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

Fourth Annual Report

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EXECUTIVE SUMMARY

This report is the fourth 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 USTR asked the Commission to submit a report that provides: an analysis of U.S.-SSA merchandise trade and services 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 SSA country; 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 supplemental letter dated July 10, 2002, 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 SSA countries.

The data included in this report generally cover either calendar or fiscal year 2002, depending on data availability. If possible data for Africa are provided when SSA data are not available. In cases where it is useful to show a trend, data for 1998 through 2002 are provided. In addition, when possible, up-to-date developments in economic, social, trade, and commercial policies are included for the period January 2003 through June 2003.

U.S.-Sub-Saharan Africa Trade

- In 2002, U.S.-SSA merchandise trade totaled $24.1 billion, down from $27.8 billion in 2001. The decline was a result of a decrease in both U.S. exports to and U.S. imports from the region. U.S. exports to SSA declined by 12.7 percent in 2002 to $5.9 billion from $6.8 billion in 2001. Similarly, U.S. imports from SSA fell by 13.5 percent to $18.2 billion in 2002 from $21.1 billion in 2001.

[1] Copies of the request letters are in app. A.

- The decrease in U.S. exports to SSA was primarily because of decreased exports of transportation equipment to South Africa and Kenya; and the decline in U.S. imports from SSA was largely because of a decline in energy-related products, primarily a 17.9 percent decrease from Nigeria. In comparison, nonpetroleum imports decreased by 11.9 percent to $6.8 billion in 2002.
- In 2001, the United States recorded a cross-border surplus in services trade with Africa of $1.7 billion. The primary U.S. cross-border service exports to Africa included tourism, business services, education, and freight transport. U.S. service imports from Africa were mainly travel and tourism, passenger transport, business services, and freight transport.

Foreign Direct Investment in Sub-Saharan Africa

- In 2002, SSA attracted $7 billion in investments, or 4.9 percent of global foreign investment flows to developing countries. Political crises, poor weather conditions, and the HIV/AIDS pandemic dampened regional economic growth, which continued to hamper the investment climate.
- Foreign investment portfolio flows to SSA totaled $700 million in 2002, reversing the $1 billion outflow recorded in 2001. As in prior years, South Africa accounted for virtually all foreign portfolio investment flows to SSA in 2002.
- U.S. net direct investment flows to Africa totaled $861 million in 2002, representing less than 1 percent of total U.S. direct investment abroad. Nigeria and South Africa attracted the largest amounts of U.S. foreign investment flows, $922 million and $112 million, respectively. These inward investment flows were offset by outward flows from the rest of Africa totaling $174 million.
- On balance, continuing net positive flows of U.S. direct investment into Africa yielded an increase of 12.3 percent in the U.S. direct investment position, which totaled $15.1 billion in 2002. South Africa and Nigeria accounted for about 22.8 percent and 11.7 percent, respectively, of the total U.S. direct investment position in Africa.

African Growth and Opportunity Act

- Total U.S. imports from SSA countries eligible for the AGOA benefits (including the GSP provisions) totaled almost $9.0 billion in 2002, an increase of 9.9 percent from $8.2 billion in 2001. The largest share of U.S. imports under AGOA came from Nigeria (60.2 percent), followed by South Africa (14.9 percent) and Gabon (12.7 percent). Other major suppliers included Lesotho, Kenya, Cameroon, Mauritius, and the Republic of the Congo.

- These imports were dominated by U.S. purchases of energy-related products in 2002, which represented 75.9 percent of total AGOA imports in 2002, down from their 83.5 percent share of the total in 2001. However, significant increases were recorded for textiles and apparel, which accounted for 8.9 percent of the total in 2002, up from a 4.4 percent share in 2001, and transportation equipment, which represented a 6.1 percent share in 2002, compared with a 3.7 percent share in 2001.
- As government officials, companies, and international firms become more familiar with the advantages of AGOA, SSA continues to attract investment driven by access to AGOA benefits. Although the textile and apparel sector has received substantial levels of investment, other sectors, such as the automobile sector in South Africa and the information technology sector in Uganda, are beginning to benefit from AGOA-related investment.
- AGOA continued to influence activities that could be beneficial to SSA's long-term economic growth: (1) improvement of the business climate, and (2) the encouragement of regional cooperation and integration in order to take advantage of the benefits offered by AGOA.
- Several SSA countries are beginning to witness the expansion of AGOA benefits beyond the textiles and apparel sector, into nontraditional export sectors such as fruits, vegetables, and processed food, vehicles and vehicle parts, and appliances. As expected, South Africa, with its broader economic base, has led the diversification beyond textiles and apparel. Nevertheless, other countries that are actively seeking opportunities in nontraditional products are also making inroads into the U.S. market and diversifying their export industries.

Regional Integration

- In July 2002, the African Union (AU) was launched as the successor organization to the Organization of African Unity (OAU). The AU is modeled on the EU with plans for the establishment of a parliament, a central bank, a single currency, a court of justice, and an investment bank. The AU also plans to have common defense, foreign, and communications policies.
- In 2002, regional trade groups in SSA continued to focus on reducing tariffs among member countries. The current trend of lowering tariffs on goods of African origin has been driven primarily by regional trading blocs. This trend is likely to continue, and to result in increased total intra-African trade volumes, and in an increase in the proportion of recorded trade.

U.S. Trade Capacity-Building Initiatives

- U.S. government agencies continued to fund and implement a broad range of trade capacity-building initiatives in SSA. SSA received $105.5 million in

FY2002, representing 16.5 percent of total U.S. funding for trade capacity-building initiatives. Funding for SSA capacity-building initiatives increased 30.6 percent and 16.5 percent from FY1999 and FY2001, respectively.

- In FY 2002, U.S. Government agencies' trade capacity-building initiatives expanded to cover 42 SSA countries, double the number of countries in FY1999. Since FY1999, the top five recipients' combined percent of total funding has fallen from 54 percent to 42 percent, as funding targets an increasing number of SSA countries.
- The primary funding categories were "Trade Facilitation," accounting for 30 percent of FY2002 total SSA funding, followed by "Trade-Related Agriculture" and "Human Resources and Labor Standards," accounting for 17 percent and 14 percent, respectively. The sub-category "Business Services and Training" accounted for almost 40 percent of "Trade Facilitation."

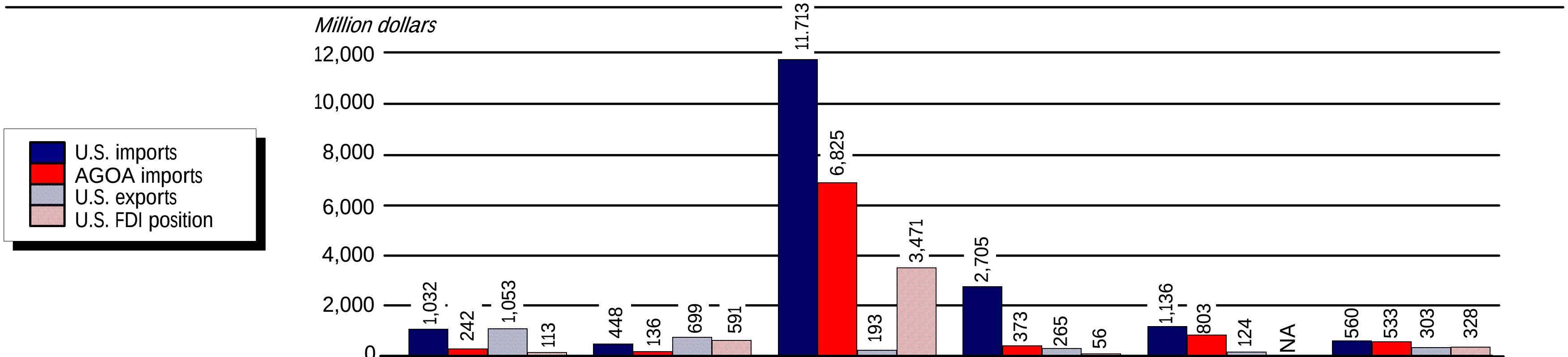
Sector Profiles

The six sectors discussed below are: agriculture, fisheries, and forest products; chemicals; petroleum and energy-related products; minerals and metals; textiles and apparel; and certain transportation equipment. Figure ES-1 provides an overview comparing U.S. trade and foreign direct investment (FDI) positions in these sectors.

Agriculture, Fisheries, and Forest Products

- Although SSA represents a relatively small market for U.S. exports of agriculture, fisheries, and forest products ($1.1 billion in 2002, or 1 percent of the total), such exports increased 31 percent in 2002 compared with the previous year. Major SSA markets for U.S. sector exports in 2002 included Nigeria, which accounted for 30 percent of the total, and South Africa, which accounted for 21 percent. Cereals were the principal products, accounting for 53 percent of total U.S. sector exports to SSA in 2002. Most of the increase in exports was caused by food shortages in SSA.
- SSA also is a minor source of U.S. imports of agriculture, fisheries, and forest products ($1.0 billion in 2002, or 1 percent of the total). U.S. sector imports from SSA rose by 8 percent in 2002 compared with the previous year. Most of the increase reflected a rise in commodity prices. Major SSA suppliers in 2002 included Côte d'Ivoire and South Africa. Principal products included cocoa beans, vanilla beans, tobacco, and coffee.
- U.S. sector imports under AGOA (including GSP) in 2002 represented about 23 percent of total sector imports from SSA but only about 3 percent of total SSA 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.

Figure ES-1
SSA sector profiles summary data, 2002



		Agriculture, Fisheries, and Forest	Chemicals	Petroleum, & Energy-related	Minerals and Metals	Textiles and Apparel	Certain Transport Equipment
U.S. Imports	*Primary Sources*	• Côte d'Ivoire • South Africa	• South Africa • Equatorial Guinea	• Nigeria • Angola • Gabon	• South Africa	• Lesotho • Mauritius • South Africa	• South Africa
	Primary Products	• Cocoa beans, vanilla beans, tobacco, coffee	• Organic chemicals inorganic chemicals	• Crude petroleum	• Diamonds, precious metals	• Cotton sweaters/ pullovers and men's & women's trousers	• Passenger vehicles
AGOA Imports	*Primary Sources*	• South Africa • Malawi • Côte d'Ivoire	• South Africa	• Nigeria	• South Africa • Kenya	• Lesotho • Kenya • Mauritius	• South Africa
	Primary Products	• Sugar, tobacco, oranges	• Silicon, titanium dioxide pigments	• Crude petroleum	• Ferroalloys, aluminum	• Cotton sweaters/ pullovers and women's trousers	• Passenger vehicles
U.S. Exports	*Primary Markets*	• Nigeria • South Africa	• South Africa • Nigeria	• South Africa • Nigeria	• South Africa • Nigeria	• South Africa • Nigeria • Tanzania	• South Africa • Nigeria
	Primary Products	• Cereals	• Fertilizers, acrylic polymers	• Refined petroleum products, specialty coals	• Drilling equipment structures	• Used clothing	• Passenger vehicles
	Primary U.S. FDI Recipients	• Nigeria • Kenya • Seychelles	• South Africa • Nigeria • Zimbabwe	• Equatorial Guinea • Nigeria • Gabon	• Ghana	• Not available	• South Africa

Source: USITC staff analysis.

- 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 2002. South Africa was, by far, the leading SSA country for which U.S. sector FDI position data were reported in 2002.

Chemicals

- South Africa continues to lead SSA in the production of chemicals, with organic chemicals the leading product category. South Africa's chemical industry benefits from a growing demand for explosives by the country's mining sector.
- U.S. imports of chemicals from SSA declined by nearly a third in 2002, totaling $448 million. South Africa supplied 60 percent of the total; organic chemicals, the leading product category, accounted for 45 percent of the total.
- U.S. imports of chemicals under AGOA (including GSP) totaled $136 million in 2002, up 6 percent from the previous year. This represented 30 percent of total sector imports from AGOA countries and 6 percent of total U.S. imports under AGOA. South Africa supplied nearly all sector imports under AGOA, with major products including silicon and titanium dioxide pigments.
- U.S. exports of chemicals to AGOA countries totaled $699 million in 2002, representing a decline of 10 percent compared with the previous year. South Africa took nearly two-thirds of such exports, which consisted of a wide array of products, including fertilizers and acrylic polymers.

