is not expected to meet the convergence criteria by the 2004 deadline, five states -- Gambia, Ghana, Guinea, Nigeria, and Sierra Leone -- are currently involved in the single currency project.[2] The leaders also agreed that all member countries must meet certain criteria --for example, good governance -- before convergence could be attained.[3]

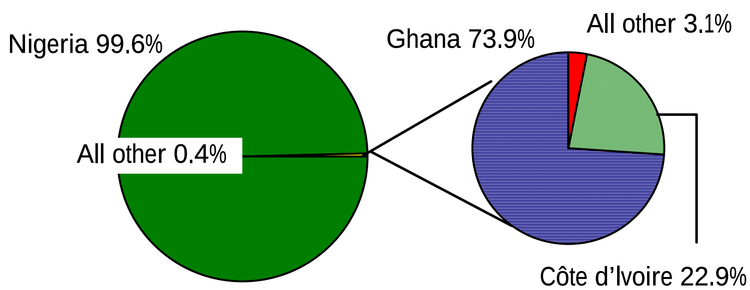
Other issues in the organization's agenda in 2001 included corruption, terrorism, money-laundering, good governance, human trafficking and children's rights.[4]

ECOWAS continued its work with the WAEMU to develop common policies for trade liberalization and macroeconomic policy convergence. Both ECOWAS and WAEMU have agreed to adopt new common rules of origin and a single customs declaration form to enhance the flow of trade. [5]

AGOA Trade in 2001



By Sector



By Country

Key AGOA Developments

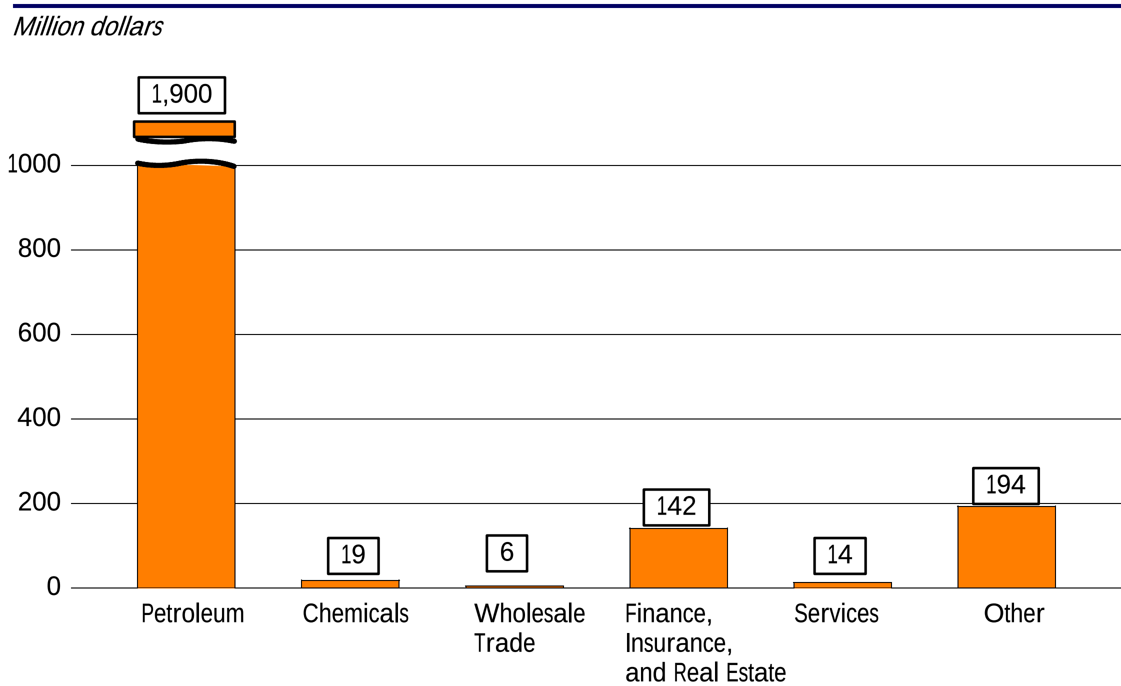
U.S. imports from the ECOWAS region under AGOA (including GSP) totaled $5.75 billion in 2001. Nigeria is one of the key beneficiaries of AGOA due mainly to a significant increase in exports of energy-related products to the United States. In 2001, the United States imported $5.7 billion worth of energy-related products from Nigeria under the preference program.

Economic Community of West African States

Issues:

Progress on full economic integration has been impeded by several factors. Most significantly, smaller countries are concerned that Nigeria, which accounts for more than 82 percent of regional GDP, and 79 percent of regional population, could dominate the Community.[6] Another impediment to further economic integration has been the dependency on exports of primary commodities, exported mainly to the EU. Three member countries are dependent on a single commodity for over 50 percent of their export revenue -- Nigeria (petroleum), Guinea (bauxite), and Niger (uranium).[7] At the same time, ECOWAS members import manufactured goods from Europe.[8] Therefore, opportunities for intra-regional trade are diminished because the economies of ECOWAS are not complementary. Finally, there has been difficulty within ECOWAS with tariff reduction and establishing a common external tariff. Tariffs have been eliminated on traditional and artisan goods, but tariff reduction on industrial commodities has been limited.[9]

U.S. Investment by Sector in ECOWAS in 2001



WAEMU

West African Economic and Monetary Union

Members: Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo

Population: 73.1 million (2001)

GNP: $24.3 billion (2001)

Goals: Customs union and coordinated monetary policy

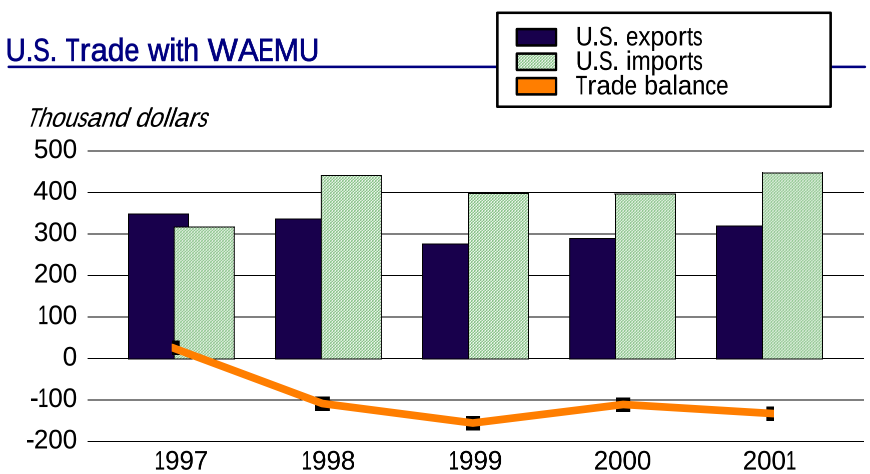
Status and structure:

In January 1994, WAEMU was established to create a common market with free movement of goods, services, capital, and labor within the WAEMU region. Ultimately aiming for the convergence of fiscal policies, harmonization of tax legislation, and a common investment policy, the treaty provided for common sectoral policies as well as a customs union. All member countries participated in the Communauté Financière Africaine (CFA) franc zone based on the Euro and maintained an operations account with the French Treasury to facilitate trade with France.

In December 1995, the member countries concluded a preferential trade agreement that instituted a transitional tariff regime pending establishment of the customs union. The agreement set out regime and customs procedures applicable to the movement of goods within the WAEMU area. A common external tariff became operative on January 1, 2000. Member states tariff revenues losses were to be offset by a transitional but temporary tax on imports from outside WAEMU.

Trade:

WAEMU is ranked sixth among all regional trade agreements in SSA in terms of individual intraregional exports as a share of total intraregional exports and as a share of intraregional exports in total SSA exports.[10]



Key Traded Commodities

U.S. Exports

Worn clothing
Parts of machinery
Motor vehicles for transport
Medicaments
Parts for typewriters

U.S. Imports

Cocoa beans and paste
Petroleum oils
Goods for salvage and repair
Sawn or chipped wood
Peanut oil

West African Economic and Monetary Union

Recent developments:

The WAEMU common external tariff, with rates not to exceed 22 percent ad valorem, took effect in January 2000. However, adherence to the tariff structure is not consistent throughout the region. WAEMU has established a common accounting system and a regional stock exchange. Also, ECOWAS and WAEMU have determined a number of measures which will help to harmonize the two blocs. Both have agreed to adopt new common rules of origin to enhance the flow of trade and implement a universal customs declaration form.

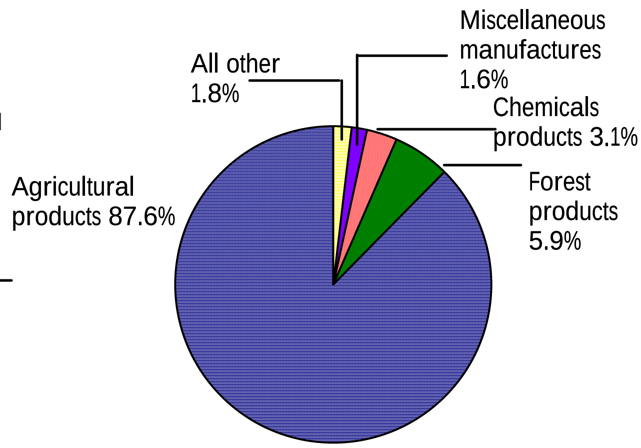
Issues:

Côte d'Ivoire's economic crisis, which began in 1999, has hampered economic prospects for the WAEMU region.

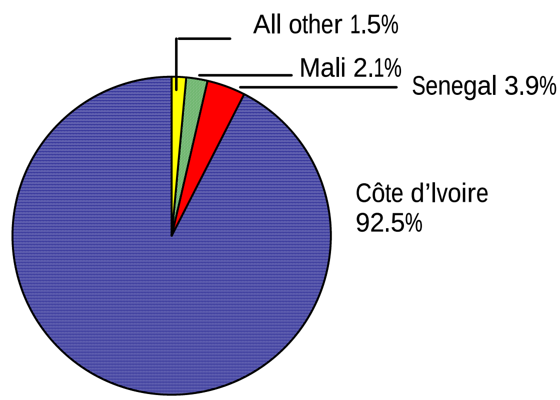
Key AGOA Developments

U.S. imports from the WAEMU region under AGOA (including GSP) totaled $14.4 million in 2001. This reflects of a sharp decline in imports of agricultural products from Côte d'Ivoire.[11]

AGOA Trade in 2001

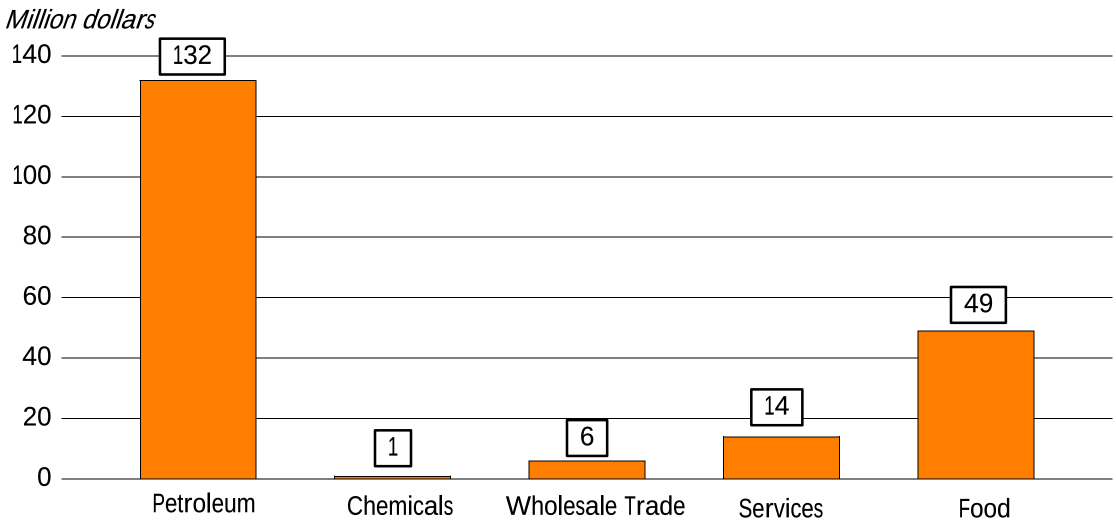


By Sector



By Country

U.S. Investment by Sector in WAEMU in 2001



COMESA

Common Market for Eastern and Southern Africa

Members: Angola, Burundi, Comoros, Democratic Republic of the Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, and Zimbabwe

Population: 294.0 million (2001)

GNP: $133.8 billion (2001)

Goals: Customs union by 2004

Status and structure:

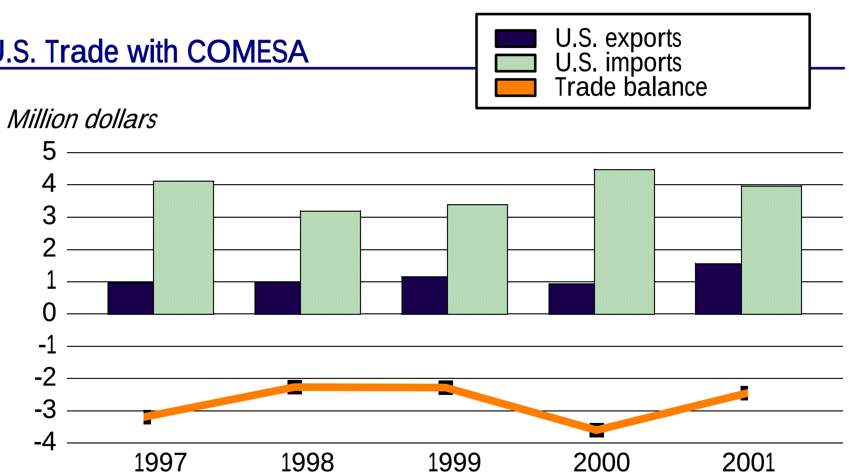
COMESA was founded in December 1994 to promote the free movement of services, capital, and labor; and cooperation in various policy areas, including money and finance, agriculture and industry, communications, energy, environment, health, tourism, and transport within the COMESA area. The COMESA free trade area was officially launched on October 30, 2000.

Goods from countries not participating in the FTA are subject to the tariffs that FTA members apply to non-COMESA countries, unless lower tariffs can be agreed upon between FTA members and nonmembers on a bilateral basis. Nontariff barriers on imports from member countries are to be eliminated, with possible exceptions allowed based on safety, security, infant industry, or balance-of-payments difficulties. Emergency actions, such as safeguard, antidumping and countervailing measures, are allowed for limited periods, for example, up to one year for safeguard measures. Cooperation regarding customs management, and the harmonization of trade documents and procedures is another COMESA goal.

Trade:

Only 6 percent of COMESA's total exports are to its COMESA partners. COMESA ranks fourth among regional trade agreements in SSA in total exports and fifth in imports.[12]

U.S. Trade with COMESA



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Wheat and meslin
Corn
Parts of machinery
Polymers of vinyl chloride

U.S. Imports

Petroleum oils
Women and men's suits
Sweaters, pullovers, and waistcoats
Vanilla beans
Tobacco

Common Market for Eastern and Southern Africa

Recent developments:

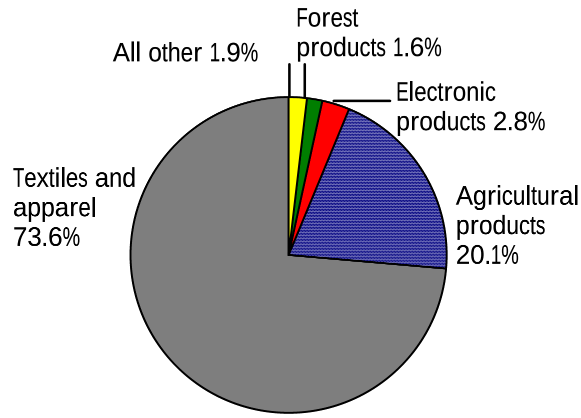
Only nine COMESA members -- Egypt, Djibouti, Kenya, Madagascar, Malawi, Mauritius, Sudan, Zambia, and Zimbabwe -- have committed to participate in the free trade area. One significant issue to be resolved is how to enable other COMESA members to participate in the FTA without revenue losses from reduced tariffs.

COMESA has taken steps to establish the Fund for Cooperation, Compensation and Development,[13] a $200 million fund to assist members that lose tariff revenue as a result of opening their markets.[14] COMESA has also taken steps to implement tariff reductions, eliminate nontariff barriers, apply remedial and safeguard measures, and define rules of origin. Preparatory work continues for a regional competition policy, the COMESA business community forum, subregional women-in- business information centers, the COMESA Iron and Steel Industry Association, and an e-commerce information network for industry.

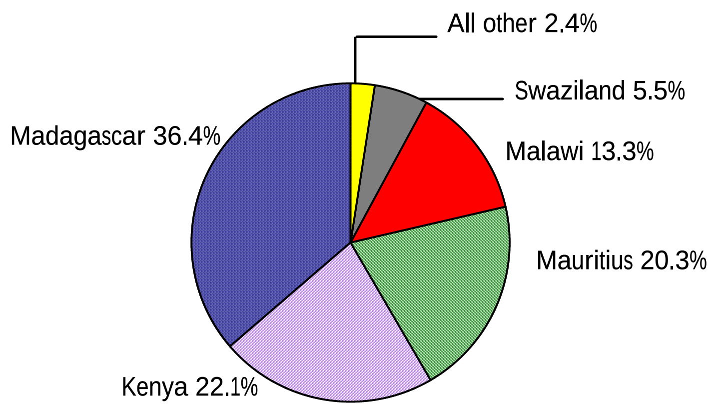
COMESA has adopted a four-phase monetary harmonization program aimed at achieving full monetary union by 2025. COMESA is currently in the second phase, and members have agreed to introduce limited currency convertibility among themselves and implement appropriate monetary and fiscal policies to support overall stabilization efforts.

COMESA has also undertaken a number of measures to strengthen the region and stimulate trade within the bloc. For example, COMESA encouraged members to take advantage of AGOA by producing high-quality yarn. Sub-Saharan Africa exported 234 million square meters of yarn to the United States in 2001, which COMESA hopes will increase by 13 times to 1.09 billion square meters by the time AGOA expires in 2008.[15] The opening of a Preferential Trade Bank to make loans available to cross-border traders.[16] COMESA sponsored the establishment of the African Trade Insurance Agency (ATIA), funded in part by the World Bank, to offer political risk coverage for African trade. [17] COMESA worked on strengthening ties with other regional groups in SSA to promote harmonization between trading blocs, particularly those with overlapping memberships. The EAC and COMESA have a memorandum of understanding to promote harmonization of their policies and programs, and the SADC and COMESA have agreed to set up a task force to deal with common issues and to regularly invite each other to their policy and technical meetings.[18]

AGOA Trade in 2001



By Sector



By Country

Key AGOA Developments

U.S. imports under AGOA (including GSP) from COMESA countries totaled $266.5 million in 2001. Imports from Madagascar totaled $97.1 million, while imports from Kenya and Mauritius totaled $58.9 million and $54 million respectively. Import growth was mainly due to increased imports of textiles and apparel.

Common Market for Eastern and Southern Africa

Issues:

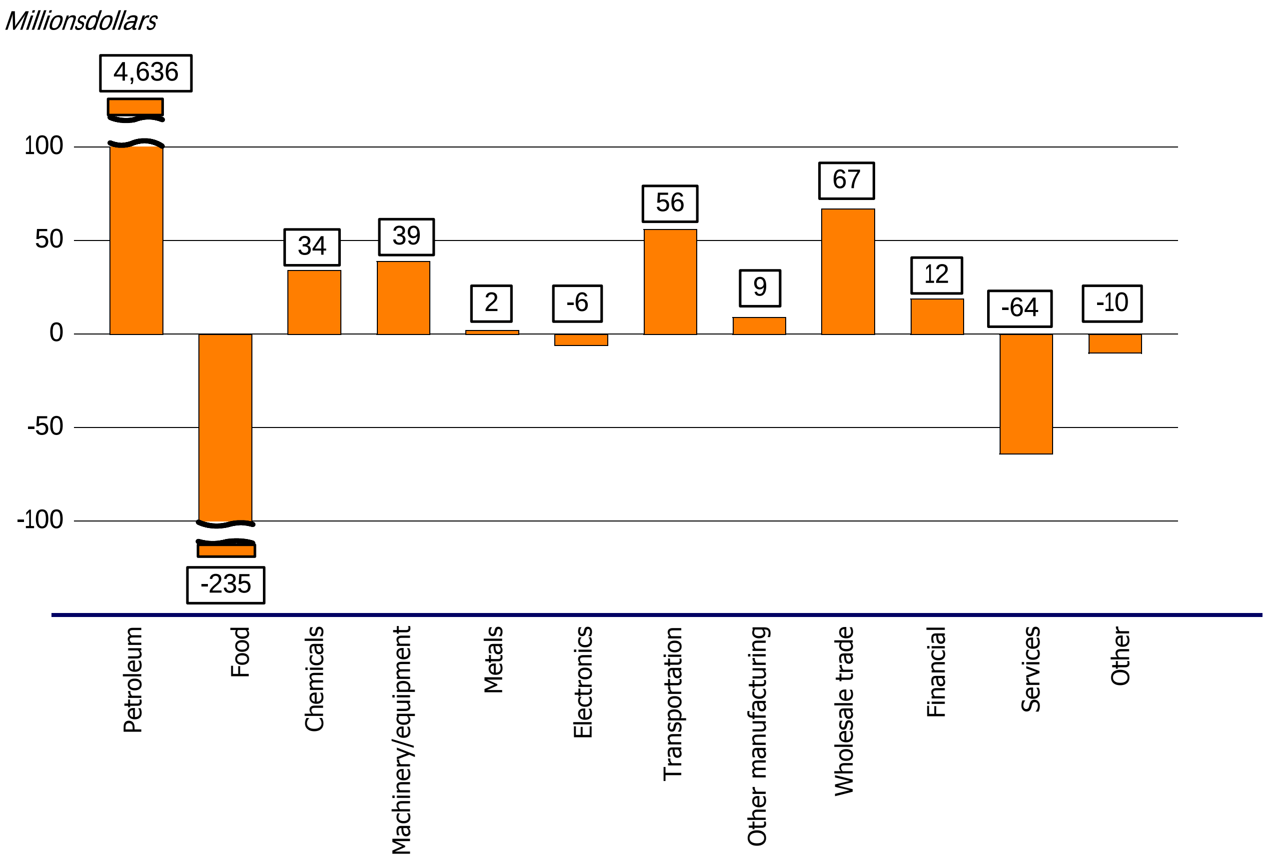
There exist a number of impediments to full economic integration of COMESA. Most significantly, some members (for example, Angola, DROC, Rwanda, Sudan, and Zimbabwe) are experiencing internal conflicts. In addition, individual countries are having difficulty negotiating with each other or coming to terms with the convergence criteria. COMESA members have expressed concerns about Egypt's plan to sign a free trade agreement with the EU. One concern is that the agreement will flood COMESA with less expensive European imports.[19] Zambia and Malawi want to use tariffs or surcharges to protect local manufacturers. Kenya, which accuses sugar exporters of dumping their products in its market, is reportedly considering import quotas.[20]

Zambia disagreed with labeling requirements imposed by Zimbabwe that requires Zambian milk exporters to label their products in Shona and Ndebele. Zambian milk for export is already labeled in English, French and Portuguese, and the manufacturers argued that the additional labeling would create additional costs for Zambian exporters. Disagreements led to an escalating trade battle between the two countries. Zambian farmers also asked the government to impose a year-long ban on imports of Zimbabwean agricultural commodities, including wheat, dairy products, oilseeds, fruit and vegetables, alleging that Zimbabwean farmers had unfair advantages, including access to a parallel foreign-exchange market. In July 2002, the Zambian government announced that it would introduce nontariff barriers to protect Zambian farmers.[21]

Rules of origin have been a source of concern among COMESA members, with some members arguing that the current rules are too stringent. Nevertheless, concerns about rules of origin violators have resulted in even tighter controls to stop illegal transshipment of goods within the bloc.[22]

The lack of harmonization between the many overlapping trade blocs in southern Africa has impeded COMESA's effectiveness. This problem is particularly relevant as South Africa, the region's largest economy, is a member of SADC but not COMESA. SADC and COMESA have limited cooperation and coordination.

U.S. Investment by Sector in COMESA in 2001



SADC

Southern African Development Community

Members: Angola, Botswana, Democratic Republic of the Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Seychelles, Swaziland, Tanzania, Zambia, and Zimbabwe.

Population: 204.4 million (2001)

GNP: $166.3 billion (2001)

Goals: Common market; common currency

Status and structure:

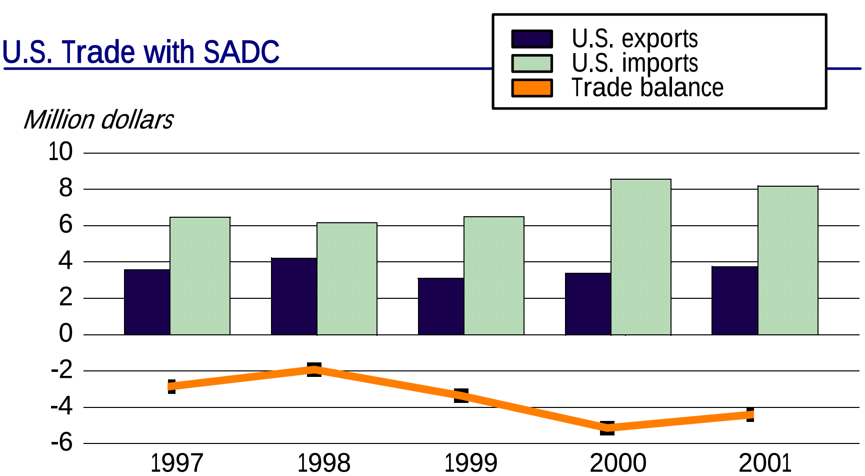
The SADC Free Trade Area was launched on Sept. 1, 2000, to promote development and economic growth, alleviate poverty, enhance the standard and quality of life for the people of Southern Africa and support the socially disadvantaged through regional integration.[23] SADC seeks to establish a free trade area among the 14 member countries in the region, providing for the reduction and elimination of tariff and nontariff barriers within 8 years of entry into force. It includes a rules-of-origin regime that requires goods to be wholly produced in the member states, with specific provisions for mineral products that must be either extracted from the ground or the sea-bed of the member states. SADC develops policies that reduce and eliminate barriers to the free movement of goods, services, capital, and labor, as well as mobilizes support for national and regional projects. SADC is governed by a policymaking body (the Summit of Heads of State and Government), along with a Council of Ministers, and a secretariat based in Gaborone, Botswana. The SADC treaty provides for a protocol to exercise a trade tribunal to adjudicate disputes between members that arise from the treaty in a final and binding manner.

SADC promotes sectoral cooperation within the region, such as in communications, energy, industry, mining, tourism, and transport, and operates projects partially financed by foreign sources. Certain specific sectoral tasks are apportioned to particular members, for example, South Africa coordinates SADC's finance and investment, Namibia coordinates projects in fisheries, and Botswana holds the seat of the SADC Secretariat.

Trade:

Of all the regional integration projects in SSA, SADC is the most successful, ranking first out of all the SSA trade blocs. Of all interregional trade in SSA, SADC accounts for 31 percent of exports and 24 percent of imports. This strong performance is a result of trade among South Africa, Mauritius, Zimbabwe, Malawi and Mozambique, which are more developed and diversified economies.[24]

U.S. Trade with SADC



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Parts of machinery
Parts for tractors
Motor cars
Parts of aircraft

U.S. Imports

Petroleum products
Platinum
Diamonds
Motor cars
Sweaters, pullovers, sweatshirts, and vests

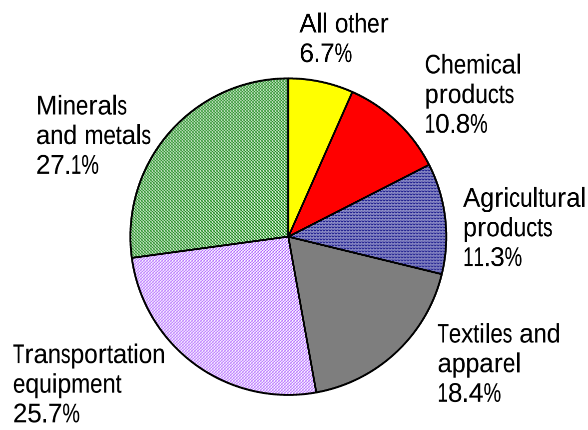
Southern African Development Community

Recent developments:

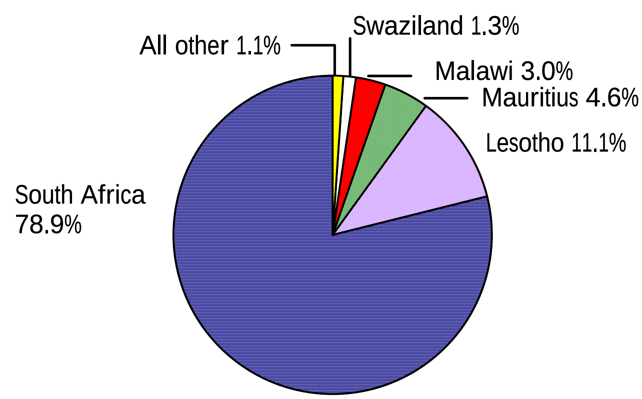
The institutional framework for the FTA is slowly evolving. The SADC Secretariat's new trade implementation unit, which is responsible for assisting members in implementing the FTA, is operating. SADC countries, with the assistance of the U.S. Agency for International Development (USAID), are beginning to form interagency task forces to oversee implementation of the FTA at the national level. SADC has made slow progress in implementing the FTA. As of March 2001, 11 signatories had ratified the agreement and eight had submitted their instruments of implementation. Negotiators met in December 2000, but were unable to resolve outstanding issues concerning textiles and apparel trade and overall market access. The least developed signatories, Mozambique, Malawi, Tanzania and Zambia (or MMTZ countries), claim that the textile and apparel import quotas offered by the SACU countries—South Africa, Botswana, Lesotho, Namibia and Swaziland (the latter four are commonly referred to as BLNS countries)—are inadequate. In addition, South Africa favors an immediate reduction to a zero tariff, whereas the BLNS countries prefer a gradual tariff phase-down. As part of the market access debate, the BLNS countries and MMTZ countries are demanding reciprocal concessions from each other on textile and apparel quotas. Negotiators have yet to settle on product-specific rules of origin for coffee, wheat flour, plastics, electrical appliances and motor vehicles. UNCTAD is helping to facilitate further negotiations on these product categories and a technical committee will be established to address the motor vehicle issue.

SADC continues to advance its plans to interconnect the power grids within SADC countries. The Southern African Power Pool has been a model for other regional integration projects in SSA.

AGOA Trade in 2001



By Sector



By Country

Key AGOA Developments

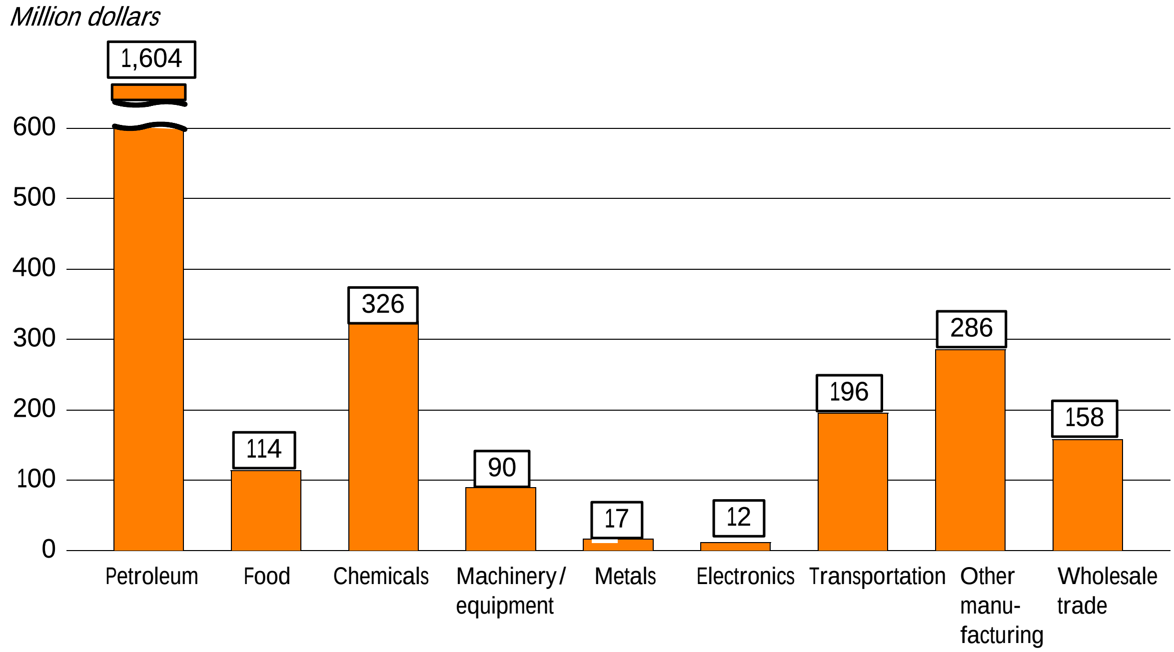
U.S. imports from SADC under AGOA (including GSP) totaled $1.2 billion in 2001. Lesotho, which had no exports to the United States under the GSP program in 2000, had the greatest increase in trade under AGOA in 2001 with $129.5 million in exports to the United States of textiles and apparel goods.

Southern African Development Community

Issues:

Key impediments to full integration within SADC have been civil war in the DROC as well as conflict between the president of Zimbabwe and the rest of the SADC countries.[25] Another concern is the effect of the loss of tariff revenue from intraregional trade on the weaker SADC economies as a result of full FTA implementation. Member countries may have to raise internal taxes to compensate for lost customs revenue after full implementation of the agreement. The anticipated inclusion of SADC members in the EU-South Africa free trade agreement has also raised concern that the weaker SADC countries will not be able to contend with EU competition. Tariff schedules for key sectors such as sugar, fuels, autos, and electronics have yet to be developed. More broadly, the interrelationship between SADC and the SACU has been reported to pose some difficulties.

U.S. Investment by Sector in SADC in 2001



SACU

Southern African Customs Union

Members: Botswana, Lesotho, Namibia, South Africa, and Swaziland
Population: 51.1 million (2001)
GNP: $123.4 billion (2001)
Goals: Free trade area and customs union

Status and structure:

On March 1, 1970, the SACU agreement entered into force.

Members may not impose duties or quantitative restrictions on goods from the SACU area. Nor may members impose duties on imports from other SACU members that are of foreign origin. Duties are collected at the place of entry into the common customs area, following which these goods are given duty-free circulation within the SACU area. However, each member has its own legislation concerning quantitative restrictions on goods imported from outside the SACU area. Botswana, Lesotho, Namibia, and Swaziland, but not South Africa, may apply additional duties or increase duties for the protection of infant industries. The SACU agreement also provides for nondiscriminatory transportation rates and freedom of transit within the common customs area.

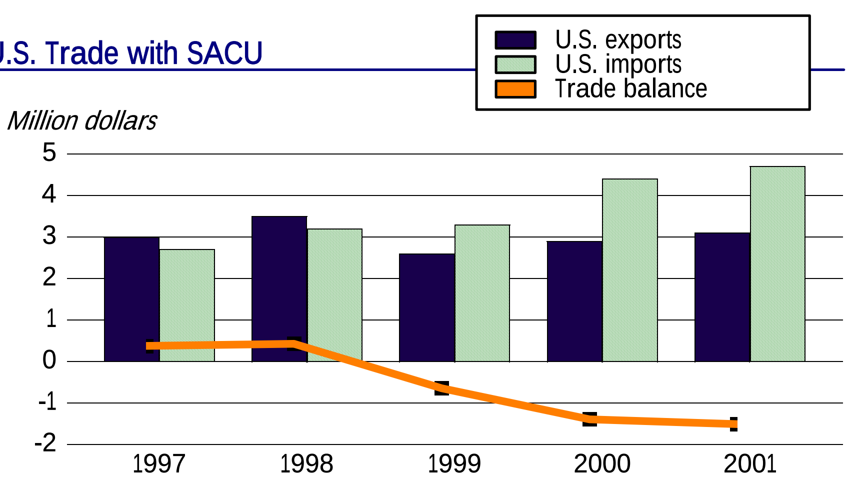
The SACU common monetary area, the Multilateral Monetary Agreement, aims to achieve monetary stability, better economic and financial cooperation among member states for sustained economic development, and to encourage the advancement of the lesser developed members.

All five SACU members – South Africa, Botswana, Lesotho, Swaziland and Namibia – are also members of SADC. Whereas SADC is a free trade agreement with separate external tariff regimes, SACU is a customs union with a common external tariff.

Trade:

Botswana, Lesotho, Namibia, and Swaziland still depend on South Africa for most of their imports and, more importantly, are dependent on the privileged access to the South African market that their goods receive.

U.S. Trade with SACU



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Parts for vehicles
Motor cars
Parts for machinery
Parts for aircraft

U.S. Imports

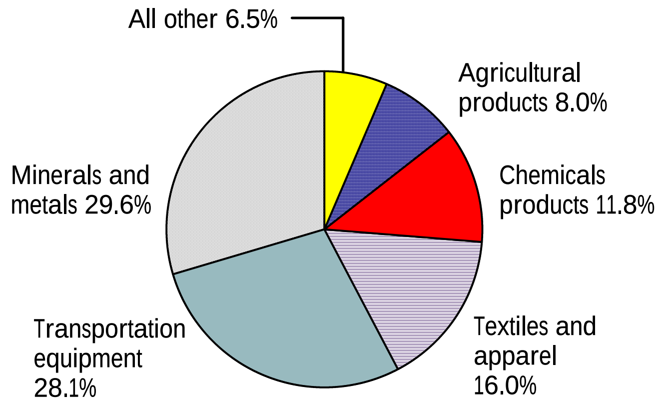
Platinum
Diamonds
Motor cars
Sweaters, pullovers, sweatshirts and vests
Ferroalloys

Southern African Customs Union

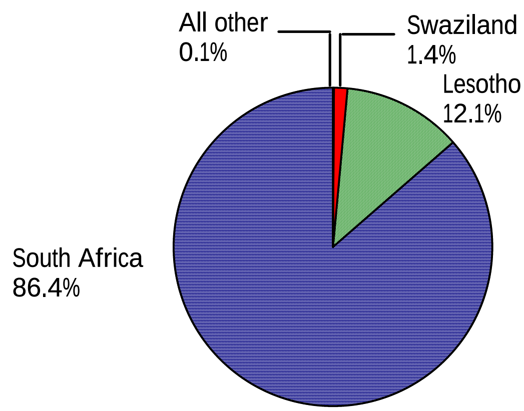
Recent developments:

A new SACU agreement was reached in October 2001 after 8 years of negotiations among SACU members. The revisions occurred as a result of perceptions of the other four members that South Africa was dominating the treaty, particularly in terms of revenue sharing. Under the former agreement, South Africa was responsible for setting tariff rates, collecting tariffs, and disbursing revenue to member countries. This disbursement was often delayed for up to 2 years. The renegotiated agreement has two key elements: a new revenue-sharing formula and institution building designed to strengthen the SACU. The new revenue formula makes a distinction between customs duties on imports, which will be distributed pro rata among members based on their imports, and excise duties. A total of 15 percent of excise taxes--on beer, tobacco and fuel--will go into a development fund for disbursement to the BLNS states for development projects. The balance of excise duties will be shared between all member states based on their per capita GDP. The 15 percent share for development will be increased if deemed necessary. In a reported effort to reduce institutional weakness in SACU, the five governments have agreed to set up a council of ministers and secretariat. A board of independent regional trade experts will meet on a quarterly or monthly basis, as needed, to consider tariffs and antidumping applications from member states, with final decisions made by the council of ministers of trade or industry.[26]

AGOA Trade in 2001



By Sector



By Country

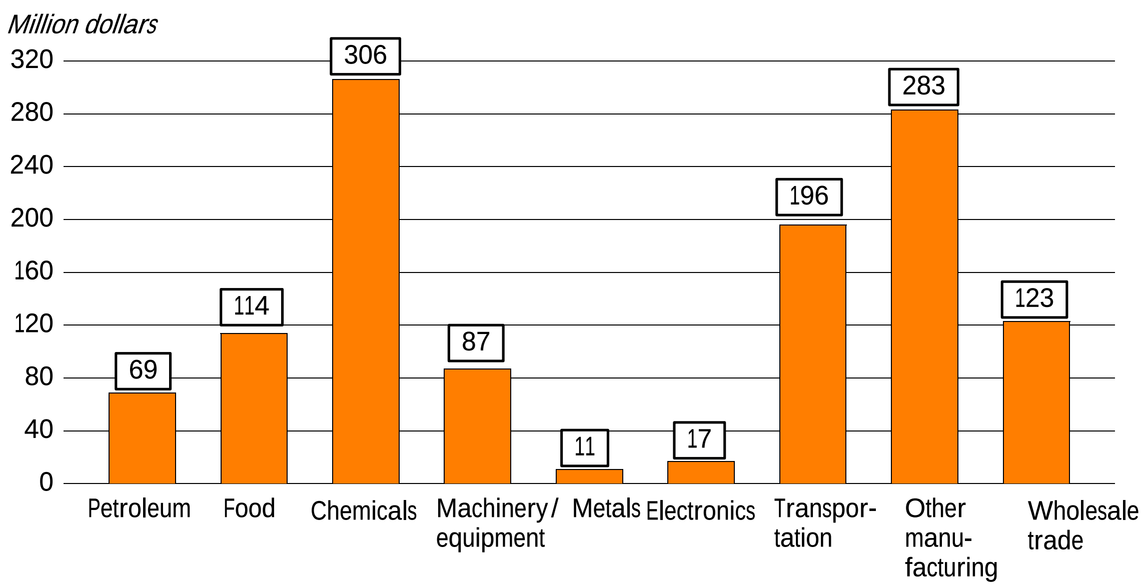
Key AGOA Developments

U.S. imports in 2001 from SACU countries under AGOA (including GSP) were valued at $1.1 billion in 2001. South Africa was the largest beneficiary of AGOA, accounting for $923 million in AGOA imports. The largest increases in exports were in the transportation goods ($300 million) and in the textiles and apparel ($171 million). Lesotho was a major beneficiary of the textile provision, exporting $129.5 million under AGOA in 2001.

Issues:

As many SACU members are involved in other trade blocs, there is concern that members cannot focus on SACU due to multiple administrative costs and conflicting trade policies. For example, all five SACU members are members of the SADC. The interrelationship between SADC and SACU has been reported to pose difficulties because SADC is a free trade agreement with separate external tariff regimes and SACU is a customs union with a common external tariff. Since the foundation of SADC, South Africa has been accused of focusing on SADC at the expense of SACU. Furthermore, the BLNS countries of SACU have criticized South Africa for using SACU to satisfy its own industrialization strategy while using SADC as its mechanism for free trade.[27]

U.S. Investment by Sector in SACU in 2001



EAC

East African Community

Members: Kenya, Tanzania, and Uganda
Population: 88.3 million (2001)
GNP: $25.0 billion (2001)
Goals: Customs union

Status and structure:

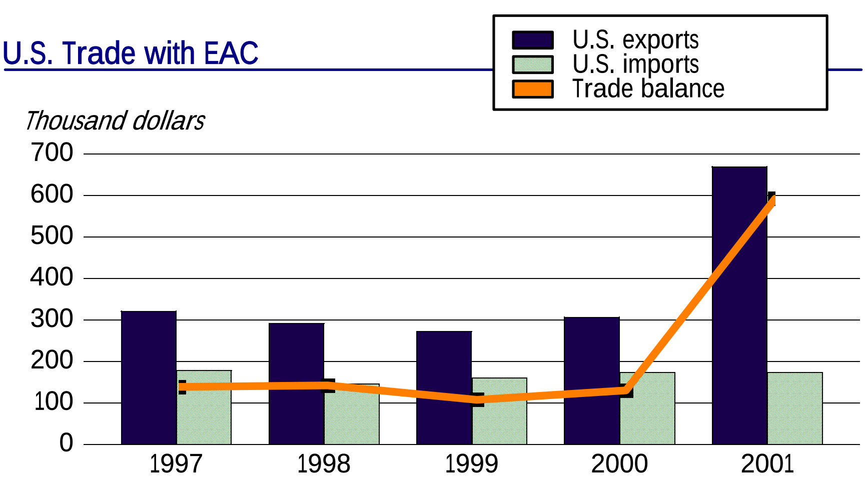
The original EAC was founded in 1967, but dissolved in 1977 after persistent disagreements over a variety of financial and political issues. In 1999, Kenya, Uganda, and Tanzania signed a second East African Community Treaty, which laid the administrative foundation for future talks on regional integration, with the long-term goals of creating a common market and federation. Priority areas of cooperation and coordination include fiscal and financial policies; immigration controls; tariffs, customs procedures and other trade issues; standards; air, road, rail, and water transport; and postal services and telecommunications. The EAC anticipates eventual evolution into an organization that resembles COMESA. Kenya and Uganda are members of COMESA. EAC goals include the eventual establishment of zero tariff rates among EAC members. To protect revenue and infant industries, a 10 percent surcharge will be permitted on certain products.

EAC's administrative provisions establish a biannual council of ministers and cooperation committee, as well as a court of justice and a legislative assembly responsible for budgeting and auditing.

Trade:

The EAC is ranked seventh among all regional trade agreements in SSA in terms of individual intraregional exports as a share of total intraregional exports and as a share of intraregional exports in total SSA exports.[28]

U.S. Trade with EAC



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Turbojets and turboprops
Fertilizers
Worn clothing
Parts of aircraft

U.S. Imports

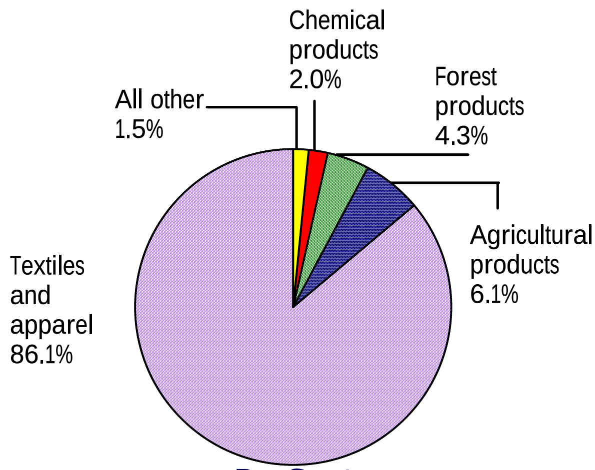
Women's or girls' suits
Men's or boys' suits
Coffee
Tea
Precious and semiprecious stones

East African Community

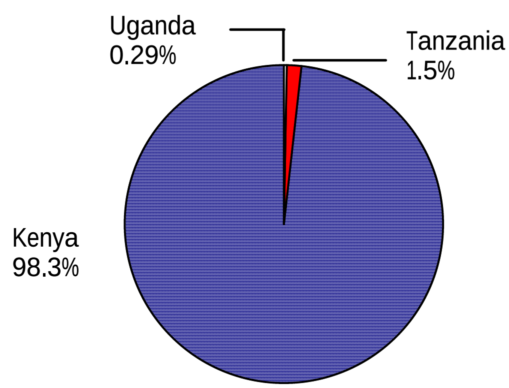
Recent developments:

The EAC was officially inaugurated in January 2001 after ratification of the treaty by all three member countries. The member countries agreed that Kenya would have no tariffs on its imports from Uganda and Tanzania and that the latter two countries would apply a diminishing 10 percent tariff on their imports from Kenya that would be phased out over 4 years. During 2001, the EAC established a number of institutions designed to strengthen the bloc. The East African Assembly (a legislative body) and a Court of Justice were created.[29] The East African Business Council was established to promote trade and investment. The East African Law Society, and the East African Securities Regulatory Authority were also created. Kenya, Tanzania, and Uganda are considering joint projects in power, road and rail transport, and telecommunications. Finally, the EAC and COMESA have concluded a memorandum of understanding to foster the harmonization of their trade policies and programs.

AGOA Trade in 2001



By Sector



By Country

Key AGOA Developments

U.S. imports under AGOA (including GSP) from EAC totaled $59.9 million in 2001. According to a recently published report by the Central Intelligence Agency, the EAC was the greatest sub-Saharan regional beneficiary under AGOA in 2001. This was primarily because of Kenyan textile and apparel exports, which increased to $51.6 million. Tanzania and Uganda, which lack well-developed apparel industries and are dependent on coffee and tea exports, have been slower to profit from the U.S. provisions.

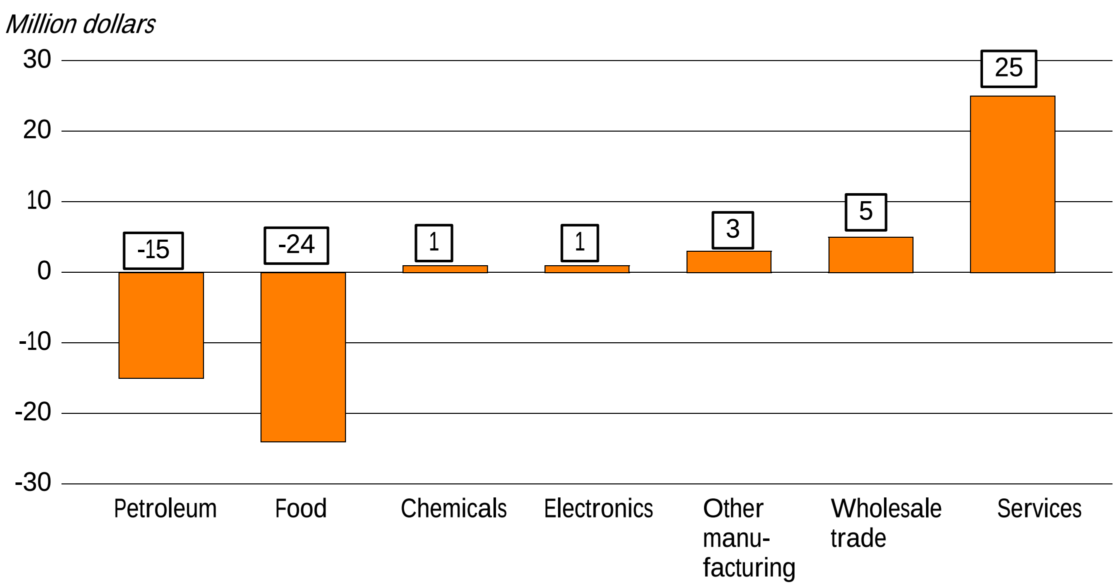
East African Community

Issues:

Economic disparity between member countries in the EAC is a major issue. Tanzania and Uganda have expressed concern about Kenya's stronger industrial base and more competitive economy.[30] One of the major challenges facing the EAC is to develop strategies that will enable Kenya's industrial strength to benefit the region as a whole. Kenya dominates the zone economically because the vast majority of goods move from Kenya to Tanzania and Uganda, and there is little trade between Tanzania and Uganda.[31] Conflicts over tariff disputes have led Kenya to impose duties on goods from Tanzania and Uganda in retaliation for excise and suspended duties on Kenyan goods applied by those two countries.[32]

In January 2001, Tanzania and Uganda expressed concerns regarding Kenyan proposals in the areas of tourism and agriculture. Both countries are concerned that Kenya will receive the bulk of proceeds from ventures in these sectors. For example, Tanzania is concerned that most tourists could choose to visit the better known Kenyan game parks, resulting in a disproportionate share of revenue being realized by Kenya.[33]

U.S. Investment by Sector in EAC in 2001



IGAD

Intergovernmental Authority on Development

Members: Djibouti, Eritrea, Ethiopia, Kenya, Somalia, and Uganda
Population: 136.5 million (2001)
GNP: $23.2 billion (2001)
Goals: To combat the effects of drought and address economic, political and social issues, including conflict prevention and resolution.

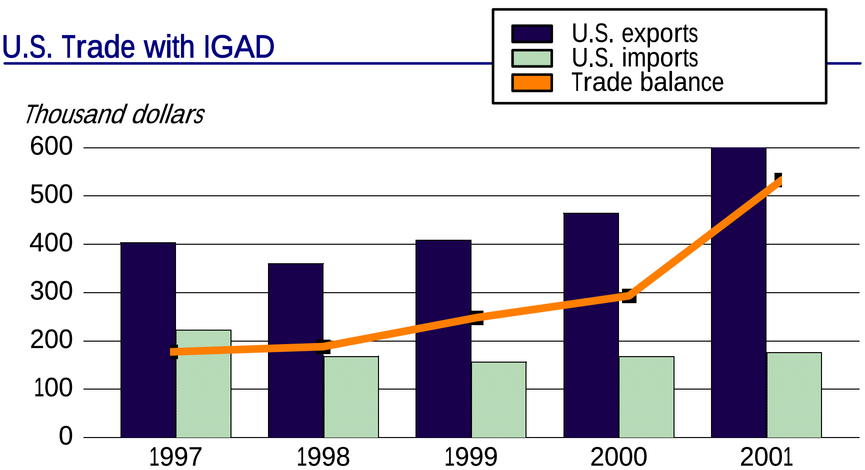
Status and structure:

The current focus of IGAD is on transportation and communications infrastructure cooperation. Regional roadways are in disrepair, and members are favoring rail-line rehabilitation to improve transportation. IGAD is applying most of the integration instruments already adopted within the COMESA.[34] Djibouti, Eritrea, Ethiopia, Kenya, and Uganda are members of COMESA.

Trade:

IGAD is ranked eighth among all regional trade agreements in SSA in terms of individual intraregional exports as a share of total intraregional exports and as a share of intraregional exports in total SSA exports.[35]

U.S. Trade with IGAD



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Wheat and meslin
Fertilizers
Turbojets and turbopropellors
Parts of aircraft

U.S. Imports

Women's or girls' suits
Men's or boys' suits
Coffee
Tea
Oil seeds

Recent developments:

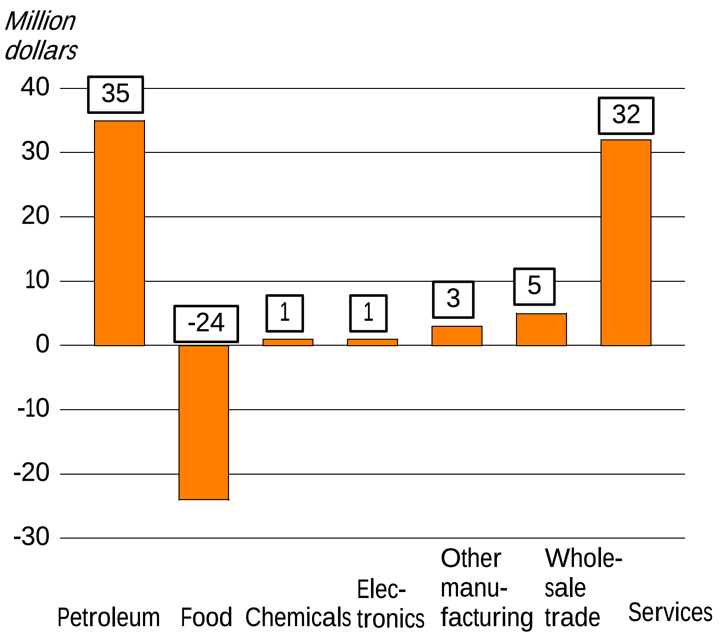
In January 2002, IGAD members held their ninth summit. The top issues on the agenda were developing a peace initiative for Sudan, the Somali reconciliation process, and the establishment of a regional mechanism for fighting terrorism.[36] Talks on peace in the Sudan have continued through June 2002.[37] Early in 2002, there was discussion of establishing an IGAD parliament.

Issues:

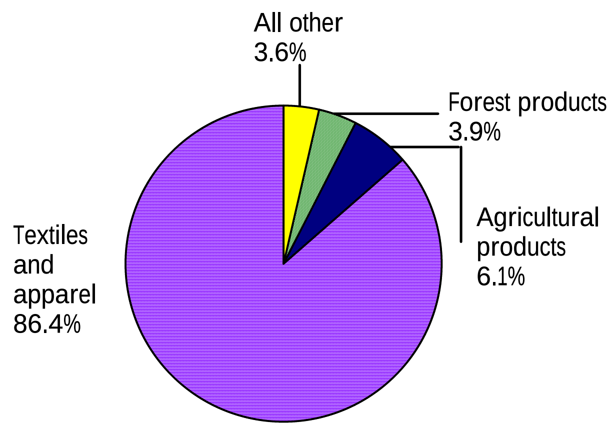
Regional fighting between Somalia and Sudan, Eritrea and Ethiopia, and between Ethiopia and Somalia has stalled progress of the organization.

Intergovernmental Authority on Development

U.S. Investment by Sector in IGAD in 2001



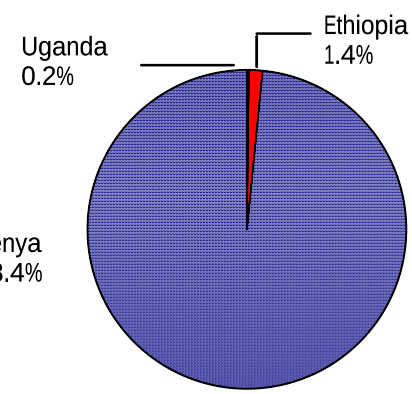
AGOA Trade in 2001



By Sector

Key AGOA Developments

Kenya benefitted from AGOA in 2001. U.S. imports in 2001 from Kenya under AGOA (including GSP) were valued at $58.9 million of the $59.8 million exported from IGAD under the AGOA program; $51.6 million of which were textiles and apparel goods.



By Country

IOC

Indian Ocean Commission

Members: Comoros, France (representing the French Overseas Department of Reunion), Madagascar, Mauritius, and Seychelles
Population: 18.4 million (2001)
GNP: $10.0 billion (2001)
Goals: To achieve representation in the EU and tariff reduction among members.

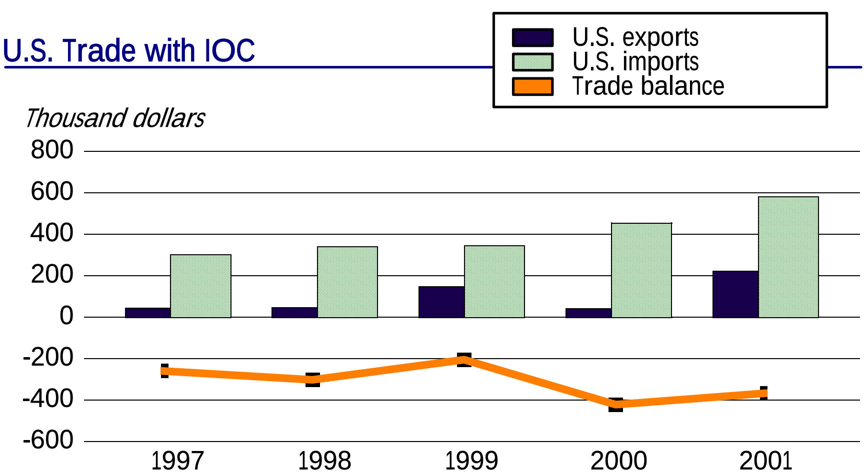
Status and structure:

In 1982, the Indian Ocean Commission was established to promote cooperation between the islands of the Indian Ocean in economic, social, cultural, agricultural, and scientific policies. Regarding trade, the IOC aims to carry out the "Programme Regional Integré de Dévelopement des Echanges" (PRIDE) which concerns trade in goods and services among the IOC member states. The program seeks to promote intraregional trade by removing trade barriers and facilitating import payments, and hopes to contribute toward the better integration of the markets of the IOC member states. IOC is applying most of the integration instruments already adopted within COMESA.[38] Comoros, Madagascar, Mauritius, and Seychelles are members of COMESA.

Trade:

The IOC ranks last out of all regional trade agreements in SSA in terms of individual intraregional exports as a share of total intraregional exports (0.7 percent) and as a share of intraregional exports in total SSA exports (0.1 percent).[39]

U.S. Trade with IOC



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Medical instruments
Machinery for washing textiles (not laundry)
Parts of aircraft
X-Ray apparatus

U.S. Imports

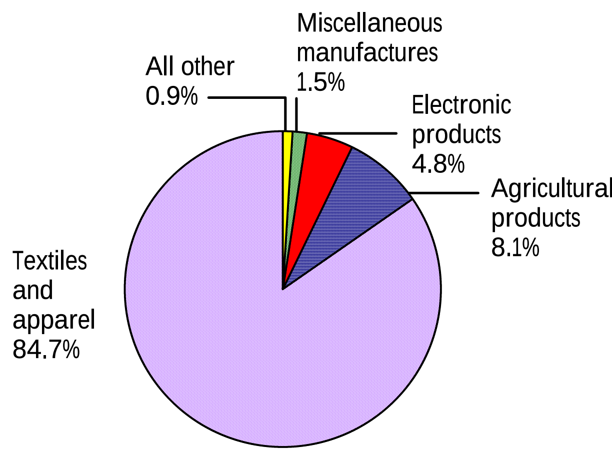
Sweaters, pullovers, sweatshirts and vests
Women and girls' suits
Men and boys' suits
Men and boys' shirts
Vanilla beans

Indian Ocean Commission

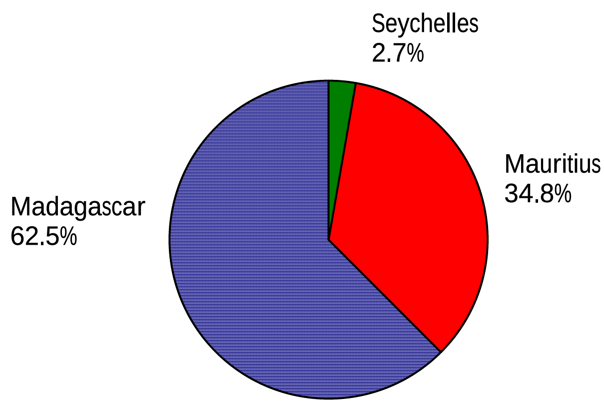
Recent developments:

IOC has initiated a number of projects aimed at promoting industry development in member countries. The bloc has received aid from the EU for more than 20 developmental projects. Current projects include a regional tourism promotion, which is aimed at attracting tourists and improving tourism services; an oil-spill contingency planning project, which will develop legal and institutional frameworks to deal with spills; and a regional environment program, which seeks to protect species endemic to the region and establish environmental auditing systems. Other projects that have been initiated include: Regional Program for Eradication of the Fruit Fly, Integrated Regional Program for the Development of Exchanges, and the University of the Indian Ocean Program. The following projects are being finalized: Regional Handicraft Program, Foreign Trade Statistics Program, Meteorological Program, Regional Tuna Fishing Program and International Transit Center. The IOC also organizes annual regional trade fairs.

AGOA Trade in 2001



By Sector



By Country

Issues:

Poor transportation and communication infrastructure inhibit the flow of goods and people among the members of the IOC. IOC's mandate is limited by its budget even with the inclusion of French (Reunion) funds. The group also experiences an irregular payment of dues as well as the inability to pay qualified staff members. The importance of IOC in terms of economic integration has been negated by the formation of the SADC and the COMESA as these two groups incorporate countries with stronger economies and have more defined goals than that of IOC.

Key AGOA Developments

U.S. imports from IOC countries under AGOA (including GSP) totaled $155.3 million in 2001. Madagascar benefitted the most from AGOA, as the United States imported $97.1 million worth of goods from Madagascar under the preference program. This was mainly due to an increase in U.S. imports of textile and apparel goods.

CEMAC

Communauté Economique et Monétaire de l'Afrique Centrale

Members: Cameroon, Central African Republic, Chad, Republic of Congo (ROC), Equatorial Guinea, and Gabon
Population: 7.8 million (2001)
GNP: $16.9 billion (2001)
Goals: Customs union

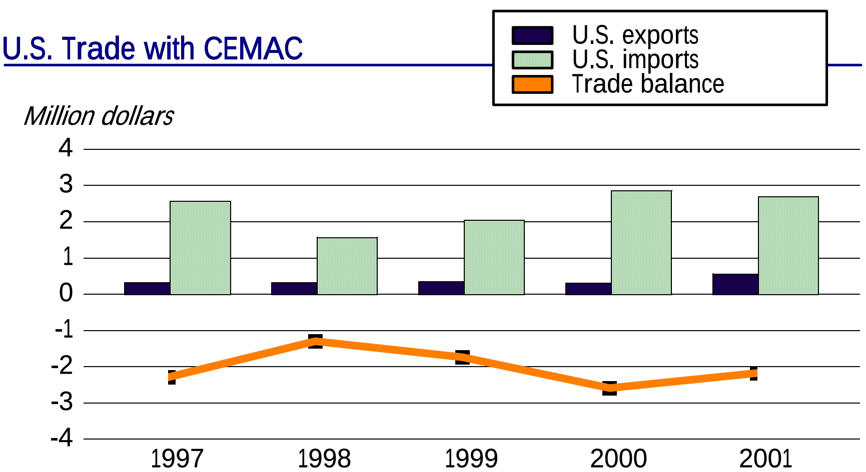
Status and structure:

CEMAC was founded in March 1994 to promote an economic and monetary union. Like WAEMU, CEMAC members use the CFA franc as a common regional currency. The long-term goals of CEMAC are similar to WAEMU's: to promote a convergence of macroeconomic policies, stabilize the common currency, create a single market, harmonize sectoral policies, and remove tariff and nontariff barriers.[40] CEMAC also has institutions in place such as a parliament and a court of justice comprising judicial and accounting chambers.[41]

Trade:

CEMAC ranks only ahead of the IOC in terms of individual intraregional exports as a share of total intraregional exports (1.1 percent) and as a share of intraregional exports in total SSA exports (0.1 percent).[42]

U.S. Trade with CEMAC



Key Traded Commodities

U.S. Exports

Parts of machinery
Aircraft and spacecraft
Machinery for moving earth or snow
Prefabricated buildings
Lifting, handling, or loading machinery

U.S. Imports

Petroleum oils
Petroleum gases
Oils from distillation of coal tars
Acyclic alcohols and hydrocarbons
Manganese ores

Recent developments:

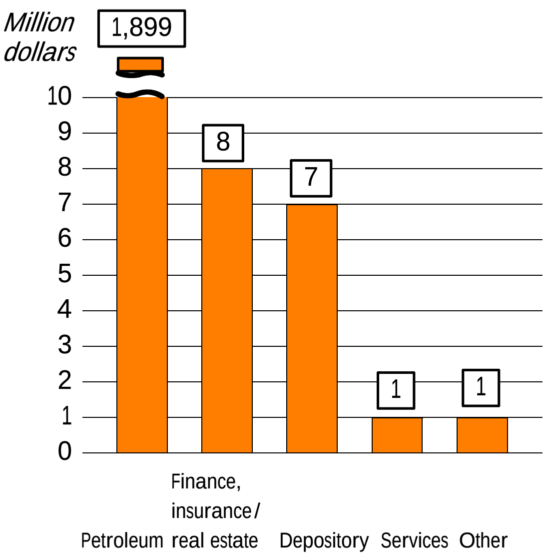
A single passport was implemented for travel throughout the CEMAC region in July 2001.[43] In April 2002, CEMAC created a regional coordination and administration committee mandated to conclude an economic partnership agreement with the EU.[44]

Issues:

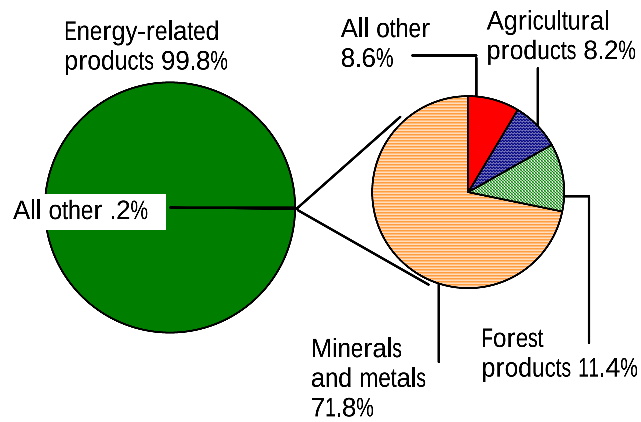
Rivalry among leaders within CEMAC and political instability is expected to affect the integration process negatively.[45] Moreover, according to Gabon's deputy prime minister, the CEMAC region also suffers from the lowest road density of any grouping in SSA.

Communauté Economique et Monétaire de l'Afrique Centrale

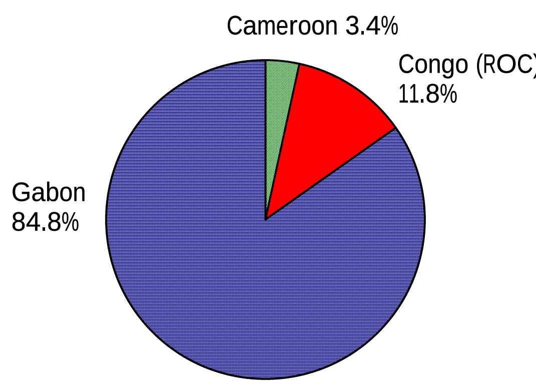
U.S. Investment by Sector in CEMAC in 2001



AGOA Trade in 2001



By Sector



By Country

Key AGOA Developments

U.S. imports under AGOA (including GSP) from CEMAC totaled $1.1 billion. Almost all U.S. imports from CEMAC in 2001 under AGOA were energy-related products. Gabon was the greatest beneficiary of AGOA in 2001. U.S. imports of energy-related products from Gabon totaled $938.7 million in 2001.

ENDNOTES

[1] UNECA, "Annual Report On Integration In Africa 2002," March 2002, found at Internet address *http://www.uneca.org/adfiii/ariaoverview.htm*, retrieved on
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[2] *Asia Intelligence Unit*, "Ecowas/Converging Ideally on a Single Currency," June 14, 2002, found at Internet address
http://www.its.newsedge-web.com/NewsEdge/ViewReviewStory/020614/0/1/2/8?Username=nchrist, retrieved on June 14, 2002.

[3] *Ghanaian Chronicle*, Howard Scott, "Pushing for Single West African Currency," June 7, 2002, found at Internet address
http://www.allafrica.com/stories/200206170546.html, retrieved on June 15, 2002.

[4] *The Economist Intelligence Unit* (EIU), "Country Profile,"2002.

[5] UNECA, "Annual Report On Integration In Africa 2002," March 2002, found at Internet address *http://www.uneca.org/adfiii/ariaoverview.htm*, retrieved on
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CHAPTER 4
Multilateral Assistance, U.S. Bilateral Assistance, and Other Trade-Related Initiatives

U.S. trade and investment relationships with countries in SSA are influenced by a number of factors, including programs providing multilateral assistance, bilateral assistance, and other trade-related initiatives. U.S. export and investment relationships with the region are affected by policies and programs of the Export-Import Bank (Ex-Im Bank), U.S. Trade and Development Agency (TDA), Overseas Private Investment Corporation (OPIC), and various programs for agricultural exports operated by the U.S. Agency for International Development (USAID) and the U.S. Department of Agriculture (USDA).[1] Additional U.S. economic assistance to SSA is largely provided through grants administered by USAID. USAID's development assistance programs in the region promote development activities in health, education, agriculture, finance and business development, democratic institutions, and international trade and investment. The nature and level of U.S. imports from SSA are similarly influenced by U.S. and foreign trade-related initiatives and programs.

Given the relatively low investment levels (see chapter 3), lending through the International Development Association (IDA) of the World Bank and the African Development Fund of the African Development Bank (AfDB) Group is a significant source of financing the economic development programs in the region. As a shareholder in both the World Bank and the AfDB, the United States is an important voice in these banks' operations, and U.S. companies are eligible to bid on their funded procurement opportunities.

This chapter summarizes developments in multilateral assistance, U.S.-bilateral assistance to SSA, and other trade-related initiatives and programs. Table 4-1 provides an overview of these activities.

Sources of Multilateral Assistance to Sub-Saharan Africa

The World Bank Group and the AfDB Group are major sources of multilateral assistance for SSA.[2] Lending by the World Bank and AfDB finances specific

[1] The USDA administers Title I of Pub. L. 480, which provides sales of U.S. agricultural commodities using long-term concessional credit.

[2] The World Bank Group includes the International Bank for Reconstruction and Development (IBRD) or World Bank, the International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA). The IFC promotes private investment in its members by financing private-sector projects

Table 4-1
Summary of general developments in multilateral assistance, U.S. bilateral assistance and other trade-related initiatives for sub-Saharan Africa, 2001-02

Institution/activity	2001 assistance levels for Sub-Saharan Africa	Other developments
Multilateral Economic and Trade Assistance		
The World Bank Group: International Development Association (IDA)/World Bank	Lending commitments made by the World Bank to countries in sub-Saharan Africa were valued at $1.8 billion in 2000 and in 2001 reached $3.4 billion.	The first Poverty Reduction Strategy Credit was issued to Uganda.
The World Bank Group: Multilateral Investment Guarantee Agency (MIGA)	In FY 2001, MIGA provided guarantees or coverage for eight projects in sub-Saharan Africa, totaling $186 million.	The African Connection Telecomms Databank was launched.
The World Bank Group: International Finance Corporation (IFC)	The IFC supported approximately $1.5 billion in financing for projects in sub-Saharan African countries during FY 2001.	Assisted African countries in projects ranging from hotels to infrastructure.
African Development Bank Group (AfDB)	In 2001, the AfDB approved loans, private equity investments, and debt relief with a combined value of $3.0 billion.	In 2001, the AfDB implemented projects in line with emphasis on agricultural and rural development investments as an approach to poverty reduction.
International Monetary Fund (IMF)	Regular and concessional lending increased in FY 2001 to SDR $9.5 billion from SDR $6.3 billion in FY 2000.	Held a joint meeting with World Bank to discuss views of African leaders.
Heavily Indebted Poor Countries debt relief (HIPC)	Nine countries in sub-Saharan Africa qualified for an estimated $9 billion (in nominal terms over time from all creditors) of debt relief in FY 2001.	34 countries received $36 billion, freeing them of $56 billion in payments.
New Partnership for African Development (NEPAD)	African leaders advocated NEPAD funding levels of approximately $65 billion at the June 2002 G8 meeting. No definite funding was allocated; however, G8 leaders did advocate efforts aimed at increasing official development assistance by $12 billion by 2006.	NEPAD is a merger of the Millennium Partnership for the African Recovery Programme (MAP) and the Omega Plan. On July 3, 2001; the merger was finalized and the New Africa Initiative (NAI) was established. On October 23, 2001, the policy framework was finalized by the Heads of State Implementation Committee and NEPAD was formed.
U.S. Trade Capacity Building Initiatives	According to a 2001 USAID survey, U.S. Government agencies funded or implemented trade capacity building initiatives totaling	Assisted countries received trade capacity building assistance in areas ranging from WTO Awareness and Accession to Environment to

Table 4-1—*Continued*
Summary of general developments in multilateral assistance, U.S. bilateral assistance and other trade-related initiatives for sub-Saharan Africa, 2001-02

Institution/activity	2001 assistance levels for Sub-Saharan Africa	Other developments
U.S. Economic and Trade Assistance		
U.S. Trade Capacity Building Initiatives-Cont.	$192 million for FY1999 through FY2001, of which approximately $54 million was distributed in FY2001.	Services to Governance and Interagency Coordination. A variety of U.S. Government agencies were involved in trade capacity building initiatives, including USAID, Department of Agriculture, Department of Commerce, Ex-Im Bank, OPIC, and Trade and Development Agency.
Export-Import Bank of the United States (Ex-Im Bank)	Ex-Im Bank's support to sub-Saharan Africa, which consists of loans, guarantees, and insurance, increased from $136 million in FY 2000 to $312 million in FY 2001.	In FY 2001, Ex-Im Bank authorized a loan for mining improvements in Ghana and provided a guarantee for a South Africa aircraft purchase.
U.S. Trade and Development Agency (TDA)	TDA's obligations in sub-Saharan Africa increased to $6.1 million in FY 2001 from $4.2 million in FY 2000.	To promote airline safety the TDA held 2 orientation visits for African aviation officials in FY 2001.
Overseas Private Investment Corporation (OPIC)	In FY 2001, OPIC committed $31.8 million to insure and finance five investment projects in sub-Saharan Africa.	OPIC supported funds that invest in sub-Saharan Africa including the Africa Millennium Fund, the ZM Africa Investment Fund, the Modern Africa Growth and Investment Fund, and the Africa Growth Fund.
Development Assistance and other economic assistance programs (USAID)	USAID appropriations increased from $924 million in FY 2000 to $1,262 million in FY 2001. ATRIP funding was about $22 million in FY 2001.	USAID's regional programs emphasized diverse initiatives such as crisis prevention, sustainable economic growth, support for national food security strategies, and small- and medium-scale business development.
African Growth and Opportunity Act (AGOA)	In 2001, AGOA (including GSP) imports from AGOA beneficiary countries totaled $8.2 billion. Nigeria was the leading sub-Saharan African beneficiary with 69.5 percent of the total; Gabon was second with 11.5 percent; and South Africa was third with 11.3 percent.	On August 6, 2002, the President signed the Trade Act of 2002, which modifies certain provisions of AGOA and expands preferential access for imports from beneficiary sub-Saharan African countries. The modifications, collectively referred to as AGOA II, are effective immediately upon enactment, but must be reflected in the HTS by proclamation.

Source: Compiled by USITC.

development projects, and therefore can generally be classified by sector. In addition to these two organizations, the International Monetary Fund (IMF) provides concessional loans to countries experiencing balance-of-payments difficulties. These loans cannot be classified by sector.

The World Bank Group

The World Bank/International Development Association

The World Bank is the leading multilateral institution dedicated to providing development assistance. The Bank's main goals are to strengthen the investment climate and invest in poverty reduction. While focusing on project quality, the Bank seeks to improve public expenditure through improved procurement and financial management, and by reducing structural constraints to poverty reduction. The International Development Association (IDA), the Bank's concessional lending arm, provides long-term loans at no interest to eligible borrowers from developing countries.

The IDA is an integral part of the Bank's poverty reduction mission by lending to and assisting those countries with limited access to capital.[3] Eligible countries are ranked on the basis of policy performance and effective use of financial aid. The IDA allocates more funds to the poorest eligible countries, with a consideration for a country's level of policy performance and institutional capacity. The goal is to increase the likelihood that the loans are granted to countries where they will have the most impact.[4]

In 1999, the Poverty Reduction Strategy Program was launched. This program was designed to increase government participation in projects that use foreign aid. Thirty-two countries (17 in Africa) have submitted Full or Interim Poverty Reduction Strategy Papers (PRSPs). The Bank and IMF perform joint staff assessments on these plans to ensure that the plans move the country toward international development goals such as applying sound macroeconomic and sectoral policies, protecting the environment, and strengthening social sectors. The Bank then allocates Poverty Reduction Support Credits (PRSCs) to low-income countries to assist them in implementing their reforms. Uganda received the first PRSC in May 2001, a $150 million credit.[5]

The 13th replenishment of the IDA (IDA-13) was held in June 2001. Replenishments are held so donors can commit funds to the IDA. To achieve better transparency and

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[2]—*Continued*

that lack government guarantees. MIGA offers investment insurance to encourage foreign investment in its developing country members. As with the World Bank and the AfDB, share capital for MIGA and the IFC is provided by the member countries, which collectively determine the policies and activities of these institutions. The United States is a shareholder in both MIGA and the IFC.

[3] World Bank, *The World Bank Annual Report, 2001*, vol. 1, pp. i, 11.

[4] Ibid., p. 11.

[5] Ibid., pp. i, 11, 43 and 67.

broaden participation of the IDA, the Bank included borrowing countries, for the first time, in discussions with donors about the IDA's future direction.[6]

IDA lending increased to $6.8 billion in fiscal year 2001, compared with $4.2 billion in fiscal year 2000. Sub-Saharan Africa received $3.4 billion of the fiscal year 2001 total, one half of all new IDA commitments. Several factors caused this increase, some country specific and others affecting the entire region. Ethiopia and Kenya, which did not receive funding in 2000, received funding in 2001. Ethiopia was the largest overall borrower with loans of $667 million. New types of activities in Africa supported by the IDA have increased the average amount of loans. According to the World Bank, these include a concerted response to the HIV/AIDS pandemic, help in adjusting to petroleum price changes, promotion of regional trade, and post-conflict reconstruction support.[7] Sub-Saharan African countries eligible to borrow from the IDA are listed in table 4-2.

Table 4-2
World Bank/IDA: Eligible borrowers in sub-Saharan Africa (39)

Angola	Ethiopia	Niger
Benin	The Gambia	Nigeria
Burkina Faso	Ghana	Rwanda
Burundi	Guinea	São Tomé and Principe
Cameroon	Guinea-Bissau	Senegal
Cape Verde	Kenya	Sierra Leone
Central African Republic	Lesotho	Somalia
Chad	Liberia	Sudan
Comoros	Madagascar	Tanzania
Congo (DROC)	Malawi	Togo
Congo (ROC)	Mali	Uganda
Côte d'Ivoire	Mauritania	Zambia
Eritrea	Mozambique	Zimbabwe

Source: IDA, "Current IDA - Eligible Borrowers," found at *http://www.worldbank.org/ida/eligible.htm*, retrieved May 30, 2002.

Table 4-3 presents sectoral loan commitments made by the IDA, and credits provided to countries in SSA by the World Bank during fiscal years 1992-2001. Economic policy received the largest loan commitment of fiscal year 2001, with loans totaling $531.2 million. Private sector development and social protection received loans totaling $462.2 million and $453.7 million, respectively. Traditional activities such as transportation and agriculture received loans totaling $99 million and $362.3 million, respectively.

Table 4-4 shows World Bank projects approved for SSA in fiscal year 2001. There were 76 IDA projects undertaken in 27 African countries during fiscal year 2001. The five countries borrowing the most were Ethiopia ($666.8 million), Uganda ($358.4 million), Kenya ($350.2 million), Madagascar ($267.6 million), and Senegal

[6] Ibid., p. 11.
[7] Ibid., p. 19.

Table 4-3
World Bank (IDA and IBRD) lending commitments in sub-Saharan Africa to borrowers by sectors, fiscal years 1998-2001, and average 1992-97

(Million U.S. dollars by fiscal years)

Sector	Average 1992-97	1998	1999	2000	2001
Agriculture	322.1	176.9	188.1	173.5	362.3
Economic Policy	527.1	330.1	676.6	426.3	531.2
Education	235.7	372.3	194.1	159.7	84.9
Electric power and other energy	181.4	380.3	([1])	42.9	([1])
Environment	47.1	71.8	15.0	16.4	22.0
Finance	213.1	5.0	29.4	60.4	189.4
Health, population and nutrition	133.3	227.0	172.1	110.0	384.2
Mining	10.7	5.0	15.0	([1])	18.0
Multisector	38.9	([1])	([1])	65.0	([1])
Petroleum oil and gas	31.4	([1])	17.5	116.6	72.0
Private sector development	204.5	44.4	78.1	200.6	462.2
Public sector management	96.4	180.5	121.2	283.4	382.2
Social protection	118.9	114.7	129.6	139.4	453.7
Telecommunications	14.9	([1])	10.8	10.2	([1])
Transportation	294.4	770.1	236.6	256.2	99.0
Urban development	132.3	85.0	110.9	10.8	40.0
Water supply and sanitation	124.6	110.7	75.0	87.7	254.4
Total	2,726.7	2,873.8	2,070.0	2,159.1	3,355.5

[1] Not available

Note.—Because of rounding, figures may not add to the totals shown.
Source: World Bank, *The World Bank Annual Report*, 2001, Volume 1, pp. 107-125.

($255 million). Ethiopia received funding for eight projects, three of which received the largest loans overall. These projects were $230 million for an emergency recovery project, $171 million for an emergency demobilization and reintegration project, and $150 million for economic rehabilitation support credit. Uganda borrowed $150 million of credit for poverty reduction.[8] Kenya borrowed $150 million of credit for economic and public sector reform. Kenya borrowed funds for six projects, and Uganda borrowed $7 billion for payments.[9] Nine African countries qualified for $9 billion. These countries were Benin, Burkina Faso, Cameroon, Mali, Mauritania, Mozambique, Senegal, Tanzania, and Uganda.[10]

The Highly Indebted Poor Countries (HIPC) Initiative is a joint effort of the International Monetary Fund and the World Bank. The HIPC Initiative was recently enhanced to deliver debt relief faster to countries in need. In FY 2001, 34 countries received $36 billion, which freed them of $56 billion in payments.

[8] Poverty Reduction Support Credits are discussed in detail later in the chapter.

[9] IMF, "Debt Relief under the Heavily Indebted Poor Countries (HIPC) Initiative," found at Internet address *http://www.imf.org/external/np/exr/facts/hipc.htm*, retrieved on July 11, 2002.

[10] World Bank, "Prospects for Development," found at Internet address *http://www.worldbank.org/prospects/gep2001/appx1/safrica.htm*, retrieved on July 10, 2002.

Table 4-4
World Bank projects approved in sub-Saharan Africa, FY 2001

Country/project name	Date of approval	Maturity dates	Principal amount (*million dollars*)
Africa			
Regional Trade Facilitation Project	April 3, 2001	2011/2036	5.0
Benin			
Public Expenditure Reform Adjustment Credit	Mar. 22, 2001	2011/2041	10.0
Burkina Faso			
Ouagadougou Water Supply Project	Mar. 21, 2001	2011/2040	70.0
Community-Based Rural Development Project	Nov. 30, 2000	2011/2040	66.7
Burundi			
Regional Trade Facilitation Project	Apr 3, 2001	2011/2041	7.5
Public Works and Employment Creation Project	Jan 23, 2001	2011/2040	40.0
Cameroon			
Structural Adjustment Credit III-IDA Reflows	June 15, 2001	2008/2038	7.8
Multi-sectoral HIV/AIDS Project	Jan. 15, 2001	2011/2040	50.0
Cape Verde			
Supplemental Credit for Transport and Infrastructure Project	Jan. 30,2001	2003/2033	5.0
Chad			
National Transport Program Support Project	Oct. 26, 2000	2011/2040	67.0
Comoros			
Infrastructure, Water and Environment Project	Mar. 1, 2001	2011/2040	11.4
Eritrea			
HIV/AIDS, Malaria, Sexually Transmitted Diseases andTuberculosis Control Project	Dec. 18, 2000	2011/2040	40.0
Emergency Reconstruction Credit	Nov. 22, 2000	2011/2040	90.0
Integrated Early Childhood Development Project	July 27, 2000	2010/2040	40.0
Ethiopia			
Supplemental Credit for National Fertilizer Sector Project	June 14, 2001	2011/2041	44.0
Economic Rehabilitation Support Credit	June 5, 2001	2011/2041	150.0
Distance Learning Project	Apr. 17, 2001	2011/2040	4.9
Conservation and Sustainable Use of Medicinal Plants Project	Feb. 13, 2001	2011/2041	2.6
Emergency Recovery Project	Dec. 5, 2000	2011/2040	230.0
Emergency Demobilization and Reintegration Project	Dec. 5, 2000	2011/2040	170.6
Multi-Sector HIV/AIDS Project	Sep. 12, 2000	2011/2040	59.7
Women Development Initiatives Project	July 27, 2000	2010/2040	5.0
Gambia, The			
HIV/AIDS Rapid Response Project	Jan. 16, 2000	2011/2040	15.0
Ghana			
AIDS Response Project (GARFUND)	Dec. 28, 2000	2011/1040	25.0
Supplemental Credit for Economic Reform Support Operation II Program	Sep. 7, 2000	2011/2040	49.0
Agricultural Services Subsector Investment Project	Aug. 1, 2000	2010/2040	67.0
Kenya			
Regional Trade Facilitation Project	Apr. 3, 2001	2011/2041	25.0
Supplemental Credit for Economic and Public Sector Reform	Jan. 24, 2001	2010/2040	3.2
Decentralized Reproductive Health and HIV/AIDS Project	Dec. 12, 2000	2011/2040	50.0

Table 4-4—*Continued*
World Bank projects approved in sub-Saharan Africa, FY 2001

Country/project name	Date of approval	Maturity dates	Principal amount (*million dollars*)
Kenya-Continued			
Emergency Power Supply Project	Oct. 26, 2000	2011/2040	72.0
AIDS Disaster Response Project	Sep. 12, 2000	2011/2040	50.0
Economic and Public Sector Reform Credit	Aug. 1, 2000	2010/2040	150.0
Lesotho			
Utilities Sector Reform Project	Mar. 29, 2001	2011/2040	28.6
Madagascar			
Rural Development Support Project	June 19, 2001	2011/2041	89.0
Community Development Project	Apr. 19, 2001	2011/2040	110.0
Supplemental Credit for Structural Adjustment II	Dec. 22, 2000	2011/2040	30.4
Supplemental Credit for Structural Adjustment III	July 20, 2000	2009/2039	20.1
Supplemental Credit for Social Fund III Project for Cyclone Rehabilitation Activities	July 20, 2000	2010/2040	18.1
Malawi			
Regional Trade Facilitation Project	Apr. 3, 2001	2011/2041	15.0
Fiscal Restructuring and Deregulation Program Credit III - IDA Reflow	Dec. 22, 2000	2011/2040	0.5
Fiscal Restructuring and Deregulation Program Technical Assistance III Project	Dec. 21, 2000	2011/2010	3.0
Fiscal Restructuring and Deregulation Program Credit III	Dec. 21, 2000	2011/2040	55.1
Mali			
Supplemental Credit for Fiscal Reform	Dec. 22, 2000	2011/2040	25.4
Education Sector Expenditure Program	Dec. 20, 2000	2011/2040	45.0
Mauritania			
Supplemental Credit for Fiscal Reform Support Operation	Dec. 22, 2000	2010/2039	18.3
Mozambique			
Mineral Resources Management Capacity Building Project	Mar. 29, 2001	2011/2040	18.0
Niger			
Water Sector Project	May 3, 2001	2011/2040	48.0
Supplemental Credit for Public Finance Recovery Adjustment	Dec. 22, 2000	2011/2040	12.2
Public Finance Adjustment Recovery Credit	Sep. 14, 2000	2011/2040	35.0
Nigeria			
Privatization Support Project	June 14, 2001	2011/2036	114.3
Community Based Poverty Reduction Project	Dec. 20, 2000	2011/2035	60.0
Rwanda			
Competitveness and Enterprise Development Project	Apr. 19, 2001	2011/2041	40.8
Regional Trade Facilitation Project	Apr. 3, 2001	2011/2041	7.5
Rural Sector Support Project	Mar. 29, 2001	2011/2040	48.0
Supplemental Credit for Economic Recovery	Dec. 22, 2000	2009/2038	15.3
Supplemental Credit for Health and Population Project	Dec. 21, 2000	2011/2040	7.0
Sao Tome and Principe			
Public Resource Management Credit	Nov. 2, 2000	2011/2040	7.5
Public Resource Management Technical Assistance II Project	Nov. 2, 2000	2011/2040	2.5

Table 4-4—*Continued*
World Bank projects approved in sub-Saharan Africa, FY 2001

Country/project name	Date of approval	Maturity dates	Principal amount (*million dollars*)
Senegal			
Long Term Water Sector Project	Mar. 6, 2001	2011/2041	125.0
Social Development Fund Program	Dec. 20, 2000	2011/2040	30.0
Trade Reform and Competitiveness Credit	Sep. 14, 2000	2011/2040	100.0
Sierra Leone			
Public Sector Management Support II Project	Feb. 15, 2001	2011/2040	3.5
Supplemental Credit for Economic Rehabilitation and Recovery	Dec. 14, 2000	2010/2040	10.0
Tanzania			
Regional Trade Facilitation Project	Apr. 3, 2001	2011/2041	15.0
Programmatic Structural Adjustment I IDA-Reflow	Jan. 29, 2001	2010/2040	0.8
Social Action Fund Project	Aug. 22, 2000	2010/2040	60.0
Uganda			
Poverty Reduction Support Credit	May 31, 2001	2011/2041	150.0
Regional Trade Facilitation Project	Apr. 3, 2001	2011/2041	20.0
Environmental Management and Capacity Building II Project	Mar. 20, 2001	2011/2041	22.0
National Agricultural Advisory Services Project	Feb. 15, 2001	2011/2040	45.0
HIV/AIDS Control Project	Jan. 18, 2001	2011/2040	47.5
Supplemental Credit for Structural Adjustment III	Dec. 22, 2000	2007/2037	25.4
Privatization and Utility Sector Reform Project	Aug. 24, 2000	2010/2040	48.5
Western Africa			
BCEAO Regional Payment Systems Project	Oct. 19, 2000	2011/2040	9.4
Zambia			
Technical Education Vocational and Entrepreneurship Training Development Program Support Project	June 14, 2001	2011/2041	25.0
Regional Trade Facilitation Project	Apr. 3, 2001	2011/2041	15.0
Supplemental Credit for Fiscal Sustainability	Dec. 22, 2000	2010/2040	30.4
Supplemental Credit for Fiscal Sustainability	Nov. 20, 2000	2010/2040	2.1
Railways Restructuring Project	Nov. 16, 2000	2011/2040	27.0
Total			3,369.6

Note.—n.a.=not applicable (IBRD loan). Because of rounding, figures may not add to the totals shown.
Source: World Bank, *The World Bank Annual Report, 2001*,vol. 1, pp. 144-146.

Multilateral Investment Guarantee Agency

The Multilateral Investment Guarantee Agency (MIGA) was established in 1998 as a member of the World Bank Group to address the concerns of political instability for investors. Its purpose is to encourage foreign direct investment in developing countries by providing investment guarantees and technical assistance. Investment guarantees act as insurance for investors against numerous situations involving economic and social risks, such as expropriation, breach of contract, and war and civil disturbance in a host country considered too risky to be profitable by private-sector insurance firms. In 2001, MIGA was composed of 154 industrialized and developing countries.[11] Table 4-5 lists those countries in SSA that are currently members of MIGA and those that are

[11] MIGA, "Miga Membership," found at Internet address *http://www.miga.org/screens/pubs/annrep01/members.pdf*, retrieved on June 3, 2002.

Table 4-5
Sub-Saharan African MIGA members and countries in the process of fulfilling membership requirements, 2000

	MIGA Member countries (38)	
Angola	The Gambia	Seychelles
Benin	Ghana	Sierra Leone
Botswana	Guinea	South Africa
Burkina Faso	Kenya	Sudan
Burundi	Lesotho	Swaziland
Cameroon	Madagascar	Tanzania
Cape Verde	Malawi	Togo
Central African Republic	Mali	Uganda
Congo (DROC)	Mauritania	Zambia
Congo (ROC)	Mauritius	Zimbabwe
Côte d'Ivoire	Mozambique	
Equatorial Guinea	Namibia	
Eritrea	Nigeria	
Ethiopia	Senegal	
	Countries in the Process of Fulfilling Membership Requirements (6)	
Chad	Guinea-Bissau	Niger
Gabon	Liberia	Rwanda

Source: MIGA website, "MIGA Member Countries," found at *http://www.miga.org/screens/pubs/annrep01/members.pdf.*

in the process of fulfilling membership requirements. MIGA issued investment guarantees to cover eight projects in Africa totaling $186 million during fiscal year 2001. Table 4-6 outlines these projects, which typically involve privatization efforts and capacity building activities.

Table 4-6
MIGA guarantees issued in sub-Saharan Africa, fiscal year 2001

Country	Investor	Investor country	Guarantee amount	Sector
Angola	Desco A.B.	Sweden	$1,000,000	Construction and management of an office building
Guinea	Agro-Industial and Development S.A.	Panama	$9,000,000	Restructure and refinance a flour mill
Guinea	Guinea Investment	Guinea	$40,000,000	Mining, processing, electricity and transportation
Mozambique	Banque National de Paris	France	$4,500,000	Creation of a corporate and trade finance facility
Mozambique	"Sena Group"	Mauritius	$65,000,000	Rehabilitate and partially privatize a large sugar estate
Tanzania	Barrick Gold Corp	Canada	$56,300,000	Mining
Togo	Banque Belgolaise and Joseph Fermon	Belgium and United States	$7,400,000	Cotton ginning facility
Zambia	Mitubishi Corp.	Japan	$2,400,000	Expansion of a car dealership

Source: MIGA, *MIGA Annual Report,* 2001, pp. 50-53.

In its continued support of foreign direct investment into developing countries, MIGA has been assisting the startup of the African Trade Insurance Agency (ATIA). ATIA is designed to provide insurance against noncommercial and commercial risks, which often keep Africa out of the global trading and investment loop. Membership is open to all African countries and users are expected to be African and non-African firms and banks. The initial members are Burundi, Kenya, Malawi, Rwanda, Tanzania, Uganda, and Zambia.

MIGA also was involved in several other projects in 2001. The MIGA funded "Promote Africa" which is a project designed to develop and utilize relationships for outreach and marketing efforts. Also in 2001, another project was launched, African Connection Telecomms Databank, a joint effort of the International Finance Corporation (IFC) and MIGA. Furthermore, IFC has been assisting MIGA by marketing its activities in Southern Africa. In 2001, a mobile office was set up in Senegal to promote investment. MIGA teams conducted seminars in West Africa and met with high-level government officials and business representatives in Mali, Senegal, and Ghana. MIGA staff listened to concerns about local investment priorities and challenges.[12]

International Finance Corporation

The IFC is a legally and financially independent member of the World Bank Group founded in 1956. The IFC's main objective is to promote sustainable private sector investments.[13] The IFC does so by following its current strategy, developed in 1998, which emphasizes three areas: building up the financial sector, expanding private investment in infrastructure, and supporting indigenous entrepreneurship.[14]

The IFC expanded its involvement in SSA in fiscal year 2001 as its committed portfolio in Africa increased to $1.5 billion. Out of the 240 projects approved worldwide for fiscal year 2001, 45 were for the Africa region.[15] Reflecting the IFC's focus on building financial markets, $1,185 million (30 percent of the committed portfolio) went to fund projects in financial services, infrastructure projects received $827 million (21 percent), and $309 million was directed towards petroleum, gas, and mining projects (8 percent). Health care and education projects received $139 million (3.5 percent).[16]

According to the IFC, progress has been made toward peace in Sierra Leone, and fighting has ended in Ethiopia and Eritrea, although HIV/AIDS continues to challenge economic and social development in many SSA countries. Given these perceptions of increasing stability, the IFC has stated that one of its interests is increasing tourism in

[12] MIGA, *Annual Report 2001*, pp. 10, 12, and 31.

[13] IFC, "Introduction," found at Internet address *http://www.ifc.org/ar2001/annual/intro.html*, retrieved on July 9, 2002.

[14] IFC, *Annual Report 2001*, p. 38.

[15] Ibid., pp. 30 and 38.

[16] IFC, "Financial Highlights,"found at Internet address *http://www.ifc.org/ar2001/annual/financial.html*, retrieved on July 9, 2002.

SSA. In FY 2001, the IFC committed to 12 hotel projects in Africa. In Tanzania, the IFC provided equity for a hotel in an ecotourism area. This project targets environmental conservation as well as provides positive economic benefit. Other hotel projects were in South Africa and Botswana.[17]

The IFC also dispenses assistance to other areas. For example, the IFC assisted Nigerian banks in meeting the medium-term lending needs of their customers. IFC committed $122.5 million to this project, which benefits a broad range of companies and local financial institutions. Bank projects were assisted in Cameroon, Malawi, Namibia, and Tanzania, as well. The IFC loaned $40 million and arranged another $60 million loan to assist Ghana Telecommunications. These loans will provide at least 70,000 households with telephone access. Communication projects also were financed in Rwanda and Uganda.[18]

The African Development Bank Group

The African Development Bank (AfDB), the African Development Fund (AfDF) and the Nigerian Trust Fund (NTF), together, comprise the African Development Bank Group (AfDB Group). The main goals of the AfDB are to promote sustainable economic growth and to reduce poverty in Africa. To achieve this, the Bank finances a broad range of development projects and programs. The AfDB offers financial assistance on nonconcessional terms, while the AfDF and NTF lend on concessional terms to low-income regional member countries. The AfDB Group approvals for loans, equity investments, and debt relief totaled $3 billion in 2001. In 1999, the AfDB adopted a new mission statement that emphasized agricultural and rural development investments as part of a new approach to reduce poverty. Because poverty is most prevalent in rural areas, poverty reduction programs generally attempt to boost productivity and develop human capital. The AfDB Group sees agriculture as the most likely source of income generating activities for African populations, which are still largely rural and agrarian. Almost 45 percent of the loan approvals went to projects in the agriculture and social sector.[19]

The AfDB agenda addresses human capital building needs and private sector development. Projects in these areas aim to facilitate the integration of African economies with the global economy and enhance African workers' employment prospects. Toward these ends, there are several mechanisms devoted to expanding and cultivating various segments of the private sector. There are venture capital funds, infrastructure funds, and development financial institutions that provide lines of credit to small- and medium-sized enterprises. Additionally, there are organizations such as the African Project Development Facility, which assists African entrepreneurs in developing business plans and feasibility studies. The AfDB Bank also approved loans

[17] IFC, *Annual Report 2001*, pp. 37, 38, and 41.
[18] Ibid., pp. 39 and 41.
[19] Africa Development Bank, *Annual Report, 2000*, pp. viii, ix, 1, 2, and 7.

to the African Management Services Company, which provides management services and training to African enterprises with potential long-term economic viability but with no experienced management.[20]

The AfDB has had much success in cofinancing with foreign, local, and private institutions. The major cofinanciers in 2001 were the World Bank (UA[21] 1.16 billion, $1.46 billion), IMF (UA 0.72 billion, $0.90 billion), and EU (UA 0.35 billion, $0.44 billion). Regional member countries obtain loans from capital markets or other third-party lenders, and the AfDB guarantees payment of the loan. The AfDB is able to draw on a greater supply of financing resources, and hence lower financing costs for borrowers by covering the risk that the private market is often unable to evaluate or unwilling to accept. In 2001, external cofinanciers contributed UA 3.09 billion ($3.88 billion). The AfDB contributed UA 813.2 million ($1,022.0 million) to cofinancing projects.[22]

The AfDB Group is actively involved in the movement to provide African countries with debt relief. Its collaboration with the World Bank and IMF on the Enhanced HIPC Initiative complements the AfDB Group's efforts in that area. Under the Enhanced HIPC Initiative, the AfDB Group relieves regional member countries of up to 80 percent of their annual debt. The AfDB uses the PRSPs to monitor projects and poverty reduction strategies implemented with newly available funds. In 2001, Gambia, Guinea, Madagascar, Malawi, Rwanda, and Zambia received UA 174.9 million ($219.9 million) in debt relief from the AfDB under the Enhanced HIPC Initiative.[23]

Table 4-7 summarizes AfDB and AfDF approvals of loans and grants for projects in SSA for 2001 (excluding multinational projects). The AfDB Group authorized funding for 105 projects at a total cost of UA 2.1 billion ($2.6 billion). Ethiopia received the most loans and grants: UA 185.8 million ($233.5 million), for seven projects. Niger also received funding for seven projects. The AfDB Group's funding approvals by sector reflect the priorities set out in the mission statement adopted in 1999: UA 611.2 million ($768.1 million) was authorized for debt relief; UA 217.3 million ($273.1 million) was authorized for agriculture and rural development; UA 100.6 million ($233.6 million) was designated for social sector projects; and UA 173.3 million ($217.7 million) was to be allocated to transportation projects.