Petroleum and Energy-Related Products

- Crude petroleum from Nigeria and coal from South Africa continue to be the primary petroleum and energy-related products produced in SSA. Angola remains the region's second largest producer of crude petroleum behind Nigeria. Coal continues to be the primary fuel produced and consumed in South Africa and is its largest source of foreign exchange. South Africa accounts for about 4 percent of the world's recoverable reserves of coal and is the world's second largest net exporter of coal.
- SSA accounts for less than 1 percent of total U.S. exports of the products in this sector. U.S. exports to SSA consist of refined petroleum products (91 percent) and specialty coals (8 percent). 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.
- Crude petroleum is the primary export product from SSA, and Nigeria is the leading exporter. Crude petroleum is also the major imported product into the region, followed by refined petroleum products. The United States and Western Europe are the region's major sources of refined petroleum products, particularly diesel fuels and other bunker fuels.

- Nigeria, one of the world's leading exporters of crude petroleum, has the potential to increase its production of crude petroleum significantly in the next few years as recent discoveries come on-stream. Several joint ventures are expected to yield additional production of crude petroleum and natural gas. In addition, recent discoveries of crude petroleum in Angola are becoming attractive to the world's leading production companies.

Minerals and Metals

- Prices for several minerals and metals began to recover from lows observed in the prior six years reflecting declining worldwide inventories. This is expected to increase the financial opportunities of many SSA companies, and facilitate the financing of new international exploration and possible investment.

- The United States enacted the Clean Diamond Trade Act (The Act, Public Law 108-19) on April 25, 2003, which was initiated by Congress in response to the use of diamonds in fueling conflict and human rights violations in parts of Africa. The Act bans the importation of rough diamonds from any nonparticipant in the Kimberley Process Certification Scheme (KPCS). Presidential Executive Order 13312, effective July 30, 2003, amends prior Orders on the subject to reflect provisions of The Act, bans all rough diamond imports from Liberia, even if they originated elsewhere, and removes the prior ban on all rough diamond imports from Sierra Leone that are controlled through the KPCS.

- South Africa continues to dominate the region's exports ($2.7 billion) to the United States, marginally increasing its share to 91 percent in 2002 despite decreasing its exports to the United States by $327 million (12 percent) from 2001. This decline is mostly attributable to decreased exports of gold bullion and ferronickel, and, as all but two countries saw decreased exports, reflects general market conditions. One notable exception is the large increase in Botswana's exports to the U.S. that is largely attributed to the alternate sourcing of raw diamonds away from SSA conflict regions and to Botswana's high ranking in the Transparency International Corruption Index 2001 report.

- The trade benefits of AGOA appear to be impacting the sector positively. While sectoral U.S. imports declined overall, imports under AGOA increased 17 percent in 2002, to 14 percent of the total sectoral imports from the AGOA countries. Most AGOA sectoral imports were supplied by South Africa and Kenya. Ferroalloys accounted for the majority of AGOA imports in this sector, but much of the increase during the period was a result of a large percentage gain in aluminum and finished products, reflecting the result of processing investments in western SSA (e.g., Guinea) over the past few years.

- U.S. exports to the region increased by 6 percent in 2002, reflecting the significant oil exploration and oil-field development that is continuing in SSA, primarily in Nigeria, Angola, and surrounding areas. However, the drilling operations leveled off in 2002, causing the export of drilling and related equipment to plateau. On the other hand, structural commodities showed significant increases, much of which were directed toward the ongoing development of oil and gas recovery and refining facilities. Aluminum products marked the largest increase, largely supplying semifinished and finished products to many smaller countries.

- Most 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 returns ownership of mineral tracts to the State and is claimed by producers to affect investment as well as the financial health of the companies working in that country negatively, is being applied. Negotiations are underway on a case-by-case basis regarding terms of the State's purchase of the mineral rights.

Textiles and Apparel

- SSA production and exports of textiles and apparel continue to be concentrated in Mauritius, Madagascar, South Africa, Lesotho, and Kenya. Other countries, such as Swaziland, and Namibia, are increasing activity in the sector, owing to factors such as privatization, increased foreign investment, and trade preferences such as AGOA.
- The appreciation of the rand diminished South Africa's competitiveness in the sector during 2002 and early 2003. South Africa's textile sector experienced declining sales and job losses, as overseas customers switched to Asian suppliers.
- U.S. sector imports from SSA rose 14 percent in 2002, reaching $1.1 billion. This represented less than 1 percent of total sector imports. Principal SSA suppliers included Lesotho, Mauritius, and South Africa. Primary items included cotton sweaters and pullovers and cotton men's and women's trousers.
- U.S. sector imports under AGOA totaled $803 million, up 123 percent from the previous year. Principal AGOA suppliers included Lesotho, Mauritius, and South Africa. Primary items included cotton sweaters and pullovers, and cotton women's trousers.
- U.S. sector exports to SSA fell 5 percent to $124 million in 2002. Such exports accounted for a negligible share of the U.S. sector total. Primary SSA markets included South Africa and Nigeria; used clothing was, by far, the major export item.
- The AGOA program has stimulated foreign investment in several SSA textile-producing countries. Most of this investment has come from Asian sources.

Certain Transportation Equipment

- South Africa is the dominant producer of motor vehicles and motor-vehicle parts in the SSA region, accounting for 96 percent of SSA motor vehicle production in 2002. South Africa is also the leading market for motor vehicles sales in the SSA region, accounting for 65 percent of SSA motor vehicle sales in 2002. The automotive industry in South Africa reportedly accounts for nearly 6 percent of the country's gross domestic product and 10 percent of total manufacturing in South Africa, and is comprised of foreign subsidiaries and local-foreign joint venture operations.

- The South African motor vehicle industry benefits from the Motor Industry Development Programme (MIDP), initiated in September 1995. The goal of the MIDP is to make South Africa a world-class motor vehicle producer by lowering import barriers and promoting exports. Through this process, the industry has restructured considerably. The program encourages manufacturers to become more efficient through higher production volumes and economies of scale, or by identifying and successfully targeting niche markets.

- The South African motor vehicle manufacturing industry currently employs approximately 33,000, and the component manufacturing industry employs nearly twice that amount, 60,000. In recent years, the automotive industry has made substantial productivity gains, with direct labor costs reduced by approximately 30 percent during 1998-2002. Capacity utilization is also increasing, reaching the global average of 76 percent by the first half of 2002.

- In 2002, the United States ran a $257 million deficit in certain transportation equipment trade with SSA. In 2001, the trade balance was in favor of the United States, with a surplus of $153 million. U.S. imports of certain transportation equipment reached $560 million in 2002, up by $229 million (69 percent) over the 2001 level of $331 million. Passenger cars accounted for 84 percent of total U.S. sector imports from South Africa. Leading components imported from South Africa in 2002 included road wheels, engine parts, shock absorbers, and mufflers and exhaust pipes.

- U.S. imports of certain transportation equipment under AGOA increased by 85 percent in 2002, reaching $533 million. All such imports were from South Africa. In 2002, AGOA imports accounted for 95 percent of total U.S. sector imports from SSA. Passenger vehicles were the leading U.S. import from SSA under the AGOA program in 2002. The South African automotive industry is the leading export sector under the AGOA program.

- Several foreign investors in the South African automotive industry have increased their holdings in recent years, and the South African automotive components industry is consolidating, with approximately 10 percent of the manufacturing firms closing since 1995. The component manufacturing industry is reportedly aggressively seeking technology-sharing arrangements with foreign partners.

- Capital expenditures in the South African automotive industry are increasing, from R1,522 million (approximately $194 million) in 2000 to R2,078 million in 2001 and R2,726 million in 2002; the projection for 2003 is R3,123 million. Slightly more than one-half of these expenditures were for "Product, Local Content, and Export Investment." Overall capital investment in South Africa by motor vehicle companies reportedly exceeded R12.5 billion, while capital investment by component manufacturers was approximately R6.5 billion.

Country Profiles

- In 2002, Africa's average GDP growth rate was 3.2 percent, down from 2001's average 4.3 percent. This declining average growth rate was attributed primarily to a weaker global economy; slower than expected rebound in world trade; drought in some parts of sub-Saharan Africa; impact of HIV/AIDS; and the eruption of social and political conflict in a number of countries across the continent. Although sub-Saharan Africa's average GDP growth rate continued to fall short of the estimated 7 percent required to reduce poverty significantly, five countries (Equatorial Guinea, Mozambique, Angola, Chad, and Rwanda) achieved a 7 percent or higher growth rate in 2002.
- Despite the decrease in average GDP growth, many countries continued their commitment to poverty reduction. The number of countries preparing full or interim poverty reduction strategies increased from four in 2001 to nine in 2002.
- SSA countries' efforts to increase integration into the global trading economy continued to be hampered by a number of obstacles. In addition to social and political conflict, inadequate infrastructure, such as dilapidated road networks, congested ports, inefficient customs services, and prohibitively expensive air transport, hampered the national and international transport of merchandise. Many SSA countries continued to depend heavily on primary commodity products, such as petroleum, minerals, and agricultural products.
- Trade between SSA countries has increased in recent years, primarily driven by regional trading blocs characterized by political stability and broadly similar economic policies. Intra-SSA trade increased from 8 percent in 1989 to 12 percent in 2002.
- A significant inhibitor to economic development in SSA was, for most countries, the low levels of savings and investment. In 2002, foreign direct investment into Africa declined by $6 billion, and the majority of investment remained concentrated in the petroleum and minerals and mining sectors. An important source for foreign direct investment for many SSA countries is privatization. During 2002, privatization efforts continued, though at a subdued rate. Part of the slowdown was attributed to the weak global economy, difficulty locating interested buyers, overvalued assets and the large investment required for many state-owned enterprises, political resistance, and a slump in key sectors, such as telecommunications.
- Further compounding the negative impact of the low savings and investment rates is the high level of capital flight. According to a recent study covering 30 African countries, capital flight over the past 27 years was estimated at $187 billion; if interest earnings were included, total capital flight would be estimated at $274 billion.

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List of Abbreviations and Acronyms

ADB	Asian Development Bank
ADF	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	East African Community
ECA	United Nations Economic Commission for Africa
ECOWAS	Economic Community of West African States
EU	European Union
FDI	Foreign direct investment
FTA	Free trade agreement or Free trade area
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	Inter-Governmental 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
OPIC	Overseas Private Investment Corporation
PRGF	Poverty Reduction and Growth Facility
PRSC	Poverty Reduction Support Credit
PRSP	Poverty Reduction Strategy Paper
ROC	Republic of the Congo
SACU	Southern African Customs Union
SADC	Southern African Development Community

List of Abbreviations and Acronyms-Cont.

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

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- a summary of U.S. foreign and total direct investment and portfolio investment in SSA;
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- information on investment developments related to AGOA;
- a description and analysis of major SSA export sectors;

[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, Oct. 1999.

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

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

- 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 SSA countries.

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

This 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 1 also addresses foreign investment (both direct and portfolio investment) in the SSA region. Chapter 2 presents information on AGOA-related imports and investment. Chapter 3 updates 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 2002. Chapter 5 contains a description and analysis of major SSA export sectors. These 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 an update of economic, trade, and investment and privatization events for each country. The formal request letter and supplemental letter from the USTR to the Commission for this study are included in appendix A. Relevant statistics on U.S.-SSA trade are in appendix B.

Approach

The data included in this report generally cover either calendar or fiscal year 2002, depending on availability. In cases where it is useful to show a trend, data for 1998 through 2002 are provided. Developments in economic, trade, and commercial policies cover the period from January 2003 through mid-2003, where possible.

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

[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, USITC pub. 3250, Oct. 1999, pp. 2-22 through 2-34.

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 (Ex-Im Bank), the Overseas Private Insurance 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, the 48 countries that form the SSA region are covered by this report. Figure 1 shows the 48 countries in 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
Democratic Republic of the Congo
Djibouti
Equatorial Guinea
Eritrea
Ethiopia
Gabon
The Gambia
Ghana
Madagascar
Malawi
Mali
Mauritania
Mauritius
Mozambique
Namibia
Niger
Nigeria
Republic of the Congo
Rwanda
São Tomé and Principe
Senegal
Seychelles
Sierra Leone
Somalia
South Africa
Sudan
Swaziland

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.

Guinea	Tanzania
Guinea-Bissau	Togo
Kenya	Uganda
Lesotho	Zambia
Liberia	Zimbabwe

All 48 SSA countries are classified by the World Bank as developing countries. 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.

At the request of the USTR, 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 African Development Community (SADC), the Southern African Customs Union (SACU), the East African Community (EAC), the Inter-Governmental Authority on Development (IGAD), the Indian Ocean Commission (IOC), and the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC).