International Monetary Fund

The IMF is composed of several lending facilities that tailor their assistance to respond to specific balance of payments problems and help cushion the impact of structural

[20] Ibid., pp. 70, 73, and 74.

[21] UA= Unit of Account. An artificial currency used for accounting purposes where 1UA=$1.25674 as of Dec. 31, 2001.

[22] African Development Bank, *Annual Report,* 2001, pp. 7 and 35. Note: U.S. dollar figures calculated by USITC using conversion factor of 1UA=US$1.25673.

[23] African Development Bank, *Annual Report*, 2001, pp. 37-40.

Table 4-7
Total AfDF and AfDB projects and programs approved during 2001, by country

Country	Sector	Project	Total Cost	AfDF and AfDB Funding Loan & Grants Amounts
				(Million dollars)
Angola	Social	Basic Education and Job Skills Project	$24.37	$12.10
Benin	Agriculture and Rural Development	Project to Support the Rural Development of the Mono and Couffo Departments	13.26	11.47
	Agriculture and Rural Development	The Firewood Project	14.77	12.57
	Social	Budget Reform Support Program for Poverty Reduction		17.59
Burkina Faso	Agriculture and Rural Development	Decentralized and Participatory Rural Development Project in the Bazega and Kadiogo Provinces	25.44	18.85
	Agriculture and Rural Development	Study of a Decentralized Rural Development Support Project for the Centre-West Region	0.77	0.73
	Social	Poverty Reduction Strategy Support Program		29.02
	Transportation	Second Road Program	31.10	27.65
Cameroon	Multisector	National Governance Program	4.21	4.00
	Multisector	Structural Adjustment Program III		25.76
	Social	Human Resources Development Project	0.58	0.57
	Social	Rural Family Income Improvement Program	21.87	17.59
	Transportation	Road Development Project	21.70	18.85
Chad	Agriculture and Rural Development	Biltine Department Rural Development Project	15.08	11.31
	Agriculture and Rural Development	Livestock Breeding System Support Project	0.54	0.50
	Agriculture and Rural Development	Natural Resources Management Project	0.63	0.58
	Social	Education V	9.40	8.46
	Social	Project to Support the Control of HIV/AIDS and other Epidemic Diseases	16.38	7.54
	Other Approvals	HIPC Debt Relief		49.82
Democratic Republic of Congo	Social	Emergency Humanitarian Assistance Program		0.48
	Multisector	The National Capacity Building Program Support Project	3.43	2.48
Djibouti	Agriculture and Rural Development	Integrated Fisheries Development Project (Supplementary Loan)	2.10	1.89

See footnotes at end of table.

Table 4-7—*Continued*
Total AfDF and AfDB Projects and Programs Approved During 2001, by country

Country	Sector	Project	Total Cost	AfDF and AfDB Funding Loan & Grants Amounts
				(Million dollars)
Djibouti–Con.	Multisector	Institutional Building Project for Good Governance of Public Finance	1.57	1.48
	Social	Institutional Support to Improve the Situation of Women	0.98	0.90
Ethiopia	Agriculture and Rural Development	Genale-Dawa River Basin Integrated Resources Master Plan Study	5.28	4.94
	Agriculture and Rural Development	Koga Irrigation and Watershed Management Project	47.55	42.63
	Agriculture and Rural Development	National Fertilizer Sector Project (Supplementary Loan)	23.79	10.59
	Multisector	Capacity Building of Ministry of Finance and Economy	0.72	0.65
	Multisector	Second Structural Adjustment Loan	463.23	75.40
	Power Supply	The Rural Electrification Project	54.45	47.34
	Transportation	Butajira-Hossaina-Sodo Road Upgrading Project	57.68	51.92
The Gambia	Other Approvals	HIPC Debt Relief		1.27
	Environment	Coastal Protection Project	19.00	12.05
	Other Approvals	HIPC Debt Relief		17.68
Ghana	Agriculture and Rural Development	Livestock Development Project	27.74	24.61
	Agriculture and Rural Development	The Inland Valleys Rice Development Project	21.49	18.85
	Multisector	Economic Reform Support Operation		49.01
	Multisector	Institutional Support Project for Governance and Poverty Reduction	4.21	3.77
Guinea	Other Approvals	HIPC Debt Relief		66.78
	Agriculture and Rural Development	Study of a Palm Oil and Rubber Development Plan	2.63	2.49
	Multisector	Third Structural Adjustment Program		15.39
	Social	Sustainable Social Development in Upper and Central Guinea	30.35	27.33
	Other Approvals	HIPC Debt Relief		22.01
Guinea-Bissau	Agriculture and Rural Development	The Fishing Sector Support Project	8.34	7.53
	Agriculture and Rural Development	The Rural Development Institutional Support Project	1.73	1.38
	Social	The Rehabilitation Project	8.03	7.35
Kenya	Transportation	The Roads 2000-Districts Rural Rehabilitation Project	28.00	25.13

See footnotes at end of table.

Table 4-7—*Continued*
Total AfDF and AfDB Projects and Programs Approved During 2001, by country

Country	Sector	Project	Total Cost	AfDF and AfDB Funding Loan & Grants Amounts
				(Million dollars)
Madagascar	Other Approvals	HIPC Debt Relief		15.95
	Agriculture and Rural Development	Preventive Locust Control Project	17.48	8.70
	Water Supply and Sanitation	Great South Rural Area Water Supply and Sanitation Project	11.21	9.97
	Other Approvals	HIPC Debt Relief		56.90
Malawi	Social	Humanitarian Relief Support of the Victims of the 2001 Floods		0.50
	Other Approvals	HIPC Debt Relief		20.18
	Social	Support to Community Day Secondary Schools	20.95	18.85
	Water Supply and Sanitation	The Integrated Rural Water Supply and Sanitation Project	13.92	12.05
	Other Approvals	HIPC Debt Relief		74.56
Mali	Agriculture and Rural Development	MOPTI Region Rural Development Support Project	22.63	19.19
	Agriculture and Rural Development	Study of the Douentza District Agricultural Development Project	0.87	0.82
	Agriculture and Rural Development	The Seed Subsector Support Project	8.23	7.13
	Social	Health and Social Development Support	20.95	18.85
Mauritania	Industry	Project to increase the Export Capacity of Societe Nationale Industrielle Miniere	185.51	29.67
	Agriculture and Rural Development	Livestock Development and Range Management Project	11.69	6.28
	Multisector	The Fiscal Adjustment Program	121.81	12.57
	Social	The Ten-year Education System Development Program Support Project	12.19	10.42
Mauritius	Finance	Regional Line of Credit to the Mauritius Commercial Bank Ltd		100.89
	Social	Support to the National Health Plan Project	25.26	14.50
	Social[1]	Support to the National Health Plan Project	25.26	6.41
Mozambique	Social	Humanitarian Relief Support to the Victims of the 2001 Floods		0.50
	Agriculture and Rural Development	Artisanal Fisheries Development Project	23.25	19.98
	Industry	Mineral Resources Management Capacity Building Project	33.52	4.13
	Power Supply	The Rural Electrification Project	24.29	13.97
	Social	Education Program IV	24.12	12.57

See footnotes at end of table.

Table 4-7—*Continued*
Total AfDF and AfDB Projects and Programs Approved During 2001, by country

Country	Sector	Project	Total Cost	AfDF and AfDB Funding Loan & Grants Amounts
				(Million dollars)
Namibia	Finance	Second Line of Credit to Agribank		8.71
	Transportation	Northern Railway Extension Project (Tsumeb-Ondangwa section)	60.35	25.01
Niger	Agriculture and Rural Development	The Agricultural Development Support Project in Zinder Region	8.28	7.29
	Multisector	Third Structural Adjustment Program		12.57
	Social	Healthcare Improvement Project	22.80	20.55
	Transportation	Road Study II	1.82	1.73
	Water Supply and Sanitation	Rural Water Supply Program Study	1.27	1.21
	Water Supply and Sanitation	Study on Run-off Water in the Dosso and Tillabery Regions	0.63	0.55
	Other Approvals	HIPC Debt Relief		56.80
Nigeria	Finance	Line of credit to the International Bank FSB PLC		17.54
	Other Approvals	Ibadan Emergency Water Rehabilitation Project (Reallocation)	16.44	12.62
	Multisector	Governance Institutional Support Project for Capacity Building and Poverty Reduction	6.18	5.03
Rwanda	Other Approvals	HIPC Debt Relief		0.15
	Agriculture and Rural Development	The Forestry Management Support Project	14.46	11.18
	Multisector	Public Investment Programming and Management System Institutional Support Project	2.76	2.51
	Other Approvals	HIPC Debt Relief		135.99
São Tomé and Principe	Multisector	Structural Adjustment Program III		2.01
	Social	Human Resources Development Support Program	0.31	0.30
	Other Approvals	HIPC Debt Relief		78.68
Senegal	Agriculture and Rural Development	Anambe Basin Rural Development Project	10.87	9.02
	Transportation	The Diam Niadio-Mbour-Kaolack Road Project	33.68	18.85
	Water Supply and Sanitation	The Dakar City Sanitation Project	16.90	14.99

See footnotes at end of table.

Table 4-7—*Continued*
Total AfDF and AfDB Projects and Programs Approved During 2001, by country

Country	Sector	Project	Total Cost	AfDF and AfDB Funding Loan & Grants Amounts
				(Million dollars)
Sierra Leone	Agriculture and Rural Development	Artisanal Fisheries Development Project	14.96	12.57
	Multisector	Economic Rehabilitation and Recovery Program The Institutional Support Project for Capacity Strengthening, Governance and Poverty		12.57
	Multisector	Reduction	1.31	1.21
Tanzania	Multisector	The Second Structural Adjustment Program	50.27	
	Power Supply	The Rural Electrification Study	2.53	2.35
	Transportation	Project: The Roads Rehabilitation/Upgrading Project	53.96	48.57
	Water Supply and Sanitation	Dar Es Salaam Water Supply and Sanitation Project	144.36	48.07
Uganda	Power Supply	Bujagali Hydroelectric Power Project	573.62	54.59
Zambia	Other Approvals	HIPC Debt Relief		115.52
	Multisector	Fiscal Transparency and Accountability Support Program	20.36	0.67
	Social	Support to the National Aid Control Program	1.36	1.26
	Other Approvals	HIPC Debt Relief		55.84
Total[2]			$2,649.76	$2,110.38

[1] NTF project.

[2] Totals do not include multi-country programs and projects approved by the African Development Bank Group in 2000.

Source: Derived from data in African Development Bank, *Annual Report 2001*, pp. 138-144 and 206-230. US$ figures calculated by USITC staff using a Unit of Account (1 UA)=US$1.25673, African Development Bank, *Annual Report 2001,* p. 7.

adjustment. Stand-By Arrangements and the Extended Fund Facility (EFF) are two traditional examples of such assistance. Member countries needing a line of credit on a short-term basis rely on the SBA; member countries needing long-term funding (at least 3 years) rely on the EFF. In fiscal year 2001, the IMF changed the repurchase schedule for the EFF. Payment must still start after 4.5 years, but must be repaid after 7 years instead of 10. The Supplemental Reserve Facility and the Contingent Credit Lines, established in 1999, provide additional resources to prevent loss of market confidence in a member country or sustain those experiencing abrupt reversals of investment flows.[24]

[24] IMF, *Annual Report 2001*, pp. 38-40.

The IMF has two mechanisms through which it addresses protracted payments arrears: the HIPC Initiative and the PRGF. The World Bank and the IMF combined their resources in 1996 to provide debt relief more effectively through the HIPC Initiative. In the fall of 1999, the World Bank and IMF governing boards adopted the Enhanced HIPC Initiative to shorten the time it takes for countries to qualify for relief. The PRGF is the most recent incarnation of the IMF's concessional lending facility (it was known as the Structural Adjustment Facility (SAF) in 1986, and the Enhanced SAF in 1987). Launched in November 1999, the PRGF reflects the new primary objective of the IMF's concessional lending arm–poverty reduction in low-income countries. Loan approvals are linked to antipoverty programs developed by the recipient country in the Poverty Reduction Strategy Paper.[25] To qualify for support, the antipoverty programs must be developed by member countries in collaboration with civil society and bilateral and multilateral donors.[26]

As of Apr. 30, 2001, the Democratic Republic of the Congo, Liberia, Somalia, and Sudan arrears accounted for over 97 percent (SDR 2.190 billions of SDR 2.242 billions) of outstanding debt to the IMF. These four members were no longer eligible to receive support pursuant to Article XXVI, Section 2(a). Declarations of noncooperation remained in effect for the Democratic Republic of the Congo (issued on February 14, 1992) and Liberia (issued on March 30, 1990) as of May 31, 2002. After a review of Sudan's overdue obligations, compliance with commitments, and policy performance, the IMF terminated the suspension of Sudan's voting rights in the IMF, with effect from August 1, 2000.[27]

New Partnership for African Development

The NEPAD was launched in 2001 as a comprehensive, integrated, strategic framework for African socioeconomic development. The NEPAD is a merger of two continentwide economic development initiatives: the Millennium Partnership for the African Recovery Program, and the Omega Plan. On July 3, 2001, the merger was finalized, and the New Africa Initiative (NAI) was formed. The NAI was approved on July 11, 2001 by the heads of state and government at the 2001 Organization for African Unity summit. On October 23, 2001, the policy framework was finalized by the Implementation Committee and the NEPAD (renamed from the NAI) was formed.[28] The primary goals of the NEPAD are:

- to promote accelerated growth and sustainable development;
- to eradicate widespread and severe poverty; and
- to halt the marginalisation of Africa in the globalization process.

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25 [The PRSP is a tool first used by the World Bank as part of its strategy to increase the effectiveness of financial assistance.] See discussion in section of this chapter entitled *The World Bank Group*.

26 IMF, *Annual Report 2001*, p. 38.

27 Ibid., p. 73.

28 NEPAD, "NEPAD in Brief," found at Internet address *http://www.nepad.org/about.html*, retrieved on July 16, 2002.

The NEPAD priorities include:

- to achieve universal primary education by 2015;
- to encourage peace, security, democracy, human rights, and good governance;
- to promote export diversification;
- to promote and to protect African culture and the environment; and
- to develop healthcare, clean water, and sanitation systems.

At the June 2001 G-8 meeting, African leaders advocated an overall NEPAD funding level of approximately $65 billion, deemed as necessary for Africa to attain the estimated 7 percent annual economic growth rate needed for substantive socioeconomic development.[29] Although G-8 leaders praised NEPAD and made it a summit priority, no definite funding was allocated.

Sources of U.S. Bilateral Economic Assistance to Sub-Saharan Africa

The major economic and trade programs supported by the U.S. Government are those directed by the Ex-Im Bank, TDA, OPIC, and USAID. The discussion below includes developments in U.S. trade capacity building initiatives, economic programs, and U.S. trade assistance programs during 2001.

U.S. Government Agencies' Trade Capacity-Building Initiatives

A variety of U.S. Government agencies fund and implement a broad range of trade capacity-building initiatives in SSA, aimed at assisting countries to integrate more fully into the world trading system. Although initiatives vary, they all aim to remove obstacles to trade and, consequently, to development. In the summer of 2001, USAID undertook a survey of its programs and initiatives that promote trade capacity-building in developing and transitional economies, and developed a database from the survey results. The survey was updated in 2002.[30] According to USAID, 14 percent, or $192 million, of the $1.3 billion distributed to all developing and transition countries during FY1999 through FY2001 went to trade capacity-building initiatives in SSA. Of the total funding for SSA countries, 33 percent was provided in

[29] EIU, "Partnership development programme just may succeed," Apr. 19, 2002, found at Internet address *http://www.viewswire.com*, retrieved on June 19, 2002. G-8 countries are Canada, France, Germany, Italy, Japan, Russia, the United Kingdom, and the United States.

[30] For additional information on the USAID Trade Capacity Building Reports and Database, see Internet address *http://www.quesdb.cdie.org/tcb/index.html*, retrieved on Oct. 2, 2002.

FY1999, 40 percent was provided in FY2000, and 28 percent was provided in FY2001.[31]

U.S. Government Agencies Involved

In developing its database, USAID surveyed numerous U.S. Government agencies that provide trade capacity-building assistance, including USDA, Department of Commerce, Department of Energy, Department of Justice, Department of Labor, Department of State, Department of Transportation, Environmental Protection Agency, Ex-Im Bank of the United States, Federal Trade Commission, Overseas Private Investment Corporation, Peace Corps, Trade and Development Agency, and USAID. Although U.S. assistance funding was provided through a variety of agencies with various areas of expertise, more than 50 percent of funding for FY1999 through FY2001 was attributed to USAID.[32]

Country Coverage

The Trade Capacity Building Database geographic region covering SSA includes: Angola, Benin, Botswana, Burkina Faso, Cameroon, Democratic Republic of the Congo, Eritrea, Ethiopia, Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Senegal, Seychelles, Somalia, South Africa, Swaziland, Tanzania, Togo, Uganda, Zambia, and Zimbabwe. Sub-Saharan countries for which the database provides detailed country breakouts include: Angola, Benin, Botswana, Cameroon, Côte d'Ivoire, Ethiopia, Ghana, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritius, Mozambique, Namibia, Nigeria, Senegal, South Africa, Tanzania, Togo, Uganda, Zambia, and Zimbabwe.[33] As table 4-8 indicates, more than 75 percent of FY1999 through FY2001 funding went to six country recipients, with Ghana receiving the largest share (30.5 percent). Analysis of FY2001 data indicates that Ghana remained the primary recipient; Tanzania, Nigeria, Zambia, Uganda, and Mali ranked second, third, fourth, fifth, and sixth, respectively. Although the top six countries continued to receive over 75 percent of funding in FY2001, distribution between the countries was more balanced.

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[31] Figures and analysis based on USAID summary data which include data as of June 2002 for which a funding agency can be attributed. Because of rounding, figures may not add up to 100.

[32] Figures and analysis based on USAID summary data which include data as of June 2002 for both Funder and Implementer Only departments.

[33] Quantitative analysis of trade capacity building funding in the "Country Coverage" and "Types of Trade Capacity Building Initiatives" is based on countries for which funding agency can be attributed and category breakout figures are available as of June 2002.

Table 4-8
Trade Capacity-Building Initiatives: Primary Country Recipients and Percent of Total, FY1999 through FY2001, and FY2001[1]

Country	Percent of total (FY1999-FY2001)	Country	Percent of total (FY2001)
Ghana	30.5	Ghana	18.5
Mozambique	11.7	Tanzania	15.4
Nigeria	9.9	Nigeria	15.3
Mali	9.4	Zambia	14.4
Zambia	8.6	Uganda	8.3
Tanzania	7.0	Mali	5.9

[1] Percentages based on countries for which funding agency can be attributed and category breakouts are available as of June 2002.

Source: USAID Trade Capacity Building Database.

Types of Trade Capacity-Building Initiatives

U.S. Government agencies' trade capacity-building initiatives cover a wide variety of categories. The primary funding channel or category is "Trade Facilitation," representing 26 percent of FY1999 through FY2001 funding for SSA. Table 4-9 provides definitions and percentage of total funding. Of the 11 funding avenues covered in FY1999 through FY2001, nearly 75 percent of funding falls into the top five categories. Analysis of FY2001 data indicates that "Trade Facilitation" remained the top funding avenue with "Services" ranked second, "Government and Interagency Coordination" ranked third, "Agricultural Development" ranked fourth, and "Human Resources and Labor Standards" ranked fifth. Table 4-10 provides illustrative examples of U.S. trade capacity-building initiatives.[34]

The Export-Import Bank of the United States

The Ex-Im Bank is an independent U.S. Government agency that assists in the sale of U.S. exports, primarily to emerging markets. This assistance is provided through loan financing and other credit measures.

The Ex-Im Bank supported $12.5 billion of U.S. exports in FY 2001,[35] and $15.5 billion in FY 2000.[36] Ex-Im Bank support to SSA–which consists of loans, guarantees, and insurance–increased twofold to $312 million in FY 2001,[37] from $136 million in FY 2000.[38] The Ex-Im Bank can consider project financing in every SSA country except Sudan.[39] Project finance is available for projects that do not rely on the typical export credit security package but require long-term cash flow financing. Traditional export

[34] Further discussion and full report available at Internet address *http://www.usaid.gov/economic_growth/tradereport/index.html*, retrieved on May 24, 2002.
[35] Ex-Im Bank, *2001 Annual Report*, p. 14.
[36] Ibid., p. 6.
[37] Ibid., pp. 20-23.
[38] Ibid., pp. 20-23.
[39] Ex-Im Bank, "Country Limitation Schedule," found at Internet address *http://www.exim.gov/country/cntlimit.html*, retrieved on May 24, 2002.

financing is also available in 37 SSA countries.[40] Countries benefitting from financing in 2001 included Benin, Cameroon, Gambia, Ghana, Kenya, Mali, Nigeria, Senegal, South Africa, Tanzania, Uganda, and Zimbabwe.

In addition to more traditional export financing, the Ex-Im Bank participates in innovative methods to promote development in SSA. For example, in FY 2001, the Ex-Im Bank authorized $5.4 million in loans to Ghana for mining improvements and guaranteed $257.7 million for South Africa to purchase aircraft.[41] As of December 14, 2001, Ex-Im Bank's total exposure in SSA was $3.1 billion. The Democratic Republic of the Congo (DROC) accounted for 29 percent, while Nigeria made up 19 percent, and South Africa constituted 14 percent of total regional Ex-Im Bank exposure. Table 4-11 lists Ex-Im Bank exposure, 2001 authorizations, and availability of financing in SSA.

U.S. Trade and Development Agency

TDA is an independent government agency that assists U.S. firms by identifying major development projects in developing countries offering large export potential, and by funding U.S. private sector involvement in project planning activities which, in turn, helps to position U.S. firms for follow up activities during the implementation phase. The TDA also promotes economic development in developing countries by funding feasibility studies, consultancies, training programs, and other project planning services.

The TDA's obligations in SSA totaled $6.1 million in FY 2001 (table 4-12) and $4.2 million in FY 2000. SSA funding accounted for 11.8 percent of all TDA funding in 2001, compared with 8.2 percent of funding in 2000.[42] The time lag between funding project planning activities and the identification of actual export sales associated with the project vary widely.

The TDA uses its commercial experience in developing and middle income countries, in conjunction with the State Department and the USAID, to promote U.S. foreign policy. For example, the "Safe Skies for Africa" was started in 1998 through the TDA. This partnership between the U.S. government and eight African countries promotes safe and secure airlines. In 2001, TDA funded two orientation visits for 28 African aviation officials. The participating countries were Angola, Cameroon, Cape Verde, Kenya, Mali, Namibia, and Tanzania.[43]

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[40] Ex-Im Bank, "Ex-Im Bank Program Availability," found at Internet address *http://www.exim.gov/africa-i/afr03.html*, retrieved on June 13, 2002.

[41] Ex-Im Bank, *2001 Annual Report*, p. 26, 29.

[42] TDA, *2001 Annual Report,* pp. 31-38; and *2000 Annual Report,* p. 40. Overall, TDA funding to the Africa/Middle East region increased from $6.4 million in 2000 (12.3 percent of all 2000 funding) to $8.8 million in 2001 (16.9 percent of all funding).

[43] TDA, *2001 Annual Report*, p. 13.

Table 4-9
Trade Capacity-Building Initiatives: Definitions and Percent of Total, FY1999 through FY2001[1]

Category	Definition	Percent of total (FY1999-FY2001)
Trade Facilitation	To lower the costs of engaging in international trade, assistance to business support agencies and market development services, private business organizations, information services and technology transfer	25.9
Agricultural Development	To extend the benefits of trade to rural sectors, support of trade-related aspects of agriculture technology development and agribusiness	20.7
Trade-Related Infrastructure Development	To build the physical capacity to conduct international commerce, support for trade-related telecommunications, marine ports, airports, and related facilities	9.8
Services	To help developing and transition countries engage in international services trade, support for the service sectors in those countries	9.2
Human Resources and Labor Standards	To help workers participate in the gains from trade and protect their rights in trade related sectors, support for workforce skills development, worker rights and labor standards, elimination of child labor exploitation and gender bias .	9.1
WTO Agreements	To support countries' efforts towards compliance and implementation, including institution building so that developing and transition countries may reap the benefits of membership	7.4
Governance and Interagency Coordination	To make government trade programs more accountable, trade policies and regulations more transparent, and to improve planning and communications among government agencies working in trade policy formulation and implementation	6.8
Competition Policy	To assure that participation in international trade is conducted on an equal footing and benefits consumers, support for developing and strengthening antitrust laws and eliminating local monopolies	2.5
WTO Awareness and Accession	To provide a basic understanding of the WTO Agreements, helping accession candidates to identify changes to laws, regulations, policies, and procedures necessary to complete negotiations on the terms of WTO membership	1.6
Environment	To assure that trade is environmentally neutral or positive; includes efforts to improve environmental regulations and standards, as well as to promote transfer of environmental technology for sustainable development	0.6

[1] Percentages based on countries for which funding agency can be attributed and category breakouts are available as of June 2002.

Source: Definitions provided by USAID and available at *http://qesdb.cdie.org/tcb/definition.html*.

Table 4-10
Examples of Trade Capacity-Building Initiatives in sub-Saharan Africa, FY1999 through FY2001[1]

Country/Region	Category	Description
COMESA	Trade Facilitation	Team of experts reviewed existing COMESA regime on Rules of Origin to assess its adequacy in supporting the growth of intra-COMESA trade
East Africa	Agricultural Development	Sponsored a project to reduce import costs by harmonizing trade and transport standards for commerce between Uganda, Kenya, and Tanzania
Ghana	Agricultural Development	Assisted food producers to comply with foreign phyto-sanitary standards
Ghana	Human Resources and Labor Standards	Helped incorporate gender neutral language into labor laws and prohibit discrimination based on sex
Ghana	Human Resources and Labor Standards	Solidarity Center promoted gender equity in the trade union movement allowing for greater female participation at both the union and government levels
Ghana	Services	Helped develop tourism-led economic growth through the private sector by supporting preservation of natural and historical sites
Ghana	WTO Agreements: Intellectual Property Rights	Conducted seminars and training programs to assist in the enforcement of intellectual property rights
Kenya	WTO Agreements: Intellectual Property Rights	Conducted seminars and training programs to assist in the enforcement of intellectual property rights
Malawi	Human Resources and Labor Standards	Provided assistance increasing HIV/AIDS awareness in the workplace and protects worker rights in trade-related industries
Mali	Trade Facilitation	Business development services grant program promoted crafts suitable for export and linking artisans with overseas importers
Mozambique	Human Resources and Labor Standards	Supported trade union education and training programs to increase and upgrade workers' negotiating skills
Mozambique	Infrastructure Development	Funded the restructuring and privatization of Mozambique's three main railroads which link Swaziland, South Africa, Zimbabwe, and Malawi to the Indian Ocean ports
Mozambique	Trade Facilitation	At the request of the Confederation of Mozambican Business Associates, sponsored series of discussions of the opportunities and costs of trade liberalization, with particular focus on Southern African Development Community free trade area
Mozambique	WTO Agreements: Intellectual Property Rights	Conducted seminars and training programs to assist in the enforcement of intellectual property rights
Nigeria	Human Resources and Labor Standards	Developed programs that reintegrate recently discharged military combatants into civilian trade-related occupations
Nigeria	Human Resources and Labor Standards	Helped incorporate gender neutral language into labor laws and prohibit discrimination based on sex

Table 4-10—*Continued*
Examples of Trade Capacity-Building Initiatives in sub-Saharan Africa, FY1999 through FY2001[1]

Country/Region	Category	Description
Nigeria	Infrastructure Development	Assisted in modernizing the Murtala Mohammed International Airport and the Nigerian aviation system, assessing Lagos port and privatization services, implementing an oversight system for maintenance, and privatizing of the railways
South Africa	Human Resources and Labor Standards	Developed programs that reintegrate recently discharged military combatants into civilian trade-related occupations
South Africa	Services	Developed and applied workforce diagnostic tool, "Workforce Development: Skills for Competitiveness," which comprehensively examines training requirements and available skills in the labor force
Sub-Saharan Africa	Competition Policy	Hosted internships and conferences for antimonopoly officials
Sub-Saharan Africa	Environment	Provided support for sustainable, environmentally-based enterprises including nature tourism, bio-prospecting and sustainable forest management and timber harvesting
Sub-Saharan Africa	Financial Sector Development	Invested in OPIC Modern Africa fund which furthers trade integration with the rest of the world
Sub-Saharan Africa (e.g. Benin, Cote d'Ivoire, Guinea, Mali, Madagascar, Mozambique, Rwanda, Uganda)	Infrastructure Development	Funded the Leland Initiative which provided technical and financial support for the expansion of Internet connectivity and helped increase the availability of trade information in the areas of new market development, investment, and trade promotion
Sub-Saharan Africa	Infrastructure Development	"Safe Skies for Africa" initiative to promote aviation safety and security
Sub-Saharan Africa (e.g. Kenya, Mozambique, Nigeria, South Africa, Uganda)	WTO Agreements: Technical Barriers to Trade	Assisted countries to participate in the development of standards and to disseminate information on standards to facilitate market access
Sub-Saharan Africa	WTO Agreements: Customs Valuation Methods	Provided technical assistance to expedite the movement of goods across borders and in complying with WTO customs valuation agreement; and to assist regional trade organizations to improve procedures and to introduce regional customs-bond guarantee scheme
Sub-Saharan Africa	WTO Agreements: Sanitary and Phyto-Sanitary Measures	Helped administer the founding congress of the African Seed Trade Association to provide mechanism for communication between African countries facilitating regional harmonization of policies, liberalization of national markets, and integration into international markets
Sub-Saharan Africa (e.g. Benin, Ghana, Kenya, Madagascar, Mozambique, Namibia, Senegal, Zambia, ECOWAS)	WTO Awareness and Accession	Conducted trade policy workshops on the benefits of trade reform and open markets; and clarified of general rights and obligations under the WTO and current issues before the WTO
Tanzania	WTO Agreements: Customs Valuation Methods	Assisted in reducing the number of steps and amount of time required of importers in obtaining customs clearances

Table 4-10—*Continued*
Examples of Trade Capacity-Building Initiatives in sub-Saharan Africa, FY1999 through FY2001[1]

Country/Region	Category	Description
Uganda	Trade Facilitation	Competitive Enterprise and Trade Expansion Project helped the coffee, fish, and cotton industries to improve their export competitiveness and increase foreign exchange earnings
Zambia	Trade Facilitation	Assisted Zambia Investment Center to upgrade its website and to establish an investor tracking system

Source: United States Government Initiatives to Build Trade Related Capacity in Developing and Transition Countries (USAID, 2001).

Overseas Private Investment Corporation

OPIC is a self-sustaining U.S. Government agency that provides investment funds, project finance, and political risk insurance to U.S. businesses investing in developing nations and emerging markets around the world. OPIC focuses its efforts in Africa on supporting small- and medium-sized businesses.

In 2001, OPIC's programs were available for 40 of the 48 SSA countries.[44] OPIC supported four privately managed funds that invest in SSA: the $350 million Africa Millennium Fund, which replaces the Africa Infrastructure Fund; the $120 million ZM Africa Investment Fund, L.P. for Southern Africa; the $105 million Modern Africa Growth and Investment Fund; and the $25 million Africa Growth Fund.[45] OPIC also committed to providing insurance for three investment projects in SSA: $25 million for oil and gas field expansion, development, and production in Côte d'Ivoire; $4.77 million for import and marketing of cement in Nigeria; and more than $1.5 million for agribusiness in Zambia. In addition, OPIC committed to providing finance for two projects: $0.2 million for drilling potable water wells in Kenya, and $0.3 million for assembly and sale of solar ovens in Uganda.[46]

[44] OPIC, *2001 Annual Report*, p. 30.
[45] OPIC, *OPIC Direct Investment Funds List,* as of Nov. 6, 2001, found at Internet address *http://www.opic.gov/InvestmentFunds/fundlist.htm*, retrieved on June 7, 2002.
[46] OPIC, *2001 Annual Report, p. 25.*

Table 4-11
Sub-Saharan Africa: Export-Import Bank exposure, authorizations, and availability[2] for further support as of December 14, 2001

Country	Exposure	2000 Authorizations	Availability
Angola	$141,232,855		NA
Benin	10,812,497	$10,662497	P.A.
Botswana			Yes
Burkina Faso			P.A.
Burundi			NA
Cameroon	47,628,784	1,310,930	P.A.
Cape Verde			P.A.
Central African Republic	8,710,258		NA
Chad			P.A.
Comoros			NA
Congo (ROC)			P.A.
Congo (DROC)	921,830,192		NA
Côte d'Ivoire	164,649,554		P.A.
Djibouti			P.A.
Equatorial Guinea			NA
Eritrea			NA
Ethiopia			NA
Gabon	61,203,980		P.A.
The Gambia	184,056	210,350	P.A.
Ghana	157,800,151	15,006,148	P.A.
Guinea	7,761,977		P.A.
Guinea-Bissau			P.A.
Kenya	113,041,466	2,731,304	P.A.
Lesotho			Yes
Liberia	5,980,110		NA
Madagascar	38,318,462		P.A.
Malawi	1,271		P.A.
Mali	2,716,474	2,716,474	P.A.
Mauritania	6,598,057		P.A.
Mauritius	28,276,955		Yes
Mozambique	48,156,266		P.A.
Namibia	89,528,788		Yes
Niger	7,002,759		P.A.
Nigeria	601,636,742	13,958,002	P.A.
Rwanda	559,569		NA
São Tome and Principè			P.A.
Senegal	7,819,754	3,010,584	P.A.
Seychelles	70,834		P.A.
Sierra Leone	1,740,984		NA
Somalia			NA
South Africa	445,300,018	258,235,789	Yes
Sudan	28,246,331		L
Swaziland			Yes
Tanzania	21,868,528	326,824	P.A.
Togo	2,820		P.A.
Uganda	2,407,512	1,665,133	P.A.
Zambia	147,156,683		P.A.
Zimbabwe	65,959,481	1,904,204	NA
Total	$3,184,204,367	$311,738,239	

[1] Exposure is defined as authorization of all forms of support minus repayment and cancellations.

[2] Yes = Available for all six types of financing: short, medium, and long term for both private and public buyers of U.S. goods and services; NA =country is open for specifically financed transactions but short-term, and long-term sectors are not open.; P.A. = Partially available for some of the six types of financing; L = Support is legally prohibited.

Source: Ex-Im Bank, *2001 Annual Report*, pp. 20-23 and CLS

Table 4-12
TDA Program Activities in Africa, FY 2001

Country	Title	Activity	(Funds obligated dollars)
Angola	Luanda Aiport Upgrade	Feasibility Study	322,150
Angola	Port of Cabinda Expansion	Desk Study	2,500
Angola	Port of Cabinda Expansion	Feasibility Study	374,850
Cameroon	Port of Limbe Project Phase I Assessment	Desk Study	2,500
Cameroon	Port of Limbe Project - Phase II	Feasibility Study	300,375
Cameroon	Codilait S.A. Beverage Packaging	Feasibility Study	172,500
Cameroon	Camlait S.A. Beverage Packaging	Feasibility Study	172,500
Cameroon	Nickel-Cobalt Mining	Desk Study	4,750
Ghana	Poultry Processing Facility	Desk Study	2,500
Gabon	Poultry Processing Facility	Feasibility Study	192,825
Gabon	Road Infrastructure	Definitional Mission	24,923
Ghana	Sunyani Municipal Water	Desk Study	2,500
Ghana	Sunyani Water Treatment and Supply	Feasibility Study	365,071
Ghana	Government Wide Area Network	Definitional Mission	24,518
Ghana	Sogakope-Lome Water Supply	Definitional Mission	20,000
Guinea	Hydroelectric Plants	Feasibility Study	140,044
Kenya	Power Sector	Definitional Mission	25,000
Kenya	Power Transmission	Feasibility Study	498,804
Mali	Bamako-Senou Airport Expansion	Technical Assistance	145,000
Mauritius	Information Technology Sector	Definitional Mission	24,815
Nigeria	Agribusiness Sector	Definitional Mission	24,946
Nigeria	Bauchi State Meat Processing Plant	Feasibility Study	70,150
Nigeria	Imo-Abia Waste Management	Desk Study	2,500
Nigeria	Imo-Abia Waste Management	Feasibility Study	238,200
Nigeria	Bulk Commodities Transit Terminal	Desk Study	2,500
Nigeria	Independent Power Production	Definitional Mission	29,950
Nigeria	Ogun State Sugar Factory	Desk Study	2,500
South Africa	Portnet/ACSA Visit	Orientation Visit	846
South Africa	Road Radio Project	Desk Study	4,685
South Africa	La Mercy Airport Intermodal	Desk Study	2,500
South Africa	La Mercy Airport Intermodal	Feasibility Study	291,200
South Africa	Point Marine Project	Desk Study	2,500
South Africa	Point Marine Project	Technical Assistance	100,00
South Africa	South Africa Tire Recycling	Desk Study	2,500
South Africa	Integrated Waste Management	Desk Study	2,500
South Africa	ACSA Noise Abatement	Technical Assistance	291,000
South Africa	Richards Bay Fluidized Bed Power	Desk Study	3,940
Tanzania	Heart Institute	Desk Study	2,500
Uganda	IFC Rural Electrification	Technical Assistance	200,553
Uganda	Entebbe Airport Development	Desk Study	2,500
Uganda	Entebbe Airport Development	Feasibility Study	287,680
Zambia	Kansanshi Power Transmission	Feasibility Study	287,970
Zambia	Mufulira Deep Mining	Feasibility Study	248,540
Africa/ME Regional	Project Analyst	Technical Assistance	28,579
Africa/ME Regional	Maghreb Trade and Investment Conference	Technical Symposium	50,032
Africa/ME Regional	Benin/Cameroon Agribusiness/ Food Processing	Definitional Mission	24,990
Africa/ME Regional	Sake Skies Symposium	Orientation Visit	73,816
Africa/ME Regional	Gaza-Ashkelon Passenger and Freight Rail Link	Desk Study	2,500
Africa/ME Regional	North African/Middle East Aviation Sector	Desk Study	5,000
Africa/ME Regional	CCA Africa Major Project Conference	Technical Symposium	309,908
Africa/ME Regional	Safe Skies II	Orientation Visit	136,784
Africa/ME Regional	Middle East Petrochemicals	Definitional Mission	29,951
Africa/ME Regional	North Africa Interconnection Reinforcement	Desk Study	5,000
Africa/ME Regional	North Africa Interconnection Reinforcement	Feasibility Study	397,896
Africa Regional	Port Orientation Visit	Orientation	143,943
	Total		$6,128,684

Source: U.S. Trade and Development Agency, *2001 Annual Report*, found at Internet address *http://www.tda.gov/abouttda/report2001/pabr_africa-me.html*, retrieved May 2002.

U.S. Agency for International Development

USAID implements U.S. foreign economic assistance programs offered by the U.S. Government. Issues addressed by these programs include sustainable broad-based economic development and the promotion of democratic ideals and values. USAID's program and management challenges in SSA include responses to the HIV/AIDS pandemic, as well as staff and operating expense constraints.[47]

In FY 2001, USAID obligations for SSA totaled $1.3 billion. USAID's assistance consisted of $344 million for child survival and disease programs; $424.1 million for development assistance programs; $466.9 million for Public Law 480, Title II, which provides food assistance and poverty alleviation through nonprofit, charitable organizations; and $85.8 million in economic support funds.[48] Table 4-13 contains additional information on USAID projects in SSA.

Regional programs offered by USAID include: the Africa Regional Program, the Great Lakes Justice Initiative (GLJI), the Greater Horn of Africa Initiative (GHAI), the Initiative for Southern Africa (ISA), the Regional Economic Development Service for East and Southern Africa (REDSO/ESA), the West Africa Regional Program (WARP), and the Africa Trade and Investment Policy (ATRIP) Program. The Africa Regional Program, with funding of $191.2 million in FY 2001 provides Africa-specific technical expertise to support bilateral program development, address transnational issues, and support other USAID efforts when a geographic focus is necessary.[49] The GLJI seeks to strengthen national and local judicial systems and to promote processes for reconciliation in the Great Lakes region, which includes Rwanda, Burundi, and DROC. The United States is currently promoting the involvement of other bilateral and multilateral donors in these efforts.[50] The GHAI was launched in 1994 to address the recurring cycle of crisis, instability, and famine in the Greater Horn region. In 2001, the program focused on strengthening African regional capacity to improve food security and manage conflict.[51] The REDSO/ESA program supports U.S. national security goals to foster regional stability, prevent conflict, and promote free and open markets.[52]

The ISA is the USAID's regional approach to helping the countries in the southern Africa region achieve equitable, sustainable economic growth, and successful democracies. ISA programs complement and support broader U.S. foreign policy

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[47] USAID, "Africa Overview," found at Internet address *http://www.usaid.gov/country/afr.html*, retrieved on June 4, 2001.

[48] USAID, "FY 2003 Congressional Budget Justification," found at Internet address *http://www.usaid.gov/pubs/cbj2003/fy03_table4b.html*, retrieved on June 13, 2002.

[49] USAID, *FY 2003 Congressional Budget Justification*, found at Internet address *http://www.usaid.gov/pubs/cbj2003*, retrieved on June 13, 2002.

[50] USAID, "Great Lakes Justice Initiative," found at Internet address *http://www.usaid.gov/pubs/bj2001/afr/glji/*, retrieved on June 13, 2002.

[51] USAID, "Greater Horn of Africa Initiative," found at Internet address *http://www.usaid.gov/regions.afr.ghai*, retrieved on July 15, 2002.

[52] USAID, "Regional Economic Development Services for East and Southern Africa," found at Internet address *http://www.usaid.gov/country/afr/redso/*, retrieved on June 13, 2002.

Table 4-13
USAID funds allocated for sub-Saharan Africa,[1] by major project categories, FY 2001

(Million dollars)

Country	Development Fund for Africa	Child Survival and Disease	P.L. 480 Title II	P.L. 480 Title III	Economic Support Funds	Total
Angola	3.5	6.4	7.8	-	5.0	22.7
Benin	4.6	10.0	4.2	-	-	18.9
DROC	3.1	9.8	-	-	-	12.9
Eritrea	4.6	4.7	-	-	-	9.3
Ethiopia	15.7	24.7	38.3	-	-	78.7
Ghana	20.9	15.3	16.3	-	-	52.4
Guinea	13.1	9.6	3.9	-	-	26.6
Kenya	22.6	9.3	7.3	-	-	39.2
Liberia	7.8	1.9	4.4	-	-	14.1
Madagascar	16.9	4.2	7.2	-	-	28.3
Malawi	17.7	11.5	3.0	-	-	32.2
Mali	25.7	12.3	1.1	-	-	39.1
Mozambique	32.7	12.9	19.3	-	-	64.9
Namibia	6.8	3.5	-	-	-	10.3
Nigeria	32.8	22.2	-	-	25.0	80.0
Rwanda	8.5	6.3	10.1	-	-	24.9
Senegal	16.5	7.0	-	-	-	23.4
Sierra Leone	3.1	1.9	-	-	-	5.0
South Africa	39.1	15.4	-	-	-	54.5
Tanzania	15.8	10.3	-	-	-	26.1
Uganda	31.1	22.7	9.3	-	-	63.1
Zambia	13.7	21.4	-	-	-	35.0
Zimbabwe	7.7	6.0	-	-	-	13.7
Total	364.1	249.1	132.2	0.0	30.0	775.4

[1] Only sub-Saharan African countries receiving direct USAID bilateral assistance are included in this table. These and other sub-Saharan African countries may receive USAID assistance indirectly through regional programs.

Source: Compiled from USAID data available at Internet address *http://www.usaid.gov/pubs/bj2001/afr*. retrieved May 28, 2002.

initiatives, including efforts by the Department of Commerce to create export opportunities for U.S. firms, efforts by the USTR to negotiate a Trade and Investment Framework Agreement with the Southern Africa Development Community (SADC),[53] and the U.S. Secretary of State's annual U.S.-SADC Forum.[54]

The WARP supports U.S. national interests through its goals of regional political stability and economic prosperity. The program coordinates current USAID regional activities in West Africa.[55] The ATRIP is one of the main financial support and technical assistance components offered under AGOA. The ATRIP program provides technical

[53] SADC is discussed in more detail in chapter 3.

[54] USAID, "Initiative for Southern Africa," found at Internet address *http://www.usaid.gov/country/afr/isa,* retrieved on July 10, 2002.

[55] USAID, "West Africa Regional Program," found at Internet address *http://www.usaid.gov/country/aft/wafr/*, retrieved on July 8, 2002.

assistance and training to create the environment for trade and private investment. The program also assists in promoting business linkages between U.S. and African business associations and business networks. Total ATRIP funding for fiscal year 2002 was $22 million. USAID planned funding for the ATRIP in fiscal year 2001 was approximately $22 million, although as of June 2002, total fiscal year 2001 funding was unavailable.[56]

Other trade-related initiatives

Generalized System of Preferences Programs

The GSP is a regime of trade preferences granted by the developed countries to developing countries. The United Nations Conference on Trade and Development initially proposed GSP in the early 1960s during the Kennedy Round, but it was evident that the GSP program would violate most-favored- nation status, a requirement of the GATT. Temporary special waivers for GSP programs, first approved by GATT members in 1971, were made permanent with the 1979 GATT agreement on "Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries," better known as the "Enabling Clause," negotiated under the Tokyo Round agreements. As of mid-2002, 16 different GSP programs were in operation, carried out by 28 developed countries.[57] Under a GSP program, a developed nation voluntarily reduces tariffs on selected imports from developing countries. This preference is granted on a nonreciprocal basis; the beneficiary country is not required to concede additional market access in return. There is no legal obligation for a country to provide GSP trade benefits, and any country injured because of exclusion from a GSP program has no available recourse in international law.[58]

The Enabling Clause did not establish guidelines for GSP implementation by donor countries. Consequently, each country designs and maintains its own GSP program with regard to product coverage and beneficiary eligibility. Each donor nation also determines its "graduation" criteria, the point at which a developing nation is no longer in need of any special trade status. Economic eligibility criteria usually include level of economic development, lack of affiliation with cartels, progress toward economic liberalization, and the degree to which other developed nations give preferences to the country in question. Other factors can include affiliation with

[56] USAID, "Africa Trade and Investment Policy (ATRIP) Program," found at Internet address *http://www.usaid.gov/regions/afr/atrip-overview.html*, retrieved on June 11, 2002.

[57] The nations that grant preferences under the Enabling Clause are Australia, Belarus, Bulgaria, Canada, the Czech Republic, the EU member nations, Hungary, Japan, New Zealand, Norway, Poland, Russia, the Slovak Republic, Switzerland, and the United States.

[58] Çaglar Özden and Eric Reinhardt, "The Perversity of Preferences: GSP and Developing Country Trade Policies, 1976-2000," p. 5, found at Internet address *http://www.eserwww.service.emory.edu/~erein/research/gsp2.pdf*, retrieved on Oct. 2, 2002.

terrorist groups, level of democracy, environmental standards, or human or labor rights records. Imports of items considered as sensitive products by the donor country are generally excluded from GSP programs.[59] So-called escape clauses may also be included, generally setting a limit to the amount of any good that a country may export to a donor nation without losing its GSP eligibility. Although most imports from developing countries are GSP-eligible, some importers do not apply for the lower GSP tariffs. Various cited reasons for low utilization rates include lack of exporter knowledge, administrative complexity, strict rules-of-origin criteria, and lack of technical capacity.

The United States established its GSP program in 1976. As of mid-2002, the United States granted preferences to 147 developing nations including most of the SSA countries. The total value of imports receiving preferences under the U.S. GSP program in 1997 was $14 billion. The utilization rate[60] was 61.1 percent for all beneficiary countries, and U.S. tariff revenue foregone was estimated at approximately $242 million. Changes made to the U.S. GSP program in 1997 substantially increased product coverage for imports from LDCs. Product coverage increased to nearly 100 percent for agricultural products from LDCs and to more than 60 percent for industrial goods. In October 2000, the United States incorporated the AGOA program into its GSP program, removing almost all tariffs from SSA beneficiary country imports. (See chapter 2.)

Japan's GSP program began in 1971,[61] and as of mid-2002, 163 countries received preferences. The total value of imports receiving preferences under Japan's GSP program was $15 billion in 1997. Japan's GSP utilization rate was 42.5 percent for all beneficiary countries. An estimated $353 million in tariff revenue was foregone. Industrial imports to Japan are subject to ceilings under its GSP program. Products can only be imported at the preferential rate until the ceilings are reached, after which the MFN rate applies. In 1999, Japan began to provide for graduation of selected products.[62]

Canada initiated its GSP program in 1974,[63] and as of mid-2002, granted preferences to 181 developing nations. GSP program imports into Canada represented $2.9 billion in 1997. The utilization rate was 65.9 percent for all beneficiary countries. Tariff revenue forgone was estimated at approximately $52.6 million.[64]

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[59] Usually agriculture, textiles, clothing, and fish products. See "Participation of Developing Countries in World Trade: Overview of Major Trends and Underlying Factors. A note by the Secretariat," found at Internet address *http://www.unctad.org/en/docs/poitcdtsbm52.en.pdf*, retrieved on Oct. 2, 2002.

[60] Utilization rate is defined as the ratio between imports receiving preference and covered imports. Source for all cited utilization rates is UNCTAD, "Quantifying the Benefits Obtained by Developing Countries From the Generalized System of Preferences: Note by the UNCTAD Secretariat," Oct. 7, 1999, p. 6-7, found at Internet address *http://www.unctad.org/en/docs/poitcdtsbm52.en.pdf*, retrieved on Sept. 30, 2002.

[61] Ibid., p. 4.

[62] Ibid., p. 4.

[63] UNCTAD, *Handbook on the Scheme of Japan 2000/2001*, found at Internet address *http://www.unctad.org/en/docs/poitcdtsbm42r1.en.pdf*, retrieved on Oct. 2, 2002.

[64] UNCTAD,"Quantifying the Benefits Obtained by Developing Countries From the Generalized System of Preferences: Note by the UNCTAD Secretariat," Oct. 7, 1999, p. 9, found at Internet address *http://www.unctad.org/en/docs/poitcdtsbm52.en.pdf*, retrieved on Sept. 30, 2002.

The EU implemented its GSP program in 1971, and as of mid-2002 granted preferences to 167 countries. In 1997, the total value of imports receiving preferences was $65 billion, 22 percent of the value of total imports from GSP beneficiaries.[65] The utilization rate[66] was 55.9 percent for all beneficiary countries. Total tariff revenue foregone was estimated at approximately $1.6 billion. In March 2001, the EU implemented the "Everything But Arms" (EBA) initiative, removing duties from almost all imports from least-developed countries (LDCs). (The EBA initiative is discribed in the next section.) In June 2001, in an effort to simplify its GSP program, the EU divided eligible imports into two categories, sensitive and nonsensitive, replacing the four it used previously.

The EU incorporated the "Everything But Arms" (EBA) initiative into its GSP program on March 5, 2001. This program grants duty-free entry to all imports from the 49 LDCs[67] excluding armaments.[68] The EU will gradually eliminate duties on three highly sensitive products in order to provide an adjustment period for European producers in these sectors. Reduction of customs duties on fresh bananas commenced on Jan. 1, 2002, and the duties will be eliminated by 2006.[69] Duties on rice and sugar will be phased out between 2006 and 2009.[70] To compensate for the time lag in the latter two products, the EU will establish a tariff-free quota for the products, which will increase by 15 percent per year until the tariffs are eliminated. The initiative contains a safeguard clause, which allows the European Commission to rescind preferences "where imports...massively exceed the usual levels of production and export capacity"[71] of the LDCs. The initiative is noncontractual, and has no date of expiration or required renewal process.

As most imports from LDCs have already been accorded duty-free preferences for most products under GSP and other EU preference programs, the main impact of EBA is the liberalization of certain European agricultural markets, particularly ones covered under the Common Agricultural Policy. The market impact on the EU, at least in the short-term, is likely to be insignificant; LDC exports account for only 1 percent of EU imports.[72] The potential impact on the agricultural sectors of the LDCs may be far

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[65] UNCTAD, *Handbook on the Scheme of Canada,* found at Internet address *http://www.unctad.org/en/docs/poitcdtsbm66.en.pdf*, retrieved on Oct. 2, 2002.

[66] UNCTAD, "Quantifying the Benefits Obtained by Developing Countries From the Generalized System of Preferences: Note by the UNCTAD Secretariat," Oct. 7, 1999, p. 10, found at Internet address *http://www.unctad.org/en/docs/poitcdtsbm52.en.pdf,* retrieved on Sept. 30, 2002.

[67] As classified by the United Nations.

[68] "Armaments" are all imports included in chapter 93 of the Harmonized System of Trade Classification.

[69] Customs duties on fresh bananas will be reduced by 20 percent per year beginning on Jan. 1, 2002 and will be eliminated by Jan. 1, 2006.

[70] Customs duties on rice will be reduced by 20 percent on Sept. 1, 2006; by 50 percent on Sept. 1, 2007; by 80 percent on Sept. 1, 2008; and eliminated by Sept. 1, 2009. Customs duties on sugar will be reduced by 20 percent on July 1, 2006; by 50 percent on July 1, 2007; by 80 percent on July 1, 2008; and eliminated by July 1, 2009.

[71] *Official Journal of the European Communities*, "Council Regulation (EC) No. 2501/2001," found at Internet address *http://europa.eu.int/eur-lex/pri/en/oj/dat/2001/1_34620011231 en 00010059.pdf*, retrieved on Oct. 17, 2002.

[72] *Solagral* (*France*), "The ĺEverything But Arms' Initiative: What are its consequences for the RESAL countries?" June 2001, found at Internet address *http://www.europa.eu.int/comm/europeaid/projects/resal/Download/report/mission/coord/0301tncoordebaeng.pdf*, retrieved on Sept. 30, 2002.

greater. Currently, over 50 percent of LDC agricultural exports are destined for the EU.[73] The short-term impact of the initiative on the LDCs is likely to be small because of production capacity constraints.[74] Another cited goal of the initiative was that it would serve as "concrete indication of EU political goodwill towards the LDCs in the context of preparations for the next round of WTO negotiations."[75]

Medium- and long-term impact will depend, in part, on the degree to which the EBA initiative encourages LDCs to redirect their exports to Europe, to increase export volume, and to establish additional export structures.[76] Concern has been expressed, however, that the EU's June 2001 update to its GSP program will diminish EBA's relative advantage to LDCs by further reducing tariff restrictions on imports from all GSP-eligible countries.[77]

[73] Ibid.

[74] Ibid.

[75] *ICTSD Bridges Weekly,* "One Eye on the New Round, EU Woos Developing Countries," vol. 5, No. 7. February 2001, found at Internet address *http://www.ictsd.org/html/weekly/ story1.27-02-01.htm*, retrieved on Sept. 30, 2002.

[76] *Solagral (France)*, "The ‘Everything But Arms' Initiative: What are its consequences for the RESAL countries?" June 2001, found at Internet address *http://www.europa.eu.int/comm/europeaid/ projects/resal/Download/report/mission/coord/0301tncoordebaeng.pdf*, retrieved on Sept. 30, 2002.

[77] *Bridges Weekly Trade News Digest*, "New GSP Adopted by European Union,"vol. 5, No. 42, found at Internet address *http://www.newsbulletin.org/bulletins/getbulletin.CFM?SID=#New %20 GSP%20Adopted%20by%20European%20Union*, retrieved on Oct. 2, 2002.

CHAPTER 5
Industry Sector Profiles

This chapter provides information and analysis on production, trade, and investment for various industry sectors in sub-Saharan Africa. The sectors include agriculture, fisheries, and forest products; chemicals; petroleum and energy-related products; minerals and metals; and textiles and apparel.[1] These sectors comprise the major items of trade between the United States and the SSA region. Each sector discussion provides industry background information, including sector production, industry and sector issues, and economic and trade policy developments. Trade information is also provided, including trade between the United States and SSA as well as global SSA trade. Investment information includes major SSA sector policy developments, U.S. foreign direct investment position in SSA, major investments, investment issues, and multilateral lending. The information and analysis generally focuses on developments that occurred during 2001.[2]

Data on SSA industry sector production were compiled from numerous sources, including the U.S. Department of Commerce, the U.S. Department of Energy, the U.S. Geological Survey, the Central Intelligence Agency, the United Nations, various U.S. and international industry trade associations, and various industry-specific statistical publications. Data on SSA global trade were compiled from statistics of the United Nations. Data on U.S.-SSA trade were compiled from official statistics of the U.S. Department of Commerce. Data on U.S. foreign direct investment in SSA were compiled from statistics of the U.S. Department of Commerce.

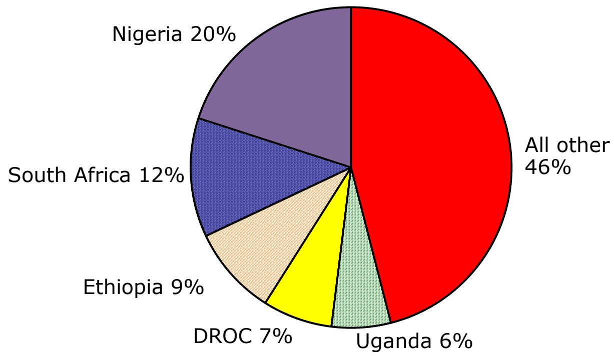
[1] The sectors generally are in the order of the Harmonized Tariff Schedules.
[2] In some cases, the latest available data are for 2000.

AGRICULTURE, FISHERIES, AND FOREST PRODUCTS[1]

BACKGROUND

SSA sector production, by country, 2000

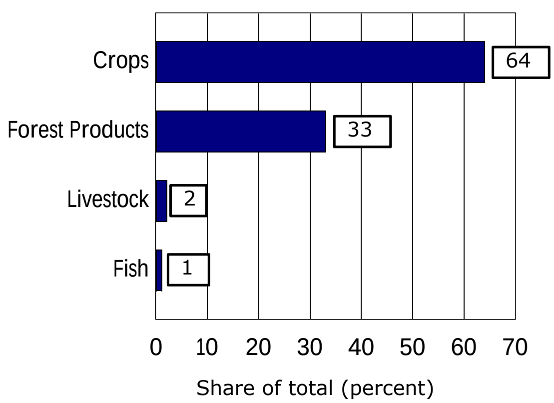
(1.2 billion metric tons)



Source: United Nations, FAOSTAT database.

SSA sector production, by product, 2000

(1.2 billion metric tons)



Source: United Nations, FAOSTAT database.

Industry Overview

- The agriculture, fisheries, and forest products sector is a major component of the SSA economy. In 1999, agriculture contributed 18 percent of SSA GDP, 70 percent of employment, and 40 percent of exports.[2]
- During the period 1996-2000, sector production was relatively flat, increasing at an average annual rate of less than 1 percent, by quantity. Production was highly concentrated; the top two countries, Nigeria and South Africa, together accounted for one-third and the top five accounted for more than one-half of the total quantity of SSA production in 2000.[3]
- Agricultural crops, by far, accounted for the largest share of sector production, nearly two-thirds of the total, by quantity, in 2000. The leading crops produced in SSA included cassava, cereals, sugar cane, and fruit. Forest products production was the second leading sector category, accounting for about one-third of the total. Fuel wood comprised 90 percent of forest products production in SSA. Livestock and fishery products production were very small parts of sector production.[4]
- The mix of sector production varied by country. In Nigeria, crops (mainly cassava, yams, oil palm fruit, and sorghum) comprised 79 percent (by weight) of sector production, and in South Africa, crops (principally sugar cane, maize, alfalfa, and wheat) comprised 77 percent of sector production. In Ethiopia, forest products comprised 59 percent of sector production.[5]

Industry and Sector Issues

- Arable crop land in the SSA generally is relatively low in quality. SSA agricultural production is often constrained by the inability of farmers to obtain necessary inputs at affordable prices. Because much of the remaining land in SSA is marginal for agriculture, opportunities to increase agricultural output through expansion of arable lands are limited.[6] In addition, SSA agriculture has been plagued by poor policies, institutional failures, heavy state control, inadequate infrastructure, and antiquated farming methods.
- Food security continues to be a concern in SSA, partly due to continuing political unrest in some countries.[7] In 2001, 337 million of SSA's total 589 million people were inadequately fed. The number of hungry people in SSA is projected to increase over the next decade to 367 million.[8]
- Food shortages currently exist in several southern SSA countries (mainly Zambia, Malawi, and Zimbabwe) due to low rainfall, and the resulting higher price of corn has limited access to food for a large segment of the population within drought-stricken areas. SADC estimates an overall corn deficit of more than 3 million metric tons, and it is estimated that food security will continue to worsen through early 2003. Inadequate transportation infrastructure often hampers efforts to transport food from areas of plentiful harvest to drought-stricken regions.[9]
- Cereal food aid pledges to SSA totaled about 2.6 million metric tons for marketing year 2000/2001. Principal recipients included Ethiopia (32 percent of the total), Kenya (12 percent), and Eritrea (9 percent). Principal donors included the World Food Program of the United Nations (49 percent of the total), the United States (35 percent), and the EU (12 percent).[10]
- In Zimbabwe, the redistribution of commercial farm land has exacerbated the impact of drought. In addition to its short-term adverse impact on production, sources estimate that the redistribution stands to reduce economies of scale for some crops.[11]
- Climate change resulting from global warming is expected to reduce agricultural productivity in SSA through greater rainfall variability. This likely will increase food insecurity and the incidence of certain diseases, such as malaria.[12]
- SSA agricultural research generally lags behind the world. However, many SSA countries are recognizing the potential for genetically modified (GM) products and genetically improved varieties. South Africa has adopted an ambitious strategy to develop its agricultural biotechnology industry, has introduced GM soya, white maize, and cotton, and now has the capacity to produce GM crops specifically tailored to local growing conditions. Kenya has introduced GM sweet potatoes and cotton. New, high-yield, high-protein, rice varieties are to be introduced in seven SSA pilot countries.[13]

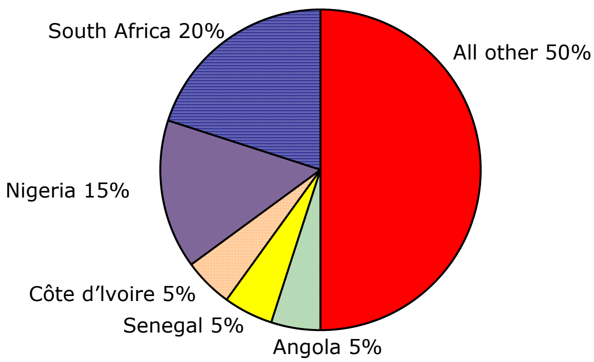
- The HIV / AIDS pandemic is adversely affecting SSA. The prevalence of this and other diseases, such as tuberculosis, diarrhea, and respiratory infections, directly undermines efforts to improve agricultural productivity by reducing the availability and quality of labor and by imposing additional cost burdens on family members. Indirectly, HIV / AIDS will adversely affect nutritional intake in those countries that switch to less labor-intensive, but less nutritious crops, such as corn to cassava, in response to labor shortages.[14]
- Low prices for major SSA export commodities have adversely affected several SSA countries. Low coffee prices have discouraged production in Côte d'Ivoire, Kenya, Uganda, and Ethiopia, with Kenyan production dropping by 50 percent in 2001. Crops have been abandoned in Kenya and Côte d'Ivoire, and the plunge has severely reduced the foreign exchange reserve of Ethiopia, which depends on coffee exports for 60 percent of this reserve.[15]
- Production methods for certain important SSA commodities, mainly coffee and cocoa, have come under criticism in major export markets. Environmental production practices and prices paid to farmers are of issue in the production of coffee, and cocoa production has come under increasing scrutiny in world markets because of child-labor practices.[16]

Economic and Trade Policy Developments

- Some SSA countries have begun relaxing government control of their agriculture industries. In October 2000, Ghana partially privatized the external marketing of its cocoa production, and in 2002, Kenya partially privatized its coffee industry and its largest sugar company.[17]
- A dependence on a narrow range of export commodities places many SSA countries at the mercy of fluctuations in world commodity prices. In response to low commodity prices, Ghana has initiated price-driven incentive policies to encourage cocoa production, and Côte d'Ivoire will subsidize its coffee producers.[18]
- There is increasing concern among SSA countries regarding GM products, particularly with respect to increasing global market restrictions on these products. Because of traditionally strong ties to the United Kingdom and the Netherlands, South Africa's agricultural biotechnology policy is affected by the EU, which currently has closed its market to most GM products. South African fears of potential trade friction with the EU have slowed its development of a national biotechnology strategy. South Africa has capitalized on the market for non-GM grains by importing GM varieties for domestic consumption and selling its output of non-GM varieties abroad.[19]
- Concerns over GM products also prompted Zimbabwe and Zambia to refuse food aid containing GM corn during the summer of 2002. Such refusals would greatly exacerbate the impact of food shortages caused by drought.[20]
- In May 2001, an agreement was signed by South African agricultural groups and farm worker unions to improved pay and working conditions for South African farm workers.[21]
- Certain SSA countries are moving to protect and develop their own fishing industries and are increasingly excluding foreign vessels from their waters. In January 2002, Ghana passed a law prohibiting foreign trawlers in territorial waters. Namibia is considering a total ban on pilchard fishing due to depleted stocks.[22]
- In efforts to protect domestic interests, several SSA countries have recently raised tariffs on agricultural products. In March 2002, Kenya raised duties on imported dairy products and wheat. In January 2001, Nigeria raised duties on rice and announced a ban on imports of bulk vegetable oils. In March 2002, Nigeria imposed large tariff increases, particularly for agricultural and processed food products.[23]
- SSA countries have made progress towards meeting international sanitary and phytosanitary (SPS) requirements. The South African fruit industry has implemented protocols to meet the requirements of European markets and in February 2002, Uganda resumed exports of fish products to the EU.[24]
- In May 2001, Nigeria instituted new customs clearance procedures requiring 100 percent inspection of all imports to counter tariff avoidance. The resulting port congestion and abandonment of some shipments resulted in a drop in national retail sales of imported processed food products by 50 percent.[25]

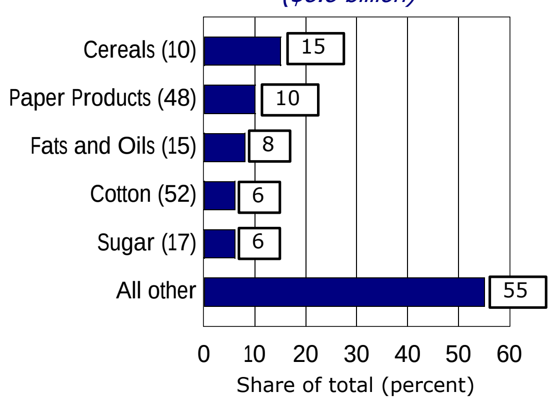
TRADE

SSA sector global imports, by country, 2000
($8.8 billion)



Source: United Nations.

SSA sector global imports, by HS chapter, 2000
($8.8 billion)

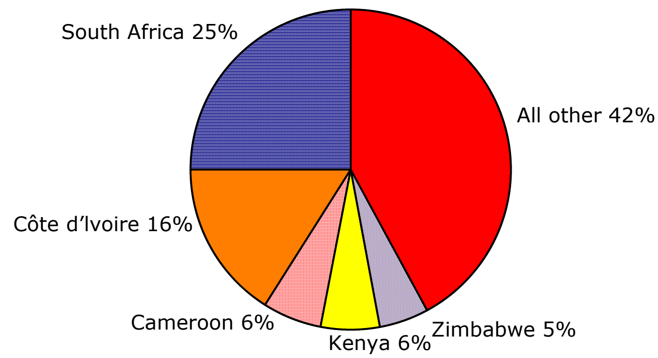


Source: United Nations.

Major Import Source (2000)	Share of Total (percent)	Major Import Item (6-digit HS) (2000)	Share of Total (percent)
EU	48	Wheat, not durum (1001.90)	8
United States	10	Cane or beet sugar (1701.99)	5
South Africa	9	Cigarettes (2402.20)	4
China	4	Durum wheat (1001.10)	3
Brazil	4	Milled rice (1006.30)	3
Argentina	4	Concentrated milk (0402.21)	3

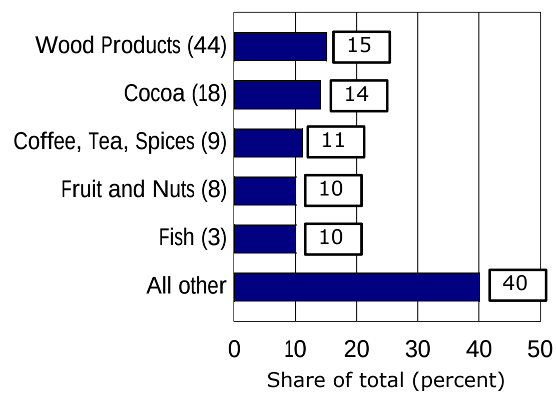
Source: United Nations.

SSA sector global exports, by country, 2000
($15.5 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2000
($15.5 billion)

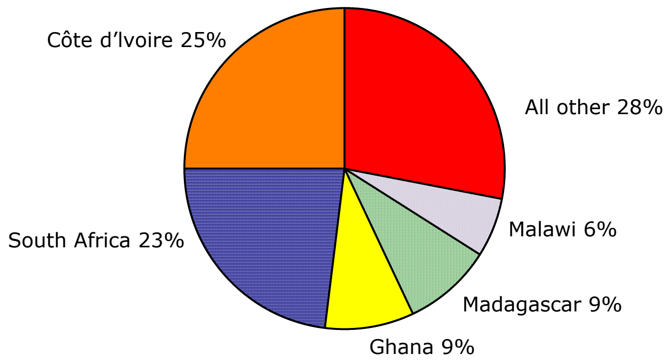


Source: United Nations.

Major Export Market (2000)	Share of Total (percent)	Major Export Item (6-digit HS) (2000)	Share of Total (percent)
EU	60	Cocoa beans (1801.00)	12
United States	7	Coffee (0901.11)	8
Japan	7	Tropical wood (4403.49)	5
China	4	Tobacco (2401.20)	5
Hong Kong	2	Cane sugar (1701.11)	3
Saudi Arabia	2	Tropical lumber (4407.29)	3

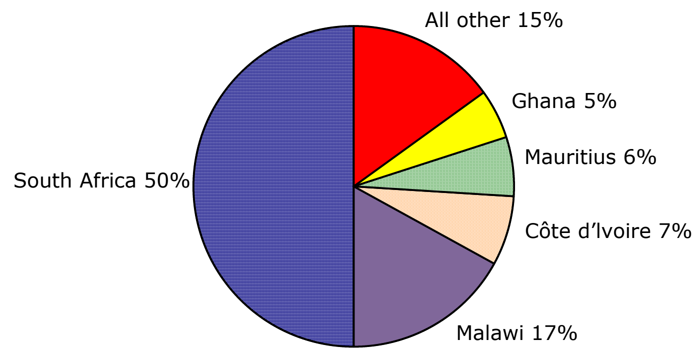
Source: United Nations.

U.S. sector imports from SSA, by source, 2001
($956 million)



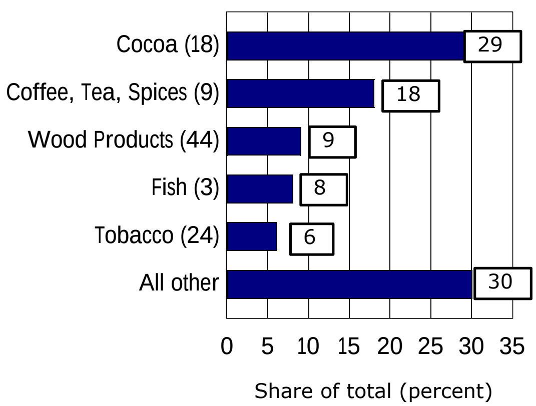
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2001
($175 million)



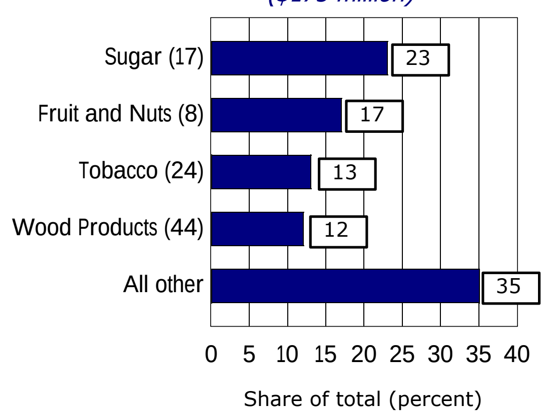
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HS chapter, 2001
($956 million)



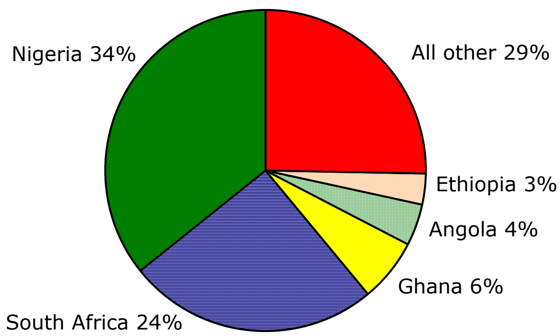
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by HS chapter, 2001
($175 million)



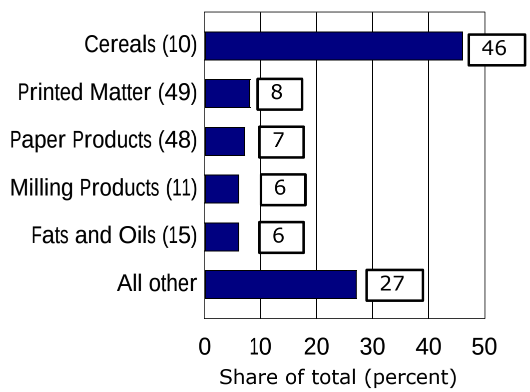
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by market, 2001
($796 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by HS chapter, 2001
($796 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

Key U.S. Import Developments

- U.S. sector imports from SSA totaled $956 million in 2001, down 6 percent from the previous year. SSA accounted for about 1 percent of total U.S. sector imports in 2001.
- In 2001, the top five import commodities at the 6-digit HS level accounted for 50 percent of total imports. Cocoa beans (HS 1801.00) accounted for 26 percent; vanilla beans (HS 0905.00) for 9 percent; stemmed and stripped tobacco (HS 2401.20) for 6 percent; coffee not roasted or decaffeinated (HS 0901.11) for 5 percent; and frozen fish fillets (HS 0304.20) for 4 percent.
- Côte d'Ivoire and South Africa supplied about 50 percent of all U.S. sector imports from SSA.

Key AGOA Trade Developments

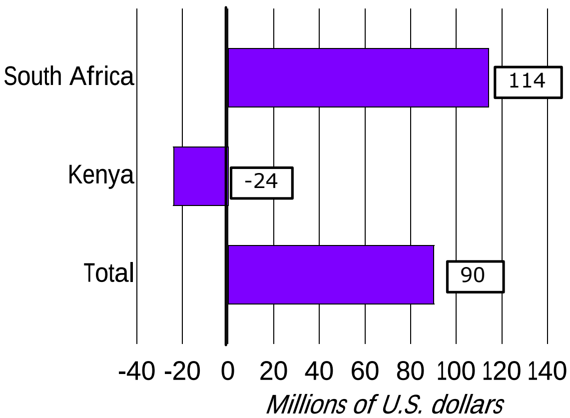
- In 2001, the value of U.S. sector imports under AGOA (including GSP) was $175 million, representing 2 percent of total AGOA imports and 18 percent of total sector imports from SSA. South Africa was by far the largest source for U.S. imports under AGOA in the sector in 2001, accounting for half of such imports.
- The principal products imported under AGOA were raw cane sugar (HS 1701.11), at $28 million or 16 percent of the total; stemmed and stripped tobacco (HS 2401.20), $24 million or 14 percent); and fresh oranges (HS 0805.10), $14 million or 8 percent.
- AGOA contributed to an increase in South African citrus fruit shipments to the United States from $8.3 million in 2000 to $20.2 million in 2001. South African citrus output is forecast to increase 5 percent and exports to increase 69 percent in 2002.[26]
- Kenyan efforts to take advantage of AGOA for fresh produce have been hampered by SPS requirements and high freight charges. Kenya is actively seeking U.S. technical assistance to update its pest risk analysis facilities to international standards.[27]
- U.S. canned pear producers sought in 2002 to have duties reimposed on canned pears under AGOA. Virtually all such imports from AGOA countries are from South Africa.[28]

Key U.S. Export Developments

- U.S. sector exports to SSA totaled $796 million in 2001, down 13 percent from the previous year. SSA accounted for about 1 percent of total U.S. sector exports in 2001.
- In 2001, the top four export commodities at the 6-digit HS level accounted for 50 percent of total exports. These included wheat other than Durum (HS 1001.90), 36 percent; milled rice (HS 1006.30), 6 percent; books, brochures, and leaflets (HS 4901.99), 4 percent; and frozen chicken cuts and offal (HS 0207.14), 4 percent.
- U.S. exports of grain to SSA countries were about $360 million in 2001, a 10 percent drop from 2000. Nigeria, Ghana and South Africa purchased 75 percent of the total. About three-quarters of U.S. grain exports to the region in 2001 consisted of wheat, one-eighth of rice, and the remainder was mostly corn.
- A high proportion of U.S. grain sales to SSA consist of food aid sales under humanitarian assistance or export credit programs. U.S. exports to Nigeria are mostly commercial sales, but those to most other SSA countries are food aid or donations. The 10 percent drop in U.S. exports occurred because of fewer food aid exports to South Africa, Ethiopia, Mozambique, the Democratic Republic of the Congo, and the Republic of the Congo.
- U.S. wheat sales to Nigeria in 2001 increased $65 million (43 percent) from the 2000 total, but did not offset the drop to other countries. Higher per capita income and lower tariffs on wheat helped Nigeria become the fourth largest foreign market for U.S. wheat exports.[29]
- In December 2000, South Africa imposed prohibitive antidumping duties on imports of bone-in dark meat chicken cuts from the United States, effectively eliminating such imports by 2002.[30]

INVESTMENT

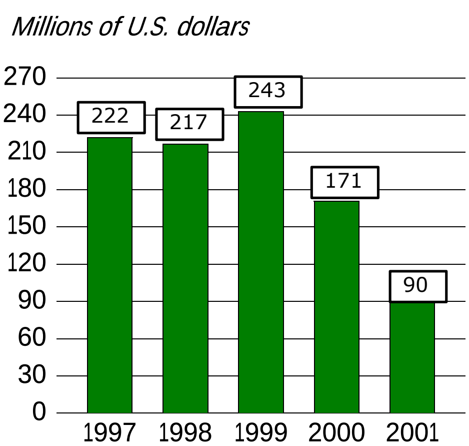
U.S. sector SSA FDI position, by country, 2001



Note.—Data for Côte d'Ivoire, Nigeria, Swaziland, Zambia, and Zimbabwe are not disclosed owing to confidentiality. U.S. FDI position is negative for some countries.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

U.S. sector SSA FDI position, 1997-2001



Note.—Data for some countries are not disclosed owing to confidentiality. U.S. FDI position is negative for some countries.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Major SSA sector investment policy developments

Country/region	Development
Malawi	A new land ownership policy in Malawi prohibits foreigners from owning land.[31]
Kenya	In June 2002, Kenya abolished tax concessions and imposed 100 percent duties on imported sugar, affecting Del Monte operations in that country.[32]
Zimbabwe	In 2002, Zimbabwe effected a land redistribution policy that seriously disrupted domestic farm output and jeopardized investments.

Major Investments

- U.S. FDI in SSAs food and kindred products category totaled $90 million in 2001, down from $222 million in 1997. South Africa has been by far the leading destination country. Sector FDI was about 1 percent of the total for all industries in SSA and less than 0.5 percent of world total for the food and kindred products sector.[33]
- Numerous U.S. and foreign-based multinational food product corporations report operations and investments in the SSA region. Among these include H.J. Heinz (Seychelles, Ghana, South Africa, Botswana, Zimbabwe), Kellogg (South Africa), Mars (South Africa, Côte d'Ivoire), Nestlé (South Africa, Cameroon, Côte d'Ivoire, Gabon, Ghana, Guinea, Kenya, Mauritius, Nigeria, Senegal, Zimbabwe), Kraft (Côte d'Ivoire, Ghana, Kenya, Malawi, Nigeria, South Africa, Tanzania, Uganda, Zambia, Zimbabwe), Wrigley (Kenya), Cargill (Cameroon, Côte d'Ivoire, Kenya, Nigeria, South Africa, Tanzania, Zimbabwe), Dole (Cameroon, Ghana, Côte d'Ivoire, Kenya, Namibia, South Africa, Zimbabwe), and Coca-Cola (Nigeria, South Africa).[34]
- Recent investment activity reported by multinational food product corporations in SSA include the following: $8 million in capital expenditures by the Coca-Cola Company; a 100,000 ton capacity cocoa processing plant in Côte d'Ivoire by Cargill; and the acquisition of John West Foods in South Africa by Heinz.[35]
- Various government agencies are making efforts to match partners for investment opportunities. For example, Illinois is focusing trade and investment efforts on Tanzania, South Africa, Botswana, and Ghana, and a U.S. fruit-processing firm is reportedly looking for partners within COMESA. The governments of South Africa and the United Kingdom are reportedly working to identify partnerships that would lead to increased agricultural trade.[36]
- A Uganda project to farm Nile perch in Lake Victoria is being funded by USAID. Uganda is looking to replenish dwindling fish stocks and increase exports, particularly to non-European markets, such as the Middle East and Asia.[37]

Investment Issues

- Major multinational agribusiness enterprises have identified the following major investment barriers in SSA: restrictions on profit repatriation, foreign exchange controls, inadequate infrastructure, government policy changes and uncertainty, and inadequate legal systems.[38]
- SSA domestic agricultural enterprises have identified such investment-limiting factors as financing obstacles, weak research and extension services, unstable government policies, and cumbersome land ownership and leasing procedures.[39]
- Specific FDI constraints include political instability and corruption in many SSA countries, relatively low GDP levels and growth rates, relatively high tariffs and other trade restrictions, and unstable exchange rates.[40]
- Recent progress has been made in improving policies and conditions affecting sector investment in SSA. In particular, market liberalization measures, such as privatization of production and state trading enterprises, have encouraged such investment in recent years.[41]

- According to a survey of investment promotion agencies conducted by UNCTAD, the food and beverage sector ranked as the second most attractive sector for FDI in SSA. The agriculture sector ranked sixth, fishery sector ranked eleventh, and the forestry sector ranked sixteenth.[42]

Multilateral Lending

- In 2002, the International Fund for Agricultural Development announced $42 million in loans to Uganda and Nigeria to assist in rural and agricultural development, particularly small-scale farmers and entrepreneurs and loans to Mozambique and Benin to assist in development of fisheries.[43]
- In February 2002, the African Development Bank (AfBD) announced a $5 million loan to Mauritius for new waste treatment systems that will provide additional irrigation water and compost for sugar cane farmers.[44]
- In June 2002, AfDB approved a loan to finance new coffee production, processing, and marketing operations in Uganda.[45]
- Eighty thousand Nigerian farmers have utilized a $4 million micro-credit fund from the United Nations Development Program.[46]

ENDNOTES

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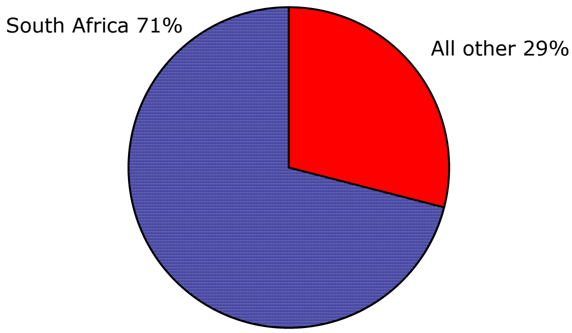
CHEMICALS[1]

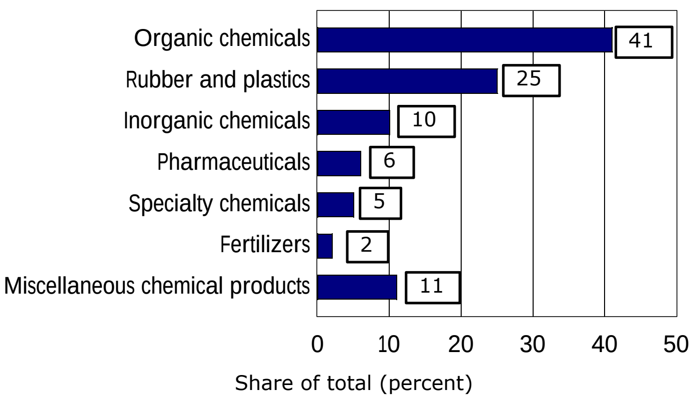
BACKGROUND

SSA sector production, by country, 2000
($16.6 billion)



Source: USITC estimates based on information from MBendi; *Chemical & Engineering News,* "World Chemical Outlook," Dec. 17, 2001, pp.26-40; *USDOC, US&FCS Market Research Reports: Chemicals-South Africa*, Dec. 5, 2001; and *USDOC, US&FCS Market Research Reports: The Chemicals Industry—South Africa*, Oct. 26, 1999.

SSA sector production, by product, 2000
($16.6 billion)



Source: USITC estimates based on information from MBendi; *Chemical & Engineering News,* "World Chemical Outlook," Dec. 17, 2001, pp.26-40; *USDOC, US&FCS Market Research Reports: Chemicals-South Africa*, Dec. 5, 2001; and *USDOC, US&FCS Market Research Reports: The Chemicals Industry—South Africa*, Oct. 26, 1999.

Industry Overview

- The majority of the chemical production located in SSA is targeted at meeting local needs, with production dominated by such chemical end-use products as soaps and synthetic detergents, pharmaceuticals, rubber and plastics products, and fertilizers.
- Domestic companies involved in the SSA chemical industry range from smaller domestic privately owned companies that specialize in limited product lines to larger domestic companies that are more vertically integrated and produce different products most often based on a specific type of basic feeedstock chemical. Also, various state-owned firms and multinational companies with facilities throughout the region generally produce a broader range of products than most of the privately owned domestic producers.
- The major western SSA chemical industries (primarily in Nigeria) are largely based on crude petroleum and natural gas resources located within their borders, and rarely import petroleum products or gas derivatives for use as feedstocks.
- Chemical production in South Africa, mostly based on organic chemicals derived from coal, contributes 5 percent of South Africa's GDP and accounts for 25 percent of all South Africa's sales of manufactured products.

Industry and Sector Issues

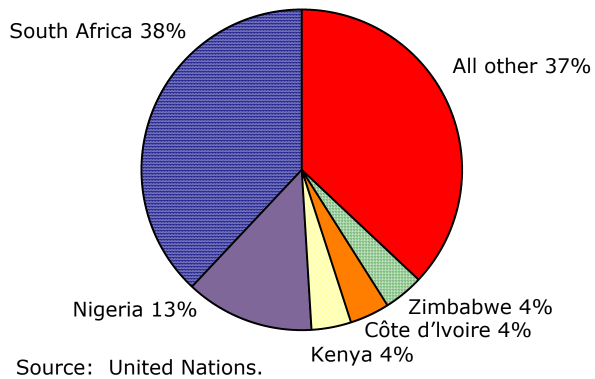
- SSA's chemical production capacity grew rapidly during the late 1990s, as several multinational chemical companies sought to capitalize on the crude petroleum and natural gas reserves found in Nigeria.
- Producers were forced to delay many planned projects during 2001 and postponed completion on some projects already under construction due to financial problems, problems with civil conflicts that caused interruptions in material supplies, and the uncertain availability of needed resources.
- Infrastructure constraints owing to civil disturbances and the lack of preexisting transportation links has caused significant unforeseen expenses in recent years. For example, inconsistent deliveries of feedstock natural gas to two new petrochemical complexes that produce plastics and fertilizers in Port Harcourt, Nigeria forced these plants to run at about 20 percent of installed capacity.[2]
- Demand has increased steadily for certain pharmaceutical products due to the rapid spread of certain diseases, such as AIDS and other AIDS-related infections.[3]
- As of March 2001, 39 foreign pharmaceutical manufacturers had filed petitions to challenge a South African law (Medicines and Related Substances Control Amendment Act) allowing domestic drug companies to buy inexpensive, generic substitutes for patented AIDS drugs. In April 2001, these companies dropped their challenges, thereby allowing South African drug companies both to purchase and to produce the generic substitutes to help treat the large number of HIV-positive individuals in their population.[4]
- Sales of many nonessential consumer chemical products in SSA, such as cosmetics, toiletries, and perfumes, are limited owing to relatively low levels of discretionary income compared with the U.S. market.

Economic and Trade Policy Developments

- In April 2001, the Pharmaceutical Manufacturers Association ended its legal challenge to South Africa's Medicines and Related Substances Control Amendment Act. As a result, the South African Government agreed that their implementation of the Act would remain consistent with the WTO rules governing intellectual property rights.
- U.S. trade programs such as GSP and AGOA have helped improve the ability of SSA nations to export chemical products to the U.S. market. However, the emphasis of SSA nations remains on developing their domestic industries to take advantage of their own domestic resources.

SSA sector global imports, by country, 2000

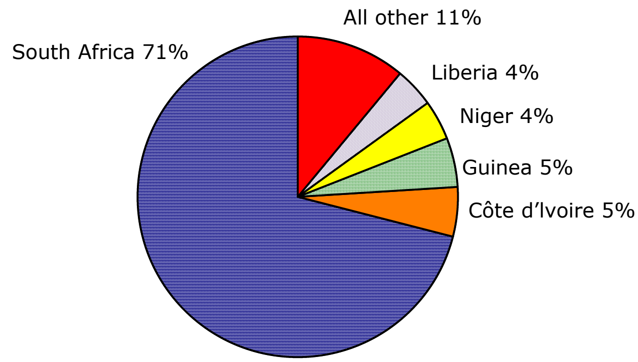
($8.0 billion)



Source: United Nations.

SSA sector global exports, by country, 2000

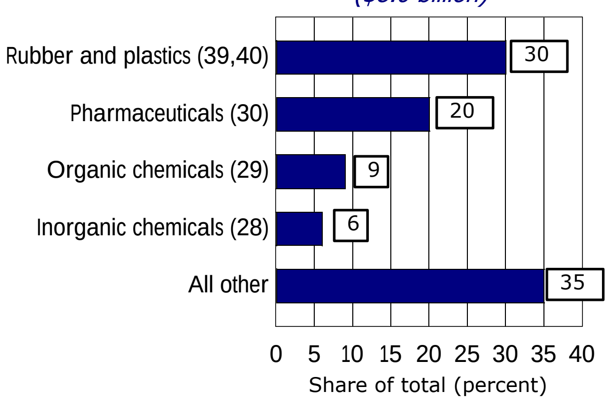
($2.2 billion)



Source: United Nations.

SSA sector global imports, by HS chapter, 2000

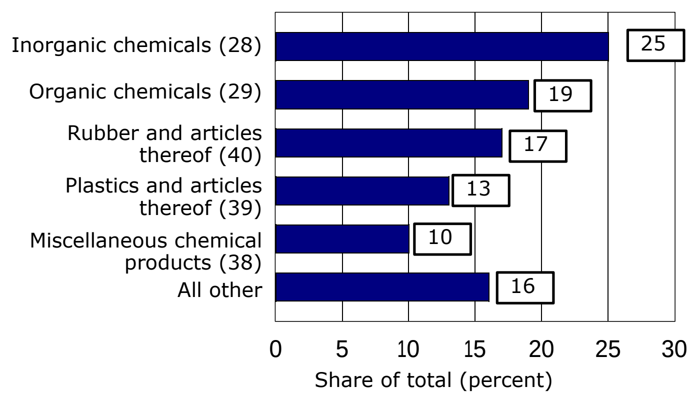
($8.0 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2000

($2.2 billion)



Source: United Nations.

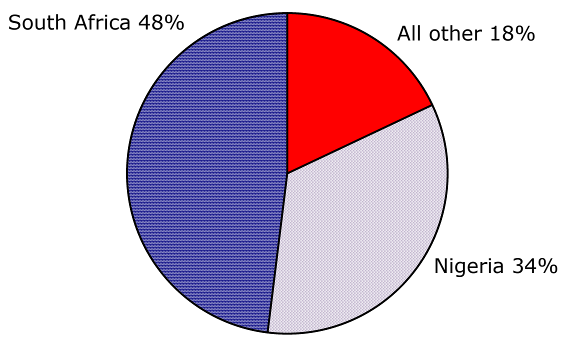
Major Import Source (2000)	Share of Total (percent)	Major Import Item (6-digit HS) (2000)	Share of Total (percent)
France	15	Pharmaceuticals (3004.90)	12
South Africa	10	Bus and truck tires (4011.20)	2
Germany	9	Insecticides (3808.10)	2
United States	9		
United Kingdom	8		
Belgium	5		

Source: United Nations.

Major Export Market (2000)	Share of Total (percent)	Major Export Item (6-digit HS) (2000)	Share of Total (percent)
United States	17	Acyclic hydrocarbons (2901.29)	6
France	11	Uranium (2844.10)	6
Germany	7	Natural rubber (4001.22)	4
Iran	6	Aluminum oxide (2818.20)	4
United Kingdom	5	New tires for cars (4011.10)	3
Russia	4	Latex (4001.10)	3

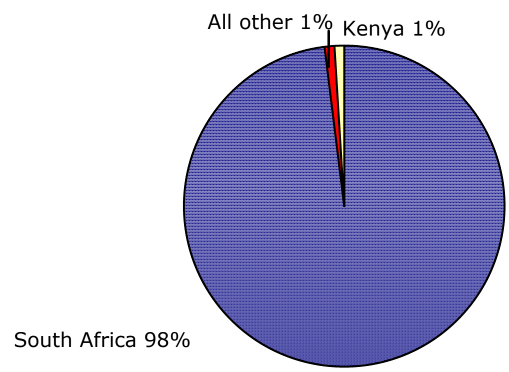
Source: United Nations.

U.S. sector imports from SSA, by source, 2001
($648 million)



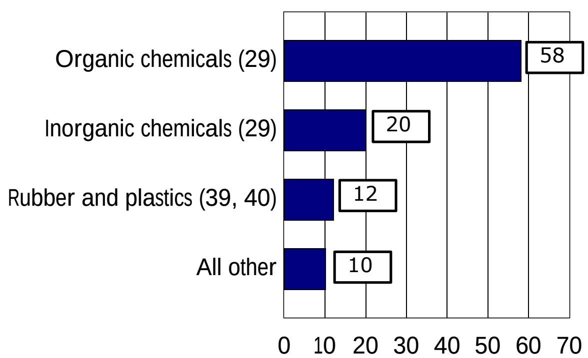
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by HS chapter, 2001
($128 million)



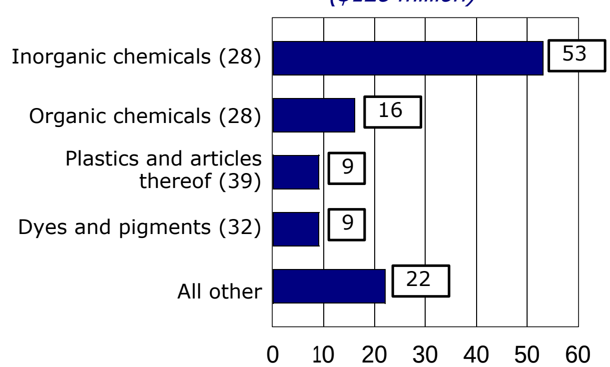
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HS chapter, 2001
($648 million)



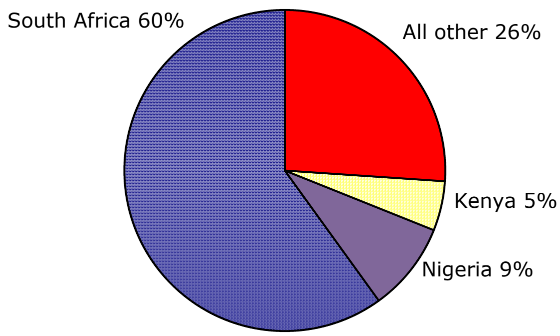
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by HS chapter, 2001
($128 million)



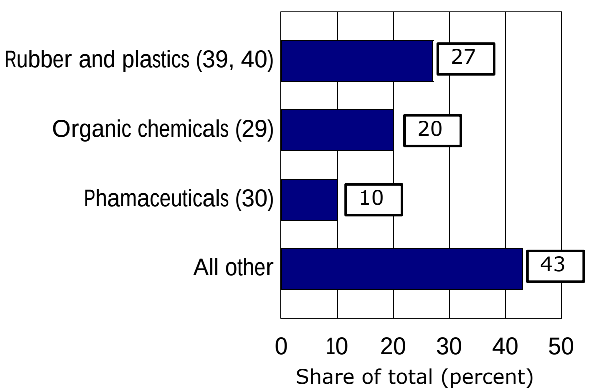
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by market, 2001
($811 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by HS chapter, 2001
($811 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

Key U.S. Import Developments

- U.S. sector imports from SSA totaled $648 million in 2001, down 53 percent from the previous year. Principal SSA suppliers included South Africa and Nigeria. Most of the decline was accounted for by petrochemicals from Nigeria.
- The three largest (by value) traded U.S. chemical imports from the SSA nations were organic chemicals used as feedstocks for producing chemical intermediates and chemical products. These products were unsaturated acyclic hydrocarbons (HS 2901.29), accounting for 12 percent of U.S. chemical imports; and propylene (HS 2901.22) and ethylene (HS 2901.21), each accounting for more than 10 percent of U.S. chemical imports.
- Only Nigeria and South Africa are significant suppliers of U.S. chemical imports, of which most are organic chemicals produced from the petroleum resources in Nigeria and from the coal resources in South Africa. The remaining items are minerals from South Africa.
- The primary materials that comprise U.S. chemical imports from SSA nations are ethylene (HS 2901.21), propylene (HS 2901.22) and mixed xylenes (HS 2902.44) from Nigeria; and unsaturated acyclic hydrocarbons (HS 2901.29), silicon (HS 2804.69) and uranium (HS 2844.10) from South Africa.

Key AGOA Trade Developments

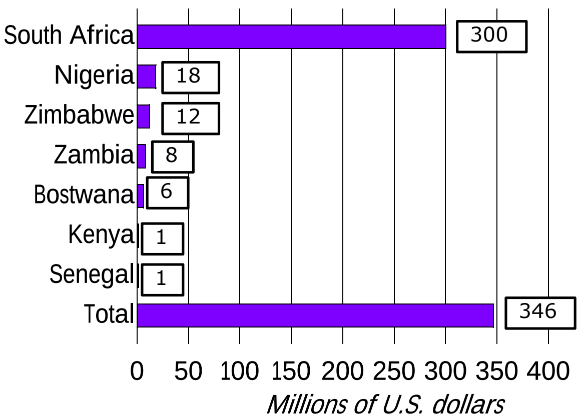
- In 2001, U.S. sector imports under AGOA totaled $128 million.[5] This represented 2 percent of total U.S. imports under the GSP and AGOA and 20 percent of total sector imports from SSA.
- The major products imported under AGOA in 2001 included silicon (HS 2804.69.10), representing 19 percent of the total, compounds of precious metals (HS 2843.90.00), with 10 percent, and manganese dioxide (HS 2820.10.00), with 8 percent. All of these products entered under the GSP.
- U.S. imports under specific AGOA provisions were relatively minor in 2001, totaling $3.8 million. AGOA, apart from GSP, is not expected to have a major effect on the export of products in the chemical sector from SSA nations to the United States.
- None of the SSA countries that are not designated for AGOA has significant production of sector products.

Key U.S. Export Developments

- U.S. sector exports to SSA totaled $811 million in 2001, up 8 percent from the previous year. South Africa, by far, was the major SSA market, followed by Nigeria and Kenya.
- The largest (by value) traded chemical exports to South Africa were: medicaments, in measured doses (HS 3004.90), valued at $22.6 million; (nylon type) polyamide, in primary forms (HS 3908.10), valued at $17.0 million; and supported catalysts with precious metal or precious metal compounds (HS 3815.12), valued at $16.4 million.
- The largest (by value) traded chemical exports to Nigeria were polypropylene in primary forms (HS 3902.10), valued at $6.3 million; other prepared binders for foundry molds or cores, including culture crystals (HS 3824.90), valued at $6.0 million; and certain additives for mineral oils (HS 3811.90), valued at $5.2 million.
- The largest (by value) traded chemical exports to Kenya were fertilizers (HS 3100.00), valued at $20.7 million, and certain water-based paints (HS 3208.90), valued at $8.6 million.
- The largest (by value) traded chemical exports to Ghana were aluminum oxide (HS 2818.20), valued at $9.2 million; certain hair preparations (HS 3305.90), valued at $3.2 million; and sheath contraceptives (HS 4014.10), valued at $2.5 million.
- The largest (by value) traded chemical exports to Côte d'Ivoire were fertilizers (HS 3100.00), valued at $5.2 million, and polyvinyl chloride (HS 3904.10), valued at $4.4 million.