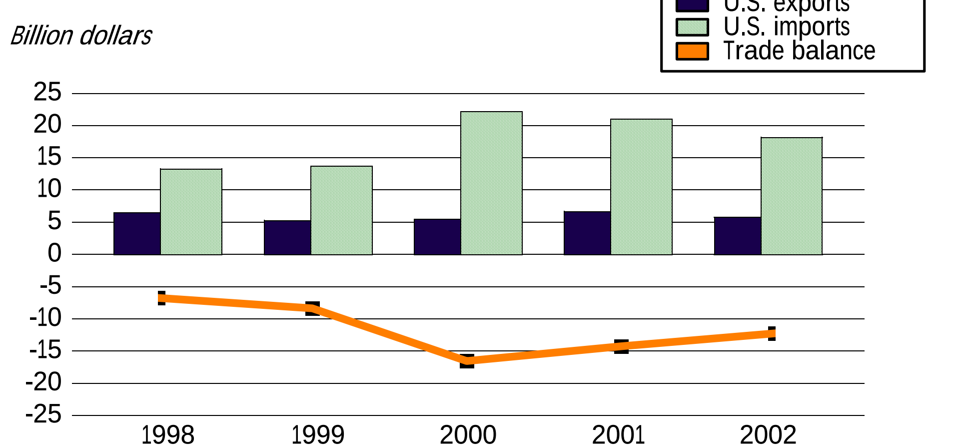
CHAPTER 1
U.S. Trade and Investment With Sub-Saharan Africa

This chapter discusses the pattern of U.S.- SSA merchandise trade from 1998 to 2002, and services trade from 1998 to 2001 (the most recent years for which services trade data are available). The pattern of merchandise trade is presented for the SSA region as a whole, by major trading partners and commodity sectors. This chapter also discusses the pattern of foreign investment flows to sub-Saharan Africa from 1998-2002 (or most recent data available). Foreign investment flows are presented for the SSA region, and by country (where available). Trade statistics 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 1998 to 2002. Total merchandise trade between the U.S. and SSA declined 13.3 percent in 2002 to $24.1 billion, from $27.8 billion in 2001.[2] This decline was due to a 13.5 percent decrease in

Figure 1-1
U.S. trade with sub-Saharan Africa, 1998-2002



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. No. 2938, Jan. 1996, table 2-1, p. 2-2.

[2] This report analyzes changes in U.S. merchandise trade on a value basis. A principal reason is that aggregate trade data by quantity are generally not available. Consequently, it is possible (if prices change 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.

U.S. imports from $21.1 billion in 2001 to $18.2 billion in 2002, and a 12.7 percent decrease in U.S. exports from $6.8 billion in 2001 to $5.9 billion in 2002. The decline in U.S. imports from SSA was primarily the result of a $2.6 billion or 17.9 percent decrease in energy-related products. Nigeria accounted for most of the decline in U.S. imports from the region. U.S. imports from Nigeria fell by $3.1 billion or by 34.7 percent, with most of the decline concentrated in the energy sector (down by $2.9 billion or by 33.1 percent). For more information, see the sector profile on petroleum and energy-related products in Chapter 5, and the country profile on Nigeria in Chapter 6.

The decline in imports was partly offset by increased imports from Angola, Equatorial Guinea, and Lesotho. U.S. imports from Angola increased by $455.6 million, or by 16.4 percent, mostly because of an increase in imports of energy-related products (up by $435.4 million, or by 15.7 percent). Imports from Equatorial Guinea rose by $177.0 million, or by 44.7 percent, primaily due to an increase in energy-related products (up by $140.9 million, or by 39.7 percent) and an increase in chemical products (up by $34.0 million, or by 91.2 percent). U.S. imports from Lesotho rose by $104.3 million, or by 48.0 percent, entirely because of an increase in imports of textiles and apparel products (up by $104.3 million or by 48.1 percent).

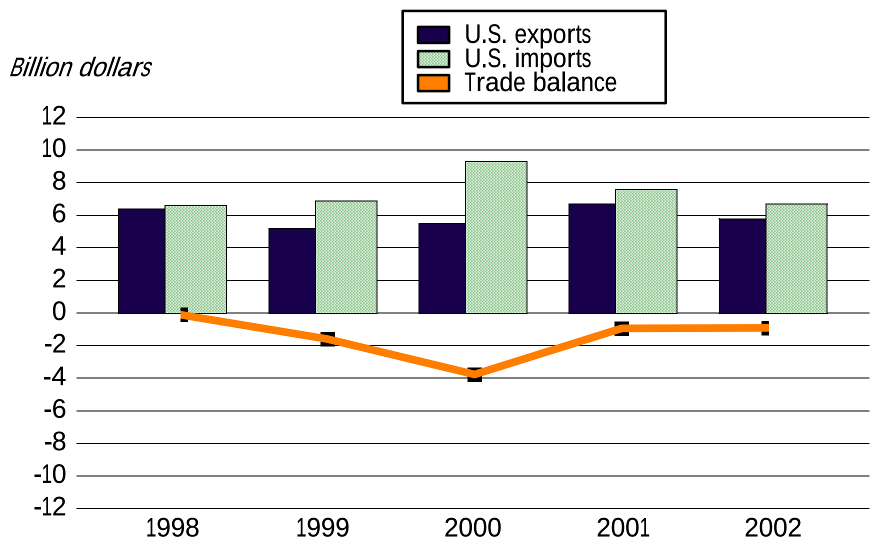
On the export side, the large decline was primarily because of a $983.3 million, or 34.4 percent, decrease in U.S. exports of transportation equipment. South Africa and Kenya accounted for most of the decline in U.S. exports to SSA. Exports to South Africa declined by $376.2 million, or by 13.3 percent, primarily because of a decline in U.S. exports of transportation equipment (down by $352.6 million, or by 32.1 percent). U.S. exports to Kenya fell by $305.8 million, or by 53.3 percent, also mainly because of a decline in exports of transportation equipment (down by $318.3 million, or by 72.0 percent). The decline in total exports to the region was partly offset by increased U.S. exports to Nigeria and Angola. U.S. exports to Nigeria increased by $99.3 million, or by 10.5 percent, primarily due to an increase in exports of agricultural products (up by $57.6 million or by 23.4 percent) and transportation equipment (up by $27.4 million, or by 9.6 percent). Exports to Angola rose by $96.0 million, or by 34.9 percent, mostly due to an increase in transportation equipment (up by $93.9 million, or by 63.6 percent). For more information, see the sector profile on certain transportation equipment in Chapter 5, and the respective country profiles in Chapter 6.

The result was a U.S. trade deficit with SSA of $12.3 billion in 2002, 13.9 percent lower than in 2001. Following a decline of 17.8 percent to $7.4 billion in 2001, U.S. nonpetroleum imports further declined by 11.9 percent to $6.8 billion in 2002. U.S. nonpetroleum trade with SSA is presented in figure 1-2.

U.S. Merchandise Exports

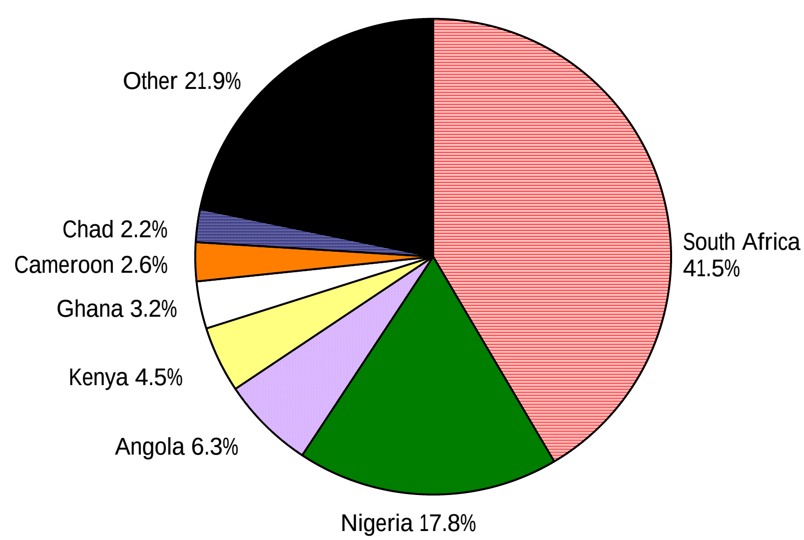
Figure 1-3 presents U.S. exports to SSA by major trading partner. In 2002, South Africa remained the largest market in SSA for U.S. products, accounting for

Figure 1-2
U.S. nonpetroleum trade with sub-Saharan Africa, 1998-2002



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

Figure 1-3
U.S. exports to major sub-Saharan Africa trading partners, 2002



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

41.5 percent of U.S. merchandise exports to the region, down slightly from 41.8 percent in 2001. Other leading markets in SSA were Nigeria (17.8 percent), Angola (6.3 percent), Kenya (4.5 percent), Ghana (3.2 percent), Cameroon (2.6 percent), and Chad (2.2 percent).

In 2002, 19 countries in the region increased purchases of U.S. merchandise exports, while another 29 countries recorded a decrease. The largest increases in 2002 were to Nigeria (up by $99.3 million, or by 10.5 percent), Angola (up by $96.0 million, or by 34.9 percent), Mozambique (up by $69.5 million, or by 245.5 percent), Djibouti (up by $37.4 million, or by 201.2 percent), Equatorial Guinea (up by $28.1 million, or by 35.3 percent), and Zambia (up by $20.0 million, or by 129.2 percent). The largest decreases in U.S. exports to the region in 2002 were to South Africa (down by $376.2 million, or by 13.3 percent), Kenya (down by $305.8 million, or by 53.3 percent), Namibia (down by $195.6 million, or by 78.5 percent) and Seychelles (down by $167.8 million, or by 95.3 percent).

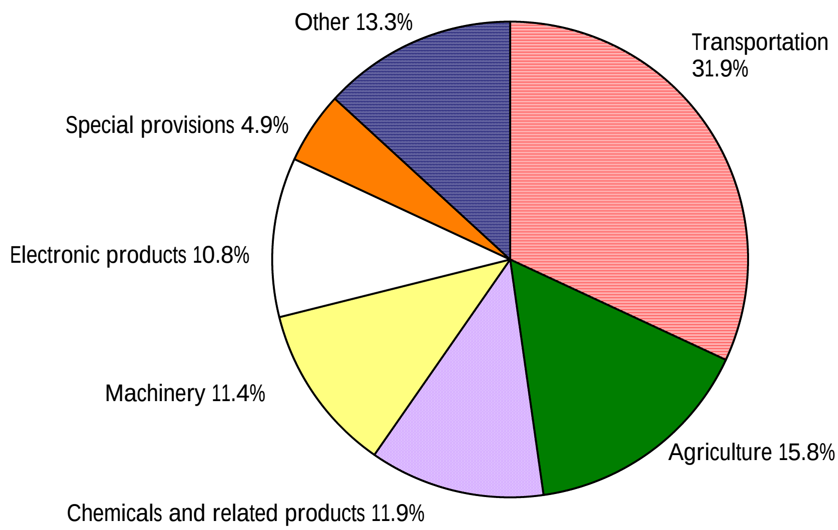
Transportation equipment accounted for the largest share of U.S. merchandise exports to SSA, accounting for 31.9 percent of the total in 2002, compared with 42.4 percent in 2001 (figure 1-4). U.S. exports of agricultural products accounted for 15.8 percent of total U.S. exports to SSA, up from 9.7 percent in 2001; chemicals and related products accounted for 11.9 percent of the total in 2002, compared to 11.6 percent in 2001; machinery products increased to 11.4 percent of the total in 2002, up from 9.9 percent in 2001, while electronic products accounted for 10.8 percent in 2002, up slightly from 10.4 percent in 2001.

In absolute terms, U.S. merchandise export sectors with large decreases to SSA in 2002 included transportation equipment (down by $983.3 million, or by 34.4 percent), chemical products (down by $80.4 million, or by 10.3 percent) and electronic products (down by $63.6 million, or by 9.1 percent). U.S. merchandise exports of agricultural products to the region increased by $932.9 million, or by 42.0 percent. Figure 1-5 presents U.S. export growth rates by commodity sector for 2002; table 1-1 provides data on U.S.-SSA exports, imports and merchandise trade balance by major commodity sectors for 1998-2002; 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 the same period.

U.S. Merchandise Imports

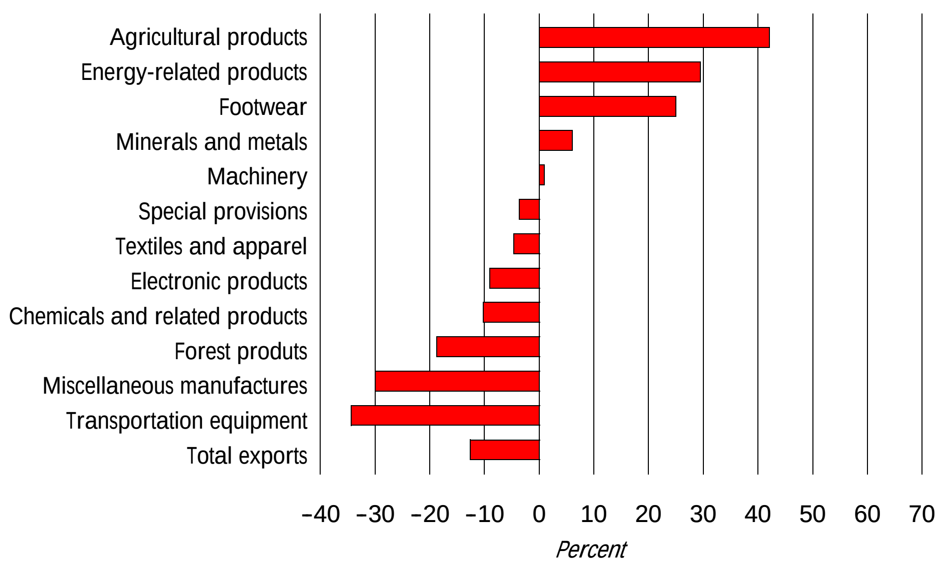
Figure 1-6 shows U.S. imports from SSA by major trading partner. In 2002, Nigeria remained the largest supplier of U.S. imports from SSA, with $5.8 billion in sales (mostly of petroleum) to the United States, representing 32.0 percent of U.S. imports from the region. South Africa ranked second, with $4.2 billion in sales and a 23.3 percent share. Third was Angola, with $3.2 billion in sales, representing a 17.7 percent share. U.S. imports from Gabon totaled $1.6 billion, and imports from Equatorial Guinea were about $0.6 billion. For additional data, see appendix B, table B-3.

Figure 1-4
U.S. exports to sub-Saharan Africa by commodity sectors, by share, 2002



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

Figure 1-5
U.S. exports to sub-Saharan Africa: Growth rates by commodity sectors, 2002



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, 1998-2002[1]

(Dollars)

Item	1998	1999	2000	2001	2002
U.S. exports of domestic merchandise:					
Agricultural products	781,187,266	727,752,959	768,772,931	657,105,328	932,923,058
Forest products	193,993,785	154,984,055	158,991,910	147,568,278	119,774,502
Chemicals and related products	677,917,845	610,074,033	709,665,103	779,699,927	699,251,301
Energy-related products	202,882,624	150,167,321	157,501,223	149,189,241	193,097,864
Textiles and apparel	177,826,783	146,319,258	136,098,142	130,527,065	124,418,715
Footwear	14,986,246	16,736,266	14,183,111	10,113,957	12,630,484
Minerals and metals	257,843,682	221,514,187	218,888,636	250,058,717	265,172,054
Machinery	804,745,450	527,463,023	560,731,206	669,413,812	671,827,338
Transportation equipment	2,181,834,525	1,695,034,686	1,795,702,208	2,856,218,413	1,876,596,876
Electronic products	843,073,717	767,723,977	703,141,142	700,352,586	636,918,031
Miscellaneous manufactures	94,322,680	69,140,525	73,292,204	99,214,346	69,486,423
Special provisions	290,634,862	244,786,418	266,316,717	300,702,565	289,663,225
Total	6,521,249,465	5,331,696,707	5,563,284,533	6,750,164,235	5,891,759,871
U.S. imports for consumption:					
Agricultural products	919,205,352	832,664,602	874,842,835	835,736,057	911,644,658
Forest products	105,875,612	109,640,190	140,706,086	119,393,988	120,745,213
Chemicals and related products	761,863,725	849,130,498	1,453,520,970	659,999,263	448,053,625
Energy-related products	7,963,730,107	8,000,647,833	15,016,274,113	14,271,302,154	11,712,705,542
Textiles and apparel	568,440,555	621,955,260	789,240,337	997,994,773	1,136,316,165
Footwear	811,477	3,422,670	686,473	1,497,322	1,378,240
Minerals and metals	2,600,294,817	2,637,107,824	3,200,500,413	3,081,792,446	2,705,008,775
Machinery	79,328,842	127,735,923	178,434,187	263,718,387	231,297,543
Transportation equipment	104,550,862	200,773,116	185,206,499	399,383,954	621,040,796
Electronic products	35,007,635	56,392,688	58,338,693	52,706,208	49,696,742
Miscellaneous manufactures	90,246,426	99,488,421	97,421,586	108,557,532	117,551,366
Special provisions	129,804,995	210,755,394	217,476,691	268,417,088	152,605,072
Total	13,359,160,405	13,749,714,419	22,212,648,883	21,060,499,172	18,208,043,737
U.S. merchandise trade balance:					
Agricultural products	(138,018,086)	(104,911,643)	(106,069,904)	(178,630,729)	21,278,400
Forest products	88,118,173	45,343,865	18,285,824	28,174,290	(970,711)
Chemicals and related products	(83,945,880)	(239,056,465)	(743,855,867)	119,700,664	251,197,676
Energy-related products	(7,760,847,483)	(7,850,480,512)	(14,858,772,890)	(14,122,112,913)	(11,519,607,678)

See footnotes 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, 1998-2002[1]

(Dollars)

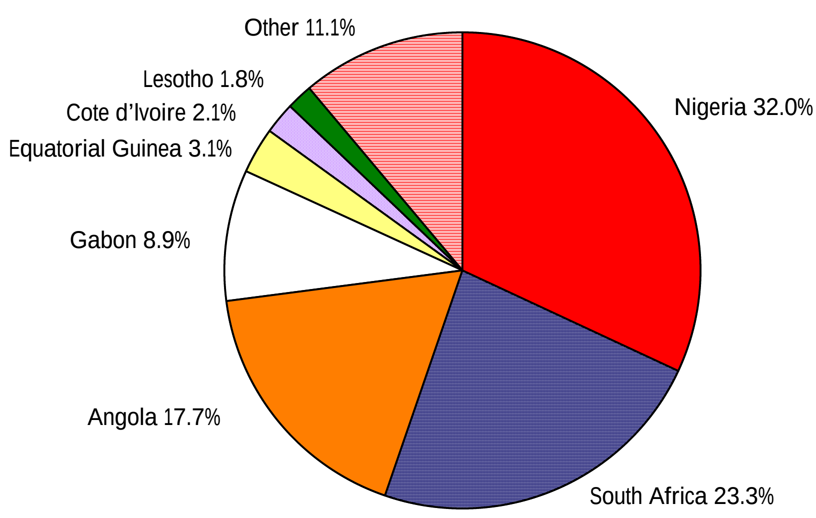
Item	1998	1999	2000	2001	2002
U.S. merchandise trade balance—Continued					
Minerals and metals	(2,342,451,135)	(2,415,593,637)	(2,981,611,777)	(2,831,733,729)	(2,439,836,721)
Textiles and apparel	(390,613,772)	(475,636,002)	(653,142,195)	(867,467,708)	(1,011,897,450)
Footwear	14,174,769	13,313,596	13,496,638	8,616,635	11,252,244
Machinery	725,416,608	399,727,100	382,297,019	405,695,425	440,529,795
Transportation equipment	2,077,283,663	1,494,261,570	1,610,495,709	2,456,834,459	1,255,556,080
Electronic products	808,066,082	711,331,289	644,802,449	647,646,378	587,221,289
Miscellaneous manufactures	4,076,254	(30,347,896)	(24,129,382)	(9,343,186)	(48,064,943)
Special provisions	160,829,867	34,031,024	48,840,026	32,285,477	137,058,153
Total	(6,837,910,940)	(8,418,017,712)	(16,649,364,350)	(14,310,334,937)	(12,316,283,866)

[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.

Figure 1-6
U.S. imports from major sub-Saharan Africa trading partners, 2002



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

Table 1-2

Sub-Saharan Africa: U.S. exports, by major commodity items, 1998-2002

(Dollars)

Schedule B No.	Description	1998	1999	2000	2001	2002
8431.43	Parts for boring or sinking machinery, nesoi	$424,669,802	$275,529,016	$302,866,705	$454,715,848	$587,386,603
1001.90	Wheat (other than durum wheat), and meslin	249,814,260	250,978,937	300,270,976	287,165,536	360,313,981
8802.40	Airplanes and other aircraft nesoi, of an unladen weight exceeding 15,000 kg	583,041,436	422,581,019	539,629,241	1,147,073,529	360,253,329
9880.00	Estimate of non-Canadian low value export shipments; compiled low value shipments to Canada; and shipments not identified by kind to Canada	218,069,225	170,295,762	182,989,298	229,079,132	188,334,269
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	35,698,704	32,432,411	38,974,540	120,942,312	99,837,024
8802.30	Airplanes and other aircraft nesoi, of an unladen weight exceeding 2,000 kg but not exceeding 15,000 kg	83,919,280	126,941,978	79,701,250	72,176,955	96,561,979
8803.30	Parts of airplanes or helicopters, nesoi	170,623,090	133,636,982	127,299,144	94,188,886	94,134,214
1005.90	Corn (maize), other than seed corn	48,817,555	66,415,489	28,738,930	12,515,363	92,602,633
2713.12	Petroleum coke, calcined	47,829,237	58,529,148	58,276,265	65,273,651	80,256,428
8473.30	Parts and accessories for automatic data processing machines and units thereof, magnetic or optical readers, transcribing machines, etc., nesoi	90,430,466	83,915,736	70,864,522	61,677,829	60,062,716
6309.00	Worn clothing and other worn textile articles	88,279,006	67,197,046	60,404,283	61,652,761	58,550,750
1006.30	Rice, semi-milled or wholly milled, whether or not polished or glazed	60,671,979	66,826,292	53,468,799	47,107,455	54,017,473
2710.19	Petroleum oils & oils (not light) from bituminous minerals or preps nesoi 70%+by wt. from petroleum oils or bitum. min	0	0	0	0	49,504,971
8431.39	Parts for lifting, handling, loading or unloading machinery, nesoi	61,341,532	39,624,085	25,677,563	37,629,031	48,991,116
8704.10	Dumpers (dump trucks) designed for off-highway use	66,496,579	34,551,607	33,802,382	58,235,525	47,991,116
9801.10	Value of repairs or alterations of previously imported articles, repaired or altered prior to exportation from United States	11,750,885	9,818,250	19,151,340	23,986,887	47,688,450
8703.24	Passenger motor vehicles with spark-ignition internal combustion reciprocating piston engine, cylinder capacity over 3,000 cc	22,999,402	10,160,266	14,640,159	27,651,758	46,359,905
8431.49	Parts and attachments, nesoi, for derricks, cranes, self-propelled bulldozers, graders etc. and other grading, scraping, etc. machinery	115,179,178	42,965,382	41,368,008	50,541,811	44,433,259
0207.14	Chicken cuts and edible offal (including livers) frozen	21,394,323	18,047,189	30,226,265	30,480,808	39,557,285

Table 1-2—*Continued*
Sub-Saharan Africa: U.S. exports, by major commodity items, 1998-2002

(Dollars)

Schedule B No.	Description	1998	1999	2000	2001	2002
9018.90	Instruments and appliances for medical, surgical or veterinary sciences, nesoi, and parts and accessories thereof	20,232,903	24,643,085	29,031,919	42,207,661	39,557,678
8525.20	Transmission apparatus incorporating reception apparatus for radiotelephony, radiotelegraphy, radiobroadcasting or television	57,769,239	51,256,427	49,111,582	57,064,271	35,857,461
4901.99	Printed books, brochures, leaflets and similar printed matter, nesoi	22,319,835	25,415,995	30,150,029	35,677,003	35,681,864
3100.00	Fertilizers (exports only; includes crude fertilizers from other areas)	21,272,909	47,245,848	42,599,378	49,930,451	35,550,193
8708.99	Parts and accessories for motor vehicles, nesoi	100,549,524	39,465,301	89,422,963	206,131,715	35,138,481
8401.30	Fuel elements (cartridges), non-irradiated, for nuclear reactors, and parts thereof	3,890	8,702	0	23,496,871	34,765,794
	Subtotal	2,623,174,239	2,098,481,953	2,248,665,541	3,296,603,049	2,673,089,378
	All other	3,898,075,226	3,233,214,754	3,314,618,992	3,453,561,186	3,218,670,493
	Total	$6,521,249,465	$5,331,696,707	$5,563,284,533	$6,750,164,235	$5,891,759,871