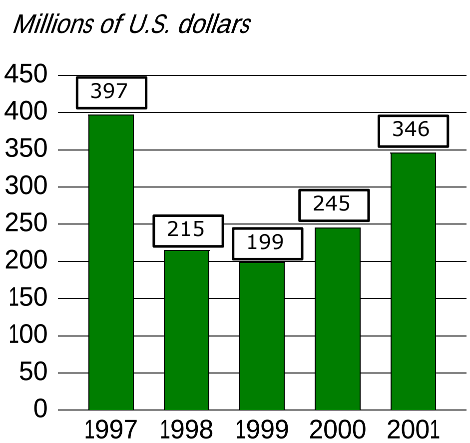
INVESTMENT

U.S. sector SSA FDI position, by country, 2001



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

U.S. sector SSA FDI position, 1997-2001



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Major Investments

- Dow Chemical is closing several of its SSA plants producing organic chemicals for the European market as part of a restructuring and rationalization of its overall European strategy for production of chemical intermediates. Specifically, Dow has announced plans to close a plant located in Durban that currently produces 20,000 metric tons per year of polyols, effectively ending manufacture of polyurethanes at that location.[6]
- Sasol, a major South African chemical producer, is seeking multiple arrangements with Mitsubishi to continue major petrochemical plant expansions and developments in organic solvents, both in South Africa and also in Nigeria.[7] Also, Sasol is looking into new investments in olefins and derivatives at Secunda, which would in turn allow for future development of new world-scale polyethylene and polypropylene units at Secunda.[8]

Investment Issues

- The major concern of potential investors in developing the SSA chemical industry is the currently limited potential for a reasonable return on their investment. Despite ample natural resources to support a domestic petrochemical industry, ancillary issues complicate possible major multinational investments. For example, conflicts and political unrest in the precise regions where the necessary resources, primarily petroleum and natural gas, are found have already complicated the delivery of these materials to established energy industry facilities.

Multilateral Lending

- Information published by the International Monetary Fund (IMF) stated that despite the overall weak world economic situation, growth in Africa was reasonable in 2001and is expected to remain so in 2002. Assuming continued positive economic developments in SSA nations, the IMF recognizes the need to advance policies and initiatives to promote multilateral level economic growth.[9]

ENDNOTES

[1] This sector includes Harmonized System chapters 28 through 34 and 36 through 40 and parts of chapter 35.

[2] *Oil & Gas Journal,* "Natural gas offers Nigeria huge potential, challenge," vol. 99, Issue 27, July 2, 2001, pp. 76-79.

[3] Kwame Kusdey, "The Politics of AIDS Drugs in Africa," Aids & Africa, found at Internet address, *http://www.aidsandafrica.com/drugs.html*, retrieved July 11, 2002.

[4] Ibid.

[5] Includes imports under both AGOA and GSP programs.

[6] *Chemical Week,* "Dow to end South African polyols production; more closures planned," vol. 164, Issue 5, Feb. 6, 2002, p. 17.

[7] *Chemical Week,* "Sasol confirms: Petchems expansion plan; eyes more acquisitions," vol. 163, Issue 37, Oct. 3-10, 2001, p. 15.

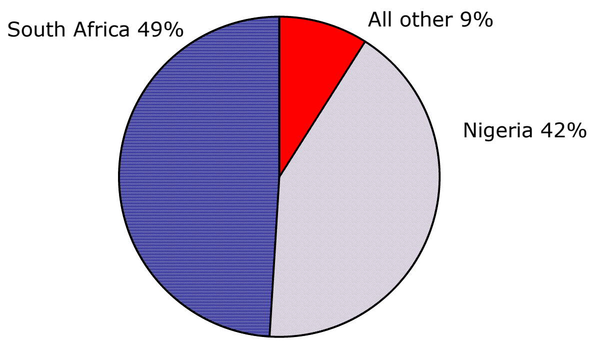
[8] Ibid.

[9] International Monetary Fund, *Annual Report 2002*, May 2002, p. 6.

PETROLEUM AND ENERGY-RELATED PRODUCTS[1]

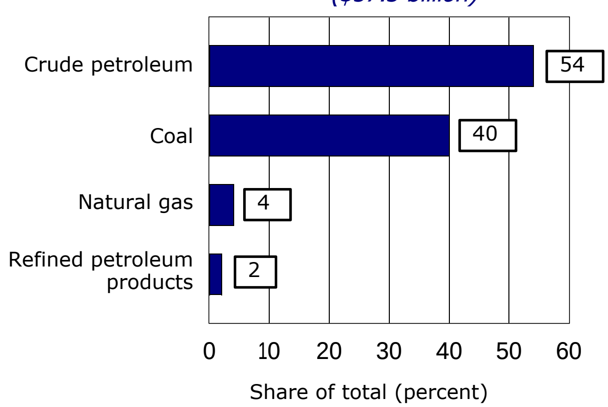
BACKGROUND

SSA sector production, by country, 2001
($57.3 billion)



Source: U.S. Department of Energy and the American Petroleum Institute.

SSA sector production, by product, 2001
($57.3 billion)



Source: U.S. Department of Energy and the American Petroleum Institute

Industry Overview

- Crude petroleum in Nigeria and coal in South Africa are the primary petroleum and energy-related products produced in SSA. Nigeria accounts for 3 percent of the world's production and 9 percent of OPEC's production of crude petroleum.
- Both countries have recoverable reserves of the products and have developed industries geared toward export.
- South Africa is a major producer and consumer of coal, based on its abundant reserves. In addition, South Africa is one of the major refining centers in the region.
- Nigeria's four refineries have a capacity to refine a total of 438,750 barrels of crude petroleum per day, or 1 percent of the world's total refining capacity.

Industry and Sector Issues

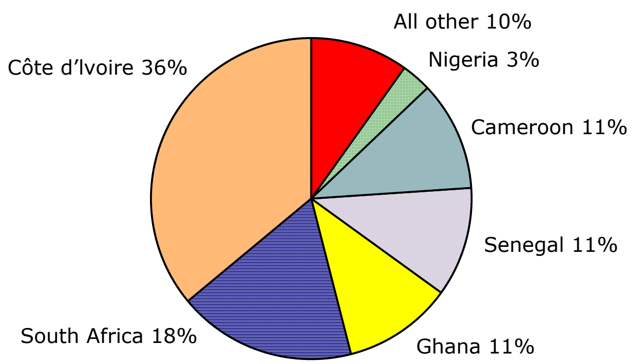
- Nigeria accounts for about 2 percent of the world's total recoverable reserves of crude petroleum and 2 percent of the world's reserves of natural gas. Nigeria is a member of OPEC and accounts for 3 percent of OPEC's total crude reserves and 5 percent of OPEC's natural gas reserves.
- Angola is the region's second largest producer of crude petroleum behind Nigeria, with the majority of its crude oil production located offshore. Angola accounts for less than 1 percent of the world's crude petroleum and natural gas reserves. Angola has only one small refinery with a capacity to refine 39,000 barrels of crude per day.
- Both Nigeria's and Angola's crude petroleum reserves consist primarily of high quality, low-sulfur quality crude.
- South Africa accounts for about 4 percent of the world's recoverable reserves of coal. South Africa accounts for less than 1 percent of the world's recoverable reserves of crude petroleum and has virtually no recoverable reserves of natural gas.
- South Africa is one of the major refining countries in the region with four refineries and a total capacity to refine 468,547 barrels of crude petroleum per day.
- South Africa has a highly developed synthetic fuels industry, which takes advantage of the country's abundant coal resources and offshore natural gas and condensate production in Mossel Bay. The two major players are Sasol, the world's largest manufacturer of oil from coal, (coal-to-oil / chemicals) and Mossgas (natural gas-to-petroleum products).
- In October 2000, Sasol referred to natural gas as an "underused" resource in South Africa, accounting for just 2 percent of the country's energy needs. Sasol pledged to increase its expected natural gas consumption from 82 million cubic feet in 2002 to 184.5 million cubic feet by 2010. Sasol has the capacity to produce 150,000 barrels per day and Mossgas 45,000 barrels per day.

Economic and Trade Policy Developments

- Nigeria's economy is heavily dependent on the petroleum sector, which accounts for nearly 80 percent of government revenues, 90 to 95 percent of export revenues, and over 90 percent of foreign exchange earnings.
- Nigeria's four refineries and its system of pipelines for carrying crude petroleum and refined petroleum products have experienced severe problems including sabotage, fire, poor management and lack of turnaround maintenance, which have sharply decreased actual output.
- Angola, which has been in a state of nearly constant civil war since it achieved independence from Portugal in 1975, also is heavily dependent on its petroleum sector, which accounts for over 60 percent of its GDP and nearly 90 percent of total government revenues.
- Angola maintains positive GDP growth rates due to the strength of its petroleum sector, which has very few linkages to other sectors of the economy.
- Coal is the primary fuel produced and consumed in South Africa and is its largest source of foreign exchange.
- South Africa's coal reserves are mainly bituminous, with relatively high ash content (about 45 percent) and low sulfur content (about 1 percent). Three coalfields hold 70 percent of total recoverable reserves.

SSA sector global imports, by country, 2000

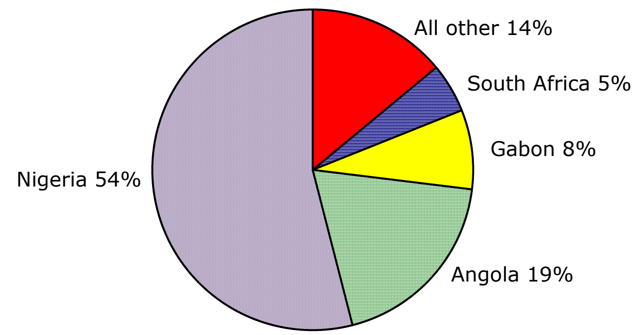
($3.4 billion)



Source: United Nations.

SSA sector global exports, by country, 2000

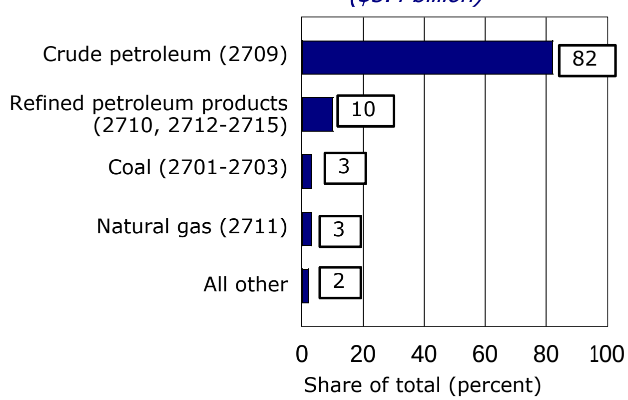
($36.7 billion)



Source: United Nations.

SSA sector global imports, by 4-digit HS, 2000

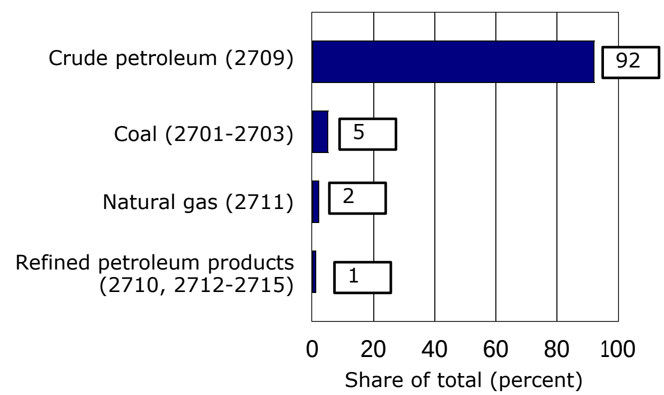
($3.4 billion)



Source: United Nations.

SSA sector global exports, by 4-digit HS, 2000

($36.7 billion)



Source: United Nations.

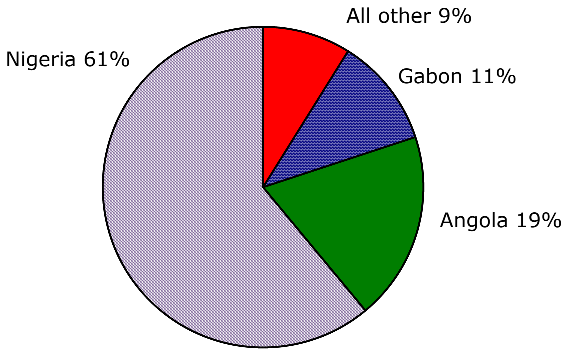
Major Import Source (2000)	Share of Total (percent)	Major Import Item (6-digit HS) (2000)	Share of Total (percent)
Nigeria	79	Crude petroleum (2709.00)	82
EU	4	Refined petroleum products (2710.00)	5
United States	3		

Source: United Nations.

Major Export Market (2000)	Share of Total (percent)	Major Export Item (6-digit HS) (2000)	Share of Total (percent)
United States	47	Crude petroleum (2709.00)	92
EU	25	Bituminous coal (2701.12)	3
China	10		
Korea	5		
All other	13		

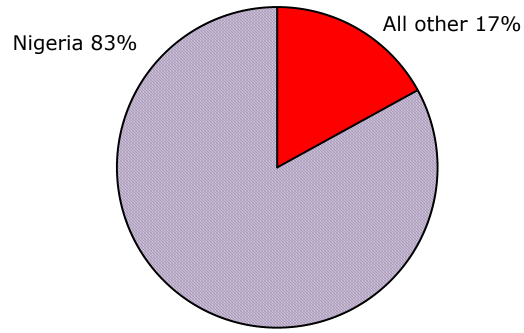
Source: United Nations.

U.S. sector imports from SSA, by source, 2001
($14.3 billion)



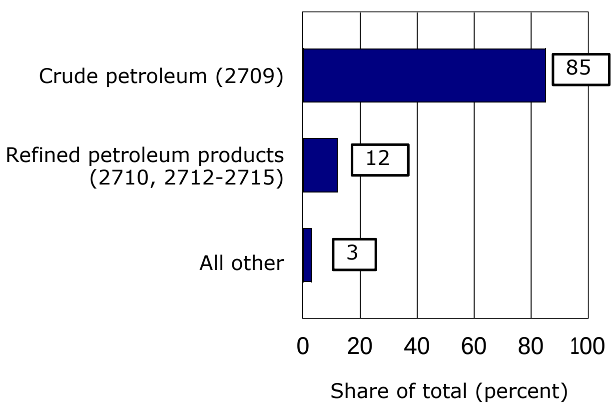
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2001
($6.8 billion)



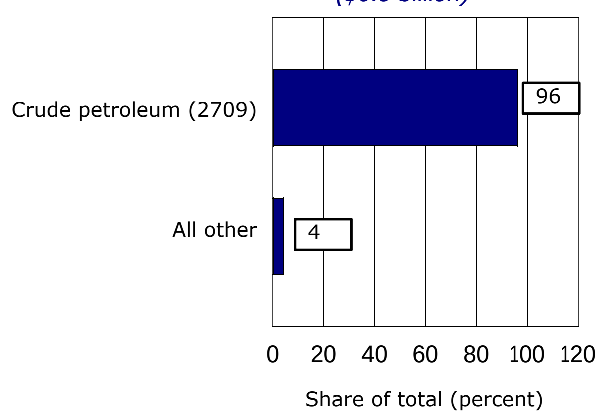
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by 4-digit HS, 2001
($14.3 billion)



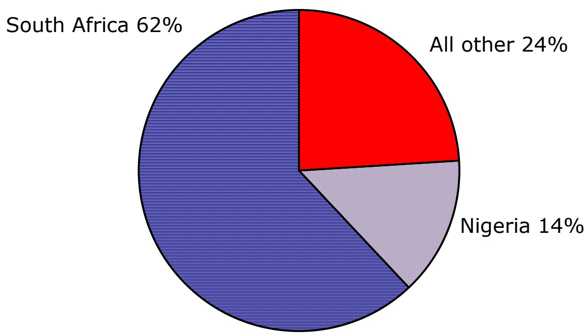
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by 4-digit HS, 2001
($6.8 billion)



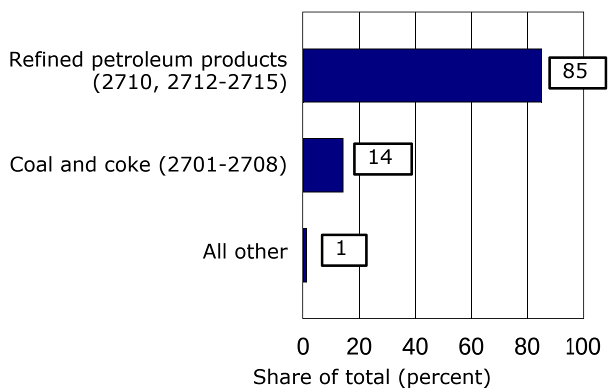
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by market, 2001
($119 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by 4-digit HS, 2001
($119 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

Key U.S. Import Developments

- U.S. imports of petroleum and energy-related products from SSA account for about 10 percent of total U.S. imports of these products from all sources.
- U.S. imports of petroleum and energy-related products from SSA decreased from $15 billion in 2000 to $14.3 billion in 2001, or by 5 percent. The decrease was due primarily to decreased imports of crude petroleum from Nigeria coupled with a drop in the world price of crude petroleum during the period.
- Crude petroleum from Nigeria, Angola, and Gabon is the primary U.S. import in this sector from SSA.
- The quantity of U.S. imports of crude petroleum and refined petroleum products from Nigeria decreased by 5 percent from 2000 to 2001, primarily as a result of continued supply disruptions resulting from the civil unrest in Nigeria.
- The quantity of U.S. imports of crude petroleum from Angola increased by 6 percent but decreased by 5 percent from Gabon during the period; however Angola and Gabon each account for less than 1 percent of total U.S. imports of crude petroleum.

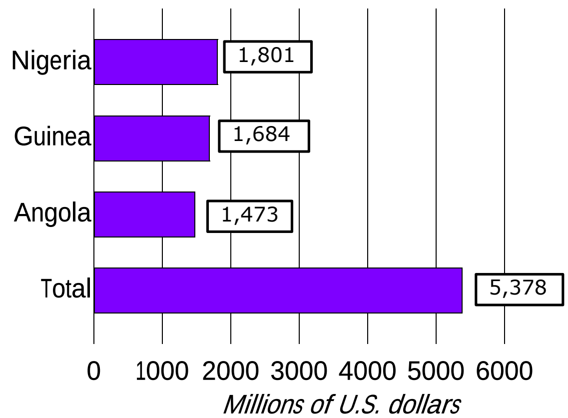
Key AGOA Trade Developments

- U.S. imports of coal and natural gas enter the U.S. market unconditionally free of duty. The only significant imports in this sector under the provisions of AGOA (including GSP) from the SSA are crude petroleum imports from Nigeria.
- Crude petroleum from Nigeria accounted for 80 percent of total sector AGOA imports from the region in 2001. Crude petroleum from Gabon, the ROC, and Cameroon together accounted for 16 percent and refined petroleum products from Nigeria, the ROC, Ghana, Cameroon and South Africa together accounted for the remaining 4 percent.
- The share of total U.S. sector imports from SSA accounted for by imports entering the U.S. market under the provisions of AGOA was 47 percent in 2001.

Key U.S. Export Developments

- The United States is a major world producer and consumer of petroleum and petroleum-related products and accounts for 2 percent of the world's estimated proved reserves of crude petroleum; 3 percent of natural gas reserves; 26 percent of coal reserves; and 22 percent of the world's refinery capacity.
- SSA accounts for less than 1 percent of total U.S. exports of the products in this sector.[2] U.S. exports to SSA consist of refined petroleum products (85 percent) and specialty coals (14 percent).
- U.S. exports of petroleum and energy-related products to SSA decreased, from $125 million in 2000 to $119 million in 2001, primarily because the world price of crude petroleum decreased by about $6 per barrel from 2000 to 2001. This decrease in prices was due to a situation of excess production capacity and stable production levels despite fear that the September 11th terrorists attacks on the United States would cause supply disruptions.
- South Africa also continued to replace U.S. refined petroleum products with domestically-produced coal-based synthetic liquid fuels, which account for more than 45 percent of all liquid fuels consumed in South Africa.
- Nigeria is a market for U.S. exports of diesel and bunker fuels as three of Nigeria's four refineries have had major supply disruptions due to safety shutdowns since 1997. Because of these shutdowns, Nigeria has been forced to import refined petroleum products from the United States and other world exporters to satisfy domestic demand.

U.S. sector SSA FDI position, by country, 2001

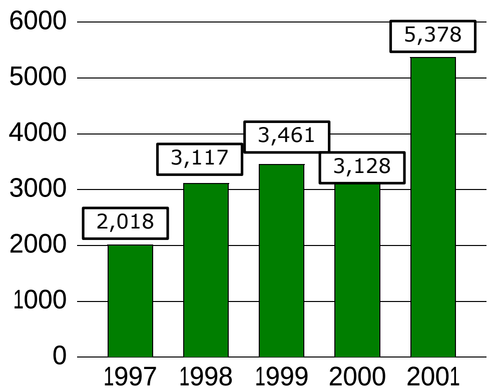


Note.—Data for some countries are not disclosed owing to confidentiality. U.S. FDI position is negative for some countries.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

U.S. sector SSA FDI position, 1997-2001

Millions of U.S. dollars



Note.—Data for some countries are not disclosed owing to confidentiality. U.S. FDI position is negative for some countries.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Major SSA sector investment policy developments

Country/region	Development
SSA	There have been no major developments during 2000-01. Nigeria, Angola, and Gabon operate national petroleum companies, which are responsible for all exploration and development as well as joint venture agreements involving crude petroleum, natural gas, and refined petroleum products.

Major Investments

- Angola's national petroleum company, Sonangol, was established in 1976. A hydrocarbon law passed in 1978 made Sonangol sole concessionaire for exploration and production. Associations with foreign companies are in the form of joint ventures and production sharing agreements.
- The Nigerian National Petroleum Corp. (NNPC) maintains interests of 50 percent or more in production joint ventures with large multinational petroleum companies that produce more than half of Nigeria's total production of crude petroleum.
- During 2000-2001, joint ventures account for about 90 percent of Nigeria's total production of crude petroleum; however, foreign operators continue to be reluctant to commit to exploration and development plans because NNPC has not upheld its financial obligations in many such programs.
- While a joint venture with Royal Dutch Shell produced nearly 50 percent of Nigeria's total production of crude petroleum during 2000-2001, U.S. investment in the industry has decreased significantly since 1998.
- Nigeria's liquefied natural gas facility on Bonny Island, completed in September 1999, was designed to process 252.4 billion cubic feet annually but has faced start-up problems and damage caused by civil unrest.
- In September 2001, Shell reported that a flow station, located in southern Nigeria, had been severely damaged in an attack by armed youths. The flow station will be out of operation for the next 18 months, with nearly 40,000 barrels per day of production shut in. In addition, since the terrorist attacks in the United States on September 11th, 2001, OPEC production quotas resulted in cutbacks in Nigerian production of crude petroleum.
- In South Africa in October 2000, Sasol announced the formation of a joint venture with Chevron to commercialize natural gas-to-liquids technology worldwide. The two companies are partners and anticipate investments totaling more than $5 million through 2010.
- South Africa's prospects for sustained natural gas production received a major boost in March 2000 with the discovery of offshore reserves close to South Africa's border with Namibia.
- South Africa has been slow to develop its offshore reserves of conventional crude petroleum but is developing joint venture agreements with several multinational petroleum companies to explore for and produce crude petroleum.

Investment Issues

- Nigeria, Angola, and Gabon operate national petroleum companies, which are solely responsible for all exploration and development of energy resources.
- Generally, the national petroleum companies maintain a majority share in any joint ventures with multinational energy companies relating to development and production.

Multilateral Lending

- Under the terms of most joint venture agreements between national petroleum companies and the multinational energy companies, the multinational provides the financing, technical expertise, equipment, and some personnel for exploration, development, production, and processing. In exchange for their investments, these multinational companies retain a certain amount of the production and/or discovered reserves.

ENDNOTES

[1] This sector includes Harmonized System chapter 27.

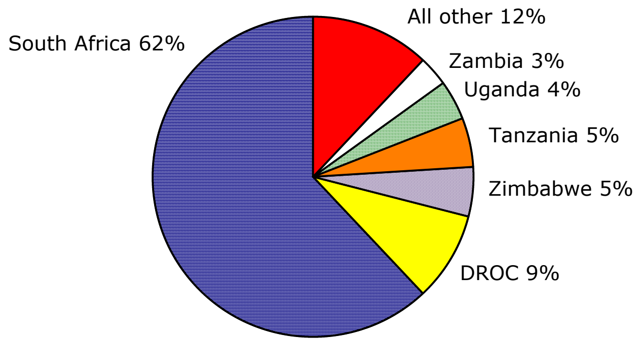
[2] U.S. exports of crude petroleum have been prohibited since 1973, except as approved by the U.S. Government.

MINERALS AND METALS[1]

BACKGROUND

SSA sector production, by country, 2001

($205 billion)

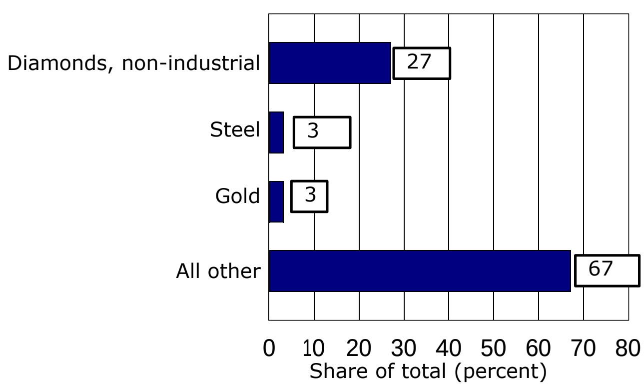


Note.—Data are for mining and refining for reporting countries.

Source: USITC estimates based on data from *CIA World Factbook 2001* and *Mining Africa Yearbook 2002.*

SSA sector production, by product, 2001

($205 billion)



Note.—Not including manufacturing production of fabricated forms. Total is of those reporting.

Source: U.S. Geological Survey and World Bureau of Metal Statistics.

Industry Overview

- SSA's extensive mineral resources have provided the basis for substantial minerals and metals industries in numerous African countries. The sector is one of the most important in SSA, constituting a large portion of the GDP of many countries, as well as employment and export earnings.[2]
- Countries with significant mining dependence include the following:[3]
  - Botswana, with 80 percent of earnings from exports and one third of total GDP from mining (primarily diamonds);
  - Central African Republic: 40 percent of GDP;
  - DROC: 60 percent of GDP from mining (primarily copper and cobalt);
  - Guinea: 95 percent of exports and 29 percent of the state's earnings (primarily bauxite), and employment for about 40,000 people;[4]
  - Lesotho: royalties from South African mining is one-third of GDP;
  - Mauritania: iron ore is responsible for 50 percent of exports;
  - Mozambique: 12 percent of GDP;
  - Namibia: 60 percent of the country's total export earnings and 20 percent of GDP;
  - South Africa: 31 percent of GDP (mainly processed aluminum, ferroalloys, and steel);
  - Tanzania: 40 percent of GDP;
  - Uganda: 30 percent of GDP;
  - Zambia: 60 percent of GDP from exports of copper, 20 percent from exports of cobalt; and
  - Zimbabwe: 40 percent of foreign exchange earned from exports of mineral resources.
- During 1999, SSA produced much of the world's mined supply of platinum group metals[5] (PGMs) (63 percent), chrome (55 percent), diamonds (55 percent), vermiculite (48 percent), alumino-silicates (46 percent), vanadium (45 percent), cobalt (36 percent), manganese (32 percent), fluorspar (28 percent), zirconium (24 percent), gold (24 percent), and titanium (23 percent).[6] Several other metals, such as iron, copper and aluminum also are produced, although the SSA share of world production is not as significant.
- The region has many mineral deposits that are among the highest grade in the world, and several crucial metals (PGMs, chrome, and cobalt) produced from these minerals occur naturally in only a few areas of the world.
- South Africa is by far the region's largest producer, accounting for more than half of SSA's output for many minerals and metals. Gold and diamonds have been produced at South Africa's facilities for several hundred years, and on massive industrial scale for well over one hundred years. Anglo Platinum, the world's biggest platinum producer, holds about two-thirds of South Africa's platinum reserves, according to the government. Roughly half the country's gold reserves are controlled either by Anglo Gold or by Gold Fields Ltd., both of whom operate many holdings elsewhere on the continent and overseas.
- Other important producers include Cameroon and Ghana (aluminum); Gabon, Guinea, and Mauritania (several nonferrous metals); and Zambia, Democratic Republic of Congo (DROC), and Angola, which cover the Copperbelt, producing copper and cobalt.
- Most of SSA's mineral production is manufactured into pure form. There is little production of downstream products (such as sheet, strip, wire, bars, rods, castings). Many of the pure forms of metals and diamonds are exported. South Africa is the exception as it produces downstream metal and metal alloy products of steel, aluminum, and copper.[7]
- Despite significant production, the SSA minerals and metals sector, especially outside South Africa, is considered underdeveloped or in significant disrepair. Africa is now the focus of mineral exploration and mine development for new deposits and revitalization of existing operations by many Canadian, South African and Australian companies, most notably in cobalt, copper, gold and diamond projects. The region's contribution to the world in these commodities should increase significantly in the future.

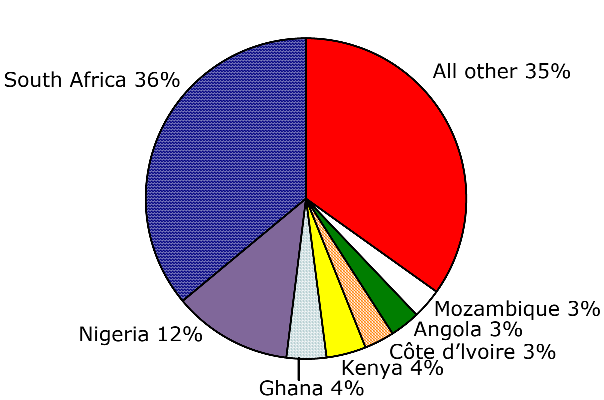
Industry and Sector Issues

- Worldwide overproduction of most metals, coupled with economic downturns in the United States, the EU (primarily Germany) and Japan, has led to significant price decreases for many minerals and metals in the past five years. For example, during the period 1997-2001, the price of copper declined from $1.03 to $0.75 per pound; aluminum from $0.72 to $0.62 per pound; and gold from $331 to $294 per troy ounce. Several base metals approached or set all-time record low constant dollar values in 2001.
- In contrast, prices of PGMs have increased over the same period because of strong demand from the transportation sector (these metals are used in catalytic converters) and partly as a result of uncertainty regarding Russian supplies of these metals. This benefits South Africa primarily.
- The South African mineral and metal sector is experiencing significant competitive problems. Mineral deposits have been extensively exploited and grades of many deposits have been declining. Further, the country's mines are almost exclusively deep underground operations. These factors contribute to relatively high operating costs, and have especially affected the South African gold mining sector, the largest in the world, which has had to restructure and rationalize.
- Political instability has caused a substantial contraction of the vast Copperbelt minerals and metals sector. These countries have rich copper and cobalt deposits that are close to the surface, indicating the potential for low-cost production. Internal strife has caused a precipitous decline in production since the 1970s. Reinvestment has been minimal, little new technology has been adopted, and much of the equipment has become antiquated and unreliable. Present operating costs are substantial as a result. The Copperbelt is indicative of SSA's mineral export dependence, with as much as 85 percent of Zambia's historical GDP being derived from metal sales.[8]
- In 1995, DROC was the continent's fifth largest mineral producer. However, cobalt production is now only 25 percent of its 1974 peak, copper is 7 percent of 1980 levels and current diamond production is 85 percent of its 1986 high.

Economic and Trade Policy Developments

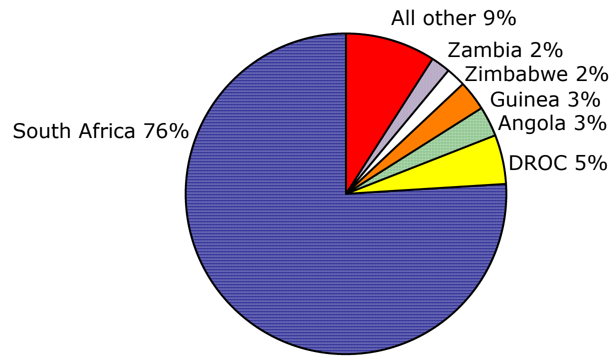
- Sub-Saharan African countries continued to liberalize mining laws in an effort to attract foreign investment,[9] although South Africa recently passed legislation that converts all mineral rights from private to state ownership (see investment issues section for details).
- In Zambia, the privatization of the major copper-cobalt mines of the state-owned mining company Zambia Consolidated Copper Mines (ZCCM) has not been without difficulty and has yielded little return to the government. The industry is in dire need of reinvestment and revitalization. Anglo American, a South African mining company, headed a consortium that purchased the majority of the mines from the government. First Quantum, of Toronto, Canada, purchased other smaller holdings of the ZCCM sale.
- The DROC has enacted new mining legislation that could help attract foreign investment back into the country's minerals and metals sector. The legislation cuts income tax to 30 percent from 50 percent, although royalties will now apply of 2 percent for base metals and 4 percent for precious metals, gems and diamonds. Generale des Carrieres et des Mines (Gécamines), the state mining company, is currently negotiating with several potential foreign investors, including Kumba Resources Ltd., BHP Billiton, Phelps Dodge Corp., Lundin Group, Rio Tinto, Anglo American plc and First Quantum Minerals Ltd. Many of these companies already have joint-venture agreements with Gécamines.
- Many developed countries are instituting "conflict diamonds" policies and legislation.[10] The World Diamond Council, representing the diamond and diamond-containing jewelry industries, and The Campaign to Eliminate Conflict Diamonds, representing a number of international human rights groups, have collaborated in the drafting of legislation to address social concerns related to this issue. As of November 18, 2002 pending legislation before the U.S. Congress would prohibit imports of diamonds from conflict countries without certification of uncut diamonds. Countries affected include Sierra Leone, Angola, the DROC, and Liberia.
- The U.S. Inter-Agency Market Impact Committee, which plans disposals of material stored in the U.S. Defense National Stockpile, approved disposing of 125,000 troy ounces of platinum and 200,000 troy ounces of palladium during fiscal years 1999 and 2000. This plan has yet to be approved by Congress. Similarly, during 2001, the International Monetary Fund proposed selling part of its gold reserves to provide financial assistance for poor countries. This proposal had the support of key IMF members, including the United States. South African Government officials and Anglo American Platinum (a major South African producer) were concerned that such sales would disrupt the market, and suggested that the proposed sales be implemented over a long time period to minimize market effects.

SSA sector global imports, by country, 2000
($4.9 billion)



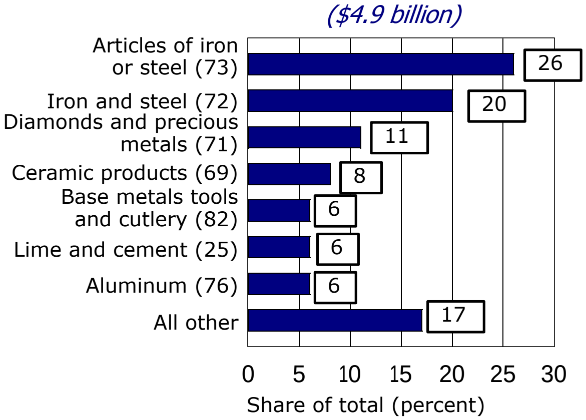
Source: United Nations.

SSA sector global exports, by country, 2000
($19.4 billion)



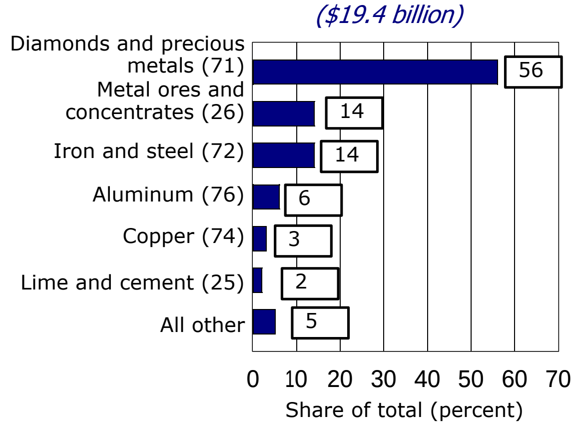
Source: United Nations.

SSA sector global imports, by HS chapter, 2000
($4.9 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2000
($19.4 billion)



Source: United Nations.

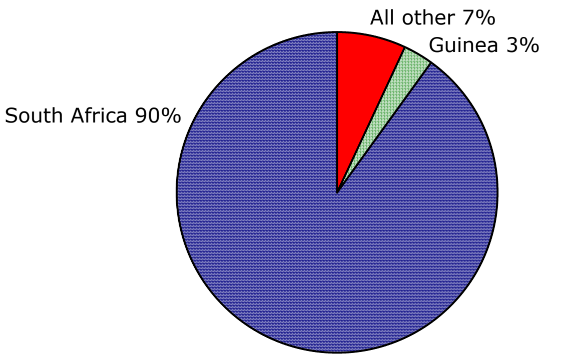
Major Import Source (2000)	Share of Total (percent)	Major Import Item (6-digit HS) (2000)	Share of Total (percent)
South Africa	11	Nonindustrial diamonds (7102.31)	5
United Kingdom	9	Iron or steel structures (7308.90)	4
Germany	8	Portland cement (2523.29)	3
China	8	Flat steel coils (7209.18)	2
Italy	6	Glazed ceramic tiles (6908.90)	2
		Iron or steel articles (7326.90)	1

Source: United Nations.

Major Export Market (2000)	Share of Total (percent)	Major Export Item (6-digit HS) (2000)	Share of Total (percent)
United States	17	Nonindustrial diamonds (7102.31)	21
Belgium	14	Platinum (7110.11)	11
Japan	13	Gold (7108.12)	9
United Kingdom	12	Palladium (7110.21)	6
Italy	10	Aluminum (7601.10)	5
Germany	7	Ferrochromium (7202.41)	4

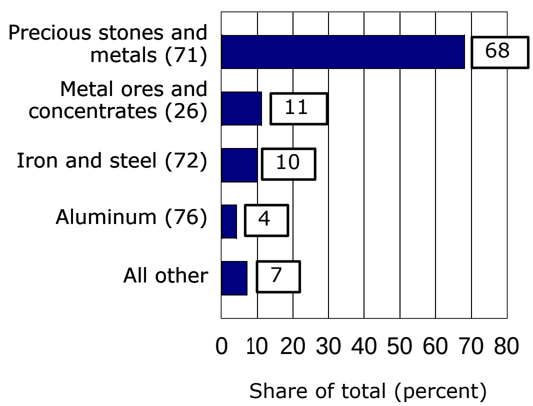
Source: United Nations.

U.S. sector imports from SSA, by source, 2001
($3.1 billion)



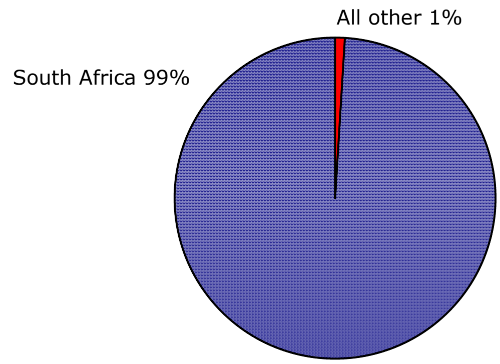
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HS chapter, 2001
($3.1 billion)



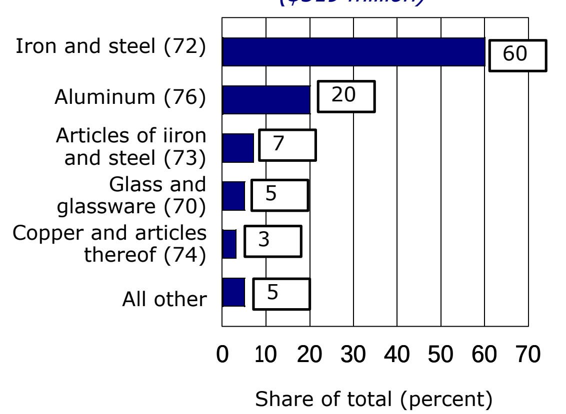
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2001
($319 million)



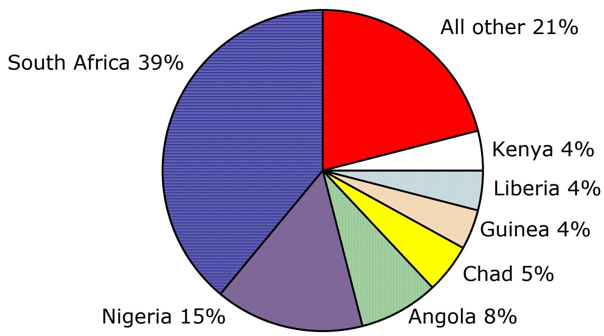
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by HS chapter, 2001
($319 million)



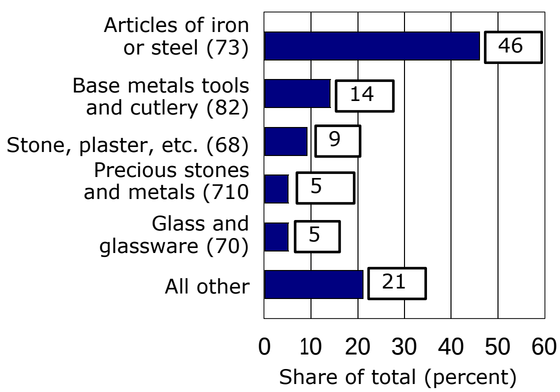
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by market, 2001
($250 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by HS chapter, 2001
($250 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

Key U.S. Import Developments

- During 2001, U.S. sector imports from SSA of $3.1 billion were more than 10 times as much as U.S. exports to SSA of $250 million. The U.S. trade deficit decreased $150 million (5 percent) to $2.8 billion, as U.S. imports fell by $119 million (4 percent) and exports increased by $31 million (14 percent).
- Fifty percent of U.S. sector imports from SSA are PGMs, all of which are from South Africa, which is the major source of these metals to the world. Imports of diamonds totaled $523 million in 2001, or 17 percent of the sector import total.
- South Africa is the leading U.S. sector supplier, by an overwhelming margin, and increased its U.S. import market share to 90 percent in 2001. The country is the primary mine source for many specialty metals (including PGMs) needed by the U.S. high-tech and transportation industries. In some cases, such as chrome, there is little alternative sourcing available.
- The decrease in U.S. sector imports during 2000-01 was a result of decreased shipments from South Africa, mostly of ferroalloys, especially ferrochrome and ferromanganese. This decrease was partially offset by a minor increase in imports of PGMs (platinum and palladium imports were up $88 million due to increased trading volume outpacing significant price declines, but rhodium, indium, osmium, and ruthenium were down $80 million due to level volumes but significant price declines), and diamonds, particularly non-industrial diamonds, which increased substantially.
- The dutiable value of U.S. minerals and metals imports from SSA decreased $201 million (62 percent) to $123 million in 2001. Slightly over 10 percent of imports were subject to duties, and almost 99 percent ($121 million) of dutiable imports were from South Africa.
- Duty-free imports of minerals and metals products from all of SSA under the GSP program decreased $62 million (19 percent) to $256 million in 2001. Most GSP imports were supplied by South Africa ($225 million, or 88 percent of total) and Zimbabwe ($19 million, or 7 percent of the total). Ferroalloys accounted for almost half of the GSP imports and were responsible for the decline, declining $76 million, or 37 percent, during 2000-01.
- Final antidumping and countervailing duty orders were instituted in 1999 for certain stainless steel plate in coils from South Africa. These orders established an antidumping margin of 37.77 percent and countervailing duty of 3.95 percent. The entire region was granted developing country exclusions from the 2002 steel 201 remedies.
- No other URA provisions in 2001 were identified to have significant effects on U.S.-SSA trade in the minerals and metals sector. The Doha Round Agreements are not expected to have significant effect on U.S.-SSA trade in the minerals and metals sectors.

Key AGOA Trade Developments

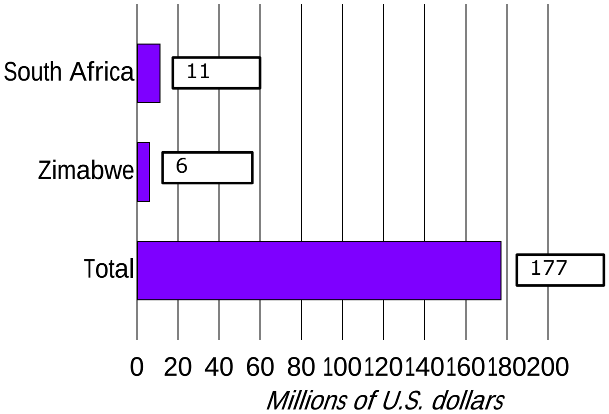
- U.S. sectoral imports from AGOA countries under the AGOA / GSP trade programs were $319 million in 2001, or 12 percent of total U.S. sectoral imports from AGOA countries.
- Major import items under AGOA and GSP in 2001 included ferroalloys (44 percent of the total), and aluminum alloy plate, sheet, strip (17 percent).
- South Africa supplied nearly all U.S. imports under AGOA (including GSP) provisions in 2001. The ROC was the only other significant AGOA exporter to the United States. Sector imports under AGOA declined from the previous year.

Key U.S. Export Developments

- U.S. exports to the region increased by $31 million (14 percent) over 2000, reversing the decline of the prior two years and returning to levels of 1997-1998, although still below 1996 levels.
- U.S. exports reflect the significant oil exploration and oil-field development that is underway in SSA, primarily in Nigeria, Angola, and surrounding areas. U.S. companies are heavily involved. Steel products, such as tube / pipe, barrels, and casings, and ancillary products such as drilling muds and abrasives are the major exports. Together, these products total 90 percent of the sectoral and 50 percent of the entire U.S. exports to the region, and increased by $49 million (89 percent) during 2000-01.

- Nonpowered handtools are also a major U.S. export to the region. Much of SSA is agrarian and / or minerals-based, and almost one-third of these exports are rock drilling or earth boring tools, which are likely used by farmers and mining companies.
- U.S. exports to South Africa in the minerals and metals sector decreased by $21 million (18 percent) from 2000, largely attributable to a $19-million decrease in exports of PGMs. The majority of the decrease is in semi-manufactured forms of platinum and palladium U.S. exports of unwrought forms of platinum, palladium, and rhodium to South Africa entirely ceased in 2001, reflecting a shift of exports of the unrefined or unwrought forms to other countries with refining and fabricating capabilities.

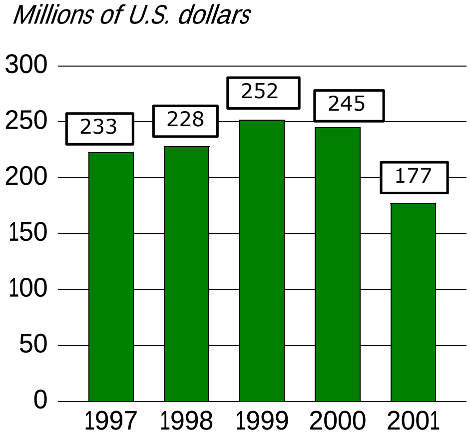
U.S. sector SSA FDI position, by country, 2001



Note.—Does not include mining activities. Data for various countries are not disclosed owing to confidentiality. U.S. FDI position is negative for some countries.

Source: USITC estimate based on data from the U.S. Department of Commerce, Bureau of Economic Analysis.

U.S. sector SSA FDI position, 1997-2001



Note.—Does not include mining activities. Data for various countries are not disclosed owing to confidentiality. U.S. FDI position is negative for some countries.

Source: USITC estimates based on data from the U.S. Department of Commerce, Bureau of Economic Analysis,.

Major SSA sector investment policy developments

Country/region	Development
Burkina Faso	Implementing new mining law regulations for law enacted in 1997.
Botswana	Additional revisions to mining law.
DROC	Government completed mining law revision that provides for investor security and financial incentives.
Sierra Leone	New mining law enacted to encourage foreign investment.
South Africa	Change in mining code for state to retain mineral ownership, with lease provisions.
Tanzania	New mining law enacted to encourage foreign investment.
Uganda	Revisions to mining law completed. Draft is expected to make private-sector foreign investment more likely, since government is in favor of development of the mineral industry.
WAEMU countries	Have created regional mining code to facilitate exploration.
Zambia	Quantum Minerals purchased a majority stake in Kansanshi (Zambian government as junior partner) mine of Copperbelt. Developing plans to bring into production in next few years.
Zambia	Kvaerner Engineering and Construction (South Africa) recently completed work on Cobalt from Slag and Copper, the first major capital project undertaken in Zambia for almost 30 years. The $100 million project upgrades and extends the Chambishi metals treatment facility. Chambishi is jointly operated by Avmin (90 percent) and the Zambian government (10 percent).[11]

Major Investments

- Governments in the region actively promoted foreign investment through enhanced financial, taxation, private property, and regulatory laws. Despite this, investment in mineral exploration expenditures declined $168 million to $494 million in 2001 because of weak metal prices. The general economic slowdown worldwide and the depressed state of the minerals industries because of oversupply have limited foreign investment in the SSA minerals and metals sector.
- Less than one percent ($177 million) of the United States' total FDI to the world was earmarked toward SSA's metals sector, down 30 percent ($75 million) from the 1999 high. The percentage of FDI to SSA's sector also decreased, almost by half, indicating movement to other areas or sectors. Unreported, because of company confidentiality reasons, were gold processing activities in Ghana.
- Estimates indicate between $100 million to $150 million of U.S. investment went to metal and nonmetallic mining ventures in SSA, which is down from about $200 million in the mid- to late-1990s.[12] Notable was an investment in bauxite mining in Guinea, and metals mining ventures in South Africa and Zambia. International partners significantly increased their investment in Guinean bauxite mining in 2001.[13] Bauxite dominates the mining sector in the Guinean economy, and the nation has more than one-third of global bauxite reserves. Guinea holds around 40 percent of the world bauxite market. General FDI in the mining and quarrying portion of the sector since 1996 was targeted toward the following countries: Botswana, Burkina Faso, ROC, DROC, Côte D'Ivoire, Ethiopia, Ghana, Madagascar, Mali, Namibia, Niger, Sudan, Tanzania, Togo, Zambia, and Zimbabwe.[14]
- The most recent major financial acquisition investment was the Africa Franco-Nevada of Canada purchase of Gold Fields of South Africa for $1.7 billion in 2000.[15] Newmont, of the United States, purchased Franco-Nevada in 2001, making it the largest gold mining company in the world, displacing Anglo Gold, a subsidiary of Anglo American of South Africa.
- At the beginning of 2002, Anglo American announced that it was pulling out of its investment in the Konkola facilities, despite agreements to spend another $500 million in continuing and development capital. Zambian and IFC officials have cited the low level of copper prices, the global economic slowdown, and unanticipated operational difficulties in Zambia as combining to give a triple blow to Konkola Copper Mines' profitability and future prospects. These factors placed the survival of these facilities in jeopardy. More importantly, the development of the Konkola Deep, which was widely expected to be the source of high-grade material for another 20 to 40 years, is now in jeopardy.
- Almost concurrently, several other companies with minority positions in the Copperbelt, notably First Quantum of Canada, are reorganizing their focus away from existing facilities to new opportunities. First Quantum has chosen not to develop the Kolwezi and Likasi tailings dump projects in the DROC. However, as noted, they have purchased a majority stake in the Zambian Kansanshi property, intending to bring it into production in a few years, and are investing heavily to expand its Bwana Mkubwa mine, which is operating so efficiently that it is importing ore from DROC to process in Zambia.[16]
- After several years of prospecting and development, the Yatela Gold Mine–a joint venture between AngloGold (40 percent), IAMGOLD (40 percent) and the Mali Government (20 percent)–officially opened in Mali in September 2001.
- After more than a year of negotiations with the Angola Government, DeBeers announced in May 2001 suspension of all exploration and investment activities in Angola. DeBeers held exclusive rights to market Angola's diamonds in a joint venture with Endiama, a company run by the State. The Angolan Government has awarded the marketing rights to an Israeli firm.[17]

Investment Issues

- Several issues deter new investment and reinvestment in existing facilities. These include the following:
  - Political risk. There have been significant strides in stabilization in the past decade, but the overwhelming presence and potential of re-nationalization of mineral and metal assets remains a concern for most foreign investors. A recent example is the published concern that Zambia may re-nationalize the Konkola copper facilities.
  - Health risk, including the need for malaria prevention and treatment and the high HIV infection rate. These risks, when coupled with an additional cost for employee health protection, diminish the financial attractiveness of any potential investment. Health issues also make it difficult to encourage suitable foreign technical professionals to move to the region to manage operations.
- The DROC, a major copper producer that has recently undergone significant turmoil, has been ranked in the lowest five countries of the world in economic freedoms, according to a recent study. African countries generally performed poorly in the study.[18]
- Zambia's attempt to rid itself of government corruption will be an important test of how African states are able to adapt to the demand for clean governance imposed by the African Union. This is considered essential to the success of the New Partnership for Africa's Development. According to local press, the change in the presidency in 2002 is clouded with charges of corruption between Frederick Chiluba, the outgoing president largely responsible for the growth in the past few years, and his protege, Levy Mwanamasa. In July, Parliament overturned the constitutional immunity Chiluba had against charges of corruption.[19]
- In early 2002, South Africa enacted the Minerals Bill, which gives the government ownership of all of the country's mineral resources, which mining companies can exploit only under license. The law calls for licenses of up to 5 years for prospecting rights and up to 30 years for mining rights. The purpose of the law is to create opportunities for more black ownership in the sector. The government claims there will be automatic conversion of the "old order rights" to "new order rights," but admits that there may be a temporary drop in investment, particularly while the details of the law, regarding paying for the asset rights, are worked out. It is claimed by the producers that the change in reserve value, by reverting the assets to the state, may affect the financial strength of present companies operating in South Africa.[20]

Multilateral Lending

- The World Bank Group, through the IFC, approved loans or other financial assistance for two mineral and metal projects in SSA during fiscal year 2001. These projects included $3.9 million in assistance for upgrading a clay mining operation in Senegal that will cost a total of $9.6 million and $700,000 in assistance to build a $1.6 million factory to cut and polish gemstones in Zambia. The IFC also made a commitment in late 2001 for a one-third equity stake in a small company that is planning a $5 million mine development investment in Burkina Faso. The World Bank provided a loan of $5 million to the Government of Madagascar to study and assess reform of the country's mining policies and regulations to stimulate private-sector investment.[21]
- The World Bank is considering financial assistance to Sierra Rutile, a company that mines rutile (titanium oxide) that has been shut down since 1995 because of rebel activity. The Sierra Leone Government and the U.S. and Australian companies that own Sierra Rutile are negotiating with the World Bank for an $80 million loan to re-open the mine.
- The EU provided $12.5 million to rehabilitate a government-owned gold mine in Burkina Faso. The mine is expected to produce 1.5 to 2 tons per year, and the government has agreed to privatize the mine if it proves to be a viable enterprise.[22]
- The IFC and others have stepped in to prevent the shutdown of the former Anglo American holdings of Konkola Copper Mines (KCM), promising continuing capital to keep the operations going, and to attract potential investors through low-cost loans. The IFC is requiring Anglo American to pay up to $200 million of the costs involved in the company's withdrawal from Zambia's copper industry.[23] Bank officials stressed on several occasions that they would help Zambia through the difficult times that undoubtedly lie ahead. There is discussion of re-nationalization by the local population. Developmental capital spending has ceased for the Konkola Deep Mining Project, which had been expected to provide another 25 to 30 years of mining life.[24]
- The growth of Tanzania's mining sector has led to a surge in foreign investment of more than 300 percent since 1994, making Tanzania among the leading investment destinations in sub-Saharan Africa. Tanzania attracted more mining exploration expenditure in 1998 than any other African country, including South Africa, with spending in nonferrous minerals reaching nearly $58 million, some 13 percent of the African total. Investor sentiment is more optimistic as a result of clear government shifts away from socialist self-reliance and distrust of foreign investment. In July 2002, Tanzania launched an initiative supported by the World Bank and the IMF, seeking to improve the investment climate in the country. Tanzania's Investors Round Table brings together national and international corporate leaders in an effort to enable a stronger, direct partnership between business and government in prioritizing and implementing necessary reforms.[25]
- In DROC, lack of financing constrains the industry as a whole. In Katanga Province, for example, current exploitation rates represent about 20 percent of its potential. Hesitation for increased spending generally is attributed to continued political uncertainty resulting from the murder of former President Laurent Kabila in January 2001. Developments in 2001, prior to Kabila's death, include the following:
  - The government opened its diamond market, the country's principal source of foreign exchange, by suspending a monopoly on buying and exporting the gem stones held by the Israeli Company Idi Diamonds since July 2000.[26]
  - Phelps Dodge, BHP World Exploration, Anvil Mining NL, and Oryx Natural Resources all purchased options to invest in, develop and manage concessions from the state-owned Tenke Mining Corp's African property interests, in cobalt, copper, and diamonds.[27]
  - Anvil Mining claimed that President Joseph Kabila's actions resulted in the emergence of significant financial support and a very significant re-engagement after many years of absence by key multilateral organizations such as the International Monetary Fund, the World Bank and the United Nations.[28]
  - The government suspended all managing directors and board members of public sector operations after allegedly discovering gross mismanagement following an audit.[29] President Joseph Kabila then fired the heads of all public sector companies, including Gécamines, the state-owned copper and cobalt mining company.

ENDNOTES

[1] This sector includes Harmonized System chapters 26, 68 through 69, 71 through 76, 78 through 83, and portions of chapters 25 and 70.

[2] The minerals and metals sector includes clays and earths, sand and gravel, stone, cement and plaster, and nonmetallic minerals; metal-bearing ores, concentrates, ash, and residues; ceramic, glass, and fiberglass articles; gemstones; iron and steel, base metals, precious metals, and metal alloys in unwrought and scrap forms; ferrous and nonferrous mill products (shaped by casting, forging, machining, rolling, drawing, or extrusion operations); and certain fabricated metal products, such as containers, wire cables, chain, industrial fasteners, certain kitchen and sewing implements, cutlery, nonpowered hand tools, construction components, and builder's hardware.

[3] Infomine-africa.com, *Mining Africa Yearbook 2002*, CD-ROM; and George J. Coakley, "The Minerals Industry of South Africa," *Minerals Yearbook International 2000*, U.S. Geological Survey, found at Internet address *http://minerals.usgs.gov/minerals/pubs/country/2000/9235000.pdf,* retrieved June 8, 2002.

[4] MBendi, "Guinea: Mining," found at Internet address *http://www.mbendi.co.za/indy/ming/af/gu/p0005.htm*, retrieved Aug. 16, 2002.

[5] The platinum group metals are platinum, palladium, rhodium, ruthenium, iridium and osmium, and are collectively known as PGMs.

[6] The process of mining produces mineral products. Mining activities also include the first level of processing, or beneficiation, that separates the desired mineral from the waste minerals or makes a concentrated form of the mineral. The concentrated minerals need no further processing in certain cases (some industrial minerals and diamonds) but many must be manufactured into pure substances. In the case of metals, the concentrated minerals are further refined to pure metal. This unwrought pure form is the result of processing at smelters, refineries, and other types of plants. Further processing into wrought forms (wire, plates, sheets, strip, etc.) is typical before metals are ready for use in fabricated products. For most of these items, production figures refer to the mineral or metal content of the mined material. Some SSA countries have facilities for conversion to the pure form, but other products are exported from the region in mineral form. Few SSA countries have facilities for conversion to wrought forms.

[7] Coakley, *The Mineral Industries of Africa*.

[8] John Chadwick, "The Zambian Copperbelt," *MINING Magazine*, Feb. 2002, pp. 64-70.

[9] Composite of multiple unattributed references in various issues of The Mining Journal LTD, London, 2001 and 2002, and U.S. State Department reports available at *http://www.state.gov/p/af/ci/*, first retrieved Mar. 20, 2002.

[10] Conflict diamonds are rough diamonds, the importation of which is prohibited by United Nations security council resolutions because trade in these products fuels conflict. Certain diamond-producing facilities in SSA are targets of groups wanting to acquire control of valuable resources. The funds derived from the sale of certain diamonds reportedly are being used by rebels to finance military activities that include the overthrow of legitimate governments, subverting international stabilization efforts, and ethnic warfare. Source: Senators Richard Durbin (D, IL), Mike DeWine (R, OH), and Russell Feingold (D, WI), "To implement effective measures to stop trade in conflict diamonds, and for other purposes.," Bill No. S.2027, 107th Congress, 2d Session, In The Senate of the United States, introduced Mar. 18, 2002.

[11] Gavin Horscroft, "Chambishi Metals," *MINING Magazine*, Feb. 2002, pp. 82-84.

[12] Much of the data in the mining sector are withheld to avoid disclosure of data of individual companies. The estimates reflect a composite of industry analyst sources.

[13] Bauxite, a mineral composite usually containing 60 percent alumina, is the primary mineral feeding the worldwide aluminum industry.

[14] Coakley, *The Mineral Industries of Africa*.

[15] Infomine-africa.com, *Mining Africa Yearbook 2002*.

[16] *The Economist*, "Copper Bottomed," vol. 363, No. 8278, June 22, 2002, p.18

[17] Infomine-africa.com, *Mining Africa Yearbook 2002*.

[18] James D. Gwartney and Robert A. Lawson, *Economic Freedom of the World: 2002 Annual Report*, Sixth Edition, Fraser Institute, found at Internet address *http://www.fraserinstitute.ca/shared/readmore.asp?sNav=pb&id=329*, retrieved July 10, 2002.

[19] Asia Intelligence Wire, "Zambian mischief," July 18, 2002.

[20] NewsEdge Headlines, "SA Minerals Bill: Boost to Black Economics," June 21, 2002. Paragraph also synopsizes other press reports through Aug. 1, 2002.

[21] Infomine-africa.com, *Mining Africa Yearbook 2002*.

[22] Ibid.

[23] "KCM's funding, fate is on the line at Anglo talks," *American Metal Market*, May 14, 2002, found at Internet address *http://www.amm.com/index2.htm*.

[24] *The Economist*, "Tragically undermined," Special Report: Zambian Copper, vol. 363, No. 8275, June 1, 2002, pp. 65-66.

[25] Asia Intelligence Wire, "Tanzania convenes roundtable to court new FDI." July 18, 2002.

[26] *Mining Journal*, "DRC revokes diamond monopoly," vol. 336, No. 8631, Apr. 27, 2001; first reported by *The Johannesburg Star*, April 23, 2001.

[27] Infomine-africa.com, "Countries: CONGO DRC," found at Internet address *http://www.infomine-africa.com/CongoDRC.asp*, retrieved July 18, 2002.

[28] Anvil Mining NL, "Anvil Takes Major Step Forward with Financing Facility to Initiate Development of Dikulushi," Media Release, July 10, 2001, found at Internet address *http://www.anvil.com.au/media/avl100701.htm*, retrieved Oct. 17, 2002.

[29] *Mining Journal*, "Kabila sacks Gécamines head and others," vol. 337, No. 8650, Sept. 7, 2001.

TEXTILES AND APPAREL

BACKGROUND

Industry Overview

- Textiles and apparel production data for SSA are not readily available. Based on U.S. Department of State information and United Nations trade data, the top five SSA textiles and apparel producers are Mauritius, South Africa, Kenya, and Zimbabwe, and, until early 2002, Madagascar.[2] Other significant producers include Lesotho and Swaziland. Encouraged by the employment and trade opportunities offered by AGOA, numerous SSA countries are expanding their textiles and apparel industries.
- Although their textile and apparel industries have been growing in recent years, SSA countries together are still a relatively small supplier of textiles and apparel to the global market, accounting for less than 1 percent of world exports of such goods in 2000. Textiles and apparel industries are, nevertheless, a significant sector in industrial production and a source of employment in a number of SSA countries.
- Mauritius' apparel industry ranks second to sugar in driving the country's economic growth. South Africa's textile and apparel industry is the country's sixth largest manufacturing sector employer and the country reportedly has spent about $900 million since 1994 to upgrade and modernize the industry.[3] South Africa's textile industry directly employed 230,000 people and another 200,000 in dependent industries such as transport and packaging in 1998.[4] Kenya's textile industry is the country's largest manufacturing industry and employer.[5] As a result of AGOA, Kenya's apparel sector rose from 10 factories producing $30 million in garment exports in 2000 to 24 factories producing $70 million in exports in 2001.[6]
- Apparel assembly accounts for the majority of total SSA sector production and exports. Leading apparel products include sweaters, trousers, and basic shirts. Because the manufacturing of these articles generally involves standardized runs, simple tasks, and few styling changes, they are particularly suited to countries that are still in the initial stages of industrialization.
- Although generally small, textile manufacturing in the SSA countries has been growing. Some SSA countries produce their own raw materials; for example, South Africa produces wool, accounting for over half of the world's supply of mohair wool;[7] and Madagascar, Swaziland, and Côte d'Ivoire grow cotton. Other SSA countries lack access to sufficient quantities of raw materials and fabrics and rely heavily on imports from Asian and other suppliers.

Industry and Sector Issues

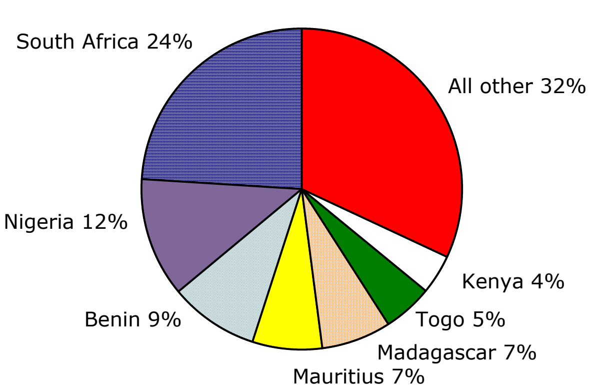
- SSA countries generally offer relatively low labor rates and ample labor pools. In 2000, wage rates for Kenya were 60 cents per hour and for Madagascar were 37 cents per hour. Fewer available workers and higher wage rates were found in Mauritius at $1.47 per hour and South Africa at $1.82 per hour, leading to a shift of some operations to Madagascar, Lesotho, Mozambique, and other lower cost SSA countries.[8]
- Political unrest in Madagascar following a presidential election has led to transportation disruptions and some apparel plant closings because of reduced levels of clothing inputs. Plant closures included the shutdown of a sweater factory and also the large knit shirting operations owned by foreign investor Novel Denim Holdings, a Hong Kong-based denim manufacturer. Novel Denim incurred $5.2 million in costs associated with production disruptions and plant closures.[9]
- SSA countries' competitiveness has been hindered by poverty and a resulting lack of capital, insufficient access to quality raw materials, yarns, and fabrics, low industrial development and weak domestic demand, along with outdated technology, lower labor productivity–25 percent lower than China and other low-cost suppliers[10]–and increased input costs in recent years.[11]
- Inadequate infrastructure–roads in disrepair and poorly developed transportation networks, port delays and bureaucracy, and unreliable power supplies–constrain textile and apparel production, delay delivery times, and increase textile and apparel production costs. Natural geographic barriers that landlock Uganda, Botswana, and Zambia boost transportation costs and slow deliveries, making these suppliers less attractive as textile and apparel sources for the U.S. and EU markets.[12]

Economic and Trade Policy Developments

- Industrialization is a key concern of many SSA countries. SSA countries such as Uganda, for example, have made a commitment to expand their textiles and apparel industry in order to boost the country's level of industrialization.[13]
- SSA countries have been implementing various measures and programs to boost their textile and apparel industries. Until early 2002 when political strife disrupted textile and apparel operations, Madagascar's apparel industry had expanded from the early1990s when export processing zones (EPZs) were set up with such incentives as lower corporate tax rates and the elimination of traditional local ownership and local content requirements. The government had also begun to privatize state-run industries.[14] Until early 2002, 140 of 230 companies established in Madagascar's EPZs, or more than half, were apparel assembly operations and were the largest employers.[15]
- SSA countries have been working with the multilateral lending institutions to expand their economies. See investment section for information on recent projects in Madagascar.

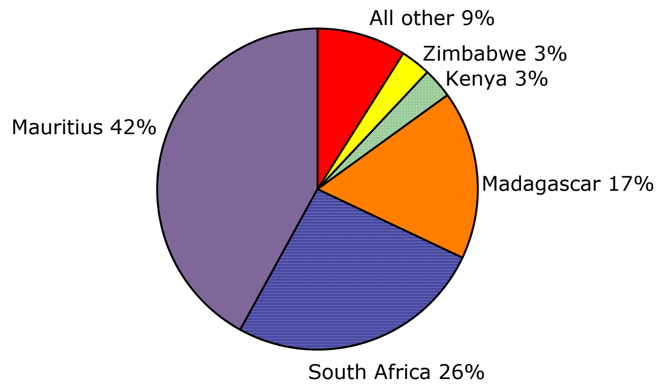
- Under U.S. law (title V of the Trade Act of 1974, which authorizes the GSP program), the President may not designate textiles and apparel subject to textile agreements as eligible for duty-free treatment under the GSP. These products were considered import sensitive. Consequently, to date, a negligible amount of U.S. imports of textiles and apparel from SSA countries have entered under the GSP.
- Beginning on Oct. 1, 2000, AGOA authorized preferential treatment for qualifying textiles and apparel from eligible SSA countries for 8 years. AGOA extends duty-free and quota-free treatment to apparel assembled in SSA countries from U.S. -origin fabrics, as well as specified quantities of apparel made from “regional fabrics” that are produced in SSA countries from U.S. or SSA yarns.
- Imports of apparel made in SSA countries from regional fabrics are subject to an annual cap that began on Oct. 1, 2000, equal to 1.5 percent (in square meter equivalents) of total U.S. apparel imports by quantity in the preceding 12-month period, and rising in equal annual increments over 7 years to 3.5 percent in the final 1-year period beginning Oct. 1, 2007.
- A special rule allows apparel entered under the cap from lesser developed SSA countries to be made of third-country fabrics through September 30, 2004.[16]
- On Aug. 6, 2002, the President signed into law the Trade Act of 2002 (P.L. 107-210). The legislation amends the AGOA by doubling the size of the cap; that is, changing the applicable percentage from the current level of 1.5 to 3.5 percent to a level of 3 to 7 percent over the 8-year period. The Trade Act also clarifies that preferential treatment is to be provided for knit-to-shape garments assembled in SSA countries and allows Namibia and Botswana to use third-country fabrics under the regional fabric cap (a provision set aside only for lesser-developed countries) through September 2004.[17]

SSA sector global imports, by country, 2000
($3.1 billion)



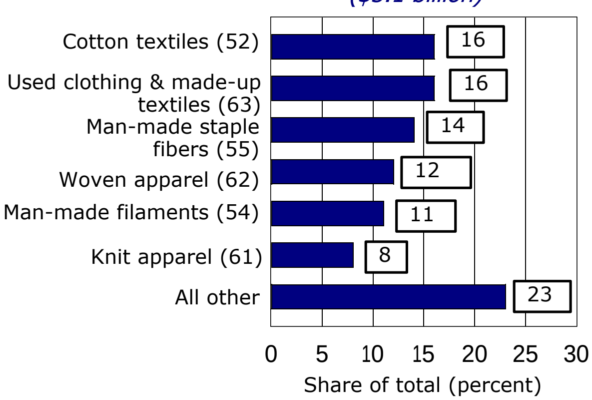
Source: United Nations.

SSA sector global exports, by country, 2000
($2.3 billion)



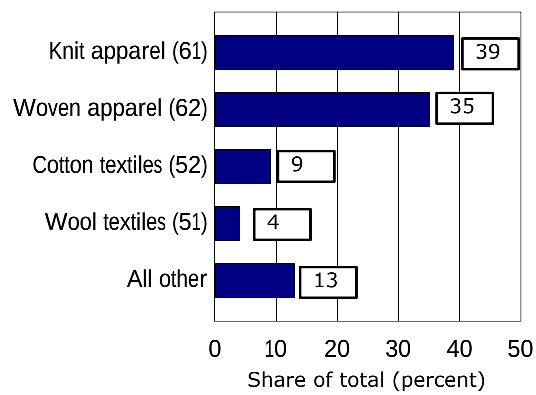
Source: United Nations.

SSA sector global imports, by HS chapter, 2000
($3.1 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2000
($2.3 billion)



Source: United Nations.

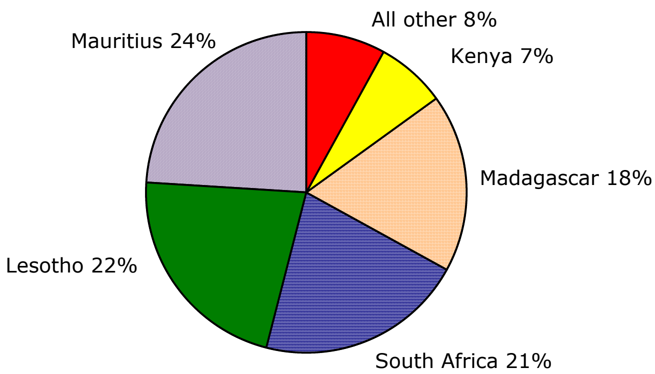
Major Import Source (2000)	Share of Total (percent)	Major Import Item (6-digit HS) (2000)	Share of Total (percent)
China	31	Used clothing (6309.00)	11
Indonesia	10	Cotton fabrics (5208.52)	4
Korea	8	Badges, etc. of man-made fiber (5810.92)	2
United Kingdom	6		
France	5		

Source: United Nations.

Major Export Market (2000)	Share of Total (percent)	Major Export Item (6-digit HS) (2000)	Share of Total (percent)
EU	56	Cotton trousers (6203.42)	12
United States	28	Cotton T-shirts (6109.10)	11
Iran	3	Wool sweaters (6110.10)	8
		Cotton sweaters (6110.20)	8
		Cotton shirts (6205.20)	7

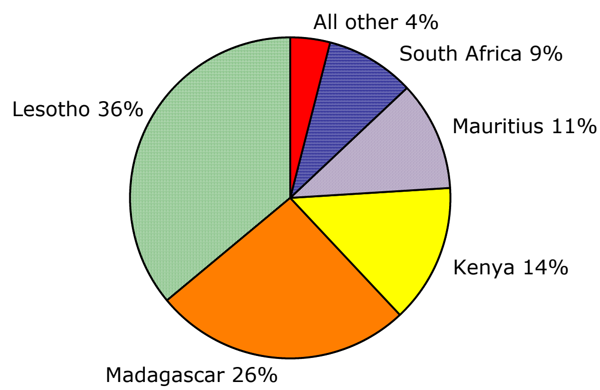
Source: United Nations.

U.S. sector imports from SSA, by source, 2001
($992 million)



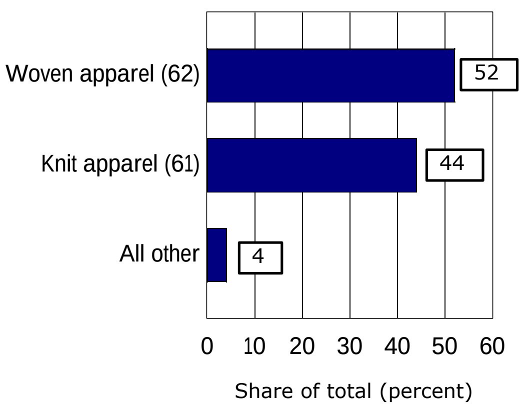
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2001
($358 million)



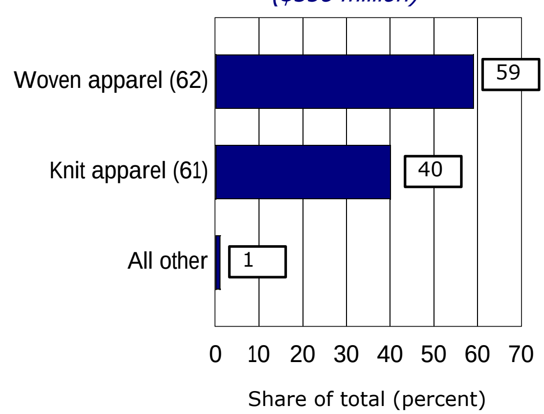
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HS chapter, 2001
($992 million)



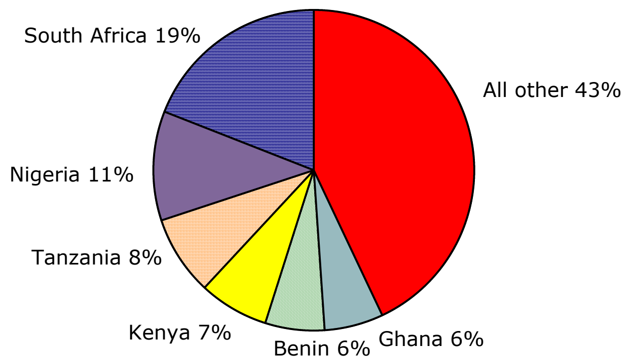
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by HS chapter, 2001
($358 million)



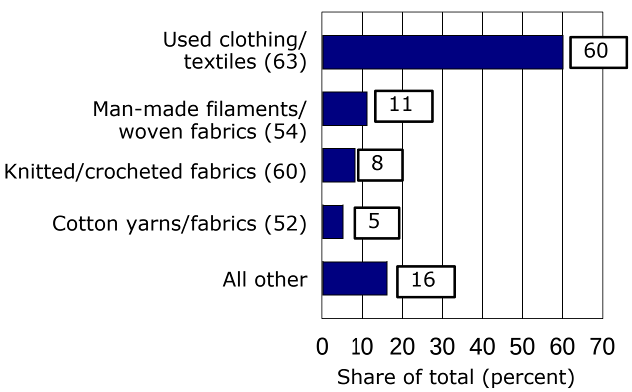
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by market, 2001
($120 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by HS chapter, 2001
($120 million)



Source: Compiled from official statistics of the U.S. Department of Commerce.

Key U.S. Import Developments

- U.S. imports of textiles and apparel from the SSA countries rose by 26 percent in 2001, up from $992 million in 2000, which can likely be attributed to the implementation of AGOA.
- In 2001, U.S. imports from top SSA textiles and apparel suppliers Lesotho rose by 55 percent, Madagascar by 63 percent, and Kenya by 46 percent from the 2000 levels. U.S. imports from South Africa rose by 21 percent, whereas U.S. imports from Mauritius fell by 3 percent in 2001. The slower growth rates and downturn in imports from South Africa and Mauritius can at least partly be attributed to their higher production costs and inability to use third-country fabrics.[18]
- Leading articles imported from the SSA countries were cotton sweaters, trousers, and shirts, and wool or cashmere sweaters.

Key AGOA Trade Developments

- In 2001, U.S. imports of textiles and apparel from SSA countries under AGOA (including GSP) totaled $357.7 million, or 36 percent of total U.S. imports from the SSA countries. Only 0.5 percent ($1.9 million) were accounted for by imports entering under the GSP.
- The principal woven apparel articles (59 percent) imported under AGOA included trousers and shirts. The principal knit apparel articles (40 percent) included cotton and wool sweaters and cotton shirts.
- A total of 85 percent of the articles imported from SSA countries under the GSP were textile articles, primarily transmission or conveyor belts, sails for boats, and miscellaneous made-up textile articles.
- A total of 77 percent of U.S. imports of textiles and apparel entered under AGOA in 2001 came from Lesotho, Madagascar, and Kenya, lower-cost textile producers, whereas only 20 percent of U.S. imports under AGOA came from Mauritius and South Africa.

Key U.S. Export Developments

- SSA is a small export market for the U.S. textiles and apparel industry, accounting for less than 1 percent ($119.9 million) of total U.S. exports in 2001. U.S. exports to the region declined by 38 percent in value during the 1997-2001 period. Increased competition from Asian suppliers likely explains the decline in U.S. exports to the region during the period.
- South Africa has consistently been the United States' top export market in SSA in recent years. U.S. textile and apparel exports to South Africa totaled $22.4 million in 2001.
- The leading U.S. product exported to SSA in 2001 was used clothing, which accounted for 51 percent of total U.S. textile and apparel. Used clothing from the United States is perceived as stylish and higher quality and therefore often outsells apparel produced in domestic apparel facilities.[19] Other leading U.S. exports to SSA include woven fabrics of synthetic filament; pile fabrics; various made-up textile articles; and knitted or crocheted fabrics.
- Since 1992, South Africa has been implementing a significant 12-year tariff reduction program for textiles and apparel. Textile tariffs are being reduced from 100 percent to 45 percent on clothing, from 50 percent to 25 percent on fabrics, from 35 percent to 17.5 percent on yarn, from 15 percent to 10 percent on fibers, and from 60 percent to 30 percent on household textiles.

INVESTMENT[20]

Major SSA sector investment policy developments

Country/region	Development
Mauritius	Adopted new investment promotion act in December 2000 to streamline legal framework and enhance investment promotion and facilitation.[21]
Madagascar	Until early 2002, the textile and apparel industry had grown steadily since the establishment and expansion of export processing zones (EPZs) that had begun 1990. The EPZs have offered several investment incentives, boosted textile and apparel manufacturing.
Lesotho	Following political unrest in the late 1990s, the Government introduced incentives to attract foreign investors (principally from Taiwan, South Korea and South Africa) to the local economy. Generally FDI is concentrated in the manufacturing sector.
South Africa	The South African government actively seeks foreign investment and conducts investment promotion efforts to attract U.S. investment in its textiles, apparel, and other priority industries. Policies to boost investment include allowing foreign investors 100 percent ownership, eliminating most foreign exchange controls, and permitting foreign firms to be eligible for export incentive programs, tax allowances, and other trade regulations.[22]

Major Investments

- Although most FDI in Mauritius has been concentrated in low-skill manufacturing activities in the EPZs, such as textiles and apparel, FDI in these zones totaled only $300,000 in 2000. AGOA has reportedly prompted several apparel companies to open regional buying offices in Mauritius: Mast Industries Ltd. (subsidiary of the Limited), the Gap, Eddie Bauer, and William E. Connor. Also, American & Efird Inc. began its operations of a joint venture thread dyeing plant. Country sources report that AGOA is encouraging foreign investment by firms in China, India, and Italy to construct cotton spinning mills.[23] Shanxi Tianli Enterprises Ltd. of China began construction of a $60 million cotton yarn-spinning mill in Mauritius in early 2002.[24]
- Major known U.S. investors in South Africa reportedly include Levi Strauss and Sara Lee.[25] Since AGOA was implemented, U.S. apparel buyers pursuing business in South Africa include Victoria's Secret, the Gap, Nordstrom's, J.C. Penney, and Wal-Mart.[26]
- FDI investment in Lesotho is primarily concentrated in the manufacturing sector which includes textiles and apparel production. As in many SSA countries, Asian investors (Chinese, Taiwanese and South Korean) as well as investors from South Africa dominate FDI in Lesotho. Chinese-owned operations reportedly have been the principal suppliers to the U.S. market.[27] Several Taiwanese garment producers have opened large factories to take advantage of AGOA.[28] Currently, there are no known significant U.S. textile investors in Lesotho.[29]

Investment Issues

- Political instability in several SSA countries, such Madagascar[30] and Côte d'Ivoire, have disrupted textile operations and led to some plant closures and could discourage new foreign direct investment.

Multilateral Lending

- In 2001, the International Finance Corporation approved a $27 million project and a loan of up to $8.5 million to modernize the manufacturing equipment, capacity, and facilities of Cotona, the largest vertically integrated textile manufacturer in Madagascar.[31]

ENDNOTES

[1] This sector includes Harmonized System chapters 50, 53-63, and parts of chapters 51 and 52.

[2] Niki Tait, "Prospects for the Textile and Clothing Industry in Madagascar," *Textile Outlook International,* March-April 2002, p. 131.

[3] Trade and Investment South Africa, "Trade and Investment in South Africa: the South African Textile and Clothing Industry," found at Internet address *http://www.isa.org.za/textile/sa_textile.asp*, retrieved Mar. 18, 2002.

[4] Nazeem Sterras, "Industry Sector Analysis: Textile and Apparel Industry-South Africa," Tradeport, September 1998, found at Internet address *http://www.tradeport.org/ts/countries/safrica/isa/isar0016.html*, retrieved Apr. 2, 2002.

[5] USDA, FAS, "The Kenya Cotton Industry–2001," *Gain Report* #KE1006, Oct. 29, 2001, p .2.

[6] U.S. Department of State telegram, "Without Assistance to Local Textile Producers, Kenyan Garment Exports Will Lose Comparative Advantage," message reference No. 4307, June 6, 2002, prepared by U.S. Embassy, Nairobi.

[7] Anton Galli, "Textiles in Africa: Depressed But Not Without Hope," *Textile Asia*, April 2001, p. 41.

[8] In 2002, however, the political crisis in Madagascar reportedly forced some Mauritian companies to partly relocate some of the operations they had established in Madagascar back to Mauritius. See Emerging Textiles.com, "Mauritius Intends to Become a Regional Hub," found at Internet address *http://www.emergingtextiles.com*, Apr. 4, 2002, retrieved June 26, 2002.

[9] *Textile Outlook International*, "AGOA: A Flash in the Pan? Or a Real Opportunity for Economic Development in Sub-Saharan Africa?", March-April 2002, p. 3; U.S. Department of State telegram, "Madagascar Election: The Economic Impact of Civil Protests," message No. 346, prepared by U.S. Embassy, Antananarivo; and Emerging Textiles.com, "Madagascar's Crisis Nearing End," found at Internet address *http://www.emergingtextiles.com*, June 14, 2002, retrieved July 8, 2002.

[10] Tait, "Prospects for the Textile and Clothing Industry in Madagascar," p. 145 and Anton Galli, "Textiles in Africa: Depressed, But Not Without Hope," *Textile Asia*, Apr. 2001, p. 41.

[11] International Textile Manufacturers Federation, "South Africa," *Country Statements 2000*, September 2000, p. 20.

[12] Peter Steele, "AGOA: New Opportunities for the Textile and Clothing Industries in Sub-Saharan Africa," *Textile Outlook International,* March-April 2002, p. 99.

[13] Scott Malone, "Uganda Aims to Boost Apparel," *Women's Wear Daily,* May 13, 2002, p. 10; and TextileWeb, "Ugandan President Discusses with Textiles Companies on Strategies of Development," found at Internet address *http://www.textileweb.com/content/news/article.asp?docid={c151f686-7489-11d6-a789-00d0b7694f32}*, retrieved June 6, 2002.

[14] Helene Cooper, "Can African Nations Use Duty-Free Deal to Revamp Economy?" *Wall Street Journal,* Jan. 2, 2002, p. A1; and Tait, "Prospects for the Textile and Clothing Industry in Madagascar," p. 140.

[15] Tait, "Prospects for the Textile and Clothing Industry in Madagascar," p.141.

[16] The AGOA defines a lesser-developed SSA country as one that had a per capita gross national product of less than $1,500 in 1998 as measured by the World Bank.

[17] Although Botswana and Namibia do not qualify as lesser developed countries, because they do not have fabric-making capacity, they were included in the list of SSA countries eligible to use third-country fabrics for a limited period to aid in the development of their textile and apparel industries.

[18] Mauritius and South Africa do not qualify for lesser developed beneficiary SSA country status and must use SSA or U.S. materials to qualify for quota- and duty-free access to the U.S. market. Lesser developed SSA countries however, can use third-country fabrics from any source they choose. Most third-country fabrics are imported from Asian suppliers.

[19] Jon Jeter, "The Dumping Ground: As Zambia Courts Western Markets, Used Goods Arrive at a Heavy Price," *Washington Post*, Apr. 22, 2002, p. A1.

[20] Data on U.S. foreign direct investment position in the SSA textiles and apparel sector are not available.

[21] U.S. Department of State telegram, "Mauritius: 2001 Investment Climate Statement," message reference No. 871, July 27, 2001, prepared by U.S. Embassy, Port Louis.

[22] U.S. Department of State telegram, "Investment Climate Statement for South Africa FY 2001," message reference No. 4068, July 16, 2001, prepared by U.S. Embassy, Pretoria.

[23] U.S. Department of State telegram, "Mauritius: 2001 Investment Climate Statement."

[24] U.S. Department of State telegram, "Updated Information for Use in 2002 President's Report on AGOA," message reference No. 451, Apr. 17, 2002, prepared by U.S. Embassy, Port Louis.

[25] U.S. Department of State telegram, "Investment Climate for South Africa - FY 2001."

[26] U.S. Department of State telegram, "Scenesetter for USTR Zoellick: AGOA is working in South Africa," message reference No. 772, prepared by U.S. Embassy, Pretoria, Apr. 12, 2002.

[27] Steele, "AGOA: New Opportunities for the Textile and Clothing Industries in Sub-Saharan Africa," p. 99.

[28] Angela Mackay, "Africa Woos Far Eastern Fashion Factories," *Sunday Business,* Sep. 23, 2001.

[29] U.S. Department of State telegram, "Lesotho Investment Climate Statement 2002," message reference No. 407, June 13, 2002, prepared by U.S. Embassy, Maseru.

[30] U.S. Department of State telegram, "Madagascar Election: The Economic Impact of Civil Protests," message reference No. 346, prepared by U.S. Embassy Antananarivo, Feb. 8, 2002.

[31] International Finance Corporation, "Summary of Project Information - Project Cotona III - Project number 8660," found at Internet address *http://wbln0018.worldbank.org/IFCExt/spiwebsite1.nsf/ff6b5ca54705f90f85256c55004c6db3/ef997ef3f4f9724585256a3b007c6f39?OpenDocument*, retrieved July 3, 2002.

CHAPTER 6
Country Profiles

This chapter presents economic data on the 48 countries of SSA. It consists of four sections. The first section briefly discusses the region, broadly comparing countries and identifying common factors. The second section discusses the tariff structure of SSA countries. The third section consists of technical notes regarding data and information sources. The last section consists of the 48 country profiles.

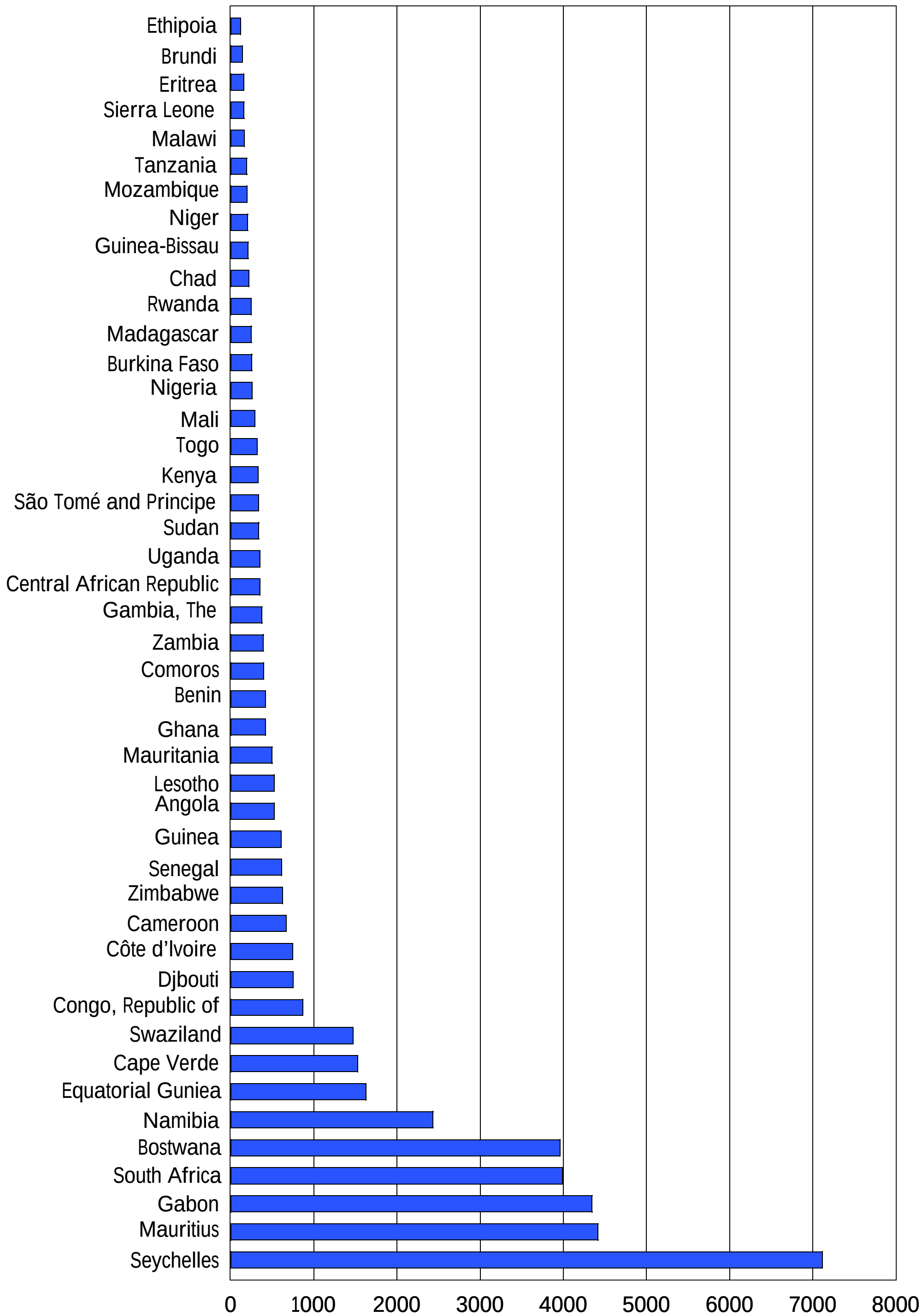
Regional Overview[1]

SSA still faces a number of barriers to achieving sustained economic growth. In general, Africa's share of world FDI has fallen in the last two decades; foreign aid levels have subsided; and most commodity prices (SSA's primary exports) have declined substantially, deteriorating its terms of trade. The estimated 6 percent annual real growth rate necessary to achieve significant poverty reduction and sustainable development continues to elude the region.[2] Despite these barriers, SSA generally experienced a relatively strong 4.3 percent GDP growth rate in 2001. Africa's relatively strong economic growth in 2001 was in part because of robust agricultural growth in East Africa, cessation of some conflicts, and better macroeconomic management.[3] There were, however, significant disparities in growth ranging from exceptional growth in petroleum-rich Equatorial Guinea (65 percent) to negative growth in Zimbabwe (-7.5 percent).[4] Total GDP for SSA was $323 billion in 2000, a 1 percent increase ($3.3 billion) over 1999.[5] Total GDP fell to $167 billion, a 48 percent decrease from the total SSA figure, when South Africa and Nigeria were excluded. The average real GDP per capita in 2000 was $984 (figure 6-1).[6] The top ranking countries were Seychelles, Mauritius, Gabon, South Africa, and Botswana. The countries with the lowest per capita GDP were Ethiopia, Burundi, Eritrea, Sierra Leone, and Malawi. A total of 36 countries, or 80 percent, ranked below the region's average per capita GDP.

External debt levels remain high for many SSA countries. One indicator of the relative burden of debt levels on SSA countries is the debt-to-GDP ratio. Namibia, Botswana,

[1] Data for tables and figures in this introductory section are from the World Bank, *African Development Indicators 2002* unless otherwise indicated.
[2] United Nations, *Economic Development in Africa,* (New York and Geneva: 2001).
[3] United Nations Economic Commission for Africa, *Economic Report on Africa 2002* (Ethiopia, 2002), passim.
[4] Ibid.
[5] World Bank, *African Development Indicators 2002* (Washington, DC: 2002).
[6] Ibid.

Figure 6-1
Real Per Capita GDP, 2000 (constant 1995 US$)



Note.—Due to lack of data, DROC, Liberia, and Somalia have not been included.

Source: World Bank, *African Development Indicators, 2002.*

South Africa, Swaziland, and Eritrea have relatively low debt-to-GDP ratios of less than 0.21. São Tomé & Principe, Guinea-Bissau, the Republic of the Congo, Mozambique, and Zambia ranked as the countries with the highest debt-to-GDP ratios with ratios exceeding 1.7 (figure 6-2). Another factor further exacerbating the debt burden was the declining levels of aid to SSA. For example, aid to the continent fell from $28.6 billion in 1990 to $16.4 billion in 2000.[7]

While the value of world trade has tripled in the last two decades, the value of SSA's world trade has increased by only 10 percent.[8] One factor was SSA's continued heavy reliance on exports of primary commodities, such as coffee, tea, copper, and cocoa, many of which have been experiencing declining international prices. Madagascar, Mauritius, Senegal, Sierra Leone, and the countries of the Southern African Customs Union (primarily South Africa and Lesotho) rank among the few SSA countries to have successfully diversified (table 6-1).[9] As mentioned, many sub-Saharan countries experienced low levels of investment. Although global FDI increased 18 percent in 2000, FDI inflows to Africa have fallen, bringing the continent's share of world FDI to less than 1 percent.[10] Privatization, a primary vehicle for investment, also experienced a decline. While previous years have seen the privatization of relatively politically easy parastatals, many countries are encountering the more politically difficult privatizations that have provoked resistance from trade unions and the general public. In addition, many of the remaining companies are deep in debt, compete with some companies that remain heavily state controlled, or operate in sectors where government price controls still prevail, thereby inhibiting new investment.[11] The African Trade Insurance Agency was launched in August 2001 to provide political risk insurance, to promote trade, and, more broadly, to improve the investment climate.[12] A concern for SSA is the HIV/AIDS pandemic and its impact on the labor force and SSA economic development. HIV/AIDS has a significant adverse impact on life expectancy and labor productivity. One health writer pointed out that although the epidemic's effects varied by African country, by the end of 2000, 25.3 million people were infected in SSA. This included 3.8 million new infections in 2000 and an average HIV rate of 8.8 percent throughout Africa.[13] According to officials of UNAIDS and the World Health Organization, by 2010 some of the more severely affected countries could experience an 8 percent drop in per capita GDP due to the effects of AIDS and HIV.[14]

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[7] United Nations, *Independent evaluation of the implementation of the United Nations New Agenda for the Development of Africa* (New York: June 2002).

[8] John Murphey, "Africa Strives to Sell to Others," *Baltimore Sun*, June 10, 2002.

[9] *Economist Intelligence Unit*, "Commodities – Primary Mover?"July 18, 2002.

[10] Stephen Williams, "Slump in African FDI," *African Business*, January 2002.

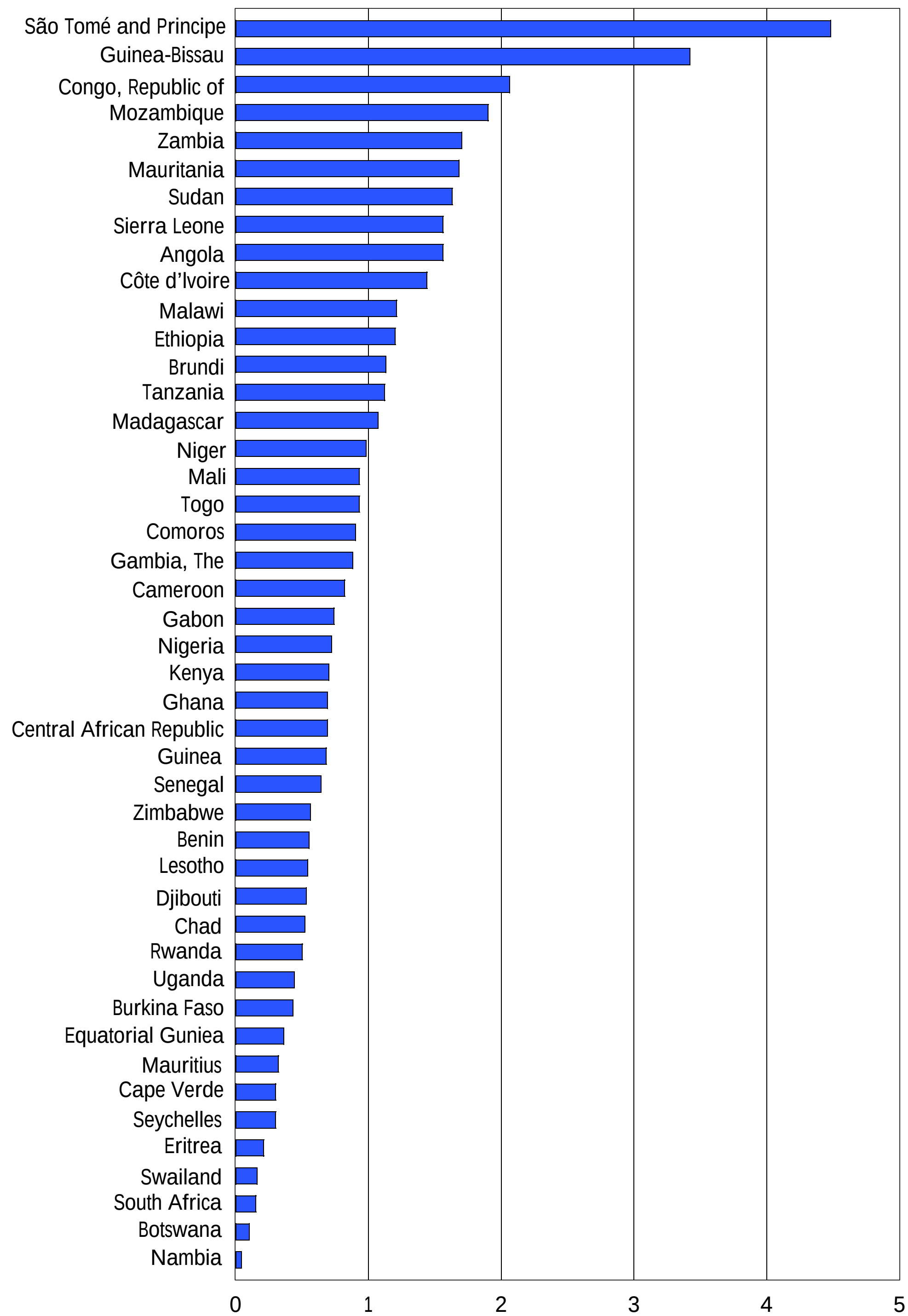
[11] Neil Ford, "Privatization in Africa," *African Business*, May 2002.

[12] UNCTAD, *World Investment Report 2001*, (Geneva: 2002).

[13] Jeff Gow, "The HIV/AIDS Epidemic in Africa," *Health Affairs* May/June 2002.

[14] UNAIDS and WHO, *AIDs Epidemic Update - December 2001*, (Geneva: 2001).

Figure 6-2
Debt-to-GDP Ratio, 2000



Note.—Due to lack of data, DROC, Liberia, and Somalia have not been included.

Source: World Bank, *African Development Indictors*, 2002 and *USITC* analysis.