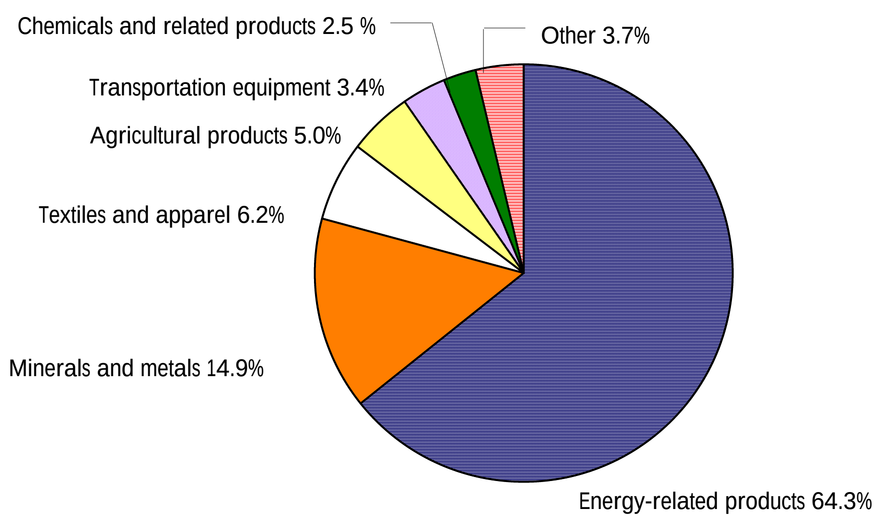
Note.–Because of rounding, figures may not add to totals shown. The abbreviation “nesoi” stands for “not elsewhere specified or included.”
Source: Compiled from official statistics of the U.S. Department of Commerce.

A total of 24 countries in SSA increased their sales to the United States in 2002, while another 24 decreased their sales. The largest increases in U.S. imports in 2002 were from Angola (up by $455.6 million, or by 16.4 percent), Equatorial Guinea (up by $177.0 million or by 44.7 percent), and Lesotho (up by $104.3 million, or by 48.0 percent). The largest decreases in 2002 were from Nigeria (down by $3.1 billion, or by 34.7 percent), the Republic of the Congo (down by $234.1 million, or by 51.1 percent), South Africa (down by $193.6 million, or by 4.4 percent), and Gabon (down by $109.7 million, or by 6.3 percent).

U.S. imports of SSA energy-related products totaled $11.7 billion in 2002, and accounted for 64.3 percent of all U.S. imports from the region (figure 1-7), down from $14.3 billion or 67.8 percent of the total in 2001 primarily because of decreased imports of crude petroleum from Nigeria. The second-largest import commodity was minerals and metals ($2.7 billion), which accounted for a 14.9 percent share in 2002, compared with 14.6 percent in 2001. Textiles and apparel ($1.1 billion) represented 6.2 percent of the total.

In absolute terms, significant decreases of U.S. imports from the region were recorded for energy and related products (down by $2.6 billion or by 17.9 percent), minerals and metals (down by $376.8 million or by 12.2 percent) and chemicals (down by $211.9 million or by 32.1 percent). The largest increase in U.S. imports from SSA in 2002 came from transportation equipment (up by $221.1 million, or by 55.3 percent) and textiles and apparel (up by $138.3 million, or by 13.9 percent). A smaller increase was measured for imports of agricultural products (up by $75.9 million, or by 9.1 percent). Table 1-3 shows major U.S. commodity imports from SSA at the HTS six-digit level for 1998-2002. Growth rates by commodity sectors are shown in figure 1-8. For additional information, see the respective industry and sector profiles in Chapter 5.

Figure 1-7
U.S. imports from sub-Saharan Africa by commodity sectors, by shares, 2002



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, 1998-2002

(Dollars)

HTS	Description	1998	1999	2000	2001	2002
2709.00	Petroleum oils and oils from bituminous minerals, crude . . .	$5,279,111,112	$5,001,603,197	$8,723,257,287	$11,763,116,582	$10,770,214,844
7110.11	Platinum, unwrought or in powder form	655,025,976	548,919,598	744,737,163	802,297,889	716,695,235
2710.19	Petroleum oils and oils (not light) from bituminous minerals or preps nesoi 70 percent (by weight) from petroleum oils or bitum min.	0	0	0	0	589,777,993
7102.31	Diamonds, nonindustrial, unworked or simply sawn, cleaved or bruted	219,992,625	284,056,284	272,590,846	339,710,363	433,827,817
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	0	11,545	22,245,447	54,427	339,059,452
1801.00	Cocoa beans, whole or broken, raw or roasted	338,189,950	296,213,426	270,307,532	246,750,210	265,683,220
7110.21	Palladium, unwrought or in powder form	196,517,794	277,486,130	409,020,685	403,801,756	261,567,623
6110.20	Sweaters, pullovers, sweatshirts, vests and similar articles of cotton, knitted or crocheted	80,480,489	90,608,399	139,655,644	214,516,754	241,858,340
6203.42	Men's or boys' trousers, bib and brace overalls, breeches and shorts of cotton, not knitted or crocheted	137,674,224	153,515,459	192,883,121	202,121,753	209,241,787
6204.62	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, not knitted or crocheted .	84,313,541	111,721,076	116,430,404	195,983,989	205,269,218
2620.99	Ash and residues (other than from the manufacture of iron or steel), containing metals or their compound nesoi	0	0	0	0	159,398,071
7102.39	Diamonds, nonindustrial, worked, including polished or drilled	107,935,421	83,240,870	150,116,206	169,989,767	140,229,977
8703.24	Passenger motor vehicles with spark-ignitioninternal combustion reciprocating piston engine, cylinder qcapacity over 3,000 cc	0	82,066	1,022,134	255,636,991	132,831,189
9801.00	Imports of articles exported and returned, not advanced in value or condition; imports of animals exported and returned within 8 months	1,166,923,641	194,089,224	194,542,730	238,519,496	129,938,954
0905.00	Vanilla beans	24,832,399	19,950,548	32,746,566	90,245,008	125,531,900

Table 1-3—*Continued*
Sub-Saharan Africa: U.S. imports, by major commodity items, 1998-2002

(Dollars)

HTS	Description	1998	1999	2000	2001	2002
7110.31	Rhodium, Unwrought or in powder form	109,587,646	116,393,462	252,476,583	217,579,069	125,506,256
2710.11	Light oils and preparations from petroleum oils & oils from bituminous min. or preps 70%+ by wt. from petro. oils or bitum min.	0	0	0	0	75,276,354
7606.12	Aluminum alloy rectangular (including square) plates, sheets, and strip, over 0.2 mm thick	5,855,065	9,997,112	44,760,229	56,293,882	70,723,927
8421.39	Filtering or purifying machinery and apparatus for gases nesoi	7,564,327	37,344,764	69,230,295	166,303,192	65,984,774
8421.99	Parts for filtering or purifying machinery and apparatus for liquids or gases	1,471,589	1,492,247	3,706,636	4,399,630	65,643,125
2410.20	Tobacco, partly or wholly stemmed/stripped	30,361,427	633,060,117	58,641,003	53,627,470	59,490,677
6205.20	Men's or boys' shirts of cotton, not knitted or crocheted	76,834,933	76,119,770	78,266,372	66,073,489	58,230,701
7113.19	Jewelry and parts thereof, of precious metal other than silver	42,421,760	34,598,336	29,819,312	36,791,689	57,891,631
2614.00	Titanium ores and concentrates	60,709,089	51,959,802	58,468,622	61,110,160	57,450,989
2901.29	Acyclic hydrocarbons, unsaturated, nesoi	25,550,839	39,106,809	75,367,179	77,156,835	55,999,622
	Subtotal	7,601,353,847	7,491,570,241	11,940,291,996	15,662,080,401	15,413,323,676
	All other	5,757,806,558	6,258,144,178	10,272,356,887	5,398,418,771	2,794,720,061
	Total	$13,359,160,405	$13,749,714,419	$22,212,648,883	$21,060,499,172	$18,208,043,737

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.

Trade Balance

In 2002, the U.S. merchandise trade deficit with SSA decreased by $2.0 billion to $12.3 billion, compared with deficits of $14.3 billion in 2001 and $16.7 billion in 2000. Excluding petroleum, the U.S. trade deficit with the region declined by $30.3 million, from $966.9 million in 2001 to $936.6 million in 2002. The nonpetroleum trade deficit totaled $3.8 billion in 2000.[3]

The SSA country with which the United States had the largest trade deficit in 2002 remained Nigeria measured at $4.8 billion, down from $8.0 billion in 2001; followed by Angola ($2.9 billion in 2002, up from $2.5 billion in 2001); South Africa ($1.8 billion in 2002, up from $1.6 billion in 2001); Gabon ($1.6 billion in 2002, down from $1.7 billion in 2001); and Equatorial Guinea ($0.5 billion in 2002, and $0.3 billion in 2001). The United States had trade surpluses with many SSA countries, including Chad ($121.3 million), Mozambique ($89.3 million), Kenya ($78.8 million), Ghana ($71.0 million), and Senegal ($68.2 million).

On a sectoral basis, the largest U.S. trade deficit with SSA occurred in energy-related products, with a deficit of $11.5 billion in 2002, down from $14.1 billion in 2001. Second was minerals and metals, with a deficit of $2.4 billion in 2002, down from $2.8 billion in 2001. The U.S. trade deficit in textiles and apparels increased to $1.0 billion in 2002 from $868 million in 2001.

Several sectors showed a U.S. trade surplus with the region. The U.S. surplus in transportation equipment measured $1.3 billion in 2002, down from $2.5 billion in 2001. Electronic products registered a $587 million surplus in 2002, down from a $648 million surplus in 2001. Other significant U.S. trade surpluses were in machinery products ($441 million) and chemicals and related products ($251 million).

U.S.-Africa Services Trade

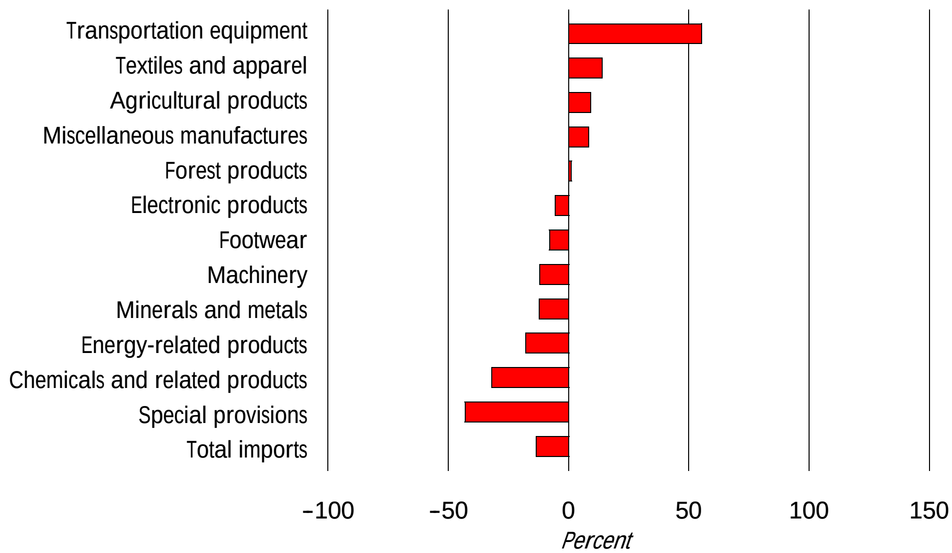
The United States recorded a cross-border services trade surplus with Africa of $1.7 billion in 2001 (figure 1-9),[4] reflecting U.S. cross-border services exports of $4.7 billion, and cross-border imports of $3.0 billion. During 1996-2001, U.S. exports of services increased at an average annual rate of 9.1 percent, while U.S. imports of services from Africa increased at an average annual rate of 4.9 percent. The primary U.S. cross-border service exports to Africa were tourism, business services, education, and freight transport and port services (table 1-4).[5] Tourism generated $1.4 billion in U.S. exports in 2001, or 29.9 percent of all U.S. exports of services to Africa. Conversely, tourism accounted for $1.4 billion or 46.1 percent of U.S. service imports from Africa (table 1-5). Passenger fares, business services, and freight transport and

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

[4] Data regarding cross-border services trade with the African continent are available through 2001. There are no data specific to the sub-Saharan Africa region, or to individual countries other than South Africa.