Table 6-1
Share dependance on exports of primary products, selected sub-Saharan African countries, 1998-2000

Percent

Country	
Angola	100
Zambia	100
Nigeria	99
Democratic Republic of the Congo	96
Gabon	96
Uganda	92
Cameroon	90
Côte d'Ivoire	81
Tanzania	79
Kenya	77
Zimbabwe	72
Ghana	68
Senegal	45
SACU	37
Madagascar	28
Mauritius	24
Sierra Leone	16

Source: EIU, "Commodities – Primary Mover?" July 18, 2002.

Tariff Structure

Most of the governments in SSA are WTO Members or are involved as WTO observers.[15] Thirty-eight governments in SSA are WTO Members, while three others have established accession working parties,[16] and others have requested observer status without as yet electing to accede to the WTO (table 6-2).[17]

Despite their WTO participation, accurate tariff information for SSA is scarce. In the situations where tariff data for sub-Saharan countries are available, the information can be spotty, inconsistent, and nontransparent. When a picture does emerge of African tariff regimes, it generally indicates high tariffs that are likely to hinder, rather than facilitate, trade. Common among WTO schedules and other tariff information available are high to prohibitive tariffs (e.g., tariffs averaging from 35 to 100 percent), as well as extra import charges, taxes, or fees that do not promote a transparent trade environment that, in turn, could facilitate expanded trade.

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[15] The following 10 governments of SSA are not WTO Members: Cape Verde, Comoros, Eritrea, Ethiopia, Equatorial Guinea, Liberia, São Tomé and Principe, Seychelles, Somalia, and Sudan.

[16] WTO accession working parties were established for the following SSA countries: Cape Verde (July 2000), Seychelles (May 1995), and Sudan (November 1994).

[17] The following SSA countries have requested WTO observership: Ethiopia (October 1997), Equatorial Guinea (March 2002), Liberia (June 2000), and São Tomé and Principe (January 2001). Countries with established WTO accession working parties also enjoy observership status, namely, Cape Verde, Seychelles, and Sudan. See WTO, WT/ACC/11/Rev. 1 (09.vii.02.), WT/L/448 (03.iv.02.), WT/L/357 (15.vi.00.), WT/L/389 (25.i.01.)

Table 6-2
Sub-Saharan Africa Tariff Averages

Country	Agricultural	Industrial	Agricultural and Industrial
WTO members:			
Angola	13.3	80.0	([1])
Benin	([1])	([1])	11.0
Botswana	8.0	8.6	8.5
Burkina Faso	25.9	23.5	([1])
Burundi	([1])	([1])	7.4
Cameroon	21.1	18.0	([1])
Central African Republic	21.1	17.4	([1])
Chad	15.9	15.6	([1])
Congo, Democratic Republic	19.5	20.0	([1])
Congo, Republic	17.8	17.5	([1])
Côte d'Ivoire	19.7	18.8	([1])
Djibouti	22.5	32.0	([1])
Gabon	23.5	17.2	([1])
Gambia	([1])	([1])	13.6
Ghana	20.2	13.8	([1])
Guinea	([1])	([1])	16.4
Guinea-Bissau	40.0	50.0	([1])
Kenya	20.6	16.5	([1])
Lesotho	8.0	8.6	8.5
Madagascar	5.6	6.0	([1])
Malawi	17.5	15.5	([1])
Mali	16.1	10.4	([1])
Mauritania	([1])	([1])	20.3
Mauritius	21.7	19.2	([1])
Mozambique	19.9	16.2	([1])
Namibia	8.0	8.6	8.5
Niger	([1])	([1])	18.3
Nigeria	29.5	20.2	21.8
Rwanda	37.8	27.5	34.8
Senegal	([1])	([1])	12.3
Sierra Leone	([1])	([1])	21.0
South Africa	8.0	8.6	8.5
Swaziland	8.0	8.6	8.5
Tanzania	17.1	18.0	([1])
Togo	13.6	13.3	([1])
Uganda	12.2	8.5	([1])
Zambia	17.1	14.4	([1])
Zimbabwe	27.7	17.3	([1])
WTO Average	18.6	19.0	14.6
Non-WTO members:			
Cape Verde	([1])	([1])	20.0
Comoros	([1])	([1])	([1])
Eritrea	([1])	([1])	([1])
Ethiopia	37.1	31.7	([1])
Guinea, Equ.	21.1	18.4	([1])
Liberia	([1])	([1])	([1])
São Tomé	([1])	([1])	([1])
Seychelles	([1])	([1])	([1])
Somalia	([1])	([1])	23.2
Sudan	12.4	4.7	([1])
Non-WTO average	23.5	18.3	21.6
All sub-Saharan Africa	21.0	18.6	18.1

1 Not available.

Note.–Simple average tariff data for sub-Saharan Africa is reported by separate agricultural and industrial sectors where available, or by a single combined average tariff or if more current. Because of the scarcity of tariff data for sub-Saharan Africa, the data reflect tariff rates reported for various years from 1993 to 2001 and the data reflect a mix of applied and bound tariff rates.

Source: Compiled by USITC from data of the WTO and World Bank.

Tariff Data, Availability, and Comparability

The tariff information available for SSA and used in this report comes primarily from sources such as the WTO, UNCTAD, and the World Bank. These data include the–

- WTO, Results of the Uruguay Round, CD-ROM;
- WTO Trade Policy Reviews (CD-ROM and from the WTO website at *www.wto.org*);
- WTO Integrated Data Base (CD-ROM, version 4);
- UNCTAD TRAINS for Windows database CD-ROM;[18] and
- World Bank, *World Development Indicators 2002*.

The coverage of different SSA countries varies among these sources, but no one source covers all 48 countries. The WTO database of the Uruguay Round results covers 38 countries–the broadest coverage–whereas the UNCTAD TRAINS disc covers 16 countries, and the World Bank website covers 11, with some overlap involved among all three sources.

Comparability also varies among these sources. The tariff information from WTO national schedules of concessions typically represents the maximum tariff that a government agrees can be levied legally–in effect a tariff rate ceiling for each product category.

Bound tariff rates can contrast sharply with applied tariff rates typically published in national tariff schedules. Although the bound rate is the maximum possible tariff charge that can legally be levied under the GATT on an import, the applied rate is the standard tariff charge commonly levied on an import in daily commerce.

Although the bound tariff rate and the applied tariff rate for an imported article can be the same or approximately so (i.e. the applied rate may be equal or near the bound rate), the two rates could differ significantly in situations where a government has agreed during negotiations only to a bound rate that is greater than the applied tariff rate typically charged. Thus, obtaining a tariff binding may be an initial goal of negotiators, whereas obtaining a tariff binding at a lower applied tariff rate may prove a subsequent goal.

A bound tariff rate higher than the applied rate permits a government to raise tariff rates above the applied tariff rate as an instrument of trade policy without the required payment of trade compensation that would otherwise be due under WTO multilateral trade rules to a trading partner whose exporters are suddenly confronted with additional tariff duties. A large difference between standard applied tariff rates and higher bound tariff rates might act as a brake on expanding trade if it suggests to traders an unpredictable tariff policy.

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[18] TRAINS is the acronym for the Trade Analysis Information System.

Commitments in the WTO schedules are being phased in over various implementation periods, and so may not be the tariff rate currently imposed on a product. Market-access commitments for most industrial products (HS chapters 25 to 97) were phased in with five equal-increment reductions starting on the Jan. 1, 1995, establishment of the World Trade Organization, and the final rates were to enter into effect at the start of 1999.

However, market-access commitments for agricultural products (HS chapters 1 to 24) were to be phased in over implementation periods that varied by a WTO Member's level of economic development:[19]

- Developed country WTO Members had 6 years to phase-in their agriculture commitments;
- Developing country WTO Members had 10 years to phase-in their agriculture commitments; and
- Least developed country WTO Members were not required to make agricultural market-access commitments.

Consequently, although developed country agriculture commitments were to be in place at the start of 2000, developing countries have until 2004 to finish phasing in their agricultural market-access commitments. Moreover, least developed countries–the status for much of SSA–were not required to make agricultural market-access commitments in the Uruguay Round.

In contrast to most WTO tariff data publically available, the tariff information from the UNCTAD database and World Bank sources appears to be based largely on applied tariff rates. Thus, the WTO schedules cover the widest array of sub-Saharan countries, but reflect a higher average tariff rate (comprising bound rates) in their coverage, compared to calculations derived from national tariff schedules where applied tariff rates are shown. In addition, the version or year of a tariff schedule may affect the utility of available tariff information as well. For example, South African tariff schedules for 1997, 1998, 1999, or other years may all be available, which will affect in turn the five countries that are party to the Southern African Customs Union, depending on which schedule is selected.

Other tariff information is available but only adds to the mixture in terms of data comparability. The WTO Integrated Data Base PC CD-ROM (revision 4) provides tariff information for a very few SSA countries (Madagascar, Mali, and Togo), but typically provides applied tariff rates.

In March 2002, the WTO revised its listing entitled "Tariff Information Available in the Secretariat."[20] It updates the list of available tariffs and their latest modifications as of

[19] WTO, "Tariff Information Available in the Secretariat," revision, G/MA/TAR/3/Rev.7, Mar. 1, 2002.

[20] To some extent, implementation dates also varied.

Mar. 1, 2002. It is drawn from three sources: national editions of the customs tariffs, publications of the International Customs Bureau in Brussels, Belgium; and the German *Bundestelle fuer Aussenhandelsinformation* (BFAI). The list indicates that, although many SSA governments have some tariff schedules on file in Geneva with the WTO Secretariat, the WTO has no tariff information available for WTO members Burundi, Djibouti, Gambia, and Rwanda; for non-WTO members Cape Verde, Eritrea, Ethiopia, Equatorial Guinea, Liberia, São Tomé and Principe, and Somalia; nor for a number of regional trade arrangements such as COMESA, SADC, and WAEMU.

Glossary and Definitions

Definitions used in table 6-2 and this tariff structure section include the following:

- Agriculture tariff averages are a simple average of rates for HS chapters 1 to 24.
- Manufactures tariff averages are a simple average of rates for HS chapters 25 to 97.
- The terms “manufactures,” “industrial tariffs,” and “nonagricultural tariffs” are interchangeable, referring to goods or rates for HS chapters 25 to 97 in aggregate.
- The term “charge” indicates the “Other Duties and Charges” column in WTO national schedules, encompassing both normal and special levies.
- ICB tariff schedules indicate those from the International Customs Bureau (Brussels, Belgium).
- BFAI tariff schedules indicate those from the German Bundesstelle fur Aussenhandelsinformation.
- The term “schedule anomaly” indicates that a national schedule entry was corrected for apparent errors.

Technical Notes and Data Sources

Attempts have been made to provide standard and consistently defined measures for each country profile, but because of statistical methods and data limitations, coverage, practices, and information may differ, both among the 48 countries and among different sources. Consequently, full comparability cannot be assured. The data are drawn from sources thought to be the most authoritative and most recent. As statistical systems in many countries remain weak and government data publication can be significantly delayed, availability and reliability can be compromised. To facilitate cross-country comparisons, values of many national series have been converted from the national currencies to U.S. dollars, using the World Bank Atlas methodology.[21] Data series expressed in constant U.S. dollars and exchange rates use a base year of 1995. Most group averages are weighted according to the relative importance of the countries in the group total where appropriate, and shares and ratios are calculated using current price series.[22] "MR" indicates "most recent year available." "NA" indicates "not available." Some data based on estimates in previous editions have been updated or replaced with actual data or improved estimates.[23] In situations where official exchange rates diverge by an exceptional margin from the rate effectively applied to international transactions and a more appropriate conversion factor is estimated, the dollar value of GDP may not equal the local currency GDP value multiplied by the exchange rate. Referenced information throughout the text is primarily drawn from sources including *African Business* (London), *World Trade*, *Associated Press*, *Agence France Presse*, Corporate Council on Africa's *Africa 2002 Report*, and *The Economist Intelligence Unit* country reports. Discussions relied on these sources, as well as the U.S. Department of State, the World Bank, and the International Monetary Fund. Text references to the "formal" sector indicate activity that is linked to official administrative entities (such as through tax collection); and text references to the "informal" sector indicate activity primarily unmonitored by administrative entities (such as cash payments to employees). All country profile text discussions represent reported information from the just-referenced sources, and are not Commission opinion or assessment. Statistical data for the 48 countries were sourced from the most recent data available from the *Economist Intelligence Unit* as of June 2002 (economic and world trade indicators),[24] World Bank Africa Database (net FDI),[25] and the U.S. Department of Commerce (U.S.-SSA trade data).[26] Some countries' "Composition of GDP" charts are divided into primary, secondary, and tertiary sectors. These are defined as: primary – agriculture, fisheries, mining, and quarrying; secondary – manufacturing, construction, electricity, water, and other utilities; and tertiary – primarily service activities, such as retail, financial, real estate, and government services.

Profiles of 48 sub-Saharan African Countries

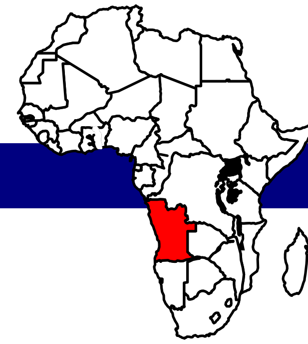
Each country profile contains Economic, Trade, and Investment and Privatization sections. Each section combines a tabular or graphical summation of related key

[21] World Bank, *African Development Indicators 2002*, Washington, DC, p. 2.
[22] Ibid., p. 2 and 3.
[23] Ibid., p. 2.
[24] *Economist Intelligence Unit*, various Country Economic Structure profiles, 2001. EIU data include both official government data and EIU estimates when official source information is unavailable.
[25] World Bank, *African Development Indicators 2002* (drawn from World Bank Africa Database).
[26] Compiled from official statistics of the U.S. Department of Commerce.
[27] For historical information, see previous editions of this report (USITC, *U.S. Trade and Investment with Sub-Saharan Africa*, Investigation No. 332-415, publication 3371 and 3476).

economic indicators or information with a brief discussion of the topic with emphasis on the last 12 months.[27] Because of the close link between investment levels and privatization efforts for many SSA countries, this edition has combined these two previously separate sections. Where available, information on the climate for services was included as part of the trade profile discussion.[28]

[28] See other chapters of this publication for more in-depth discussions of trade, investment, multilateral and bilateral assistance, and regional organizations.

ANGOLA

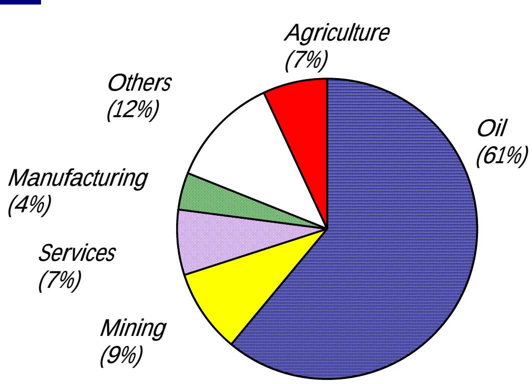


Economic Overview

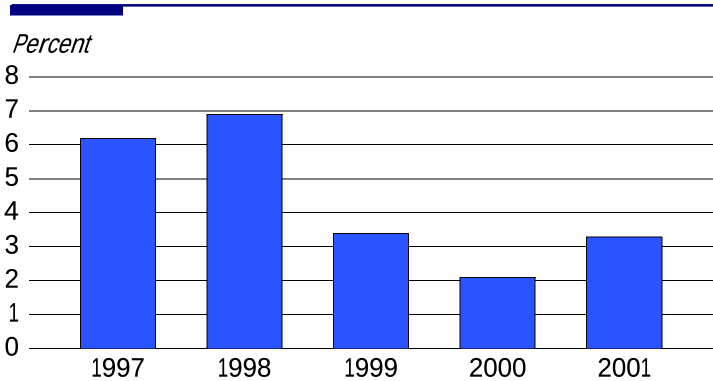
Economic Indicators

	2000	2001	Difference
GDP (nominal, Kz bn)	40.1	89.6	49.5
GDP (US$ bn)	4	4.1	0.1
CPI Inflation (annual average; %)	325.3	115	-210.3
Goods Exports (US$ mn)	8,090	6,910	-1,180.0
Goods Imports (US$ mn)	2,469.9	2,667.4	197.5
Trade Balance (US$ mn)	5,620.1	4,242.6	-1,377.5
Current Account Balance (US$ mn)	-109.9	-497	-387.1
Foreign Exchange Reserves (US$ mn)	1,198.2	732	-466.2
Total External Debt (US$ bn)	10.6	10.6	0.0
Debt Service Ratio, paid (%)	16.9	18	1.1
Exchange Rate (Kz/US$)	10	22.1	12.1

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Angola has substantial natural resources, such as petroleum, which contribute significantly to GDP.[1] Angola also has reserves of natural gas and diamonds, as well as hydroelectric potential. Manufacturing and agriculture, which employ most of the population, contribute modestly to GDP. Civil unrest and political uncertainty, however, have severely impacted economic growth. In recent months, however, Angola has experienced increased stability that is more conducive to economic growth.

Fiscal and monetary policies have resulted in high inflation and low GDP growth. With one the highest inflation rates in SSA, Angola has experienced unabated price increases driven by a loose monetary policy. In an effort to halt hyperinflation, Angola has remonetized four times since its independence in 1975. Monetary and fiscal discipline remain poor despite an April 2000 IMF agreement. The central bank continues to intervene in support of the kwanza.

At the end of 2001, the IMF reviewed economic performance and policies as well as the lapse of the staff-monitored program. The IMF conducted a partial audit of the petroleum sector. In addition, it recommended greater fiscal and financial transparency, a reduction in off-budget expenditure, and increased spending on health and education. Although a number of the goals have been attained, reform is behind schedule. Angola missed its 2001 year-end targets established by the IMF, which were necessary for loan restructuring. In addition, efforts to draft a PRSP have encountered obstacles.

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[1] Due to delays in official statistics resulting in analyst and government estimates, the significant role of the petroleum sector, and different measurement terms for trade and GDP data, trade balance may exceed GDP.

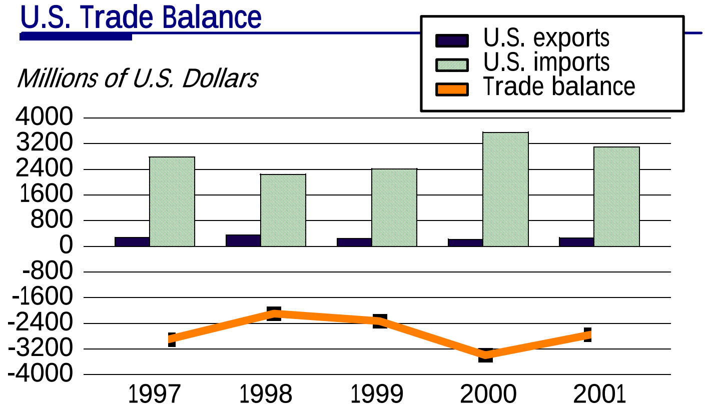
Main Trade Partners, percent of total, 1998

Markets		*Sources*	
United States	49.4%	Portugal	15.9%
China	13.9%	United States	10.3%
Belgium/ Luxembourg	7.8%	South Africa	10.2%
France	5.1%	France	5.6%

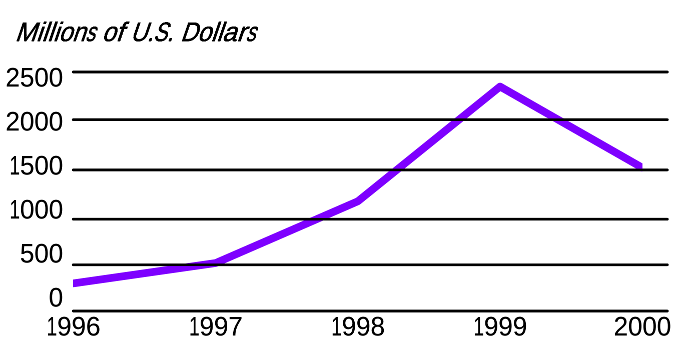
Main Trade Commodities, US$ million

Exports 1999		*Imports 1996*	
Crude Oil	4,305	Consumer goods (excluding food)	712
Diamonds	577	Capital goods	327
Refined petroleum products	75	Intermediate goods	299
Gas	10	Food	295

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Minerals and mining (diamonds)

Trade Profile

Because of civil unrest and the historic government's land policies of confiscating settler farms and establishing inefficient state farms and marketing firms, Angola continues to depend on food imports despite plentiful arable land. Petroleum is the predominant export for the country, making up 95 percent of the export receipts. Angola is the second largest producer of petroleum in SSA. The country also produces smaller quantities of liquefied natural gas and refined petroleum products. Trade diversification continues to be hampered by rail corridors and ports that are in decay. Because of civil unrest, however, the large diamond rich areas are considered to be under-explored.

In 2001, U.S. exports to Angola consisted primarily of machinery and mechanical products; and U.S. imports from Angola consisted primarily of mineral fuels. Angola is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

The operating environment for business is extremely adverse because of a weak regulatory framework and a high cost structure imposed by economic distortions. Consequently, investment outside the energy sector has been hampered by a tenuous legal framework, corruption, civil unrest, weak enforcement of private property rights and contracts, and a devastated infrastructure, including roads and rail systems. Inadequate telecommunication services also contributed to a poor investment environment. Large offshore crude petroleum discoveries and exploration have boosted investments in the petroleum sector. A March 2002 agreement between Angola and the Republic of the Congo resolved their border dispute opening the petroleum sector to further investment. Sonangol, the state-owned petroleum company, has established many joint ventures with foreign companies. In early 2002, Sonangol signed a letter of intent with five petroleum firms (ChevronTexaco, TotalfinaElf, ExxonMobil, British Petroleum, and Norsk Hydro) to invest in liquified natural gas plant production.

Angola's privatization program has been fairly weak, reportedly lacking financing and administrative support. The privatization overseeing body stated in October 2001 that seven state-owned companies were slated for privatization. These included a woodworking company, an oil and soap factory, two biscuit manufacturers, two flour millers, and the Katekero Hotel. As of the end of 2001, however, these state-owned companies had not been sold because of a lack of interested buyers. Privatization of the state bank was a key requirement of the ongoing IMF program, and state officials announced in September 2001 that consultants would be appointed to prepare the sale of 51 percent of the bank. Generally, Angola's privatized companies have not performed well. Plans to divest the telecommunications sector were announced in 2001 and for the banking sector in 2002.

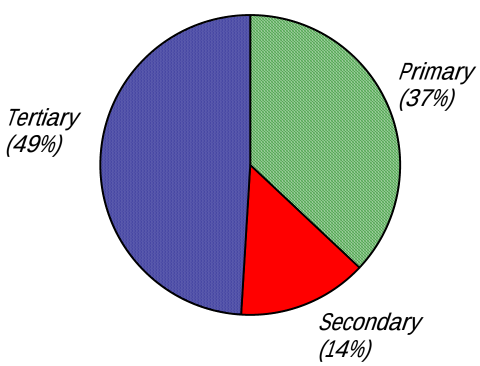
BENIN

Economic Overview

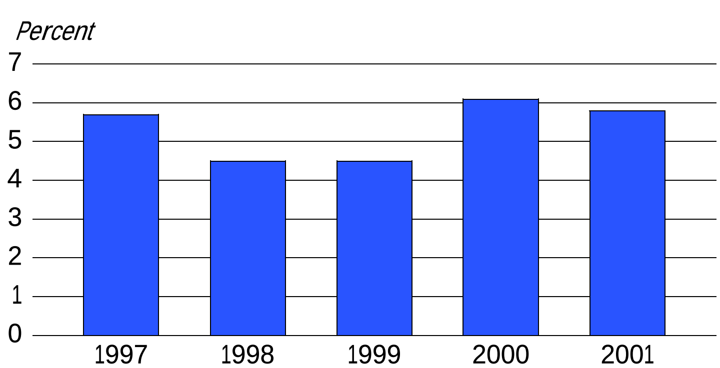
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	1,605.4	1,755.7	150.3
GDP (US$ bn)	2.3	2.4	0.1
CPI Inflation (annual average; %)	4.2	3.3	-0.9
Goods Exports (US$ mn)	186	209	23.0
Goods Imports (US$ mn)	438	455	17.0
Trade Balance (US$ mn)	-252	-246	6.0
Current Account Balance (US$ mn)	-182	-158	24.0
Foreign Exchange Reserves (US$ mn)	458.1	580	121.9
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	712	732.3	20.3

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Despite its endowments of offshore crude petroleum deposits, limestone, marble, and timber, Benin's economy continues to be constrained by its small market size. Benin is heavily dependent on international donor assistance and economic performance is subject to fluctuations in world commodity prices. Historically low international cotton prices dampened potential economic performance. A February 2002 decision to lower gasoline prices led to shortages of gasoline and kerosene. Efforts by Benin's SBEE Electrical Company to link Benin's electrical grid with Nigeria may lessen its use of electricity from Ghana and Côte d'Ivoire, and make supply more reliable. Benin's industrial sector contributed minimally to GDP.

Benin's economic policies during 2001 concentrated on reducing poverty, economic development, enhancing the business environment, improving government financial management, and developing an effective anticorruption regime. In late 2001, the government announced plans to streamline legal and regulatory frameworks to facilitate private sector growth, as well as plans to strengthen the banking system. In 2002, Benin failed to meet some of its budgetary targets to the IMF and World Bank because of strikes and social unrest, high petroleum prices that contributed to higher-than-expected import bills, and depreciation of the CFA franc. Benin successfully met its UEMOA convergence criteria by maintaining a budget deficit below 3 percent. Government public spending, however, kept inflation rates higher in Benin than in the rest of UEMOA.

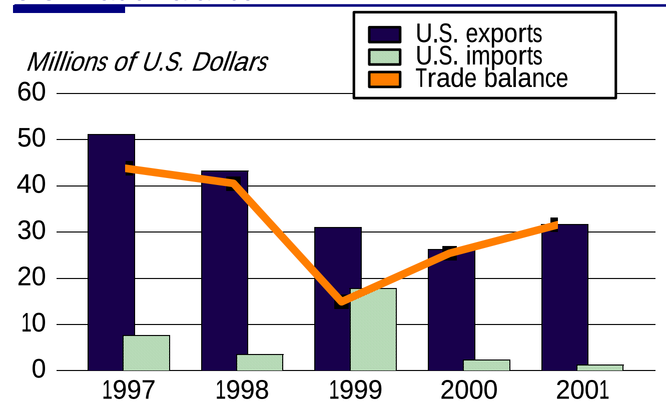
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Italy	17%	France	20%
India	16%	China	11%
Indonesia	11%	Côte d'Ivoire	9%
Thailand	4%	Germany	5%

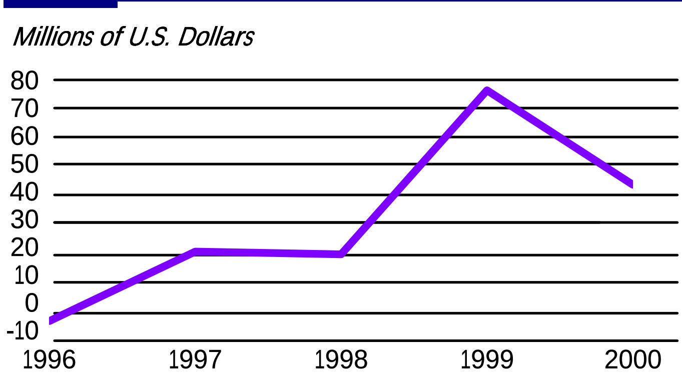
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Cotton and textiles	152	Food	211
		Capital goods	116
		Fuel	153

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Agriculture and forestry
- Minerals and mining
- Petroleum and energy-related products

Trade Profile

Cotton was Benin's principal export sector, representing 90 percent of total official foreign currency earnings and roughly 50 percent of GDP. Low international cotton prices were partly offset by rising reexports to Nigeria, Niger, and Burkina Faso. Benin also has made efforts to improve the performance at the Port of Cotonou to lure transit trade from the Port of Lagos and to promote closer economic ties with Nigeria.

On Apr. 4, 2002, Benin and seven other West African countries signed a Trade and Investment Framework Agreement with the U.S. government. State-owned Sitex (cloth and thread) and Sobetex (printed cloth) ceased exporting to the United States partly because the higher input costs made their products less internationally competitive.

In 2001, U.S. exports to Benin consisted primarily of textiles, machinery and equipment, and iron or steel; and U.S. imports from Benin consisted primarily of live animals and wood. In addition, Benin has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from Benin totaled $178,000 in 2001.

Investment and Privatization Profile

Benin continued plans to establish industrial free-trade zones in each of its 12 departments to attract domestic and international investment. Investors will be provided with tax breaks, as well as preferential access to water, electricity, and telephone services. A Chinese-European shirt and apparel joint venture reportedly may build a factory near Cotonou to benefit from AGOA. Also, a Hong Kong company expressed interest in importing 3,000 sewing machines to assemble apparel for the U.S. market with production valued at $60 million and for the Japanese market with production valued at $50 million.

In late 2001, the government drew up a new timetable for privatization. Changes in the new time line included proposals to increase private participation in the Cotonou port, to continue liberalization of the cotton sector, and to sell state interests in the textile sector. For example, in 2001-02, the government of Benin privatized the cotton parastatal. In January 2002, West Cost Energy (U.S.) announced that it had invested $80 million in Benin to build a 75-to-125-megawatt power plant and a 40 km gas pipeline from the Aje field in Nigeria to Benin. The project is expected to be completed by 2004. In July 2002, the government announced plans to privatize its telephone parastatal, Société Beninoise des Télécommunications (Sobetel). The principal front-runner in the bidding process has been France Télécom. Plans also were announced to restructure SBEE prior to its planned sale in late 2002.

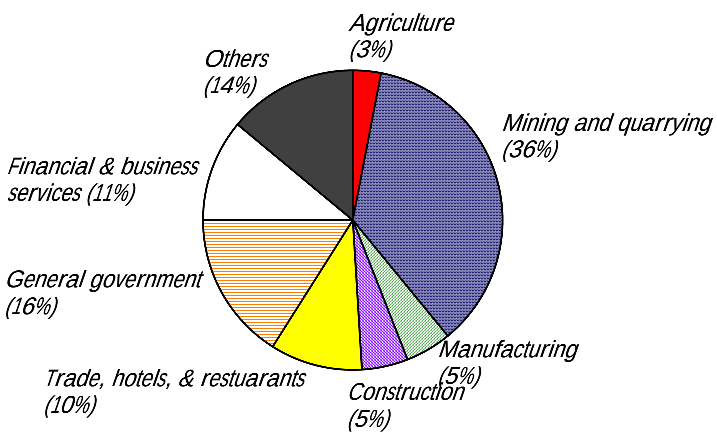
BOTSWANA

Economic Overview

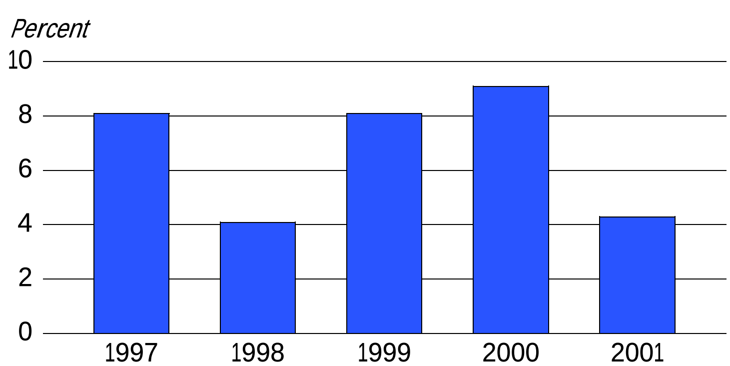
Economic Indicators

	2000	2001	Difference
GDP (nominal, P bn)	28.9	32	3.1
GDP (US$ bn)	5.7	5.6	-0.1
CPI Inflation (annual average; %)	8.5	6.6	-1.9
Goods Exports (US$ mn)	2,736	2,432	-304.0
Goods Imports (US$ mn)	1,780	1,784	4.0
Trade Balance (US$ mn)	956	648	-308.0
Current Account Balance (US$ mn)	677	440	-237.0
Foreign Exchange Reserves (US$ mn)	6.3	6.2	-0.1
Total External Debt (US$ mn)	380	310.5	-69.5
Debt Service Ratio, paid (%)	2.5	2.1	-0.4
Exchange Rate (P/US$)	5.1	5.8	0.7

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Botswana's relatively strong economic growth in 2001was fueled by foreign reserves, low inflation, and a stable government. The economy has seen a growth in the manufacturing, construction, trade, transportation, and services sectors. Diamond mining remains Botswana's largest industry, but accounted for less than 5 percent of total employment in the formal sector. Manufacturing accounted for only about 5 percent of GDP, but employed about 10 percent of those in formal employment. Almost one-half of the total employment in the formal sector is in public enterprises. Botswana remains highly dependant on the agricultural sector for rural sector employment. Economic expansion was hampered, however, by lack of economic diversity, low level of industrialization, and reportedly high HIV prevalence.

The government's economic policies focus on diversifying the economy and increasing employment. In an effort to position itself as an international financial center, the government issued its first sovereign bond in early 2002. The International Financial Services Center project offers tax breaks and other incentives to international financial services firms. Tourism earnings have boosted the services sector as the government has promoted ecotourism at Botswana's unique wetlands, three national parks, and five game reserves. Botswana and Zimbabwe have closely connected tourism sectors, and the government has expressed concern over the influx of Zimbabwean refugees and the potential threat that Zimbabwe's instability poses for Botswana's tourism sector.

The government continued to maintain budget surpluses and high levels of capital spending. Botswana's main sources of government revenue were diamond earnings, income from the common customs pool of the Southern African Customs Union (SACU), and income earned by the central bank on its investment of the country's foreign-exchange reserves. Inflation remained within the single-digit range. The government also continued to encourage open trade policies and foreign direct investment.

Main Trade Partners, percent of total, 1999

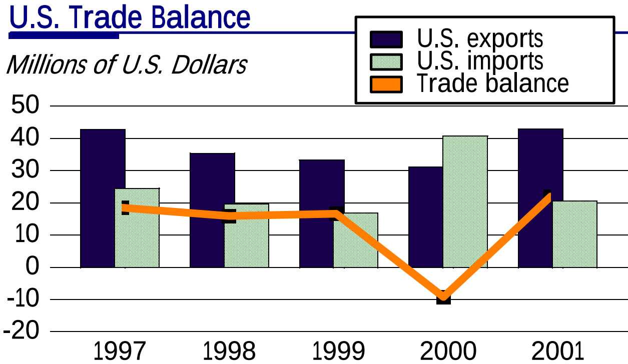
Markets		*Sources*	
EFTA	85%	SACU	77%
SACU	10%	EFTA	9%
Zimbabwe	2%	Zimbabwe	4%

Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Diamonds	2,099	Machinery & electrical	463
Vehicles	144	Food, beverage & tobacco	305
Copper & nickel	121	Vehicles & transport	297
Textiles	54	Chemical & rubber	203

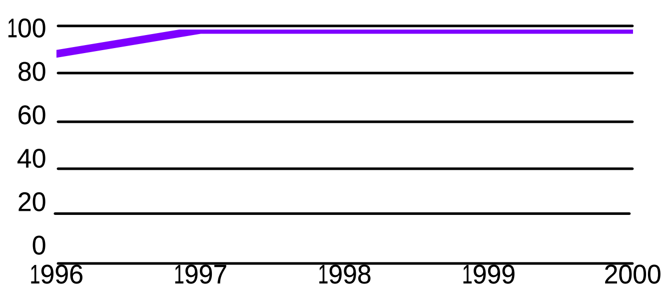
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Minerals and mining (diamonds)
- Tourism
- Vehicle assembly

Trade Profile

Mined products are Botswana's main export. Diamonds, copper-nickel, and soda ash are heavily mined. Diamonds are marketed exclusively by DeBeers' London-based Diamond Trading Company. Botswana is the world's second largest volume producer after Australia and the second largest African mining producer by value. Global diamond demand, however, has fallen, reducing demand for Botswana diamonds. Consequently, Debswana (the joint partnership between DeBeers and the Botswana government) stated that it had no plans to develop potential resources. Botswana has many coal mines, but poor quality and high transportation costs make it an improbable export. Botswana's soda ash and gold exports, however, have increased. A feasibility study was commissioned on developing a new direct line linking Botswana and Zambia, which could facilitate trade and reduce import bills. As of early 2002, five companies in the textile sector had been issued the required documentation to begin exporting to the United States under AGOA.

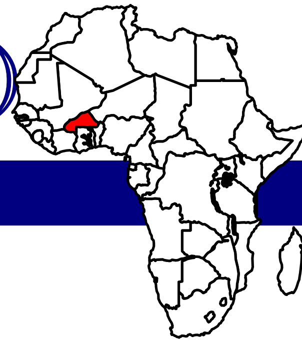
In 2001, U.S. exports to Botswana consisted primarily of aircraft and parts, and machinery and equipment. In 2001, U.S. imports from Botswana consisted primarily of minerals. In addition, Botswana has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Botswana totaled $1.2 million in 2001.

Investment and Privatization Profile

Conditions are generally favorable for foreign investment in Botswana due in large measure to low tax rates, government stability, and a stable monetary policy linked to South Africa. In addition, in 2001, Botswana was ranked 26th out of 91 countries rated by Transparency International, the highest ranking of any surveyed African country. Other factors conducive to investment include a stable electricity supply, as well as well-developed telecommunications, road, and rail networks. There has been an increase in concern over the instability in Zimbabwe, however, and its effect on Botswana.

The government has eliminated subsidies to the electricity, telecommunications, transportation, water, real estate, cattle, and mining sectors in anticipation of privatization. The government continued to encounter difficulty in privatizing its parastatals. In 2001, the Public Enterprise Evaluation and Privatization Agency was established to oversee and accelerate the privatization program. The national airline, Air Botswana, is being prepared for privatization, although the sale date was extended from 2001 to 2002.

BURKINA FASO

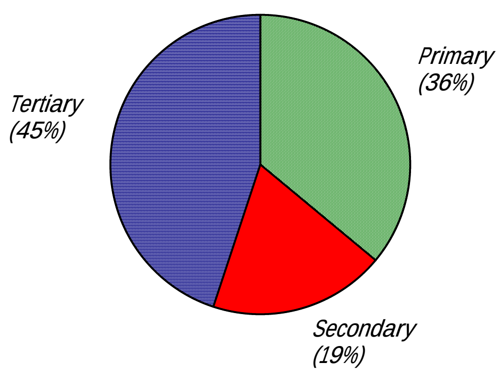


Economic Overview

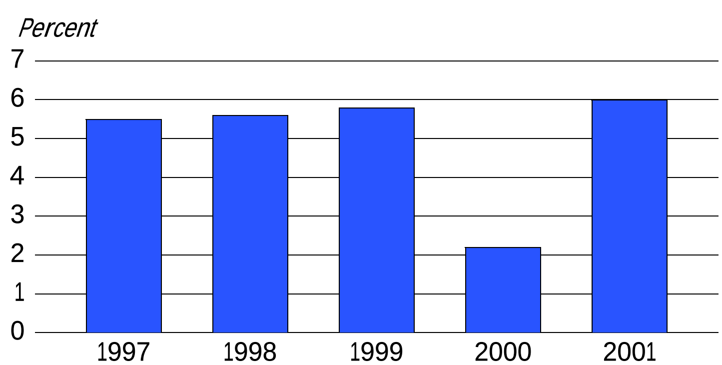
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	1,580	1,740	160.0
GDP (US$ bn)	2.2	2.4	0.2
CPI Inflation (annual average; %)	-0.3	4.9	5.2
Goods Exports (US$ mn)	205.6	241.5	35.9
Goods Imports (US$ mn)	517.6	537.5	19.9
Trade Balance (US$ mn)	-312	-296	16.0
Current Account Balance (US$ mn)	-313.9	-301.5	12.4
Foreign Exchange Reserves (US$ mn)	243.6	244.6	1.0
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Burkina Faso's overall economic performance depends heavily on the cotton sector, but agriculture is prone to inadequate water resources, persistent droughts, and land degradation. Subsistence agriculture employed 90 percent of the population in 2001 and accounted for 40 percent of GDP. Burkina Faso's economy is dominated by cereals for domestic consumption, combined with exports of cotton and limited quantities of gold. Important crops include shea nuts, sesame, irrigated vegetables, tobacco, millet, sorghum, peanuts, yams, and rice. Despite improved economic performance over the last few years, with growth that averaged 5.7 percent during the 1996-2000 period, Burkina Faso's economic development continued to be adversely affected by social and labor unrest, domestic and regional instability, higher petroleum prices, declining worker remittances, inadequate rainfall, and declining international commodity prices, especially for cotton and gold.

Burkina Faso's economic development relies heavily on the IMF, World Bank, and other international donor institutions. According to the World Bank, Burkina Faso is notable for implementation of its strategic framework agreement in the fight against poverty. In 2001, the nation received $700 million in debt-service payments from the World Bank's HIPC and $7 million from the IMF's PRGF. In January 2002, the World Bank provided an additional $32.6 million loan for the initial phase of Burkina Faso's 10-year educational reform plan. The EU announced in March 2002 that it would provide Burkina Faso with $310.8 million to support the government's antipoverty, rural development, food security, basic education, road building, and health programs. In April 2002, the World Bank and the IMF reported that they would provide Burkina Faso with a $129 million grant for debt relief under the HIPC initiative. The African Development Bank announced in June 2002 that it would provide 74 percent of the $30 million budget for a poverty-alleviation project aimed at improving agricultural output. Burkina Faso has made significant progress in implementing the structural reforms and institutional changes agreed to with the IMF and World Bank.

BURKINA FASO

Main Trade Partners, percent of total, 2000

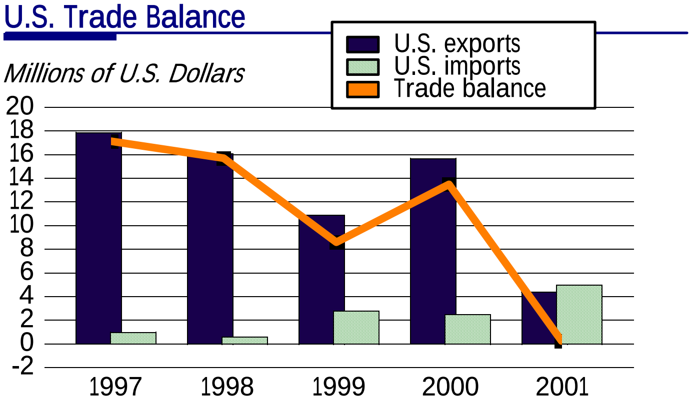
Markets		*Sources*	
Venezuela	14.7%	Côte d'Ivoire	25.1%
Belgium/ Luxembourg	12.2%	Venezuela	23.4%
Italy	9.6%	France	17.0%
France	7.0%		

Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Cotton	102	Capital goods	177
Livestock	42	Petroleum products	91
Gold	8	Food	63

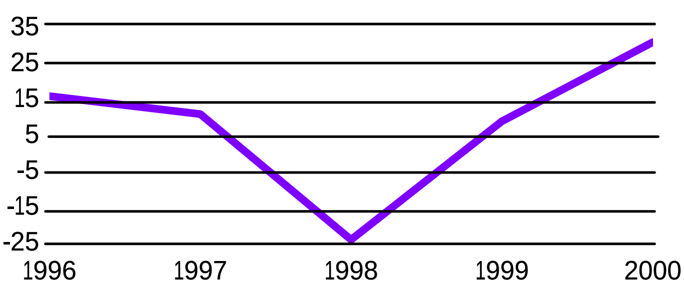
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Minerals and mining (gold)
- Agriculture (cotton)

Trade Profile

Burkina Faso exports continued to be dominated by cotton and gold. Cotton harvests reached historic levels of 400,000 metric tons in 2001, representing an increase of more than 45 percent. In 2001 and 2002, declining international gold prices resulted in the closure of Burkina Faso's largest gold mine.

In 2001, U.S. exports to Burkina Faso consisted primarily of cereals, and machinery and equipment; and U.S. imports from Burkina Faso consisted primarily of agricultural products. Burkina Faso is not designated as an AGOA-beneficiary country.

Investment and Privatization Profile

Foreign investment levels in Burkina Faso remain limited despite the government's efforts to control inflation and to attract private and foreign investment. Government efforts to increase investment in the mining sector included easing regulatory laws, reducing taxes, and adopting standard investment contracts. Morocco's Omnim Nord Africain group announced plans to open a gold mine in Burkina Faso in 2004. One factor said to be inhibiting the investment environment is the reportedly high rate of HIV / AIDS, and its potential impact on labor productivity and economic performance.

In 2001 and 2002, the government continued its liberalization plans for the cotton sector by selling a majority share in Sofitex, the national ginning and marketing company. In mid-2001, the government officially announced additional firms slated for privatization, including Sonabel (electricity), Sonabhy (hydrocarbons), Onea (water), Bumigeb (mining), several hotels, and Medifa (medical laboratory). In 2001, the process of privatizing Onatel, the telecommunications parastatal, began and was expected to be competed by 2003. The government announced its intent to sell 34 percent of Onatel to a foreign investor, to sell 20 percent on the regional stock exchange, and to retain the remaining 46 percent. As of mid-2002, Burkina Faso had liquidated or sold 41 state enterprises.

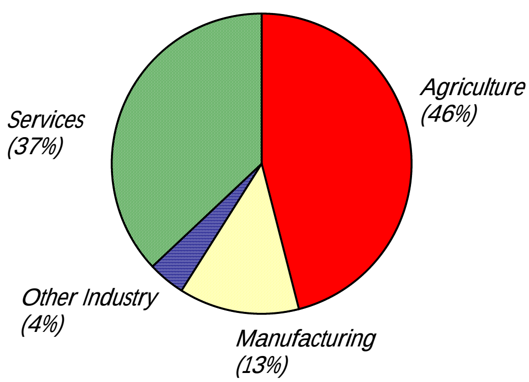
BURUNDI

Economic Overview

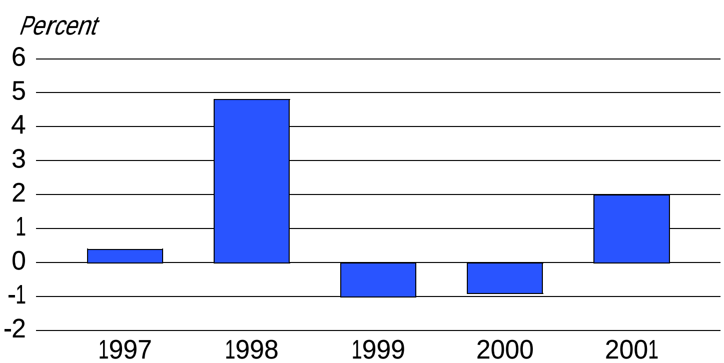
Economic Indicators

	2000	2001	Difference
GDP (nominal, Bufr bn)	489	550	61.0
GDP (US$ bn)	0.7	0.7	-0.0
CPI Inflation (annual average; %)	24.3	10	-14.3
Goods Exports (US$ mn)	49.1	30	-19.1
Goods Imports (US$ mn)	107.9	125	17.1
Trade Balance (US$ mn)	-58.8	-95	-36.2
Current Account Balance (US$ mn)	-30.6	-35.7	-5.1
Foreign Exchange Reserves (US$ mn)	32.9	17.7	-15.2
Total External Debt (US$ mn)	1,180	1,145	-35.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Bufr/US$)	720.7	830.4	109.7

Origins of GDP (1998)



Real GDP Growth Rate



Economic Profile

Burundi's economy continued to suffer from the effects of United Nations economic sanctions (1996-1999); a 9-year-old civil war, falling international coffee and tea prices; and a large, displaced refugee population. Economic prospects may improve with the July 2001 peace agreement. In 2002, roughly 68 percent of Burundi's population continued to live in extreme poverty. Subsistence agriculture accounted for 46 percent of Burundi's GDP and sustained more than 90 percent of the population. Subsistence crops include cassava, bananas, sweet potatoes, pulses, maize, sorghum, yams, and peanuts. Export crops consisted of tea, coffee, and raw cotton. Coffee, Burundi's principal cash crop, accounted for 80 percent of the value of exports. The government maintained price controls on products such as petroleum products, beer, and sugar.

In 2001 and 2002, the government's primary economic policy objectives were to stabilize the economy and reduce poverty. The government adopted tight monetary policies to promote price stability and lower interest rates. Burundi is heavily dependent on pledges from bilateral and multilateral donors. Burundi requested that the IMF and World Bank accelerate the process for obtaining post-conflict macroeconomic assistance. Government officials indicated that Burundi required $100 million in budgetary aid and $115 million to cover foreign debt payments. A significant share of government revenues are budgeted for the payment of Burundi's $1.4 billion debt, which represented 140 percent of GDP. The World Bank approved a $187 million loan in March 2002 for Burundi's transitional support strategy to be used for health and population projects, HIV / AIDS-related programs, and economic rehabilitation. Germany also announced in April 2002 that it would resume aid to Burundi after a 9-year break. Germany designated $40 million for projects related to the reintegration of refugees, HIV / AIDS-related activities, and rural water supply projects. Burundi made substantial progress in implementing the structural reforms and institutional changes prescribed by bilateral and multilateral financial institutions. Burundi has completed an exhaustive PRSP as part of its compliance obligations to the IMF and the World Bank. IMF officials indicated that Burundi's PRSP had been prepared, but had yet to be implemented.

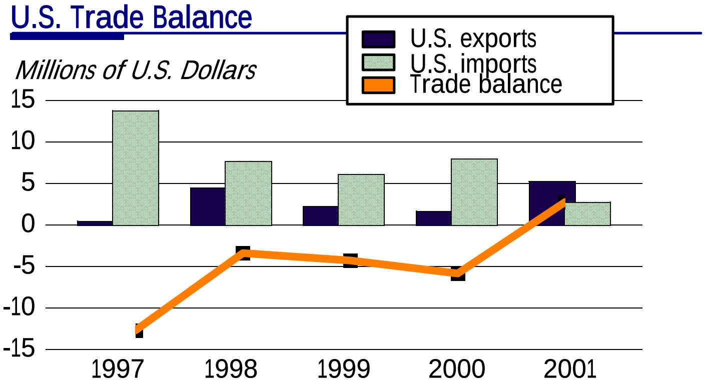
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
UK	38.3%	France	24.9%
Switzerland	22.1%	Zambia	15.6%
Germany	16.0%	Kenya	14.4%
United States	13.2%	Tanzania	12.0%

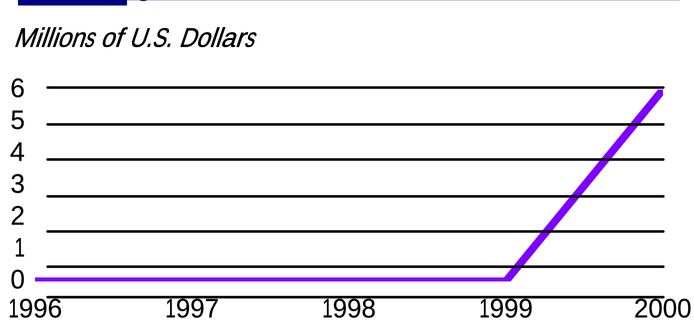
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Coffee	44.1	Intermediate goods	50.2
Tea	10.3	Capital goods	30.0
Manufacturing	1.0	Consumption goods	37.4
Hides	0.1	Food	10

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Agriculture (coffee, tea)
- Minerals and mining (nickel, cobalt, copper)

Trade Profile

Porous boundaries and civil unrest made assessing Burundi's trade levels difficult. Tea, coffee, and cotton continued to dominate Burundi's exports. Coffee, Burundi's principal cash crop, accounted for 80 percent of the value of exports. Exports continued to be adversely affected by Burundi's protracted civil unrest, and by falling international coffee and tea prices. Export diversification was hampered by regulations in the commercial agriculture sector and export taxes.

In 2001, U.S. exports to Burundi consisted primarily of cereals and vehicles and parts; and U.S. imports from Burundi consisted primarily of coffee, tea, and spices. Burundi is not designated as an AGOA-beneficiary country.

Investment and Privatization Profile

Inadequate telecommunications services, civil unrest, high poverty levels, inadequate transport systems, energy disruptions, and reportedly high HIV / AIDS rates continued to inhibit investment prospects. Burundi's government continues to own a large percentage of the country's economic assets. The government has indicated intentions to divest parastatals, but the dearth of private investment, both domestic and foreign, stymied this goal. Argosy (Australia) announced in April 2002 that it would resume development of the Musongati nickel project, which was suspended in 2000 because of escalating political tensions.

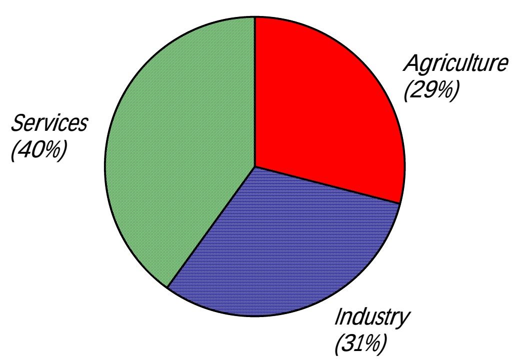
CAMEROON

Economic Overview

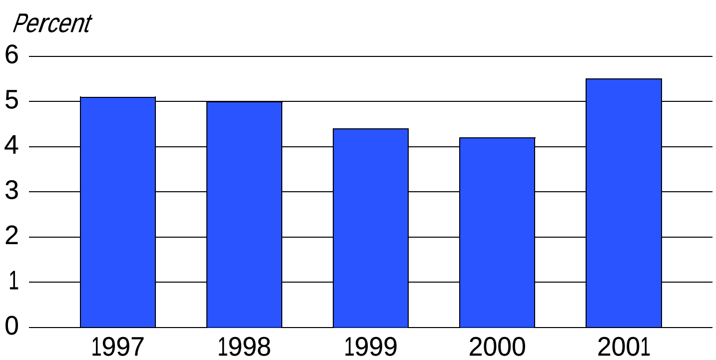
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	6,311	6,938	627.0
GDP (US$ bn)	9.6	9.4	-0.2
CPI Inflation (annual average; %)	0.8	2.8	2.0
Goods Exports (US$ mn)	1,998	2,050	52.0
Goods Imports (US$ mn)	1,387	1,542	155.0
Trade Balance (US$ mn)	611	508	-103.0
Current Account Balance (US$ mn)	176	64	-112.0
Foreign Exchange Reserves (US$ mn)	212	338	126.0
Total External Debt (US$ bn)	9.6	9.5	-0.1
Debt Service Ratio, paid (%)	19.3	17.4	-1.9
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Profile

Agriculture is the dominant sector in the economy of Cameroon, and employed over 75 percent of the workforce in 2001. The country has relatively large crude petroleum reserves and unexplored mineral resources including bauxite, cobalt, chromium, gold, iron, nickel, tin, titanium, uranium, and limestone. Since 1996, macroeconomic performance has increased, averaging 4 to 5 percent real GDP growth, but is highly dependent on the petroleum sector. Cameroon also has a large tropical rainforest that is a source of lumber for export and local consumption. The fishing industry remains a strong sector. Recent economic growth has been driven by the construction of the Chad-Cameroon crude petroleum pipeline, external assistance including private investment in forestry and other industries, and donor-funded investment projects. Inflation has been kept low primarily because of improved fiscal management, a stable monetary policy by the BEAC, the regional central bank, and lower consumer prices in the euro area, a primary import source.

Government economic policy has largely followed agreements made with the World Bank and IMF. The IMF has praised the government for accomplishing strong growth and low inflation based on sound macroeconomic management and market-oriented reforms. Cameroon qualified for debt relief up to $2 billion under the HIPC initiative. The country also qualified for a new three-year PRGF totaling $134 million. The PRGF was revised in October 2001.

Main Trade Partners, percent of total, 2000

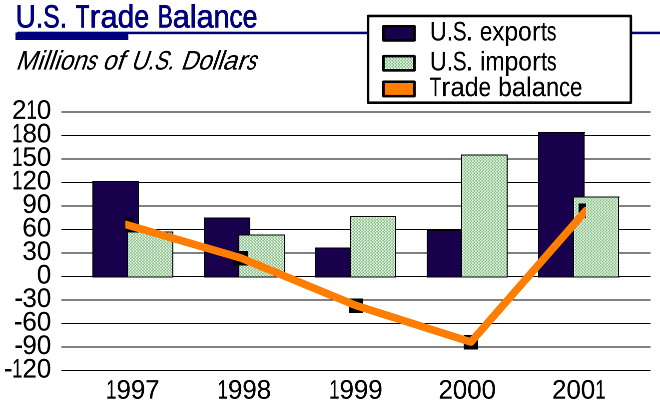
Markets		*Sources*	
Italy	28.7%	France	35.6%
France	12.6%	Nigeria	14.4%
Spain	10.6%	Italy	4.6%

Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Oil	878	Manufactures	1,363
Timber & cork	384	Primary products	123
Cocoa	134	Fuel	55
Coffee	58		

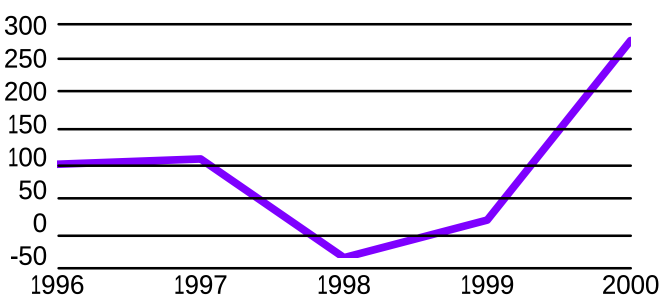
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Agriculture and forestry

Trade Profile

Petroleum exports have declined slightly in recent years, but still represented the predominant export product in 2001. Petroleum development has been limited because of maturing petroleum fields, poor incentives, and a lack of exploration. Several petroleum fields were discovered after the government passed a law reducing regulations, but discovery dwindled again in 2000 and 2001. After petroleum exports, forest products are the second largest export. Logging flourishes in the east, and despite rapid deforestation, the country still possessed the third largest forest in Africa. European firms control an estimated 70 percent of Cameroon's logging industry. Cocoa was the main cash crop. Despite a large mineral potential, mining remained underdeveloped primarily because of the lack of infrastructure.

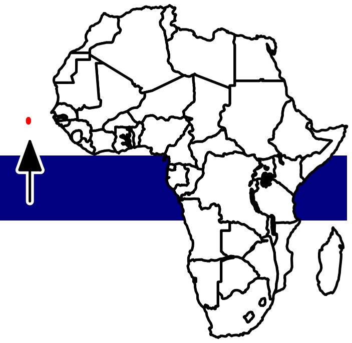
In 2001, U.S. exports to Cameroon consisted primarily of aircraft and parts and machinery; and U.S. imports from Cameroon consisted primarily of mineral fuels, wood, and rubber. In addition, Cameroon has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Cameroon totaled $37.2 million in 2001.

Investment and Privatization Profile

Although the government is open to investment, the process to obtain the required licenses can be difficult, and there are reports of favoritism and corruption. The country created an Industrial Free Zone which mandates that 80 percent of the product must be sold outside of Cameroon and allows investors to operate virtually outside the country's legal and regulatory systems. Investment in certain potentially petroleum rich areas is hampered by the ongoing dispute between Cameroon and Nigeria (currently before the International Court of Justice) over the Bakassi Peninsula. In November 2001, the Doula Stock exchange was established with an initial share capital of CFA 1.2 billion. Equity holders include a private investment bank, PSI, (55 percent), insurance companies (21 percent), parastatals (15 percent), and the government (9 percent).

The government continued plans to privatize all parastatals except for the aluminum company. As of late 2001, four of 11 state-owned companies had been privatized. Legal and other political issues, however, have delayed privatization of the remaining companies. Parastatals still slated for privatization include Camair (airline), Camtel and Camtel-Mobile (telecommunications), and CNPS (insurance).

CAPE VERDE

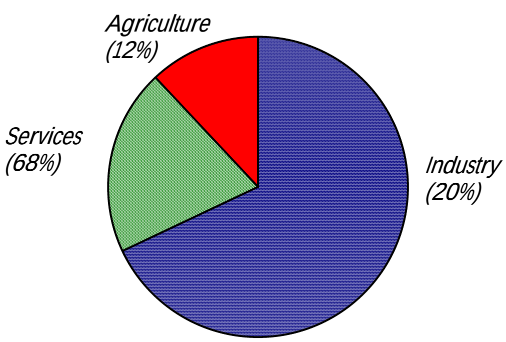


Economic Overview

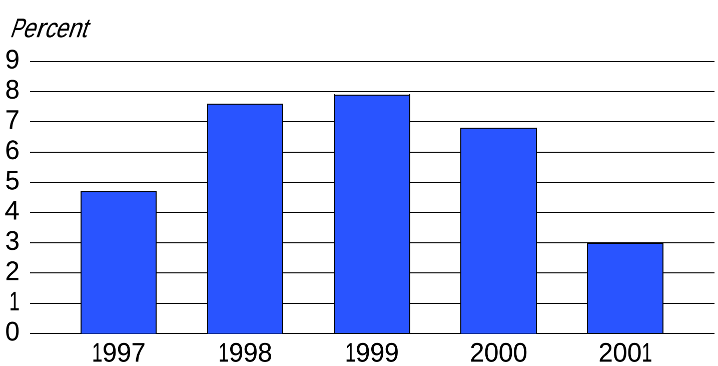
Economic Indicators

	2000	2001	Difference
GDP (nominal, CVEsc bn)	64.7	68.6	3.9
GDP (US$ mn)	558.2	553.3	-4.9
CPI Inflation (annual average; %)	-2.5	3	5.5
Goods Exports (US$ mn)	23.9	27.3	3.4
Goods Imports (US$ mn)	217.6	218	0.4
Trade Balance (US$ mn)	-193.7	-190.7	3.0
Current Account Balance (US$ mn)	-66.9	-60.9	6.0
Foreign Exchange Reserves (US$ mn)	28.2	27.9	-0.3
Total External Debt (US$ mn)	301.3	344	42.7
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CVEsc/US$)	115.9	122.9	7.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Cape Verde has few natural resources and a low per capita GDP. Economic growth was driven by aid flows, remittances, and government development programs. Approximately 90 percent of food is imported. Migration from the 10 islands continued at high levels, and emigrant remittances supplemented GDP by approximately 20 percent. The service sector is the economy's foundation. Services consisted primarily of foreign shipping and airline services. The country's location in the North Atlantic high-pressure belt makes it an ideal transit point for foreign ships and planes. In 2001, tourism and construction grew rapidly. Although fishing has significant potential, lack of technology for deep-sea fishing inhibited fishing industry growth. Mining efforts were limited to pozzolana (a volcanic substance used for cement) and salt.

The government's economic policies continued the decade-long shift from participant to promoter and regulator. The 1991 government move toward market-oriented policies now appears to be resulting in economic growth. Sound government policies maintained a relatively low inflation rate. The World Bank, the IMF, and many multilateral and bilateral donors have supported the government's economic policies. Cape Verde signed an $11 million PRGF with the IMF in April 2002, the main goals of which include fiscal consolidation, debt reduction, and social services improvement.

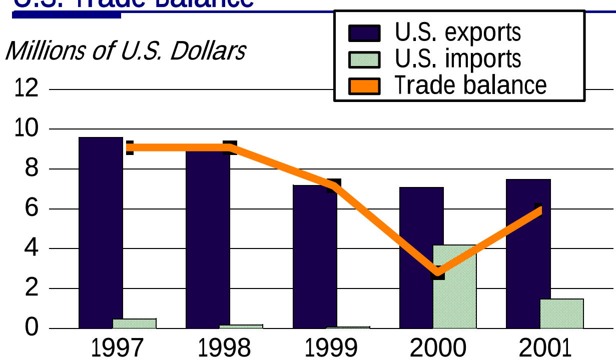
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Portugal	81.8%	Portugal	48.1%
United States	9.1%	Netherlands	5.9%
		Japan	5.5%

Main Trade Commodities, US$ million, 2000

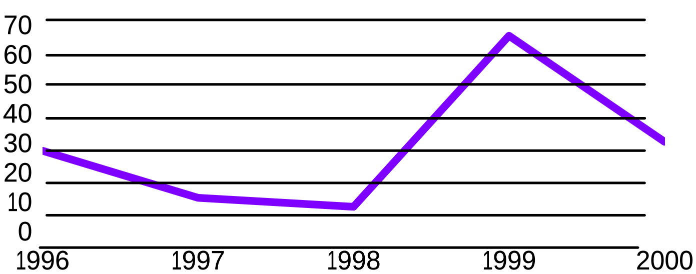
Exports		*Imports*	
Fuel	21.6	Capital goods	150.3
Clothing & footwear	10.8	Food	78.3
Fish & fish products	0.8	Fuels	10.1

U.S. Trade Balance



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Services (tourism, transportation, communications)
- Light manufacturing
- Fishing

Trade Profile

Because of historic colonial ties, Portugal is Cape Verde's primary trade partner. Cape Verde imports nearly all of its basic consumer products, industrial inputs, and energy. These high import requirements have led to persistent trade deficits. In mid-2001, the EU signed a new fishing agreement with Cape Verde that represents a significant portion of foreign exchange earnings. The Cape Verde escudo is tied to the Portuguese escudo and thus to the euro.

In 2001, U.S. exports to Cape Verde consisted primarily of aircraft and parts, and cereals. In 2001, U.S. imports from Cape Verde consisted primarily of apparel and clothing. In addition, Cape Verde has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Cape Verde totaled $152,000 in 2001.

Investment and Privatization Profile

The foreign investment promotion agency PROMEX has successfully attracted large amounts of investment in light manufacturing, tourism, fishing, transportation, and communications. Although most foreign investment came from Europe, many Asian and American investors have expressed interest in opportunities available on the islands. Relatively labor-intensive sectors, such as light manufacturing, are a main investment target. Many foreign firms established manufacturing and assembly plants in Cape Verde to take advantage of its often-unfilled quotas to Europe and the United States. Industries in the export sector are often given preferential access to markets in Europe, West Africa, and the United States.

In 1997, Cape Verde began to privatize as part of a 5-year World Bank funded program. In recent years, with help from the World Bank, Cape Verde's financial sector has restructured dramatically. The Bank of Cape Verde was split into central and commercial banks, and the Stock Market of Cape Verde was launched in March of 1999. Foreign banks have been allowed to operate on the island, and there are currently two foreign-owned commercial banks. Since privatization began, Cape Verde has sold more than 30 parastatals, primarily to Portugese buyers. These companies include Cabo Verde Telecom (telecommunications), Enacol (petroleum distribution), and three hotels. The sale of two commercial banks, an insurance company, the port authority, and the power supply company continued to advance along their privatization processes.

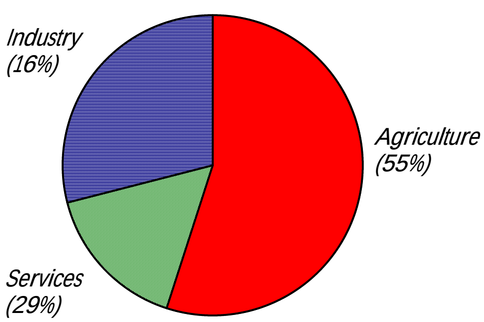
CENTRAL AFRICAN REPUBLIC

Economic Overview

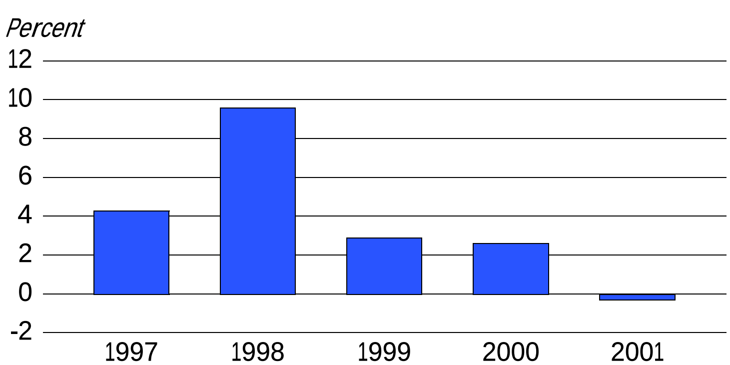
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	672.6	699.4	26.8
GDP (US$ bn)	0.9	1.0	0.1
CPI Inflation (annual average; %)	3.1	3.8	0.7
Goods Exports (US$ mn)	155	131	-24.0
Goods Imports (US$ mn)	115	123	8.0
Trade Balance (US$ mn)	40	8	-32.0
Current Account Balance (US$ mn)	12	7	-5.0
Foreign Exchange Reserves (US$ mn)	133	115	-18.0
Total External Debt (US$ mn)	872	n/a	n/a
Debt Service Ratio, paid (%)	9	n/a	n/a
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

The Central African Republic is sparsely populated and contains vast natural resources, but development of these natural resources continued to be inhibited in 2001 by the country's landlocked status, inadequate transportation system, lack of skilled labor, and civil unrest. The economy is based on subsistence agriculture (including forestry), which contributed approximately 55 percent of GDP and represented 80 percent of all jobs. The ongoing civil unrest that erupted in May 2001 and again in November 2001 damaged the economy. Late 2000 and early 2001 witnessed strikes that ceased in March 2001, but erupted again 2 months later. Education and healthcare services reportedly have suffered from inadequate government funding, frequent strikes, and the civil unrest. On the UN human development index, the Central African Republic ranked among the 10 least developed countries.

In 2001, the government continued its reform efforts. Lapses in its 3-year enhanced structural adjustment facility continued in 2001 when the government fell short of IMF targets. Civil unrest in mid-2001 resulted in the postponement of a decision regarding the country's qualification for the HIPC initiative. The IMF, World Bank, and bilateral donors have stated they are reluctant to invest in long-term projects in the Central African Republic because of the political unrest, lack of financial transparency, and limited governance capacity.

CENTRAL AFRICAN REPUBLIC

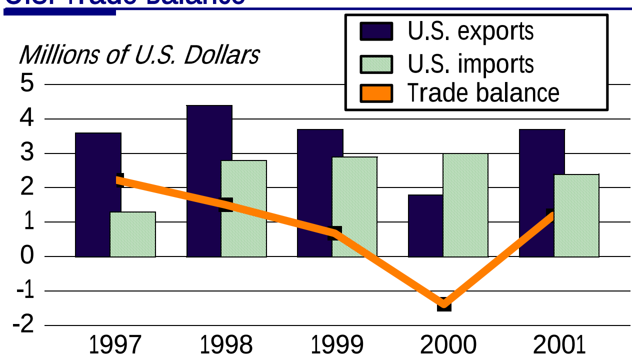
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Belgium/ Luxembourg	62.8%	France	29.2%
Spain	6.1%	Cameroon	12.9%
Pakistan	5.1%	Belgium	7.8%

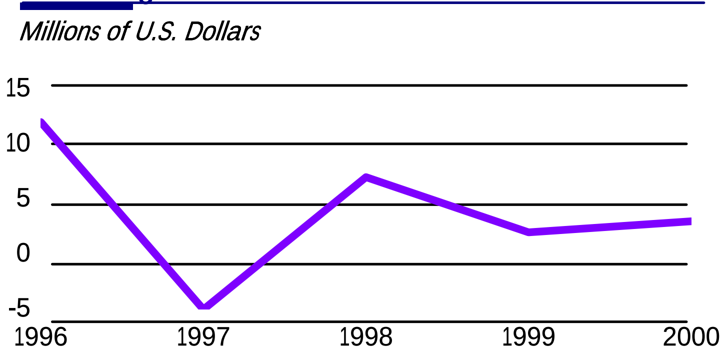
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Timber	67	Public investment	20
Diamonds	59	Fuel & energy	15
Cotton	11		
Coffee	9		

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (diamonds, gold)
- Forestry products

Trade Profile

Trade is hindered by the Central African Republic's lack of a shipping port. The civil unrest in the Democratic Republic of the Congo led traders to utilize more costly routes through Cameroon. A major barrier to trade expansion continued to be product distribution problems. The main route for petroleum imports from the Democratic Republic of the Congo remained closed because of fighting in the country, resulting in delays and increased cost.

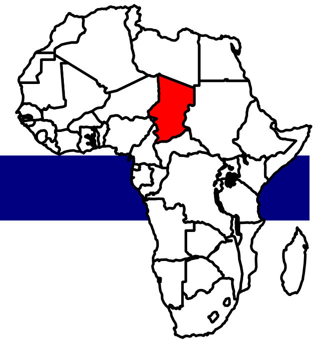
In 2001, U.S. exports to Central African Republic consisted primarily of machinery and equipment; and U.S. imports from Central African Republic consisted primarily of minerals. In addition, the Central African Republic has been designated a beneficiary country under AGOA.

Investment and Privatization Profile

Foreign direct investment was focused primarily on the diamond, gold, and timber industries. The government introduced a new investment code in July 2001, which offers tax concessions, export support, and a more streamlined approval process. Government reforms also were aimed at increasing opportunities in the telecommunications sector. Capital, profits, and dividends can be freely transferred in and out of the country; however, tax and customs laws can be confusing. The investment climate is hampered by a reportedly high HIV / AIDS rate, civil unrest, regional instability involving the Democratic Republic of the Congo, the Republic of the Congo, and Sudan, and inadequate transport systems. In March 2002, the U.S.-based company Grynberg Petroleum reported commercially viable crude petroleum deposits in the country's remote eastern regions. Several American firms have reportedly expressed interest in developing the diamond sector.

Although parastatals are being privatized under an IMF-approved extended structure adjustment facility, civil unrest continued to delay privatization efforts. To date, 49 percent of the national telecommunications company, Socatel, has been sold.

CHAD

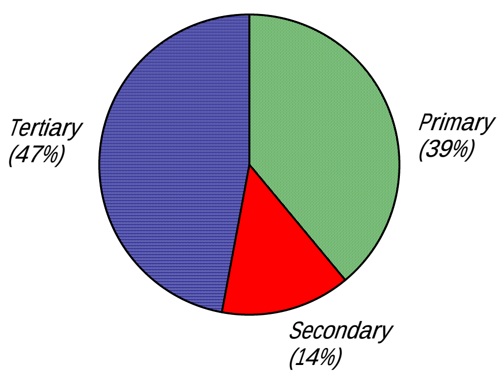


Economic Overview

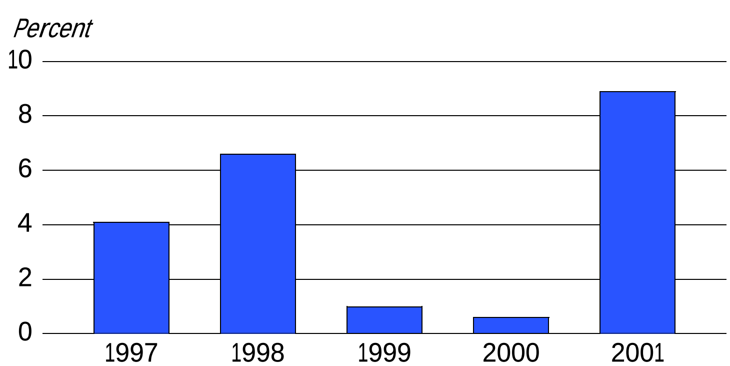
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	1,002	1,175	173.0
GDP (US$ bn)	1.4	1.6	0.2
CPI Inflation (annual average; %)	3.8	12.4	8.6
Goods Exports (US$ mn)	182	191	9.0
Goods Imports (US$ mn)	243	559	316.0
Trade Balance (US$ mn)	-61	-368	-307.0
Current Account Balance (US$ mn)	-194	-660	-466.0
Foreign Exchange Reserves (US$ mn)	111	115	4.0
Total External Debt (US$ mn)	1,116	n/a	n/a
Debt Service Ratio, paid (%)	9.3	n/a	n/a
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Persistent civil unrest, inadequate infrastructure, and long-standing drought have made Chad one of the world's poorest and least developed countries. The agricultural sector was adversely affected in 2001 by extreme weather conditions and a decline in world cotton prices. Subsistence agriculture and pastoral activities accounted for a substantial part of GDP and engaged more than 80 percent of the population. In 2001, the agricultural sector suffered from drought and severe food shortages, fueling inflationary pressures. Chad's principal subsistence crops included cereals, sesame, potatoes, and rice. In 2001, manufacturing consisted primarily of cotton ginning, textiles manufacturing, and sugar refining. GDP growth has been driven by construction of the Chad-Cameroon crude petroleum pipeline, petroleum exports, structural reforms, and improved governance. Chad's economic policies during 2001 and 2002 were guided by agreements made with the IMF, World Bank, and other donor institutions. Government spending concentrated on education, health, rural development, infrastructure development, and improved governance. Chad's fiscal policy concentrated on increasing revenue by improving customs administration, tax collection, and tax coverage.

In February 2002, the EU signed a 5-year 202 million euro cooperation agreement with Chad targeting poverty-reduction programs, roads and transportation development, healthcare, good governance, and civil society support. The IMF provided Chad with an additional $6.8 million in 2002 to ease the consequences of reduced cotton earnings. Relations with the EU, the World Bank, and the IMF were strained, however, because of alleged irregularities in the April 2002 elections, reported corruption, and policy slippages.

Main Trade Partners, percent of total, 2000

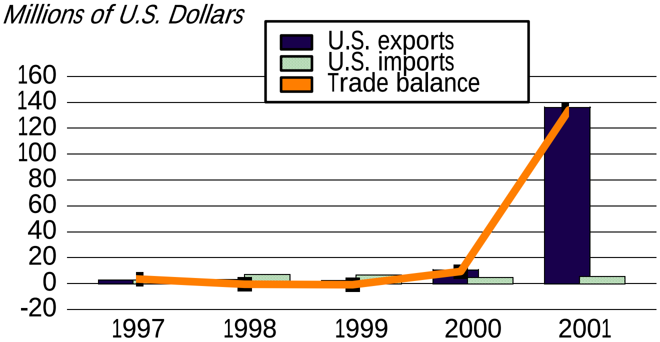
Markets		*Sources*	
Portugal	31%	France	35%
Germany	17%	Nigeria	10%
United States	6%	United States	6%
France	6%	Saudi Arabia	5%

Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Livestock & meat	106	Oil	190
Cotton	83	Public sector	90
		Non-oil	72

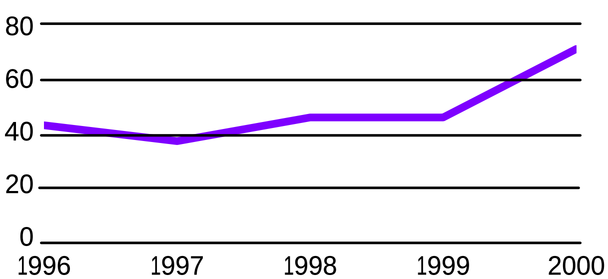
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Agriculture (cotton)
- Infrastructure development

Trade Profile

Trade expansion was inhibited by Chad's landlocked status and inadequate infrastructure, which contributed to high transport costs for imports. In 2001, livestock surpassed cotton as Chad's primary trade commodity. Chad's trade profile is expected to change to reflect increased petroleum exports with completion of the Chad-Cameroon pipeline. In 2002, Chad continued to run a trade deficit because of its limited export base. Imports increased in 2001 and were driven by demand for imported food, and for intermediate goods and capital equipment needed for the Doba petroleum project.

In 2001, U.S. exports to Chad consisted primarily of machinery and equipment; and U.S. imports from Chad consisted primarily of agricultural products. In addition, Chad has been designated a beneficiary country under AGOA.

Investment and Privatization Profile

Nonpetroleum investment (and trade) diversification were hampered by inadequate infrastructures, high energy costs, and civil unrest. In 2001, an international consortium led by ExxonMobil-Chevron began drilling for crude petroleum in Chad. The $3.5 billion project is expected to result in a 650-mile pipeline from Chad to Cameroon. The pipeline is expected to be online by late 2003, and it is reportedly estimated that Chad will receive between $2.5 billion and $5 billion in annual revenues from royalties, taxes, and dividends over the petroleum field's potential 30-year life span. Approximately $370 million of the project's cost is expected to be underwritten by the World Bank's International Finance Corporation. In June 2001, the World Bank approved a $93 million loan to develop the Doba petroleum fields, representing the largest onshore investment in Africa.

The majority of state-owned enterprises have been privatized. Privatization continued steadily with the restructuring of the state-owned bank and rural water companies. Companies that remained on the privatization list include Sonasut (sugar monopoly), TIT (telecommunications), ONPT (post), Air Chad, and Cotontchad (cotton monopoly). Chad has only partially liberalized its telecommunications industry and telecommunications services are still dominated by parastatal Sotelchad. Chad petitioned the World Bank in March 2002 for an emergency loan for the Société Tchadienne d'Eau et d'Electricité (STEE), its power authority. STEE, currently under a 30-year management contract with Vivendi (France), is scheduled to eventually transfer ownership from the government to Vivendi. The Government of France provided CFA 3.5 billion for the STEE privatization process.

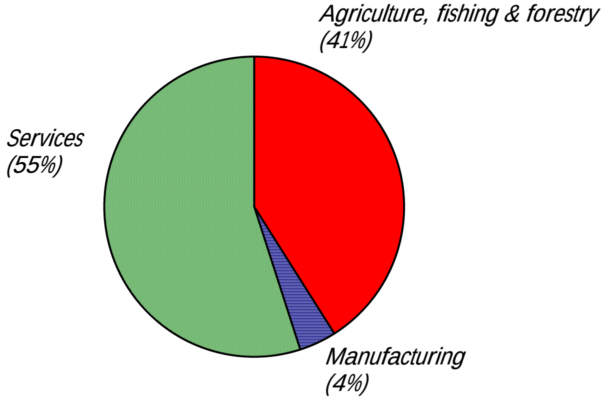
COMOROS

Economic Overview

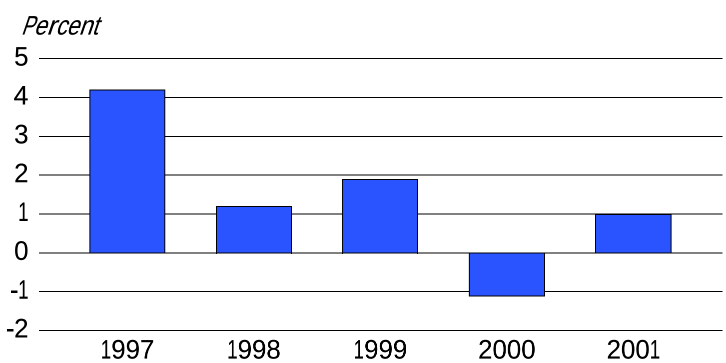
Economic Indicators

	2000	2001	Difference
GDP (nominal, Cfr bn)	90.1	108	17.9
GDP (US$ bn)	0.2	0.2	0.0
CPI Inflation (annual average; %)	-1.9	3.5	5.4
Goods Exports (US$ mn)	12.2	9.6	-2.6
Goods Imports (US$ mn)	38.1	44.9	6.8
Trade Balance (US$ mn)	-25.9	-35.3	-9.4
Current Account Balance (US$ mn)	-0.9	10.5	11.4
Foreign Exchange Reserves (US$ mn)	43.2	n/a	n/a
Total External Debt (US$ mn)	111	104	-7.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Cfr/US$)	533.9	550.2	16.3

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Comoros is one of the world's poorest countries. It is heavily dependent on subsistence agriculture, hunting, fishing, forestry, and grants and technical assistance from donor institutions. Agricultural activities contributed 40 percent to GDP in 2001 and employed approximately 80 percent of the population. The country remained heavily dependent on food imports, and spent approximately 50 percent of its annual budget on imported food. Its principal export crops were vulnerable to international commodity price fluctuations. These cash crops include vanilla, ylang-ylang oil, and cloves. Manufacturing activities were limited to processing of ylang-ylang oil and vanilla, and to the production of soap, plant oils, soft drinks, plastics, and wood products. Comoros' tourism industry remained small, and the unstable political situation continued to impair its development. Despite the political instability, Comoros nevertheless attracted 20,000 tourists, principally from South Africa and Europe. Although the government continued its program to improve roads and links to rural communities, inadequate transport systems continue to inhibit economic development. Remittances from 150,000 Comorans living abroad supplemented Comoros' GDP.

Economic policy is formulated within the guidelines of the IMF's staff-monitored program. Government policy focused on improving education, technical training, and health care, as well as diversifying exports, promoting tourism, and privatizing parastatal enterprises with support from international donor institutions. The government set a 4 percent annual GDP growth target. Inflation remained under control, as the Comoran franc is pegged to the French franc.

COMOROS

Main Trade Partners, percent of total, 2000.0

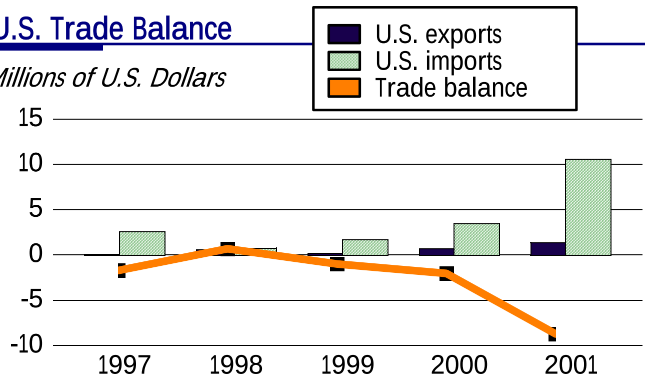
Markets		*Sources*	
France	31.3%	France	25.0%
United States	18.8%	South Africa	16.7%
Singapore	18.8%	Kenya	6.7%
Germany	6.3%	Pakistan	3.4%

Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Vanilla	7.7	Rice	8.8
Ylang-ylang	1.7	Petroleum	5.1
Cloves	2.3		

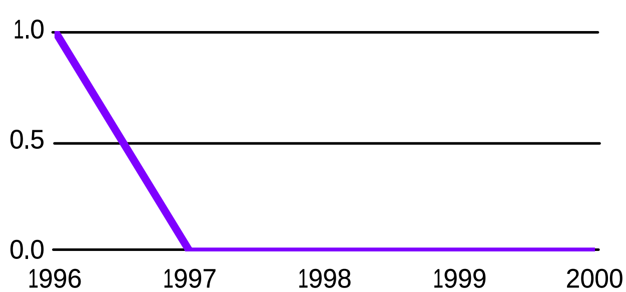
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Tourism
- Fishing
- Perfume distillation

Trade Profile

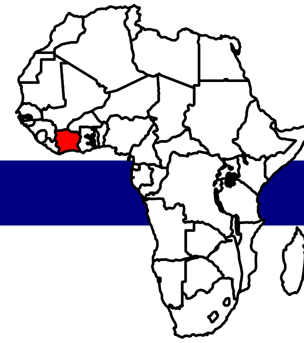
Comoros is a major world exporter of vanilla which continued to represent the major portion of Comoros' overall export structure. Comoros' trade deficit was driven by weak international prices for vanilla and cloves. Tourism remained stable. Official transfers continued to improve as donor support and private transfers reached approximately $3 million.

In 2001, U.S. exports to Comoros consisted primarily of machinery and equipment; and U.S. imports from Comoros consisted primarily of coffee, tea, and spices. Comoros is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

Although the government offered a number of special tax and other incentives, investment continued to be hampered by the country's small domestic market and continued political instability. The privatization process continued slowly. A South African company recently purchased three hotels. French companies, however, remain the primary potential buyers of state-owned assets. One aspect of the country's return to the reform process included its announced intent to privatize SNPT (postal and telecommunications services) and Socopotram (port and marine transport).

CÔTE D'IVOIRE

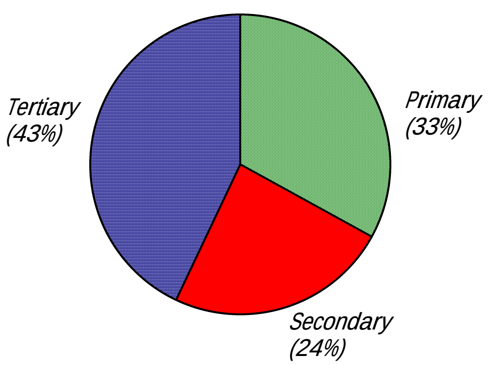


Economic Overview

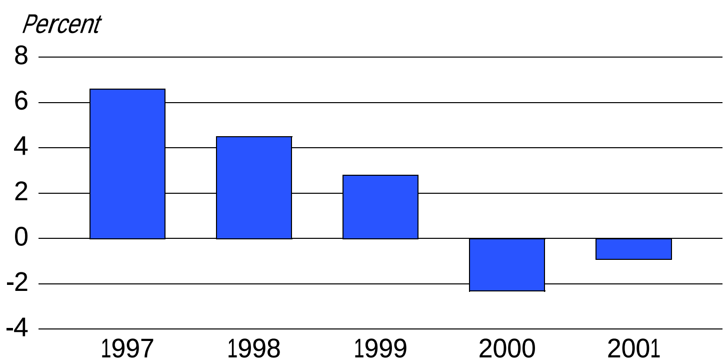
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	6.7	6.8	0.1
GDP (US$ bn)	9.4	9.2	-0.2
CPI Inflation (annual average; %)	2.4	4.4	2.0
Goods Exports (US$ mn)	3,972.9	3,795.7	-177.2
Goods Imports (US$ mn)	2,175.5	2,198.9	23.4
Trade Balance (US$ mn)	1,797.4	1,596.8	-200.6
Current Account Balance (US$ mn)	-12.9	-131.4	-118.5
Foreign Exchange Reserves (US$ mn)	667.8	1,018.9	351.1
Total External Debt (US$ bn)	12.1	11.8	-0.3
Debt Service Ratio, paid (%)	21.6	18.6	-3.0
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Agriculture was the predominant sector of Côte d'Ivoire's GDP in 2001 and employed approximately 80 percent of the population. The country is the world's largest producer of cocoa and one of the largest producers of coffee. Cocoa producers have, however experienced falling international prices in recent years. In an attempt to counter this trend, Africa's Cocoa Producers Alliance ordered the destruction of 250,000 tons of cocoa during the 2000/2001 season in Côte d'Ivoire, Nigeria, Ghana, and Cameroon. Government-stated economic goals included export diversification, agricultural diversification, extractive industries expansion, and services sector expansion. The main focus of the government's budget was poverty reduction, fiscal consolidation, repayment of external and domestic debt, improved public expenditure management, and structural reforms.

Donor activity returned to the country after the national reconciliation forum was held in late 2001. In late 2001, the IMF officially ended its freeze on aid to Côte d'Ivoire that had been instituted in late-1998. In early 2002, the EU and France re-established aid. France subsequently announced budgetary aid of 183 million euros for Côte d'Ivoire, the most financial aid France had ever given to an African country. Shortly after, the African Development Bank (AfDB) restored its assistance to Côte d'Ivoire and gave it a $39 million loan to assist in meeting the country's outstanding interest payments. In April the AfDB approved another loan of CFAfr23 billion for worker training and education. The international financial institutions continued, however, to express concerns over good governance and transparency. After the successful completion of the staff-monitored program set up by the IMF in March 2002, it approved a $365 million, 3-year PRGF. Also, in March 2002, the World Bank approved an interim PRSP compiled by the government. On April 20, 2002, the Paris Club of official bilateral creditors signed a $2.3 billion debt scheduling deal with Côte d'Ivoire. Because of increased political stability, the IMF also announced plans to consider the country for the HIPC initiative in September 2002. Efforts are ongoing to complete the final PRSP in the second half of 2002.

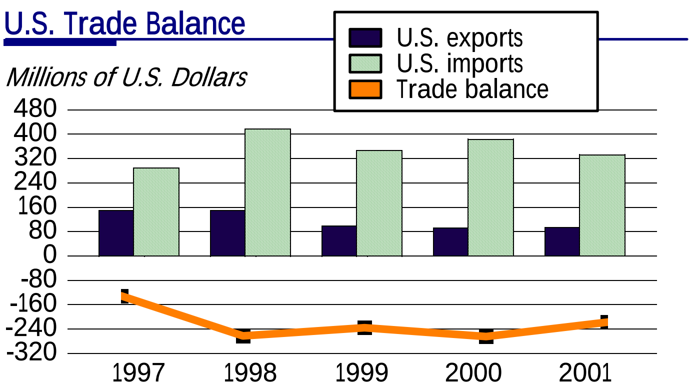
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
France	11.4%	Nigeria	19.8%
United States	6.4%	France	15.1%
Netherlands	7.5%	Belgium/ Luxembourg	3.0%
Mali	4.4%	Italy	2.7%

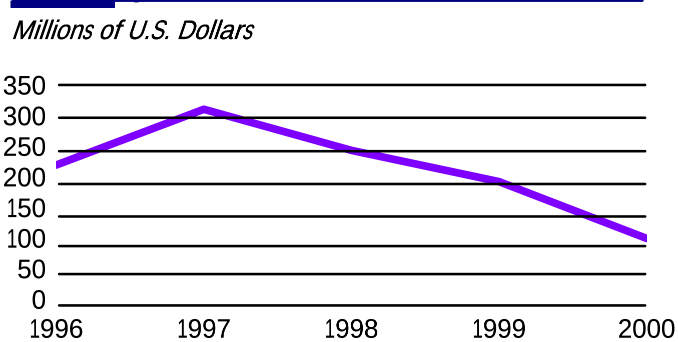
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Cocoa & products	1,031	Capital goods	446
Petroleum & products	735	Fuel & lubricants	839
Timber	305	Food products	431
Coffee & products	302		

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Agriculture and forestry (cotton, timber)
- Agro-industry

Trade Profile

Led by cocoa and coffee, which accounted for 60 percent of the area under cultivation, agriculture was the main contributor to Côte d'Ivoire's exports in 2001. The country's trade performance depends on the price fluctuation of cocoa. Côte d'Ivoire produced more than 40 percent of the world's supply of cocoa in 2001. Although Côte d'Ivoire also exports palm oil and rubber, the nation continued to experience declining international prices for these products. Many forest resources have been depleted; however, timber remained a major export.

In 2001, U.S. exports to Côte d'Ivoire consisted primarily of machinery and equipment; and U.S. imports from Côte d'Ivoire consisted primarily of cocoa. In addition, Côte d'Ivoire has been designated a beneficiary country under AGOA. AGOA (including GSP) imports totaled $13.3 million in 2001.

Investment and Privatization Profile

Direct foreign investment declined significantly during the last 2 years because of political instability that resulted in severed international ties. Foreign firms continued to focus on mining (gold and nickel) and crude petroleum exploration. In 2001 and 2002, Canadian, Australian, and South African mining companies entered into new contracts. The agro-industry also attracted foreign interest. France was Côte d'Ivoire's main investment source.

Because of an ambitious privatization program in the 1990s, which resulted in the privatization of most of the 60 parastatals, few firms remain to be privatized. Remaining state-owned companies included the telecommunications company, the vegetable oil producer, a hotel, the electric company, and a petroleum refinery. In October 2001, Côte d'Ivoire sold 51 percent of its stake in Nouvelle Air Ivoire, the domestic airline, to All Africa Airways, owned by Air France. The airline suspended operation several times, but in June 2000, resumed service with privatization assistance.

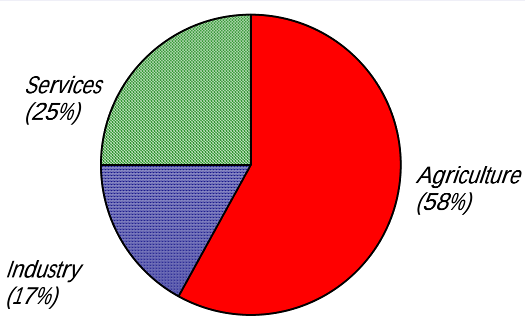
DEMOCRATIC REPUBLIC OF THE CONGO

Economic Overview

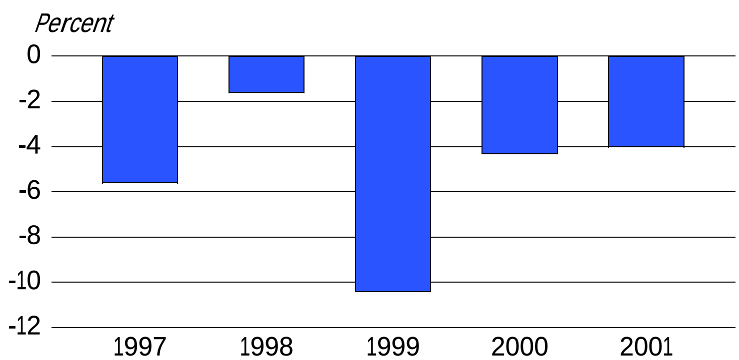
Economic Indicators

	2000	2001	Difference
GDP (nominal, FC bn)	313.3	1,376	1,062.7
GDP (US$ bn)	14.4	6.0	-8.4
CPI Inflation (annual average; %)	554	358	-196.0
Goods Exports (US$ mn)	760	750	-10.0
Goods Imports (US$ mn)	1,035	1,024	-11.0
Trade Balance (US$ mn)	-275	-274	1.0
Current Account Balance (US$ mn)	-798	-800	-2.0
Foreign Exchange Reserves (US$ mn)	n/a	n/a	n/a
Total External Debt (US$ mn)	12,862	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (FC/US$)	21.8	231	209.2

Origins of GDP (1997)



Real GDP Growth Rate



Economic Profile

The Democratic Republic of the Congo has many resources, but has been plagued by civil unrest and regional instability over the past several years. The eruption of Mount Nyiragongo in Gonea further exacerbated the refugee situation and economic turmoil. Consequently, agricultural output was low in 2001. The Democratic Republic of the Congo's main crops include coffee, palm oil, cotton, cocoa, rubber, and tobacco. A major portion of the population is employed in the informal sector or is engaged in subsistence farming. Economic growth is hampered by lack of investment outside the mining sector, inadequate infrastructure, unreliable energy supply, and social turmoil. Though not fully tapped, the Democratic Republic of Congo has hydropower energy potential from the Congo River.

A new president was appointed in January 2001, and has worked to improve economic conditions, beginning with the liberalization of foreign exchange controls when he took office. The government's interim economic adjustment program consisted of tightening fiscal oversight and controlling monetary growth. Overall domestic public spending was approximately 6 percent. The Democratic Republic of the Congo has not received official international aid assistance for many years. The new president has, however, made economic and management improvements; and the country is now eligible for official international aid assistance. In 2001, the World Bank prepared a transitional support strategy to promote economic recovery and social stabilization. In July 2001, the IMF approved a 6-month staff monitoring program that could lead to funding. In January 2002, the World Bank announced technical assistance of $50 million, and the EU committed $108 million in assistance.

DEMOCRATIC REPUBLIC OF CONGO

Main Trade Partners, percent of total, 2000

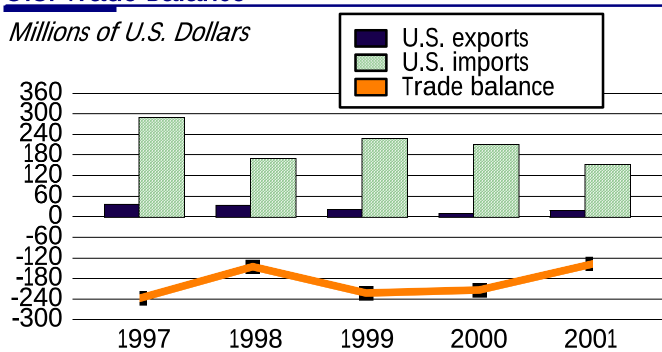
Markets		*Sources*	
Belgium	61.1%	South Africa	21.2%
United States	17.4%	Belgium	15.7%
Finland	6.1%	Nigeria	10.4%
Netherlands	2.6%	Zambia	5.2%

Main Trade Commodities, US$ million

Exports (2000)		*Imports (1999)*	
Diamonds	437	Consumer goods	263
Crude Oil	141	Capital goods	110
Cobalt	97	Raw materials	115
Copper	45		

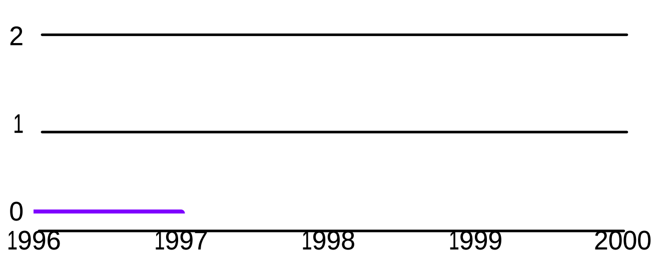
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Minerals and mining (diamonds, copper, cobalt)

Trade Profile

Most of the Democratic Republic of the Congo's trade is with industrialized countries. Formal regional trade was minimal; informal trade and smuggling, though difficult to quantify, is believed to be substantial. Mining accounted for almost 80 percent of the Democratic Republic of the Congo's export revenue. The main minerals were copper, cobalt, diamonds, and zinc, with small amounts of cadmium, cassiterite, gold, silver, and wolframite. The Democratic Republic of the Congo was the third largest producer of diamonds by volume, though the diamonds tend to be of lower quality. Diamonds accounted for most of the mining revenue. Most mining activity was in the Katanga region. In April 2001, the government abrogated the IDI Diamond (Israeli) monopoly, which had increased illegal diamond sales. Societe Miniere de Bakwanga (Miba) is 80 percent government owned and controls one-third of the diamond production. General des carrieres et des mines (Gecamines) is the state-owned copper and cobalt producer. The main cash crops were coffee and timber.

In 2001, U.S. exports to the Democratic Republic of the Congo consisted primarily of cereals and furniture; and U.S. imports from the Democratic Republic of the Congo consisted primarily of mineral fuels. The Democratic Republic of the Congo is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

The Democratic Republic of the Congo's infrastructure has suffered from years of civil unrest. Roads and railroads remain in inadequate condition. River and air transport are both frequently used; however, air transportation is poorly regulated. Because of frequent conflict and instability, investment external to the mining and petroleum sectors has been nonexistent. As agreed upon at the Inter-Congolese Dialogue, the government continued to review contracts and concessions awarded during the conflict. In early 2002, the government began work on drafting a new mining investment code aimed at increasing foreign investment by lowering taxes, abolishing export duties, and improving licensing transparency. The Democratic Republic of the Congo's crude petroleum reserves are being exploited primarily by two consortia: Chevron (U.S.), Union Oil (U.S.), and Teikoku Oil (Japan); and Petrofina (Belgium) and Shell (Anglo-Dutch).

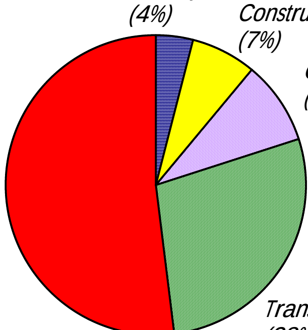
DJIBOUTI

Economic Overview

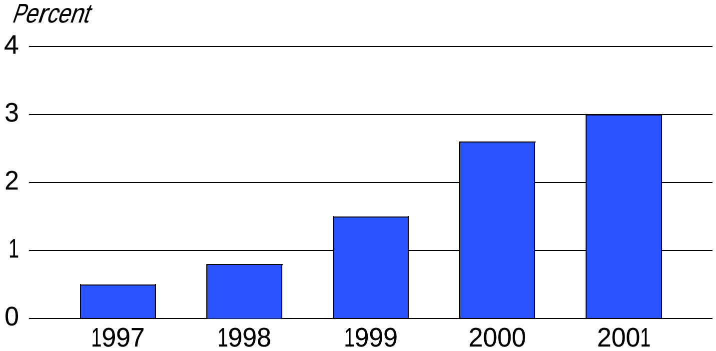
Economic Indicators

	2000	2001	Difference
GDP (nominal, Dfr bn)	98.3	102.3	4.0
GDP (US$ mn)	553.2	575.7	22.5
CPI Inflation (annual average; %)	2.3	1.8	-0.5
Goods Exports (US$ mn)	75	75	0.0
Goods Imports (US$ mn)	270	261	-9.0
Trade Balance (US$ mn)	-195	-186	9.0
Current Account Balance (US$ mn)	-39	-17	22.0
Foreign Exchange Reserves (US$ mn)	67.8	70.3	2.5
Total External Debt (US$ mn)	238	n/a	n/a
Debt Service Ratio, paid (%)	5.5	n/a	n/a
Exchange Rate (Dfr/US$)	177.7	177.7	0.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Profile

Djibouti's economy is based primarily on service activities for France's military garrison and its strategic location as an outlet to the Red Sea and the Indian Ocean. Djibouti's service sector, which accounted for 80 percent of GDP in 2001, depends on serving Ethiopia through its port, rail, and air links. In 2002, Ethiopia signed a major agreement with Djibouti to use its Red Sea port. Although the agriculture sector contributes minimally to GDP, it accounted for approximately 75 percent of employment in 2001. Almost 45 percent of Djibouti's population lives in poverty and nearly 60 percent are unemployed. Over the last 3 years, shortages of arable land, drought, and food shortages have cause malnutrition to increase from 24 percent to 30 percent of the population. The country has little manufacturing aside from those industries that rely on the port and airport.

In 2002, Djibouti's Ministry of Finance and the Banque Nationale de Djibouti continued to move toward increased budgetary discipline. The Parliament enacted legislation in January 2002 to bolster existing legal protection for intellectual property. In November 2001, Djibouti agreed to carry out IMF-requested budgetary reforms. In March 2002, the African Development Bank provided several grants and loans to Djibouti, valued at $7.22 million, directed at poverty reduction, good governance, business environment enhancement, and improving the situation of women. In June 2002, the World Bank approved a $15 million loan to finance Djibouti's long-term health sector development program and granted Djibouti a $10 million fiscal consolidation credit. In June 2002, the Government announced that it would begin issuing "certificates of origin" for diamonds produced in the country in an effort to stem the flow of smuggled diamonds.

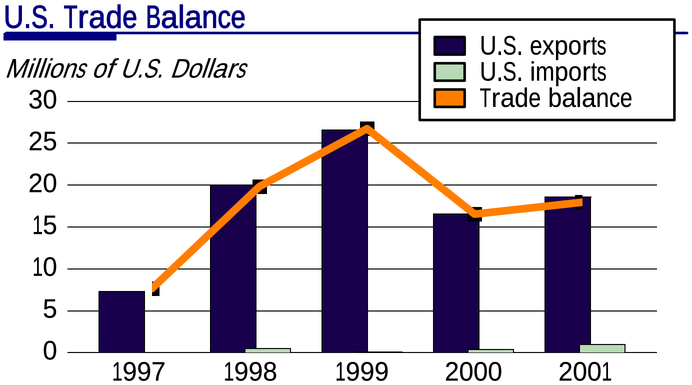
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Somalia	56%	Saudi Arabia	18%
Yemen	24%	France	10%
France	6%	China	10%
UAE	5%	Ethiopia	10%

Main Trade Commodities, US$ million, 1998

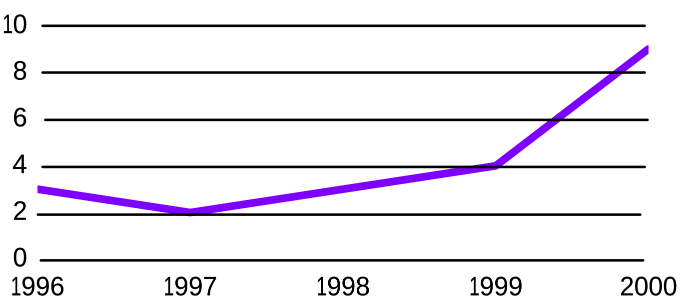
Exports		*Imports*	
Re-exports	45	Food & beverages	53
Locally produced goods	14	Qat	17
		Petroleum products	17
		Machinery	15

U.S. Trade Balance



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Infrastructure projects (port, airport)

Trade Profile

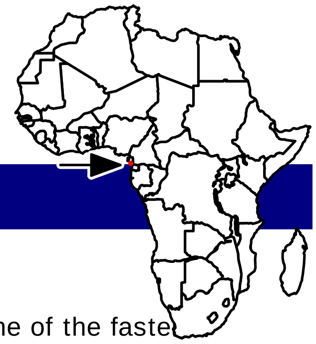
A significant portion of Djibouti's trade consisted of goods destined for Ethiopia and Somalia. Djibouti exports little beyond personal effects and personal vehicles, hides and skins, salt, and re-exported products. In October 2001, the Ethiopian Chamber of Commerce and Djibouti's ministers met to discuss Ethiopia's concern regarding the Djibouti Ministry of Transport's September 2001 legislation reserving key port handling and forwarding activities for national companies. The United States and Djibouti signed an agreement in June 2002 to establish a radio relay station valued between $7 million and $8 million.

In 2001, U.S. exports to Djibouti consisted primarily of fertilizer and vehicles and parts; and U.S. imports from Djibouti consisted primarily of agricultural and animal products. In addition, Angola has been designated a beneficiary country under AGOA.

Investment and Privatization Profile

Increased investment was hampered by civil unrest. Sysnet (U.S.) is currently modernizing Djibouti's telecom billing system. A principal condition of the IMF's structural adjustment agreement is that Djibouti privatize government-owned monopolies. In September 2001, the government announced plans to privatize its telecommunications, utilities, and transport (airport) parastatals. These announcements were not, however, met with significant investor responses.

EQUATORIAL GUINEA

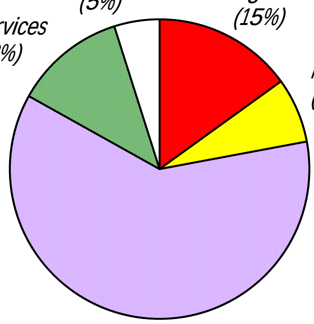


Economic Overview

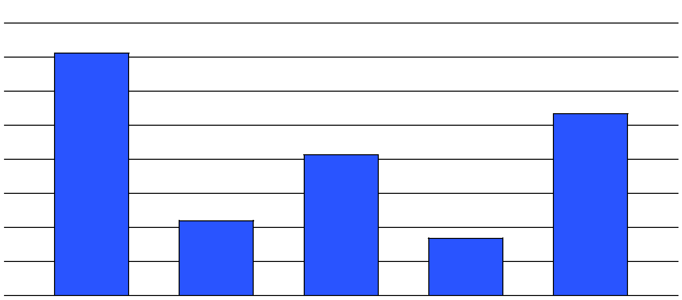
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	954.9	1,346.6	391.7
GDP (US$ bn)	1.3	1.8	0.5
CPI Inflation (annual average; %)	6	6	0.0
Goods Exports (US$ mn)	1,363	2,182	819.0
Goods Imports (US$ mn)	464	696	232.0
Trade Balance (US$ mn)	899	1,486	587.0
Current Account Balance (US$ mn)	-366	-480	-114.0
Foreign Exchange Reserves (US$ mn)	17.3	38.4	21.1
Total External Debt (US$ mn)	225	n/a	n/a
Debt Service Ratio, paid (%)	1.2	0.6	-0.6
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (1998)



Real GDP Growth Rate



Economic Profile

Equatorial Guinea exhibited one of the faste growing economies in the world in 2001, primarily because of the rapid development of the petroleum sector. Despite having one of the highest GDP growth rates in Africa, Equatorial Guinea continues to have widespread poverty, income disparities, and severe social problems. Agriculture is predominantly subsistence farming and employs a large portion of the population. The once dominant agriculture sector contributed minimally to GDP in 2001, but the government announced in November 2001 that it would use some of its petroleum revenues to facilitate agricultural development and to revive rural communities. The lack of infrastructure has limited potential tourism growth.

Government policy reportedly exhibited lackluster macroeconomic management, limited fiscal discipline, increasing debt, and rising corruption in 2001. Primarily because of tight monetary policy by the central bank, however, inflation was low and stable. In February 2002, the World Bank reached an agreement with Equatorial Guinea to fund transport development, including roads and ports. This program represented the first agreement with the World Bank in over a decade. The IMF also returned to Equatorial Guinea and urged the government to control better petroleum revenue expenditure and to promote transparency in the accounting of petroleum receipts.

Main Trade Partners, percent of total, 1999

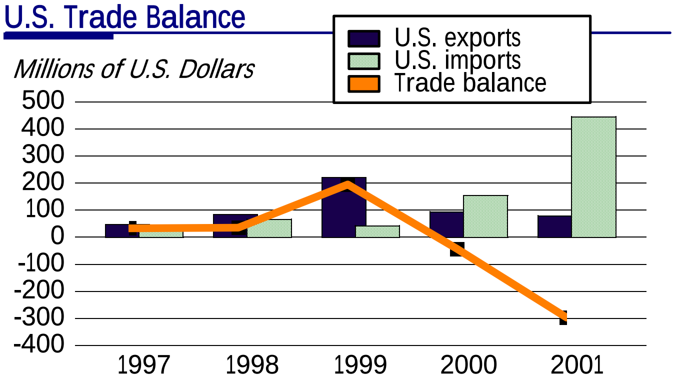
Markets		*Sources*	
China	24%	United States	60%
Japan	7%	France	12%
United States	7%	Spain	8%
Korea	5%	Italy	6%

Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Petroleum	629	Petroleum sector	352
Timber	63	Manufactured goods & equipment	76
Cocoa	7		

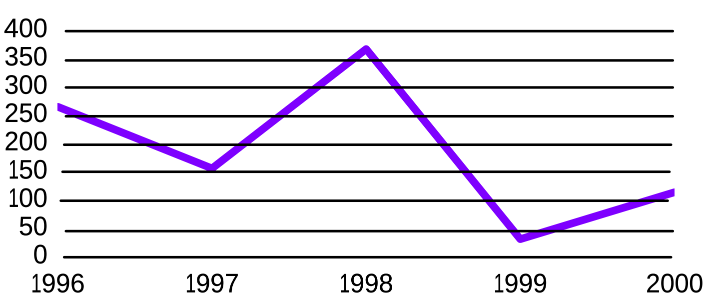
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Petroleum and energy-related products

Trade Profile

Equatorial Guinea's main cash crops are cocoa and coffee, but their relative importance has declined with the development of the petroleum sector. Equatorial Guinea has become one of the largest petroleum producers in the Gulf of Guinea. Petroleum production began to grow in the mid-1990s and doubled between 2000 and 2002. The United States was a primary petroleum export destination. After petroleum, the main source of foreign exchange was timber. Timber exports have increased in recent years, especially to Asia. Imports were primarily destined for the petroleum industry, public infrastructure projects, and consumer consumption.

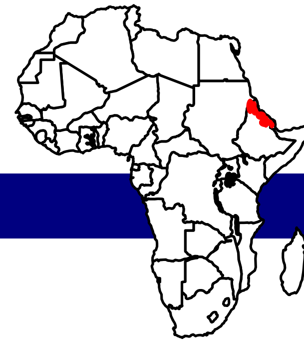
In 2001, U.S. exports to Equatorial Guinea consisted primarily of machinery and mechanical products; and U.S. imports from Equatorial Guinea consisted primarily of mineral fuels. Equatorial Guinea is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

The rise in petroleum production in Equatorial Guinea is attracting more international attention. Despite the political uncertainty, petroleum companies continue to press ahead with new exploration and production. A principal petroleum sector investment source in 2001 was the United States. Since 1995, U.S. companies have invested more than $3 billion in the country, the third largest single country amount in Africa. In 2001, the U.S.-owned company, Amerada Hess, announced several new crude petroleum discoveries in the offshore Rio Muni Basin. The company owns 85 percent of the Rio Muni project along with the South Africa-based Energy Africa, which owns the remaining 15 percent. Sasol Petroleum International, a South African petroleum and natural gas company, acquired a 20 percent interest in a block of the Rio Muni Basin. In February 2002, Gepetrole, the state-owned petroleum company, awarded an offshore exploration license to Petronas (Malaysia). In 2002, a French company, Technip-Coflexip, won a contract from Mobil Equatorial Guinea for a section of the offshore Bioko Island.

In order to attract foreign companies to the mineral sector, the government offered various investment incentives. Nonpetroleum sector investment was hampered by political uncertainty, reported corruption, and a small domestic market.

ERITREA

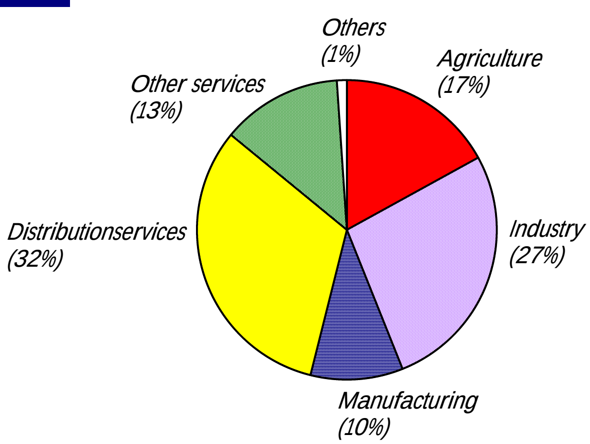


Economic Overview

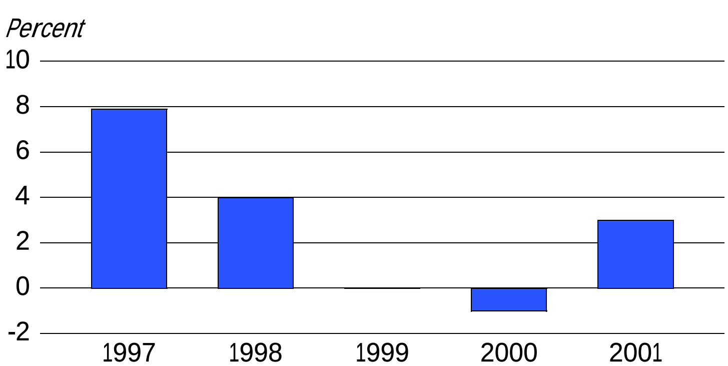
Economic Indicators

	2000	2001	Difference
GDP (nominal, Nfa bn)	7.6	8	0.4
GDP (US$ bn)	0.8	0.6	-0.2
CPI Inflation (annual average; %)	14	15	1.0
Goods Exports (US$ mn)	24	20	-4.0
Goods Imports (US$ mn)	500	500	0.0
Trade Balance (US$ mn)	-476	-480	-4.0
Current Account Balance (US$ mn)	-195	-190	5.0
Foreign Exchange Reserves (US$ mn)	n/a	n/a	n/a
Total External Debt (US$ mn)	311	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Nfa/US$)	9.7	13.5	3.8

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Eritrea's economy continued its recovery in 2001 after years of social turmoil and persistent droughts. In 2001, the World Food Program stated that 1.8 million Eritreans needed food aid, despite recovering grain production in 2001. The UN Development Program also funded the artisanal fisheries sector development. The agriculture and fishing industries contributed substantially to GDP and employed approximately 70 percent of the population. The main crops are teff, millet, wheat, sesame, vegetables, barley, fruit, cotton, and coffee. The fishing industry produces primarily sardines, anchovies, shrimp, and lobsters. The mining sector continued to depend on artisanal gold, while copper, zinc, and steel were also minimally mined. Although there are several projects in progress, petroleum and natural gas have not contributed significantly to GDP. In May 2002, the government approved a major national strategy aimed at rapid economic development to help rebuild the country after war. The government focused on continued liberalization and implementation of market-oriented economic policies. Economic policy focused on developing infrastructure and improving food security. The supply of food aid in 2001 helped to reduce inflation rates. Multilateral lenders, such as the World Bank and IMF, have commended the government's fiscal policy. In May 2002, Eritrea signed a $60 million loan agreement with the World Bank, aimed at a variety of development projects. Also in May 2002, the UN signed a $242 million aid agreement with the government.

Main Trade Partners, percent of total, 1998

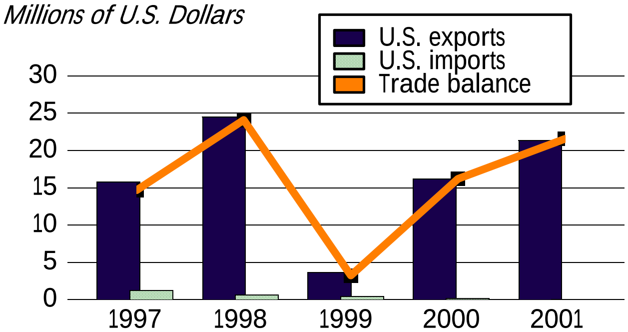
Markets		*Sources*	
Sudan	27.2%	Italy	17.4%
Ethiopia	26.5%	UAE	16.2%
Japan	13.2%	Germany	5.7%
UAE	7.3%	UK	4.5%

Main Trade Commodities, US$ million, 1998

Exports		*Imports*	
Crude materials	12	Machinery & transport equipment	141
Food & live animals	8	Manufactured goods	88
Manufactured	4	Food & live animals	63
		Chemical & chemical products	21

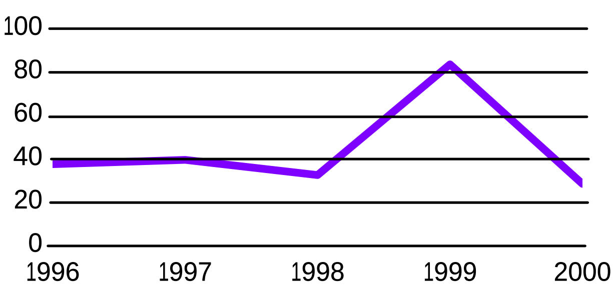
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Minerals and mining (gold)

Trade Profile

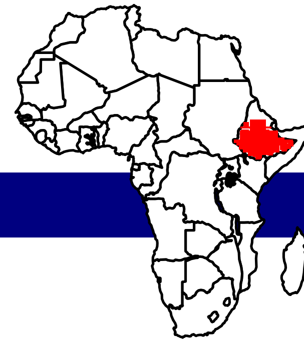
Agricultural sector expansion, which contributed a substantial share of exports, was constrained by persistent drought. In 2001, Eritrea's trade deficit was driven by the demand for capital imports that were used in the reconstruction process. After mounting political tensions in 1998, trade was suspended with Ethiopia, formerly Eritrea's largest trade partner. The government has reoriented attention toward East Asia and the Great Lakes region of Africa in search of trade partners. The biggest hindrance to trade expansion is the lingering effects of war and a weak economy.

In 2001, U.S. exports to Eritrea consisted primarily of cereals; and U.S. imports from Eritrea consisted primarily of animal products. In addition, Eritrea has been designated a beneficiary country under AGOA.

Investment and Privatization Profile

Foreign investment helped to drive GDP growth prior to the Eritrea-Ethiopia conflict. The government continued to support partnerships with international donors and foreign private investors. The targeted areas for investment were fishing, offshore crude petroleum and natural gas exploration, mining, and construction enterprises. In May 2001, the government signed a petroleum exploration agreement with CMS Oil and Gas (U.S.). Investment inhibitors include inadequate infrastructure, social upheaval in the aftermath of war, and a small domestic economy. In 2001, privatization plans continued for the majority of Eritrea's 42 state-owned companies, including its hotels. Over the last 2 years, a dozen enterprises have been privatized, including a dairy factory, brewery, and a corrugated iron sheet factory. Eritrea's first private bank was established in May 2002 and planned to commence operations in the latter half of 2002.

ETHIOPIA

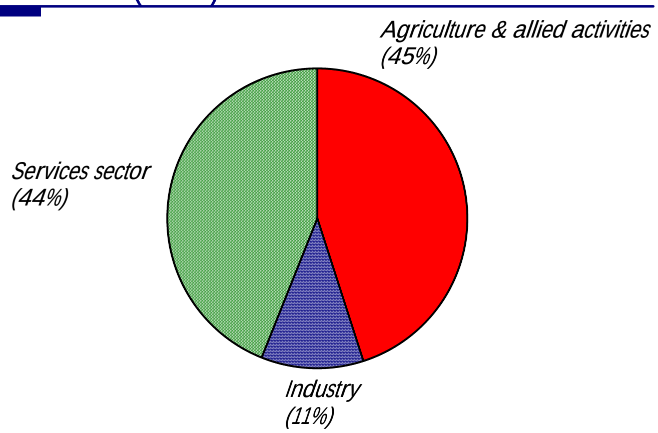


Economic Overview

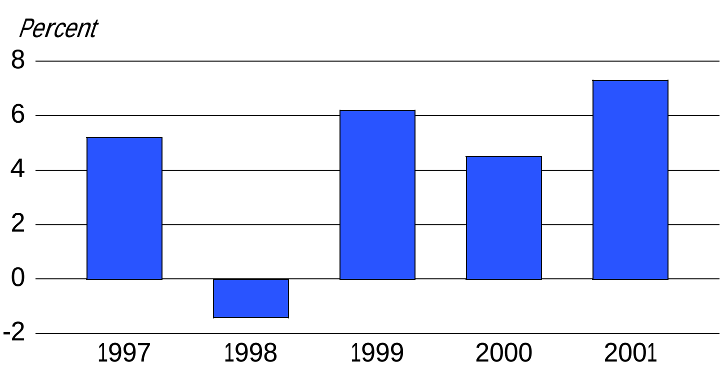
Economic Indicators

	2000	2001	Difference
GDP (nominal, Birr bn)	51.4	51.2	-0.2
GDP (US$ bn)	6.3	6.1	-0.2
CPI Inflation (annual average; %)	0	-7.5	-7.5
Goods Exports (US$ mn)	486	502	16.0
Goods Imports (US$ mn)	1,131	1,300	169.0
Trade Balance (US$ mn)	-645	-798	-153.0
Current Account Balance (US$ mn)	16	-300	-316.0
Foreign Exchange Reserves (US$ mn)	306	427	121.0
Total External Debt (US$ bn)	5.5	5.4	-0.1
Debt Service Ratio, paid (%)	17	16	-1.0
Exchange Rate (Birr/US$)	8.2	8.3	0.1

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Ethiopia is one of the least developed countries in the world. Agriculture represented the largest percentage of GDP in 2001 and employed more than 80 percent of the population. Economic performance depends on the agriculture and forestry sectors' performance; consequently, these sectors are affected by environmental conditions. One-fifth of arable land is cultivated, and a high dependence on rainfall leaves the country vulnerable to famine and crop failure. In addition, low fertilizer use, coupled with soil erosion, have historically produced low yields. Although the country experienced a buoyant harvest in 2001 that increased food security, the food deficit affected more than 5 million people.

In mid-2002, the Council of Ministers in Ethiopia approved a $2 billion budget for the 2002-2003 fiscal year. The budget included an increase in capital expenditures funding and for regional governments to build institutional capacity and to improve infrastructure. Economic policy has focused on modernizing and diversifying agriculture to reduce poverty and increase foreign earnings.

The IMF completed Ethiopia's second review of the PRGF approved in March 2001 and made available an additional $30 million. In 2001, the EU provided Ethiopia's largest grant ever, $480 million, to help rebuild infrastructure and fight poverty. In mid-2002, Italy cancelled $350 million of Ethiopian debt to free funds for development programs. Through its development cooperation program with Ethiopia, Italy has disbursed within the last 5years about $101 million for the implementation of such programs. The IMF and the World Bank granted $1.9 billion of debt relief to Ethiopia as a part of it's efforts to qualify for the HIPC initiative. This assistance is expected to reduce Ethiopia's total external debt by 47 percent. The World Bank, which resumed assistance in late 2000, approved a loan of $120 million in mid-2002 to help stabilize the economy and increase economic growth. The government also submitted the PRSP in 2002.

Main Trade Partners, percent of total, 2000

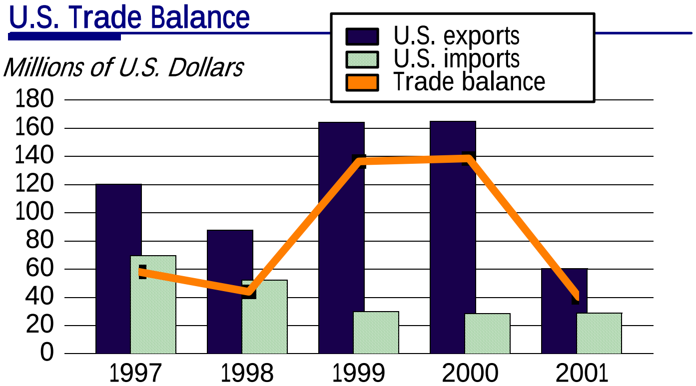
Markets		*Sources*	
Germany	17.8%	Saudi Arabia	25%
Japan	10.8%	United States	8.8%
Djibouti	10.5%	Italy	6.7%
Saudi Arabia	7.7%	Russia	3.5%

Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Pulses	8	Consumer goods	459
		Capital goods	436
		Fuel	403
		Semi-finished goods	278

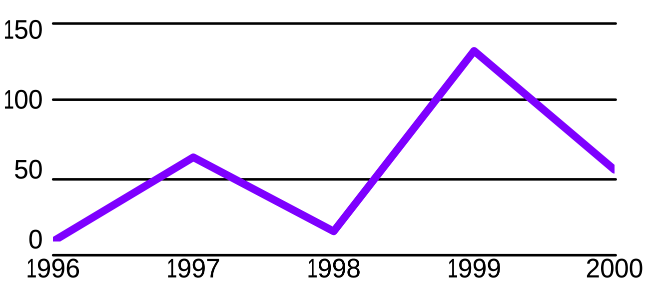
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Minerals and mining (gold)
- Petroleum and energy-related products
- Agro-industry

Trade Profile

Ethiopia's export performance relies on the coffee industry, which in recent decades produced approximately two-thirds of export earnings. Decreases in world coffee prices and an increase in coffee berry disease have negatively affected coffee production and terms of trade. Import costs increased primarily because of increased machinery imports destined for the reconstruction process. In order to increase foreign exchange and to diversify trade, government policy has emphasized a shift from food crops to cash crops. This policy adopted by the Agricultural Development Led Industrialization Strategy, targets on poverty reduction, economic growth, and reduced food imports (food aid).

In 2001, U.S. exports to Ethiopia consisted primarily of cereals; and U.S. imports from Ethiopia consisted primarily of coffee, tea, mate, and spices. In addition, Ethiopia has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Ethiopia totaled $822,000 in 2001.

Investment and Privatization Profile

In early 2002, the government streamlined its bureaucracy and immigration formalities and began offering investment incentives to encourage nonresident Ethiopian investment. Inadequate telecommunications network, underdeveloped energy provision, inadequate transport infrastructure, and reported corruption continued to hamper investment. For example, reported corruption at the Commercial Bank of Ethiopia led to questions regarding the strength of the financial sector. The majority of the charges targeted to faulty loans to Star Business Group. In March 2002, the governor of the National Bank appointed new officials to carry out necessary reforms.

Since 1995 approximately 180 parastatals have been privatized. The privatization of state-owned enterprises has, however, subsided primarily because of reported corruption in the privatization process. The issue of reported corruption in the privatization process has led to the renationalization of five enterprises, including the Taitu Hotel, a soap factory, a printing press, and a flour mill. In late 2001, the new director of the Ethiopian Privatization Agency was announced. In January 2002, the government reissued bid calls for nine state-owned enterprises because of a lack of investor interest in the initial round. As of mid-2002, 12 agricultural enterprises had been privatized. The Ethiopian Coffee Exporting Enterprise, Ethiopian Fruit Marketing Enterprise, and a few other parastatals awaiting privatization were reorganized into share companies. Despite privatization efforts, the manufacturing sector remains largely state controlled.

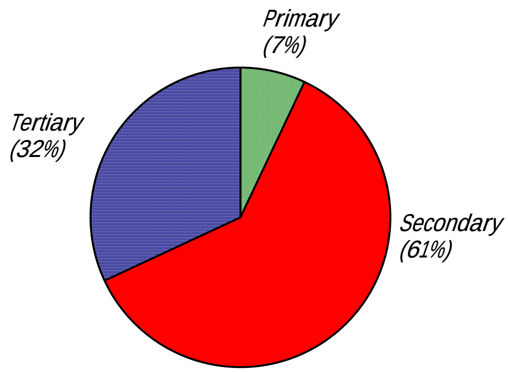
GABON

Economic Overview

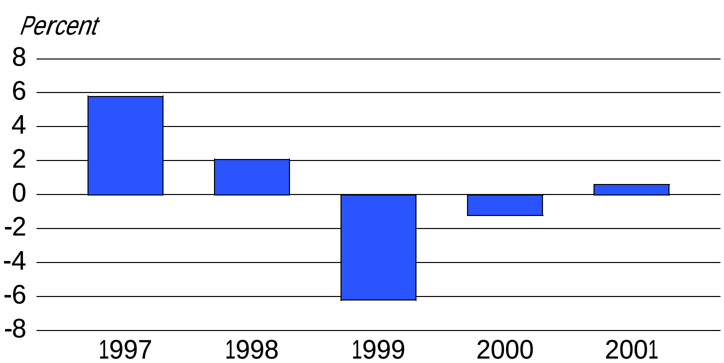
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAFr 000bn)	2.5	2.6	0.1
GDP (US$ bn)	3.5	3.5	0.0
CPI Inflation (annual average; %)	0.5	1.7	1.2
Goods Exports (US$ mn)	3,149	2,626	-523.0
Goods Imports (US$ mn)	823	880	57.0
Trade Balance (US$ mn)	2,326	1,746	-580.0
Current Account Balance (US$ mn)	608	-59	-667.0
Foreign Exchange Reserves (US$ mn)	190	35	-155.0
Total External Debt (US$ bn)	4	3.6	-0.4
Debt Service Ratio, paid (%)	13.5	25.5	12.0
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

The heavily petroleum-dependent country of Gabon exhibited modest growth in 2001 driven by a decline in petroleum production. Attempts to diversify the economy away from petroleum dependency remained relatively unsuccessful. Consequently, the economy continues to be vulnerable to changing international petroleum prices. Agriculture represented a small portion of GDP in 2001. Agriculture sector expansion was constrained by limited arable land and inadequate infrastructure. Forestry contributed a larger amount to GDP, but deforestation remains a government concern. With 70 percent of the country covered by forest, Gabon is Africa's fourth largest producer of tropical wood. A weakened economy, falling food prices, and a tight monetary policy by the regional central bank kept inflation relatively low.

In 2001, government reform policies were coordinated with the World Bank and aimed at diversifying the economy and reducing debt. IMF-based reforms progressed, and the new government sought to negotiate a new IMF program by the middle of 2002. In mid-2002, the government also began negotiations for a debt-rescheduling agreement with the Paris Club to alleviate the pressure of debt servicing on public finances. In in a June 2002 review, the IMF requested that the government improve budgetary management and implementation of poverty-reduction measures.

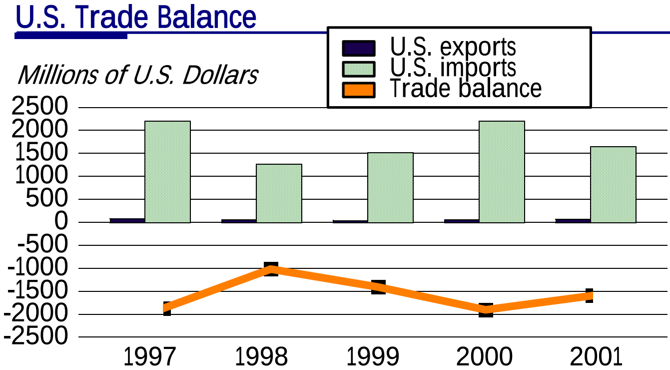
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
United States	50.2%	France	64.8%
France	17.1%	United States	5.1%
China	7.7%	Belgium	4.2%
Netherland Antilles	4.3%	Netherlands	2.5%

Main Trade Commodities, US$ million, 2000

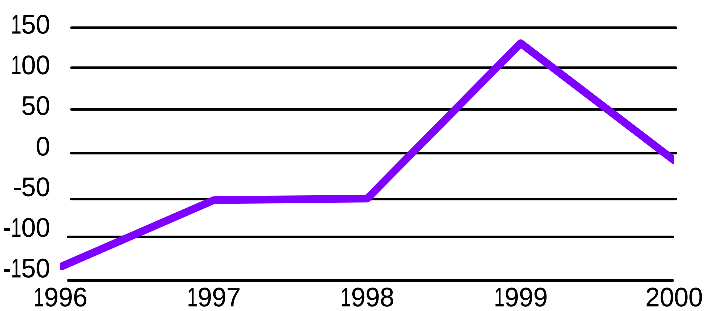
Exports		*Imports*	
Petroleum (crude)	2,564	Oil Sector	275
Timber	381	Public Sector	12
Manganese	107	Forestry Sector	8

U.S. Trade Balance



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Minerals and mining (manganese)
- Forestry (timber, wood processing)

Trade Profile

Petroleum represented the predominant export commodity. Gabon's main cash crops are coffee, cocoa, palm oil, and rubber. Petroleum sector expansion, however, has reduced the incentive to produce cash crops. In September 2001, the European Union renewed a 4-year fishing agreement allowing EU vessels to fish in Gabon's territory. Timber also contributed to export earnings, and in 2001, the government passed a new forestry code aimed at better management in order to avoid deforestation. Staple food products, such as cereal, represented a substantial portion of Gabon's imports. The increase in U.S. exports to Gabon was primarily because of the demand for petroleum equipment.

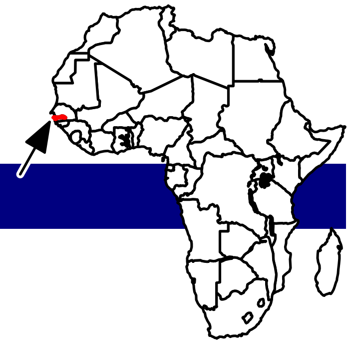
In 2001, U.S. exports to Gabon consisted primarily of machinery and mechanical appliances; and U.S. imports from Gabon consisted primarily of mineral fuels. In addition, Gabon has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from Gabon totaled $938.8 million in 2001.

Investment and Privatization Profile

The majority of investment targeted the petroleum sector. In recent years, U.S. firms have increased their presence in the petroleum sector. In February 2002, Royal Dutch / Shell discovered a new onshore crude petroleum deposit at fields jointly owned by Amerada Hess (U.S.). In May 2002, Energy Africa (South Africa) signed a production-sharing contract with the government covering three fields of Akoum Permit. With the Société Nationale de Bois du Gabon's loss of its monopoly in August 2001 and the introduction of new forestry legislation, however, the government opened the way for increased investment in the timber sector. Investment outside the petroleum sector was hindered by lack of skilled and high input costs.

The government's reportedly tenuous commitment to privatization efforts slowed down privatization efforts. Privatization plans continued for the Trans-Gabanese railway, the state electricity and water company, and the telecommunications company (OPT). In January 2002, Price Waterhouse Coopers was chosen to liquidate OPT. France was a major participant in investment and privatization efforts.

THE GAMBIA

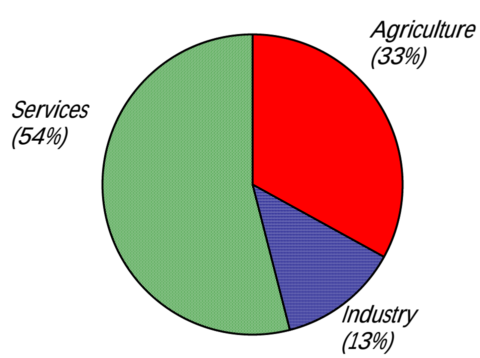


Economic Overview

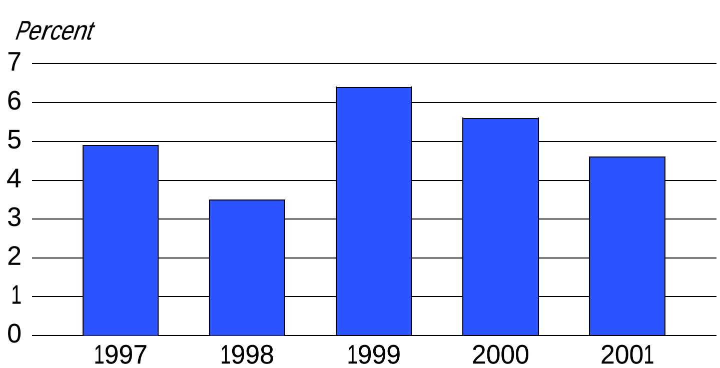
Economic Indicators

	2000	2001	Difference
GDP (nominal, D mn)	5,171	5,641	470.0
GDP (US$ mn)	404.3	352.6	-51.7
CPI Inflation (annual average; %)	0.8	4.3	3.5
Goods Exports (US$ mn)	126.5	n/a	n/a
Goods Imports (US$ mn)	192.3	n/a	n/a
Trade Balance (US$ mn)	-65.8	n/a	n/a
Current Account Balance (US$ mn)	-19.4	n/a	n/a
Foreign Exchange Reserves (US$ mn)	109	111	2.0
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (D/US$)	12.7	16	3.2

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

The Gambia is Africa's smallest country and one of the world's poorest with approximately 47 percent of the population living below the international poverty level. In 2002, agriculture employed 75 percent of the population and accounted for 33 percent of GDP. Cross-border trade and other services accounted for approximately 67 percent of GDP. The agricultural sector is highly dependent on weather conditions. Main crops include groundnuts, millet, sorghum, maize, and rice. Groundnuts provided income for 70 percent of the population. Small-scale manufacturing remained limited to activities such as the processing of peanuts, fish, and animal hides.

The Gambia's economic development policies focused on complying with IMF and World Bank agreements in 2001. In November 2001, the EU announced a new 5-year $44 million financial package for The Gambia. In 2002, the IMF and World Bank approved a $16 million loan to finance The Gambia Trade Gateway Project, which was designed to encourage private sector growth in the processing, packaging, transshipment, and distribution of goods; to attract domestic and foreign investment; and to produce an internationally competitive business environment. The IMF announced its intent to arrange a new 3-year, $27 million PRGF initiative for The Gambia during 2002. The initiative will stress monetary policy reforms limiting inflation, improved tax collection, the privatization of state-owned enterprises, and reform of the groundnut industry.

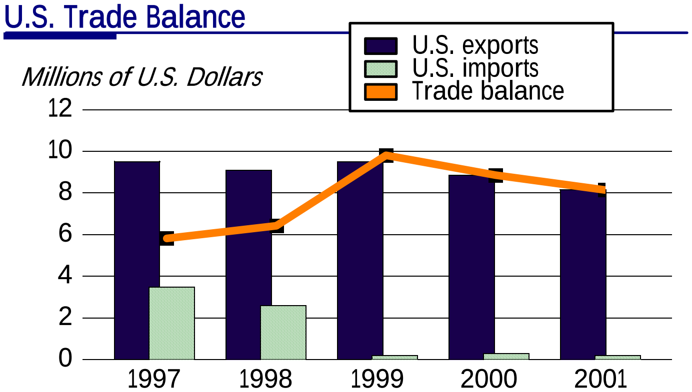
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Belgium/ Luxembourg	25.6%	China (incl. Hong Kong)	17.9%
Japan	14.9%	UK	10.4%
UK	14.1%	Netherlands	8.5%
Brazil	7.1%	France	6.4%

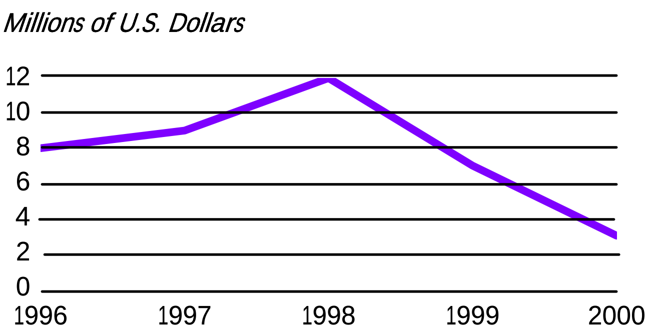
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Groundnut products	10.0	Food & beverages	89.4
Fish & fish preparation	3.1	Machinery & transport equipment	46.5
Re-exports	104.0	Manufactures	53.8
		Minerals & fuel	12.4

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Fish and fish processing
- Tourism
- Agriculture

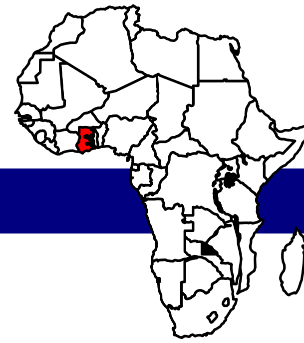
Trade Profile

Groundnuts accounted for most of The Gambia's agricultural exports. The government has instituted programs to diversify the economy by promoting exports of horticultural products, flowers, and exotic fruits. These efforts have been restrained by under-investment and inefficiency at the Port of Banjul. The Gambia trade profile relied on re-exports, groundnuts, fish, and fish processing. In 2001, U.S. exports to The Gambia consisted primarily of agriculture and animal products. In 2001, U.S. imports from The Gambia consisted primarily of fish and ocean products. The Gambia is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

Investment continued to be hampered by frequent energy shortages, inadequate transportation networks, and a small domestic market. In November 2001, the Director General of the Kuwaiti Fund signed a $10 million, 24-year loan agreement with The Gambia for the construction of a 115-kilometer road in the North Bank Division. In early 2002, Africa Oil and Gas, Fusion Oil, and an Anglo-Australian company announced plans to increase exploration in The Gambia after an Australian petroleum company made a promising discovery in late 2001. The privatization of state-owned Gambia Telecommunications and National Water and Electricity Company was postponed beyond 2002. In 2001, Africell, became The Gambia's first private mobile telephone service company.

GHANA

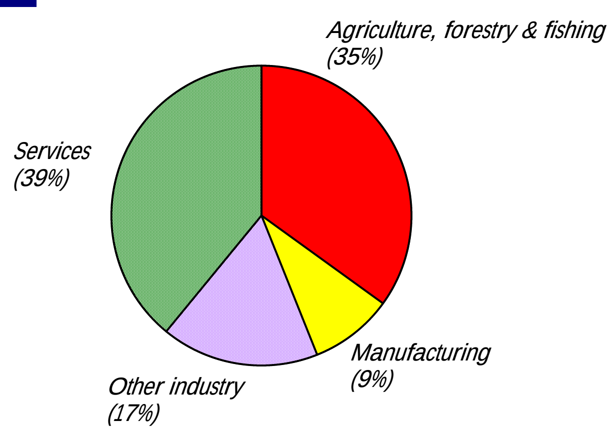


Economic Overview

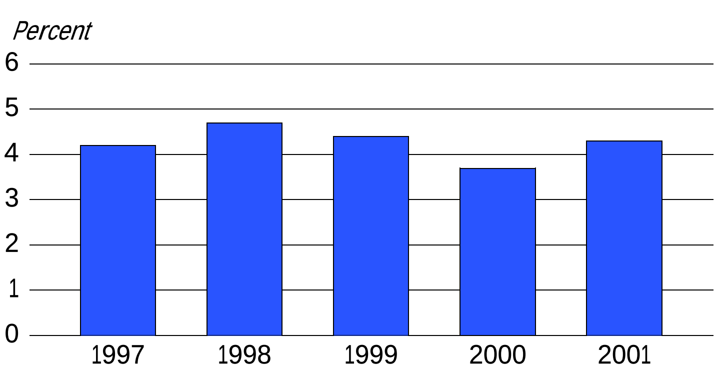
Economic Indicators

	2000	2001	Difference
GDP (nominal, C bn)	27.1	38.1	11.0
GDP (US$ bn)	5.0	5.3	0.3
CPI Inflation (annual average; %)	25.2	32.9	7.7
Goods Exports (US$ mn)	1,898.4	1,843.0	-55.4
Goods Imports (US$ mn)	2,741.3	2,688.0	-53.3
Trade Balance (US$ mn)	-849.9	-845.0	4.9
Current Account Balance (US$ mn)	-412.6	-313.0	99.6
Foreign Exchange Reserves (US$ mn)	232.1	265.0	32.9
Total External Debt (US$ bn)	6.7	6.8	0.1
Debt Service Ratio, paid (%)	16.2	15.3	-0.9
Exchange Rate (C/US$)	5,455.1	7,170.8	1,715.7

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Agriculture is the mainstay of Ghana's economy, accounting for about 36 percent of GDP and 60 percent of employment. Mining, especially gold, accounted for 6 percent of GDP and rivaled cocoa as Ghana's main foreign exchange earner in 2001. Commercial forestry became the third largest source of foreign exchange. Agriculture suffered from low investment, a lack of technology investment, and the removal of subsidies on fertilizers. Cocoa was Ghana's most important agricultural export, and accounted for about 35 percent of total exports. Less than 15 percent of Ghana's cocoa trees were at peak production age in 2001, and donors and the government have been working to replace aging trees. The mining and cocoa industries, both sectors subject to volatile international prices, tried to encourage price stability–the mining companies used swaps and options, and the state-owned Ghana Cocoa Board (Cocobod) traded on the futures market. Ghana's industrial sector is relatively broad and diverse, and includes aluminum smelting, timber and agricultural processing, brewing, cement manufacturing, petroleum refining, textiles, pharmaceuticals, and mining. Government jobs accounted for most formal employment.

Government economic policy was heavily focused on agreements with international financial institutions. The government economic policy emphasized macroeconomic stability and sustainable economic growth. The government identified the fiscal deficit, public sector debt, falling economic growth rates, rising inflation, and high unemployment as the main issues facing Ghana's economy. In 2001, the government increased fuel prices by 64 percent as it moved toward market prices. Ghana qualified for the HIPC initiative in March 2002.

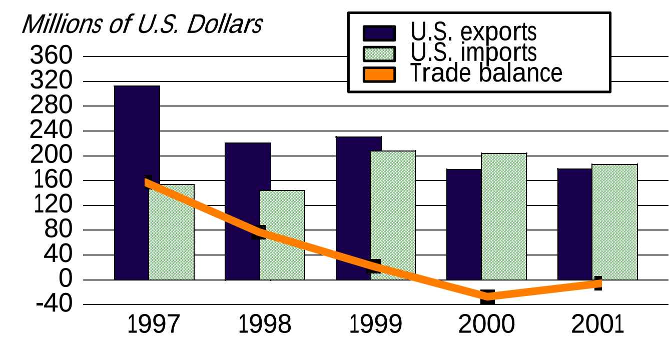
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Togo	14.9%	Nigeria	20.2%
Netherlands	13.2%	Italy	12.2%
United States	10.8%	UK	9.4%
UK	7.3%	United States	6.9%

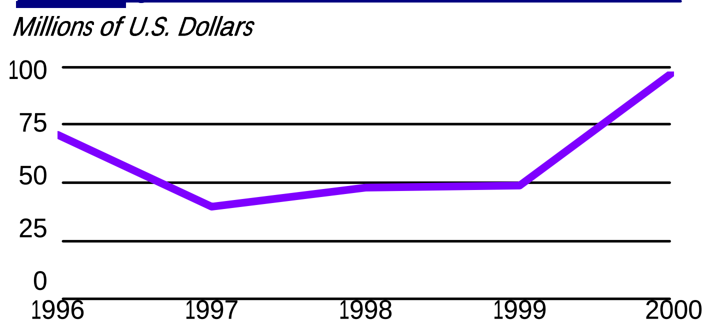
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Gold	705	Manufactures	1,650
Cocoa beans & products	437	Fuels	250,140
Timber & products	175	Non-fuel primary products	140

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (gold)
- Manufacturing
- Parastatal divestiture

Trade Profile

Cocoa is Ghana's main cash crop. Cocobod has a monopoly on external marketing and dominated the domestic purchasing through its Produce Buying Company. Cocoa smuggling through Côte d'Ivoire has been increasing because of higher prices offered there. In early 2002, the government attempted to rectify this problem by increasing cocoa producer prices. In 2001, gold exports surpassed cocoa. The country's largest gold producer, the Ashanti Goldfields Company, accounted for 50 percent of Ghanaian production. Ghana also is one of the world's largest exporters of manganese, which was solely produced by the Ghana Manganese Company. Ghana Bauxite is the sole producer of bauxite, and mined only a small proportion of the reserves. The main growth sectors include agriculture and agro-processing industries, particularly fish products and pineapples.

In 2001, U.S. exports to Ghana consisted primarily of cereals, and machinery and mechanical appliances; and U.S. imports from Ghana consisted primarily of mineral fuels and cocoa. In addition, Ghana has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Ghana totaled $42.9 million in 2001.

Investment and Privatization Profile

The government is committed to attracting new investment. The Industry Revival Scheme provided incentives by increasing access to capital, and the Export Development Fund assisted private entrepreneurs to invest in the export sector by improving exporters' access to short-term credit funds. The government is drafting new legislation to attract more investment in offshore crude petroleum drilling by extending licensing periods, eliminating offshore sites royalties, and reducing the petroleum profit tax on deepwater sites. A variety of companies invested in Ghana in 2001 and 2002. Tyme International (UK) and a Ghanian company, Bytes and PC World, established a joint venture to manufacture computer components in Ghana. An American insurance firm set up an office in Accra to process claims. Gold Fields (South Africa) and Repadre Capital Corporation (Canada) are buying Ranger Minerals' (Australia) 90 percent stake in Abosso Gold.

The privatization of state companies is overseen by the Divestiture Implementation Committee. In 2001 and 2002 GT was partially sold to G-Com (Malaysia) and the new government is planning to sell an additional stake in GT to increase competition. PBC was partly privatized through sales of shares to the public. The government continued plans to sell 25 percent of its shares in the Cocoa Processing Company, and two development banks, the National Investment Bank and Agricultural Development Bank.

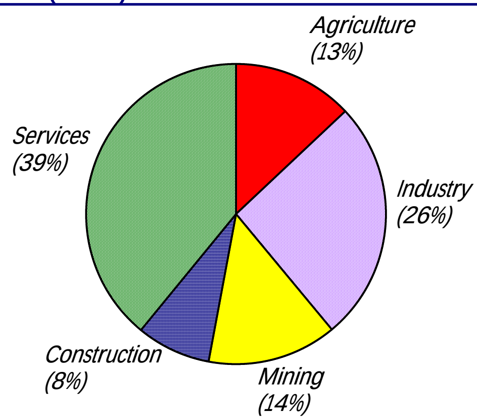
GUINEA

Economic Overview

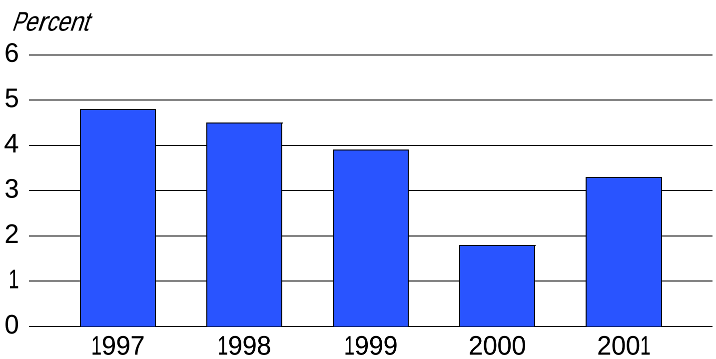
Economic Indicators

	2000	2001	Difference
GDP (nominal, Gnf bn)	5,252	5,946	694.0
GDP (US$ bn)	3.0	3.1	0.1
CPI Inflation (annual average; %)	6.8	9.6	2.8
Goods Exports (US$ mn)	695	775	80.0
Goods Imports (US$ mn)	555	648	93.0
Trade Balance (US$ mn)	140	127	-13.0
Current Account Balance (US$ mn)	-90	-76	14.0
Foreign Exchange Reserves (US$ mn)	148	130	-18.0
Total External Debt (US$ mn)	3,388	n/a	n/a
Debt Service Ratio, paid (%)	15.3	n/a	n/a
Exchange Rate (Gnf/US$)	1,747	1,951	204.0

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Mining continues to drive GDP performance in Guinea. But having significant mineral wealth, including more than 30 percent of the world's bauxite reserves, Guinea remains a relatively poor country. Bauxite, aluminum, gold, and diamonds accounted for 90 percent of exports and 70 percent of government tax revenues. Guinea is the world's second largest producer of bauxite, which accounted for 65 percent of its exports in 2001. Light manufacturing and agriculture employed approximately 80 percent of the population. The agricultural sector accounted for approximately 65 percent of employment and 10 percent of exports.

Civil unrest in the Mano River countries of Guinea, Liberia, and Sierra Leone continued to limit economic development and created a humanitarian crisis. The 10-year struggle centers primarily on control over Sierra Leone's diamond fields. Easing of border tensions with Sierra Leone and Liberia has encouraged foreign companies to resume diamond mining in Guinea, and has increased agricultural production in the eastern border zone. Government economic policy focused on dismantling the state-run economy by privatizing parastatals, improving public sector performance, improving regulatory environment, liberalizing price controls, and increasing tax collection efficiency. Good harvests, lower petroleum prices, and continued donor support helped stabilize inflation rates.

In May 2001, the IMF approved a 3-year, $82 million PRGF arrangement for Guinea, but relations with the IMF and the World Bank were strained after Guinea delayed presenting its 2002 budget in an acceptable format. The delay could slow upcoming disbursement from the IMF under the HIPC initiative. The IMF and World Bank's main areas of concern were border tensions with Sierra Leone and Liberia, inadequate efforts to alleviate corruption, and the renationalization of previously privatized parastatals. In April 2002, Guinea signed a $22.6 million debt-reduction agreement with the United States to finance poverty reduction, education, health care, and infrastructure programs.

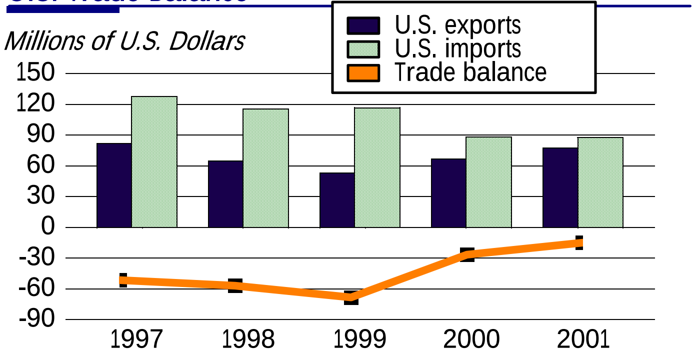
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Belgium	16.9%	France	18.9%
United States	12.9%	United States	11.0%
Russia	9.2%	Côte d'Ivoire	8.5%
Ireland	8.8%	Belgium	7.1%

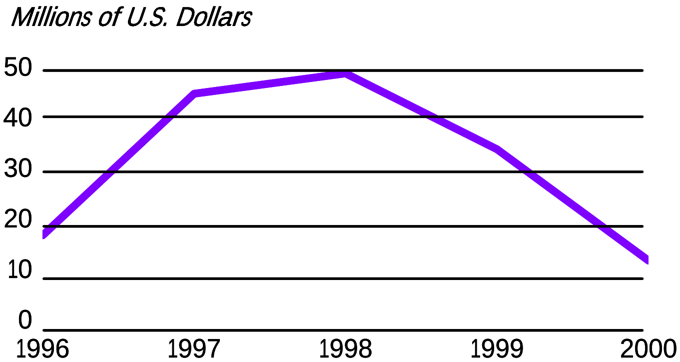
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Bauxite	285	Fuel & energy	59
Gold	119	Capital goods	42
Aluminium	94	Food	41
Diamonds	24		

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (bauxite, gold, diamonds)
- Aluminum smelting
- Manufacturing

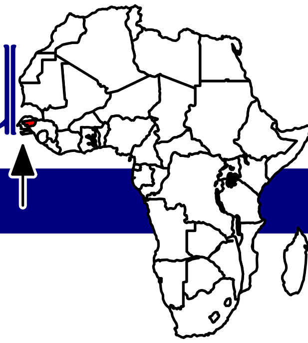
Trade Profile

Exports of bauxite, gold, and diamonds, which account for nearly 80 percent of Guinea's exports, have encountered declining international market prices. In 2002, Guinea joined with The Gambia, Nigeria, Ghana, Liberia, and Sierra Leone to establish a common currency and central bank under the new West African Secondary Monetary Zone by January 2003. In 2001, U.S. exports to Guinea consisted primarily of machinery and mechanical appliances, and inorganic chemicals; and U.S. imports from Guinea consisted primarily of ores, slag, and ash. In addition, Guinea has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from Guinea totaled $191,000 in 2001.

Investment and Privatization Profile

Foreign investment targets primarily the mining sector. Political instability, reported corruption, and a poor business environment continue to deter foreign investors in nonmining sectors. Guinea has encountered difficulty in locating foreign partners for recently privatized water and electricity parastatals. The electricity company, was renationalized 3 months after the company's foreign partners Saur (Éectricité de France) and HydroQuebec departed. DiaBras of Canada announced in November 2001, that it had signed an agreement giving it an option on a 60-percent interest in the Banankoro mine. In March 2002, Rio Tinto, an Anglo-Australian mining company, signed a $14.5 million joint-venture agreement with Trivalence to conduct preliminary exploration of the Aredor kimberlite project. In May 2002, Omuium Nord Africain of Morocco opened a $24 million gold mine in Guinea.

GUINEA-BISSAU

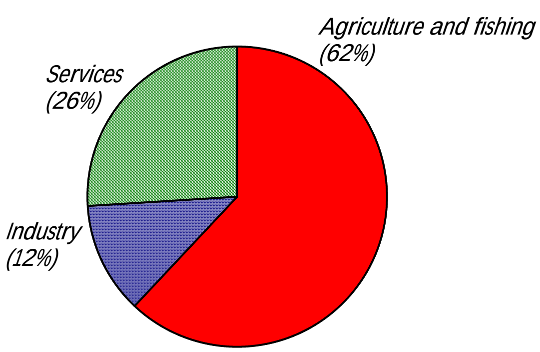


Economic Overview

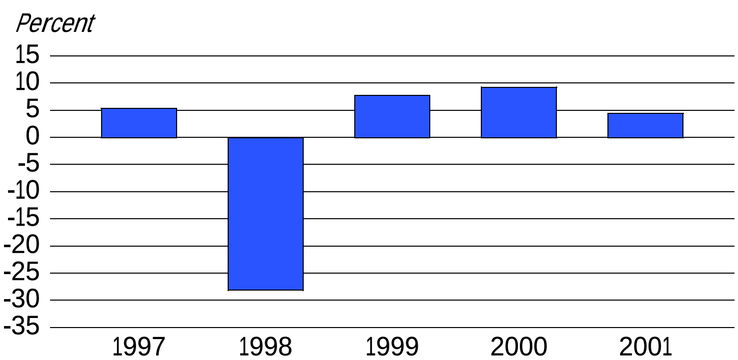
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	135.6	148.8	13.2
GDP (US$ mn)	190.4	203.8	13.4
CPI Inflation (annual average; %)	9.1	5	-4.1
Goods Exports (US$ mn)	80	68	-12.0
Goods Imports (US$ mn)	55.2	58	2.8
Trade Balance (US$ mn)	24.8	10	-14.8
Current Account Balance (US$ mn)	33.5	28	-5.5
Foreign Exchange Reserves (US$ mn)	53.7	70	16.3
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Guinea-Bissau, the world's sixth poorest country, continues to rely heavily on subsistence agriculture, fishing, and support from international donor institutions. Guinea-Bissau continued to suffer from the adverse effects of years of intermittent civil unrest, an undercapitalized private sector, inadequate infrastructure, poor rural market development, and poor macroeconomic policies. GDP growth fell sharply after social conflict resumed in 1998. In 2001, subsistence agriculture accounted for 60 percent of GDP, employed approximately 85 percent of the population, and accounted for 90 percent of exports. The manufacturing sector, primarily activities related to food-processing, brewing, and cotton and wool processing, contributed minimally to GDP. Political instability has impeded government efforts to implement policies promoting economic recovery.

The Guinea-Bissau government continued to initiate programs designed to secure the restoration of the IMF's PRGF, which was suspended in May 2001. To meet these objectives, the government reportedly plans to improve its budgetary and financial management, and to address donor concerns regarding poverty reduction, economic diversification, and public sector infrastructure development. The IMF and the government agreed on a 4-month program that could potentially lead to the restoration of the PRGF in 2002. In February 2002, the World Bank concluded a $26 million agreement to support the Private Sector Rehabilitation and Development Project in Guinea-Bissau. The project will provide funds for privatization, infrastructure and legal reform, improvement of the country's business environment, and settlement of domestic debt.

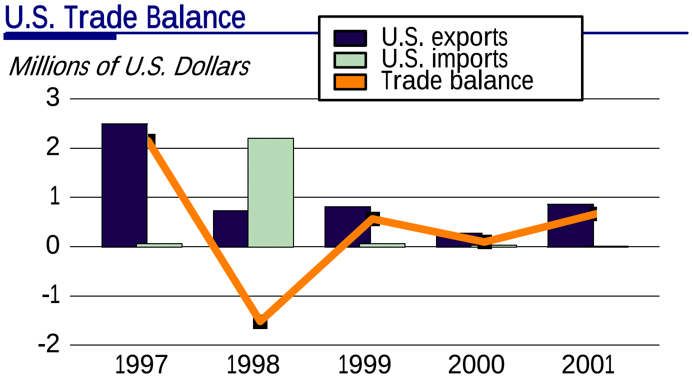
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
India	51.4%	Portugal	30.0%
Italy	2.7%	Senegal	14.6%
South Korea	2.0%	Thailand	8.5%
Belgium	2.0%	China	5.7%

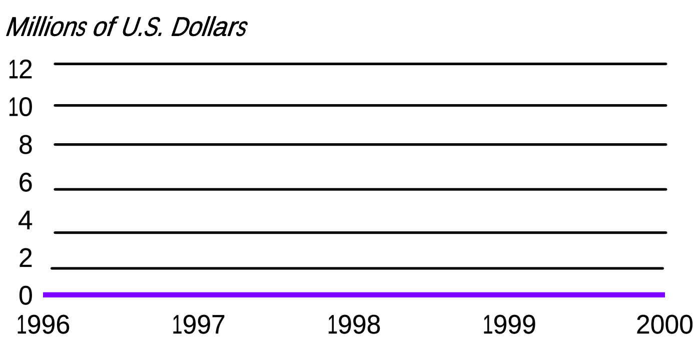
Main Trade Commodities, US$ million

Exports (1998)		*Imports (1999)*	
Cashew nuts	22.9	Foodstuffs	19.8
Fish and shrimp	0.5	Petroleum products	6.4

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Agriculture (cashews)
- Petroleum and energy-related products
- Infrastructure development

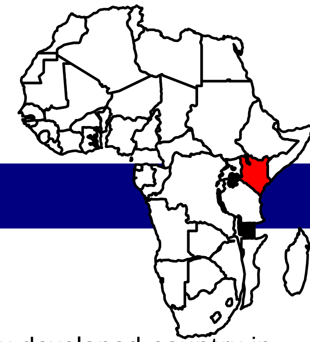
Trade Profile

Guinea-Bissau has ample fish stocks, but was unable to exploit this potential export commodity because of the lack of a modern fishing fleet and onshore processing facilities. In 2002, the majority of Guinea-Bissau's fishing activities were contracted out to foreign fleets, primarily from the EU, in return for licensing fees. Other leading exports include small quantities of peanuts, palm kernels, and saw lumber. In 2001, U.S. exports to Guinea-Bissau consisted primarily of machinery and mechanical appliances. In 2001, U.S. imports from Guinea-Bissau consisted primarily of printed material. In addition, Guinea-Bissau has been designated a beneficiary country under AGOA.

Investment and Privatization Profile

Investment in the nonpetroleum sector is inhibited by weak infrastructure network, social unrest, erratic power supplies, reported corruption, and extreme poverty. However, the government continued its privatization efforts in 2001. In 2002, the parastatal petroleum company, PetroGuin, opened a new licensing round for offshore crude petroleum exploration, offering nine exploration licenses. In February 2002, the government outsourced all authority for the privatization of its parastatals overseen by the recently established privatization council. In March 2002, the government liquidated the Banco Internacional da Guinea-Bissau and, for the first time, granted operating licenses for a cellular telephone service.

KENYA

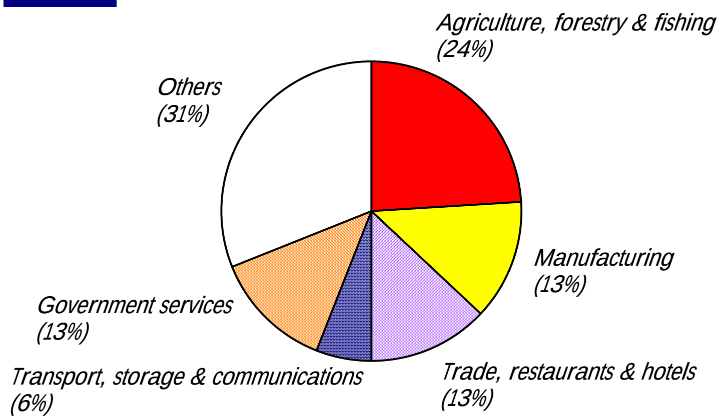


Economic Overview

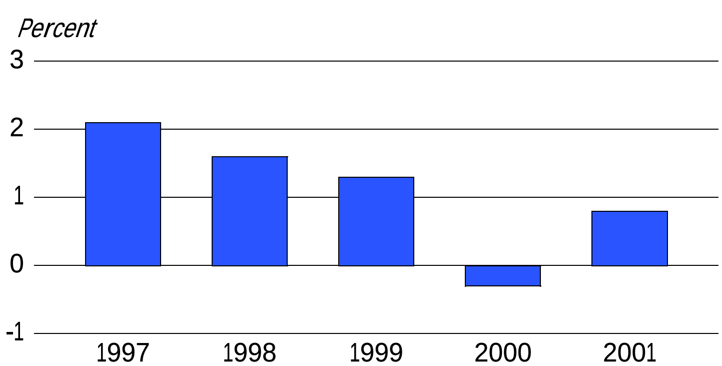
Economic Indicators

	2000	2001	Difference
GDP (nominal, KSh bn)	788.9	795.7	6.8
GDP (US$ bn)	10.4	10.1	-0.3
CPI Inflation (annual average; %)	6.2	0.8	-5.4
Goods Exports (US$ mn)	1,773	1,809	36.0
Goods Imports (US$ mn)	3,044	3,135	91.0
Trade Balance (US$ mn)	-1,271	-1,326	-55.0
Current Account Balance (US$ mn)	-238.2	-251.3	-13.1
Foreign Exchange Reserves (US$ mn)	897.7	1,064.9	167.2
Total External Debt (US$ bn)	6.3	6	-0.3
Debt Service Ratio, paid (%)	17.3	18.1	0.8
Exchange Rate (KSh/US$)	76.1	78.5	2.4

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Kenya is the most industrially developed country in East Africa, although almost half of all agricultural output is subsistence farming. Farming, cattle rearing, forestry and fishing account for one- fourth of GDP and 18 percent of employment in the formal sector. In recent years the output of the fishing, forestry and mining industries has decreased. Only 3 percent of Kenya is forested because wood is constantly being cut for fuel, agriculture, construction, tourism and industrial activities. Depletion of fish reserves also is a concern. After agriculture, tourism is the second largest foreign exchange earner, accounting for one-fifth of GDP in 2001. Manufacturing accounted for 13 percent of GDP. Most manufacturing was in agro-processing industries such as grain milling, beer production, and sugarcane crushing. Government economic policy focused on increasing industrialization. The UN Development Program attributed Kenya's recent modest economic performance to declining farm production, a slump in external trade, and drought.

The World Bank suspended aid to the Kenya Power and Lighting Corporation projects in April 2001. In April 2002, the IMF and World Bank said that the Kenyan government must make clear progress toward reducing corruption and increasing structural reforms if assistance were to resume. The IMF also requested that the government privatize Telkom Kenya, the telecommunications parastatal. The government negotiated the sale of Telkom Kenya for a year with Mount Kenya Consortium, but, in January 2002, the government rejected the consortium's final offer. In May 2002, the World Bank suspended its financial support to the Kenya Urban Transport Infrastructure Project because of reported corruption. With the loss of IMF and World Bank support, the Kenyan government turned to bonds to raise finances.

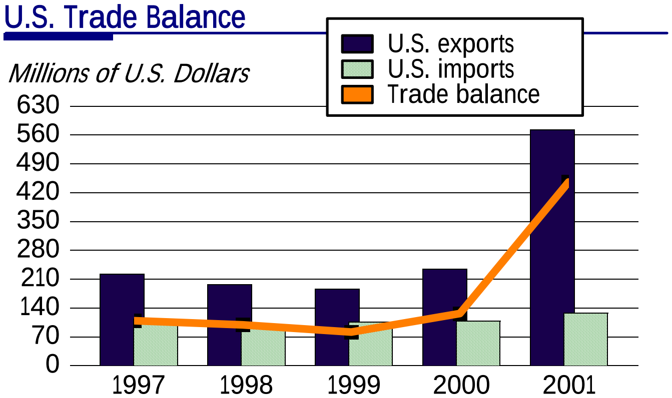
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
UK	13.5%	UK	12.0%
Tanzania	12.5%	UAE	9.8%
Uganda	12.0%	Japan	6.5%
Germany	5.5%	India	4.4%

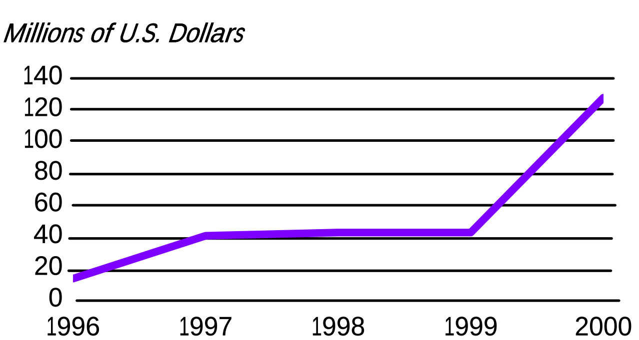
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Tea	461	Industrial machinery	518
Horticulture products	278	Refined petroleum products	286
Coffee	154	Crude petroleum	551
Petroleum products	124	Motor vehicles & chassis	127

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Agriculture
- Agro-industry
- Petroleum and energy-related products

Trade Profile

Kenya has a well developed export sector and is the world's leading supplier of black tea. Declining international coffee prices have adversely affected Kenyan foreign exchange earnings. Tea, coffee, and horticulture were the main agricultural export commodities, accounting for over half of all merchandise exports. Other exports included petroleum products and cement. Imports were predominantly capital goods, industrial inputs, and fuel. Processed food imports, however, have increased recently because of years of drought.

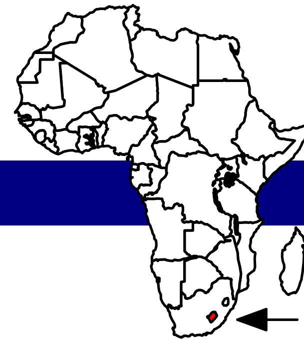
In 2001, U.S. exports to Kenya consisted primarily of aircraft and parts, and machinery and mechanical appliances; and U.S. imports from Kenya consisted primarily of apparel and clothing, and coffee, tea, and spices. In addition, Kenya has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Kenya totaled $58.9 million in 2001.

Investment and Privatization Profile

Inadequate infrastructure, the need for structural reform, sporadic liberalization of the agricultural sector, and reported corruption were the main inhibitors to investment. For example, the main port at Mombasa experienced problems with overstaffing and poor productivity, despite government plans to privatize the port. In addition, in August 2001, the government replaced the Kenya Anti-Corruption Authority with the Anti-Corruption Unit, and in May 2002, the government failed to pass an anticorruption bill. After several years of intense market share competition, South African Breweries closed Castle Brewing in Kenya, leaving East African Breweries as the country's sole beer producer. In June 2001, Swedish and South African companies began building a sugar factory in Busia. Ogilvy Public Relations Worldwide (U.S.), one of the first advertising agencies to open an office outside South Africa, opened an office in Kenya in March 2001. Engen Kenya (South Africa) also expanded operations in Kenya. In April 2001, Dana Petroleum (UK) was approved to explore offshore crude petroleum sites. Affrez (Australia) and Dana Petroleum (U.S.) also commenced offshore crude petroleum drilling projects.

Though subdued, the government continued with its privatization process. In February 2002, the government delayed plans to privatize Kenya Railways Corporation for two years. Kenya also began licensing Very Small Aperture Terminal operators, which provide direct, low-cost communication links. Two public firms, Telkom Kenya Ltd. and Gilat Aldean Africa Ltd., and seven private firms, including African Virtual University, Standard Chartered Bank, and Reuters, were licensed as operators as of May 2002.

LESOTHO

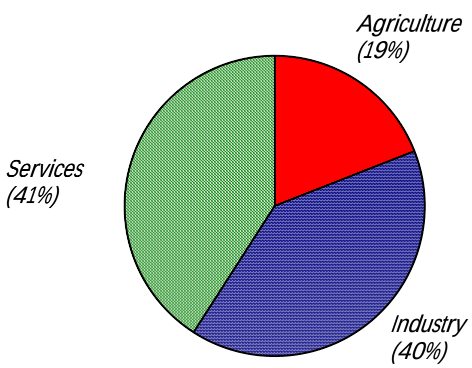


Economic Overview

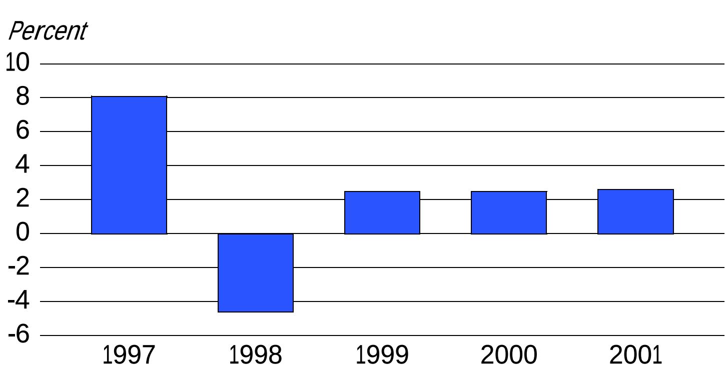
Economic Indicators

	2000	2001	Difference
GDP (nominal, M mn)	6,239	6,832	593.0
GDP (US$ mn)	899.0	807.6	-91.4
CPI Inflation (annual average; %)	6.1	6.9	0.8
Goods Exports (US$ mn)	211	250	39.0
Goods Imports (US$ mn)	727	720	-7.0
Trade Balance (US$ mn)	-516	-470	46.0
Current Account Balance (US$ mn)	-151	-140	11.0
Foreign Exchange Reserves (US$ mn)	418	383	-35.0
Total External Debt (US$ mn)	700	715	15.0
Debt Service Ratio, paid (%)	9	9.2	0.2
Exchange Rate (M/US$)	6.9	8.4	1.6

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Lesotho, completely surrounded by South Africa and lacking substantial natural resources except water, remains one of the poorest countries in the world. In 2001, agriculture employed 50 percent of the population. A severe drought in 2001 limited agricultural production and economic growth, and necessitated food aid in early 2002. The fastest growing sector of the economy in 2001 was manufacturing, driven by exports to the United States under the AGOA program. Migrant remittances from South Africa also accounted for a large share of GDP. Lesotho's currency is pegged to the South Africa's rand, which maintains relatively low inflation rates.

Throughout 2001, government economic policy focused on the World Bank and IMF PRGF program that began in March 2001. In March 2002, the IMF completed a review of the PRGF program and made available SDR7 million ($9.2 million). The government provided an interim PRSP in 2001 and plans to provide the final PRSP outlining complete implementation of poverty reduction programs.

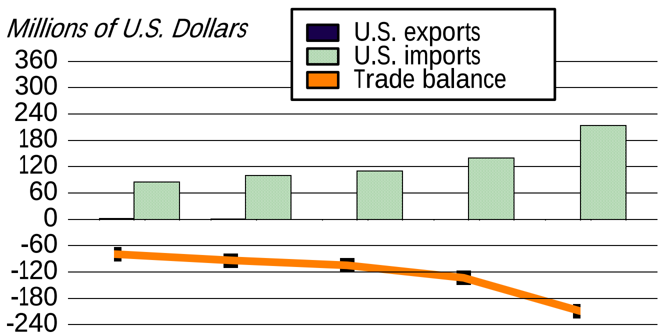
Main Trade Partners, percent of total, 1999

Markets		*Sources*	
Southern African Customs Union	53.9%	Southern African Customs Union	89.5%
North America	45.6%	Asia	7.0%
EU	0.2%	North America	0.9%

Main Trade Commodities, US$ million, 1999

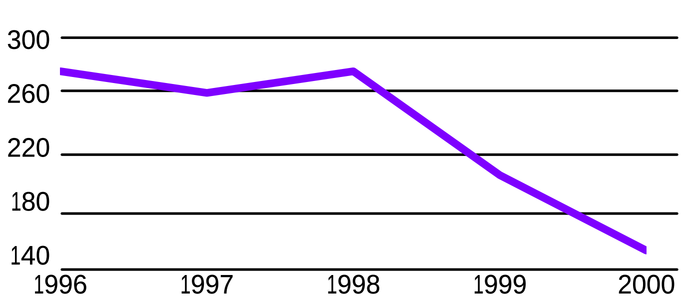
Exports		*Imports*	
Manufactures	108	Capital Goods	368
Machinery & transport equipment	16	Food	328
Beverages & tobacco	14	Fuel & energy	216
Food & livestock	5		

U.S. Trade Balance



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Textiles, apparel, and footwear
- Light manufacturing
- Minerals and mining (diamonds)

Trade Profile

Exports increased dramatically in 2001, primarily because of increased investment in the manufacturing sector, especially textile production. The garment sector is rapidly increasing and creating approximately 1,000 jobs per month as a result of AGOA. With duty-free access to U.S. markets, sector employment doubled and exports increased by 30 percent. In early 2002, the Central Bank of Lesotho developed a plan to provide exporters with financial support to further diversify the export base. Tourism has also increased. Lack of infrastructure and facilities, however, were barriers to tourism sector expansion. As part of the Lesotho Highland Water Development Project, Lesotho exports water to South Africa.

In 2001, U.S. exports to Lesotho consisted primarily of aircraft and parts, and machinery and mechanical appliances; and U.S. imports from Lesotho consisted primarily of apparel and clothing. In addition, Lesotho has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Lesotho totaled $129.6 million in 2001.

Investment and Privatization Profile

Lesotho's investment facilitators include a well-developed infrastructure, relatively low-cost labor, investor-friendly government, and strong anticorruption policies. In addition, close ties with the South African economy, such as linked monetary policies, integrated infrastructure, and liberal labor mobility, make Lesotho an attractive investment destination. Factors inhibiting investment include a reportedly high HIV / AIDS rate, a small domestic market, and potential political instability. Political uncertainty in Madagascar encouraged the relocation of textile firms to Lesotho. Lesotho has, consequently, become the largest African supplier of garments to the United States in 2001. Taiwan investors have announced approximately $100 million of investment targeting the textile industry. Other FDI prospects are assembly and manufacture of light electronics. The Afriski Resort, which will be equipped with a high-altitude Olympic training facility, obtained $10 million in investments. The Lesotho Highlands Water Project also attracted a large amount of investment from European, South African, Hong Kong, Taiwan, Singapore, and U.S. firms. Two Canadian firms, Messina Diamond and Diamond Works, purchased diamond exploration options.

The government's privatization efforts continued in 2001 and 2002. KPMG was hired to provide sale and advisory services in preparation for the Lesotho Electricity Corporation's privatization. Public resistance inhibited the privatization of parastatals in the agricultural sector. Although privatization in the agricultural sector began in 1977, less than 30 percent of the 31 companies slated for privatization have been sold.

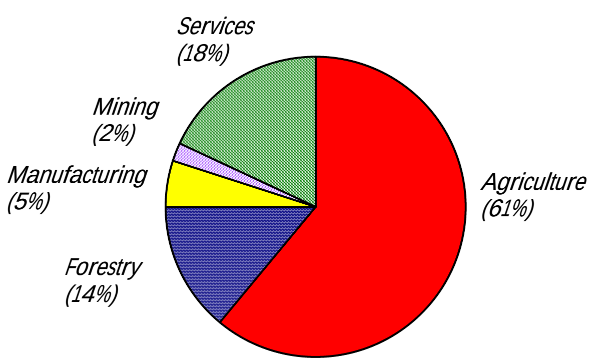
LIBERIA

Economic Overview

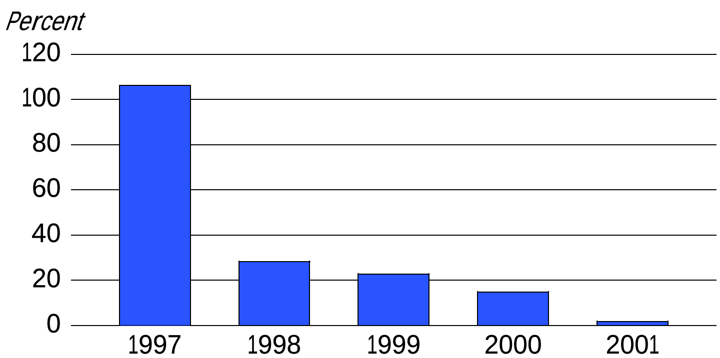
Economic Indicators

	2000	2001	Difference
GDP (nominal, L$ mn)	41,328	46,128	4,800.0
GDP (US$ mn)	516.6	576.6	60.0
CPI Inflation (annual average; %)	5.3	10.5	5.2
Goods Exports (US$ mn)	55	50	-5.0
Goods Imports (US$ mn)	170	175	5.0
Trade Balance (US$ mn)	-115	-125	-10.0
Current Account Balance (US$ mn)	-52.7	-55	-2.3
Foreign Exchange Reserves (US$ mn)	0.3	0.5	0.2
Total External Debt (US$ mn)	2,032	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (L$/US$)	80	80	0.0

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Liberia's economy continued to struggle from social unrest and political instability in 2001. Other factors limiting economic development were the county's small market size, UN and U.S. sanctions, reported corruption, inadequate tax–revenue collection, and inadequate infrastructure system. The civil unrest has reportedly contributed to an 80 percent unemployment rate, with 76 percent of the population living below the poverty line of less than $1.00 per day. As many as 30,000 Liberians have reportedly fled to neighboring Sierra Leone, Guinea, and Côte d'Ivoire during the first half of 2002. Civil unrest also limited agricultural production in many areas. Diamond and gold production was predominantly small scale. In June 2002, the government announced a 50 percent reduction in Liberia's commercial vehicle tax to counter the effects of increases in fuel prices. The government also announced a tax credit for businesses that contribute to the reconstruction of specified counties. The Liberian Central Bank announced in May 2002 that it would temporarily suspend publishing rates because of persistent fluctuations in the parallel market rate. In 2002, Liberia joined with The Gambia, Nigeria, Ghana, Guinea, and Sierra Leone to establish a common currency and central bank under the new West African Secondary Monetary Zone by January 2003.

In May 2002, the United Nations extended its sanctions against Liberia for another year. UN sanctions were initially imposed in response to Liberia's diamond-for-arms trade with Sierra Leone. To preserve Liberia's forests the government signed several international conventions and instruments of accession in January 2002: the Convention concerning the Protection of World Culture and National Heritage; the Convention on Wetlands of International Importance, especially as Waterfowl Habitat; the Stockholm Convention on Persistent Organic Pollutants; and the Cartagena Protocol on Bio-Safety of the Convention on Biological Diversity.

LIBERIA

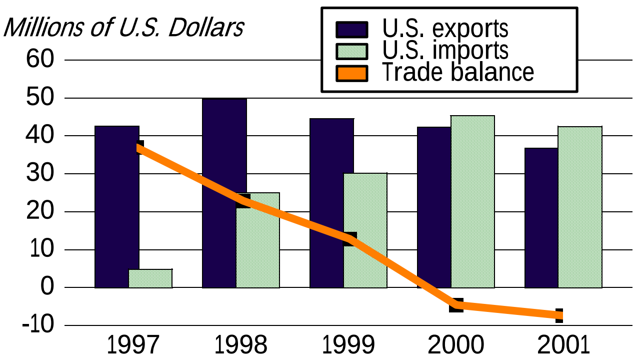
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Germany	25.6%	France	29.3%
Belgium	19.4%	South Korea	21.6%
Norway	8.6%	Japan	14.8%
Italy	7.5%	Singapore	8.8%

Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Rubber	31.7	Foodstuffs	53.4
Timber	21.8	Machinery	36.3
Cocoa	1.1	Fuels & lubricants	20.7
Coffee	1.0	Manufac-tured goods	17.1

U.S. Trade Balance



Key Investment and Privatization Sectors

- Minerals and mining (diamonds)
- Infrastructure development
- Agriculture (rubber, timber)

Trade Profile

Liberia's historically dominant export products remain curtailed in 2001 by social unrest and the international response to that unrest. Rubber was Liberia's chief cash crop. Timber and rubber production continued, though below potential production levels. Diamond mining remained subject to international sanctions over the smuggling of conflict diamonds from Sierra Leone. The United States maintained its ban on imported rough diamonds from Liberia in 2002. Another source of foreign exchange was the use of the Liberian flag of convenience by shipping vessels. After Panama, Liberia is the world's second largest, by tonnage, flag of convenience issuer. In late 2001, however, the United Nations imposed sanctions on the country's maritime industry alleging that flag-of-convenience revenue had been used to fund weapons purchases. Liberia's import bill was dominated by food, transport equipment, and machinery.

In 2001, U.S. exports to Liberia consisted primarily of iron or steel, and cereals; and U.S. imports from Liberia consisted primarily of rubber. Liberia is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

Investment was inhibited primarily by reported corruption and persistent economic and political instability. Other factors inhibiting nonmining investment include inadequate infrastructure, limited energy generation and distribution, and a small domestic market. Investment activities in 2001 and early 2002 targeted primarily the minerals and mining sector. An Abu Dhabi-based telecommunications company, Thuraya, announced its intentions to provide telecommunications services in Liberia. Mano River Resources (Canada) signed two mineral development agreements with government. The agreement covers the mineral projects in the Bea Mountains and the Kpo Range. Mano River Resources also signed an agreement with Trans Hex Group (South Africa) to establish a diamond exploration and development joint venture. Unexplore (U.S.) visited Liberia in 2002 to explore the possibility of establishing a $700 million iron ore project which would include constructing and rehabilitating rail lines linked to iron deposits in Guinea. The government announced places to hold a petroleum licensing round in late 2002, and updated its petroleum legislation in anticipation of new investment. The government did not have substantial privatization events, and contrary to its rhetoric supporting a free market economy, the government has granted monopolies to firms in the rice, gasoline, and cement sectors.

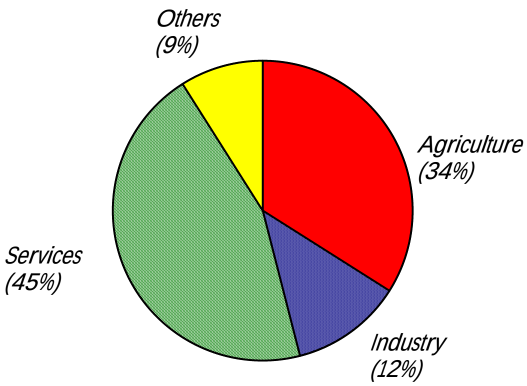
MADAGASCAR

Economic Overview

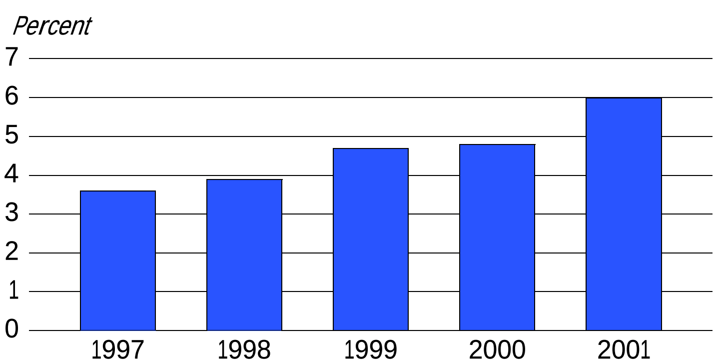
Economic Indicators

	2000	2001	Difference
GDP (nominal, Mgfr bn)	26,882	30,917	4,035.0
GDP (US$ bn)	4.0	4.7	0.7
CPI Inflation (annual average; %)	11.8	8.5	-3.3
Goods Exports (US$ mn)	824	740	-84.0
Goods Imports (US$ mn)	997	1,105	108.0
Trade Balance (US$ mn)	-173	-365	-192.0
Current Account Balance (US$ mn)	283	240	-43.0
Foreign Exchange Reserves (US$ mn)	285	360	75.0
Total External Debt (US$ mn)	4,460	4,500	40.0
Debt Service Ratio, paid (%)	11	6.3	-4.7
Exchange Rate (Mgfr/US$)	6,767	6,588	-179.0

Origins of GDP (1997)



Real GDP Growth Rate



Economic Profile

Madagascar achieved relatively high growth in 2001. Madagascar is a predominantly agrarian economy. Agriculture employed 80 percent of the workforce and generated one-third of GDP in 2001. In 2001-2002, although the rice trade was liberalized, agriculture sector expansion was hampered by locust infestation, periodic cyclone damage, inadequate transportation, limited irrigation and water networks, and price controls. Only 1.5 percent of Madagascar's small farmers had access to credit and only 5 percent of total lending went to agriculture. Poverty is widespread in Madagascar, particularly in rural areas. Madagascar's relatively low wages have attracted a substantial amount of relatively labor-intensive activity from Mauritius, where labor costs are higher. Madagascar has extensively used its AGOA access; and from January to June 2001, 22,000 jobs were created in the new Export Processing Zone (EPZ). Textiles and apparel were the main industrial product. Textile manufactures employed 100,000 people and accounted for 70 percent of the country's total exports in 2001. Madagascar's seven major national parks, and wildlife or forest reserves have tourism potential. Government economic policy focused on market liberalization, tightened fiscal policy, increased investment in social services, and grassroots economic development.

At the end of 2001, political turmoil erupted in a highly contested presidential election. Both candidates had separate central banks printing money, fueling inflation and large deficits. A strike began in January 2002. According to the World Bank and IMF, the strike cost up to $14 million per day. In the first five days of the strike, the total savings from the HIPC initiative were lost. At least 100,000 jobs were lost or suspended, and several textile companies left the country. During the strike, stranded air passengers negatively affected the travel and tourism sectors. Because of the political uncertainty, foreign aid was not provided during the late 2001 and early 2002 period. The IMF maintained pressure on the government to pursue a firm policy on revenue collection and tax policy. In early 2001, Madagascar's PRGF with the IMF was extended until 2003.

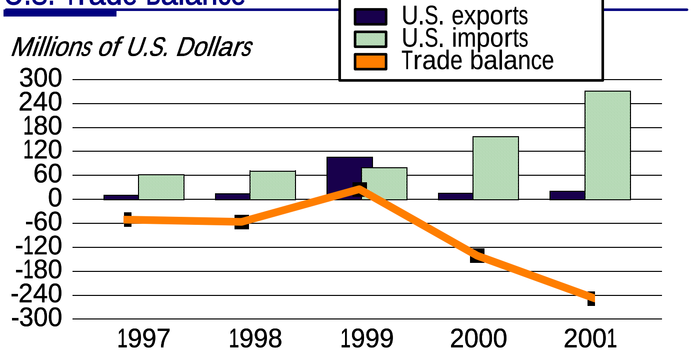
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
France	40.9%	France	38.0%
United States	21.1%	Hong Kong	10.1%
Germany	7.4%	China	5.4%
Japan	3.6%	Singapore	5.1%

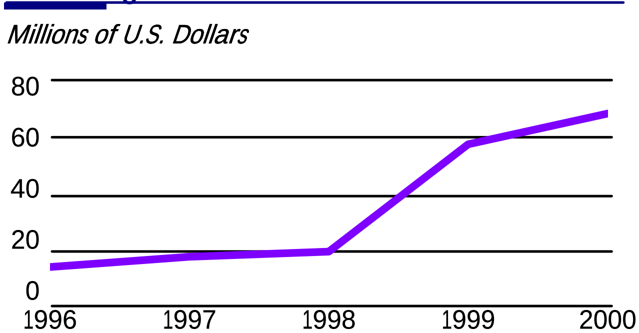
Main Trade Commodities, US$ million, 1998

Exports		*Imports*	
Coffee	40	Capital goods	150
Cotton cloth	35	Raw materials	144
Vanilla	17	Consumer goods	122
Prawns	17	Fuel products	49

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Textiles and apparel
- Light manufacturing

Trade Profile

The country has a relatively diversified export base that includes agriculture products, light industry, and prawns. Traditional exports, coffee, vanilla, cloves, and pepper have declined in export shares but remained crucial foreign exchange earners. The major portion of export revenue was generated in export processing zones. In 2001 and 2002, five new sites were reviewed as potential EPZs. Prawns were the second largest export earner, and seafood exports have become an increasingly important source of foreign currency. Beef also is a significant export earner, although the sector's performance has been erratic. The government has expressed interest in joining the Southern African Development Community.

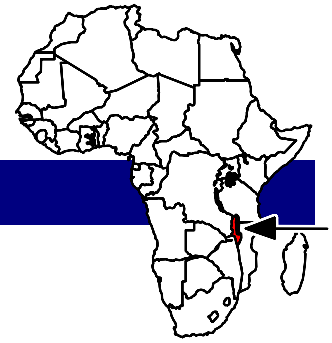
In 2001, Madagascar extensively used the AGOA program, and exports increased rapidly. In the first half of 2001, investment was three times the total investment of 2000. Political instability, however, resulted in many companies exiting the country. France was Madagascar's predominant trading partner and an important source of aid. In 2001, U.S. exports to Madagascar consisted primarily of machinery and mechanical appliances, and aircraft and parts. In 2001, U.S. imports from Madagascar consisted primarily of apparel and clothing. In addition, Madagascar has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Madagascar totaled $97.1 million in 2001.

Investment and Privatization Profile

Inadequate transportation networks, crime, and reported corruption deterred economic development and investment outside the capital. The government however, has reduced the time for investment approval and has approved EPZs on privately owned land. EPZs generally attracted spill-over investment from Mauritius, especially in the relatively labor-intensive textiles sector. Last year exports of textiles and garments to the United States encouraged local and foreign businesses to triple industrial investment. Although there is significant potential for mineral exploitation, the deposits are in isolated and scattered areas. Madagascar reportedly could more than double its gold output and has possibilities for increasing production of chrome ore, quartz, gemstones, graphite, mica, marble, bauxite, and iron, if it had improved infrastructure networks.

The government continued its plan to privatize more than 40 state-owned enterprises. Preparations were made for the sale of cotton and sugar parastatals. The fuel monopoly, Solitany Madagascar, was sold to several companies including: TotalFinaElf (France); Jovenna (South Africa); and Galana (Kenya). In late 2001, the government was trying to complete the arrangements for the restructure and sale of Solima, the state petroleum refinery. The sale of the telecommunications company, Telma, was deterred by high cost. The privatization of Telecom Malagasy and Air Madagascar were set back because of the political turmoil.

MALAWI

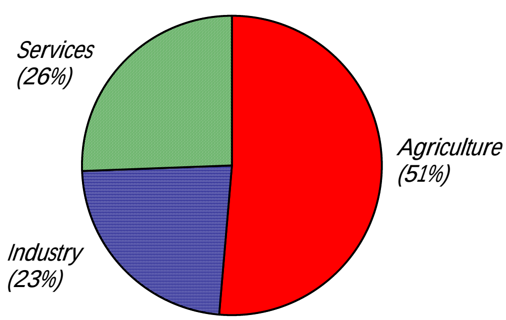


Economic Overview

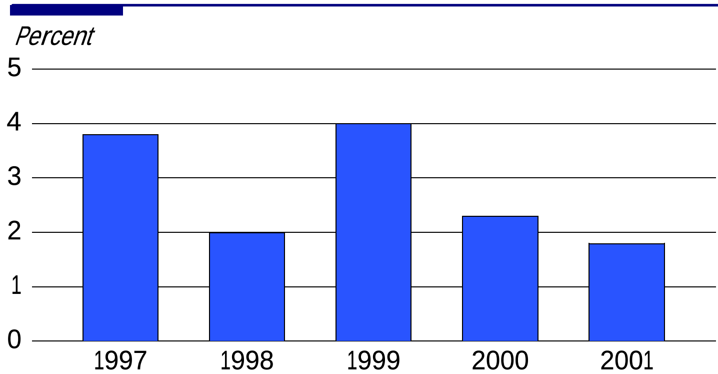
Economic Indicators

	2000	2001	Difference
GDP (nominal, MK bn)	97.2	126.9	29.7
GDP (US$ bn)	1.6	1.8	0.2
CPI Inflation (annual average; %)	29.6	27.2	-2.4
Goods Exports (US$ mn)	424.5	415.7	-8.8
Goods Imports (US$ mn)	435.3	473.6	38.3
Trade Balance (US$ mn)	-10.8	-57.9	-47.1
Current Account Balance (US$ mn)	-147.7	-192.6	-44.9
Foreign Exchange Reserves (US$ mn)	246.9	206.7	-40.2
Total External Debt (US$ bn)	2.8	2.8	0.0
Debt Service Ratio, paid (%)	21.9	12.9	-9.0
Exchange Rate (MK/US$)	59.5	72.2	12.6

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

As one of the least-developed nations in the world, Malawi continues to experience variable growth rates. Agriculture is the mainstay of the economy, and accounted for 86 percent of jobs, 37 percent of GDP, and 85 percent of export revenues in 2001. The March 2001 torrential floods resulted in significant economic loss and food shortages. Large parts of the already inadequate infrastructure was damaged. Rural development programs have encouraged many subsistence farmers to produce cash crops, and the main crops were tobacco, tea, and sugar. Fishing and forestry industries have been growing rapidly.

The economy, however, remained reliant on aid from the IMF, World Bank, and donor nations. Economic development continued to be hampered by inadequate transport systems, power shortages, inadequate telecommunications network, adverse weather conditions, and a reportedly growing HIV / AIDs epidemic. Economic policy broadly followed IMF-supported policy goals, including fiscal discipline, increased macroeconomic stability, decreased inflation, and deficit reduction. Donors have expressed concerns regarding reported corruption, rigid bureaucracy, and an overstaffed government sector. The president's effort to change the constitution to allow himself to stand for a third term in office in 2004 also was criticized.

Main Trade Partners, percent of total, 2000

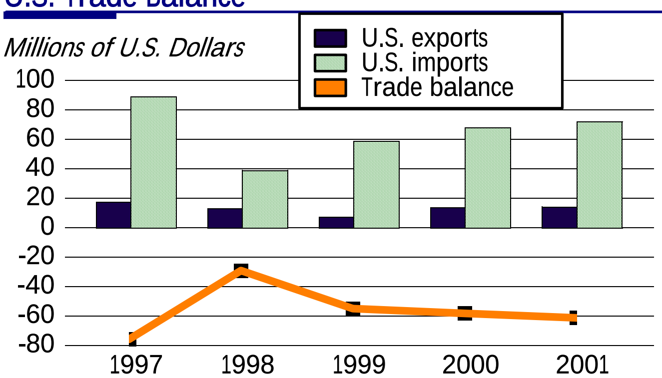
Markets		*Sources*	
South Africa	20.3%	South Africa	42.5%
United States	12.8%	Zimbabwe	15.1%
Japan	11.0%	Zambia	10.3%
Germany	7.0%	India	3.0%

Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Tobacco	224	Intermediate goods	287
Sugar	42	Capital goods	83
Tea	37	Consumer goods	65
Pulses	7		

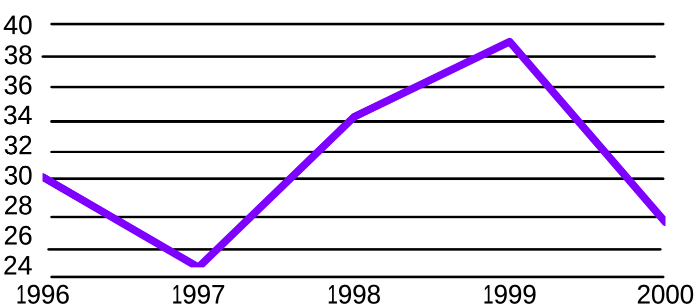
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Minerals and mining
- Textiles and apparel
- Agriculture (tobacco)

Trade Profile

The overall trade environment is favorable. Tariff levels continued to be lowered in 2001, and nontariff barriers to trade are being removed. A sizeable trade deficit persisted, driven in part by a growing market for computers, peripherals, software, and vehicles and parts. Trade continued to be hampered by distribution difficulties, especially during the rainy season. In 2001, tobacco represented more than 60 percent of all exports, though attempts continue to diversify away from and reduce dependence on the crop. The government increased its focus on developing the mining sector, which has potential for large-scale mining of bauxite, asbestos, graphite, and uranium.