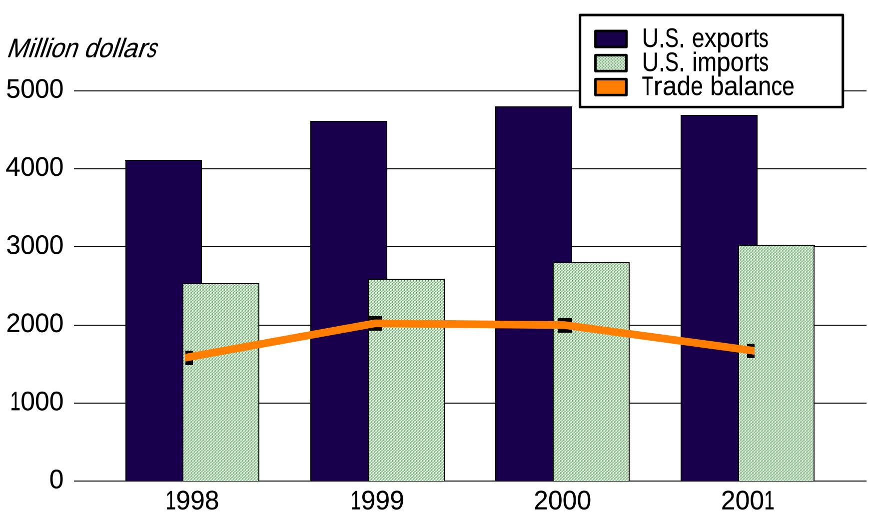
[5] U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, Oct. 2002, pp. 91-99, and Oct. 2000, pp. 132-143.

Figure 1-8
U.S. imports from sub-Saharan Africa: Growth rates by commodity sectors, 2002



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

Figure 1-9
U.S. cross-border in services with Africa: Exports, imports, and trade balance, 1998-2001



Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business,* Oct. 2002, pp. 86-87.

Table 1-4
Total Africa and South Africa: U.S. cross-border service exports, 1996 and 2001

Service	Africa			South Africa		
	1996	2001	Average annual growth	1996	2001	Average annual growth
	(Million dollars)		*(Percent)*	*(Million dollars)*		*(Percent)*
Tourism	766	1,401	12.8	285	343	3.8
Passenger transport	77	73	-1.1	7	10	7.4
Freight transport and port services	450	473	1.0	84	140	10.8
Royalties and license fees	237	327	6.6	164	189	2.9
Education	359	716	14.8	35	47	6.1
Insurance[1]	5	6	3.7	1	-3	([2])
Telecommunications	109	176	10.1	51	108	16.2
Financial services	101	183	12.6	26	49	13.5
Business[3]	752	925	4.2	104	170	10.3
Other[4]	180	409	17.8	86	172	14.9
Total[5]	3,036	4,689	9.1	843	1,225	7.8

[1] Insurance exports are defined as 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*, Oct. 2002, pp. 91-99 and Oct. 2000, pp. 132-143.

port services also accounted for significant shares of U.S. imports from Africa, representing 17.3, 12.6, and 10.1 percent, respectively, of total services imports from Africa in 2001.

South Africa remained the largest U.S. services trading partner in Africa in 2001, accounting for 26.1 percent of exports to, and 29.5 percent of U.S. imports from, the region. Tourism accounted for the largest share of U.S. cross-border exports to South Africa (28.0 percent), followed by royalties and license fees (15.4 percent), and business services (13.9 percent). Telecommunication services registered the most rapid growth rate of U.S. cross-border services exports to South Africa during 1996-2001, rising 16.2 percent on an average annual basis, compared to 7.8 percent for all service exports. The largest component of U.S. cross-border service imports from South Africa was tourism services (31.9 percent), followed by passenger fares (29.2 percent). Business services registered the fastest growth, with an average annual growth of 45.0 percent during 1996-2001, compared to 10.4 percent average annual growth for all services imports.

Table 1-5
Total Africa and South Africa: U.S. cross-border service imports, 1996 and 2001

Service	Africa 1996	Africa 2001	Africa Average annual growth	South Africa 1996	South Africa 2001	South Africa Average annual growth
	(Million dollars)		*(Percent)*	*(Million dollars)*		*(Percent)*
Tourism	1,300	1,392	1.4	268	284	1.2
Passenger transport	286	522	12.8	124	260	16.0
Freight transport and port services	177	305	11.5	18	60	27.2
Royalties and license fees	6	5	-3.6	6	2	-19.7
Education	26	67	20.8	7	11	9.5
Insurance[1]	3	3	0	([2])	1	([3])
Telecommunications	346	155	-14.8	52	24	-14.3
Financial services	18	32	12.2	7	11	9.5
Business[4]	152	380	20.1	20	128	45.0
Other[5]	66	161	19.5	41	110	21.8
Total[6]	2,380	3,022	4.9	543	891	10.4

[1] 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.

[2] Less than $500,000.

[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. Also includes earnings of foreign residents who are employed temporarily in the United States.

[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*, Oct. 2002, pp. 91-99 and Oct. 2000, pp. 132-143.

In 2000, majority-owned affiliates of U.S. firms in Africa recorded sales of services totaling $2.9 billion.[6] Data on purchases from African-owned affiliates operating in the United States were suppressed in 2000 and 1999 to avoid disclosure of individual company information. Similarly, while affiliate trade data on an individual country basis have been available in the past for South Africa, information for both sales and purchases were also suppressed for the year 2000.

[6] Ibid., p. 120.

Box 1-1: U.S. investment in Africa's oil and gas field services sector

As a net exporter of energy, sub-Saharan Africa attracts investment from U.S. suppliers of oil and gas field services. This sector includes oil and gas related services such as exploration, drilling, well development, production, transportation, and maintenance.

Nigeria is the largest producer of petroleum products in sub-Saharan Africa. The sector accounts for the majority of foreign direct investment in Nigeria, 60 percent of which is U.S. investment.[7] For example, ChevronTexaco, Mobil, and Shell each have contracts to provide maintenance services for pipelines and platforms, and ChevronTexaco is also exploring three offshore blocks.[8] Ocean Energy was awarded an exploration license in Nigeria in 2002. Other U.S. firms operating in Nigeria include ConocoPhillips and Marathon.[9] In addition, U.S. firms are active sponsors of the West Africa Gas Pipeline, designed to transport natural gas from Nigeria to Benin, Togo, and Ghana. ChevronTexaco is the lead equity holder in the consortium, with a 36.7 percent share. The pipeline is expected to be operational by mid-2005. [10]

Angola is the second largest producer of oil and gas in the region, also attracting U.S. investors. For example, in 2002, ExxonMobil began construction of a deepwater facility in Angola, with production slated to begin in 2003, and ChevronTexaco is the major equity holder and operator in a natural gas conversion facility in Angola. [11]

Other sub-Saharan countries also attract U.S. petroleum investment. Caltex Oil, a petroleum retail marketer, has investments in Botswana valued at $1.5 million. U.S. investments in Côte d'Ivoire are largely focused on exploration and development activities. Ocean Energy and Mondial have invested $100 million and $20 million, respectively, while ChevronTexaco and ExxonMobil have invested approximately $30 million each. Vanco Oil Company has invested $10 million on exploration-related research. [12]

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[7] Marginal Fields Exploration and Production Services (Nigeria), Oct. 29, 2002, found at Internet address *http://www.stat-usa.gov*, retrieved July 17, 2003.

[8] USDOC, The Oilfield Service Industry (Nigeria), Sept. 10, 2000, found at Internet address *http://www.stat-usa.gov*, retrieved July 17, 2003.

[9] USDOE, Nigeria Country Analysis Brief, Mar. 2003, found at Internet address *http://www.eia.doe.gov/*, retrieved July 17, 2003. USDOC, Foreign Direct Investment Data (Nigeria), July 24, 2001, found at Internet address *http://www.stat-usa.gov*, retrieved July 17, 2003.

[10] USDOC, "The West African Gas Line Project," Feb. 2, 2003, found at Internet address *http://www.stat-usa.gov*, retrieved July 17, 2003.

[11] USDOE, Angola Country Analysis Brief, Nov. 2002, found at Internet address *http://www.doe.gov/*, retrieved July 17, 2003.

[12] USDOC, Country Commercial Guide Côte d'Ivoire FY 2003, Aug. 2, 2002, found at Internet address *http://www.stat-usa.gov*, retrieved July 17, 2003.

In 2002, sub-Saharan Africa attracted $7 billion of new foreign investment (FDI) from all sources, which is generally comparable with the level of new investment flows from prior years (table 1-6).[13] However, the region attracted just 4.9 percent of total FDI to developing countries in 2002, well below the level attracted by the East Asia and Pacific, and Latin America and the Caribbean regions, which accounted for 39.9 percent and 29.4 percent of developing-country FDI, respectively. Foreign portfolio investment flows to SSA measured $700 million in 2002. This reversed the $1-billion outflow recorded in 2001, but still fell well below the level recorded during 1997-2000, when annual portfolio investment inflows averaged nearly $7 billion.[14] As in prior years, South Africa alone accounted for virtually all foreign portfolio investment in 2002.[15] The subdued level of direct investment flows to SSA reflected the expectations of investors concerning lower economic growth resulting from political crises, poor weather conditions, and the HIV/AIDS pandemic. In addition, inadequate infrastructure and poor distribution systems continued to discourage foreign investment.[16]

With respect to investment originating in the United States, net U.S. direct investment flows to all of Africa measured $861 million in 2002, which was less than 1 percent of total U.S. direct investment abroad (table 1-7).[17] Nigeria and South Africa continued to attract the largest amount of U.S. direct investment in 2002, receiving $922 million and $112 million, respectively. These inward investment flows were offset, however, by outward flows of $174 million from the rest of Africa. On balance, the continuation of positive flows of U.S. direct investment into Africa yielded an increase of 12.3 percent in the U.S. direct investment position, which measured approximately $15.1 billion in 2002 (table 1-8). South Africa and Nigeria accounted for an estimated 22.8 percent and 11.7 percent, respectively, of the total U.S. direct investment position in Africa.[18]

[13] In 2001, SSA recorded inward direct investment flows of $14 billion, but half of these resulted from the acquisition of DeBeers Group by Anglo America PLC of the United Kingdom. Absent this transaction, inward direct investment would have totaled an estimated $6.9 billion. The World Bank, "Global Development Finance (GDF) 2003," p. 86; and The World Bank, "GDF 2002," p. 186.

[14] The World Bank, "GDF 2003," pp. 201 and 207.

[15] Ibid., p. 209.

[16] Ibid., pp. 32-33.

[17] U.S. investment data do not specifically break out the SSA region, therefore data are available only for Africa as a whole and selected countries. USDOC, BEA, "U.S. Direct Investment Abroad: Country and Industry Detail for Capital Outflows," found at Internet address *http://www.bea.doc.gov*, retrieved June 26, 2003.

[18] Maria Borga, "Direct Investment Positions for 2002: Country and Industry Detail," *Survey of Current Business,* USDOC, BEA, July 2003, pp. 30-31.

Table 1-6
Global investment flows to developing countries, 1998-2002

Country/Region	1998	1999	2000	2001	2002
	Value (*billion dollars*)				
Sub-Saharan Africa:					
FDI	6.5	8.1	6.1	13.8	7.0
Portfolio equity flows	8.6	8.9	4.0	-1.0	0.7
Total	15.1	17.0	10.1	12.8	7.7
Developing Countries:					
FDI	174.5	179.3	160.6	171.7	143.0
Portfolio equity flows	7.4	15.0	26.0	6.0	9.3
Total	181.9	194.3	186.7	177.6	152.3
	Share of total (*percent*)				
Share of Sub-Saharan Africa					
FDI	3.7	4.5	3.8	8.0	4.9
Portfolio equity flows	116.2	59.3	15.4	-16.7	7.5
Total	8.3	8.7	5.4	7.2	5.1

Source: The World Bank, "Global Development Finance 2002, Country Tables," Washington, DC, 2003, pp. 201 and 207.