In 2001, U.S. exports to Malawi consisted primarily of machinery and equipment; and U.S. imports from Malawi consisted primarily of tobacco. In addition, Malawi has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Malawi totaled $35.4 million in 2001.

Investment and Privatization Profile

Foreign direct investment and expertise are flowing into the country (relative to past years) as a result of fewer government controls and the government's privatization program. In 2001 and 2002, the government aggressively sought foreign investors via promotional programs abroad. Investment incentives include duty-free importation of raw materials for manufacturing industries, quota privileges for textiles and sugar in the EU and United States, and export advantages to neighbors Zambia and Tanzania. Several export processing zones offer tariff free access to South Africa. Reported increases in corruption were a growing concern for both international financial donors and investors. For example, in early 2002, several Western funders, who accounted for much of Malawi's budget, announced they were suspending aid amid concerns over government corruption and overspending.

As of October 2001, the government had privatized 45 of the 100 parastatals earmarked for sale. The government suspended plans to privatize MTL (telecommunications) in July 2001, but later resumed plans, and the company is now slated for privatization in 2002. Econet Wireless (Zimbabwe) and Telecoms Consultant India were the two firms interested in the available 30 percent share.

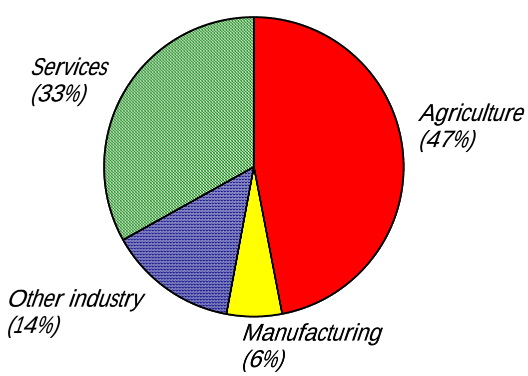
MALI

Economic Overview

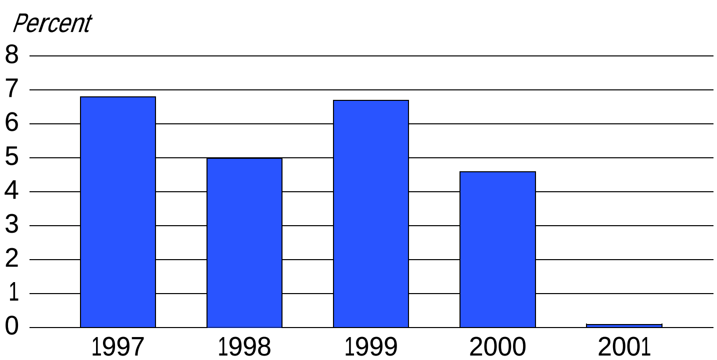
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	1,811	1,896	85.0
GDP (US$ bn)	2.5	2.6	0.1
CPI Inflation (annual average; %)	-0.7	5.2	5.9
Goods Exports (US$ mn)	531	661	130.0
Goods Imports (US$ mn)	592	620	28.0
Trade Balance (US$ mn)	-61	41	102.0
Current Account Balance (US$ mn)	-241	-276	-35.0
Foreign Exchange Reserves (US$ mn)	381	291.7	-89.3
Total External Debt (US$ bn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Mali is one of the world's least developed economies, and economic development in 2001 was limited by a small market size, limited export base, and few energy supplies beyond traditional sources like wood and charcoal. Nearly 80 percent of the population derived its livelihood from agriculture and livestock husbandry. Agriculture accounted for 50 percent of GNP with cotton as the principal cash crop. Although cotton production surged in 2002, Mali remains vulnerable to depressed international prices. Until 2000, cotton dominated Mali's exports, but Mali has since become one of the world's fastest growing gold producers, and in 2002, Mali became Africa's third largest gold exporter, after South Africa and Ghana. In 2001 and 2002, mining conglomerates such as Imagold, Anglogold (S. Africa), Randgold Resources (S. Africa), and IAMGold (Canada) announced plans to expand production. The country also has significant deposits of bauxite, manganese, zinc, copper, and aluminum. Manufacturing was minimal, accounting for only 2 percent of GDP in 2001.

Mali continued to reduce macroeconomic imbalances and liberalize its economy. Government policy focused on efforts to achieve transparency in government operations, poverty reduction, budgetary management and tax collection improvement, and reduced corruption. Mali, nevertheless, remained heavily dependent on international donor support and foreign aid. In December 2001, the World Bank authorized Mali's third structural adjustment credit valued at $70 million to meet Mali's balance of payments and support the country's structural reforms. In January 2002, Mali signed agreements with the IMF and World Bank adopting the PRSP.

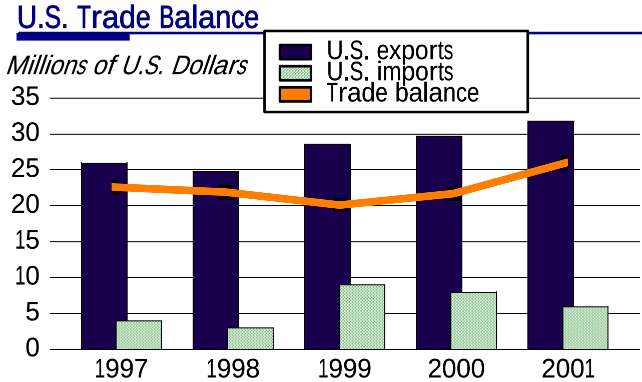
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Brazil	11.0%	Côte d'Ivoire	21%
Korea	10.0%	France	12%
Italy	7.0%	Senegal	4%
Canada	7.0%	Germany	4%

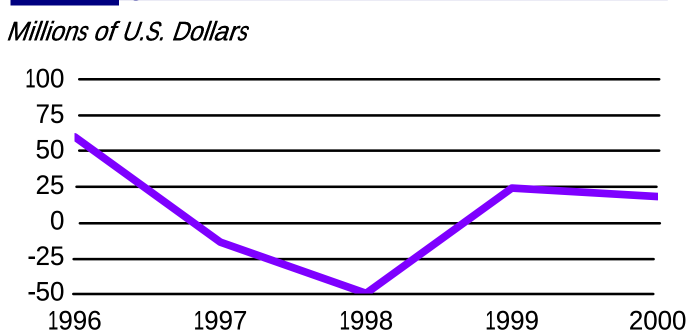
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Gold	266	Petroleum products	98
Cotton	153		
Livestock & products	42		

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (gold)
- Telecommunications services
- Agriculture (cotton, cereal)

Trade Profile

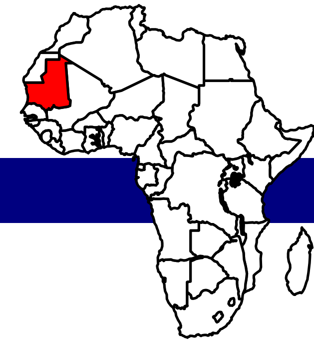
Mali's main exports, cotton and gold, have experienced declining international prices in recent years negatively impacting its trade balance. Although formal trade remains limited, informal regional trade, though difficult to quantify, is believed to be substantial. Services exports were stifled by the continued emigration of Malian entrepreneurs and various skilled Malians.

In 2001, U.S. exports to Mali consisted primarily of vehicles and parts; and U.S. imports from Mali consisted primarily of miscellaneous equipment. In addition, Mali has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from Mali totaled $293,000 in 2001.

Investment and Privatization Profile

Investment continued to be hampered by limited energy provision, a small domestic market, reported corruption, and inadequate infrastructure. Nevsun Resources (Canada) signed two agreements to purchase gold properties near its Tabakoto mine is Mali's Kenieba district. The government awarded a telecommunications service license to France-Télécom, and sold 60 percent of EDM, the state-owned electricity and water company, to Saur International of France. In September 2001, the government launched a tender to license a private telecommunications operator offering both fixed and cellular services to compete with parastatal Solelam. The IMF expressed approval of Mali's December 2001 plans to privatize CMDT, the cotton production parastatal though trade unions and producers have expressed concerns. Mali announced in February 2002 that it had received several bids for its state-owned railroad. The bidders included Canarail (Canada), Comazar (South Africa), and Transurb (Belgium). Completed privatization is expected by April 2003. As of mid-2001, however, approximately 90 percent of all production was state controlled.

MAURITANIA

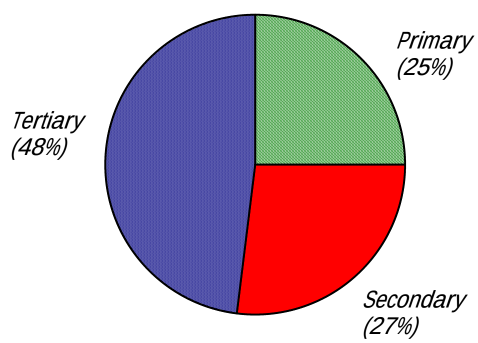


Economic Overview

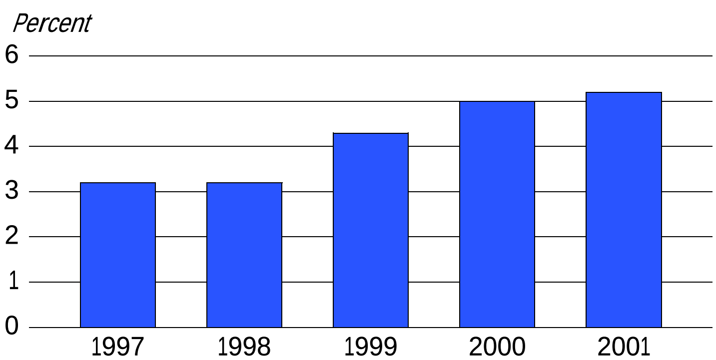
Economic Indicators

	2000	2001	Difference
GDP (nominal, UM bn)	205.1	223.9	18.8
GDP (US$ mn)	858.5	932.9	74.4
CPI Inflation (annual average; %)	3.3	4	0.7
Goods Exports (US$ mn)	350	360	10.0
Goods Imports (US$ mn)	320	335	15.0
Trade Balance (US$ mn)	30	25	-5.0
Current Account Balance (US$ mn)	n/a	n/a	n/a
Foreign Exchange Reserves (US$ mn)	284	345	61.0
Total External Debt (US$ bn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (UM/US$)	238.9	240	1.1

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Mauritania's economic development was restricted by a small market size, limited rainfall, declining international commodity prices, and limited export base in 2001. Mauritania derived a significant percentage of its foreign exchange earnings from fishing and fishing licenses. A concern, however, has been the sustainability of current fishing levels as reserves continued to decline. Mauritania's economic policy in 2001 focused on those endorsed by the IMF and World Bank, which includes tight monetary policy, achieving balanced budgets, privatization of parastatals, inflation control, and economic diversification. In January 2002, Mauritania enacted a new nonnegotiable mining law that covers the economic, customs, fiscal, and foreign-exchange conditions under which new mining investments can be made. The law exempts foreign investors from import duties on equipment and goods imported for export-oriented projects, guarantees transfer of convertible currencies associated with new investments, provides for national or international dispute arbitration, and establishes a "one-stop-shop" to provide guidance and mediation with Mauritania's ministries. The government also provided free-trade zone status to new companies manufacturing finished goods for export.

International donor institutions granted Mauritania $142 million over the next 3 years to finance various government antipoverty initiatives, and in 2002 Mauritania became the sixth developing country to attain the "completion point" under the IMF and World Bank HIPC initiative. The IMF and the World Bank also canceled $1.1 billion of Mauritania's $2.2 billion debt.

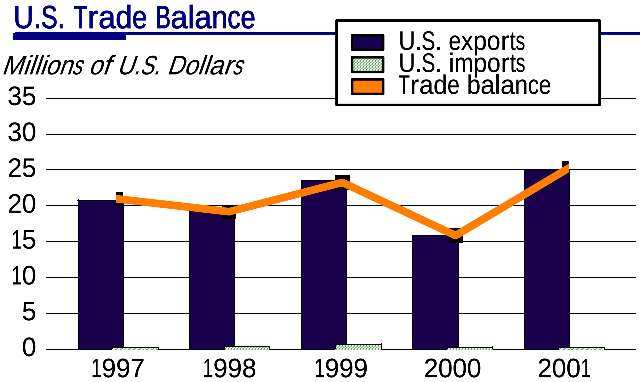
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
France	17.6%	France	24.5%
Japan	16.1%	Algeria	10.8%
Italy	13.1%	Belgium	8.4%
Spain	10.5%	Spain	5.7%

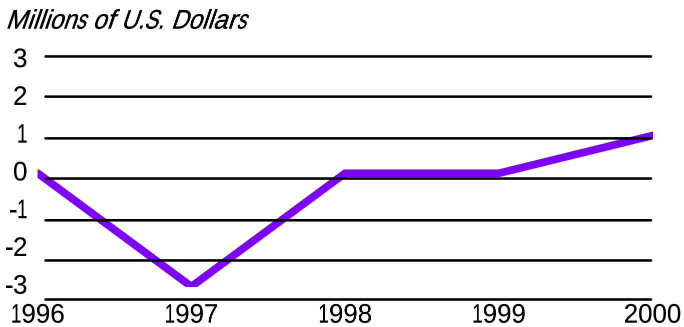
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Iron ore	129.6	Public sector	15.1
Fish & fish products	113.2	Private sector	139.1

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (iron ore)
- Petroleum and energy-related products
- Infrastructure development

Trade Profile

Mauritania continued to diversify its export base and currently exports to the EU high-value vegetables and fruit (green beans, peppers, watermelon, and okra) grown in irrigated fields. Mauritania's export base, nevertheless, was dominated by fish, including fish products, and iron ore. Iron ore exports, Mauritania's leading source of foreign exchange, declined during 2001 because of declining world prices.

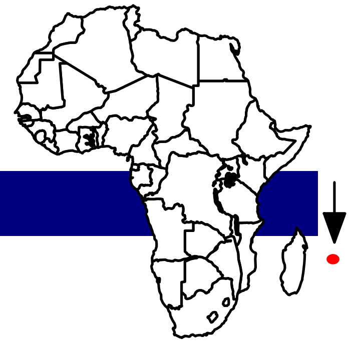
In 2001, U.S. exports to Mauritania consisted primarily of machinery and mechanical appliances; and U.S. imports from Mauritania consisted primarily of electrical machinery and equipment. In addition, Mauritania has been designated a beneficiary country under AGOA.

Investment and Privatization Profile

Investment into Mauritania was primarily in the agro-industry and extractive sectors. A new flour mill, Grands moulins de Mauritanie, was set up in November 2001. The $7.8 million mill represented the largest single agro-industrial venture in Mauritania. It is a joint venture between Ballouhey (France) and the Mohamed Abdallahi Ould Abdallahi group (Mauritania). Societe nationale industrielle et miniere (SNIM) entered into a joint venture with Sphere Investments (Australia) to develop the Guelb el Aouj iron ore deposit. In January 2002, the government granted the International Petroleum Group (IPG) permission to explore for crude petroleum in the country's coastal basin. In 2001, Spain agreed to finance the construction of a new petroleum tanker terminal at the port of Nouakchott. Nonextractive investment detractors include sparse infrastructure network, a small domestic market, and environmental vagaries.

During 2001, Mauritania sold its national airline and telecommunications company. It also granted licenses to two private cellular phone companies, U.S.-based Harris Communications and Nortel of Canada. The IMF and World Bank also requested Mauritania privatize its state-owned water and electricity company. Five private sector investors have prequalified to bid on Somelec and completion is planned by the end of 2002.

MAURITIUS

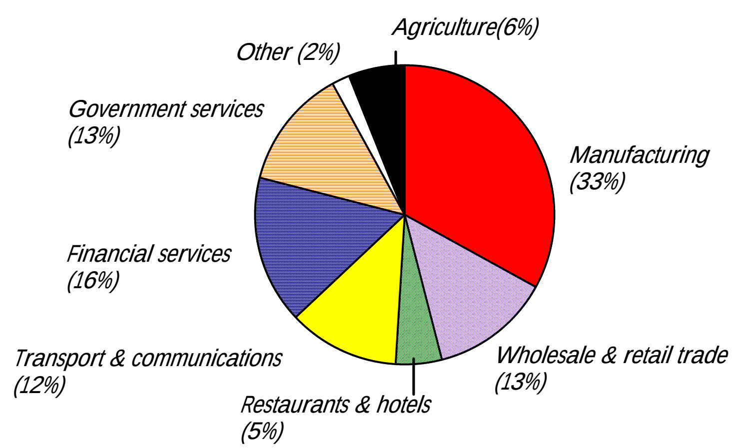


Economic Overview

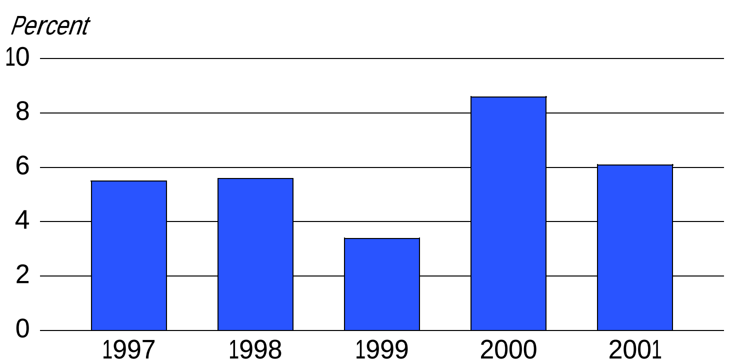
Economic Indicators

	2000	2001	Difference
GDP (nominal, MRs bn)	118.5	132.5	14.0
GDP (US$ bn)	4.5	4.5	0.0
CPI Inflation (annual average; %)	4.2	5.4	1.2
Goods Exports (US$ mn)	1,559.4	1,551.4	-8.0
Goods Imports (US$ mn)	1,953.3	1,976.8	23.5
Trade Balance (US$ mn)	-393.9	-425.4	-31.5
Current Account Balance (US$ mn)	-33.2	-31.4	1.8
Foreign Exchange Reserves (US$ mn)	897.4	848	-49.4
Total External Debt (US$ bn)	2.8	2.9	0.1
Debt Service Ratio, paid (%)	9.5	8.7	-0.8
Exchange Rate (MRs/US$)	26.3	29.1	2.8

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

For the past two decades, Mauritius' GDP growth has averaged nearly 6 percent. This level of growth has been driven by growth in exports, which contributed two-thirds of total output. The government forecast a lower growth rate for 2002, because of damage to the sugar crop, low textile production, and damaged tourism infrastructures resulting from a cyclone in January 2002. The government's Economic Agenda for the New Millennium (NEA) set forth three major priorities: social (education, social assistance, health care) development; environmental protection; and increasing global competitiveness. An important focus of government policy was developing the informational technology sector with the goal of becoming a "Cyber Island." In recent years, textiles, tourism, and financial services have emerged as the predominant sectors, although sugar remains an important sector. High budget deficits and the depreciation of the rupee have contributed to increasing inflation.

The ADB approved a $7.4 loan for health care in December 2001 and a $5 million loan for a sewerage project in February 2002. In May 2002, the World Bank approved a $40 million Public Expenditure Reform Loan (PERL) to support the country's NEA with additional PERLs to be made available over the next 2 years. In addition, the World Bank is funding three projects totaling $19 million for financial services and infrastructure development. The Development Bank of Southern Africa also granted a $15.8 million, 10-year loan to the Development Bank of Mauritius for infrastructure projects.

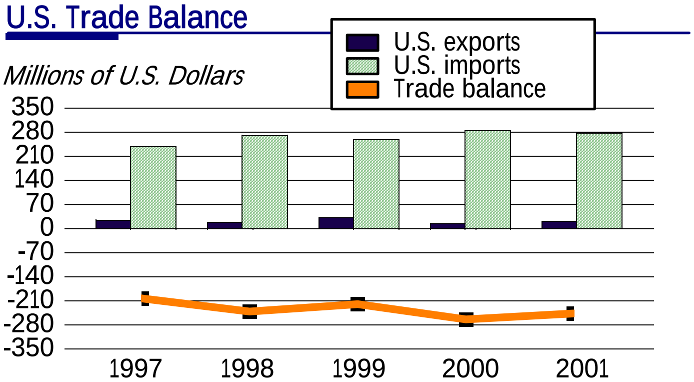
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
UK	25.8%	France	20.0%
France	20.8%	South Africa	19.0%
United States	16.0%	India	9.0%
South Africa	10.9%	Hong Kong	5.2%

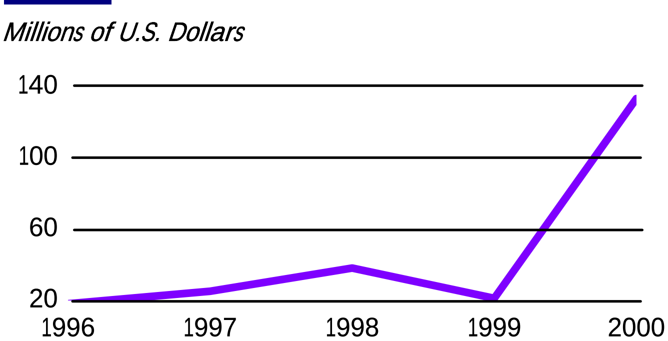
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
EPZ products: textiles and apparel	1,029	Manufactured goods	839
Sugar	335	Machinery & transport goods	911
		Food & beverages	278

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Textiles and apparel
- Light manufacturing (EPZs)
- Financial services

Trade Profile

Total exports increased from 2000 to 2001 with sugar, and textiles and clothing representing the major exports. Sugar exports have declined, however, as a result of the government's 5-year Sugar Sector Strategic Plan (2001-2005), which called for a reduction in the number of sugar mills and workers. Exports from the export processing zone, particularly textiles and clothing, increased in 2001 as Mauritius became eligible for the AGOA program. The government also continued efforts to diversify production away from textiles to other manufactured products. Significant reductions in tariffs were implemented in 2000 and 2001. The government, however, regulates imports of certain products, including petroleum products, cement, rice, flour, potatoes, onions, and some spices.

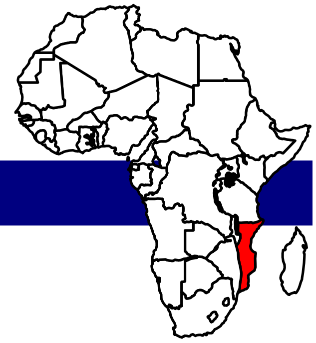
In 2001, U.S. exports to Mauritius consisted primarily of machinery and mechanical appliances; and U.S. imports from Mauritius consisted primarily of apparel and clothing. In addition, Mauritius has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Mauritius totaled $54 million in 2001.

Investment and Privatization Profile

The government continued to encourage foreign investment. Companies operating in the EPZs or the Mauritius Freeport, and offshore businesses benefitted from tax advantages (15 percent corporate tax instead of 35 percent), duty-free or reduced tariffs on inputs, and low-interest loans. In addition, the Permanent Residence Scheme and Regional Headquarters Scheme were introduced to attract new investment. The Board of Investment also was established by the government in 2001 to promote and facilitate investment. Top investment sources were India, the United Kingdom, France, Germany, and South Africa. Some of the leading sectors for foreign investment were information technology, printing and publishing, pharmaceuticals, light engineering, high-quality garments, and jewelry.

The government's privatization efforts continued as it sought foreign investment partners for various parastatals. The process also began for selecting partners for the Cargo Handling Corporation, Central Water Authority, and the Central Electricity Board, and plans continue for the Postal Services and National Transport Corporation. France Telecom acquired 40 percent of Mauritius Telecom in November 2000 with 40 percent of the remaining interest held by the government and 20 percent by the Bank of Mauritius. The government plans to open the telecommunications sector to full competition by the end of 2003. Internet services and radio and TV broadcasting were also liberalized.

MOZAMBIQUE

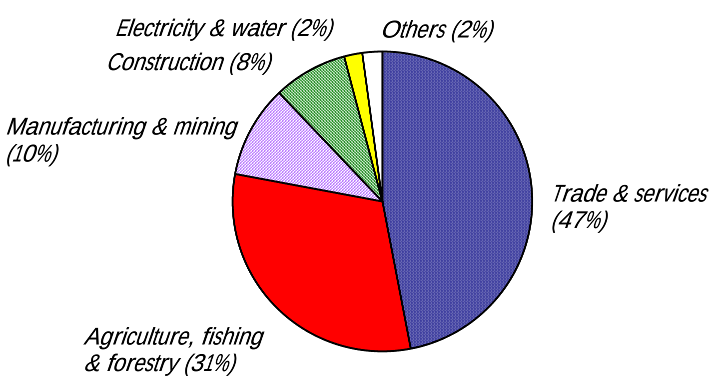


Economic Overview

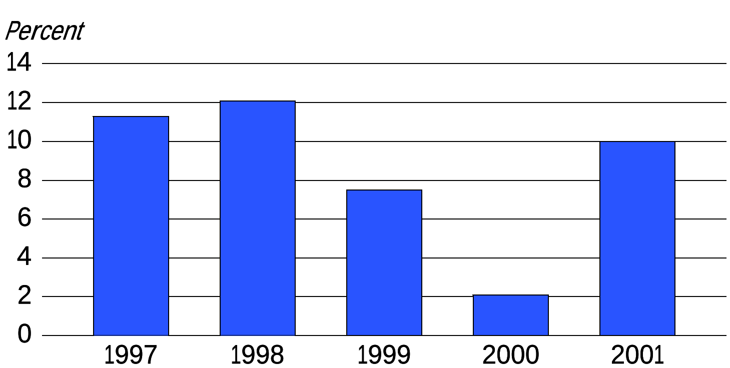
Economic Indicators

	2000	2001	Difference
GDP (nominal, MT bn)	60,103	80,592	20,489.0
GDP (US$ bn)	3.8	3.9	0.1
CPI Inflation (annual average; %)	11.4	21.9	10.5
Goods Exports (US$ mn)	364	744	380.0
Goods Imports (US$ mn)	1,157	1,090	-67.0
Trade Balance (US$ mn)	-793	-346	447.0
Current Account Balance (US$ mn)	-1,006	-985	21.0
Foreign Exchange Reserves (US$ mn)	725	683	-42.0
Total External Debt (US$ bn)	896	966	70.0
Debt Service Ratio, paid (%)	9.1	n/a	n/a
Exchange Rate (MT/US$)	15,447	20,704	5,257.0

Origins of GDP (1998)



Real GDP Growth Rate



Economic Profile

For several years, Mozambique has experienced strong GDP growth and low inflation. It is one of Africa's fastest growing countries and averaged eight percent annual GDP growth since 1992. Mozambique's growth was subdued by flooding in 2000, but has resumed strong growth partly because of FDI. Agriculture products, such as cash crops, cotton, copra, and sugar, contributed significantly to GDP growth. Two factors expected to contribute to future economic growth are the expansion of the Mozal aluminum smelter and the construction of a gas export pipeline to South Africa. The completion of a 865 km-long pipeline project in late 2001 is expected to increase Mozambique's GDP by as much as 20 percent. However, a reportedly high AIDS / HIV rate has reduced life expectancy in Mozambique. The epidemic is negatively affecting labor supply, and could have a profound effect on economic development. Whereas inflation increased in 2001, primarily because of currency weakness and monetary expansion, tighter monetary policy reduced inflation by mid-2002.

In its October 2001 PRSP, the government stated its main economic policy goals were to obtain poverty-reducing growth, to continue macroeconomic stability, and to increase social services. It also is focusing on judicial and public-sector reform and the effective management of state institutions. Since 1987, Mozambique has followed a structural adjustment program set out by the IMF and has received more than $8 billion in foreign aid. In late 2001, Mozambique's main international partners committed a total of $722 million for aid in 2002. In early 2002, the European Commission planned a 3-year food assistance program worth 25.2 million euros to alleviate poverty levels. Mozambique borrowed $11 million from the PRGF, bringing the total to $80 million. The PRGF load capacity set in 2000 is $113 million. Under the HIPC initiative, OPEC's International Development Fund cancelled $7.7 million of Mozambique's debt. Switzerland has granted $25 million for the 2002-2005 bilateral cooperation program.

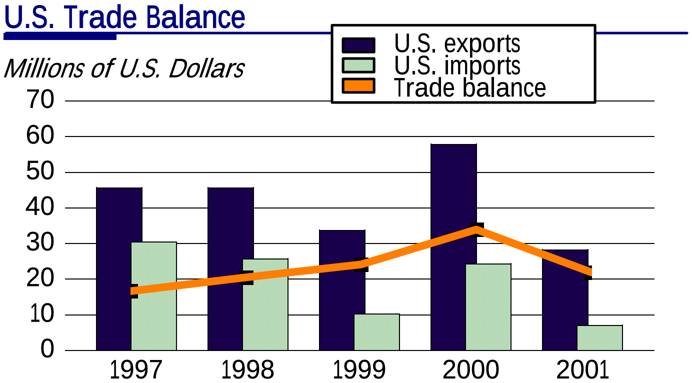
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Zimbabwe	17.9%	South Africa	36.7%
South Africa	14.6%	Portugal	7.9%
Portugal	11.5%	Japan	4.4%
Spain	10.7%	United States	3.1%

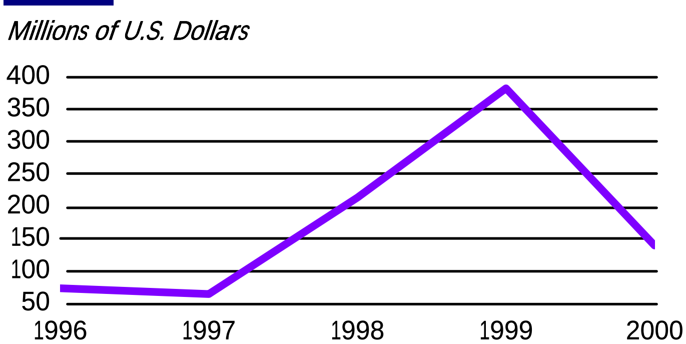
Main Trade Commodities, US$ million

Exports (1998)		*Imports (1997)*	
Prawns	72.6	Machinery & equipment	139
Cashew nuts	40.7	Vehicles & transport	113.8
Cotton	22.3	Fuel	92.3
Timber	11.0	Textiles	43.4

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Minerals and mining (aluminum smelting)
- Parastatal divestiture

Trade Profile

Exports were once dominated by seafood and agriculture, but the government has encouraged diversification. Electricity exports rose as a result of the increased tariff rates paid by the South African electricity company. For the first time, Mozambique recorded a trade surplus with the EU, driven by an increase in aluminum exports which accounted for almost 80 percent of total exports to the EU. Sasol continued construction on the joint venture pipeline project with the governments of Mozambique and South Africa. The gas pipeline will transport natural gas from Mozambique to South Africa to be converted into synthetic fuel. In mid-2002 plans were developed for South Africa's state-owned Industrial Development Corporation to facilitate the $2.2 billion railway rehabilitation program for the railway between the Moatize coal deposits and the port of Beira. In 2001, Mozambique overtook Zimbabwe as South Africa's largest regional trade partner.

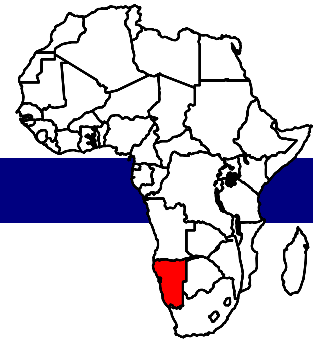
In 2001, U.S. exports to Mozambique consisted primarily of cereals and milling industry products; and U.S. imports from Mozambique consisted primarily of sugar. In addition, Mozambique has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Mozambique totaled $5.3 million in 2001.

Investment and Privatization Profile

As part of its IMF program, the government is reforming its investment regime. In late March 2002, it passed a new mining bill aimed at increasing transparency and incorporating environmental best practices. The $1.5 billion Mozambique Aluminum Smelter was financed by a four-nation consortium and, in its first year of operation in 2001, accounted for 4 percent of GDP. The aluminum smelter was also the main driver of foreign direct investment inflows, and, as of mid-2002, a $800 million expansion was undertaken to double capacity. The project was the first investment of its scale in the country in the past 50 years. The aluminum smelter has considerably changed Mozambique's export structure. Whereas aluminum was not a significant export in 2000, it contributed strongly to export growth in 2001. Petronas (Malaysia) signed a petroleum exploration deal and agreed to a joint venture with a Mozambican firm. The Development Bank of Southern Africa granted a $12 million loan to rehabilitate the Marromeu, the largest sugar mill in Mozambique.

Over 900 parastastals, ranging from a cement plant to flour mills to trading companies, have been sold. In late 2001, Amalgamated Bank of South Africa, one of South Africa's largest banks, bought an 80 percent stake in one of Mozambique's largest commercial banks for $10 million. It was reportedly the largest arrangement ever in the financial sector in Mozambique.

NAMIBIA

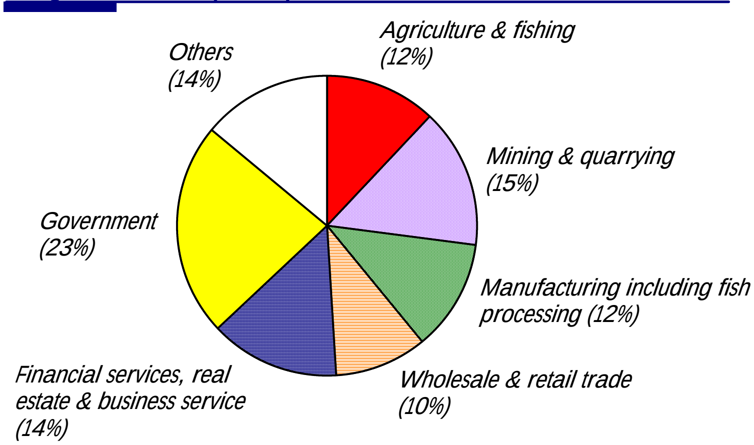


Economic Overview

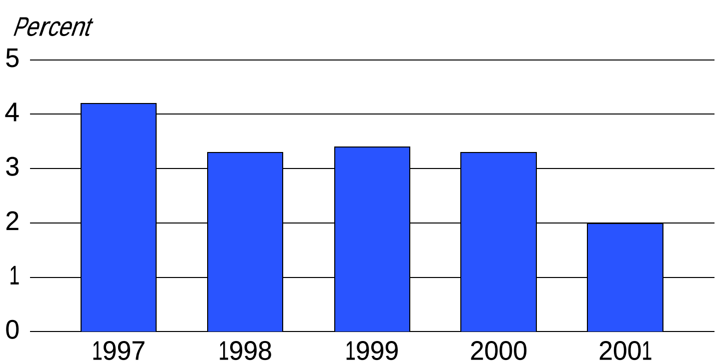
Economic Indicators

	2000	2001	Difference
GDP (nominal, N$ bn)	23.8	25.8	2.0
GDP (US$ bn)	3.4	3	-0.4
CPI Inflation (annual average; %)	9.2	9.3	0.1
Goods Exports (US$ mn)	1,461	1,213	-248.0
Goods Imports (US$ mn)	1,449	1,386	-63.0
Trade Balance (US$ mn)	12	-173	-185.0
Current Account Balance (US$ mn)	358	98	-260.0
Foreign Exchange Reserves (US$ mn)	260	234	-26.0
Total External Debt (US$ bn)	313	390	77.0
Debt Service Ratio, paid (%)	2.8	4.1	1.3
Exchange Rate (N$/US$)	6.9	8.6	1.7

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Namibia's overall economic performance was heavily dependent on mining and mineral processing in 2001. Its economy continues to be divided into two systems. One system is modern and market based, and incorporates a rules-based trading system, whereas the other system is a traditional subsistence-based agricultural economy. Although mining determined economic performance, its importance continued to decline relative to tourism and fishing. Namibia continued to diversify its economy beyond ranching, mining and fishing, all of which are susceptible to international commodity market price fluctuations.

Namibia's economic policy concentrated on maintaining economic growth, diversifying the economy, reducing poverty and unemployment, raising rural incomes, and fighting HIV / AIDS. Economic growth has benefitted from the new Ramatex textile and garment factory in Windhoek, growing construction activities related to the Skorpion mine, industrial development, and tourism facilities in Walvis Bay and Luderitz.

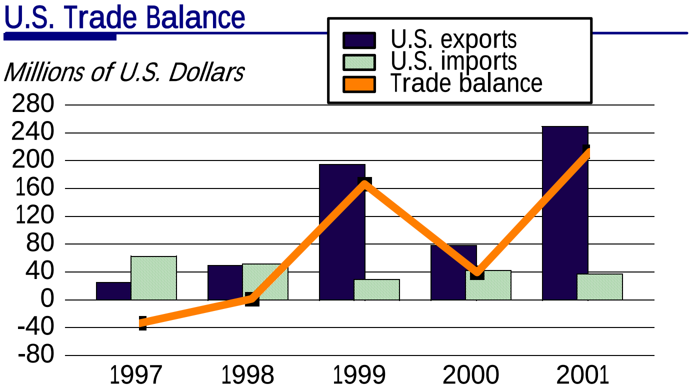
Main Trade Partners, percent of total

Markets (1998)		*Sources (1997)*	
UK	43%	South Africa	81%
South Africa	26%	US	4%
Spain	14%	Germany	2%
France	8%	Zimbabwe	1%

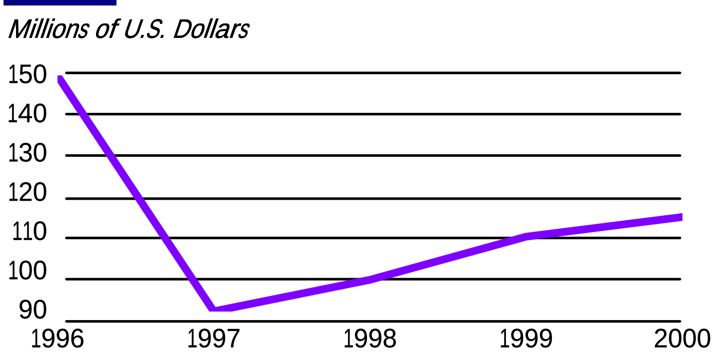
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Diamonds	698	Transport equipment	245
Prepared & preserved fish	364	Refined petroleum products	172
Metals ores, incl. uranium ore	160	Chemical products	168
Meat, meat preparations, hides, skins	78	Food excl. fish, meat, & beverages	127

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (uranium, diamonds)
- Agriculture (animal husbandry, fishing)
- Petroleum and energy-related products

Trade Profile

Diamonds, base metals, and white fish were Namibia's leading exports and main foreign exchange earners. In 2001, Namibia was the world's fourth leading exporter of nonfuel minerals and the fifth leading producer of uranium, although uranium output has been declining. Abundant diamond deposits make Namibia a primary source of gem-quality diamonds. Namibia also produces large quantities of lead, zinc, tin, silver, and tungsten. Exports of base metals are expected to increase when the Skorpion zinc mine begins production. A decline in imports of consumer goods was caused by the depreciation of the Namibian dollar.

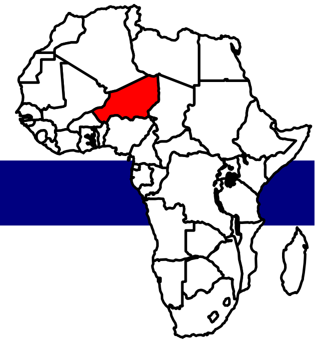
In 2001, U.S. exports to Namibia consisted primarily of vehicles and parts; and U.S. imports from Namibia consisted primarily of copper, and fish and ocean products. In addition, Namibia has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Namibia totaled $93,000 in 2001.

Investment and Privatization Profile

In 2001 and 2002, investment in Namibia included a joint venture between ZincOX Resources (U.S.) and Ongopolo Mining and Processing (OMP) to evaluate and exploit slag deposited at OMP's Tsumeb zinc mine; Leviev Group's (Israel) acquisition of Namibian Minerals Corp., the marine diamond producer, in exchange for providing additional financing to the company; Rusina's (Australia) plans to purchase two Namibian tantalum projects, Crater Mining Ltd. and Reefton Mining; and Mars Investment Holding's (Russia) $2 million diamond-cutting mill in Namibia's free export zone.

Namibia has more than 20 state-owned enterprises. In early 2002, the government approved a new policy framework aimed at improving the performances and accountability of state-owned enterprises. Parastatals such as Namibia Power Corporation and Namibia Telecom were profitable and considered to be efficiently administered, and therefore unlikely to be sold in the near future. According to Pyramid Research, Namibia Telecom was acclaimed as one of the continent's best-run state-operated companies. Namibia Telecom is expected, however, to lose its monopoly status in 2002. Air Namibia is slated for privatization during the second half of 2002, and SA Airlink (South Africa) announced that it would acquire a 40 percent stake in Air Namibia. The remainder will be split between the government (20 percent), Comav, a Namibian regional airline (15 percent), National Union of Namibian workers (10 percent), and Air Namibia employees (10 percent).

NIGER

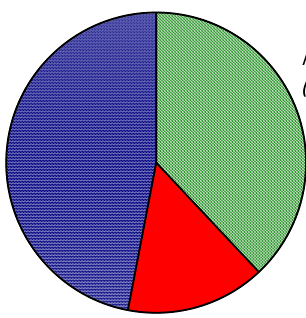


Economic Overview

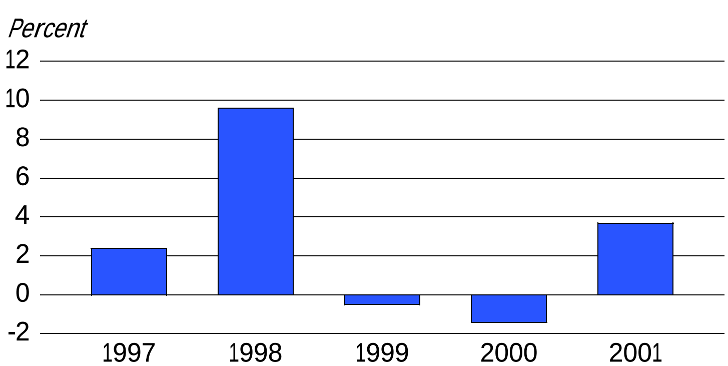
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	1,112	1,193	81.0
GDP (US$ bn)	1.6	1.6	0.0
CPI Inflation (annual average; %)	2.9	4	1.1
Goods Exports (US$ mn)	260	251	-9.0
Goods Imports (US$ mn)	289	324	35.0
Trade Balance (US$ mn)	-29	-73	-44.0
Current Account Balance (US$ mn)	-112	-138	-26.0
Foreign Exchange Reserves (US$ mn)	80.3	65.9	-14.4
Total External Debt (US$ bn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Niger is the world's second poorest country, and its economy is dominated by subsistence agriculture, re-export trade, and uranium exports. Factors that influence economic performance are international commodity prices, external loans and debt reductions, donor assistance, and water levels. In 2001, Niger's agricultural sector expanded dramatically with millet, sorghum, and maize harvests at record levels. Despite producing an overall food surplus, shortages remain in some regions of the country, especially Maraid and Dosso. Niger has critical development needs, a small market size, and limited infrastructure. For example, in April 2002, Zinder, Niger's second largest city, reported a serious water shortage. The government raised water tariffs in April 2002 by 20 percent, and announced plans to increase the price of water on average by 10 percent in 2002, by 5 percent in 2004, and by 8.5 percent in 2005. Esso-Mobil also reported that it would resume operations in Niger moving the country toward becoming a petroleum producer.

Niger remained committed to economic policies designed to satisfy IMF and World Bank PRGF guidelines. Economic reforms concentrated on reducing poverty, easing domestic payments arrears, improving public finances, and privatizing state-owned enterprises. In March 2002, the EU provided Niger with $337 million under the Ninth European Development Fund targeting food security, transportation projects, macroeconomic stability, and good governance. In 2002, the World Bank's International Development Agency committed $38.8 million for Niger's second phase of a private irrigation promotion project.

NIGER

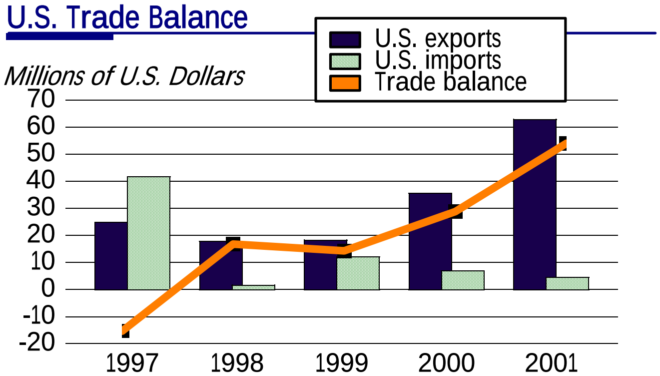
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
France	43.4%	France	16.8%
Nigeria	35.0%	Côte d'Ivoire	13.4%
Spain	4.5%	United States	9.6%
United States	3.9%	Nigeria	7.6%

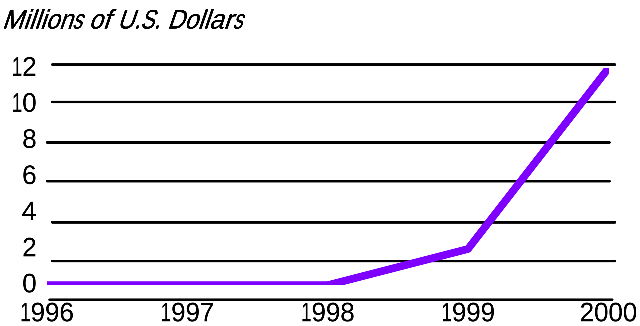
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Uranium	90	Capital goods	65
Livestock	45	Petroleum products	38

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (gold)
- Services (telecommunications)
- Petroleum and energy-related products

Trade Profile

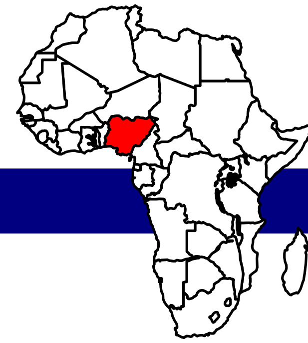
Uranium, Niger's principal export commodity and foreign exchange earner, experienced lower international prices in 2002. Niger also has proven reserves of gold, petroleum, and minerals; however, infrastructure inadequacy limits extraction. Niger continued diversification efforts by exploring its petroleum and gold reserves. Niger's sole textile manufacturer has expressed interest in taking advantage of the AGOA program to export textiles and apparel to the United States. Despite its natural resources, Niger relied on international donor support, loans, and debt rescheduling to finance imports.

In 2001, U.S. exports to Niger consisted primarily of pharmaceutical products; and U.S. imports from Niger consisted primarily of paper products, and machinery and mechanical appliances. In addition, Niger has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from Niger totaled $42,000 in 2001.

Investment and Privatization Profile

Investment continued to be hampered by a small domestic market, external debt, inadequate infrastructure, and a lack of skilled labor. Morocco's Omnium Nord Africain announced plans to open a gold mine in Niger during the second half of 2002. In November 2001, Niger privatized Sonitel, its state-owned telecommunications company by selling a 51 percent share to ZTE (China). It also privatized Société Nigérienne des Eaux (SNE), the state-owned water company, in April 2001. Vivendi of France assumed a 51 percent stake in SNE, but newly created parastatal Société de Patimoine des Eaux du Niger retained government ownership of all water resources. Vivendi took responsibility for distributing water, primarily in Niamey, through its subsidiary Société d'Exploitation des Eaux du Niger. The government indicated that state-owned enterprises Nigéléc (electricity) and Sonidep (petroleum distribution) would be privatized by 2003.

NIGERIA

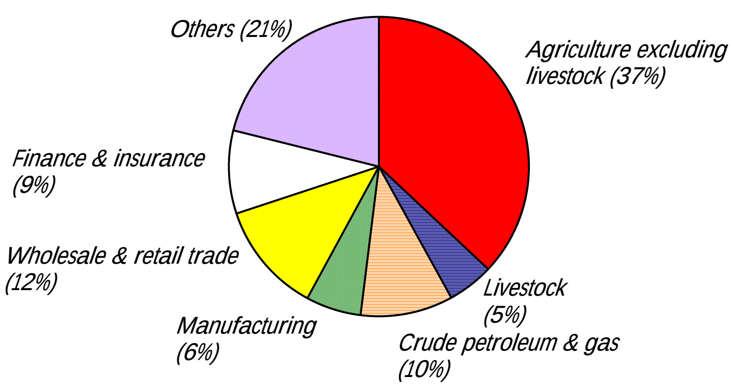


Economic Overview

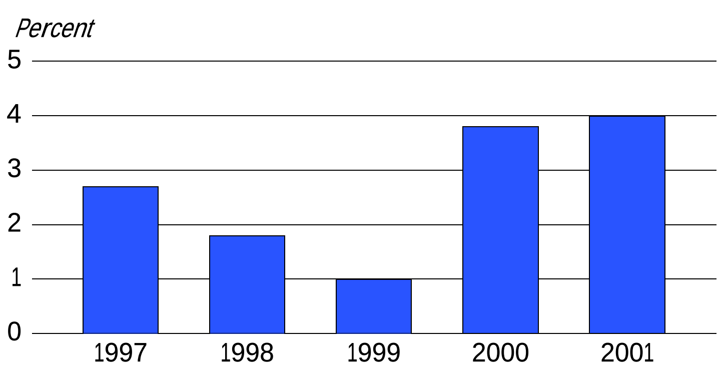
Economic Indicators

	2000	2001	Difference
GDP (nominal, N bn)	3,568.8	4,386	817.2
GDP (US$ bn)	35.1	38.9	3.8
CPI Inflation (annual average; %)	6.9	18.9	12.0
Goods Exports (US$ mn)	20,441	20,261	-180.0
Goods Imports (US$ mn)	12,372	13,749	1,377.0
Trade Balance (US$ mn)	8,069	6,512	-1,557.0
Current Account Balance (US$ mn)	2,037	1,172	-865.0
Foreign Exchange Reserves (US$ mn)	9,910	10,430	520.0
Total External Debt (US$ bn)	34.1	33.8	-0.3
Debt Service Ratio, paid (%)	4.4	6.4	2.0
Exchange Rate (N/US$)	101.7	112.9	11.2

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Nigeria's economy consists of a large petroleum sector combined with a mostly traditional agricultural economy. Petroleum products were the predominant source of foreign exchange for Nigeria, and various new crude petroleum and natural gas reserves have been discovered in the last 2 years. The Nigerian economy was helped by stronger world petroleum prices in 2000 and the first half of 2001, but these prices have declined since the second half of 2001. Nigeria violated its OPEC quota in 2001, but is now attempting to comply with it, which may restrain Nigerian exports of petroleum products. Approximately 70 percent of the population works in agriculture, mostly on small farms. While rich in potential resources for mining and agriculture, Nigeria remains a poor country with inadequate infrastructure such as rail, ports, and communications networks. This infrastructure weakness restrained Nigeria's potentially strong economic growth, as do frequent energy shortages because of popular government subsidies and technical difficulties at refineries. The newly elected civilian government, however, has made modest steps in improving water and electricity distribution and telephone service. Although still nascent, the government continues to develop an industrial export sector.

Since 1999, the government has been pledging economic reforms to reduce reported corruption, to liberalize trade, and to increase privatization. With elections expected in the first half of 2003, the pace of many economic changes has slowed, and Nigeria withdrew from informal IMF monitoring programs as a result. In general, Nigerian reforms were viewed by international donors as moving slowly, inhibited by political realities and limited governance capacity. Although the current government has stated a goal of a floating exchange rate, high inflation rates have devalued the naira, and the official exchange rate has moved farther from the parallel market rate.

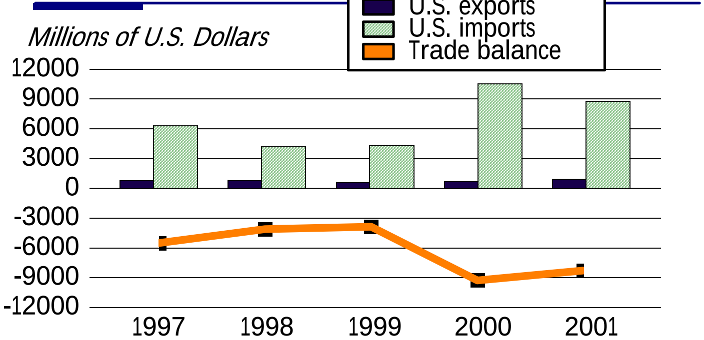
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
United States	40.1%	United States	10.0%
Spain	8.4%	UK	8.9%
India	6.5%	France	8.4%
France	5.2%	Germany	7.2%

Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Oil	18,897	Manufactured goods	2,746
Non-oil	244	Machinery & transport	2,282
		Chemicals	2,149
		Food & live animals	1,117

U.S. Trade Balance



Trade Profile

More than 95 percent of Nigeria's exports are petroleum and petroleum products and, Nigeria also exports small amounts of cocoa and rubber. Nigeria also produces peanuts, palm oil, maize, and rice, but still required food imports in 2001. Nigeria imports primarily machinery, chemicals, transportation equipment, and food. Import tariffs were the government's second largest source of revenue after petroleum. In an effort to end customs fraud, the government began a policy of requiring inspection of 100 percent of imports. Critics have complained that tariff inspections are expensive, inconsistently enforced, and often illegally avoided. In 2001, tariffs on some raw materials and capital equipment were reduced in an effort to develop an industrial sector for export. Tariffs have been raised, however, on some agricultural and consumer goods. Nontariff barriers include bans and quotas on cement and some agricultural goods.

The government has tried to promote the development of an industrial export sector. For example, in December 2001, it announced a 7-year tax holiday for some exporters. Outside the petroleum sectors, however, the government's efforts have not had much success to date. The Nigerian Export Processing Zone Authority (NEPZA) has plans for five export processing zones, but only two (Calabar and Bonny Island) were operational in 2001. NEPZA has approved a mix of light and heavy industry, including a steel mill, for export processing at Calabar.

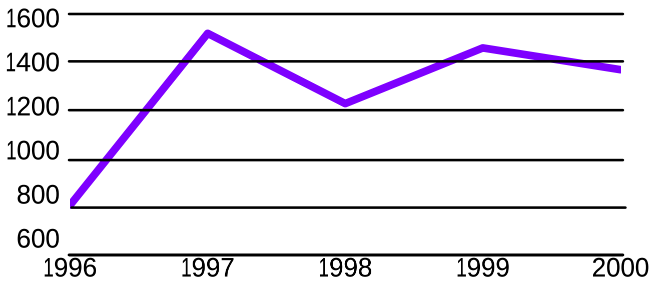
In 2001, U.S. exports to Nigeria consisted primarily of cereals, and machinery and mechanical appliances; and U.S. imports from Nigeria consisted primarily of mineral fuels. In addition, Nigeria has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from Nigeria totaled $5.7 billion in 2001.

Investment and Privatization Profile

The government's stated goal of an improved business climate and increased foreign investment was restrained by political realities, inadequate infrastructure, reported corruption, and inconsistent application of the law. With union and political opposition to privatization, the government has moved slowly toward its goal of a market-oriented economy. Foreign investment is handled by the Nigerian Investment Promotion Commission. Except in the petroleum sector, 100 percent foreign ownership is allowed. Since 1999, there has been increased foreign interest in investments in the petroleum sector, though exact estimates of investment vary widely. The increased interest was because of rising petroleum and natural gas prices,

Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Light manufacturing

Investment and Privatization Profile-Cont.

discoveries of new reserves in 2000 and 2001, and a civilian government replacing the previous military regime. All foreign investors in the petroleum sector must work with the Nigerian National Petroleum Corporation (NNPC). Financial conditions of this state-owned company have slowed investment expansion, but the government has tried to speed the process by allowing NNPC to use production-sharing contracts for financing. One lingering issue for foreign petroleum companies was sabotage of facilities by groups who object to perceived environmental damage by petroleum extraction in their regions. Most current offshore crude petroleum production comes from licenses awarded in 1993, but additional licenses awarded in 2000 may become operational in 2002 or 2003. The government is attempting to develop natural gas exports because natural gas is not subject to OPEC quotas. In December 2001, Royal-Dutch Shell announced a $7.5 billion investment to expand natural gas production with Nigeria Liquefied Natural Gas. In the refining sector, the government granted 18 licenses for new private refineries in 2002. Also in 2002, Shell Petroleum and South Africa's Eskom were awarded contracts to rebuild several Nigerian power plants.

Progress continued on a three-stage privatization program announced in 1999. Privatization is handled by the National Council on Privatization. Fourteen of 107 planned privatizations have taken place. The first phase, privatization of banks, cement companies, and some petroleum marketing firms, is complete. The second phase, privatization of hotels and automotive plants, and the third phase, privatization of the electricity and telecommunications parastatals (Nepa and Nitel), are under way, and due to be finished in 2003. The Nitel privatization was delayed when a large bidder could not secure financing, and Nepa will be restructured into separate companies for generation and transmission. Critics call the pace of these privatizations too slow and say the desired sales prices are unrealistically high, but some expect the pace to quicken after next year's elections.

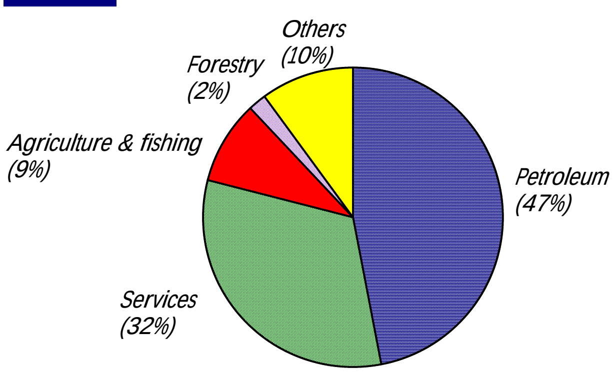
REPUBLIC OF THE CONGO

Economic Overview

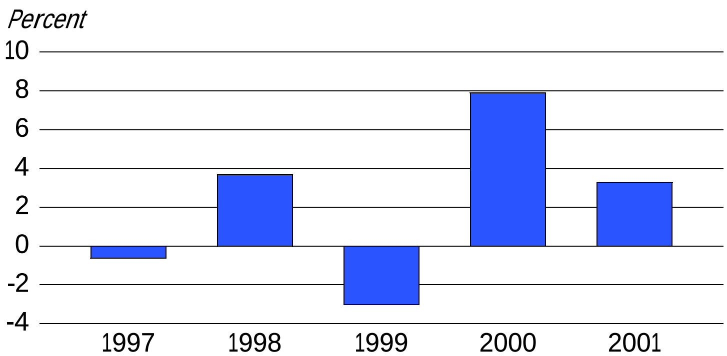
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFRfr bn)	1,497	1,574	77.0
GDP (US$ bn)	2.1	2.1	0.0
CPI Inflation (annual average; %)	0.4	-0.5	-0.9
Goods Exports (US$ mn)	2,887	2,414	-473.0
Goods Imports (US$ mn)	665	705	40.0
Trade Balance (US$ mn)	2,222	1,709	-513.0
Current Account Balance (US$ mn)	324	42	-282.0
Foreign Exchange Reserves (US$ mn)	222	55.5	-166.5
Total External Debt (US$ bn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFRfr/US$)	711.9	733	21.1

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

The relatively strong economic recovery in 2000 and 2001 was primarily a result of temporary suspension of social turmoil. A barrier, however, to continued rehabilitation and nonpetroleum sector recovery was the outbreak of fighting in late March 2002. Nonpetroleum real GDP expanded by 9 percent, primarily because of a recovery in construction, transport, commerce, and forestry sectors. About 60 percent of the population derived their livelihood from the informal agriculture sector. While petroleum accounted for most of the export earnings and about half of GDP, forestry and agriculture were also main production sectors. In early 2001, the Republic of the Congo surpassed Gabon to become the third-largest petroleum producer in SSA. Petroleum production has been declining, however, as mainland fields dry up and production begins to move offshore. Despite its petroleum resources, the Republic of the Congo must import electricity, and about one-quarter of its electricity comes from the Democratic Republic of the Congo. The Republic of the Congo suffers from inadequate infrastructure, and a reported increase in the HIV / AIDS rate.

International financial donors continued to stress financial transparency and increased commitment to policies, especially poverty reduction. Under agreements with the IMF and the World Bank, the government's economic focus was to promote recovery through macroeconomic stabilization, structural reforms, and the re-establishment of basic public services. Most international financial donor institutions have discontinued additional aid until conflict cessation.

REPUBLIC OF CONGO

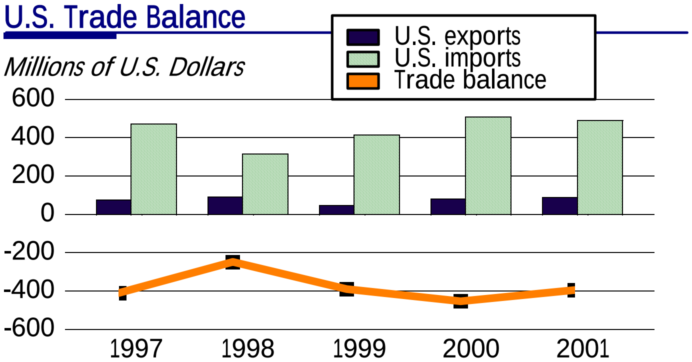
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
United States	20.9%	France	20.5%
South Korea	15.5%	United States	9.8%
China	6.7%	Italy	7.5%
Germany	3.2%	Belgium	3.8%

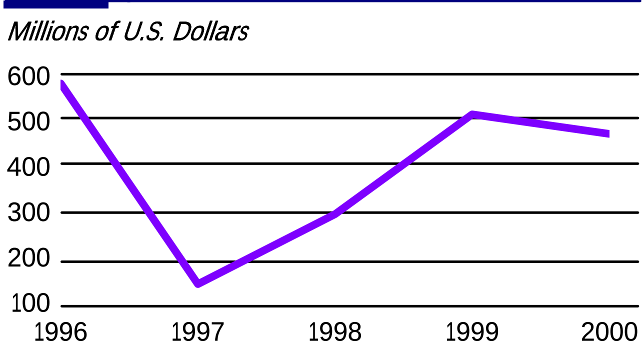
Main Trade Commodities, US$ million

Exports (1999)		*Imports (1998)*	
Petroleum	1,526.4	Petroleum sector	423.7
Timber	70.8	Other capital goods	64.9

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Petroleum and energy-related products
- Minerals and mining (magnesium)
- Agriculture (timber)

Trade Profile

The Republic of the Congo's predominant export product was petroleum. The country also began to export hardwood, but there has been reported concern over the unregulated logging of rare tropical hardwoods. Another government concern was the illegal trade in animals and animal body parts. The sale of illegal Democratic Republic of the Congo diamonds through the Republic of the Congo has reportedly decreased since the IDI-Diamonds (Israeli) monopoly was rescinded in April 2001. Rehabilitation of the railroad from Pointe-Noire to Brazzaville helped facilitate internal movement and trade.

In 2001, U.S. exports to the Republic of the Congo consisted primarily of machinery and equipment; and U.S. imports from the Republic of the Congo consisted primarily of mineral fuels. In addition, the Republic of the Congo has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from the Republic of the Congo totaled $130.2 million.

Investment and Privatization Profile

Investment, especially in the nonpetroleum sectors, was inhibited by inadequate infrastructure, such as transport networks, port services, and telecommunications services; a limited energy supply; and civil unrest. The Republic of the Congo's primary investment destination was the petroleum sector. TotalFinaElf (France) disclosed that its production fell 5.5 percent in 2001. SASOL Petroleum International (South Africa) announced plans to withdraw from the Republic of the Congo. Agip (Italy) announced plans to develop a deepwater commercial field, and Anadarko (U.S.) announced plans to begin drilling in early 2002. Following resolution of the border dispute between the Republic of the Congo and Angola, ChevronTexaco began working with both governments to explore jointly their underwater petroleum potential.

Magnesium Alloy Corporation (Canada) completed a technical feasibility study to mine magnesium in the Republic of the Congo. Project development was halted, however, because of domestic unrest. Inadequate infrastructure has prompted forestry sector investment in road construction to gain access to tropical hardwood forests. During 2000 and 2001, several foreign companies expanded their timber activities in the Republic of the Congo, including Mokabi (a joint-venture with Rougier of France), Africaine industrielle de bois (a Malaysian-Congolese joint-venture company), Danzer (Germany), and Foralac (Portugal).

During 2001 management of water and electric utilities was privatized. Several banks were also restructured and sold. Air transport was partially liberalized, and the government announced plans to privatize the port at Pointe-Noire.

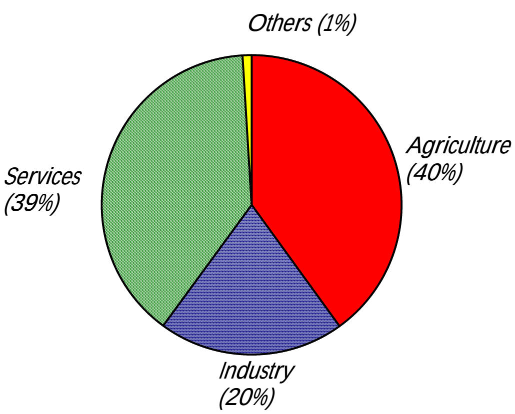
RWANDA

Economic Overview

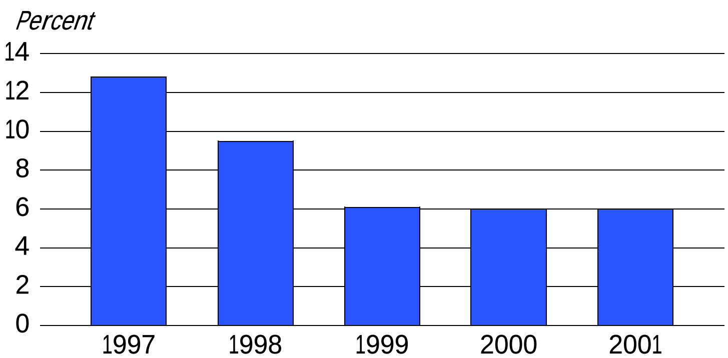
Economic Indicators

	2000	2001	Difference
GDP (nominal, Rwfr bn)	682.5	763.2	80.7
GDP (US$ bn)	1.8	1.7	-0.1
CPI Inflation (annual average; %)	3.9	4	0.1
Goods Exports (US$ mn)	69.1	81	11.9
Goods Imports (US$ mn)	222.3	215	-7.3
Trade Balance (US$ mn)	-153.2	-134	19.2
Current Account Balance (US$ mn)	-6.8	-27.9	-21.1
Foreign Exchange Reserves (US$ mn)	190.6	212.1	21.5
Total External Debt (US$ bn)	1,258	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Rwfr/US$)	389.7	443	53.3

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Rwanda is primarily a rural country with more than 90 percent of the population reliant on subsistence agriculture and, therefore, on rainfall levels. Rwanda has few natural resources, and economic development was hindered by inadequate infrastructure, high transportation costs, and the effects of civil unrest. The country, nevertheless, posted relatively strong growth of 6 percent in 2001, driven by coltran exports and increased in rainfall. Rwanda's exports of coltran, used in the manufacturer of mobile phones, declined, however, because of declining world prices and industry substitution of niobium for tantalum.

Government economic policy focused on implementation of IMF structural reforms such as civil service reform, privatization, trade liberalization, financial sector restructuring, and tighter monetary policy. The IMF also released $12 million for a 3-year PRGF plan. The World Bank, IMF, and the ADB cancelled $25 million of the country's debt. A number of countries such as China ($3.6 million), Germany ($16.8 million), and the United kingdom ($70 million) granted developmental aid to Rwanda.

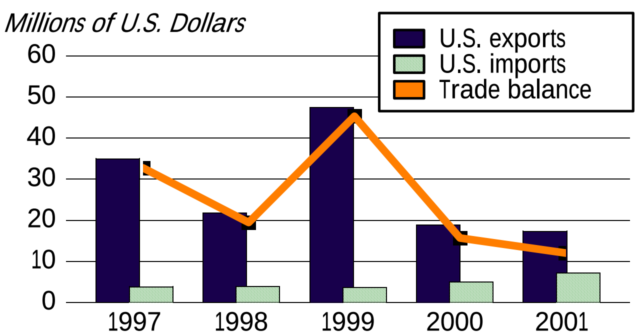
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Germany	17.7%	Kenya	22.1%
Pakistan	7.4%	Belgium	9.0%
Netherlands	6.7%	United States	7.5%
Belgium	5.6%	Japan	3.5%

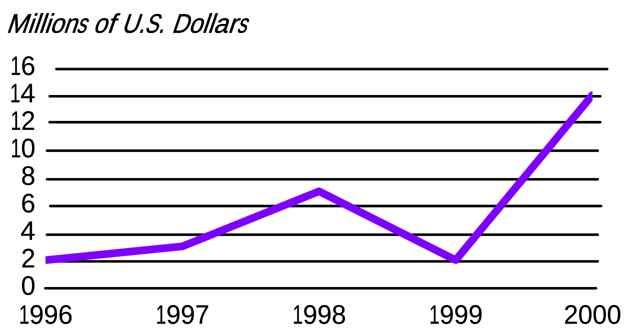
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Tea	24.3	Capital goods	30.8
Coffee	22.5	Intermediate goods	40.3
Coltran	8.5	Energy products	54.0
Tin Ore	1.0	Food	43.4

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (coltran)
- Agriculture (tea, coffee, flowers)

Trade Profile

Coffee, tea, and coltran were Rwanda's leading exports. In 2001, Rwanda planted 3 million new coffee trees and introduced new coffee varieties, which are expected to expand yield fourfold and to improve crop quality. Coltran, used in the production of power-storing components for high-tech equipment, experienced a 400 percent increase in the value of exports of early 2001, but consequently, experienced a sharp fall in international prices as companies located substitute products. Declining international prices for coffee, tea, coltran, and tantalum have adversely affected export earnings.

In 2001, U.S. exports to Rwanda consisted primarily of electrical machinery and equipment; and U.S. imports from Rwanda consisted primarily of coffee, tea, mate, and spices. In addition, Rwanda has been designated a beneficiary country under AGOA. AGOA, (including GSP) imports from Rwanda totaled $318,000 in 2001.

Investment and Privatization Profile

In November 2001, Competent Group of Garment Manufacturing (Hong Kong) announced plans to invest $11 million to establish a textile manufacturing plant in Rwanda to export products to the United States under the AGOA program. Heineken (Netherlands), the majority shareholder in Rwanda's only brewery (Bralirwa), announced plans to build a $58 million brewery near the capital. In December 2001, Engen (South Africa), a fuel company that had taken over BP Fina's Rwandan fuel assets in 1998, sold its assets to Shirwa, a Rwandan firm.

Rwanda has sold 40 percent of the state-owned enterprises slated for privatization. In September 2001, the government sold 30 percent of its holdings in the Rwandan Tobacco Company to British American Tobacco for $1.5 million. The government announced that two (Mulindi and Pfunda) of its nine tea estates in the northeast would be offered for sale in early 2002. The state-owned telecommunications company, Rwandatel, is scheduled to offer 28 percent of its holdings in Rwanda's sole mobile phone operator, Rwandacell, in 2002. Rwandacell's primary share holders are MTN (South Africa) and Tristar (Rwanda).

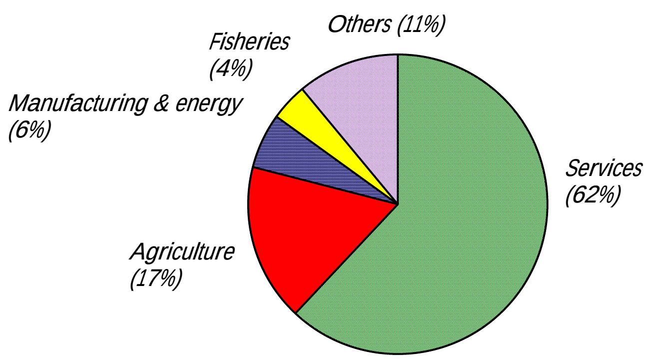
SÃO TOMÉ & PRINCIPE

Economic Overview

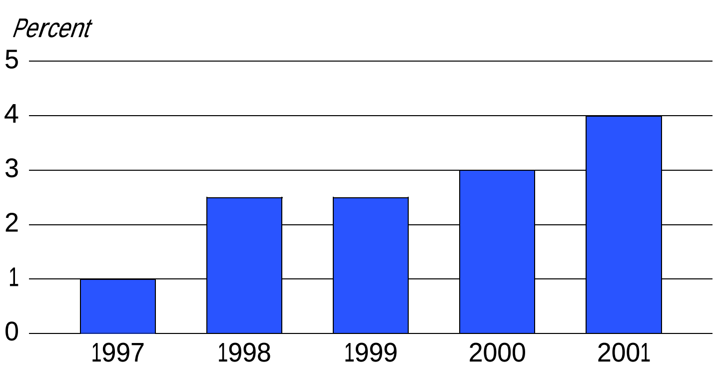
Economic Indicators

	2000	2001	Difference
GDP (nominal, Db mn)	369,500	422,000	52,500.0
GDP (US$ mn)	46.3	47.7	1.4
CPI Inflation (annual average; %)	5	9.4	4.4
Goods Exports (US$ mn)	3.2	3.9	0.7
Goods Imports (US$ mn)	22.3	23.4	1.1
Trade Balance (US$ mn)	-19.1	-19.5	-0.4
Current Account Balance (US$ mn)	-9.6	-5.2	4.4
Foreign Exchange Reserves (US$ mn)	17	19.7	2.7
Total External Debt (US$ bn)	300.1	303.3	3.2
Debt Service Ratio, paid (%)	26.1	10.8	-15.3
Exchange Rate (DB/US$)	7,978.2	8,842.1	863.9

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Agriculture is the principal component of São Tomé and Principe's economy, especially cocoa production. Although the government has attempted to increase economic growth by reducing price controls and subsidies for cocoa, economic growth remained marginal. Because of reported mismanagement and drought, cocoa production has declined substantially, contributing to a persistent balance of payments deficit. São Tomé imported nearly all of its energy needs, most manufactured goods, consumer goods, and large amounts of food. In an effort to increase foreign exchange earnings, the government has in recent years expanded the nation's tourism facilities. International agencies and an increasing, although small, number of foreign investors led diversification efforts into fishing and crops other than cocoa.

The country continues to rely on foreign aid and donors. Debt servicing remained a concern, but has been alleviated by an IMF approved PRGF in April 2000, and a World Bank and IMF approved debt relief program under the HIPC initiative in December 2000. In November 2001, the IMF PRGF program was halted because of fiscal indiscipline, and the IMF instead worked on establishing a staff-monitored program. Government economic policy has focused on resumption of the PRGF program.

SÃO TOMÉ AND PRINCIPE

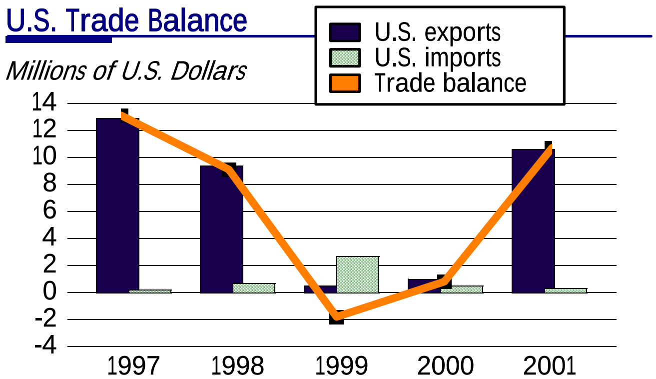
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Portugal	38.9%	Portugal	47.5%
Netherlands	11.1%	UK	7.5%
Turkey	11.1%	Germany	7.5%

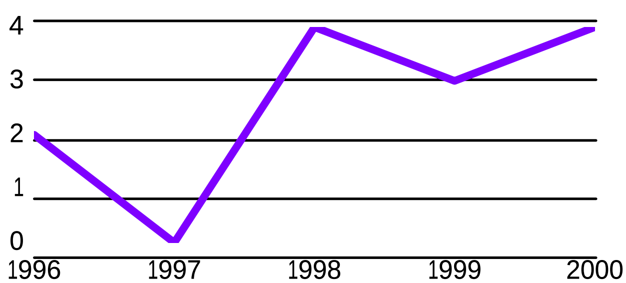
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Cocoa	3	Capital goods	12
		Food	6
		Fuel	3

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Petroleum and energy-related products

Trade Profile

Cocoa was the country's primary export product. Estimates place the export of cocoa at 90 percent to 98 percent of total exports. Other remaining primary exports were copra, coffee, and palm oil. Foodstuffs accounted on average for 35 percent of total imports during the 1990s, although the government is attempting to increase food-crop production.

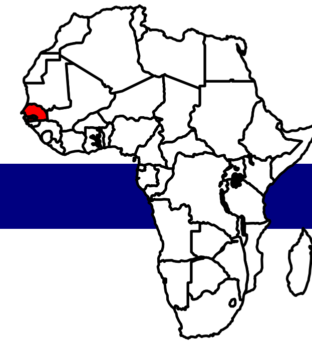
In 2001, U.S. exports to São Tomé and Principe consisted primarily of aircraft and parts. In 2001, U.S. imports from São Tomé and Principe consisted primarily of machinery and mechanical appliances. In addition, São Tomé and Principe has been designated a beneficiary country under AGOA, but, as yet, has not exported products under the AGOA program.

Investment and Privatization Profile

The UN Development Program, the World Bank, the European Union, and the African Development Bank have financed projects on São Tomé and Principe. Efforts to find private investors, however, have had little success. A small domestic market, certain foreign exchange controls, reported corruption, low productivity, and low education levels are said to inhibit nonpetroleum foreign investment. In February of 2001, São Tomé and Nigeria reached a settlement agreement regarding their border dispute, which allowed São Tomé to sell petroleum exploration concessions. The two countries will jointly manage the zone and split the revenue (40 percent to São Tomé, 60 percent to Nigeria). São Tomé also reached territorial rights agreements with Equatorial Guinea and Gabon. Petroleum production is projected to begin in 2005. In 2001, ExxonMobil (U.S.) and Environmental Remediation Holding Corporation (U.S.) began exploration activities. Spain announced plans to invest $1 million in rehabilitating the Neves shipyard through a joint venture between Spain and the government of São Tomé, with the eventual goal that the shipyard will serve as a center for EU shipping fleets.

Most parastatals have been sold, with only 12 companies remaining, including utilities and public transportation firms not slated for complete privatization. Since 1991, restructuring the state-run agricultural and industrial sectors has been a primary government policy. A lack of domestic capital has constrained the privatization efforts of several cocoa estates. As an alternative to complete divestiture, some plantations have been managed by private management firms while government ownership was retained.

SENEGAL

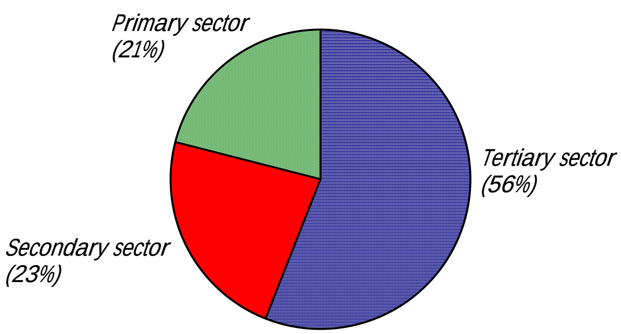


Economic Overview

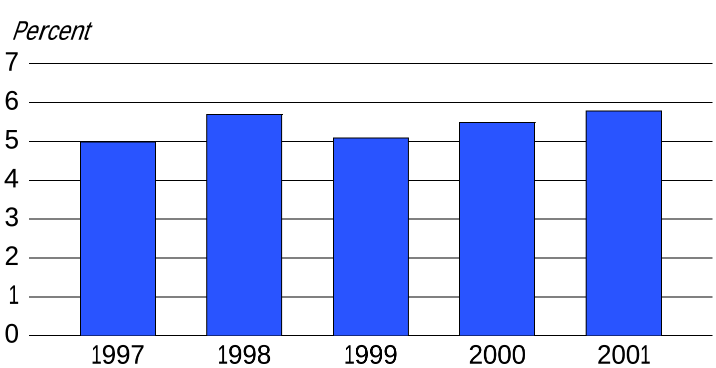
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	3,113.6	3,401.8	288.2
GDP (US$ bn)	4.4	4.6	0.2
CPI Inflation (annual average; %)	0.7	3	2.3
Goods Exports (US$ mn)	997.2	1,016.6	19.4
Goods Imports (US$ mn)	1,338.6	1,329.7	-8.9
Trade Balance (US$ mn)	-341.4	-313.1	28.3
Current Account Balance (US$ mn)	-323.3	-253.7	69.6
Foreign Exchange Reserves (US$ mn)	383.5	425	41.5
Total External Debt (US$ bn)	3.5	3.5	0.0
Debt Service Ratio, paid (%)	18.1	14	-4.1
Exchange Rate (CFAfr/US$)	712	733	21.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Senegal has experienced a significant turnaround in its economic performance resulting from a reform program that began in 1993. Real GDP growth has averaged 5 percent since 1993 and annual inflation decreased to an average 1.5 percent in the 1996-2000 period. The country depends heavily on agriculture, which employed more than 75 percent of the workforce and represented more than one-fifth of GDP. Major cash corps were groundnuts, cotton, and horticulture. Other important sectors of the economy were livestock, marine fishing, mining, natural gas, and textiles. Primarily because of high production costs, strict regulations, and a small domestic market, Senegal's manufacturing sector remained relatively small. The current account deficit narrowed primarily because of falling world petroleum prices. Government policy focused on strengthening revenue from domestic sources, improving tax efficiency, and controlling budgetary expenditure. Senegal's government also worked on preparing a PRSP, and in April 2002, the IMF completed the first review granting Senegal the ability to receive $11 million. Progress toward the HIPC initiative completion point was hindered by delays in the government's planned divestiture of 11 enterprises. Senegal continued, however, to receive praise from the World Bank and the IMF for its economic recovery, stable growth, and transparency.

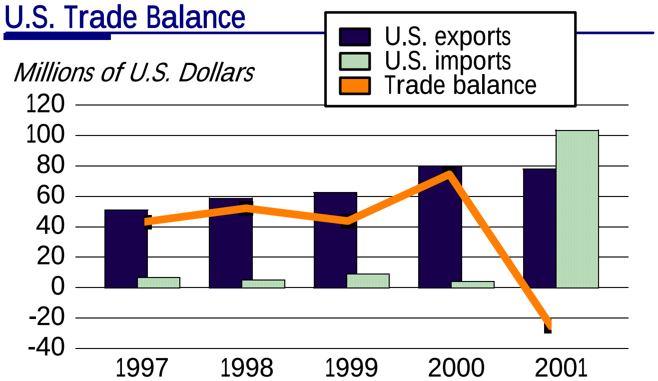
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
India	18.0%	France	27.4%
France	15.6%	Nigeria	18.9%
Italy	9.0%	Germany	5.3%
Mali	5.9%	Italy	3.6%

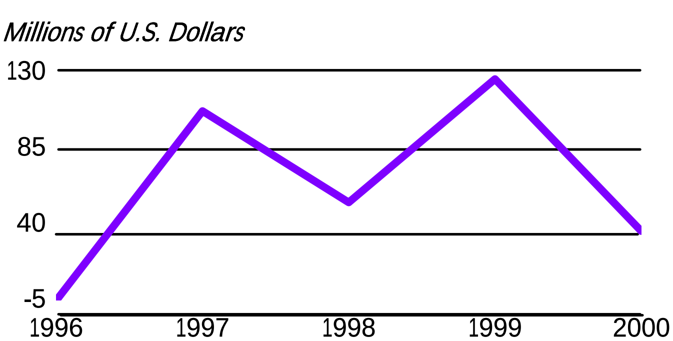
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Fish & fish products	222	Food products	315
Phosphates & fertilizers	101	Capital goods	216
Groundnuts & products	84	Petroleum products	341

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Fishing and fish-processing
- Minerals and mining (gold, copper)
- Infrastructure development

Trade Profile

The agriculture and fishing sectors dominated Senegal's export structure. Senegal was the largest exporter of groundnuts on the continent. In 2001, the groundnut sector set a record for both production and collection. Cotton production more than doubled in 2001 because of improved rainfall and improved production methods. The fishing industry represented 30 percent of merchandise exports, as well as the largest source of employment. It is also Senegal's largest foreign exchange earner. However, with total annual catches exceeding the estimated sustainable amount, over-fishing remained a government concern. As of January 2002, the European Commission had not extended the 1997 four-year fishing accord with Senegal. Downstream value-add services fell, however, as international competition forced the closure of three tuna-processing plants. Mining also contributed substantially to merchandise exports. High foreign interest in the potentially significant deposits of gold, copper, and other minerals prompted the government to issue additional mining prospecting permits. Other major exports included phosphates, petroleum products, and chemical products.

In 2001, U.S. exports to Senegal consisted primarily of machinery and mechanical appliances; and U.S. imports from Senegal consisted primarily of agricultural products. In addition, Senegal has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Senegal totaled $567,000 in 2001. The substantial increase in U.S. imports from Senegal in 2001 was primarily a result of imports of aircraft that was returned, without having ben advanced in value or improved in condition by any process.

Investment and Privatization Profile

To encourage both domestic and foreign investment, the government launched a series of initiatives in 2001. For example, the Agency for the Promotion of Investment and Infrastructure provided strategic advocacy to foreign investors and assisted investors with administrative procedures. The government also established the Dakar Industrial Free Zone, which is an industrial park dedicated primarily to relatively labor-intensive products and export-oriented manufacturing. The zone provides investors with tax-free status, and duty-free entry of raw materials and components. The government also solicited private financing for major new work projects, such as a new international airport, expanded road network, and port development. In early 2002, the IMF expressed concerns regarding the slowing pace of privatizations, especially in the utilities and groundnut sectors. Enterprises slated for privatization include the state groundnut marketing and processing enterprise, the state cotton company, and the state railway company. Senegal's government preferred to retain some ownership in divestitures and to establish joint ventures with domestic and foreign entrepreneurs.

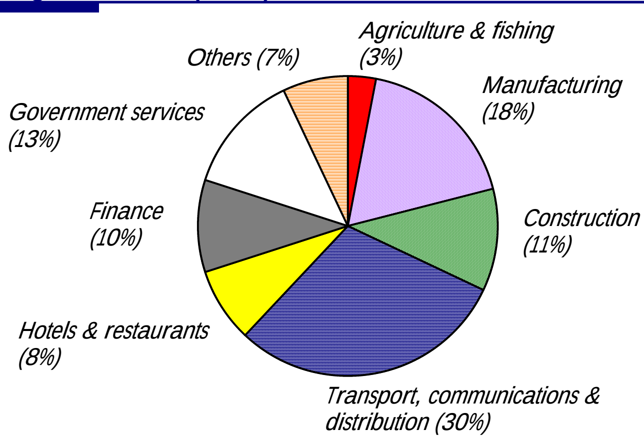
SEYCHELLES

Economic Overview

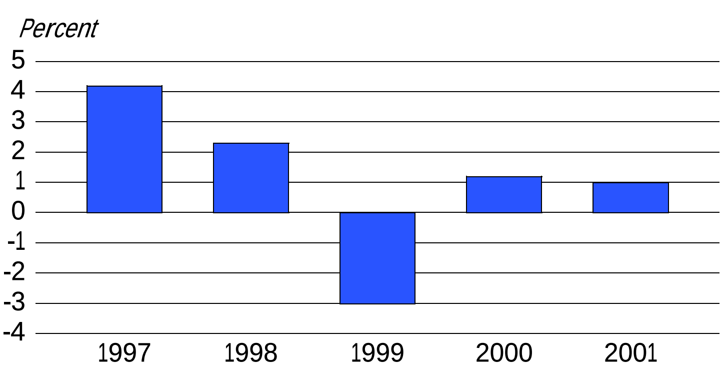
Economic Indicators

	2000	2001	Difference
GDP (nominal, SRs mn)	3,407	3,665	258.0
GDP (US$ mn)	596.7	626.5	29.8
CPI Inflation (annual average; %)	6.3	6.5	0.2
Goods Exports (US$ mn)	170.1	182.6	12.5
Goods Imports (US$ mn)	370.8	360.2	-10.6
Trade Balance (US$ mn)	-200.7	-177.6	23.1
Current Account Balance (US$ mn)	-71.5	-93.4	-21.9
Foreign Exchange Reserves (US$ mn)	43.7	30.2	-13.5
Total External Debt (US$ bn)	165	n/a	n/a
Debt Service Ratio, paid (%)	4.4	n/a	n/a
Exchange Rate (SRs/US$)	5.7	5.8	0.1

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

With a population of approximately 80,000 on 115 small islands, Seychelles is Africa's smallest and richest nation. Economic performance is driven by the tourism (generally over 80 percent of tourists come from Europe) and tuna industries. In an effort to limit dependence on the tourism and tuna industries, the government promoted the development of farming, fishing, and small-scale manufacturing. Efforts also were made to turn the island into an offshore banking and insurance center comparable to the Bahamas. The larger populated islands are mainly composed of granite, and thus not suitable for high-yield crops. All petroleum is imported and only three islands have electricity. Chronic water shortages also pose a problem – the tuna plant had to temporarily shut down in 2000 because of a lack of water. By the end of this year, four desalination plants were due to come online to temper the water shortage problem.

Government policy focused on diversification of the economy, reduction of imports, and overcoming chronic foreign exchange shortages. Diversification efforts are hampered by a small local market, geographical isolation, a lack of raw materials, and an overvalued currency. In 2001, the government instituted amendments to the Foreign Earnings Act, the Exchange Control Act, and the Central Bank of Seychelles Act designed to restrict the parallel currency market.

SEYCHELLES

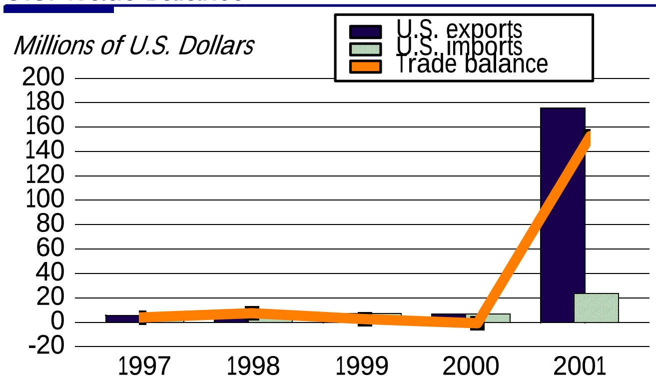
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
UK	30.7%	South Africa	9.6%
France	16.2%	UK	9.3%
Netherlands	10.2%	Singapore	9.0%
Italy	10.2%	France	8.2%

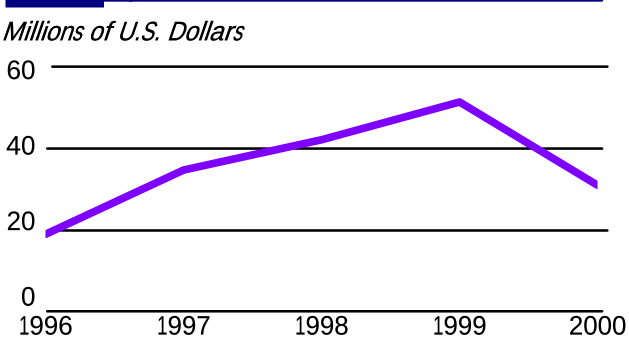
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Canned tuna	101.0	Machinery & transport goods	108.7
Frozen prawns	1.4	Manufactured goods	113.7
Frozen & fresh fish	2.8	Food & live animals	77.0
Re-exports of petroleum	33.3	Fuel	36.4

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Tourism
- Fishing and fish-processing
- Manufacturing (agro-industry)

Trade Profile

Seychelles' main foreign exchange earners were tourism and fishing. Leading fish products were tuna, shrimp, and prawns. In September 2001, the European Commission and the Seychelles government renewed their fisheries protocol for an additional 3 years. In November 2001, the Seychelles Fishing Authority extended license requirements to cover a broader jurisdiction. The parastatal Seychelles Marketing Board retained its monopoly over the import of many staple products, such as rice, sugar, and dairy products.

In 2001, U.S. exports to Seychelles consisted primarily of aircraft and parts; and U.S. imports from Seychelles consisted primarily of fish and ocean products. In addition, Seychelles has been designated a beneficiary country under AGOA. AGOA (including GSP) imports from Seychelles totaled $4.2 million in 2001. The substantial increase in U.S. imports from Seychelles in 2001 was primarily a result of imports of frozen fillet of seabass.

Investment and Privatization Profile

Investor-friendly reforms contributed to investment in fishing and manufacturing sectors. Foreign entities have also invested in the telecommunications and tourism sectors. The Seychelles International Trade Zone promotes foreign investment via tax benefits and other incentives for export-oriented manufacturing. The Seychelles International Business Authority registers offshore companies and promotes the Seychelles as a hub in the Indian Ocean region. In July 2001, the Seychelles Investment Bank was established as a joint venture between a Malaysian group and the government, aimed at securing loans to fund investment projects. Exploration for crude petroleum has, thus far, not yielded discoveries. The government invested primarily in infrastructure, such as roads and bus service. Its expansion of air transport services contributed to expansion of the tourism industry. Although privatization has made strides, the state continues to play a significant role in the economy, accounting for 40 percent of GDP. The partial sale several years ago of the state-owned tuna plant was an important step away from government-owned companies. Continued expansion of the tuna-processing plant has made it the largest employer on the island.

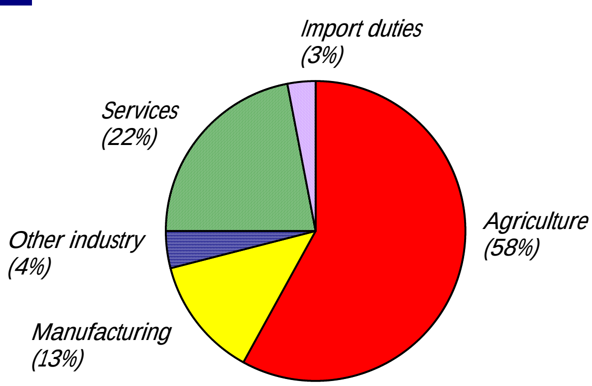
SIERRA LEONE

Economic Overview

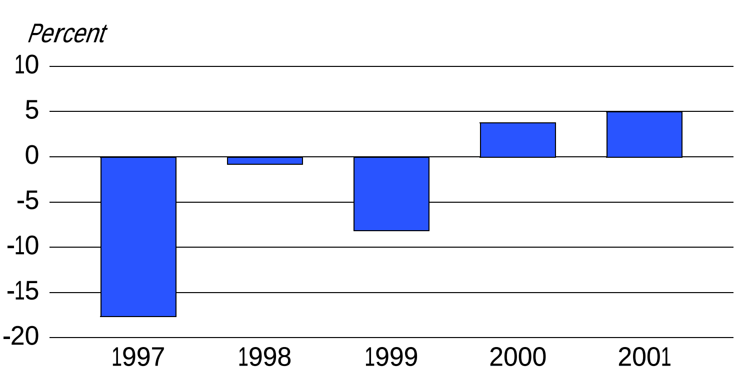
Economic Indicators

	2000	2001	Difference
GDP (nominal, Le bn)	1,330.4	1,508.7	178.3
GDP (US$ mn)	634	662.6	28.6
CPI Inflation (annual average; %)	-0.9	8	8.9
Goods Exports (US$ mn)	29	50	21.0
Goods Imports (US$ mn)	160.5	190	29.5
Trade Balance (US$ mn)	-131.5	-140	-8.5
Current Account Balance (US$ mn)	-115	-135	-20.0
Foreign Exchange Reserves (US$ mn)	50.9	51.6	0.7
Total External Debt (US$ bn)	1,273	n/a	n/a
Debt Service Ratio, paid (%)	48	n/a	n/a
Exchange Rate (Le/US$)	2,098.3	2,277	178.7

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Persistent civil unrest has produced stagnant economic performance in recent years. In late 2000 and early 2001, however, a series of agreements were signed appointing UN peacekeeping forces and commencing demobilization. Consequently, after several years of negative GDP growth, Sierra Leone experienced relatively strong growth in 2000 and 2001. Although Sierra Leone has substantial agriculture resources, as well as mining and fishing potential, it is one of the poorest countries in the world. Agriculture employed about 70 percent of the population in 2001, but struggled because of low producer prices and inadequate transportation infrastructure. The mining of diamonds, bauxite, rutile, and gold provided the main sources of foreign currency.

In September 2001, the IMF announced a 3-year, $169 million loan to Sierra Leone under the PRGF. The loan is subject to a two-stage strategy of goals and guidelines set up by the government. The first stage focuses on increasing security, rehabilitating social and physical infrastructure, increasing assistance to disabled and war veterans, and building governance capacity. The second stage is expected to focus on long-term growth and increased poverty reduction. Also, in March 2002, under the HIPC initiative, the IMF and World Bank announced debt reduction of up to $950 million for Sierra Leone.

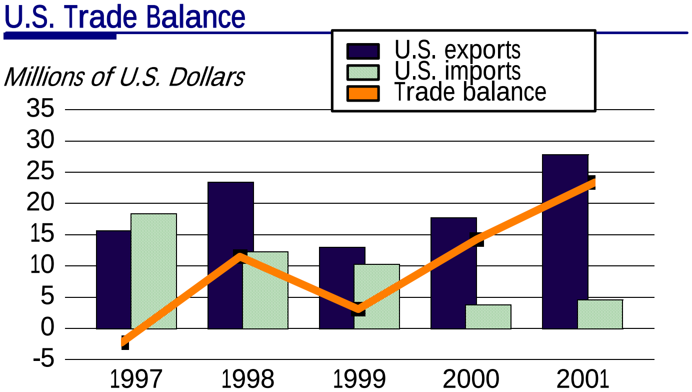
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Belgium	41.7%	UK	39.5%
United States	11.7%	United States	6.2%
France	8.0%	Netherlands	5.8%
Canada	6.4%	Germany	4.4%

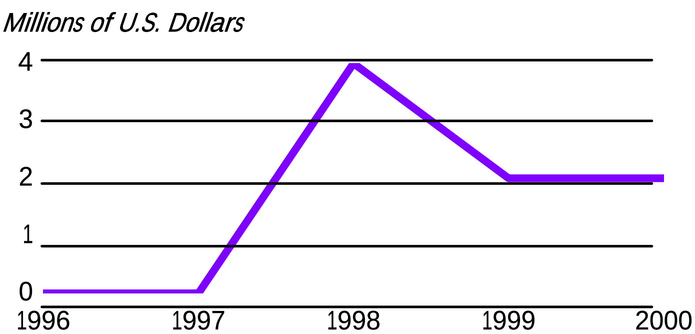
Main Trade Commodities, US$ million, 1996

Exports		*Imports*	
Diamonds	37.0	Food	84.2
Rutile	2.3	Fuel & energy	19.7
Fish & shrimps	2.0	Chemicals	16.5
Cocoa	1.9	Machinery & transport equipment	14.3

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (diamonds, bauxite, rutile)
- Petroleum and energy-related products

Trade Profile

Official trade figures are difficult to assess because of the reported smuggling during the civil unrest. The government attempted to curb smuggling by revising the tax code to harmonize rates with neighboring countries. Mineral exports were Sierra Leone's predominant export products, and consisted primarily of diamonds and some gold. From July 2000 to July 2001, official diamond exports total $15 million, however, estimated totals from illegal exports were reportedly as high as $68 million. In December 2001, the UN Security Council extended its ban on importing diamonds without certification of origin for an additional 11 months. Sierra Leone is also the world's second largest producer of rutile, an essential ingredient in paints. Traditional export crops are coffee, cocoa, palm kernels, and ginger. The fishing industry expanded, because of oyster and shrimp increases. The trade deficit increased because of increasing food and fuel imports. It is expected to remain in a deficit until security conditions increase enough to provide for traditional exports to increase.

In 2001, U.S. exports to Sierra Leone consisted primarily of milling industry products; and U.S. imports from Sierra Leone consisted primarily of apparel and clothing. In addition, Sierra Leone has been designated a beneficiary country under AGOA. AGOA, (including GSP) imports from Sierra Leone totaled $387,000 in 2001.

Investment and Privatization Profile

Investment outside the mining and petroleum sectors was inhibited by political and social unrest, inadequate infrastructure networks, lack of skilled labor, a recuperating banking system, and frequent fuel shortages. The Sierra Leone government opened bidding for offshore crude petroleum exploration at the start of 2002. The process was supervised by the U.S.-Norwegian firm TGS-Nopec. Kimberlite (diamond-bearing hard rock) was discovered in the Kono region, and the government awarded a concession to Branch Energy. Given the civil unrest and administrative uncertainty, no information is available on privatization.

SOMALIA

Economic Overview

Economic Indicators

	2000	2001	Difference
GDP (nominal, SolSh bn)	n/a	n/a	n/a
GDP (US$ bn)	n/a	n/a	n/a
CPI Inflation (annual average; %)	n/a	n/a	n/a
Goods Exports (US$ mn)	120	n/a	n/a
Goods Imports (US$ mn)	336	n/a	n/a
Trade Balance (US$ mn)	-216	n/a	n/a
Current Account Balance (US$ mn)	n/a	n/a	n/a
Foreign Exchange Reserves (US$ mn)	n/a	n/a	n/a
Total External Debt (US$ mn)	2,562	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (SolSh/US$)	n/a	n/a	n/a

Economic Profile

Agriculture accounted for approximately 60 percent of Somalia's GDP in 2001. Livestock production is the largest component of the agricultural sector and accounted for approximately 40 percent of GDP. Prior to a ban on livestock exports, this sector accounted for approximately 65 percent of exports. Approximately two-thirds of the labor force was employed in agricultural production, primarily as pastoral nomads. Most livestock and other agricultural production depend on rainfall rather than irrigation. Insufficient rains in late 2001 resulted in a poor harvest in much of the southern region of the country. Deposits of gold, silver, tungsten, manganese, titanium, chromium, nickel, and gypsum have been identified, but have not been developed.

Remittances from displaced Somalis living abroad have been estimated at $200 to 500 million annually. The remittance company al-Barakat was the largest Somali employer. This firm was closed in November 2001, and its assets seized, because of alleged ties to terrorist organizations. Several other remittance banks operating in Addis Ababa were closed. The United Nations Development Program announced the approval of a project designed to legitimize financial remittance services offered by transfer companies. The break-away regions of the Republic of Somaliland and Puntland have issued separate currency and maintain separate administrations for the collection of duties and taxes. The regions do not recognize agreements signed by the Transitional National Government. The lack of government control over much of the country has resulted in the lack of formal economic data.

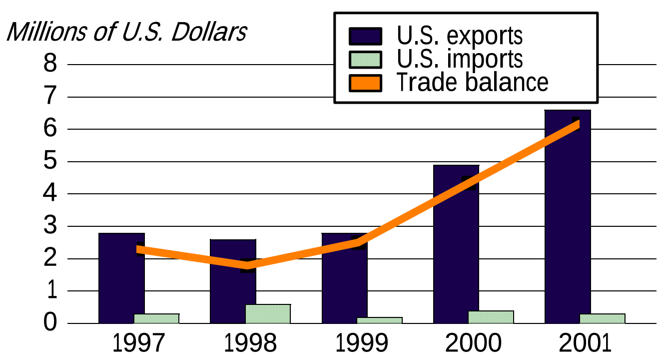
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Saudi Arabia	29%	Djibouti	27%
United Arab Emirates	29%	Kenya	12%
Yemen	28%	India	9%
Bahrain	1%	Brazil	9%

Main Trade Commodities, US$ million, 1990

Exports		*Imports*	
Livestock	43	Manufactures	204
Bananas	28	Non-fuel primary products	104
Hides & skins	3	Fuel	52

U.S. Trade Balance



Key Investment and Privatization Sectors

- Fishing
- Petroleum and energy-related products

Trade Profile

The ban on livestock imports from Somalia (owing to the outbreak of Rift Valley Fever) imposed by Saudi Arabia and other Gulf states in September 2000, persisted and has interrupted Somalia's largest source of export earnings. Factional fighting in the southern part of the country hampered the production and export of traditional crops, such as sorghum, sugarcane, and bananas. Somalia's coastline is the longest in Africa. Prior to the civil unrest, the country's estimated 4,000 artisanal fishermen landed approximately 10,000 metric tonnes annually. Fishing in Somalia's coastal waters was largely unregulated and unrecorded. Fishing licenses were issued by a variety of factions. Puntland has retained the services of Hart Group International, a security firm based in Bermuda, to train and to operate a fishery protection force. The International Maritime Bureau issued an alert, warning ships to remain at least 50 miles off the Somali shore to avoid seizure by the warring factions, as vessels have been seized in both the northern and southern regions of the country In 2001, U.S. exports to Somalia consisted primarily of milling industry products; and U.S. imports from Somalia consisted primarily of essential oils. Somalia is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

The lack of security, as evidenced by the continuing abduction of international aid workers in the capital, deterred investment in the central and southern part of the country. Renewed fighting has been reported in Puntland, formerly one of the more stable regions of the country. The autonomy of the Republic of Somaliland in the northwest and Puntland in the northeast has not been recognized by Somalia's transitional government. The Republic of Somaliland issues its own currency, the Somaliland shilling. Inflation of both the Somali shilling and the Somaliland shilling were more than 100 percent annually. No external debts have been serviced since 1990. The government signed a 1-year agreement worth $3.5 million with TotalFinaElf (France) to explore blocks off the southern coast between Merca and Kismaayo for possible crude petroleum reserves.

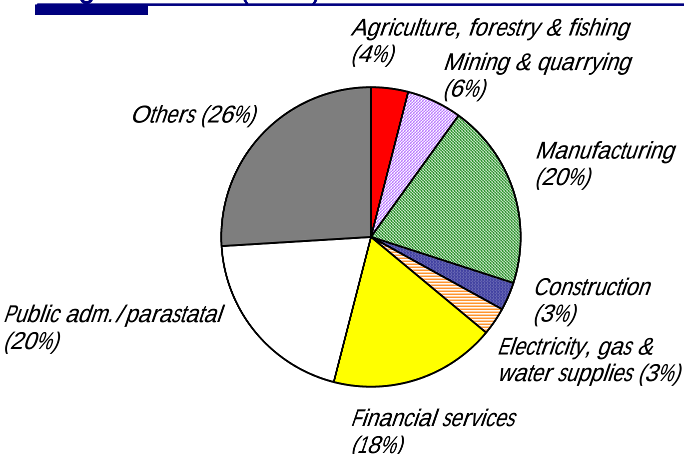
SOUTH AFRICA

Economic Overview

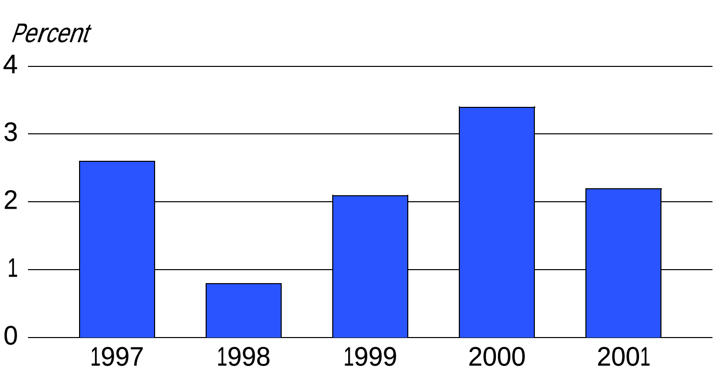
Economic Indicators

	2000	2001	Difference
GDP (nominal, R bn)	887.8	971.1	83.3
GDP (US$ bn)	127.9	112.8	-15.1
CPI Inflation (annual average; %)	5.3	5.7	0.4
Goods Exports (US$ mn)	31,636	30,643	-993.0
Goods Imports (US$ mn)	27,320	25,677	-1,643.0
Trade Balance (US$ mn)	4,316	4,966	650.0
Current Account Balance (US$ mn)	-575	-165	410.0
Foreign Exchange Reserves (US$ mn)	6,083	6,045	-38.0
Total External Debt (US$ bn)	24.9	24.8	-0.1
Debt Service Ratio, paid (%)	9.9	10	0.1
Exchange Rate (R/US$)	6.9	8.6	1.7

Origins of GDP (2001)



Real GDP Growth Rate



Economic Profile

South Africa has the highest GDP and is one of the most diverse economies in SSA. Although agriculture and mining remain important economic sectors, South Africa has transformed itself from an economy dominated by these primary sectors to one where services and manufacturing contribute a substantial share to GDP. Part of this transformation is because of South Africa's continued efforts to expand value-add activities by moving from pure extraction to downstream benefication. Manufacturing, primarily products of steel, aluminum, and other processed minerals, accounted for one-fifth of GDP in 2001. South Africa has approximately 80 percent of the world's reserves of manganese ore, 68 percent of chromium, 56 percent of platinum group metals, and 35 percent of gold. Although agriculture, forestry, and fishing provided most rural employment, these sectors represented less than 5 percent of GDP in 2001. The lack of skilled labor continued to dampen economic growth prospects.

Government policy has generally focused on fiscal prudence, tight monetary policy, and liberalization of the economy. Tight monetary policy and independence of the South African Reserve Bank contributed to relatively low inflation rates. Although the rand lost approximately 40 percent of its value in 2001, by May 2002, the rand had appreciated 17 percent against the dollar. Several reported reasons for the rand's depreciation were South Africa's relatively low foreign exchange reserves, delays in the privatization process, poor investment sentiment toward emerging markets, and the political instability in neighboring Zimbabwe. Several large companies, such as South African Breweries and Anglo American, moved their primary listings to London in search of additional capital. In May 2001, DeBeers delisted from the Johannesburg Securities Exchange.

SOUTH AFRICA

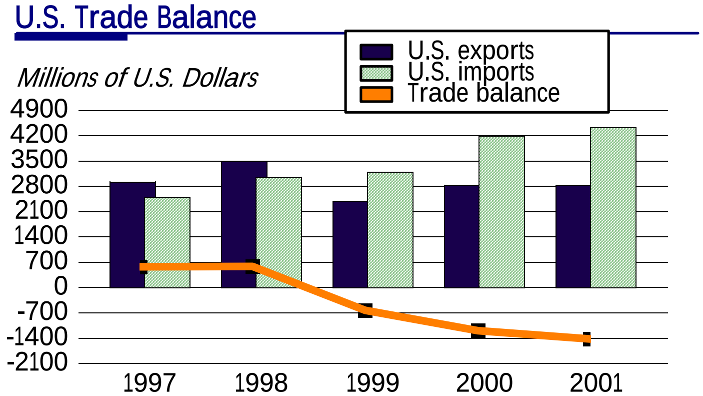
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
United States	10.6%	Germany	13.3%
UK	7.6%	United States	11.9%
Japan	7.1%	UK	9.4%
Germany	7.0%	Japan	7.3%

Main Trade Commodities, US$ million, 1997

Exports		*Imports*	
Metal & metal products	6.3	Machinery & appliances	8.9
Gold	5.6	Mineral products	3.7
Diamonds	2.9	Chemicals	3.4
Machinery & transport equipment	2.6	Transport & equipment	1.7

U.S. Trade Balance



Trade Profile

Minerals and mineral-based products contributed heavily to export earnings. Gold accounted for approximately one-third of exports. Other important mineral exports were manganese, chrome, platinum, coal, and diamonds. Exported agriculture and agriculture-based products included maize, wine, fruit, and ostrich meat. Agriculture and agriculturally based products represented an export growth area. For example, over the past 3 years South Africa has developed a thriving olive oil export market, and South African olive oil garnered two medals of distinction in Italy. South Africa also has become the world's seventh largest wine producer, most of which is destined for the EU. The EU and South Africa signed an agreement in January 2002, to expand wine and spirits trade. As part of the agreement, the EU will provide $13 million to South Africa to assist in restructuring its wine and spirits industry, while South Africa agreed to phase out use of the names port, sherry, grappa, and ouzo. The government has explored free trade agreements with Argentina, Brazil, China, India, Paraguay, the United States, and Uruguay. Approximately one-eighth of South Africa's exports are to other SSA countries. South Africa's exports reportedly received a boost from the rand's depreciation in 2001.

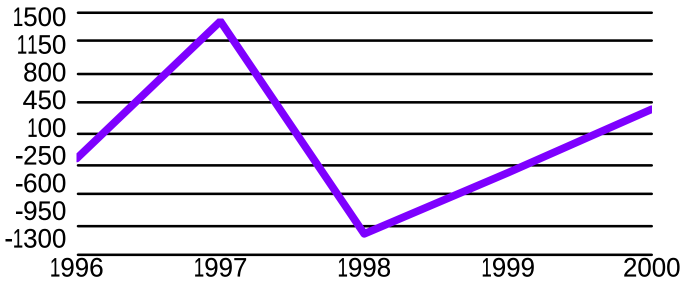
In 2001, U.S. exports to South Africa consisted primarily of aircraft and parts, machinery and mechanical appliances, and vehicles and parts; and U.S. imports from South Africa consisted primarily of minerals and precious stones. In addition, South Africa has been designated a beneficiary country under AGOA including the apparel provision. AGOA, (including GSP) imports from South Africa totaled $923.2 million in 2001.

Investment and Privatization Profile

South Africa is one of the primary destinations for investment into SSA for a variety of reasons. South Africa has a strong infrastructure network, including roads, ports, and airports, which are well-suited for business and trade. South Africa also boasts well-functioning institutions, such as courts and government. South Africa was the destination of numerous investment projects in 2001 and 2002. Bluefish Technologies (Germany), a telecommunications firm, opened an office in Johannesburg in October 2001. In November 2001, Cellit Technologies (U.S.), a customer interaction management solutions company, opened an office in Cape Town. Also in November 2001, Oracle (U.S.) announced a partnership with Visions Consulting, a South African firm specializing in human resources consulting. The motor industry experienced substantial investment as Ford, Honda,

Net Foreign Direct Investment

Millions of U.S. Dollars



Key Investment and Privatization Sectors

- Minerals and mining
- Manufacturing
- Services (telecommunications, tourism)

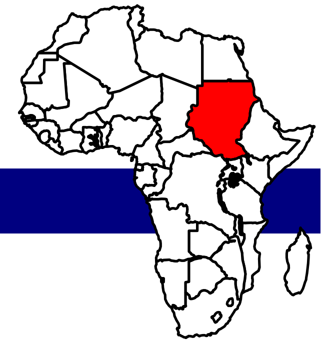
Investment and Privatization Profile-Cont.

Toyota, and Volvo increased their presence in South Africa. For example, Ford Motor Company of South Africa announced that the company was on course to triple its 2001 production of 55,000 vehicles to 160,000 vehicles in 2002. This expansion has spurred component supplier investment, such as Murray & Roberts Foundry Group, which commissioned the construction of a $13 million aluminum foundry in April 2002, and the industrial group Bel-Essex, which signed a $10 million agreement with Almec (Italy) to build an aluminum die-casting foundry.

South Africa also is a significant investor in SSA. In 2001, a South African group purchased 80 percent of Uganda's largest bank, the Uganda Commercial Bank. Also in 2001, Gold Fields, a South African firm, which jointly owns the Tarkwa mine in Ghana, purchased a 71 percent stake in Abosso Gold in Ghana. In 2002, Eskom Enterprises of South Africa and Shell Petroleum Development Company received $540 million to rehabilitate Afam power plants in Nigeria, as well as to construct an additional plant. The government is also part of a consortium building a gas pipeline from Mozambique to South Africa. The pipeline will be jointly owned by Sasol and the governments of South Africa and Mozambique.

Although at a slower pace, government privatization and liberalization efforts continued throughout 2001 and 2002. In 2001, the government continued the restructuring of Transnet, the transportation parastatal, in preparation for privatization. In late 2001, the government repurchased its 20 percent ownership of South African airlines, which had earlier been purchased by Swissair, because Swissair was undergoing financial difficulties that threatened closure of the airline. In January 2002, the government sold its 20 percent stake in M-Cell, one of South Africa's mobile phone operators, to Ice Finance (Netherlands) for $475 million, although the government retained control of the timing of sale and purchaser selection. Also in January 2002, the government placed the assets of South African Forest Company for sale. These assets included a forest lodge, an avocado estate, and an eucalyptus estate. The government retained ownership in many other assets of the forest company, such as Aventura (a chain of holiday resorts) and Alexkor (a diamond mine). In March 2002, the government announced that it would begin receiving bids for a second national operator to compete with Telkom, the state-owned telecommunications firm, whose monopoly was set to expire in mid-2002.

SUDAN

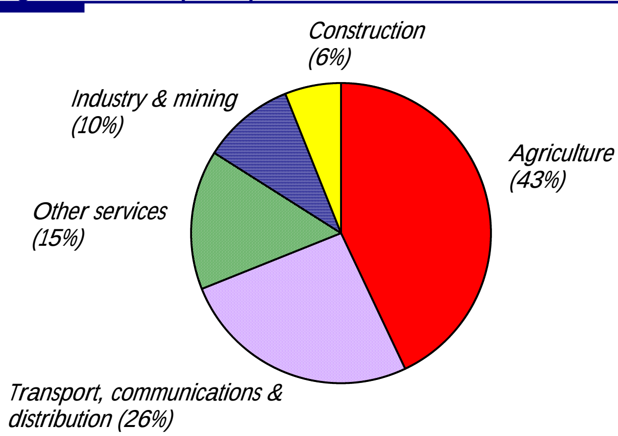


Economic Overview

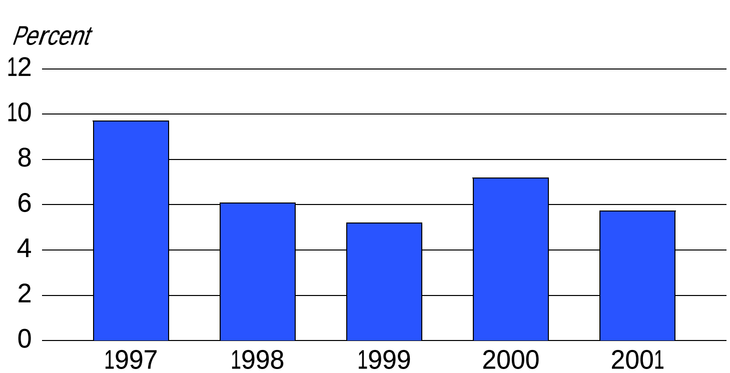
Economic Indicators

	2000	2001	Difference
GDP (nominal, SD bn)	3,325.2	3,618.5	293.3
GDP (US$ bn)	12.9	14	1.1
CPI Inflation (annual average; %)	14	6	-8.0
Goods Exports (US$ mn)	1,806.7	1,601.8	-204.9
Goods Imports (US$ mn)	1,366.3	1,427.8	61.5
Trade Balance (US$ mn)	440.4	174.1	-266.3
Current Account Balance (US$ mn)	-556.8	-562.5	-5.71
Foreign Exchange Reserves (US$ mn)	247.3	125	-122.3
Total External Debt (US$ bn)	15.7	15.9	0.2
Debt Service Ratio, paid (%)	3.4	4	0.6
Exchange Rate (SD/US$)	257.1	258.7	1.6

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Despite abundant natural resources, Sudan's economic performance was stifled by civil unrest in 2001. Agriculture was the most important contributor in GDP, but inadequate maintenance of the irrigation system and persistent drought limited the sector's performance. Sesame surpassed cotton as the principal cash crop. In addition, petroleum production has recently surged and become a significant contributor to GDP after completion of the longest crude petroleum export pipeline in Africa. Use of the pipeline has become an important economic activity in Sudan, and it is altering the trade climate and attracting other development projects. There are concerns, however, regarding the pipeline's security and political risk, especially for the foreign firms, because of ongoing civil unrest. Most of the expected future petroleum gains will be from the 95 percent foreign-owned Greater Nile Petroleum Operating Company, which led the development efforts of the Sudanese petroleum industry in 2001. Government economic policy in 2001 focused on implementation of the 1999 IMF agreement. Policy goals included macroeconomic stabilization, external accounts improvement, increased privatization, banking sector reform, trade liberalization, and investment and foreign exchange control liberalization.

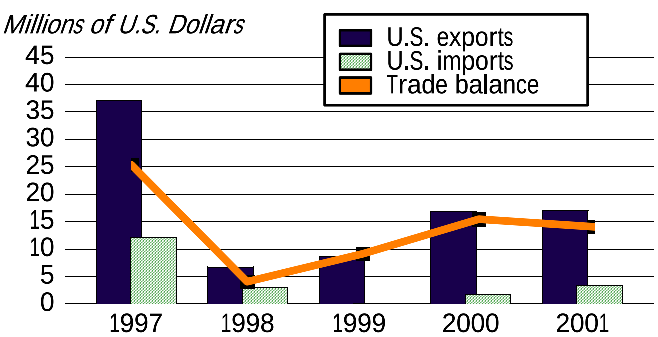
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
China	37.6%	China	10.0%
Japan	15.8%	Saudi Arabia	7.4%
Saudi Arabia	8.7%	Germany	6.7%
South Korea	7.2%	UK	5.0%

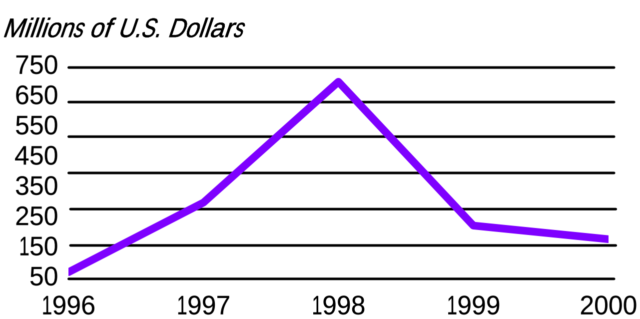
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Crude oil	1,351	Machinery & equipment	329
Sesame	147	Manufactured goods	294
Livestock	75	Wheat & wheat flour	208
Cotton	53	Transport equipment	159

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Petroleum and energy-related products

Trade Profile

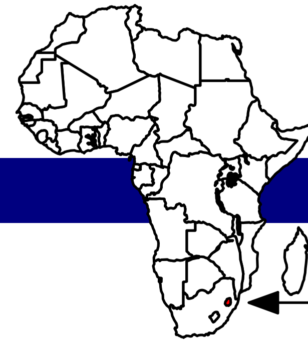
Agriculture, which has historically produced approximately 80 percent of the country's exports, was the largest contributor to trade and employed approximately two-thirds of the population in 2001. The main crops were sesame, cotton, gum arabic, and sorghum. Another important part of the agriculture sector is livestock. This commodity has increased recently, because of better veterinary services and increased credit facilities. Sudan's trade structure has undergone significant changes, because of the emergence and expansion of the petroleum industry, which now represents the largest, single source of foreign exchange. In the last 2 years, Sudan recorded a trade surplus for the first time in more than 20 years, primarily because of the petroleum industry. U.S. trade with Sudan has increased because of the lifting of UN sanctions. In 2001, U.S. exports to Sudan consisted primarily of cereals and milling industry products; and U.S. imports from Sudan consisted primarily of lac, gums, and resin. Sudan is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

Investment was concentrated in the petroleum sector, although political and social instability resulted in some divestiture. The Chinese National Petroleum Company announced plans to increase capital spending in Sudan and expected to triple its overseas production by 2005. Canadian Talisman Energy succumbed to pressure and recently sold its 25 percent stake in the Greater Nile project to Lundin Oil (Sweden). Investment in the nonpetroleum sector was inhibited by social and political unrest, which contributed to inadequate infrastructure, safety and security concerns, and unstable labor market. Nonpetroleum sector investment has, nevertheless, occurred in the agriculture sector with U.S. investment in the sugar cane and cotton sectors.

The government's privatization goals are to support growth, to fund infrastructure, and to decrease public spending. In July 2001, the government announced that the finance ministry had identified firms and projects for privatization or for investors development, representing about $15 billion and covering a variety of economic sectors. In June 2002, the government announced the privatization of 13 parastatals. The most significant company was Sudan's oldest commercial bank, Bank of Khartoum. Other banks were slated for sale, but await balance sheet resolutions. Additional companies slated for privatization during this phase were stores, and the Bridges and Roads Corporation. Companies the government reportedly intends to privatize in the future include the Sudan Railway Corporation, Sudan Airways, and the National Electric Company.

SWAZILAND

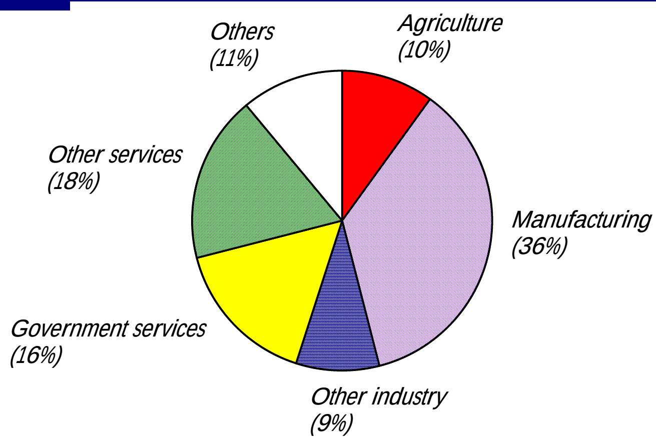


Economic Overview

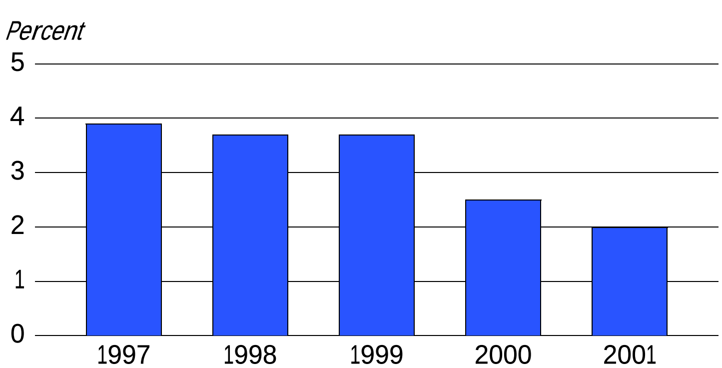
Economic Indicators

	2000	2001	Difference
GDP (nominal, E bn)	9.3	10.2	0.9
GDP (US$ bn)	1.3	1.2	-0.1
CPI Inflation (annual average; %)	7.3	7.5	0.2
Goods Exports (US$ mn)	811	810	-1.0
Goods Imports (US$ mn)	921	879	-42.0
Trade Balance (US$ mn)	-110	-69	41.0
Current Account Balance (US$ mn)	-40	-63	-23.0
Foreign Exchange Reserves (US$ mn)	352	272	-80.0
Total External Debt (US$ bn)	262	295	33.0
Debt Service Ratio, paid (%)	2.3	2.5	0.2
Exchange Rate (E/US$)	6.9	8.6	1.7

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Swaziland's economic growth has been relatively strong for several decades, though it slowed during the 1990s. About 60 percent of the population relied on subsistence agriculture in 2001, and overgrazing, soil depletion, and drought persisted as frequent problems. More than 10 percent of the population depended on the sugar industry, the nation's largest employer and leading exporter. Swaziland has Africa's largest manmade forest, which covers 7 percent of the nation's land area and earns foreign currency through the sale of wood and pulp. The manufacturing sector consisted primarily of agro-processing activities. Diversification efforts have begun to pay off. Until the late 1980s, 80 percent of the industrial sector depended on agricultural and forestry products. As of mid-2002, textiles, footwear, beverages, beer processing, and construction contributed substantially to economic growth. Consequently, agriculture's contribution to GDP has fallen from 33 percent at independence (1968) to approximately 10 percent in 2001.

Monetary and fiscal policy generally followed those of South Africa. Government policy focused on land-tenure reform, labor-issues, and privatization. Tax reforms involving corporate tax rates, withholding rates, tax bands, and thresholds took effect in July 2001. Cautious government borrowing has left the country relatively free from debt.

SWAZILAND

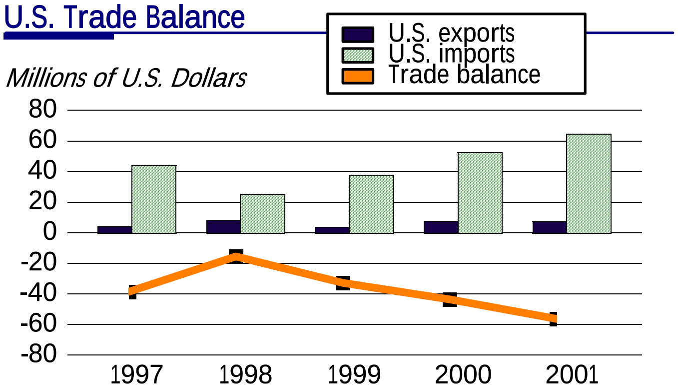
Main Trade Partners, percent of total, 1999

Markets		*Sources*	
South Africa	72.0%	South Africa	88.8%
EU	14.2%	EU	5.6%
Mozambique	3.7%	Japan	0.6%
United States	3.5%	Singapore	0.4%

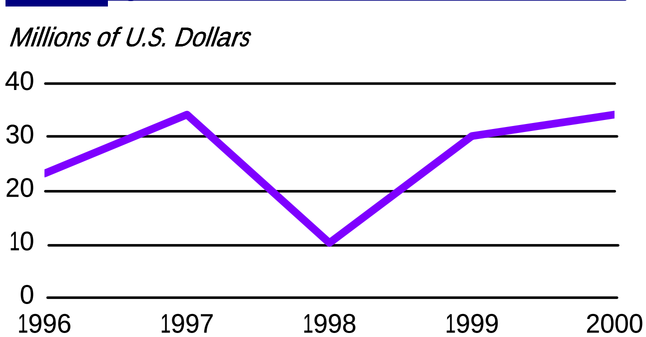
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Misc. edibles (largely soft drink concentrate)	251	Manufactured goods	154
Consumer goods	133	Machinery & transport equipment	280
Sugar	112	Food & live animals	131
Wood pulp	86	Chemicals	111

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Light manufacturing

Trade Profile

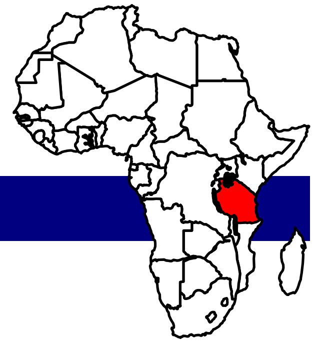
Exports of soft drink concentrate, sugar, and wood pulp were the main foreign exchange earners. The nation's relatively narrow export base makes it particularly vulnerable to external shocks in world prices. Though sugar still has a major role among exported items, exports of electronic appliances, textiles, and processed food grew rapidly. Tourism also contributed substantially to foreign exchange earnings.

In 2001, U.S. exports to Swaziland consisted primarily of machinery and mechanical appliances; and U.S. imports from Swaziland consisted primarily of apparel and clothing. In addition, Swaziland has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Swaziland totaled $14.8 million in 2001.

Investment and Privatization Profile

Stability and economic reforms have attracted foreign investment, particularly from South Africa. Other leading investment sources included England and Taiwan. Coca Cola invested heavily in the nation when it built a syrup concentrate plant. Lack of political transparency reportedly serves as an impediment to domestic and international investor confidence. The government continued to advance its privatization efforts. The Swazi Post and Telecommunications Corporation were earmarked for privatization, as well as the Royal Swazi National Airways Corporation.

TANZANIA

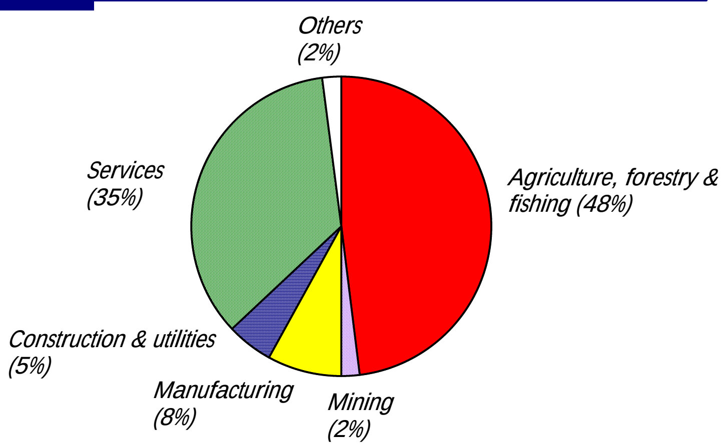


Economic Overview

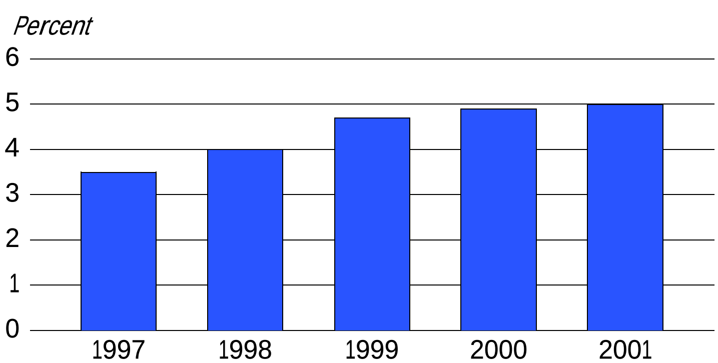
Economic Indicators

	2000	2001	Difference
GDP (nominal, TSh bn)	7,238.7	7,981.3	742.6
GDP (US$ bn)	9	9.1	0.1
CPI Inflation (annual average; %)	5.9	5.1	-0.8
Goods Exports (US$ mn)	665.7	827	161.3
Goods Imports (US$ mn)	1,339.8	1,547.3	207.5
Trade Balance (US$ mn)	-674.1	-720.3	-46.2
Current Account Balance (US$ mn)	-480.3	-482.4	-2.1
Foreign Exchange Reserves (US$ mn)	974.2	1,155	180.8
Total External Debt (US$ bn)	7.4	7	-0.4
Debt Service Ratio, paid (%)	16.2	12.8	-3.4
Exchange Rate (TSh/US$)	800.4	875.5	75.1

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

The Tanzanian economy is heavily dependent on agriculture, which accounted for 48 percent of GDP in 2001. About 80 percent of the labor force was engaged in agriculture in 2001, and the remainder was engaged in the industry and commerce sectors. The major agricultural products were coffee, cotton, tea, tobacco, cloves, sisal, cashew nuts, and maize. Agricultural activities consisted primarily of subsistence and cash-crop farming. Sisal and tea are, however, grown on large estates. Industry, including textiles, agribusiness, light manufacturing, petroleum refining, and construction, accounted for approximately 8 percent of GDP in 2001. Gold mining, tourism, and transport and communications have increased GDP contributions in recent years.

Although the government focused on raising revenues and improving fiscal performance, it remained heavily dependent on donor inflows. Major reforms included improving development management, maintaining a stable fiscal policy, using public resources more efficiently, deregulating state enterprises, supporting primary education and basic health care, supporting the development of basic infrastructure, and restructuring the financial sector. Having followed an IMF program for 3 years and then embarked on a PRGF, Tanzania was admitted into the HIPC initiative in April 2000. In September 2001, the African Development Bank and the Arab Bank for Economic Development in Africa provided support to increase economic growth and to reduce poverty. In November 2001, the IMF approved $3 billion in debt relief for Tanzania, as the country officially reached the HIPC completion point. The International Finance Corporation Program provided $20 to $40 million over a 3-year period with a focus on private sector development through loan and equity investments, advisory services, privatization of state-owned enterprises, and capital market development. In February 2002, Canada announced that it would forgive $52 million in debt owed by Tanzania.

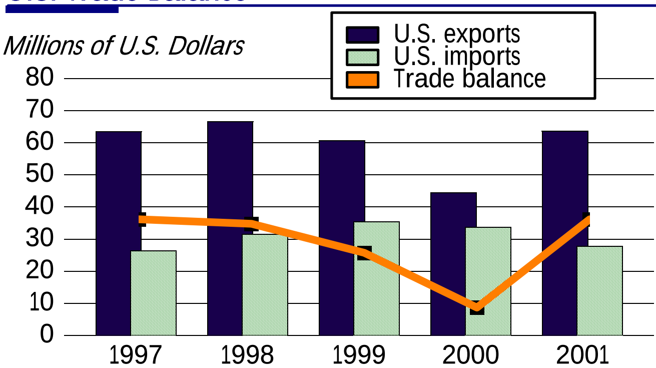
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
UK	20.2%	South Africa	11.5%
India	13.4%	Japan	9.3%
Germany	9.1%	UK	7.0%
Netherlands	6.3%	Australia	6.2%

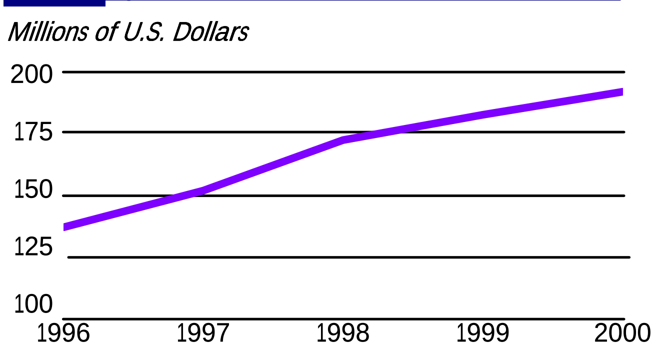
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Gold	150.0	Machinery & transport equipment	225.6
Cashew nuts	84.4	Consumer goods	381.0
Coffee	83.7	Oil	134.1
Manufactures	43.3	Industrial raw materials	165.5

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining
- Parastatal divestiture

Trade Profile

Tanzania's traditional export crops, coffee, cotton, and tea, have experienced declining and volatile international prices in recent years. Consequently, the government has been encouraging nontraditional exports, such as petroleum, gold, and manufactured goods. Tourism remained a dynamic sector, exhibiting growth in recent years.

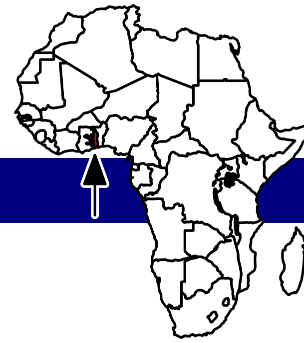
In 2001, U.S. exports to Tanzania consisted primarily of vehicles and parts; and U.S. imports from Tanzania consisted primarily of precious stones, and fish and ocean products. In addition, Tanzania has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Tanzania totaled $899,000 in 2001.

Investment and Privatization Profile

The government has been promoting the private sector by liberalizing investment regulations. For example, in mid-2002, the chairman of the Dar es Salaam Stock Exchange announced that as of Oct. 1, 2002, foreign investors would be allowed to purchase shares. The Tanzanian Investment Centre has registered 1,800 projects since the early 1990s when Tanzania introduced a market-based system. Investments have targeted the mining, financial services, insurance, agriculture, agro-industry, tourism, and various other sectors. In October 2001, the government launched the National Investment Company in an attempt to encourage national firms to purchase privatized public enterprises. The investment company plans to collect $1.12 million for its initial capital outlay, and the government is in the process of establishing seven export processing zones throughout the country. In mid-2002, Goldstream Mining (Australia) announced that it had received encouraging results from test drilling, indicating high levels of platinum group metals, which include platinum, gold, and palladium. The company also announced that it would intensify drilling efforts in May 2002. Barrick Gold Corporation announced in May 2002 that initial drilling had resulted in encouraging results for nickel deposits.

The government's privatization program focused on utilities, infrastructure, and large commercial enterprises. In December 2001, in preparation for privatization of the Tanzanian Railways Corporation, the government announced plans to transfer management and operation to a private firm for a period of 25 years. The private firm is not expected, however, to manage the Tazara railway. In April 2002, Netgroup Solutions (South Africa) was awarded a contract to manage the state-owned electric company, Tanesco, in preparation for future privatization. The government also continued efforts to locate a buyer for the national airline, Air Tanzania.

TOGO

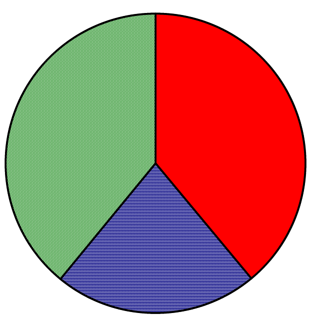


Economic Overview

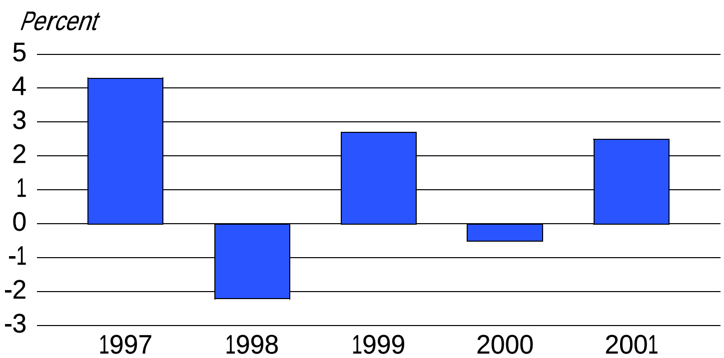
Economic Indicators

	2000	2001	Difference
GDP (nominal, CFAfr bn)	885.8	928.8	43.0
GDP (US$ bn)	1.2	1.3	0.1
CPI Inflation (annual average; %)	1.9	2.3	0.40
Goods Exports (US$ mn)	330	306	-24.0
Goods Imports (US$ mn)	451	420	-31.0
Trade Balance (US$ mn)	-121	-114	7.0
Current Account Balance (US$ mn)	-137	-118	19.0
Foreign Exchange Reserves (US$ mn)	152.3	142	-10.3
Total External Debt (US$ bn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	712	732.3	20.3

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Togo is heavily dependent on subsistence agriculture, which provided employment for nearly 65 percent of the labor force in 2001. Cotton and phosphate dominated Togo's exports and were its principal foreign exchange earners. Togo's phosphate industry required revamping because of the EU, Togo's primary phosphate market, implemented stricter regulations governing permissible levels of cadmium in phosphate imports. This would lower demand for Togo's current product. Recently appointed management by the International Fertilizer Group-Togo is expected to address this concern, as well as increase phosphate production. The International Fertilizer Group is a joint venture between the government and Brifco (France) and has been charged with management of the state's phosphate assets. Higher producer prices, the introduction of more productive cotton varieties, and timelier payments to farmers resulted in higher cotton harvests in 2001. Although power shortages continued to hamper economic development, the planned West Africa gas pipeline project involving Togo, Ghana, Benin, and Nigeria is expected to begin operations in 2005, and consequently, to alleviate shortages in the region.

The IMF, the World Bank, and the majority of the international donor community maintained their suspension of financial assistance in 2001. The resumption of donor assistance is not expected until Togo reschedules general elections, which were postponed in March 2002. A visiting IMF delegation, however, applauded Togo's structural and budgetary reforms.

TOGO

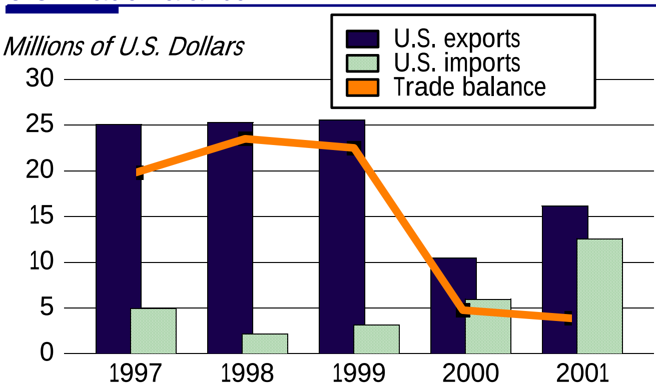
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Benin	12%	Ghana	26%
Nigeria	9%	France	11%
Belgium	5%	China	7%
Ghana	4%	Côte d'Ivoire	7%

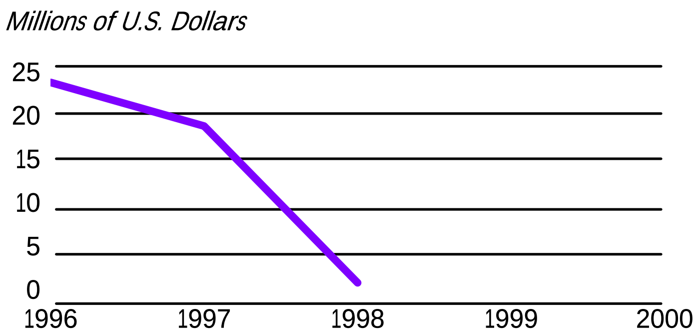
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Re-exports	82	Capital goods	96
Phosphates	76	Food products	79
Cotton	57	Petroleum products	43

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining (phosphate)
- Agriculture (cotton)
- Infrastructure development

Trade Profile

Phosphate was Togo's predominant export product and foreign exchange earner. Under the management of IFG-Togo, foreign exchange earnings are expected to increase as phosphate production increases. Cotton exports are also expected to increase in 2002, if weather conditions remain normal and if international prices are stable. Imports consisted primarily of capital goods and equipment, driven by infrastructure projects, such as the Ecomarine port project. In 2001, U.S. exports to Togo consisted primarily of machinery and mechanical appliances; and U.S. imports from Togo consisted primarily of fertilizers and mineral fuels. Togo is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

Togo attracted investment in agriculture and infrastructure development, with continued potential in the petroleum sector in 2001. Continental Eagle opened a second cotton ginnery, Socosa, in January 2002. A joint venture between Sea Port (U.S.) and the Ecomarine shipping group announced plans to invest $100 million in a new container terminal in Lome. Hunt Oil (U.S.) announced plans to drill its first well before the end of 2002.

Togo's privatization process has been intermittent. As of August 2002, only Togo's state-owned power sector was privatized. In 2001, the government commissioned a private consortium sponsored by Sterling Merchant Finance to preside over the privatization of Togo Télécom. Régies Nationales des Eaux du Togo, the state-owned water company, was scheduled for privatization, but had to focus on financial restructuring. Togo's second largest bank, Banque Togolaise pour le Commerce et l'Industrie, was scheduled for privatization sometime in 2002. BNP-Paribas Bank of France increased its share in state-owned Banque Togolaise pour le Commerce et l'Industrie to 53 percent. Togo's Office Togolais des Phosphates was dissolved and replaced by the International Fertilizer Group in April 2002.

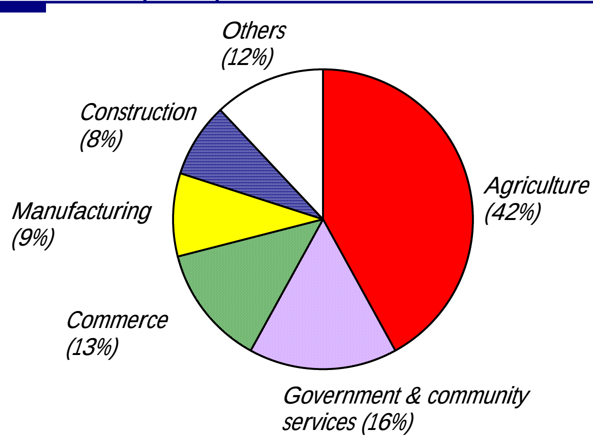
UGANDA

Economic Overview

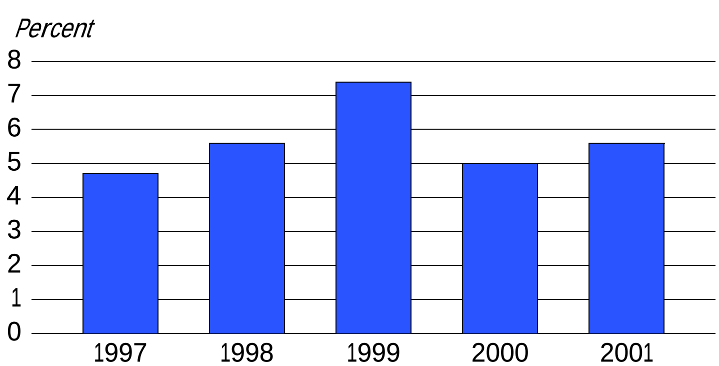
Economic Indicators

	2000	2001	Difference
GDP (nominal, NUSh bn)	9.5	10.2	0.7
GDP (US$ bn)	5.8	5.8	0.0
CPI Inflation (annual average; %)	2.8	2.4	-0.4
Goods Exports (US$ mn)	390.8	365.1	-25.7
Goods Imports (US$ mn)	1,190.5	1,252	61.5
Trade Balance (US$ mn)	-799.7	-886.9	-87.2
Current Account Balance (US$ mn)	-533	-528.2	4.8
Foreign Exchange Reserves (US$ mn)	808	784	-24.0
Total External Debt (US$ bn)	3.7	3.4	-0.3
Debt Service Ratio, paid (%)	17.1	15.8	-1.3
Exchange Rate (NUSh/US$)	1,644.5	1,755.7	111.2

Origins of GDP (2000)



Real GDP Growth Rate



Economic Profile

Uganda has achieved significant GDP growth, averaging 7 percent over the last decade. Economic growth in 2001 was driven by the telecommunications and construction sectors, which compensated for the lower coffee and higher petroleum prices. Agriculture is the dominant sector in the economy, and in 2001 it accounted for more than 40 percent of GDP and employed approximately 80 percent of the population. Almost half of the sector was subsistence farming. Coffee was the main export crop. In mid-2001, the government instituted a cocoa development program, and cocoa production has subsequently increased. Government policy focused on liberalization and structural reform, such as reducing public expenditure, funding road improvements, and extending agricultural services and rural sector financing. Donors financed more than 50 percent of the government's 2001 budget. The government's tight monetary policy has reduced inflation rates, which have averaged 4.3 percent since 1996. In mid-2002, the World Bank approved a $250 million zero-interest loan to help reduce poverty. In May 2002, as part of the HIPC initiative, the United States forgave the remainder of Uganda's debt owed to the United States. International donors have, however, continued to express concerns over reported levels of corruption and the lack of governance transparency.

UGANDA

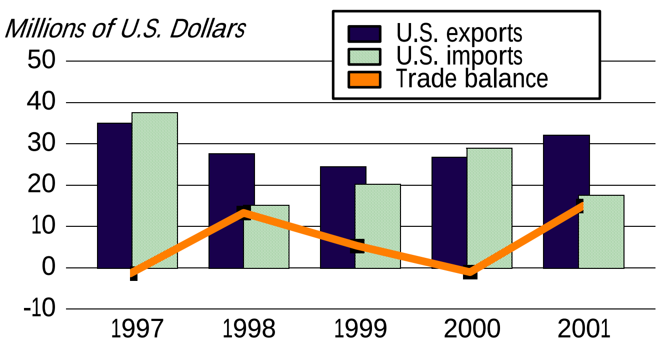
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
Germany	12.0%	Kenya	41.0%
Netherlands	10.2%	UK	7.6%
United States	8.7%	India	6.8%
Spain	8.0%	South Africa	6.5%

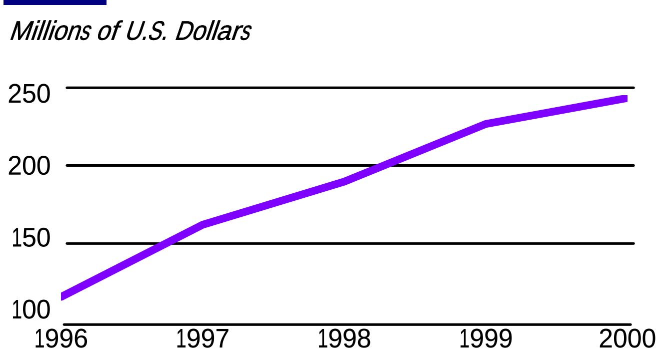
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Coffee	162	Machinery including electrical	171
Tea	50	Petroleum	121
Gold	35	Road vehicles	97
Cotton	13	Medical & pharmaceuticals	74

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Agriculture (cotton, cocoa, coffee)
- Light manufacturing (textiles, beverages)

Trade Profile

Exports were dominated by agricultural products, and imports were primarily manufactured products. Although coffee was a substantial export product, Uganda continued to diversify away from coffee into nontraditional exports. Foreign earnings from coffee fell in 2001, while fish, cotton, gold, and other nontraditional exports steadily increased. The Ugandan government has been emphasizing private sector use of AGOA, especially in the textile and apparel sectors. Uganda traditionally has a trade deficit, requiring donor assistance to help fund its import bill.

In 2001, U.S. exports to Uganda consisted primarily of electrical machinery and equipment, and machinery and mechanical appliances; and U.S. imports from Uganda consisted primarily of coffee, tea, mate, and spices. In addition, Uganda has been designated a beneficiary country under AGOA including the apparel provision. AGOA (including GSP) imports from Uganda totaled $141,000 in 2001.

Investment and Privatization Profile

Uganda attracted diverse investment, ranging from agro-processing to textile manufacturing to gold mining. Uganda is a relatively attractive destination for investment into SSA, because of prudent monetary policy, international donor support, stable political environment, and government investment initiatives. The Uganda Investment Authority estimated that foreign investment into Uganda in 1999-2000 was $214 million, representing 123 projects. The last two years have experienced substantial investment in the beverage industry by companies such as Coca-Cola, Pepsi, South African Breweries, and Guinness.

Of the 146 state-owned businesses slated for privatization, Uganda has privatized 108 thus far. The remaining 38 firms were primarily utilities and transport companies, such as electricity, water, and railway parastatals, which accounted for substantial employment, a large portion of GDP, and a substantial portion of government expenditures. The government plans to sell the remaining 38 firms over the next 2 years, although asset stripping and lack of transparency have reportedly marred the process. As of mid-2002, the government was negotiating with Conrail (Canada) to act as technical advisor for the concessioning of the state-owned Uganda Railways Corporation (URC). The government plans to divide URC into an operating company and an asset-holding company. The operating company is expected to be concessioned to a private firm.

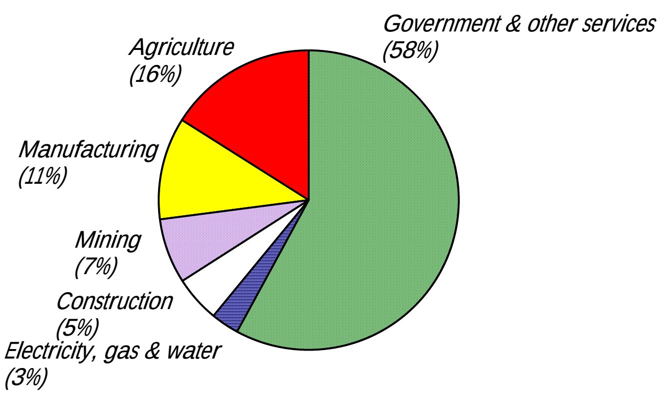
ZAMBIA

Economic Overview

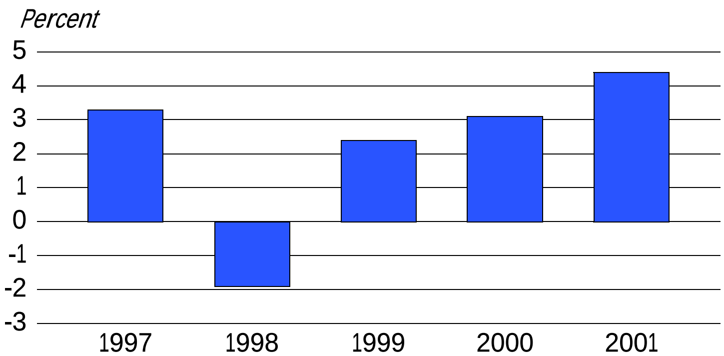
Economic Indicators

	2000	2001	Difference
GDP (nominal, ZK bn)	11	13.5	2.5
GDP (US$ bn)	3.5	3.7	0.2
CPI Inflation (annual average; %)	26	21.4	-4.6
Goods Exports (US$ mn)	746	871	125.0
Goods Imports (US$ mn)	978	1253	275.0
Trade Balance (US$ mn)	-232	-382	-150.0
Current Account Balance (US$ mn)	-417	-523	-106.0
Foreign Exchange Reserves (US$ mn)	244.8	195	-49.8
Total External Debt (US$ bn)	5.7	6.1	0.4
Debt Service Ratio, paid (%)	21.2	40.5	19.3
Exchange Rate (ZK/US$)	3,110.8	3,610.9	500.1

Origins of GDP (2001)



Real GDP Growth Rate



Economic Profile

Most of the Zambian population relies on the agriculture sector, which accounted for over one-fifth of GDP in 2001. Production of cotton, tobacco, vegetables, and flowers experienced growth in recent years, although only 20 percent of Zambia's land is cultivated. Zambia's economy was driven by the copper and cobalt mines, which accounted for more than 80 percent of foreign exchange earnings. Zambia also produced lead and zinc. The manufacturing sector was constrained by insufficient access to credit, high utility costs, high duties on manufacturing inputs, local currency fluctuations, and regional instability. Anglo-American's decision in early-2002 to close unprofitable copper mines in Zambia placed numerous jobs and a large percentage of foreign exchange earnings at risk. The World Bank and the Zambian government drew up plans to address Anglo-American's decision to withdraw from Zambia, which included efforts to accelerate diversification efforts and to make other copper mines commercially viable.

In July 2002, the government identified agriculture, tourism, industry, and mining as key sectors for economic development and government focus. Government reforms included removing price controls, reducing tariffs, cutting subsidies to parastatals, withdrawing from the maize market, privatizing state-owned companies, and removing currency controls. Tight monetary and fiscal policies have resulted in an improvement in the country's balance of payments, which has also helped restore investor confidence.

The privatization of Zambia Consolidated Copper Mine in 2000 improved Zambia's prospects for international debt relief because the government was no longer responsible for the substantial losses the company incurred. The government remained committed to developing a final PRSP. In May 2002, the IMF approved $317 million to finance Zambia's 2002 poverty reduction plan, of which $150 million represented HIPC initiative financing. Donors have, however, expressed concerns regarding governance issues.

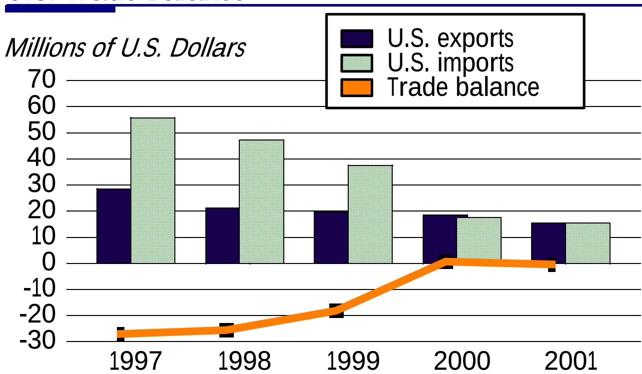
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
UK	25.2%	South Africa	67.1%
South Africa	24.5%	UK	9.8%
Switzerland	9.4%	Zimbabwe	7.5%
Malawi	7.5%	United States	5.0%

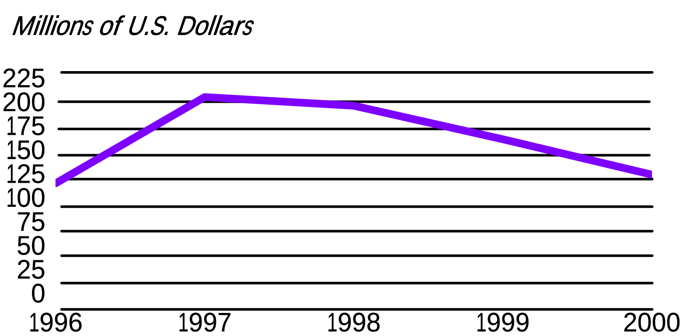
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Copper	500	Metals	312
Cobalt	90		

U.S. Trade Balance



Net Foreign Direct Investment



Key Investment and Privatization Sectors

- Minerals and mining
- Light manufacturing

Trade Profile

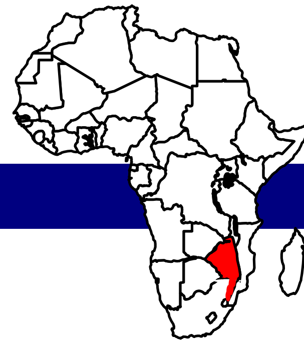
Primary commodities, especially copper, continued to represent a large portion of Zambia's exports. The government has made efforts to diversify trade and to promote nontraditional exports, such as electricity, sugar, cement, horticulture, and floriculture. In 2001, Zambia earned more than $300 million from nontraditional exports, such as flowers, cotton, processed food, coffee, tobacco, honey, beeswax, and fresh vegetables. Because of the social unrest in Zimbabwe, which represents Zambia's major transit route for imports and exports, trade has been diverted, and consequently, has suffered from increase transport costs. In 2001, U.S. exports to Zambia consisted primarily of machinery and mechanical appliances; and U.S. imports from Zambia consisted primarily of base metals. In addition, Zambia has been designated a beneficiary country under AGOA, including the apparel provision. AGOA (including GSP) imports from Zambia totaled $775,000 in 2001.

Investment and Privatization Profile

Zambia has an investor-friendly environment. For example, companies enjoy legal rights and, traditionally, the courts have upheld contracts for U.S. companies. Capital is not restricted from leaving or entering the country, and one can hold bank accounts in either local or foreign currency.

By July 2001, 258 of the 280 companies slated for privatization had been sold. Zambia has earned more than $455 million from these sales. Remaining companies were primarily in the utilities and energy sectors, such as Zambia Electric Supply Company, Tanzania-Zambia Pipeline, and the Zambia National Oil Company. The government continued its plans to privatize Zesco, the electric parastatal, by determining the appropriate legal framework for the privatization process. In 2001, the government also announced plans to privatize the Indeni petroleum refinery, which has operated below full capacity since December 2000. In October 2001, the government confirmed plans to sell a 35 percent stake in the Zambia National Commercial Bank with management rights, and in May 2002 announced that 51 percent of the bank would be offered to international investors.

ZIMBABWE

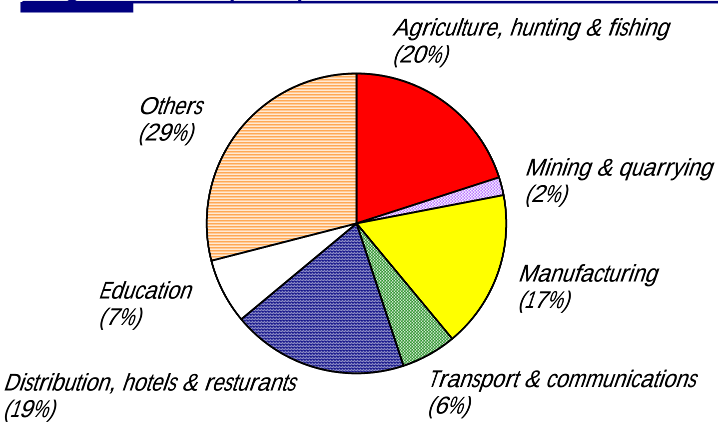


Economic Overview

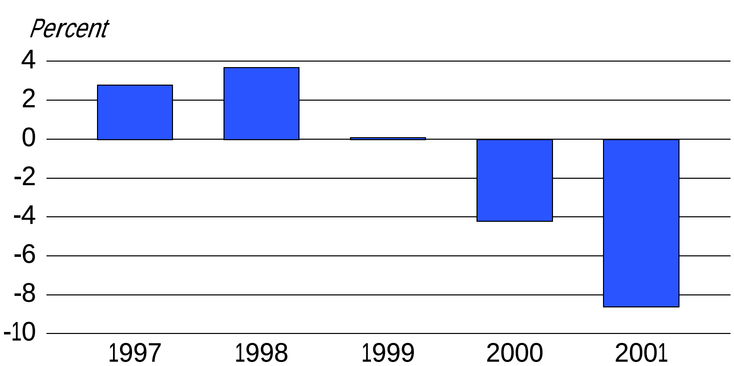
Economic Indicators

	2000	2001	Difference
GDP (nominal, Z$ bn)	317.8	507.8	190.0
GDP (US$ bn)	7.2	9.2	2.0
CPI Inflation (annual average; %)	55.7	74.5	18.8
Goods Exports (US$ mn)	2,138.7	1,757.1	-381.6
Goods Imports (US$ mn)	1,507.5	1,472.3	-35.2
Trade Balance (US$ mn)	631.2	284.8	-346.4
Current Account Balance (US$ mn)	39.9	149.9	110.0
Foreign Exchange Reserves (US$ mn)	193.1	64.7	-128.4
Total External Debt (US$ bn)	5.1	5.5	0.4
Debt Service Ratio, paid (%)	22.6	21.5	-1.1
Exchange Rate (Z$/US$)	44.4	55.1	10.7

Origins of GDP (1999)



Real GDP Growth Rate



Economic Profile

Zimbabwe's economic contraction has resulted in near famine for a large percentage of the population, in 2001. Until recently, Zimbabwe's economy could boast of activity in a variety of sectors, including cash crops (tobacco, cotton, sugarcane), food crops (maize, wheat, soy, meats), mining (gold, chrome, nickel), and light manufacturing (chemicals, metals, food and mineral processing). Historically, about 70 percent of the labor force was employed in agriculture, but Zimbabwe also has a well-educated workforce that can support world-class business services. In 2001, commercial agriculture was concentrated in 4,400 farms that covered about 30 percent of Zimbabwe's land area.

Political pressure on the government in the late 1990s led to its support of land and property seizures by "war veterans." While the government has stated its intent to reform land policy for years, the seizures have reportedly taken place with little regard for law and with no clear organization. With farm workers terrorized, management disrupted, and new settlers having little training in farming, production of food crops (especially maize) and crucial cash crops (tobacco) have declined. In addition to the land reform disputes, Zimbabwe's economic crisis has stemmed from large government deficits and droughts.

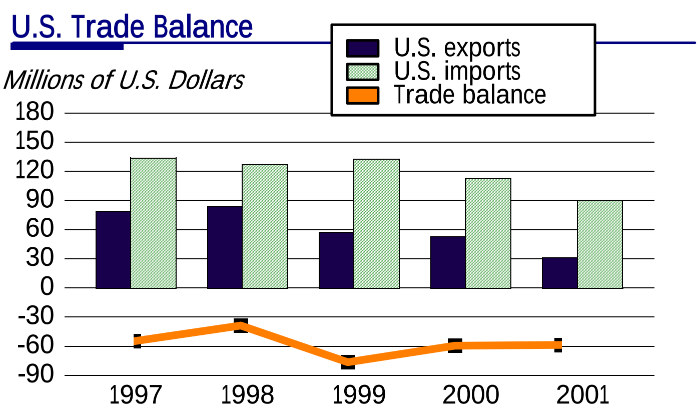
The Zimbabwean government has responded to the economic crisis by financing growing deficits resulting in inflation, by holding the exchange rate at an overvalued rate, and by fixing prices for staple goods and some manufactured products. Inflation grew to more than 100 percent in 2002. Tobacco producers have been forced to export tobacco at a loss, because of exchange rate controls, endangering future tobacco production. In addition, severe shortages of staple products have developed as price controls went into effect in 2002. In this previously self-sufficient country, between 600,000 and 6 million Zimbabweans are in imminent danger of famine. International donor agencies have been reluctant to work with the current government. Zimbabwe is in arrears with the IMF and other international creditors, making further loans unlikely without political changes.

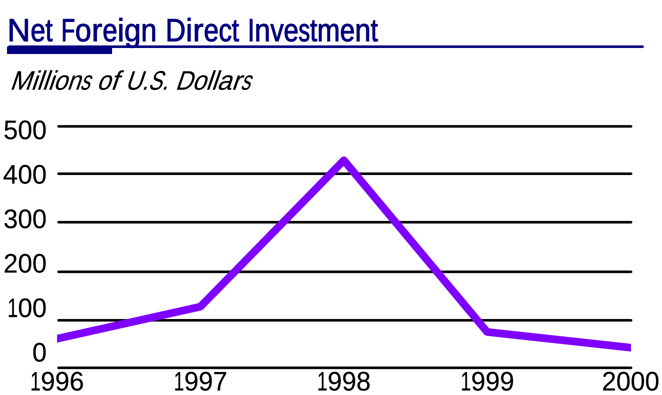
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
South Africa	13.1%	South Africa	41.8%
UK	9.3%	UK	7.1%
Japan	8.4%	Mozambique	3.9%
Germany	6.5%	United States	3.2%

Main Trade Commodities, US$ million

Exports (2000)		*Imports (1999)*	
Tobacco	547	Machinery & transport equipment	439
Gold	284	Manufactures	252
Ferro-alloys	124	Chemicals	250
Nickel	78	Petroleum products & electricty	167





Key Investment and Privatization Sectors

- Minerals and mining

Trade Profile

For trade, landlocked Zimbabwe relies principally on South African ports and the Beira corridor and port in Mozambique, the latter of which has been upgraded and has a relatively important role in Zimbabwean trade. Until recently, Zimbabwe exported minerals, cash crops, surplus food crops, and some manufactured goods. With the recent food crisis, however, Zimbabwe has been importing foods products (such as maize) it previously exported. Zimbabwe traditionally has imported machinery, fuel, and chemicals, and is currently dependent on the South African producer Eskom for electricity. In the agricultural sector, the land seizures have reduced exports of cash crops and surplus food crops. In the mining and manufacturing sectors, imports of crucial raw materials have also fallen because of the foreign currency shortage. In turn, the lower raw material imports have reduced production and exports in these sectors.

While the mid-1990s were a period of reduced trade barriers, the late 1990s and early 2000s have seen higher tariffs and more trade controls. In March 2001, tariffs were raised on imported processed goods that were also domestically produced. In 2001, U.S. exports to Zimbabwe consisted primarily of machinery and mechanical appliances; and U.S. imports from Zimbabwe consisted primarily of iron and steel, tobacco, and apparel and clothing. Zimbabwe is not designated an AGOA-beneficiary country.

Investment and Privatization Profile

Until recently, Zimbabwe's well-educated workforce and independent judiciary contributed to its reputation as a stable investment destination. The recent social turmoil has reversed much of that reputation. Foreign direct investment peaked at $36 million in 1998, and fell to $5.4 million in 2001. Foreign investment is handled by the Zimbabwe Investment Center, and a policy priority is majority participation by Zimbabweans. Foreign businesses have reportedly complained of corruption, delays, and a lack of transparency for investment dealings. Zimbabwe allows foreign investment in its stock market, however, foreign ownership is restricted to less than 40 percent. Zimbabwe has run export processing zones since 1996, but the current social unrest has resulted in the closure of approximately half of the 105 ventures.

Privatization is handled by the Privatization Agency of Zimbabwe. As of mid-2002, only five parastatals have been privatized. The funds raised from privatization have been below expectations, because of heavy debt and the current economic turmoil. One of the government's privatization priorities has been "indigenization," meaning selling the parastatals to indigenous Zimbabweans, whether in country or abroad.

APPENDIX A
Request Letters From the U.S. Trade Representative

THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

April 11, 2000

cc. The Commission
OER

DOCKET NUMBER 2121
Office of the Secretary
Int'l Trade Commission

DOCKET

The Honorable Lynn M. Bragg
Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, D.C. 20436

Dear Madam Chairman:

From 1995 through 1999, the U.S. International Trade Commission (the Commission) prepared an annual report entitled *U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy*, in support of the Administration's annual "Comprehensive U.S. Trade and Development Policy Toward Sub-Saharan Africa" report. The report has been useful and USTR greatly appreciates the work of the Commission over the past five years in preparing this report.

Under the President's Partnership for Economic Growth and Opportunity in Africa, USTR and other U.S. government agencies have intensified their efforts to strengthen economic, political, and commercial ties with the countries of sub-Saharan Africa. As USTR continues to pursue its work, and with possible new reporting requirements stemming from the African Growth and Opportunity Act, which is currently being considered by the U.S. Congress, we believe that certain information from the reports continues to be both useful and relevant to USTR's work and that of other agencies. Therefore, under authority delegated by the President and pursuant to Section 332(g) of the Tariff Act of 1930, as amended, I request that the Commission prepare a report containing the following:

- For the last 5 years (and the latest quarter available), data for U.S. merchandise trade and U.S. services trade with sub-Saharan Africa including statistics by country, by major sectors, and by the top 25 commodities. Statistical information on imports from sub-Saharan Africa under the GSP program by country and by major product categories/commodities should also be included.

- Country-by-country profiles of the economies of each sub-Saharan African country, including information on major trading partners, by country.

- A summary of the trade, services, and investment climates in each of the countries in sub-Saharan Africa, including a description of the basic tariff structure (e.g., the average tariff rate and the average agricultural tariff rate). The summaries should also include information on significant impediments to trade, including any import bans

- Updates on regional integration in sub-Saharan Africa and statistics on U.S. trade with major regional groupings (COMESA, EAC, ECOWAS, IGAD, SACU, SADC, and WAEMU). Where applicable, provide information on the regional group's tariff structure

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- A description of the U.S. tariff structure for imports from Africa.

- A summary of U.S. and total foreign direct investment and portfolio investment in sub-Saharan Africa.

- Information on sub-Saharan Africa privatization efforts based on publicly available information.

- A summary of multilateral and U.S. bilateral assistance to the countries of sub-Saharan Africa.

The Commission is requested to provide its final report by no later than December 10, 2000 and annually for a period of 4 years thereafter. A supplemental request will be sent in the event that it becomes necessary to change the scope of the requested report.

It is the expectation that the Commission's report will be made available to the public in its entirety. Therefore, the report should not contain any confidential business information or national security information.

The Commission's assistance in this matter is greatly appreciated.

Sincerely,

Charlene Barshefsky

EXEC IVE OFFICE OF THE PRESIDE T
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

JUL 1 0 2002

chair rcd 7/19/02
1- Secretary
2- OP
3- Econ
4- E.R.

The Honorable Deanna Tanner Okun
Chairman
U.S. International Trade Commission
500 E Street, S.W.
Washington, DC 20436

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US INT'L TRADE COMM

Dear Chairman Okun:

The U.S. International Trade Commission started an investigation on April 29, 2002 to prepare the third in a series of five annual reports on U.S. trade and investment with sub-Saharan Africa (Inv. No. 332-415). The Office of the U.S. Trade Representative requested these reports to help fulfill the Administration's reporting requirements under the African Growth and Opportunity Act (AGOA). The previous reports were very useful, and we greatly appreciate the Commission's ongoing work.

As we continue to promote AGOA opportunities in sub-Saharan Africa, it would be helpful to have additional specific information on the results of this legislation (including its GSP provisions) in the region. Therefore, as a supplemental request under authority delegated by the President, and pursuant to section 332(g) of the Tariff Act of 1930, as amended, I am asking the Commission to provide the following:

- Value of U.S. imports from sub-Saharan Africa under AGOA (including its GSP provisions) by beneficiary country and major product categories.
- Compilation of investment developments related to AGOA.
- Description and analysis of major sub-Saharan Africa export sectors.
- Expanded information on regional integration in sub-Saharan Africa, including information on the *Communauté Économique et Monétaire de l'Afrique Centrale* (CEMAC).
- Description of major non-U.S. trade preference programs on the countries of sub-Saharan Africa.
- Description of major U.S. trade capacity-building initiatives related to sub-Saharan Africa.

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I request that the Commission provide this additional information in its December 2002 report and in the two remaining reports in this series. I anticipate that the Commission's report will be made available to the public in its entirety. Therefore, the report should not contain any confidential business or national security information.

Thank you for your valuable advice and assistance. I look forward to reviewing your report.

Sincerely,

Bob Zoellick

Robert B. Zoellick

APPENDIX B
Trade Data

Table B-1
U.S. exports, imports, and trade balance, with sub-Saharan Africa, 1997-2001
(1,000 dollars)

Country	1997	1998	1999	2000	2001
Angola:					
Exports	279,110	351,603	251,381	224,914	274,794
Imports	2,924,528	2,225,141	2,348,606	3,343,375	2,775,670
Trade Balance	-2,645,418	-1,873,538	-2,097,225	-3,118,461	-2,500,875
Benin:					
Exports	51,171	43,286	30,956	26,281	31,732
Imports	8,080	3,604	17,830	2,237	1,286
Trade Balance	43,091	39,683	13,126	24,044	30,445
Botswana:					
Exports	42,937	35,499	33,399	31,165	43,017
Imports	24,540	19,691	16,940	40,510	21,118
Trade Balance	18,397	15,808	16,460	-9,344	21,900
Burkina Faso:					
Exports	17,945	16,073	10,887	15,670	4,432
Imports	994	603	2,771	2,446	5,001
Trade Balance	16,951	15,469	8,116	13,223	-569
Burundi:					
Exports	543	4,475	2,266	1,668	5,296
Imports	13,812	8,274	7,004	7,995	2,789
Trade Balance	-13,269	-3,799	-4,737	-6,327	2,507
Cameroon:					
Exports	121,555	74,833	36,724	58,963	184,054
Imports	57,185	53,339	76,573	145,820	101,627
Trade Balance	64,370	21,494	-39,849	-86,857	82,427
Cape Verde:					
Exports	9,625	9,230	7,234	7,137	7,467
Imports	496	171	76	4,214	1,496
Trade Balance	9,129	9,059	7,158	2,923	5,971
Cen African Rep:					
Exports	3,624	4,421	3,727	1,753	3,671
Imports	1,350	2,798	2,896	2,904	2,364
Trade Balance	2,274	1,623	831	-1,151	1,307
Chad:					
Exports	3,098	3,421	2,684	10,780	136,467
Imports	2,862	7,311	6,911	4,780	5,653
Trade Balance	236	-3,890	-4,227	5,999	130,814
Comoros:					
Exports	74	613	243	699	1,372
Imports	2,565	822	2,051	3,513	10,568
Trade Balance	-2,491	-209	-1,808	-2,814	-9,196
Congo -DROC:					
Exports	37,585	34,008	21,034	9,982	18,508
Imports	263,363	170,874	231,913	212,239	147,713
Trade Balance	-225,778	-136,866	-210,879	-202,257	-129,205
Congo -ROC:					
Exports	75,256	91,317	46,824	81,200	89,344
Imports	460,762	314,725	410,518	507,943	457,901
Trade Balance	-385,506	-223,408	-363,695	-426,743	-368,557

Table B-1—*Continued*

U.S. exports, imports, and trade balance, with sub-Saharan Africa, 1997-2001

(1,000 dollars)

Country	1997	1998	1999	2000	2001
Cote d'Ivoire:					
Exports	149,743	150,170	98,882	92,046	93,441
Imports	285,590	423,341	343,487	367,002	319,823
Trade Balance	-135,847	-273,170	-244,605	-274,957	-226,382
Djibouti:					
Exports	7,272	20,041	26,555	16,609	18,573
Imports	0	530	110	419	951
Trade Balance	7,271	19,511	26,445	16,190	17,623
Eq Guinea:					
Exports	47,063	85,171	221,050	94,673	79,558
Imports	30,485	65,667	40,601	154,717	395,609
Trade Balance	16,578	19,505	180,449	-60,044	-316,051
Eritrea:					
Exports	15,766	24,502	3,698	16,236	21,429
Imports	1,294	736	480	203	89
Trade Balance	14,472	23,766	3,218	16,033	21,340
Ethiopia:					
Exports	120,292	87,900	164,297	165,016	60,659
Imports	69,651	52,278	30,211	28,660	29,041
Trade Balance	50,641	35,622	134,086	136,356	31,618
Gabon:					
Exports	81,023	61,688	44,967	63,270	74,089
Imports	2,022,275	1,130,273	1,512,945	2,037,921	1,731,671
Trade Balance	-1,941,251	-1,068,586	-1,467,978	-1,974,651	-1,657,582
Gambia:					
Exports	9,517	9,104	9,496	8,867	8,164
Imports	3,516	2,617	186	342	232
Trade Balance	6,002	6,487	9,310	8,525	7,931
Ghana:	312,801	221,212	231,045	178,712	179,473
Exports	154,069	143,858	209,330	206,431	185,391
Imports	158,732	77,354	21,715	-27,719	-5,918
Trade Balance					
Guinea:	82,081	64,692	53,435	66,810	77,619
Exports	127,671	115,574	115,411	88,363	87,832
Imports	-45,591	-50,882	-61,975	-21,553	-10,213
Trade Balance					
Guinea-Bissau:	2,488	743	816	284	870
Exports	71	2,209	72	42	19
Imports	2,417	-1,466	744	242	851
Trade Balance					
Kenya:	222,834	197,744	187,089	235,413	573,819
Exports	114,347	99,523	106,144	109,394	128,582
Imports	108,487	98,221	80,946	126,019	445,237
Trade Balance					
Lesotho:	2,370	1,437	733	837	817
Exports	86,605	100,244	110,814	140,150	217,165
Imports	-84,235	-98,807	-110,081	-139,313	-216,348
Trade Balance					

Table B-1—*Continued*

U.S. exports, imports, and trade balance, with sub-Saharan Africa, 1997-2001

(1,000 dollars)

Country	1997	1998	1999	2000	2001
Liberia					
Exports	42,686	49,840	44,585	42,397	36,807
Imports	4,852	25,845	30,523	45,408	42,558
Trade Balance	37,835	23,995	14,062	-3,011	-5,751
Madagascar					
Exports	11,219	14,491	106,056	15,397	20,947
Imports	62,489	71,395	80,214	157,737	271,791
Trade Balance	-51,270	-56,904	25,843	-142,340	-250,844
Malawi					
Exports	17,520	13,071	7,356	13,627	14,334
Imports	89,403	38,757	58,604	68,126	71,800
Trade Balance	-71,884	-25,685	-51,249	-54,499	-57,466
Mali					
Exports	25,956	24,846	28,586	29,740	31,818
Imports	3,806	3,348	8,867	8,438	6,205
Trade Balance	22,151	21,498	19,719	21,302	25,613
Mauritania:					
Exports	20,841	19,206	23,597	15,866	25,126
Imports	241	393	754	354	294
Trade Balance	20,600	18,813	22,843	15,511	24,832
Mauritius:					
Exports	26,165	19,101	32,103	15,448	22,022
Imports	235,384	266,960	258,343	286,008	275,127
Trade Balance	-209,219	-247,859	-226,240	-270,560	-253,105
Mozambique:					
Exports	45,662	45,687	33,847	57,913	28,327
Imports	29,631	25,750	10,287	24,377	7,060
Trade Balance	16,030	19,937	23,561	33,536	21,267
Namibia:					
Exports	25,058	49,857	194,822	78,448	249,334
Imports	62,338	51,676	29,984	42,191	37,845
Trade Balance	-37,280	-1,819	164,838	36,256	211,490
Niger:					
Exports	24,889	17,895	18,394	35,671	62,886
Imports	7,513	1,731	4,837	6,972	1,427
Trade Balance	17,376	16,164	13,558	28,699	61,460
Nigeria:					
Exports	810,947	814,126	624,161	712,600	947,614
Imports	6,000,201	4,603,620	4,172,322	9,680,128	8,916,476
Trade Balance	-5,189,254	-3,789,494	-3,548,160	-8,967,528	-7,968,862
Rwanda:					
Exports	34,971	21,754	47,490	18,922	17,386
Imports	3,895	4,031	3,686	5,061	7,221
Trade Balance	31,076	17,723	43,804	13,860	10,165
São Tomé & Prin:					
Exports	12,942	9,380	510	962	10,614
Imports	221	682	2,693	513	322
Trade Balance	12,721	8,698	-2,183	449	10,291

Table B-1—*Continued*
U.S. exports, imports, and trade balance, with sub-Saharan Africa, 1997-2001
(1,000 dollars)

Country	1997	1998	1999	2000	2001
Senegal:					
Exports	51,343	58,917	62,808	80,183	78,334
Imports	6,627	5,181	17,473	4,231	102,345
Trade Balance	44,717	53,735	45,335	75,952	-24,010
Seychelles:					
Exports	6,010	9,397	7,547	6,971	175,959
Imports	2,339	2,184	5,197	8,097	23,701
Trade Balance	3,672	7,212	2,350	-1,126	152,259
Sierra Leone:					
Exports	15,706	23,441	12,985	17,791	27,791
Imports	18,367	12,274	10,335	3,806	4,640
Trade Balance	-2,662	11,167	2,650	13,985	23,150
Somalia:					
Exports	2,756	2,574	2,813	4,862	6,591
Imports	311	704	192	443	343
Trade Balance	2,445	1,870	2,621	4,419	6,248
South Africa:					
Exports	2,926,396	3,494,594	2,393,998	2,829,546	2,822,354
Imports	2,495,463	3,053,323	3,192,768	4,203,657	4,429,539
Trade Balance	430,934	441,272	-798,770	-1,374,111	-1,607,186
Sudan:					
Exports	37,155	6,790	8,821	16,882	17,119
Imports	12,109	3,090	57	1,808	3,385
Trade Balance	25,046	3,700	8,764	15,074	13,734
Swaziland:					
Exports	4,182	8,186	3,748	7,741	7,438
Imports	43,975	24,973	37,849	52,577	65,036
Trade Balance	-39,793	-16,787	-34,102	-44,836	-57,598
Tanzania:					
Exports	63,468	66,619	60,682	44,548	63,741
Imports	26,935	31,568	34,495	35,288	27,229
Trade Balance	36,533	35,050	26,187	9,261	36,511
Togo:					
Exports	25,142	25,310	25,620	10,480	16,154
Imports	5,488	1,950	3,170	5,975	12,583
Trade Balance	19,654	23,360	22,450	4,505	3,571
Uganda:					
Exports	35,122	27,685	24,518	26,766	32,150
Imports	37,713	15,154	20,256	29,064	17,835
Trade Balance	-2,591	12,531	4,263	-2,298	14,315
Zambia:					
Exports	28,645	21,435	19,700	18,770	15,487
Imports	55,904	47,170	37,857	17,727	15,584
Trade Balance	-27,259	-25,735	-18,157	1,043	-97
Zimbabwe:					
Exports	78,876	83,865	57,525	52,773	31,166
Imports	134,447	123,198	135,073	113,043	90,560
Trade Balance	-55,572	-39,333	-77,547	-60,270	-59,394

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-2
Angola: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	27,917	28,255	23,083	54,767	27,960	-48.9
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	9,959	14,385	10,398	5,823	15,110	159.5
Imports	129,742	54,901	18,103	10,431	250	-97.6
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	20,633	23,197	17,997	27,177	14,605	-46.3
Imports	11	8	18	109	480	339.0
AGOA/GSP Imports	11	8	-	-	364	-
Energy-related products:						
Exports	2,044	1,265	1,318	1,126	1,453	29.0
Imports	2,788,572	2,165,827	2,319,748	3,321,320	2,768,666	-16.6
AGOA/GSP Imports	668,113	1,571,319	2,008,608	2,843,469	2,510,654	-11.7
Footwear:						
Exports	479	465	279	336	174	-48.4
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	2,747	1,268	4,706	1,873	924	-50.7
Imports	-	-	15	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	59,505	57,151	41,666	33,019	36,130	9.4
Imports	-	-	-	6	77	1139.2
AGOA/GSP Imports	-	-	-	3	3	10.9
Minerals and metals:						
Exports	17,957	50,040	16,705	11,265	20,004	77.6
Imports	462	228	9,286	6,929	-	-100.0
AGOA/GSP Imports	-	-	-	205	-	-100.0
Miscellaneous manufactures:						
Exports	2,491	4,934	883	690	983	42.5
Imports	1,601	35	206	58	329	468.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	6,781	6,653	4,634	6,079	5,406	-11.1
Imports	4,138	4,142	1,162	4,489	5,865	30.6
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	9,077	6,660	2,758	4,182	4,402	5.3
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	119,520	157,331	126,952	78,576	147,643	87.9
Imports	2	2	68	32	3	-91.7
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	279,110	351,603	251,381	224,914	274,794	22.2
Imports	2,924,528	2,225,141	2,348,606	3,343,375	2,775,670	-17.0
AGOA/GSP Imports	668,124	1,571,326	2,008,608	2,843,677	2,511,022	-11.7

Table B-2—*Continued*
Benin: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	5,631	6,473	2,322	3,949	4,488	13.7
Imports	627	2,498	15,269	597	707	18.4
AGOA/GSP Imports	-	1,944	9,572	-	-	-
Chemicals and related products:						
Exports	1,068	1,333	4,635	3,626	3,041	-16.1
Imports	340	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	630	2,066	1,288	2,231	6,696	200.1
Imports	58	22	-	5	-	-100.0
AGOA/GSP Imports	-	19	-	-	-	-
Energy-related products:						
Exports	9	125	9	-	48	-
Imports	6,251	-	2,106	1,410	-	-100.0
AGOA/GSP Imports	3,354	-	2,106	1,410	-	-100.0
Footwear:						
Exports	180	73	60	93	86	-7.2
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	73	395	95	378	96	-74.6
Imports	75	340	140	142	266	88.1
AGOA/GSP Imports	75	306	111	-	178	-
Machinery:						
Exports	12,868	3,860	2,747	1,555	1,216	-21.8
Imports	3	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	2,182	45	112	140	4,835	3365.7
Imports	26	-	176	4	-	-100.0
AGOA/GSP Imports	6	-	-	4	-	-100.0
Miscellaneous manufactures:						
Exports	1,092	36	683	178	173	-2.9
Imports	638	123	29	24	23	-3.1
AGOA/GSP Imports	2	-	-	-	-	-
Special provisions:						
Exports	1,839	1,801	1,360	1,143	482	-57.9
Imports	4	380	18	51	258	406.1
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	18,467	16,733	14,172	11,122	7,392	-33.5
Imports	58	240	92	5	32	606.3
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	7,132	10,346	3,474	1,866	3,177	70.3
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	51,171	43,286	30,956	26,281	31,732	20.7
Imports	8,080	3,604	17,830	2,237	1,286	-42.5
AGOA/GSP Imports	3,437	2,269	11,788	1,414	178	-87.4

Table B-2—*Continued*
Botswana: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001
-1,000 dollars

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	3,092	674	1,345	1,301	1,026	-21.2
Imports	91	25	12	29	122	313.4
AGOA/GSP Imports	33	2	10	28	19	-31.0
Chemicals and related products:						
Exports	302	82	292	431	701	62.7
Imports	-	-	-	-	2	-
AGOA/GSP Imports	-	-	-	-	2	-
Electronic products:						
Exports	2,050	4,759	3,412	6,895	6,944	0.7
Imports	-	10	17	8	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	9	5	-	10	-	-100.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	5	-	-	-	
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	371	196	155	824	1,157	40.4
Imports	22	30	14	10	11	2.2
AGOA/GSP Imports	22	30	11	5	-	-100.0
Machinery:						
Exports	329	523	962	262	472	80.3
Imports	102	-	3	272	76	-72.0
AGOA/GSP Imports	-	-	-	-	8	-
Minerals and metals:						
Exports	1,911	1,323	346	614	459	-25.3
Imports	11,133	3,262	1,337	1,201	15,580	1197.5
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	92	232	23	309	141	-54.4
Imports	5,871	5,630	5,295	2,980	1,742	-41.6
AGOA/GSP Imports	5,827	5,628	4,804	2,889	1,191	-58.8
Special provisions:						
Exports	21,129	17,561	13,163	14,940	18,297	22.5
Imports	235	578	498	28,068	649	-97.7
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	196	2,972	156	378	53	-85.9
Imports	7,080	10,151	9,763	7,941	2,936	-63.0
AGOA/GSP Imports	-	-	-	0	-	-100.0
Transportation equipment:						
Exports	13,457	7,173	13,545	5,200	13,766	164.7
Imports	7	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	42,937	35,499	33,399	31,165	43,017	38.0
Imports	24,540	19,691	16,940	40,510	21,118	-47.9
AGOA/GSP Imports	5,882	5,660	4,824	2,922	1,221	-58.2

Table B-2—*Continued*
Burkina Faso: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	6,253	9,125	6,006	5,025	1,427	-71.6
Imports	-	-	2,455	1,839	79	-95.7
AGOA/GSP Imports	-	-	-	1,839	8	-99.6
Chemicals and related products:						
Exports	296	365	81	114	51	-55.7
Imports	-	-	1	32	4	-85.5
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	2,974	707	634	656	849	29.4
Imports	37	2	-	4	3	-20.5
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	46	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	66	-	-100.0
Imports	-	-	-	1	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	144	-	133	192	130	-32.0
Imports	23	57	17	112	41	-63.3
AGOA/GSP Imports	22	40	17	96	33	-65.2
Machinery:						
Exports	2,701	2,784	518	659	171	-74.1
Imports	10	264	-	2	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	14	31	12	37	447	1119.6
Imports	15	39	5	58	13	-78.2
AGOA/GSP Imports	15	24	5	3	-	-100.0
Miscellaneous manufactures:						
Exports	84	59	31	41	143	252.3
Imports	343	172	246	273	120	-56.0
AGOA/GSP Imports	15	25	47	24	50	103.8
Special provisions:						
Exports	2,170	700	482	662	343	-48.2
Imports	326	50	13	86	4,731	5423.4
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,726	2,166	2,871	1,821	706	-61.2
Imports	240	19	34	39	9	-76.5
AGOA/GSP Imports	12	6	7	8	3	-64.9
Transportation equipment:						
Exports	585	136	120	6,397	121	-98.1
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	17,945	16,073	10,887	15,670	4,432	-71.7
Imports	994	603	2,771	2,446	5,001	104.4
AGOA/GSP Imports	64	95	76	1,970	94	-95.2

Table B-2—*Continued*
Burundi: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	-	3,181	400	86	2,650	2997.9
Imports	13,772	6,320	5,913	7,791	2,454	-68.5
AGOA/GSP Imports	-	-	7	-	-	-
Chemicals and related products:						
Exports	8	42	86	89	60	-32.9
Imports	-	91	35	29	-	-100.0
AGOA/GSP Imports	-	91	-	-	-	-
Electronic products:						
Exports	315	185	293	315	377	19.5
Imports	7	2	5	48	57	19.7
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	17	-
Imports	-	616	833	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	-	4	-	15	72	375.8
Imports	-	7	2	-	2	-
AGOA/GSP Imports	-	1	-	-	-	-
Machinery:						
Exports	-	18	293	40	175	338.6
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	-	-	9	4	20	370.1
Imports	-	1,135	186	12	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	-	13	7	20	184.7
Imports	-	-	-	-	46	-
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	107	923	909	30	929	2981.5
Imports	33	37	30	106	228	114.7
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	-	48	241	17	61	250.6
Imports	-	66	-	8	0	-95.7
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	113	74	23	1,064	915	-14.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	543	4,475	2,266	1,668	5,296	217.6
Imports	13,812	8,274	7,004	7,995	2,789	-65.1
AGOA/GSP Imports	-	92	7	-	-	-

Table B-2—*Continued*
Cameroon: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	12,285	9,979	8,033	5,596	1,600	-71.4
Imports	8,389	5,628	7,319	8,354	3,881	-53.5
AGOA/GSP Imports	971	1,262	424	2,646	164	-93.8
Chemicals and related products:						
Exports	5,857	5,262	1,830	8,288	6,772	-18.3
Imports	11,603	5,335	7,026	3,028	2,199	-27.4
AGOA/GSP Imports	2	-	-	25	48	88.1
Electronic products:						
Exports	6,409	2,425	2,862	5,559	6,843	23.1
Imports	1,012	936	1,159	968	268	-72.3
AGOA/GSP Imports	2	-	15	-	-	-
Energy-related products:						
Exports	4,282	3,851	8,308	6,011	5,635	-6.2
Imports	26,174	28,844	48,906	118,415	83,031	-29.9
AGOA/GSP Imports	-	-	-	-	36,731	-
Footwear:						
Exports	1,150	857	104	888	635	-28.6
Imports	962	418	1,401	141	14	-90.1
AGOA/GSP Imports -	-	-	-	-	-	-
Forest products:						
Exports	2,710	2,054	970	2,281	1,369	-40.0
Imports	3,991	3,978	5,169	10,020	8,015	-20.0
AGOA/GSP Imports	99	55	64	71	160	125.4
Machinery:						
Exports	15,959	15,034	4,328	5,847	8,880	51.9
Imports	238	60	19	202	117	-42.1
AGOA/GSP Imports	-	-	8	-	-	-
Minerals and metals:						
Exports	4,759	1,907	563	1,100	3,835	248.5
Imports	416	211	724	71	201	184.8
AGOA/GSP Imports	38	19	-	9	23	171.1
Miscellaneous manufactures:						
Exports	448	458	267	276	2,878	944.2
Imports	1,929	1,299	1,473	1,048	800	-23.6
AGOA/GSP Imports	84	59	64	52	48	-7.8
Special provisions:						
Exports	2,167	1,228	1,226	1,197	1,046	-12.6
Imports	247	1,526	211	815	1,240	52.1
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,385	1,577	813	434	645	48.6
Imports	2,223	5,096	3,097	2,740	1,842	-32.8
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	63,144	30,200	7,420	21,487	143,917	569.8
Imports		8	69	15	18	18.4
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	121,555	74,833	36,724	58,963	184,054	212.2
Imports	57,185	53,339	76,573	145,820	101,627	-30.3
AGOA/GSP Imports	1,196	1,394	574	2,804	37,174	1226.0

Table B-2—*Continued*
Cape Verde: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	6,137	6,279	3,578	1,794	995	-44.5
Imports	449	-	49	92	249	169.7
AGOA/GSP Imports	421	-	49	-	152	-
Chemicals and related products:						
Exports	35	30	164	7	94	1282.1
Imports	-	11	-	6	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	1,066	463	557	520	262	-49.6
Imports	-	7	18	-	31	-
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	2	-	-	-	-
Imports	-	-	-	2,760	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	3	9	3	46	4	-91.5
Imports	-	134	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	268	79	901	24	4	-82.1
Imports	23	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	3	5	-	79	4	-95.5
Imports	7	-	-	-	11	-
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	4	10	70	19	15	-19.1
Imports	-	5	-	414	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	1,856	1,307	1,214	792	528	-33.4
Imports	12	-	-	64	3	-94.9
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	-	10	28	-	5	-
Imports	5	8	9	877	1,201	37.0
AGOA/GSP Imports	-	-	0	-	-	-
Transportation equipment:						
Exports	252	1,035	720	3,856	5,556	44.1
Imports	-	6	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	9,625	9,230	7,234	7,137	7,467	4.6
Imports	496	171	76	4,214	1,496	-64.5
AGOA/GSP Imports	421	-	49	-	152	-

Table B-2—*Continued*
Central African Republic: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	652	85	260	-	16	-
Imports	1,168	2,451	2,589	1,928	458	-76.3
AGOA/GSP Imports	-	53	14	-	-	-
Chemicals and related products:						
Exports	55	85	15	100	98	-2.4
Imports	-	-	25	8	126	1413.6
AGOA/GSP Imports	-	-	21	8	-	-100.0
Electronic products:						
Exports	298	887	898	374	1,519	306.4
Imports	-	3	-	18	38	116.6
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	20	--
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	-	107	75	269	493	83.4
Imports	46	44	-	-	34	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	1,480	1,020	1,065	258	296	14.9
Imports	72	6	2	4	26	555.5
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	32	154	363	354	31	-91.3
Imports	3	134	24	640	1,414	120.9
AGOA/GSP Imports	-	-	-	5	-	-100.0
Miscellaneous manufactures:						
Exports	-	8	-	-	13	-
Imports	27	20	67	65	-	-100.0
AGOA/GSP Imports	-	-	49	-	-	-
Special provisions:						
Exports	445	338	534	267	423	58.4
Imports	32	140	177	202	64	-68.3
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	498	594	170	59	48	-18.9
Imports	1	-	1	39	188	388.9
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	164	1,144	347	72	716	889.2
Imports	-	-	10	-	15	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	3,624	4,421	3,727	1,753	3,671	109.4
Imports	1,350	2,798	2,896	2,904	2,364	-18.6
AGOA/GSP Imports	-	53	83	13	-	-100.0

Table B-2—*Continued*
Chad: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	2,001	-	1,188	2,614	2,521	-3.5
Imports	2,854	7,189	6,638	4,633	4,683	1.1
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	154	53	31	5,352	6,352	18.7
Imports	-	-	-	-	172	-
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	370	868	714	1,187	4,403	271.0
Imports	-	54	15	23	4	-80.6
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	223	-	-	1,049	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	30	73	141.3
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	57	31	106	64	135	111.8
Imports	-	-	-	-	719	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	61	264	220	733	37,069	4956.1
Imports	-	-	-	-	46	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	3	-	5	76	12,857	16761.2
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	10	-	129	65	21,064	32253.3
Imports	1	6	26	63	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	143	265	135	337	3,575	959.8
Imports	8	62	27	24	29	18.0
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	66	360	89	132	726	448.0
Imports	-	-	-	37	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	234	1,356	69	189	46,641	24606.2
Imports	-	-	204	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	3,098	3,421	2,684	10,780	136,467	1166.0
Imports	2,862	7,311	6,911	4,780	5,653	18.3
AGOA/GSP Imports	-	-	-	-	-	-

Table B-2—*Continued*
Comoros: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	-	231	41	-	17	-
Imports	2,449	708	1,653	3,232	10,367	220.7
AGOA/GSP Imports	-	10	-	-	-	-
Chemicals and related products:						
Exports	13	21	16	180	189	5.1
Imports	103	51	71	274	168	-38.6
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	60	77	3	3	967	32143.4
Imports		5	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	316	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	6	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	-	-	4	117	24	-79.0
Imports	-	-	6	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	-	-	-	-	3	-
Imports	2	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	1	9	12	12	29	153.0
Imports	10	2	4	6	27	318.7
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	-	206	63	4	-	-100.0
Imports	-	56	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	-	70	105	384	142	-63.1
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	74	613	243	699	1,372	96.2
Imports	2,564	822	2,051	3,513	10,568	200.8
AGOA/GSP Imports	-	10	-	-	-	-

Table B-2—*Continued*
Congo -DROC: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	13,726	9,827	3,249	1,713	6,430	275.4
Imports	1,525	1,538	1,432	1,830	995	-45.6
AGOA/GSP Imports	301	1,075	501	334	517	54.6
Chemicals and related products:						
Exports	1,551	632	714	753	1,141	51.5
Imports	9,264	541	1,196	504	148	-70.7
AGOA/GSP Imports	469	528	-	-	-	-
Electronic products:						
Exports	5,227	1,963	1,081	2,138	1,501	-29.8
Imports	-	30	76	476	162	-66.0
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	137	6	34	-	10	-
Imports	121,349	71,095	106,548	168,656	108,302	-35.8
AGOA/GSP Imports	14,658	56,897	97,883	164,361	108,302	-34.1
Footwear:						
Exports	109	61	28	78	-	-100.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	81	70	37	350	1,327	278.9
Imports	477	239	48	300	943	214.7
AGOA/GSP Imports	139	69	6	17	26	51.9
Machinery:						
Exports	2,643	2,025	2,713	446	860	92.6
Imports	2	-	6	24	69	184.9
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	563	2,190	634	406	545	34.2
Imports	123,018	97,060	122,291	39,616	34,807	-12.1
AGOA/GSP Imports	109	249	15,408	9,074	9,674	6.6
Miscellaneous manufactures:						
Exports	53	104	50	60	3,531	5831.2
Imports	6,524	181	175	494	2,159	337.3
AGOA/GSP Imports	183	-	4	-	7	-
Special provisions:						
Exports	1,689	1,229	826	435	818	87.7
Imports	1,073	142	131	325	125	-61.5
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	6,978	2,498	1,399	2,420	1,759	-27.3
Imports	23	13	10	6	4	-31.6
AGOA/GSP Imports	0	-	-	0	-	-100.0
Transportation equipment:						
Exports	4,829	13,402	10,269	1,183	587	-50.4
Imports	107	36	-	9	-	-100
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	37,585	34,008	21,034	9,982	18,508	85.4
Imports	263,363	170,874	231,913	212,239	147,714	-30.4
AGOA/GSP Imports	15,860	58,818	113,803	173,787	118,527	-31.8