Table 1-7
U.S. direct investment abroad: Capital flows, 1998-2002

(*Million dollars*)

Country/Region	1998	1999	2000	2001	2002
All countries	131,004	174,576	164,969	113,977	119,742
All Africa	3,075	498	1,151	798	861
Nigeria	403	-172	-319	221	922
South Africa	-83	872	490	-4	112
All Other Africa	2,756	-202	980	581	-174

Note.–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*, retrieved June 27, 2003.

Table 1-8
U.S. direct investment position on a historical cost basis, 1998-2002

(*Million dollars*)

Country/region	1998	1999	2000	2001	2002
All countries	1,000,703	1,215,960	1,316,247	1,383,225	1,520,965
All Africa	14,061	13,118	11,891	13,411	15,066
Nigeria	1,686	233	470	788	1,761
South Africa	2,344	3,474	3,562	3,088	3,428
All Other Africa	10,031	9,412	7,859	9,535	9,878

Source: USDOC, BEA, "U.S. Direct Investment Abroad: Country and Industry Detail," found at Internet address *http://www/bea.doc.gov*, retrieved Aug. 4, 2003.

The United States has little portfolio investment in sub-Saharan Africa due to the fact that few countries in the region have well-established stock exchanges and few SSA companies are listed on U.S. exchanges. U.S. portfolio investment in SSA is largely channeled through investment companies that integrate stocks of SSA companies into broader emerging market mutual funds. Since the mining and extractive sectors consistently attract portfolio investment,[19] it is likely that U.S. portfolio investment in SSA will continue to be concentrated in South Africa and, to a lesser extent, Nigeria.

[19] The World Bank, "GDF 2003," p. 98.

CHAPTER 2
AGOA-Related Imports and Investment

This chapter provides information on U.S. trade with SSA beneficiaries of the African Growth and Opportunity Act (AGOA), including its GSP provisions. U.S. trade under AGOA is presented by major 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. The chapter also discusses investment developments related to AGOA. Information on AGOA-related investment was obtained primarily from field research conducted in Lesotho, Mauritius, and South Africa in February/March 2003; the U.S. Department of State; and various publications, such as the EIU Viewswire. AGOA-related investment example tables represent reported information from the above-referenced sources, and are not Commission statements, opinions, or assessments.

African Growth and Opportunity Act

The African Growth and Opportunity Act was passed into law by Congress in May 2000.[1] The Act amended the GSP program and authorized the President to provide duty-free and quota-free treatment for certain African products until September 30, 2008, if, after receiving advice from the USITC, the President determines that these products are not import-sensitive. AGOA also provides for graduation of countries from the program when they become high-income countries and for the removal of eligibility of articles under certain conditions. On August 2, 2002, President Bush signed the Trade Act of 2002, modifying certain provisions of the AGOA and expanding preferential access for imports from SSA beneficiary countries. The modifications, collectively referred to as AGOA II,[2] became effective immediately upon enactment.[3]

On December 31, 2002, President Bush approved the continued designation of 36 sub-Saharan African countries as eligible for tariff preferences under AGOA. The President further determined that The Gambia and the Democratic Republic of the Congo (DROC) should be designated as AGOA beneficiary countries. The DROC was added to the eligibility list with delayed implementation of AGOA's duty-free trade benefits. On October 31, 2003, the DROC was granted AGOA trade

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

[2] Sec.3108 of the Trade Act of 2002, Pub.L.107-210, 116 Stat. 1038.

[3] For additional information, see USITC, *U.S. Trade and Investment with Sub-Saharan Africa*, Third Annual Report, USITC pub. 3552, Chapter 2, pp. 19-21.

preferences. Table 2-1 lists the 38 SSA countries designated as eligible for AGOA trade preferences on December 31, 2002.[4]

Table 2-1
SSA countries designated as beneficiary countries of AGOA on December 31, 2002 (38)

Benin	Ghana	Nigeria
Botswana	Guinea	Republic of the Congo
Cameroon	Guinea-Bissau	Rwanda
Cape Verde	Kenya	São Tomé and Principe
Central African Republic	Lesotho	Senegal
Chad	Madagascar	Seychelles
Côte d'Ivoire	Malawi	Sierra Leone
Democratic Republic of the Congo[1]	Mali	South Africa
Djibouti	Mauritania	Swaziland
Eritrea	Mauritius	Tanzania
Ethiopia	Mozambique	Uganda
Gabon	Namibia	Zambia
Gambia	Niger	

[1] On December 31, 2002, the DROC was added to the eligibility list with delayed implementation of AGOA duty-free trade benefits. On October 31, 2003, the DROC was granted AGOA trade prefereneces.
Source: USDOC, "Results of the AGOA Country Review for 2003 Eligibility," found at Internet address *http://www.agoa.gov*, retrieved Nov. 14, 2003.

AGOA Forum

The African Growth and Opportunity Act also established an annual U.S.-Africa Trade and Economic Cooperation Forum. The AGOA Forum provides an opportunity for regular dialogue, and for strengthening economic and political relations between the United States and sub-Saharan Africa. The inaugural meeting of the Forum was hosted by the Secretary of State, Secretary of the Treasury, Secretary of Commerce, and the United States Trade Representative (USTR) on October 29-30, 2001, in Washington, D.C.[5] The second Forum was held from January 15-17, 2003, in Mauritius. The USTR led the U.S. delegation of senior officials from the Commerce, Treasury, Agriculture, and State departments. Trade, finance, and economic ministers from the 38 AGOA eligible countries also participated, along with representatives from African regional organizations. The second AGOA Forum focused on trade, investment, and socio-economic development issues, including measures that the United States and SSA countries can jointly take to stimulate trade and investment flows, to enhance democracy and good governance, and to combat HIV/AIDS.

[4] U.S. Department of Commerce, "Results of the AGOA Country Review for 2003 Eligibility", found at Internet address *http://www.agoa.gov,* retrieved Nov. 14, 2003.
[5] For more information about the inaugural AGOA Forum, see USITC, *U.S. Trade and Investment with Sub-Saharan Africa*, Third Annual Report, USITC pub. 3552, Chapter 2, pp. 22-23.

Ambassador Zoellick opened the government segment of the Forum by emphasizing U.S. commitment to African prosperity through export-led growth. The USTR noted the success of increased trade under the AGOA program (see AGOA imports section below), and called for a new Africa-America partnership to harness the economic forces of globalization.[6] Prior to the AGOA Forum in Mauritius, Ambassador Zoellick stopped in South Africa to announce the beginning of talks to establish a Free Trade Agreement with the Southern African Customs Union (SACU), the first such U.S. regional trade agreement with SSA. For more information on SACU, see the SACU profile in chapter 3.

President Bush addressed the AGOA Forum, in a broadcast message, in which he stated that trade and markets are key for Africa's prosperity, and announced that he will ask the Congress to extend AGOA beyond September 1, 2008, in order to boost business confidence for investments in sub-Saharan Africa. President Bush also noted the new African Millennium Challenge Account, directed to nations that encourage economic freedom, root out corruption, and respect the rights of their people. The Fund will support the construction of roads, bridges, canals, and other basic infrastructure in order to promote economic growth.[7]

The government segment of the Forum was complemented by a private sector session. One thousand firms, including 200 firms from the United States, discussed potential deals at the AGOA Forum in Mauritius. A third segment consisted of the gathering of civil society nongovernmental organizations to discuss the social costs of globalization. About 150 representatives from the United States, Mauritius, and other SSA countries participated in this session.[8]

U.S. Imports under AGOA

U.S. imports under AGOA (including its GSP provisions) totaled almost $9.0 billion in 2002, an increase of 9.9 percent from $8.2 billion in 2001. Table 2-2 shows the major SSA suppliers of AGOA (including GSP) imports in 2002. In 2002, Nigeria ($5.4 billion or 60.2 percent), South Africa ($1.3 billion or 14.9 percent), and Gabon ($1.1 billion or 12.7 percent) accounted for about 88.0 percent of total AGOA imports. Other major SSA suppliers included Lesotho ($318.0 million), Kenya ($129.2 million), Cameroon ($115.8 million), Mauritius ($114.3 million), and the Republic of the Congo

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[6] U.S. Department of State, "Zoellick Sees Trade, Supportive Aid Policies Key to African Growth," found at Internet address *http://usinfo.state.gov/regional/af/trade/a3011505.htm*, retrieved July 30, 2003.

[7] U.S. Department of Commerce, Trade Compliance Center, "Trade and Markets Key to Africa Prosperity, President Bush Says," found at Internet address *http://www.tcc.mac.doc.gov/cgi-bin/doit.cgi?204:468440457:494*, retrieved July 30, 2003.

[8] U.S. Department of State, "U.S. Trade Official Sounds the Call For Partnership at AGOA Forum," found at Internet address *http://usinfo.state.gove/regional/af/trade/a3011503.htm*, retrieved July 30, 2003.

Table 2-2
U.S. imports under AGOA,[1] by sources, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

(1,000 dollars)

	2001		2002		Jan.-June 2002		Jan.-June 2003	
Source	AGOA	GSP	AGOA	GSP	AGOA	GSP	AGOA	GSP
Benin	178	178	0	0	0	0	0	0
Botswana	1,221	1,221	4,578	871	1,881	440	2,209	0
Cameroon	37,174	443	115,804	262	22,799	142	33,862	78
Cape Verde	152	152	51	51	0	0	869	13
Cen Africa Rep	0	0	192	192	0	0	0	0
Chad	0	0	0	0	0	0	36	36
Congo (ROC)	130,235	1,489	106,633	2,825	45,430	2,817	163,090	2,881
Côte d'Ivoire	13,321	13,321	49,733	22,468	15,729	8,896	25,585	20,012
Djibouti	0	0	23	23	0	0	9	9
Eritrea	0	0	11	11	0	0	0	0
Ethiopia	822	607	2,320	1,001	1,349	705	1,448	642
Gabon	938,760	65	1,145,627	149	608,356	121	499,642	8
Gambia	1	1	24	24	3	3	7	7
Ghana	42,889	9,797	34,830	11,829	22,904	5,856	25,718	5,095
Guinea	191	191	68	68	28	28	99	99
Guinea-Bissau	0	0	0	0	0	0	0	0
Kenya	58,873	3,783	129,210	4,873	48,875	2,242	89,661	2,124
Lesotho	129,592	69	318,029	226	142,208	169	166,497	77
Madagascar	97,105	4,959	79,728	3,890	61,070	3,200	60,870	753
Malawi	35,362	23,305	46,904	5,584	21,757	1,425	19,232	4,624
Mali	293	293	342	341	90	89	112	112
Mauritania	0	0	35	35	15	15	0	0
Mauritius	53,975	15,076	114,292	7,764	55,236	2,452	64,238	1,886
Mozambique	5,278	5,278	5,916	5,729	17	4	1,707	14
Namibia	93	93	1,717	174	136	133	9,203	56
Niger	42	42	22	21	6	6	60	60
Nigeria	5,688,461	359	5,409,660	483	2,340,602	75	4,634,726	1,603
Rwanda	318	53	10	10	10	10	0	0
São Tomé & Prin	0	0	0	0	0	0	0	0
Senegal	567	567	499	499	222	221	472	465
Seychelles	4,230	4,230	0	0	0	0	3	3
Sierra Leone	387	387	217	217	43	43	0	0
South Africa	923,243	505,987	1,342,594	553,042	556,955	233,082	744,904	296,345

See footnote at end of table.

Table 2-2—*Continued*
U.S. imports under AGOA,[1] by sources, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

(1,000 dollars)

Source	2001		2002		Jan.-June 2002		Jan.-June 2003	
	AGOA	GSP	AGOA	GSP	AGOA	GSP	AGOA	GSP
Swaziland	14,770	6,456	81,252	6,939	28,986	48	53,914	140
Tanzania	899	883	1,293	654	572	286	769	157
Uganda	141	141	32	19	15	6	487	25
Zambia	775	765	83	31	42	18	104	104
Total	8,179,346	600,189	8,991,729	630,307	3,975,336	262,533	6,599,535	336,428

[1] Includes GSP.