Table B-2—*Continued*
Congo -ROC: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	5,215	7,801	9,488	16,369	14,325	-12.5
Imports	6,723	1,403	4,423	3,053	1,196	-60.8
AGOA/GSP Imports	6,490	-	3,083	2,456	-	-100.0
Chemicals and related products:						
Exports	4,405	1,972	1,345	6,365	1,380	-78.3
Imports	10,102	8,380	16,846	29,720	666	-97.8
AGOA/GSP Imports	-	31	-	-	-	-
Electronic products:						
Exports	6,021	3,830	3,446	7,497	5,778	-22.9
Imports	34	34	3	419	138	-67.2
AGOA/GSP Imports	1	-	3	-	-	-
Energy-related products:						
Exports	3,115	761	59	348	91	-73.9
Imports	424,628	288,967	367,338	445,822	438,808	-1.6
AGOA/GSP Imports	-	-	-	-	128,746	-
Footwear:						
Exports	505	578	129	349	22	-93.7
Imports	-	-	-	2	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	81	70	95	6,078	417	-93.1
Imports	3,238	4,351	2,063	1,227	682	-44.5
AGOA/GSP Imports	-	24	21	27	2	-91.0
Machinery:						
Exports	12,379	15,608	7,538	8,401	8,439	0.5
Imports	14	1	4	76	22	-71.6
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	10,710	5,574	836	4,182	5,601	33.9
Imports	14,944	6,830	16,057	24,840	14,525	-41.5
AGOA/GSP Imports	3	37	3,160	1,847	1,410	-23.6
Miscellaneous manufactures:						
Exports	107	31	104	342	227	-33.7
Imports	686	4,072	2,124	1,994	1,115	-44.1
AGOA/GSP Imports	14	156	51	50	74	47.3
Special provisions:						
Exports	2,644	2,814	3,612	2,655	2,573	-3.1
Imports	381	684	1,642	780	747	-4.2
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	6,494	8,294	5,778	4,949	4,191	-15.3
Imports	1	2	14	2	4	53.3
AGOA/GSP Imports	-	0	1	-	2	-
Transportation equipment:						
Exports	23,578	43,984	14,393	23,666	46,300	95.6
Imports	12	-	4	9	-	-100.0
AGOA/GSP Imports	12	-	-	-	-	-
All sectors:						
Exports	75,256	91,317	46,824	81,200	89,344	10.0
Imports	460,762	314,725	410,518	507,943	457,901	-9.9
AGOA/GSP Imports	6,520	248	6,319	4,380	130,235	2873.2

Table B-2—*Continued*
Côte d'Ivoire: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	20,580	8,743	20,508	15,450	12,120	-21.6
Imports	226,738	381,407	293,603	259,264	226,899	-12.5
AGOA/GSP Imports	8,790	10,173	8,385	21,591	12,595	-41.7
Chemicals and related products:						
Exports	39,014	36,604	19,522	14,160	21,987	55.3
Imports	13,164	8,509	4,779	4,446	2,940	-33.9
AGOA/GSP Imports	54	2	-	4	5	9.6
Electronic products:						
Exports	7,638	6,214	7,484	10,137	11,263	11.1
Imports	1,321	4,491	655	2,036	2,968	45.7
AGOA/GSP Imports	3	3	71	10	39	310.4
Energy-related products:						
Exports	890	370	298	213	6,377	2890.3
Imports	32,572	17,316	34,166	84,220	72,040	-14.5
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	154	305	425	175	830	373.2
Imports	22	44	-	1	81	13431.2
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	7,172	8,394	9,249	8,278	3,905	-52.8
Imports	5,693	6,697	5,999	12,673	9,669	-23.7
AGOA/GSP Imports	363	876	243	448	456	2.0
Machinery:						
Exports	26,361	32,809	14,356	13,248	11,021	-16.8
Imports	108	267	387	273	12	-95.5
AGOA/GSP Imports	3	-	10	-	-	-
Minerals and metals:						
Exports	5,230	10,221	1,928	2,047	2,468	20.5
Imports	2,063	676	332	733	854	16.5
AGOA/GSP Imports	61	70	2	-	10	-
Miscellaneous manufactures:						
Exports	510	777	596	541	907	67.5
Imports	1,907	1,336	1,559	2,044	2,283	11.7
AGOA/GSP Imports	73	59	92	91	99	9.2
Special provisions:						
Exports	4,073	6,857	2,808	2,326	1,745	-25.0
Imports	1,069	1,822	932	693	1,526	120.1
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	9,111	7,162	6,275	3,023	5,481	81.3
Imports	856	773	1,054	593	527	-11.1
AGOA/GSP Imports	64	55	481	173	115	-33.9
Transportation equipment:						
Exports	29,010	31,716	15,434	22,446	15,337	-31.7
Imports	75	2	21	26	24	-5.0
AGOA/GSP Imports	-	-	-	-	2	-
All sectors:						
Exports	149,743	150,170	98,882	92,046	93,441	1.5
Imports	285,590	423,340	343,487	367,002	319,823	-12.9
AGOA/GSP Imports	9,412	11,238	9,284	22,317	13,321	-40.3

Table B-2—*Continued*
Djibouti: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	2,246	7,177	13,816	2,908	1,980	-31.9
Imports	-	465	103	26	79	208.5
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	453	892	4,980	5,276	7,867	49.1
Imports	0	-	0	86	74	-13.3
AGOA/GSP Imports	-	-	-	86	-	-100.0
Electronic products:						
Exports	785	3,482	771	2,458	307	-87.5
Imports	-	-	-	-	3	-
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	20	26	30.3
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	12	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	-	17	145	26	48	83.7
Imports	-	-	-	-	4	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	594	1,614	2,131	951	856	-10.0
Imports	-	18	6	-	7	-
AGOA/GSP Imports	-	-	6	-	-	-
Minerals and metals:						
Exports	12	114	257	182	560	207.8
Imports	-	-	-	5	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	116	936	4	18	317.1
Imports	-	5	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	161	828	713	632	1,002	58.5
Imports	-	42	1	303	783	158.6
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,655	3,078	1,115	2,942	1,568	-46.7
Imports	-	1	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	366	2,722	1,691	1,210	4,329	257.9
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	7,272	20,041	26,555	16,609	18,573	11.8
Imports	0	530	110	419	951	126.8
AGOA/GSP Imports	-	-	6	86	-	-100.0

Table B-2—*Continued*
Equatorial Guinea: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	79	486	589	307	1,147	273.9
Imports	-	344	-	11	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	405	462	1,469	8,182	1,253	-84.7
Imports	-	4,229	5,465	-	37,251	-
AGOA/GSP Imports	-	-	-	-	24,954	-
Electronic products:						
Exports	265	356	682	3,017	954	-68.4
Imports	96	45	-	18	6	-66.6
AGOA/GSP Imports	-	45	-	4	6	48.9
Energy-related products:						
Exports	224	220	103	329	1,328	303.4
Imports	28,573	58,687	33,822	152,534	355,083	132.8
AGOA/GSP Imports	12,968	25,574	7,845	136,280	90,985	-33.2
Footwear:						
Exports	9	3	4	38	16	-57.7
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	42	1,446	1,136	93	42	-54.3
Imports	631	1,017	724	690	16	-97.6
AGOA/GSP Imports	-	443	-	-	-	-
Machinery:						
Exports	4,856	3,647	6,279	10,000	7,408	-25.9
Imports	-	28	-	-	-	-
AGOA/GSP Imports	-	28	-	-	-	-
Minerals and metals:						
Exports	421	5,241	38,416	10,991	10,991	-0.0
Imports	87	23	13	35	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	304	1,738	456	333	405	21.9
Imports	-	-	-	51	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	1,074	1,145	4,666	2,028	1,277	-37.0
Imports	1,098	1,017	576	1,378	3,253	136.1
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	64	126	149	145	63	-56.4
Imports	-	276	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	39,321	70,302	167,101	59,210	54,674	-7.7
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	47,063	85,172	221,050	94,673	79,558	-16.0
Imports	30,485	65,667	40,601	154,717	395,609	155.7
AGOA/GSP Imports	12,968	26,090	7,845	136,284	115,945	-14.9

Table B-2—*Continued*
Eritrea: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	4,134	15,110	-	12,091	14,451	19.5
Imports	478	546	347	43	38	-11.7
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	1,543	496	48	78	870	1011.2
Imports	2	2	63	38	4	-88.2
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	2,939	3,883	1,151	754	2,029	169.1
Imports	19	74	8	4	5	40.0
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	72	141	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	9	-	-	-
Imports	-	-	-	1	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	315	34	55	17	100	500.9
Imports	767	-	-	36	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	825	916	382	289	649	124.8
Imports	8	44	-	-	20	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	2,475	472	488	52	580	1016.1
Imports	20	37	38	-	16	-
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	257	70	9	65	18	-71.5
Imports	-	12	21	2	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	557	1,079	440	2,552	2,070	-18.9
Imports	-	21	2	0	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	1,292	87	53	140	32	-77.3
Imports	-	1	0	80	0	-99.5
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	1,359	2,215	1,062	200	630	215.6
Imports	-	-	-	-	4	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	15,766	24,502	3,698	16,236	21,429	32.0
Imports	1,294	736	480	203	89	-56.4
AGOA/GSP Imports	-	-	-	-	-	-

Table B-2—*Continued*
Ethiopia: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	17,761	29,533	29,522	113,990	26,274	-77.0
Imports	65,177	44,614	27,241	25,668	25,336	-1.3
AGOA/GSP Imports	156	744	488	888	655	-26.2
Chemicals and related products:						
Exports	20,914	5,519	9,728	9,772	17,276	76.8
Imports	873	975	299	453	180	-60.2
AGOA/GSP Imports	552	314	4	2	-	-100.0
Electronic products:						
Exports	9,914	8,371	6,161	6,615	3,148	-52.4
Imports	-	16	-	88	69	-21.5
AGOA/GSP Imports	-	-	-	-	3	-
Energy-related products:						
Exports	128	27	3	126	201	60.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	4	-	15	29	5	-84.5
Imports	-	-	-	0	1	259.9
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	704	498	701	371	318	-14.4
Imports	2	24	17	36	9	-75.6
AGOA/GSP Imports	2	14	7	26	-	-100.0
Machinery:						
Exports	15,186	7,518	7,825	1,797	2,826	57.3
Imports	-	-	-	-	3	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	670	283	309	387	163	-57.9
Imports	1,518	5,169	1,573	2,024	1,911	-5.6
AGOA/GSP Imports	-	6	-	3	-	-100.0
Miscellaneous manufactures:						
Exports	286	865	373	151	201	33.3
Imports	1,012	87	53	158	186	18.0
AGOA/GSP Imports	22	39	18	7	-	-100.0
Special provisions:						
Exports	5,971	4,354	3,572	14,721	3,706	-74.8
Imports	932	1,364	517	203	611	201.4
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	1,240	901	629	946	223	-76.4
Imports	137	29	10	30	735	2334.7
AGOA/GSP Imports	-	1	-	1	163	12651.6
Transportation equipment:						
Exports	47,514	30,031	105,549	16,110	6,318	-60.8
Imports	-	-	500	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	120,292	87,900	164,297	165,016	60,659	-63.2
Imports	69,651	52,278	30,211	28,660	29,041	1.3
AGOA/GSP Imports	732	1,118	516	927	822	-11.4

Table B-2—*Continued*
Gabon: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	1,882	4,192	5,443	4,967	4,416	-11.1
Imports	387	426	601	347	638	83.9
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	2,099	2,625	1,920	1,965	2,236	13.8
Imports	63,513	64,504	104,129	116,917	18,172	-84.5
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	4,976	3,177	7,372	2,670	2,875	7.7
Imports	295	35	72	53	3	-95.3
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	2,248	600	242	1,282	1,526	19.0
Imports	1,931,921	1,029,428	1,320,410	1,884,421	1,680,342	-10.8
AGOA/GSP Imports	-	-	-	-	938,695	-
Footwear:						
Exports	11	129	88	345	582	68.8
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	1,251	3,723	39	609	576	-5.3
Imports	265	2,543	4,676	6,217	5,517	-11.3
AGOA/GSP Imports	-	-	-	-	65	-
Machinery:						
Exports	14,703	9,847	4,438	6,720	8,061	19.9
Imports	-	108	13	50	2	-95.1
AGOA/GSP Imports	-	-	-	10	-	-100.0
Minerals and metals:						
Exports	10,363	2,305	5,041	2,529	3,709	46.7
Imports	22,224	17,379	26,213	27,200	21,593	-20.6
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	274	44	246	1,049	389	-62.9
Imports	331	859	2,162	912	2,998	228.7
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	3,641	1,439	1,091	1,523	1,658	8.9
Imports	3,306	14,993	1,541	1,790	2,365	32.1
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	659	2,700	1,145	942	1,495	58.7
Imports	33	-	-	2	13	708.7
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	38,917	30,906	17,902	38,669	46,568	20.4
Imports	-	-	53,127	13	30	121.9
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	81,023	61,688	44,967	63,270	74,089	17.1
Imports	2,022,275	1,130,273	1,512,945	2,037,921	1,731,671	-15.0
AGOA/GSP Imports	-	-	-	10	938,760	9387498.6

Table B-2—*Continued*
The Gambia: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	3,882	4,187	4,095	3,709	3,002	-19.1
Imports	32	247	38	196	134	-31.7
AGOA/GSP Imports	-	16	-	7	-	-100.0
Chemicals and related products:						
Exports	372	353	344	270	469	74.0
Imports	3	133	1	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	1,214	1,514	1,951	836	1,555	86.0
Imports	7	5	-	-	22	-
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	20	-	3	10	51	388.5
Imports	624	440	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	11	8	41	39	55	40.9
Imports	8	2	-	0	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	40	-	21	70	121	72.7
Imports	8	7	3	12	3	-77.1
AGOA/GSP Imports	3	7	3	5	-	-100.0
Machinery:						
Exports	686	417	528	59	189	221.9
Imports	22	42	-	4	6	43.7
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	196	174	135	674	187	-72.3
Imports	2,290	1,564	33	6	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	16	153	49	289	55	-81.1
Imports	60	27	64	30	-	-100.0
AGOA/GSP Imports	56	27	8	12	-	-100.0
Special provisions:						
Exports	490	160	728	1,063	236	-77.8
Imports	415	111	20	3	3	-8.3
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	1,128	1,829	1,295	1,597	1,677	5.0
Imports	34	38	27	90	65	-28.3
AGOA/GSP Imports	0	-	0	0	1	204.1
Transportation equipment:						
Exports	1,462	309	306	250	566	126.9
Imports	13	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	9,517	9,104	9,496	8,867	8,164	-7.9
Imports	3,516	2,617	186	342	232	-32.0
AGOA/GSP Imports	60	50	12	24	1	-96.6

Table B-2—*Continued*
Ghana: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	53,356	47,211	53,586	39,815	41,896	5.2
Imports	16,000	27,949	42,361	70,890	58,093	-18.1
AGOA/GSP Imports	1,144	1,940	2,902	2,951	2,264	-23.3
Chemicals and related products:						
Exports	45,999	36,753	31,209	16,378	29,426	79.7
Imports	1,995	144	826	8,458	524	-93.8
AGOA/GSP Imports	23	4	-	5	1	-84.0
Electronic products:						
Exports	15,135	11,957	12,034	15,661	16,713	6.7
Imports	52	29	123	34	45	30.6
AGOA/GSP Imports	-	9	-	-	2	-
Energy-related products:						
Exports	10,736	2,943	15,389	10,825	5,863	-45.8
Imports	-	10,623	20,020	46,063	56,145	21.9
AGOA/GSP Imports	-	-	-	-	33,086	-
Footwear:						
Exports	885	783	2,273	538	857	59.4
Imports	0	-	-	2	0	-81.6
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	7,059	3,831	1,857	5,560	2,848	-48.8
Imports	16,260	21,491	22,966	28,700	31,263	8.9
AGOA/GSP Imports	1,743	2,802	2,626	7,448	6,863	-7.8
Machinery:						
Exports	49,431	25,776	19,365	24,370	14,910	-38.8
Imports	83	9	139	58	38	-34.5
AGOA/GSP Imports	6	-	-	-	-	-
Minerals and metals:						
Exports	13,476	11,800	6,795	6,868	4,758	-30.7
Imports	116,440	74,421	115,472	46,021	32,482	-29.4
AGOA/GSP Imports	218	2,051	3,308	2,605	222	-91.5
Miscellaneous manufactures:						
Exports	7,354	3,671	2,243	3,821	3,195	-16.4
Imports	1,413	873	1,384	1,268	1,026	-19.0
AGOA/GSP Imports	312	655	798	523	437	-16.5
Special provisions:						
Exports	13,523	13,132	14,390	9,067	11,212	23.7
Imports	563	502	2,399	4,266	5,112	19.8
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	13,237	12,184	9,059	6,404	6,863	7.2
Imports	1,260	7,811	3,619	508	413	-18.8
AGOA/GSP Imports	3	4	3	8	5	-30.5
Transportation equipment:						
Exports	82,611	51,170	62,847	39,405	40,931	3.9
Imports	2	7	21	162	251	55.0
AGOA/GSP Imports	-	-	-	-	3	-
All sectors:						
Exports	312,801	221,212	231,045	178,712	179,473	0.4
Imports	154,069	143,858	209,330	206,431	185,391	-10.2
AGOA/GSP Imports	3,450	7,464	9,637	13,539	42,883	216.8

Table B-2—*Continued*
Guinea: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	15,202	9,088	17,458	14,534	7,706	-47.0
Imports	6,335	3,887	1,143	378	3,565	844.0
AGOA/GSP Imports	1	-	30	-	-	-
Chemicals and related products:						
Exports	5,799	9,134	4,637	9,225	21,058	128.3
Imports	254	12	57	155	24	-84.2
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	5,330	4,778	1,830	2,063	2,439	18.3
Imports	63	191	22	405	74	-81.8
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	4,481	1,976	2,184	5,806	2,249	-61.3
Imports	-	-	5,155	7	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	254	110	123	309	162	-47.5
Imports	-	-	3	0	1	198.8
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	1,281	990	1,202	947	792	-16.4
Imports	288	46	201	94	401	325.6
AGOA/GSP Imports	49	36	23	70	113	60.5
Machinery:						
Exports	9,166	10,335	3,083	6,039	9,519	57.6
Imports	-	21	67	36	28	-22.7
AGOA/GSP Imports	-	-	-	-	23	-
Minerals and metals:						
Exports	2,401	1,037	1,226	2,288	3,851	68.3
Imports	119,510	109,878	107,206	85,097	82,144	-3.5
AGOA/GSP Imports	-	13	-	3	3	-12.4
Miscellaneous manufactures:						
Exports	800	442	574	564	1,028	82.4
Imports	173	206	618	280	531	89.8
AGOA/GSP Imports	32	39	32	26	53	100.5
Special provisions:						
Exports	9,083	10,639	10,914	7,694	12,363	60.7
Imports	1,015	1,288	923	1,623	937	-42.3
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	5,281	4,258	3,454	2,250	2,306	2.5
Imports	28	35	16	171	39	-77.1
AGOA/GSP Imports	1	-	-	-	-	-
Transportation equipment:						
Exports	23,001	12,174	6,752	15,091	14,146	-6.3
Imports	6	10	-	117	88	-25.2
AGOA/GSP Imports	3	10	-	-	-	-
All sectors:						
Exports	82,081	64,692	53,435	66,810	77,619	16.2
Imports	127,671	115,574	115,411	88,363	87,832	-0.6
AGOA/GSP Imports	87	97	84	100	191	91.4

Table B-2—*Continued*
Guinea-Bissau: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	1,141	-	694	48	50	5.2
Imports	56	41	-	-	3	-
AGOA/GSP Imports	6	4	-	-	-	-
Chemicals and related products:						
Exports	125	167	-	-	22	-
Imports	-	361	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	701	176	64	98	359	265.9
Imports	-	-	-	7	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	1,675	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	29	7	-	6	-	-100.0
Imports	-	-	-	-	16	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	392	41	43	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	15	-	-	-	18	-
Imports	-	131	72	20	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	4	-	-	-	-
Imports	15	-	-	11	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	44	29	15	5	412	7867.5
Imports	-	0	1	4	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	39	15	-	-	9	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	3	304	-	126	-	-100.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	2,488	743	816	284	870	206.5
Imports	71	2,209	72	42	19	-54.4
AGOA/GSP Imports	6	4	-	-	-	-

Table B-2—*Continued*
Kenya: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	31,871	59,969	28,167	27,141	18,762	-30.9
Imports	56,746	50,332	36,247	34,994	41,055	17.3
AGOA/GSP Imports	899	392	650	833	3,016	261.9
Chemicals and related products:						
Exports	31,667	16,688	32,392	28,197	41,364	46.7
Imports	3,793	671	1,203	1,238	3,099	150.4
AGOA/GSP Imports	13	86	352	16	1,148	6863.4
Electronic products:						
Exports	13,924	17,959	18,441	20,013	17,898	-10.6
Imports	4,454	1,564	13,421	9,925	5,912	-40.4
AGOA/GSP Imports	139	47	37	29	29	-1.8
Energy-related products:						
Exports	1,480	609	411	412	234	-43.2
Imports	53	296	15	236	101	-57.3
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	178	209	201	194	210	8.3
Imports	76	1	11	35	7	-80.9
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	3,139	4,189	5,601	4,252	3,933	-7.5
Imports	3,003	3,305	2,741	2,476	2,511	1.4
AGOA/GSP Imports	8,272	3,192	2,584	1,997	2,317	16.0
Machinery:						
Exports	20,298	13,719	14,864	13,440	16,805	25.0
Imports	518	302	250	1,104	259	-76.5
AGOA/GSP Imports	84	-	-	9	14	51.2
Minerals and metals:						
Exports	1,936	1,973	4,429	5,439	9,979	83.5
Imports	3,542	2,884	2,725	2,437	1,430	-41.3
AGOA/GSP Imports	2,042	1,720	584	228	162	-28.9
Miscellaneous manufactures:						
Exports	1,668	1,265	917	1,197	2,622	119.1
Imports	4,256	3,160	3,032	2,943	3,874	31.6
AGOA/GSP Imports	1,249	1,265	704	785	630	-19.8
Special provisions:						
Exports	5,466	6,214	6,647	6,456	10,788	67.1
Imports	6,051	3,122	5,992	9,598	5,298	-44.8
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	5,197	8,462	7,854	6,160	9,047	46.9
Imports	31,794	33,782	39,633	44,089	64,623	46.6
AGOA/GSP Imports	65	21	-	1	51,556	-
Transportation equipment:						
Exports	106,010	66,488	67,165	122,513	442,177	260.9
Imports	59	103	875	319	413	29.7
AGOA/GSP Imports	4	6	1,717	19	-	-100.0
All sectors:						
Exports	222,834	197,744	187,089	235,413	573,819	143.7
Imports	114,347	99,523	106,144	109,394	128,582	17.5
AGOA/GSP Imports	12,767	6,728	6,627	3,919	58,873	1402.3

Table B-2—*Continued*
Lesotho: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	1,119	1,233	59	492	30	-93.9
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	-	30	11	12	-	-100.0
Imports	1	5	-	-	144	-
AGOA/GSP Imports	-	-	-	-	39	-
Electronic products:						
Exports	22	33	525	128	354	175.2
Imports	7	-	-	-	4	-
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	-	17	82	-	7	-
Imports	-	-	-	-	27	-
AGOA/GSP Imports	-	-	-	-	23	-
Machinery:						
Exports	6	17	-	112	16	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	-	-	-	-	6	-
Imports	2	3	6	-	31	-
AGOA/GSP Imports	-	-	-	-	8	-
Miscellaneous manufactures:						
Exports	7.9	79	-	3	20	679.1
Imports	-	-	-	-	55	-
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	636	67	18	16	34	118.3
Imports	40	49	59	90	127	40.9
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	88	-	-	-	-	-
Imports	86,556	100,187	110,748	140,060	216,776	54.8
AGOA/GSP Imports	-	-	1	-	129,523	-
Transportation equipment:						
Exports	421	40	39	74	350	369.8
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	2,370	1,437	733	837	817	-2.4
Imports	86,605	100,244	110,814	140,150	217,165	55.0
AGOA/GSP Imports	-	-	1	-	129,592	-

Table B-2—*Continued*
Liberia: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	18,561	13,207	16,013	12,320	8,683	-29.5
Imports	49	715	294	64	18	-71.6
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	1,365	1,578	3,499	1,700	1,978	16.3
Imports	1,496	24,794	28,606	43,374	41,158	-5.1
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	3,363	3,922	2,833	3,225	2,134	-33.8
Imports	13	9	36	231	130	-43.6
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	217	351	331	235	204	-13.4
Imports	-	-	3	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	311	147	165	150	143	-4.6
Imports	-	0	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	450	402	347	548	333	-39.2
Imports	2	6	816	78	142	82.0
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	1,006	2,878	3,317	2,439	1,717	-29.6
Imports	113	-	255	100	52	-48.2
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	571	4,095	4,837	9,810	10,278	4.8
Imports	2,548	242	139	586	92	-84.3
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	273	464	474	296	697	135.0
Imports	54	6	59	17	317	1730.6
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	7,260	11,602	6,105	6,262	5,243	-16.3
Imports	556	11,602	308	298	643	116.3
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	4,953	4,173	4,417	3,514	2,970	-15.5
Imports	6	22	2	7	3	-53.0
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	4,357	7,021	2,248	1,898	2,428	27.9
Imports	16	6	3	655	2	-99.7
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	42,686	49,840	44,585	42,397	36,807	-13.2
Imports	4,852	25,845	30,523	45,408	42,558	-6.3
AGOA/GSP Imports	-	-	-	-	-	-

Table B-2—*Continued*
Madagascar: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	4,707	5,595	1,587	4,962	4,785	-3.6
Imports	39,864	41,369	28,090	39,599	83,969	112.0
AGOA/GSP Imports	6,276	74	3,229	2,598	2,484	-4.4
Chemicals and related products:						
Exports	1,115	1,682	2,100	1,104	2,630	138.3
Imports	649	409	413	501	1,470	193.6
AGOA/GSP Imports	-	2	-	4	-	-100.0
Electronic products:						
Exports	1,496	1,706	1,706	1,572	2,500	59.0
Imports	756	676	454	416	360	-13.6
AGOA/GSP Imports	748	662	302	370	307	-17.0
Energy-related products:						
Exports	110	107	30	12	50	316.6
Imports	-	-	-	-	2	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	15	-	-	-
Imports	-	-	-	3	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	89	298	123	87	239	174.9
Imports	1,678	1,901	2,004	2,177	2,054	-5.6
AGOA/GSP Imports	1,140	1,106	863	1,006	1,140	13.3
Machinery:						
Exports	660	476	1,087	566	2,635	365.9
Imports	48	-	-	7	-	-100.0
AGOA/GSP Imports	15	-	-	-	-	-
Minerals and metals:						
Exports	52	55	310	379	812	114.4
Imports	2,784	3,367	1,929	3,111	1,926	-38.1
AGOA/GSP Imports	208	141	120	164	231	40.4
Miscellaneous manufactures:						
Exports	50	456	3	51	116	127.2
Imports	528	736	648	880	2,305	161.9
AGOA/GSP Imports	325	72	221	339	385	13.5
Special provisions:						
Exports	684	336	375	338	519	53.4
Imports	154	298	610	1,133	949	-16.2
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	120	657	670	432	744	72.2
Imports	16,029	22,639	46,068	109,907	178,750	62.6
AGOA/GSP Imports	596	478	338	239	92,558	38675.9
Transportation equipment:						
Exports	2,136	3,122	98,050	5,894	5,917	0.4
Imports	-	-	-	3	5	69.3
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	11,219	14,491	106,056	15,397	20,947	36.0
Imports	62,489	71,395	80,214	157,737	271,791	72.3
AGOA/GSP Imports	9,308	2,535	5,073	4,720	97,105	1957.2

Table B-2—*Continued*
Malawi: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	-	-	133	2,013	578	-71.3
Imports	89,011	38,380	57,274	60,616	59,317	-2.1
AGOA/GSP Imports	29,228	16,342	24,660	23,216	30,561	31.6
Chemicals and related products:						
Exports	1,114	944	931	195	948	386.4
Imports	-	-	-	3	-	-100.0
AGOA/GSP Imports	-	-	-	3	-	-100.0
Electronic products:						
Exports	4,394	1,565	2,077	1,195	3,077	157.4
Imports	-	-	5	119	2	-98.2
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	49	24-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	13	18	33.9
Imports	-	-	-	-	0	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	346	223	366	560	956	70.6
Imports	27	59	7	4	12	255.1
AGOA/GSP Imports	27	42	-	-	2	-
Machinery:						
Exports	2,390	933	402	1,574	2,271	44.3
Imports	-	-	9	-	-	-
AGOA/GSP Imports	-	-	9	-	-	-
Minerals and metals:						
Exports	35	7	5	31	48	54.0
Imports	19	21	48	-	19	-
AGOA/GSP Imports	16	21	42	-	-	-
Miscellaneous manufactures:						
Exports	-	14	12	25	53	116.5
Imports	32	-	-	2	22	1287.8
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	6,235	3,327	2,708	5,862	5,238	-10.6
Imports	38	47	58	57	42	-26.8
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,921	674	419	812	862	6.2
Imports	276	246	1,204	7,326	12,385	69.1
AGOA/GSP Imports	-	-	-	-	4,799	-
Transportation equipment:						
Exports	85	5,335	279	1,346	286	-78.7
Imports	-	3	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	17,520	13,071	7,356	13,627	14,334	5.2
Imports	89,403	38,757	58,604	68,126	71,800	5.4
AGOA/GSP Imports	29,270	16,405	24,711	23,218	35,362	52.3

Table B-2—*Continued*
Mali: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	5,957	4,244	1,760	5,160	1,774	-65.6
Imports	549	1,013	2,734	410	618	50.7
AGOA/GSP Imports	386	501	-	0	15	4462.9
Chemicals and related products:						
Exports	2,641	2,174	6,031	6,679	5,461	-18.2
Imports	140	53	46	79	1	-99.2
AGOA/GSP Imports	129	46	-	58	-	-100.0
Electronic products:						
Exports	2,536	1,099	7,351	4,443	7,710	73.6
Imports	231	952	190	1,815	484	-73.3
AGOA/GSP Imports	9	5	-	-	-	-
Energy-related products:						
Exports	-	187	37	-	20	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	112	3	82	20	72	258.4
Imports	-	-	-	17	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	1,290	269	28	1,173	73	-93.8
Imports	149	348	389	123	241	95.4
AGOA/GSP Imports	141	332	262	123	153	24.3
Machinery:						
Exports	7,564	5,984	7,089	1,310	1,878	43.4
Imports	55	99	92	32	51	61.9
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	442	54	291	993	573	-42.3
Imports	618	8	38	148	398	168.4
AGOA/GSP Imports	198	2	21	-	81	-
Miscellaneous manufactures:						
Exports	354	36	44	126	18	-85.8
Imports	1,107	317	4,342	4,241	1,946	-54.1
AGOA/GSP Imports	50	14	19	200	40	-79.9
Special provisions:						
Exports	517	4,598	577	580	2,723	369.8
Imports	671	357	817	1,265	2,353	86.1
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	1,381	2,857	1,133	1,166	285	-75.5
Imports	278	200	218	261	108	-58.6
AGOA/GSP Imports	7	7	4	5	4	-22.0
Transportation equipment:						
Exports	3,161	3,341	4,163	8,091	11,230	38.8
Imports	7	3	-	46	5	-89.8
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	25,956	24,846	28,586	29,740	31,818	7.0
Imports	3,806	3,348	8,867	8,438	6,205	-26.5
AGOA/GSP Imports	919	906	306	387	293	-24.2

Table B-2—*Continued*
Mauritius: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	447	918	443	920	274	-70.2
Imports	30,524	19,854	8,351	23,382	13,941	-40.4
AGOA/GSP Imports	15,825	4,874	3,274	4,836	10,162	110.1
Chemicals and related products:						
Exports	1,606	930	1,129	1,570	1,816	15.6
Imports	70	109	374	762	1,882	146.8
AGOA/GSP Imports	8	4	-	13	9	-30.2
Electronic products:						
Exports	13,074	4,537	20,312	3,940	6,837	73.5
Imports	7,193	5,172	3,685	3,571	4,155	16.4
AGOA/GSP Imports	3,953	3,536	3,211	2,928	2,945	0.6
Energy-related products:						
Exports	14	26	3	99	126	26.9
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	6	-	-	6	-
Imports	37	-	8	75	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	1,278	510	716	781	610	-21.9
Imports	184	16	-	63	117	85.0
AGOA/GSP Imports	-	-	-	5	6	11.1
Machinery:						
Exports	2,911	3,414	2,799	4,327	4,415	2.0
Imports	801	215	-	166	620	272.5
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	252	420	469	444	299	-32.6
Imports	6,791	3,049	6,622	6,946	7,001	0.8
AGOA/GSP Imports	85	58	48	50	18	-63.5
Miscellaneous manufactures:						
Exports	972	779	1,507	441	705	59.8
Imports	2,550	3,451	4,107	3,544	4,796	35.3
AGOA/GSP Imports	1,761	2,003	2,740	1,825	1,908	4.6
Special provisions:						
Exports	1,181	1,040	1,483	935	920	-1.6
Imports	1,585	1,238	2,973	876	4,159	374.7
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	376	381	405	453	2,865	533.0
Imports	184,587	233,618	232,109	244,863	238,345	-2.7
AGOA/GSP Imports	-	79	17	-	38,925	-
Transportation equipment:						
Exports	4,054	6,139	2,837	1,536	3,149	105.0
Imports	1,063	238	115	1,757	110	-93.7
AGOA/GSP Imports	-	5	-	-	2	-
All sectors:						
Exports	26,165	19,101	32,103	15,448	22,022	42.6
Imports	235,384	266,960	258,343	286,008	275,127	-3.8
AGOA/GSP Imports	21,633	10,560	9,291	9,658	53,975	458.9

Table B-2—*Continued*
Mauritania: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	12,068	14,115	13,076	1,886	2,216	17.5
Imports		155	-	49	26	-47.1
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	70	206	130	155	261	69.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	1,569	862	913	1,821	2,920	60.4
Imports	-	12	537	15	131	786.7
AGOA/GSP Imports	-	-	-	3	-	-100.0
Energy-related products:						
Exports	16	-	72	84	3	-96.7
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	30	3	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	24	-	-	5	9	79.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	144	253	1,780	2,625	2,738	4.3
Imports	6	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	1,659	2,132	1,249	2,244	2,154	-4.0
Imports	-	-	171	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	3	31	-	19	40	115.3
Imports	-	-	-	4	40	900
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	543	180	552	252	602	138.9
Imports	207	85	36	243	95	-60.7
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	158	13	34	215	240	11.6
Imports	28	140	11	40	1	-97.5
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	4,588	1,384	5,787	6,560	13,942	112.5
Imports	-	-	-	3	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	20,841	19,206	23,597	15,866	25,126	58.4
Imports	241	393	754	354	294	-17.1
AGOA/GSP Imports	-	-	-	3	-	-100.0

Table B-2—*Continued*
Mozambique: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	26,336	28,728	18,274	30,311	14,979	-50.6
Imports	28,301	23,348	8,403	23,901	6,594	-72.4
AGOA/GSP Imports	16,090	9,103	78	10,688	5,253	-50.8
Chemicals and related products:						
Exports	1,676	1,747	1,952	1,338	720	-46.2
Imports	-	4	-	-	0	-
AGOA/GSP Imports	-	-	-	-	0	-
Electronic products:						
Exports	1,339	2,287	2,444	2,292	1,520	-33.7
Imports	8	1	57	71	8	-88.5
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	49	6,076	2,805	-53.8
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	79	230	51	175	93	-47.2
Imports	-	28	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	41	20	22	151	80	-47.1
Imports	19	66	46	7	61	793.0
AGOA/GSP Imports	-	36	-	3	8	223.2
Machinery:						
Exports	3,288	2,266	3,390	4,704	1,462	-68.9
Imports	255	267	19	-	-	-
AGOA/GSP Imports	-	3	-	-	-	-
Minerals and metals:						
Exports	138	460	2,821	1,074	166	-84.5
Imports	429	1,675	1,065	159	19	-88.3
AGOA/GSP Imports	48	50	17	11	16	53.7
Miscellaneous manufactures:						
Exports	153	57	83	28	504	1704.8
Imports	133	23	60	46	34	-25.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	1,049	844	1,079	5,798	2,393	-58.7
Imports	266	223	592	194	165	-15.0
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	6,395	2,821	2,758	4,495	2,193	-51.2
Imports	156	116	44	0	179	52291.5
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	5,167	6,229	924	1,473	1,412	-4.1
Imports	65	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	45,662	45,687	33,847	57,913	28,327	-51.1
Imports	29,631	25,750	10,287	24,377	7,060	-71.0
AGOA/GSP Imports	16,138	9,192	95	10,701	5,278	-50.7

Table B-2—*Continued*
Namibia: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	920	74	67	2,414	4,928	104.2
Imports	31,821	32,167	18,406	18,883	12,495	-33.8
AGOA/GSP Imports	2,145	764	341	1	26	2678.3
Chemicals and related products:						
Exports	350	413	946	1,481	4,169	181.4
Imports	5	204	197	404	48	-88.2
AGOA/GSP Imports	-	-	0	0	-	-100.0
Electronic products:						
Exports	2,017	7,852	5,944	3,014	10,262	240.5
Imports	14	415	200	6	10	63.0
AGOA/GSP Imports	1	-	-	-	-	-
Energy-related products:						
Exports	60	-	32	120	138	15.0
Imports	26,211	9,749	-	13,432	11,302	-15.9
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	3	-
Imports	1	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	12	47	48	420	187	-55.5
Imports	57	99	173	186	76	-58.9
AGOA/GSP Imports	52	61	76	134	67	-50.1
Machinery:						
Exports	4,707	2,391	1,540	1,062	2,418	127.6
Imports	9	4	94	220	34	-84.4
AGOA/GSP Imports	-	4	-	-	-	-
Minerals and metals:						
Exports	52	100	141	259	676	160.6
Imports	1,514	7,290	9,638	6,968	12,138	74.2
AGOA/GSP Imports	644	5,684	-	-	-	-
Miscellaneous manufactures:						
Exports	246	97	180	725	597	-17.7
Imports	40	144	57	105	52	-50.5
AGOA/GSP Imports	-	-	2	18	-	-100.0
Special provisions:						
Exports	3,496	10,021	3,417	10,882	49,591	355.7
Imports	2,638	1,579	1,173	1,795	1,571	-12.5
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	71	211	201	77	84	9.7
Imports	28	24	40	192	118	-38.3
AGOA/GSP Imports	1	-	8	-	-	-
Transportation equipment:						
Exports	13,126	28,650	182,305	57,993	176,282	204.0
Imports	-	-	7	2	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	25,058	49,857	194,822	78,448	249,334	217.8
Imports	62,338	51,676	29,984	42,191	37,845	-10.3
AGOA/GSP Imports	2,843	6,513	427	154	93	-39.6

Table B-2—*Continued*
Niger: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	2,048	1,967	432	2,357	4,759	101.9
Imports	269	102	152	146	6	-95.7
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	1,230	1,993	1,896	2,806	20,006	612.9
Imports	453	335	121	56	204	261.9
AGOA/GSP Imports	3	22	-	16	42	153.6
Electronic products:						
Exports	1,853	1,468	2,938	14,037	11,365	-19.0
Imports	27	136	318	139	240	72.3
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	20	78	-	-	5	-
Imports	5,897	39	2,455	4,770	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	199	-	3	5	-	-100.0
Imports	-	-	1	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	116	25	228	1,252	2,732	118.2
Imports	5	12	14	51	273	432.5
AGOA/GSP Imports	-	8	11	-	-	-
Machinery:						
Exports	173	461	1,755	5,527	7,626	38.0
Imports	147	267	599	810	55	-93.2
AGOA/GSP Imports	-	-	254	-	-	-
Minerals and metals:						
Exports	566	170	195	490	947	93.3
Imports	24	102	4	578	126	-78.1
AGOA/GSP Imports	-	78	4	-	-	-
Miscellaneous manufactures:						
Exports	62	81	773	584	168	-71.2
Imports	78	75	199	24	13	-46.3
AGOA/GSP Imports	10	6	11	-	-	-
Special provisions:						
Exports	985	1,328	938	2,459	2,352	-4.4
Imports	456	571	813	344	342	-0.7
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	15,426	9,484	8,172	4,287	4,708	9.8
Imports	99	91	128	42	54	28.8
AGOA/GSP Imports	0	-	-	-	-	-
Transportation equipment:						
Exports	2,212	840	1,065	1,865	8,217	340.5
Imports	57	-	33	12	112	845.6
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	24,889	17,895	18,394	35,671	62,886	76.3
Imports	7,513	1,731	4,837	6,972	1,427	-79.5
AGOA/GSP Imports	13	114	280	16	42	153.6

Table B-2—*Continued*
Nigeria: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	114,406	149,995	172,699	178,734	245,911	37.6
Imports	13,751	10,471	8,277	5,227	10,529	101.4
AGOA/GSP Imports	-	-	-	58	153	164.7
Chemicals and related products:						
Exports	83,319	73,129	43,156	55,631	61,726	11.0
Imports	400,956	367,061	429,134	943,895	258,960	-72.6
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	37,793	55,349	52,308	42,054	86,939	106.7
Imports	121	16	97	92	318	245.1
AGOA/GSP Imports	-	-	-	-	46	-
Energy-related products:						
Exports	46,798	35,735	26,321	16,568	24,335	46.9
Imports	5,573,407	4,212,685	3,720,249	8,706,166	8,627,161	-0.9
AGOA/GSP Imports	-	-	-	-	5,688,030	-
Footwear:						
Exports	555	560	738	728	1,391	91.0
Imports	-	-	57	106	186	75.5
AGOA/GSP Imports	-	-	-	-	71	-
Forest products:						
Exports	8,567	8,588	8,493	14,667	20,944	42.8
Imports	708	1,108	1,138	875	477	-45.5
AGOA/GSP Imports	-	-	-	10	19	97.2
Machinery:						
Exports	84,696	156,499	72,932	122,815	151,541	23.4
Imports	-	425	2,693	55	296	442.7
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	37,133	53,575	19,572	25,355	37,884	49.4
Imports	1,368	1,399	972	16,187	12,107	-25.2
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	1,921	8,207	9,969	3,590	7,583	111.2
Imports	2,686	3,867	4,710	2,969	1,463	-50.7
AGOA/GSP Imports	-	-	-	3	85	2670.2
Special provisions:						
Exports	8,036	10,571	10,061	14,432	11,234	-22.2
Imports	5,116	2,778	4,194	3,961	4,454	12.5
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	10,276	12,704	12,817	8,384	13,647	62.8
Imports	2,088	3,801	801	572	453	-20.8
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	377,448	249,213	195,396	229,643	284,480	23.9
Imports	-	9	-	23	72	216.8
AGOA/GSP Imports	-	-	-	-	56	-
All sectors:						
Exports	810,947	814,126	624,461	712,600	947,614	33.0
Imports	6,000,201	4,603,620	4,172,322	9,680,128	8,916,476	-7.9
AGOA/GSP Imports	-	-	-	71	5,688,461	8062234.8

Table B-2—*Continued*
Rwanda: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	26,595	9,850	17,796	10,186	8,404	-17.5
Imports	2,540	1,915	2,007	2,301	3,668	59.4
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	353	315	82	128	324	153.5
Imports	-	0	-	-	294	-
AGOA/GSP Imports	-	-	-	-	265	-
Electronic products:						
Exports	1,727	1,028	19,550	2,537	6,990	175.5
Imports	76	14	39	150	66	-56.2
AGOA/GSP Imports	8	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	4,249	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	1,541	9,333	8,111	3,917	117	-97.0
Imports	3	-	-	-	20	-
AGOA/GSP Imports	3	-	-	-	20	-
Machinery:						
Exports	330	27	135	280	91	-67.4
Imports	8	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	11	28	116	82	196	140.1
Imports	1,254	1,910	1,422	2,552	3,134	22.8
AGOA/GSP Imports	100	302	154	324	33	-90.0
Miscellaneous manufactures:						
Exports	92	-	14	17	75	345.0
Imports	-	8	-	-	20	-
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	2,916	638	1,538	554	973	75.7
Imports	13	183	201	36	20	-44.9
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	1,122	351	116	201	166	-17.5
Imports	-	-	17	23	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	284	178	32	1,020	50	-95.1
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	34,971	21,754	47,490	18,922	17,386	-8.1
Imports	3,895	4,031	3,686	5,061	7,221	42.7
AGOA/GSP Imports	111	302	154	324	318	-1.9

Table B-2—*Continued*
São Tomé & Prin: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	69	-	12	28	318	1025.7
Imports	-	2	-	21	-	-100.0
AGOA/GSP Imports	-	2	-	-	-	-
Chemicals and related products:						
Exports	25	14	73	65	63	-2.7
Imports	-	-	59	10	0	-96.9
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	230	67	33	106	135	26.9
Imports	36	7	142	116	32	-72.0
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	8	20	-	16	38	130.2
Imports	-	-	1,616	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	116	-	-	-	-	-
Imports	-	0	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	-	-	319	63	-	-100.0
Imports	-	50	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	-	22	4	137	43	-68.3
Imports	9	56	758	245	247	0.8
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	1,294	49	-	91	37	-58.9
Imports	4	0	33	46	9	-81.0
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	84	-	123	5	-96.4
Imports	2	-	7	5	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	59	31	17	34	29	-13.1
Imports	53	567	49	59	15	-74.3
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	58	230	-	108	25	-77.3
Imports	115	-	23	3	19	563.5
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	11,083	8,863	52	190	9,921	5111.5
Imports	2	-	6	9	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	12,942	9,380	510	962	10,614	1003.4
Imports	221	682	2,693	513	322	-37.2
AGOA/GSP Imports	-	2	-	-	-	-

Table B-2—*Continued*
Senegal: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	12,320	21,998	14,388	16,895	8,166	-51.7
Imports	855	904	994	1,015	6,346	525.5
AGOA/GSP Imports	793	812	-	-	2	-
Chemicals and related products:						
Exports	11,575	11,055	6,617	15,773	17,377	10.2
Imports	2,159	779	2,040	767	474	-38.2
AGOA/GSP Imports	534	740	699	691	407	-41.1
Electronic products:						
Exports	2,587	5,994	16,173	9,289	8,463	-8.9
Imports	846	535	1,453	204	2,576	1164.7
AGOA/GSP Imports	27	4	-	-	-	-
Energy-related products:						
Exports	123	70	171	185	535	189.8
Imports	-	-	7,263	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	14	31	62	97	124	27.2
Imports	-	8	8	2	14	508.8
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	2,134	903	175	498	878	76.3
Imports	72	96	171	227	154	-32.2
AGOA/GSP Imports	33	17	16	38	58	53.9
Machinery:						
Exports	3,719	3,888	8,377	6,792	7,737	13.9
Imports	219	50	17	14	-	-100.0
AGOA/GSP Imports	7	-	-	-	-	-
Minerals and metals:						
Exports	495	519	140	1,976	4,853	145.6
Imports	122	210	156	-	11	-
AGOA/GSP Imports	2	-	-	-	-	-
Miscellaneous manufactures:						
Exports	195	336	711	363	1,431	294.5
Imports	807	964	1,337	1,138	1,376	21.0
AGOA/GSP Imports	392	753	24	41	97	134.7
Special provisions:						
Exports	2,058	2,223	2,311	2,653	5,765	117.3
Imports	722	971	3,863	539	91,297	16837.0
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,850	2,667	3,570	4,102	4,142	1.0
Imports	817	620	171	299	91	-69.7
AGOA/GSP Imports	-	45	1	11	3	-75.0
Transportation equipment:						
Exports	13,274	9,233	10,112	21,560	18,863	-12.5
Imports	8	44	-	26	6	-78.7
AGOA/GSP Imports	-	41	-	-	-	-
All sectors:						
Exports	51,343	58,917	62,808	80,183	78,334	-2.3
Imports	6,627	5,181	17,473	4,231	102,345	2319.0
AGOA/GSP Imports	1,789	2,412	740	781	567	-27.4

Table B-2—*Continued*
Seychelles: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	718	90	346	363	246	-32.2
Imports	445	241	96	1,035	15,639	1410.3
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	329	1,099	953	656	858	30.8
Imports	42	136	-	1	3	486.2
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	1,222	2,372	2,077	3,490	10,893	212.1
Imports	815	265	3,277	5,172	4,880	-5.7
AGOA/GSP Imports	-	-	2,497	4,662	4,230	-9.3
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	3	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	24	71	29	326	261	-20.1
Imports	351	6	166	10	24	149.7
AGOA/GSP Imports	-	-	93	-	-	-
Machinery:						
Exports	1,897	3,058	1,057	535	6,609	1135.6
Imports	7	4	46	-	36	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	135	643	1,523	391	295	-24.6
Imports	3	2	38	291	355	22.1
AGOA/GSP Imports	-	-	10	-	-	-
Miscellaneous manufactures:						
Exports	179	176	854	32	357	1023.1
Imports	25	22	81	34	11	-67.1
AGOA/GSP Imports	21	-	0	-	-	-
Special provisions:						
Exports	196	297	283	278	376	35.0
Imports	493	1,350	454	1,366	2,728	99.7
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	105	779	145	711	1,035	45.5
Imports	4	159	1,041	156	25	-84.0
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	1,205	810	280	188	155,029	82356.7
Imports	153	-	-	32	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	6,010	9,397	7,547	6,971	175,959	2424.1
Imports	2,339	2,184	5,197	8,097	23,701	192.7
AGOA/GSP Imports	21	-	2,600	4,662	4,230	-9.3

Table B-2—*Continued*
Sierra Leone: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	9,425	15,726	4,720	5,527	13,893	151.4
Imports	207	257	153	291	209	-28.2
AGOA/GSP Imports	0	16	-	10	18	74.2
Chemicals and related products:						
Exports	1,022	721	491	787	1,015	29.0
Imports	363	567	82	262	454	73.1
AGOA/GSP Imports	-	517	3	60	1	-98.9
Electronic products:						
Exports	713	844	1,573	2,422	2,767	14.2
Imports	257	131	151	45	180	300.4
AGOA/GSP Imports	-	-	4	-	95	-
Energy-related products:						
Exports	-	20	117	41	390	861.5
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	63	12	-	49	111	127.4
Imports	2	3	1,776	134	854	538.6
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	68	334	99	153	317	107.6
Imports	170	-	17	25	3	-88.2
AGOA/GSP Imports	17	-	-	25	3	-88.2
Machinery:						
Exports	381	455	301	860	1,030	19.7
Imports	34	75	81	80	99	23.8
AGOA/GSP Imports	14	-	-	29	44	51.0
Minerals and metals:						
Exports	45	127	149	536	1,039	93.8
Imports	16,979	10,454	7,529	2,044	537	-73.7
AGOA/GSP Imports	218	68	-	119	226	89.8
Miscellaneous manufactures:						
Exports	27	101	88	389	542	39.1
Imports	132	276	213	512	680	32.9
AGOA/GSP Imports	31	209	-	-	-	-
Special provisions:						
Exports	936	1,370	3,141	3,282	3,958	20.6
Imports	20	154	33	23	10	-55.6
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,725	2,834	1,971	1,256	1,567	24.7
Imports	163	353	193	335	1,374	310.0
AGOA/GSP Imports	-	20	25	-	-	-
Transportation equipment:						
Exports	300	898	336	2,489	1,165	-53.2
Imports	30	5	107	55	240	332.7
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	15,706	23,441	12,985	17,791	27,791	56.2
Imports	18,367	12,274	10,335	3,806	4,640	21.9
AGOA/GSP Imports	643	831	31	245	387	58.3

Table B-2—*Continued*
Somalia: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	599	1,723	1,936	1,776	3,193	79.8
Imports	73	388	67	14	82	475.8
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	36	16	68	100	25	-75.3
Imports	17	-	35	56	151	169.7
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	406	250	132	2,137	778	-63.6
Imports	18	36	36	6	3	-49.8
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	12	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	-	-	-	-	6	-
Imports	59	-	-	5	5	-0.4
AGOA/GSP Imports	28	-	-	-	-	-
Machinery:						
Exports	758	66	276	126	51	-59.6
Imports	46	100	-	7	4	-33.8
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	13	-	138	-	5	-
Imports	5	12	-	324	6	-98.1
AGOA/GSP Imports	-	-	-	324	-	-100.0
Miscellaneous manufactures:						
Exports	-	-	-	-	10	-
Imports	69	16	26	20	2	-88.8
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	32	48	31	201	1,518	653.2
Imports	-	118	-	2	0	-84.9
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	905	177	228	4	454	12790.2
Imports	-	35	28	9	69	637.8
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	7	295	5	517	550	6.4
Imports	25	-	-	-	8	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	2,756	2,574	2,813	4,862	6,591	35.6
Imports	311	704	192	443	343	-22.5
AGOA/GSP Imports	28	-	-	324	-	-100.0

Table B-2—*Continued*
South Africa: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	229,439	211,298	186,131	132,718	100,678	-24.1
Imports	149,808	158,146	161,980	199,584	173,169	-13.2
AGOA/GSP Imports	28,754	44,153	29,006	41,229	78,750	91.0
Chemicals and related products:						
Exports	436,998	427,924	401,563	481,668	460,718	-4.3
Imports	183,136	217,019	225,449	283,500	283,066	-0.2
AGOA/GSP Imports	113,340	129,428	97,971	118,967	126,011	5.9
Electronic products:						
Exports	529,415	608,668	493,610	455,847	394,658	-13.4
Imports	12,941	18,091	29,780	30,995	28,223	-8.9
AGOA/GSP Imports	7,931	8,800	17,021	13,499	5,476	-59.4
Energy-related products:						
Exports	144,950	152,811	94,429	107,317	94,076	-12.3
Imports	43,860	67,444	9,678	62,926	66,489	5.7
AGOA/GSP Imports	-	1,203	291	-	2,136	-
Footwear:						
Exports	8,704	8,394	10,069	7,674	2,101	-72.6
Imports	241	215	91	59	217	268.3
AGOA/GSP Imports	-	-	-	-	171	-
Forest products:						
Exports	157,767	138,969	102,848	98,146	96,753	-1.4
Imports	52,782	50,147	52,158	66,461	48,456	-27.1
AGOA/GSP Imports	3,985	4,825	8,889	8,789	9,141	4.0
Machinery:						
Exports	433,480	373,001	257,676	251,668	285,221	13.3
Imports	65,243	75,783	121,580	174,385	258,351	48.1
AGOA/GSP Imports	53,825	65,489	15,168	31,500	22,899	-27.3
Minerals and metals:						
Exports	122,695	97,352	109,057	118,611	97,323	-17.9
Imports	1,705,875	2,147,467	2,109,370	2,841,397	2,783,624	-2.0
AGOA/GSP Imports	187,394	220,533	199,174	268,102	316,565	18.1
Miscellaneous manufactures:						
Exports	52,082	65,621	44,692	53,895	46,389	-13.9
Imports	17,720	23,259	36,929	48,939	56,841	16.1
AGOA/GSP Imports	12,733	17,210	7,862	22,037	27,997	27.0
Special provisions:						
Exports	144,885	152,284	124,521	124,335	117,209	-5.7
Imports	82,047	81,467	173,250	137,904	120,163	-12.9
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	46,119	35,502	32,680	37,633	28,712	-23.7
Imports	103,976	110,463	126,978	175,579	212,457	21.0
AGOA/GSP Imports	1,853	1,741	1,737	2,242	33,621	1399.9
Transportation equipment:						
Exports	619,861	1,222,769	536,721	960,035	1,098,515	14.4
Imports	77,832	103,823	145,526	181,929	398,484	119.0
AGOA/GSP Imports	39,998	58,332	72,265	76,812	300,476	291.2
All sectors:						
Exports	2,926,396	3,494,594	2,393,998	2,829,546	2,822,354	-0.3
Imports	2,495,463	3,053,323	3,192,768	4,203,657	4,429,539	5.4
AGOA/GSP Imports	449,813	551,715	449,384	583,176	923,243	58.3

Table B-2—*Continued*
Sudan: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	11,045	6,462	8,399	16,869	16,557	-1.8
Imports	10,830	3,082	-	1,688	3,337	97.7
AGOA/GSP Imports	-	-	-	-	-	-
Chemicals and related products:						
Exports	837	11	-	-	122	-
Imports	57	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	5,366	65	51	-	41	-
Imports	19	-	26	4	8	83.9
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	335	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	320	65	56	-	-	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Machinery:						
Exports	8,325	-	58	4	116	2607.4
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	2,520	44	27	-	6	-
Imports	2	8	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	1,038	3	-	-	-	-
Imports	-	-	21	116	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Special provisions:						
Exports	369	120	211	9	255	2731.7
Imports	1,161	-	10	-	39	-
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	922	21	-	-	-	-
Imports	40	-	-	0	2	354.3
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	6,077	-	19	-	20	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	37,155	6,790	8,821	16,882	17,119	1.4
Imports	12,109	3,090	57	1,808	3,385	87.2
AGOA/GSP Imports	-	-	-	-	-	-

Table B-2—*Continued*
Swaziland: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	795	1,517	749	73	398	447.9
Imports	22,495	3,116	8,297	12,539	6,891	-45.0
AGOA/GSP Imports	21,812	2,711	7,744	11,935	6,487	-45.6
Chemicals and related products:						
Exports	1,181	3,309	881	807	2,110	161.5
Imports	617	776	1,452	1,866	839	-55.0
AGOA/GSP Imports	571	669	2	22	85	285.2
Electronic products:						
Exports	736	2,474	640	2,312	2,716	17.5
Imports	181	570	157	152	258	69.6
AGOA/GSP Imports	-	-	28	-	-	-
Energy-related products:						
Exports	-	-	-	-	4	-
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	66	-	-	5	-	-100.0
Imports	7	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	31	209	155	321	80	-75.1
Imports	1,827	2,094	2,122	3,015	2,382	-21.0
AGOA/GSP Imports	106	39	70	-	3	-
Machinery:						
Exports	746	166	366	2,542	138	-94.6
Imports	141	642	539	61	2,256	3627.2
AGOA/GSP Imports	-	48	-	-	-	-
Minerals and metals:						
Exports	12	9	50	43	384	800.3
Imports	188	160	147	207	126	-39.1
AGOA/GSP Imports	177	148	120	-	-	-
Miscellaneous manufactures:						
Exports	-	8	51	44	216	392.8
Imports	2,862	554	1,429	2,482	3,897	57.0
AGOA/GSP Imports	2,624	553	-	-	-	-
Special provisions:						
Exports	212	199	192	194	209	7.6
Imports	289	452	264	355	294	-17.3
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	17	39	204	160	159	-0.8
Imports	15,126	16,303	23,318	31,898	48,091	50.8
AGOA/GSP Imports	-	-	-	-	8,195	-
Transportation equipment:						
Exports	386	256	459	1,240	1,023	-17.4
Imports	242	305	124	3	3	2.5
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	4,182	8,186	3,748	7,741	7,438	-3.9
Imports	43,975	24,973	37,849	52,577	65,036	23.7
AGOA/GSP Imports	25,290	4,169	7,964	11,957	14,770	23.5

Table B-2—*Continued*
Tanzania: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	13,229	7,728	16,548	3,704	9,797	164.5
Imports	9,302	10,730	17,165	13,739	12,301	-10.5
AGOA/GSP Imports	1,027	185	1,026	1,134	636	-43.9
Chemicals and related products:						
Exports	3,271	1,772	2,539	2,269	5,506	142.7
Imports	672	496	341	554	236	-57.4
AGOA/GSP Imports	32	-	-	-	21	-
Electronic products:						
Exports	11,287	12,579	11,529	5,270	7,050	33.8
Imports	27	23	4	51	265	423.7
AGOA/GSP Imports	6	-	-	-	2	-
Energy-related products:						
Exports	115	43	92	79	170	114.5
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	582	1,319	1,377	1,106	1,757	58.9
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	804	2,466	1,095	875	895	2.3
Imports	586	500	190	561	499	-11.0
AGOA/GSP Imports	102	142	75	200	224	11.7
Machinery:						
Exports	7,164	8,476	3,877	4,169	3,927	-5.8
Imports	-	-	-	30	200	566.7
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	1,634	1,449	1,253	1,047	5,280	404.1
Imports	4,182	6,801	9,771	14,586	11,528	-21.0
AGOA/GSP Imports	2,458	4,565	2,007	13	10	-26.7
Miscellaneous manufactures:						
Exports	919	838	296	1,830	449	-75.5
Imports	4,388	3,842	3,384	2,927	273	-90.7
AGOA/GSP Imports	18	35	-	25	5	-80.3
Special provisions:						
Exports	4,800	2,333	4,502	2,989	2,497	-16.5
Imports	701	940	981	2,596	1,432	-44.8
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	11,333	9,187	8,262	10,881	9,780	-10.1
Imports	7,077	8,236	2,658	242	487	101.1
AGOA/GSP Imports	1	8	6	19	1	-96.1
Transportation equipment:						
Exports	8,330	18,430	9,312	10,329	16,631	61.0
Imports	-	-	-	3	8	220.0
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	63,468	66,619	60,682	44,548	63,741	43.1
Imports	26,935	31,568	34,495	35,288	27,229	-22.8
AGOA/GSP Imports	3,644	4,936	3,114	1,392	899	-35.4

Table B-2—*Continued*
Togo: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	12,396	314	3,020	380	1,212	219.2
Imports	813	1,141	2,081	1,259	1,246	-1.0
AGOA/GSP Imports	39	155	1,442	233	145	-37.9
Chemicals and related products:						
Exports	759	1,780	1,040	507	1,435	182.8
Imports	-	-	-	-	4,568	-
AGOA/GSP Imports	-	-	-	-	-	-
Electronic products:						
Exports	1,105	5,812	12,563	1,252	3,203	155.9
Imports	21	-	120	14	2	-83.3
AGOA/GSP Imports	-	-	-	-	-	-
Energy-related products:						
Exports	-	49	21	33	33	-0.0
Imports	4,034	-	-	3,118	3,819	22.5
AGOA/GSP Imports	-	-	-	3,118	3,819	22.5
Footwear:						
Exports	2,229	606	275	596	429	-28.1
Imports	2	-	1	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	154	177	36	269	68	-74.9
Imports	6	7	3	14	11	-25.2
AGOA/GSP Imports	4	7	3	-	11	-
Machinery:						
Exports	806	2,370	2,687	1,341	4,854	262.0
Imports	-	-	-	10	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	28	21	131	619	74	-88.1
Imports	3	3	2	5	3	-51.4
AGOA/GSP Imports	3	3	-	2	3	15.8
Miscellaneous manufactures:						
Exports	152	254	228	96	126	32.2
Imports	140	309	378	247	534	116.4
AGOA/GSP Imports	3	118	-	-	-	-
Special provisions:						
Exports	563	671	746	924	589	-36.3
Imports	341	298	543	1,286	2,396	86.3
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	4,070	3,144	3,031	2,098	3,165	50.9
Imports	128	190	42	23	4	-82.9
AGOA/GSP Imports	-	-	0	3	-	-100.0
Transportation equipment:						
Exports	2,882	10,114	1,842	2,367	966	-59.2
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	25,142	25,310	25,620	10,480	16,154	54.1
Imports	5,488	1,950	3,170	5,975	12,583	110.6
AGOA/GSP Imports	49	285	1,445	3,355	3,977	18.5

Table B-2—*Continued*
Uganda: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	16,664	11,404	6,901	6,214	8,984	44.6
Imports	37,184	12,687	19,225	21,124	15,723	-25.6
AGOA/GSP Imports	481	51	26	-	-	-
Chemicals and related products:						
Exports	2,475	1,183	2,281	1,942	3,328	71.4
Imports	26	251	47	133	24	-81.6
AGOA/GSP Imports	26	21	-	-	-	-
Electronic products:						
Exports	4,364	5,283	6,330	6,953	9,597	38.0
Imports	9	10	8	292	9	-96.8
AGOA/GSP Imports	-	2	3	-	-	-
Energy-related products:						
Exports	-	27	20	43	5	-88.4
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	-	12	-	4	11	180.5
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	156	115	671	316	637	101.6
Imports	15	25	10	14	27	96.7
AGOA/GSP Imports	11	25	10	14	27	96.7
Machinery:						
Exports	4,933	2,722	1,639	2,421	2,457	1.5
Imports	-	66	-	-	4	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	635	450	50	3,733	266	-92.9
Imports	-	572	742	1,415	1,776	25.5
AGOA/GSP Imports	-	-	-	59	114	94.4
Miscellaneous manufactures:						
Exports	346	368	70	260	237	-9.0
Imports	14	32	45	23	51	119.1
AGOA/GSP Imports	11	6	6	2	-	-100.0
Special provisions:						
Exports	2,277	1,976	1,172	1,386	2,788	101.1
Imports	454	1,501	180	6,046	206	-96.6
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,178	2,159	2,466	2,419	2,386	-1.3
Imports	-	11	-	16	13	-13.6
AGOA/GSP Imports	-	-	-	4	-	-100.0
Transportation equipment:						
Exports	1,094	1,986	2,919	1,075	1,453	35.2
Imports	10	-	-	2	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	35,122	27,685	24,518	26,766	32,150	20.1
Imports	37,713	15,154	20,256	29,064	17,835	-38.6
AGOA/GSP Imports	529	105	45	78	141	80.1

Table B-2—*Continued*
Zambia: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
			1,000 dollars			
Agricultural products:						
Exports	260	1,227	500	485	765	57.8
Imports	378	1,301	2,004	1,385	1,213	-12.4
AGOA/GSP Imports	118	276	134	229	95	-58.5
Chemicals and related products:						
Exports	2,981	1,021	961	2,913	2,208	-24.2
Imports	471	5	-	-	-	-
AGOA/GSP Imports	-	5	-	-	-	-
Electronic products:						
Exports	6,365	4,154	3,397	4,310	3,124	-27.5
Imports	-	12	-	3	1	-69.7
AGOA/GSP Imports	-	6	-	-	-	-
Energy-related products:						
Exports	876	117	11	67	-	-100.0
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	194	50	106	53	139	160.1
Imports	-	-	-	2	-	-100.0
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	819	2,623	3,266	400	231	-42.1
Imports	56	129	1,231	852	1,261	48.1
AGOA/GSP Imports	24	104	2	132	677	411.5
Machinery:						
Exports	4,371	2,386	2,159	1,682	2,031	20.7
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Minerals and metals:						
Exports	823	112	132	427	156	-63.5
Imports	54,682	45,340	33,955	14,031	12,384	-11.7
AGOA/GSP Imports	108	3	185	98	2	-97.6
Miscellaneous manufactures:						
Exports	491	212	233	57	196	243.6
Imports	86	43	93	97	18	-81.8
AGOA/GSP Imports	-	13	-	7	-	-100.0
Special provisions:						
Exports	3,231	1,794	3,016	3,146	1,758	-44.1
Imports	113	337	566	1,099	481	-56.2
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,740	2,123	933	929	935	0.7
Imports	117	2	8	258	227	-12.1
AGOA/GSP Imports	-	-	-	-	-	-
Transportation equipment:						
Exports	5,494	5,617	4,985	4,301	3,944	-8.3
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	28,645	21,435	19,700	18,770	15,487	-17.5
Imports	55,904	47,170	37,857	17,727	15,584	-12.1
AGOA/GSP Imports	251	408	321	466	775	66.3

Table B-2—*Continued*
Zimbabwe: U.S. exports, imports, and AGOA/GSP imports, by major commodity sectors, 1997-2001

Sector	1997	1998	1999	2000	2001	Percent Change 2000-01
	1,000 dollars					
Agricultural products:						
Exports	752	4,172	8,893	3,813	317	-91.7
Imports	36,013	19,702	37,179	21,376	27,369	28.0
AGOA/GSP Imports	9,464	7,393	10,535	14,076	10,247	-27.2
Chemicals and related products:						
Exports	12,689	8,919	4,889	4,751	6,082	28.0
Imports	157	8	609	1,476	18	-98.8
AGOA/GSP Imports	75	5	11	70	7	-90.2
Electronic products:						
Exports	17,066	9,724	9,861	10,877	4,151	-61.8
Imports	23	364	7	13	73	447.9
AGOA/GSP Imports	-	23	5	-	-	-
Energy-related products:						
Exports	306	68	47	9	28	232.7
Imports	-	-	-	-	-	-
AGOA/GSP Imports	-	-	-	-	-	-
Footwear:						
Exports	8	-	13	-	-	-
Imports	34	86	66	104	122	17.3
AGOA/GSP Imports	-	-	-	-	-	-
Forest products:						
Exports	1,801	992	1,294	1,465	2,346	60.1
Imports	8,102	4,896	4,192	3,213	2,942	-8.5
AGOA/GSP Imports	5,515	3,245	2,442	2,362	2,872	21.6
Machinery:						
Exports	18,345	23,644	10,858	6,822	6,585	-3.5
Imports	7	39	-	46	50	10.2
AGOA/GSP Imports	4	4	0	34	50	47.1
Minerals and metals:						
Exports	1,728	1,081	551	538	395	-26.6
Imports	51,888	49,137	49,549	51,971	27,460	-47.2
AGOA/GSP Imports	39,204	38,182	41,088	35,034	18,750	-46.5
Miscellaneous manufactures:						
Exports	773	1,083	208	300	655	118.1
Imports	26,964	34,193	22,826	13,938	16,576	18.9
AGOA/GSP Imports	25,496	32,651	21,185	9,665	12,100	25.2
Special provisions:						
Exports	3,622	2,304	1,702	1,897	1,014	-46.6
Imports	1,209	2,172	1,913	1,034	583	-43.6
AGOA/GSP Imports	-	-	-	-	-	-
Textiles and apparel:						
Exports	3,158	1,719	2,121	1,695	651	-61.6
Imports	9,844	12,589	18,727	19,871	15,332	-22.8
AGOA/GSP Imports	13	26	2	10	11	11.3
Transportation equipment:						
Exports	18,627	30,158	17,088	20,607	8,941	-56.6
Imports	206	9	5	-	36	-
AGOA/GSP Imports	-	-	-	-	-	-
All sectors:						
Exports	78,876	83,865	57,525	52,773	31,166	-40.9
Imports	134,447	123,198	135,073	113,043	90,560	-19.9
AGOA/GSP Imports	79,770	81,529	75,268	61,251	44,037	-28.1

Table B-3
Angola: Leading changes in sectoral trade, by sectors, 1997 and 2001

Sector	1997	2001	Change, 2001 from 1997	
			Absolute	Percent
U.S. imports:				
Electronic products	$11,140	$479,645	$468,505	4206
Transportation equipment	1,500	2,664	1,164	78
Special provisions	4,137,684	5,864,773	1,727,089	42
Machinery	0	76,880	76,880	0
Textiles and apparel	0	0	0	0
Agricultural products	0	0	0	0
Footwear	0	0	0	0
Forest products	0	0	0	0
Energy-related products	2,788,572,210	2,768,666,191	-19,906,019	-1
Miscellaneous manufactures	1,600,744	329,434	-1,271,310	-79
Chemicals and related products	129,742,288	249,928	-129,492,360	-100
Minerals and metals	462,354	0	-462,354	-100
Total	$2,924,527,920	$2,775,669,515	-$148,858,405	-5
U.S. exports:				
Chemicals and related products	$9,959,270	$15,109,739	$5,150,469	52
Transportation equipment	119,519,889	147,643,149	28,123,260	24
Minerals and metals	17,956,969	20,003,775	2,046,806	11
Agricultural products	27,916,809	27,960,364	43,555	0
Special provisions	6,780,887	5,405,673	-1,375,214	-20
Energy-related products	2,044,220	1,453,292	-590,928	-29
Electronic products	20,632,716	14,605,296	-6,027,420	-29
Machinery	59,504,518	36,130,157	-23,374,361	-39
Textiles and apparel	9,077,109	4,402,361	-4,674,748	-52
Miscellaneous manufactures	2,490,691	982,567	-1,508,124	-61
Footwear	479,116	173,615	-305,501	-64
Forest products	2,747,465	924,283	-1,823,182	-66
Total	$279,109,659	$274,794,271	-$4,315,388	-2
Total Trade:				
Transportation equipment	$119,521,389	$147,645,813	$28,124,424	24
Minerals and metals	18,419,323	20,003,775	1,584,452	9
Special provisions	10,918,571	11,270,446	351,875	3
Agricultural products	27,916,809	27,960,364	43,555	0
Energy-related products	2,790,616,430	2,770,119,483	-20,496,947	-1
Electronic products	20,643,856	15,084,941	-5,558,915	-27
Machinery	59,504,518	36,207,037	-23,297,481	-39
Textiles and apparel	9,077,109	4,402,361	-4,674,748	-52
Footwear	479,116	173,615	-305,501	-64
Forest products	2,747,465	924,283	-1,823,182	-66
Miscellaneous manufactures	4,091,435	1,312,001	-2,779,434	-68
Chemicals and related products	139,701,558	15,359,667	-124,341,891	-89
Total	$3,203,637,579	$3,050,463,786	-$153,173,793	-5

Table B-3—*Continued*
Congo -ROC: Leading changes in sectoral trade, by sectors, 1997 and 2001

Sector	1997	2001	Change, 2001 from 1997 Absolute	Percent
U.S. imports:				
Electronic products	$33,516	$137,506	$103,990	310
Textiles and apparel	1,210	3,548	2,338	193
Special provisions	380,789	746,981	366,192	96
Miscellaneous manufactures	686,129	1,115,035	428,906	63
Machinery	13,780	21,644	7,864	57
Energy-related products	424,628,349	438,807,655	14,179,306	3
Footwear	0	0	0	0
Minerals and metals	14,943,991	14,525,027	-418,964	-3
Forest products	3,237,643	681,553	-2,556,090	-79
Agricultural products	6,723,124	1,196,206	-5,526,918	-82
Chemicals and related products	10,101,582	665,726	-9,435,856	-93
Transportation equipment	12,000	0	-12,000	-100
Total	$460,762,113	$457,900,881	-$2,861,232	-1
U.S. exports:				
Forest products	$81,359	$416,715	$335,356	412
Agricultural products	5,215,424	14,325,350	9,109,926	175
Miscellaneous manufactures	106,873	226,856	119,983	112
Transportation equipment	23,577,980	46,299,915	22,721,935	96
Special provisions	2,644,274	2,573,017	-71,257	-3
Electronic products	6,020,905	5,777,921	-242,984	-4
Machinery	12,379,424	8,439,409	-3,940,015	-32
Textiles and apparel	6,494,202	4,191,030	-2,303,172	-35
Minerals and metals	10,710,453	5,600,914	-5,109,539	-48
Chemicals and related products	4,405,220	1,379,876	-3,025,344	-69
Footwear	504,757	21,808	-482,949	-96
Energy-related products	3,114,953	91,024	-3,023,929	-97
Total	$75,255,823	$89,343,835	$14,088,012	19
Total Trade:				
Transportation equipment	$23,589,980	$46,299,915	$22,709,935	96
Miscellaneous manufactures	793,002	1,341,891	548,889	69
Agricultural products	11,938,548	15,521,556	3,583,008	30
Special provisions	3,025,063	3,319,998	294,935	10
Energy-related products	427,743,302	438,898,679	11,155,377	3
Electronic products	6,054,421	5,915,427	-138,994	-2
Minerals and metals	25,654,444	20,125,941	-5,528,503	-22
Machinery	12,393,204	8,461,053	-3,932,151	-32
Textiles and apparel	6,495,412	4,194,578	-2,300,834	-35
Forest products	3,319,002	1,098,268	-2,220,734	-67
Chemicals and related products	14,506,802	2,045,602	-12,461,200	-86
Footwear	504,757	21,808	-482,949	-96
Total	$536,017,936	$547,244,716	$11,226,780	2

Table B-3—*Continued*
Côte d'Ivoire: Leading changes in sectoral trade, by sectors, 1997 and 2001

Sector	1997	2001	Change, 2001 from 1997	
			Absolute	Percent
U.S. imports:				
Footwear	$22,343	$81,187	$58,844	263
Electronic products	1,321,434	2,967,834	1,646,400	125
Energy-related products	32,572,425	72,039,665	39,467,240	121
Forest products	5,692,896	9,668,667	3,975,771	70
Special provisions	1,068,914	1,525,906	456,992	43
Miscellaneous manufactures	1,906,630	2,282,796	376,166	20
Agricultural products	226,738,451	226,899,416	160,965	0
Textiles and apparel	856,162	527,098	-329,064	-38
Minerals and metals	2,063,012	854,276	-1,208,736	-59
Transportation equipment	75,255	24,407	-50,848	-68
Chemicals and related products	13,164,093	2,939,777	-10,224,316	-78
Machinery	108,440	12,250	-96,190	-89
Total	$285,590,055	$319,823,279	$34,233,224	12
U.S. exports:				
Energy-related products	$889,698	$6,377,356	$5,487,658	617
Footwear	154,009	829,639	675,630	439
Miscellaneous manufactures	510,428	906,657	396,229	78
Electronic products	7,637,904	11,262,983	3,625,079	47
Textiles and apparel	9,111,124	5,481,002	-3,630,122	-40
Agricultural products	20,579,999	12,119,693	-8,460,306	-41
Chemicals and related products	39,013,799	21,987,071	-17,026,728	-44
Forest products	7,172,361	3,905,443	-3,266,918	-46
Transportation equipment	29,009,754	15,336,970	-13,672,783	-47
Minerals and metals	5,230,487	2,467,913	-2,762,574	-53
Special provisions	4,072,814	1,744,927	-2,327,887	-57
Machinery	26,360,723	11,021,416	-15,339,308	-58
Total	$149,743,100	$93,441,070	-$56,302,030	-38
Total Trade:				
Footwear	$176,352	$910,826	$734,474	416
Energy-related products	33,462,123	78,417,021	44,954,898	134
Electronic products	8,959,338	14,230,817	5,271,479	59
Miscellaneous manufactures	2,417,058	3,189,453	772,395	32
Forest products	12,865,257	13,574,110	708,853	6
Agricultural products	247,318,450	239,019,109	-8,299,341	-3
Special provisions	5,141,728	3,270,833	-1,870,895	-36
Textiles and apparel	9,967,286	6,008,100	-3,959,186	-40
Transportation equipment	29,085,009	15,361,377	-13,723,631	-47
Chemicals and related products	52,177,892	24,926,848	-27,251,044	-52
Minerals and metals	7,293,499	3,322,189	-3,971,310	-54
Machinery	26,469,163	11,033,666	-15,435,498	-58
Total	$435,333,155	$413,264,349	-$22,068,806	-5

Table B-3—*Continued*
Eq Guinea: Leading changes in sectoral trade, by sectors, 1997 and 2001

Sector	1997	2001	Change, 2001 from 1997 Absolute	Percent
U.S. imports:				
Energy-related products	$28,573,295	$355,083,254	$326,509,959	1143
Special provisions	1,097,743	3,252,928	2,155,185	196
Chemicals and related products	0	37,250,554	37,250,554	0
Machinery	0	0	0	0
Miscellaneous manufactures	0	0	0	0
Agricultural products	0	0	0	0
Textiles and apparel	0	0	0	0
Transportation equipment	0	0	0	0
Footwear	0	0	0	0
Electronic products	96,046	5,954	-90,092	-94
Forest products	631,127	16,414	-614,713	-97
Minerals and metals	86,761	0	-86,761	-100
Total	$30,484,972	$395,609,104	$365,124,132	1198
U.S. exports:				
Minerals and metals	$421,056	$10,990,656	$10,569,600	2510
Agricultural products	78,633	1,146,616	1,067,983	1358
Energy-related products	224,232	1,328,164	1,103,932	492
Electronic products	265,128	953,620	688,492	260
Chemicals and related products	405,017	1,252,667	847,650	209
Footwear	9,041	16,157	7,116	79
Machinery	4,855,825	7,408,313	2,552,488	53
Transportation equipment	39,320,916	54,673,720	15,352,804	39
Miscellaneous manufactures	303,715	405,366	101,651	33
Special provisions	1,073,886	1,276,964	203,078	19
Forest products	41,626	42,420	794	2
Textiles and apparel	63,942	63,324	-618	-1
Total	$47,063,017	$79,557,987	$32,494,970	69
Total Trade:				
Chemicals and related products	$405,017	$38,503,221	$38,098,204	9407
Minerals and metals	507,817	10,990,656	10,482,839	2064
Agricultural products	78,633	1,146,616	1,067,983	1358
Energy-related products	28,797,527	356,411,418	327,613,891	1138
Electronic products	361,174	959,574	598,400	166
Special provisions	2,171,629	4,529,892	2,358,263	109
Footwear	9,041	16,157	7,116	79
Machinery	4,855,825	7,408,313	2,552,488	53
Transportation equipment	39,320,916	54,673,720	15,352,804	39
Miscellaneous manufactures	303,715	405,366	101,651	33
Textiles and apparel	63,942	63,324	-618	-1
Forest products	672,753	58,834	-613,919	-91
Total	$77,547,989	$475,167,091	$397,619,102	513

Table B-3—*Continued*
Gabon: Leading changes in sectoral trade, by sectors, 1997 from 2001

Sector	1997	2001	Change, 2001 from 1997 Absolute	Change, 2001 from 1997 Percent
U.S. imports:				
Forest products	$265,070	$5,516,563	$5,251,493	1981
Miscellaneous manufactures	330,927	2,998,136	2,667,209	806
Agricultural products	387,154	637,793	250,639	65
Transportation equipment	0	29,500	29,500	0
Machinery	0	2,440	2,440	0
Footwear	0	0	0	0
Minerals and metals	22,223,554	21,592,561	-630,993	-3
Energy-related products	1,931,920,582	1,680,342,099	-251,578,483	-13
Special provisions	3,306,009	2,364,572	-941,437	-28
Textiles and apparel	33,438	13,053	-20,385	-61
Chemicals and related products	63,512,870	18,171,900	-45,340,970	-71
Electronic products	295,223	2,500	-292,723	-99
Total	$2,022,274,827	$1,731,671,117	-$290,603,710	-14
U.S. exports:				
Footwear	$10,813	$582,156	$571,343	5284
Agricultural products	1,882,114	4,415,667	2,533,553	135
Textiles and apparel	659,445	1,494,687	835,242	127
Miscellaneous manufactures	274,405	388,892	114,487	42
Transportation equipment	38,917,316	46,567,648	7,650,332	20
Chemicals and related products	2,098,573	2,235,734	137,161	7
Energy-related products	2,247,782	1,526,408	-721,374	-32
Electronic products	4,975,725	2,874,801	-2,100,924	-42
Machinery	14,702,967	8,060,627	-6,642,340	-45
Forest products	1,250,555	576,162	-674,393	-54
Special provisions	3,640,678	1,657,787	-1,982,891	-54
Minerals and metals	10,362,996	3,708,634	-6,654,362	-64
Total	$81,023,369	$74,089,203	-$6,934,166	-9
Total Trade:				
Footwear	$10,813	$582,156	$571,343	5284
Miscellaneous manufactures	605,332	3,387,028	2,781,696	460
Forest products	1,515,625	6,092,725	4,577,100	302
Agricultural products	2,269,268	5,053,460	2,784,192	123
Textiles and apparel	692,883	1,507,740	814,857	118
Transportation equipment	38,917,316	46,597,148	7,679,832	20
Energy-related products	1,934,168,364	1,681,868,507	-252,299,857	-13
Minerals and metals	32,586,550	25,301,195	-7,285,355	-22
Special provisions	6,946,687	4,022,359	-2,924,328	-42
Machinery	14,702,967	8,063,067	-6,639,900	-45
Electronic products	5,270,948	2,877,301	-2,393,647	-45
Chemicals and related products	65,611,443	20,407,634	-45,203,809	-69
Total	$2,103,298,196	$1,805,760,320	-$297,537,876	-14

Table B-3—*Continued*
Ghana: Leading changes in sectoral trade, by sectors, 1997 and 2001

Sector	1997	2001	Change, 2001 from 1997 Absolute	Change, 2001 from 1997 Percent
U.S. imports:				
Transportation equipment	$2,000	$251,079	$249,079	12454
Special provisions	562,839	5,111,940	4,549,101	808
Agricultural products	16,000,401	58,092,536	42,092,135	263
Forest products	16,259,697	31,262,597	15,002,900	92
Energy-related products	0	56,145,182	56,145,182	0
Footwear	400	350	-50	-13
Electronic products	51,802	44,568	-7,234	-14
Miscellaneous manufactures	1,413,170	1,026,199	-386,971	-27
Machinery	83,486	38,273	-45,213	-54
Textiles and apparel	1,259,882	412,513	-847,369	-67
Minerals and metals	116,440,071	32,482,059	-83,958,012	-72
Chemicals and related products	1,995,349	523,992	-1,471,357	-74
Total	$154,069,097	$185,391,288	$31,322,191	20
U.S. exports:				
Electronic products	$15,134,733	$16,712,923	$1,578,191	10
Footwear	884,952	857,050	-27,902	-3
Special provisions	13,522,784	11,212,490	-2,310,294	-17
Agricultural products	53,355,971	41,895,827	-11,460,144	-21
Chemicals and related products	45,998,787	29,426,484	-16,572,303	-36
Energy-related products	10,735,970	5,862,857	-4,873,113	-45
Textiles and apparel	13,237,281	6,862,963	-6,374,318	-48
Transportation equipment	82,610,953	40,931,011	-41,679,942	-50
Miscellaneous manufactures	7,353,627	3,195,186	-4,158,441	-57
Forest products	7,059,055	2,848,223	-4,210,832	-60
Minerals and metals	13,475,802	4,758,180	-8,717,622	-65
Machinery	49,430,786	14,909,658	-34,521,127	-70
Total	$312,800,701	$179,472,853	-$133,327,848	-43
Total Trade:				
Energy-related products	$10,735,970	$62,008,039	$51,272,069	478
Forest products	23,318,752	34,110,820	10,792,068	46
Agricultural products	69,356,372	99,988,363	30,631,991	44
Special provisions	14,085,623	16,324,430	2,238,807	16
Electronic products	15,186,535	16,757,491	1,570,957	10
Footwear	885,352	857,400	-27,952	-3
Chemicals and related products	47,994,136	29,950,476	-18,043,660	-38
Textiles and apparel	14,497,163	7,275,476	-7,221,687	-50
Transportation equipment	82,612,953	41,182,090	-41,430,863	-50
Miscellaneous manufactures	8,766,797	4,221,385	-4,545,412	-52
Machinery	49,514,272	14,947,931	-34,566,340	-70
Minerals and metals	129,915,873	37,240,239	-92,675,634	-71
Total	$466,869,798	$364,864,141	-$102,005,657	-22

Table B-3—*Continued*
South Africa: Leading changes in sectoral trade, by sectors, 1997 and 2001

Sector	1997	2001	Change, 2001 from 1997 Absolute	Percent
U.S. imports:				
Transportation equipment	$77,832,151	$398,483,889	$320,651,738	412
Machinery	65,243,368	258,350,549	193,107,181	296
Miscellaneous manufactures	17,720,286	56,841,445	39,121,159	221
Electronic products	12,941,209	28,222,751	15,281,542	118
Textiles and apparel	103,976,276	212,457,456	108,481,180	104
Minerals and metals	1,705,875,173	2,783,623,633	1,077,748,460	63
Chemicals and related products	183,135,610	283,066,037	99,930,427	55
Energy-related products	43,859,830	66,488,693	22,628,863	52
Special provisions	82,047,148	120,163,031	38,115,883	46
Agricultural products	149,808,191	173,168,763	23,360,572	16
Forest products	52,782,249	48,456,371	-4,325,878	-8
Footwear	241,354	216,568	-24,786	-10
Total	$2,495,462,845	$4,429,539,186	$1,934,076,341	78
U.S. exports:				
Transportation equipment	$619,861,493	$1,098,514,994	$478,653,501	77
Chemicals and related products	436,997,808	460,718,170	23,720,362	5
Miscellaneous manufactures	52,081,749	46,388,597	-5,693,152	-11
Special provisions	144,885,434	117,209,291	-27,676,143	-19
Minerals and metals	122,695,307	97,322,642	-25,372,665	-21
Electronic products	529,414,641	394,658,181	-134,756,460	-25
Machinery	433,479,976	285,221,104	-148,258,872	-34
Energy-related products	144,949,793	94,076,249	-50,873,544	-35
Textiles and apparel	46,119,428	28,712,228	-17,407,200	-38
Forest products	157,767,456	96,753,229	-61,014,227	-39
Agricultural products	229,439,341	100,677,674	-128,761,667	-56
Footwear	8,704,050	2,101,182	-6,602,868	-76
Total	$2,926,396,476	$2,822,353,542	-$104,042,934	-4
Total Trade:				
Transportation equipment	$697,693,644	$1,496,998,883	$799,305,239	115
Textiles and apparel	150,095,704	241,169,684	91,073,980	61
Minerals and metals	1,828,570,480	2,880,946,275	1,052,375,795	58
Miscellaneous manufactures	69,802,035	103,230,042	33,428,007	48
Chemicals and related products	620,133,418	743,784,207	123,650,789	20
Machinery	498,723,344	543,571,653	44,848,309	9
Special provisions	226,932,582	237,372,322	10,439,740	5
Energy-related products	188,809,623	160,564,942	-28,244,681	-15
Electronic products	542,355,850	422,880,932	-119,474,918	-22
Agricultural products	379,247,532	273,846,437	-105,401,095	-28
Forest products	210,549,705	145,209,600	-65,340,105	-31
Footwear	8,945,404	2,317,750	-6,627,654	-74
Total	$5,421,859,321	$7,251,892,728	$1,830,033,407	34

Note.—Calculations based on unrounded data.
Source: Compiled from official statiscs of the U.S. Department of Census.

Table B-4
U.S. imports under AGOA, 2001, Jan.-June 2001, and Jan.-June 2002

SECTOR/Country	AGOA (includes GSP) 2001	GSP 2001	AGOA (includes GSP) Jan.-June 2001	GSP Jan.-June 2001	AGOA (includes GSP) Jan.-June 2002	GSP Jan.-June 2002
Agricultural products						
South Africa	$78,750,025	$29,638,422	$24,672,014	$13,076,698	$44,287,641	$11,975,185
Malawi	30,561,202	23,302,051	16,741,127	16,741,127	16,282,211	1,425,404
Cote d'Ivoire	12,594,669	12,594,669	6,132,744	6,132,744	8,761,178	8,761,178
Mauritius	10,161,871	10,161,871	1,271,116	1,271,116	1,204,879	1,204,879
Swaziland	6,487,424	6,369,003	6,748	0	125,741	0
Mozambique	5,253,319	5,253,319	0	0	0	0
Kenya	3,016,351	599,371	171,228	147,611	1,254,224	609,601
Madagascar	2,483,874	24,838,874	2,397,692	2,397,692	2,346,161	2,346,161
Ghana	2,270,530	2,264,374	925,752	925,752	1,539,442	1,539,442
Ethiopia	655,279	603,165	270,195	270,195	719,733	698,012
Tanzania	636,329	620,610	94,286	83,968	432,852	150,376
Cameroon	163,596	163,596	158,063	158,063	0	0
Nigeria	153,147	153,147	86,219	86,219	67,281	67,281
Cape Verde	151,760	151,760	74,760	74,760	0	0
Zambia	95,268	85,508	53,668	43,908	23,920	0
Namibia	26,060	26,060	2,300	2,300	0	0
Botswana	19,268	19,268	0	0	13,285	13,285
Sierra Leone	18,138	18,138	14,839	14,839	42,950	42,950
Mali	14,875	14,875	14,875	14,875	15,700	15,700
Senegal	2,400	2,400	2,400	2,400	0	0
Congo (ROC)	0	0	0	0	2,785,829	2,785,829
Guinea	0	0	0	0	7,450	7,450
Uganda	0	0	0	0	9,253	0
Sector Total	$153,515,385	$116,880,481	$53,090,026	$41,444,267	$79,919,730	$31,642,733
Chemicals and related products						
South Africa	$126,010,777	$123,569,482	$61,908,922	$61,341,124	$64,538,293	$61,746,004
Kenya	1,148,061	42,370	165,476	18,236	659,378	28,709
Senegal	406,720	406,720	242,400	242,400	205,000	205,000
Rwanda	265,240	0	0	0	0	0
Swaziland	85,123	85,123	16,734	16,734	47,648	47,648
Cameroon	47,959	47,959	47,959	47,959	0	0
Niger	41,597	41,597	41,597	41,597	0	0
Lesotho	38,987	38,987	0	0	168,869	168,869
Tanzania	20,965	20,965	20,088	20,088	0	0
Mauritius	9,061	9,061	9,061	9,061	6,948	6,948
Cote d'Ivoire	4,657	4,657	4,657	4,657	0	0
Botswana	1,857	1,857	1,857	1,857	0	0
Ghana	876	876	0	0	1,240	1,240
Sierra Leone	645	645	0	0	0	0
Mozambique	470	470	470	470	0	0
Nigeria	360	360	0	0	0	0
Madagascar	0	0	0	0	3,267	3,267
Mali	0	0	0	0	6,048	6,048
Ethiopia	0	0	0	0	3,800	3,800
Sector Total	$128,083,355	$124,271,129	$62,459,221	$61,744,183	$65,640,491	$62,217,533

Table B-4—*Continued*
U.S. imports under AGOA, 2001, Jan.-June 2001, and Jan.-June 2002

SECTOR/Country	AGOA (includes GSP) 2001	GSP 2001	AGOA (includes GSP) Jan.-June 2001	GSP Jan.-June 2001	AGOA (includes GSP) Jan.-June 2002	GSP Jan.-June 2002
Electronic products						
South Africa	$5,476,029	$5,476,029	$2,115,419	$2,115,419	$3,619,294	$3,617,992
Seychelles	4,229,500	4,229,500	2,233,000	2,233,000	0	0
Mauritius	2,944,540	2,944,540	1,758,186	1,758,186	906,019	906,019
Madagascar	307,129	307,129	233,094	233,094	42,075	42,075
Sierra Leone	94,630	94,630	94,630	94,630	0	0
Nigeria	46,098	46,098	0	0	0	0
Cote d'Ivoire	39,054	39,054	2,890	2,890	0	0
Kenya	28,667	28,667	28,667	28,667	0	0
Ethiopia	3,408	3,408	0	0	0	0
Tanzania	2,300	2,300	2,300	2,300	0	0
Ghana	2,300	2,300	0	0	0	0
Mauritania	0	0	0	0	15,138	15,138
Sector Total	$13,173,655	$13,173,655	$6,468,186	$6,468,186	$4,582,526	$4,581,224
Energy-related products						
Nigeria	$5,688,029,650	$0	$2,334,835,625	$0	$2,340,523,043	$0
Gabon	938,694,584	0	448,483,013	0	608,234,779	0
Congo (ROC)	128,746,327	0	13,319,860	0	42,613,598	0
Cameroon	36,731,102	0	16,247,645	0	22,656,553	0
Ghana	33,085,849	0	18,944,834	0	17,012,778	0
South Africa	2,136,484	2,378	738,293	2,378	0	0
Cote d'Ivoire	0	0	0	0	6,833,198	0
Sector Total	$6,827,423,996	$2,378	$2,832,569,270	$2,378	$3,037,873,949	$0
Footwear						
South Africa	$171,002	$0	$105,964	$0	$126,331	$0
Nigeria	71,010	0	71,010	0	522	0
Kenya	0	0	0	0	6,024	0
Tanzania	0	0	0	0	1,990	0
Senegal	0	0	0	0	450	0
Ethiopia	0	0	0	0	320	0
Sector Total	$242,012	$0	$176,974	$0	$135,637	$0
Forest products						
South Africa	$9,140,804	$9,140,804	$5,011,174	$5,011,174	$6,138,458	$6,126,936
Ghana	6,863,038	6,863,038	4,565,670	4,565,670	3,649,207	3,649,207
Kenya	2,317,479	2,312,372	1,128,201	1,128,201	1,001,969	1,001,969
Madagascar	1,140,210	1,079,503	627,299	627,299	545,581	373,827
Zambia	677,446	677,446	668,030	668,030	18,039	18,039
Cote d'Ivoire	456,388	456,388	271,585	271,585	59,284	59,284
Tanzania	223,830	223,830	79,109	79,109	126,326	126,326
Benin	178,319	178,319	0	0	0	0
Cameroon	159,748	159,748	37,866	37,866	91,669	91,669
Mali	153,462	153,462	105,595	105,595	15,363	15,363
Guinea	112,902	112,902	59,740	59,740	9,240	9,240
Namibia	67,047	67,047	0	0	120,954	120,954
Gabon	65,276	65,276	18,188	18,188	121,276	121,276
Senegal	58,327	58,327	27,406	27,406	10,760	10,760
Uganda	27,148	27,148	3,143	3,143	2,567	2,567
Lesotho	22,790	22,790	0	0	0	0
Rwanda	20,230	20,230	0	0	10,100	10,100

Table B-4—*Continued*
U.S. imports under AGOA, 2001, Jan.-June 2001, and Jan.-June 2002

SECTOR/Country	AGOA (includes GSP) 2001	GSP 2001	AGOA (includes GSP) Jan.-June 2001	GSP Jan.-June 2001	AGOA (includes GSP) Jan.-June 2002	GSP Jan.-June 2002
Forest products—*Continued*						
Nigeria	19,000	19,000	0	0	6,686	5,686
Mozambique	8,081	8,081	4,655	4,655	4,153	4,153
Mauritius	5,870	5,870	3,671	3,671	0	0
Sierra Leone	3,000	3,000	3,000	3,000	0	0
Swaziland	2,622	2,202	0	0	0	0
Congo (ROC)	2,453	2,453	2,453	2,453	0	0
Malawi	2,300	2,300	2,300	2,300	0	0
Ethiopia	0	0	0	0	3,485	3,485
Sector Total	$21,727,770	$21,661,536	$12,619,085	$12,619,085	$11,935,117	$11,750,841
Machinery						
South Africa	$22,899,246	$22,886,652	$18,316,752	$18,316,752	$8,822,108	$8,816,518
Sierra Leone	44,373	44,373	44,373	44,373	0	0
Guinea	22,500	22,500	0	0	0	0
Kenya	13,800	13,800	0	0	45,052	45,052
Botswana	8,403	8,403	8,403	8,403	0	0
Sector Total	$22,988,322	$22,975,728	$18,369,528	$18,369,528	$8,867,160	$8,861,570
Minerals and metals						
South Africa	$316,565,059	$225,357,876	$153,606,513	$119,615,566	$138,080,538	$95,083,302
Congo (ROC)	1,410,440	1,410,440	19,840	19,840	5,240	5,240
Madagascar	230,695	230,695	183,089	183,089	91,568	91,568
Sierra Leone	226,487	226,487	34,337	34,337	0	0
Ghana	221,662	221,662	60,545	60,545	211,310	211,310
Kenya	162,313	162,313	83,075	83,075	204,544	204,544
Uganda	114,129	114,129	69,129	69,129	0	0
Mali	80,629	80,629	20,686	20,686	0	0
Rwanda	32,522	32,522	32,522	32,522	0	0
Cameroon	23,453	23,453	21,283	21,283	2,405	2,405
Mauritius	18,309	18,309	18,309	18,309	0	0
Mozambique	16,343	16,343	16,343	16,343	0	0
Tanzania	9,893	9,893	9,893	9,893	0	0
Cote d'Ivoire	9,780	9,780	7,680	7,680	0	0
Lesotho	7,500	7,500	0	0	0	0
Guinea	2,627	2,627	0	0	0	0
Zambia	2,356	2,356	2,356	2,356	0	0
Sector Total	$319,134,197	$227,927,014	$154,185,600	$120,194,653	$138,595,605	$95,598,369
Miscellaneous manufactures						
South Africa	$27,996,997	$27,710,417	$14,540,815	$14,483,748	$16,136,239	$15,757,576
Mauritius	1,908,009	1,908,009	1,134,326	1,134,326	334,396	334,396
Botswana	1,191,480	1,191,480	547,616	547,616	426,656	426,656
Kenya	629,994	617,588	329,690	327,110	350,480	347,002
Ghana	436,959	436,530	279,955	279,955	450,397	449,697
Madagascar	384,963	384,963	273,586	273,586	118,617	118,617
Cote d'Ivoire	99,113	99,113	45,721	45,721	22,830	22,830
Senegal	96,912	96,912	37,344	37,344	5,398	5,398
Nigeria	85,017	83,932	30,000	30,000	4,722	2,350
Congo (ROC)	73,848	73,848	40,861	40,861	25,549	25,549
Guinea	52,530	52,530	26,075	26,075	10,900	10,900
Cameroon	48,156	48,156	27,716	27,716	47,993	47,993

Table B-4—*Continued*
U.S. imports under AGOA, 2001, Jan.-June 2001, and Jan.-June 2002

SECTOR/Country	AGOA (includes GSP) 2001	GSP 2001	AGOA (includes GSP) Jan.-June 2001	GSP Jan.-June 2001	AGOA (includes GSP) Jan.-June 2002	GSP Jan.-June 2002
Miscellaneous manufactures-*Continued*						
Mali	40,220	40,220	400	400	52,745	51,754
Tanzania	4,989	4,989	0	0	7,838	6,348
Uganda	0	0	0	0	3,022	3,022
Niger	0	0	0	0	6,210	6,210
Sector Total	$33,049,187	$32,748,687	$17,314,105	$17,254,458	$18,003,992	$17,616,298
Textiles and apparel						
Lesotho	$129,522,817	$0	$4,904,503	$0	$142,039,483	$0
Madagascar	92,557,738	473,149	10,034,106	272,429	57,922,919	224,101
Kenya	51,556,136	6,130	15,980,397	5,104	45,353,282	5,650
Mauritius	38,925,087	25,624	8,590,634	8,170	52,783,661	0
South Africa	33,620,638	2,928,596	8,451,018	1,586,011	30,126,016	1,377,211
Swaziland	8,195,167	0	0	0	28,812,897	0
Malawi	4,798,764	568	568	568	5,475,125	0
Ethiopia	163,221	0	0	0	621,412	0
Cote d'Ivoire	114,690	114,690	57,345	57,345	52,509	52,509
Ghana	5,220	5,220	4,743	4,743	39,445	5,076
Mali	3,900	3,900	900	900	479	479
Senegal	2,731	2,731	2,450	2,450	0	0
Congo (ROC)	1,885	1,885	1,885	1,885	0	0
Tanzania	742	742	0	0	2,824	2,824
Nigeria	441	441	0	0	0	0
Namibia	0	0	0	0	15,203	12,402
Botswana	0	0	0	0	1,441,077	0
Mozambique	0	0	0	0	12,665	0
Sector Total	$359,469,177	$3,563,676	$48,028,549	$1,939,605	$364,698,997	$1,680,252
Transportation equipment						
South Africa	$300,475,786	$59,275,898	$106,223,070	$24,644,087	$245,080,171	$28,580,961
Nigeria	56,210	56,210	56,210	56,210	0	0
Ghana	2,500	2,500	2,500	2,500	0	0
Mauritius	2,415	2,415	0	0	0	0
Cote d'Ivoire	2,375	2,375	2,375	2,375	0	0
Sector Total	$300,539,286	$59,339,398	$106,284,155	$24,705,172	$245,080,171	$28,580,961
Grand Total	$8,179,346,342	$622,543,682	$3,311,564,699	$304,741,515	$3,975,333,375	$262,529,781

Note.–Calculations based on unrounded data.
Source: Compiled from official statistics of the U.S. Department of Commerce.