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

($106.6 million). In 2001, AGOA imports from Nigeria, South Africa, and Gabon accounted for more than 92.0 percent of total AGOA imports. During the first half of 2003, combined imports from Nigeria, South Africa, and Gabon accounted for 89.1 percent of the total as countries including Lesotho ($166.5 million), the Republic of the Congo ($163.1 million), Kenya ($89.7 million), Mauritius ($64.2 million), Madagascar ($60.9 million), Swaziland ($53.9 million), Cameroon ($33.9 million), Ghana ($25.7 million), Côte d'Ivoire ($25.6 million), and Malawi ($19.2 million) continued to increase their imports under the AGOA program.

AGOA (including GSP) imports continued to be dominated by U.S. purchases of energy-related products ($6.8 billion), which represented 75.9 percent of the total in 2002, compared to 83.5 percent in 2001. However, significant increases of imports under AGOA (including GSP) were recorded for textiles and apparel, transportation equipment, agricultural products, and minerals and metals (table 2-3). The second largest import commodity under AGOA (including GSP) was textiles and apparel ($803.3 million), which accounted for an 8.9 percent share of the total in 2002, compared with a 4.4 percent share in 2001. Transportation equipment ($544.7 million) represented 6.1 percent of total AGOA imports in 2002, up from 3.7 percent in 2001; minerals and metals ($373.0 million) accounted for 4.1 percent in 2002, compared to 3.9 percent in 2001; while the share of agricultural products rose to 2.4 percent in 2002 from 1.9 percent in 2001. The remaining AGOA (including GSP) imports comprised smaller quantities of chemicals, miscellaneous manufactures, forest products, and machinery equipment.

During the first half of 2003, U.S. imports under AGOA (including GSP) increased by $2.6 billion or by 65.0 percent to $6.6 billion from $4.0 billion during the first half of 2002, primarily due to a significant increase in energy-related imports from Nigeria. During the first half of 2003, AGOA imports of energy-related products totaled $5.4 billion, or 82.0 percent of the total, compared to $3.0 billion, or 76.4 percent during the first half of 2002. Significant increases were also recorded for AGOA imports of textiles and apparel (up by $148.4 million, or by 40.7 percent), transportation equipment (up by $81.3 million, or by 33.2 percent), minerals and metals (up by $47.3 million, or by 34.1 percent), and chemical products (up by $25.4 million, or by 38.7 percent) during this period. Chapter 5 provides additional details on production, trade, and investment for six sectors: agriculture, fisheries, and forest products; chemicals; petroleum and energy-related products; minerals and metals; textiles and apparel; and certain transportation equipment. Table 2-4 shows the major commodity items imported under AGOA (including its GSP provisions) at the HTS six-digit level.

Table 2-3

Major U.S. imports under AGOA[1], by major commodity sectors, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

Sector	2001 AGOA	2001 GSP	2002 AGOA	2002 GSP	Jan.-June 2002 AGOA	Jan.-June 2002 GSP	Jan.-June 2003 AGOA	Jan.-June 2003 GSP
	Value (1,000 dollars)							
Energy-related products	6,827,424	2	6,824,776	0	3,037,847	0	5,353,764	10
Textiles and apparel	359,469	3,564	803,333	3,639	364,699	1,681	513,121	2,082
Transportation equipment	300,539	59,339	544,711	61,358	245,080	28,581	326,412	40,350
Minerals and metals	319,134	227,927	372,961	234,429	138,596	95,598	185,884	118,869
Agricultural products	153,515	94,525	212,436	103,523	79,920	31,643	80,712	40,792
Chemicals and related products	128,083	124,271	136,164	131,459	65,640	62,218	91,062	87,085
Miscellaneous manufactures	33,049	32,749	40,595	39,715	18,006	17,619	21,411	20,687
Forest products	21,728	21,662	29,792	29,536	11,935	11,751	15,955	15,765
Machinery	22,988	22,976	17,828	17,820	8,867	8,862	6,003	6,003
Electronic products	13,174	13,174	8,832	8,828	4,583	4,581	4,790	4,786
Footwear	242	0	300	0	136	0	419	0
Total, all sectors	8,179,346	600,189	8,991,729	630,307	3,975,336	262,533	6,599,535	336,428
	AGOA imports as a percent of total sector imports from SSA							
Energy-related products	61.87	0.00	58.27	0	57.87	0.00	63.82	0.00
Textiles and apparel	36.59	0.36	70.7	0.32	71.00	0.33	74.33	0.30
Transportation equipment	75.16	14.84	87.71	9.88	86.64	10.10	87.88	10.86
Minerals and metals	10.57	7.55	13.79	8.67	11.41	7.87	13.42	8.58
Agricultural products	19.44	11.97	23.30	11.36	17.02	6.74	13.72	6.93
Chemicals and related products	22.23	21.56	30.39	29.34	34.29	32.51	28.96	27.70
Miscellaneous manufactures	37.36	37.02	34.53	33.78	32.14	31.44	38.05	36.76
Forest products	18.85	18.79	24.67	24.46	22.72	22.37	25.41	25.11
Machinery	8.74	8.74	7.71	7.70	7.16	7.16	7.04	7.04
Electronic products	25.45	25.45	17.77	17.76	20.92	20.92	14.68	14.67
Footwear	17.60	0.00	21.80	0	26.65	0.00	68.20	0.00
Total, all sectors	46.54	3.42	49.38	3.46	48.18	3.18	54.76	2.79

[1] Includes GSP.

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[1], by HTS descriptions, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

(1,000 dollars)

		2001		2002		Jan.-June 2002		Jan.-June 2003	
HTS6	Description	AGOA	GSP	AGOA	GSP	AGOA	GSP	AGOA	GSP
2709.00	Petroleum oils and oils obtained from bituminous minerals, crude	6,548,533	0	6,453,099	0	2,874,622	0	5,050,476	0
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	4	0	338,959	0	78,230	0	281,040	0
2710.19	Petroleum oils & oils (not light) from bituminous minerals or preps nesoi 70%+ by weight from petroleum	0	0	316,497	0	147,418	0	220,755	0
6203.42	Men's or boys' trousers, bib and brace overalls, breeches and shorts not knitted or crocheted, of cotton	82,362	0	161,721	0	81,768	0	98,755	0
6110.20	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted, of cotton	61,964	0	160,695	0	68,694	0	86,319	0
6204.62	Women's or girls' trousers, bibs and brace overalls, breeches and shorts of cotton, not knitted or crocheted	98,519	0	153,938	0	72,733	0	122,320	0
8703.24	Passenger motor vehicles with spark-ignition internal combustion reciprocating piston engine, cyclinder capacity over 3,000 cc	232,277	0	132,784	0	132,784	0	0	0
7606.12	Aluminum alloy rectangular (including square) plates, sheets and strip, over 0.2 mm thick	55,478	55,478	70,519	70,519	32,836	32,836	35,693	35,693
2710.11	Light oils and preparations from petroleum oils & oils from bituminous min. or preps 70%+ by wt. from petro. oils or bitum. min.	45,834	0	55,180	0	15,834	0	82,524	0
7202.30	Ferrosilicon manganese	37,388	37,388	50,749	50,749	23,878	23,878	16,526	16,526
1701.11	Cane sugar, raw, in solid form, not containing added flavoring or coloring matter	27,561	27,561	43,774	43,774	6,337	6,337	3,293	3,293
7202.11	Ferromanganese, containing by weight more than 2 percent of carbon	28,058	0	43,305	0	17,243	0	16,552	0
6110.30	Sweaters, pullovers, sweatshirts, vests and similar articles of manmade fibers, knitted or crocheted	8,252	0	39,547	0	12,538	0	14,941	0

See footnote at end of table.

Table 2-4—*Continued*
Leading U.S. imports under AGOA[1], by HTS descriptions, 2001, 2002, Jan.-June 2002, and Jan.-June 2003
(1,000 dollars)

HTS6	Description	2001 AGOA	2001 GSP	2002 AGOA	2002 GSP	Jan.-June 2002 AGOA	Jan.-June 2002 GSP	Jan.-June 2003 AGOA	Jan.-June 2003 GSP
7202.41	Ferrochromium, containing by weight more than 4 percent of carbon	42,853	42,853	36,531	36,531	7,524	7,524	30,947	30,947
2401.20	Tobacco, partly or wholly stemmed/ stripped	23,968	15,769	31,193	1,729	16,344	1,415	7,976	4,624
7113.19	Articles of jewelry and parts thereof, of precious metal (excluding silver)	23,833	23,833	30,612	30,612	13,098	13,098	15,038	15,038
6109.10	T-shirts, singlets, tank tops and similar garments of cotton, knitted or crocheted	4,920	0	30,350	0	20,020	0	30,160	0
6205.20	Men's or boys' shirts of cotton, not knitted or crocheted	13,823	0	29,657	0	12,531	0	18,667	0
6104.62	Women's or girls' trousers, bibs and brace overalls, breeches and shorts of cotton, knitted or crocheted	7,459	0	25,209	0	11,597	0	18,988	0
6106.10	Women's or girls' blouses and shirts of cotton, knitted or crocheted	5,694	0	24,483	0	11,991	0	13,555	0
6105.10	Men's or boys' shirts of cotton, knitted or crocheted	9,058	0	24,146	0	13,431	0	12,825	0
2804.69	Silicon, containing by weight less than 99.99 percent of silicon	24,692	24,692	22,753	22,753	10,504	10,504	16,926	16,926
7210.49	Flat-rolled iron or nonalloy steel, not corrugated, 600 mm or more wide, plated or coated with zinc other than electrolytically	10,881	0	21,775	0	3,610	0	7,721	0
7202.19	Ferromanganese, containing by weight 2 percent or less of carbon	23,351	23,351	18,789	18,789	6,366	6,366	10,388	10,388
8708.70	Road wheels and parts and accessories thereof, for motor vehicles	21,374	21,374	18,423	18,423	8,727	8,727	14,571	14,571
	Subtotal	7,392,302	272,299	8,334,691	293,880	3,700,659	110,685	6,226,956	148,007
	All other	787,044	327,890	657,038	336,426	274,677	151,848	372,579	188,421
	Total	8,179,346	600,189	8,991,729	630,307	3,975,336	262,533	6,599,535	336,428

[1] Includes GSP.

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.

This section discusses AGOA-related investment in SSA and the complementary effects of improved investment climate and policy reform, and increased regional cooperation and integration. As government officials, companies, and international firms become more familiar with the advantages of AGOA, sub-Saharan Africa continues to witness investment driven by country access to AGOA benefits. AGOA-related investment highlights the breadth of the AGOA program. In addition to tariff and quota reductions, the program provides for various facilitating services. For example, trade capacity-building initiatives facilitate SSA exports to the United States by reducing information barriers, and the AGOA Forum provides networking opportunities by bringing SSA suppliers and U.S. purchasers together. Consequently, in addition to tariff and quota preferences, AGOA-related investment may be driven by other AGOA-program, trade-facilitating features.

Although the textile and apparel sector has received substantial levels of investment, other sectors such as motor vehicles (South Africa) and information technology (Uganda) are beginning to benefit from AGOA-related investment and, in some cases, associated export diversification. Although investment decisions generally are driven by a multitude of factors, local and foreign investors in SSA, as well as local government officials and observers, attribute duty- and quota-free access to the U.S. market, as well as other AGOA-program, trade-facilitating features, as factors in investment activity. Although direct investment figures may not be available for a variety of reasons, such as business confidentiality, associated increases in employment and output can be attributed to the indirect effects of increased investment. Table 2-5 lists selected examples of AGOA-related investment, employment increases, and industry output expansion for July 2002 to June 2003.

In addition to spurring investment, AGOA has begun to influence other activities that could be beneficial to SSA's long-term economic growth, including the improvement in business climate (for example, investing in infrastructure or implementing reforms, such as reduction of bureaucracy) and the encouragement of regional cooperation and integration to take advantage of the benefits offered by AGOA. These benefits have been cited by observers within SSA, as well as international policy-makers. For example, Wycliffe Muga writes, "the expansion of textile and garment manufacturing in a developing country is one of the surest recipes for the creation of jobs,"[9] and Paul Ryberg of the African Coalition for Trade notes, "While good governance is a condition of eligibility under the Agoa regime, in an even more important sense the

[9] Wycliffe Muga, "Nepad Lies On Its Deathbed, Long Live Agoa," *The Nation (Nairobi)*, Nov. 2, 2002 found at Internet address *http://allafrica.com/stories/printable/200211010624.html*, retrieved Mar. 27, 2003.

Table 2-5
Selected examples of AGOA-related investment, employment increases, and industry expansion, July 2002-June 2003

Country	Example
Ghana	Woolworths has opened two branches in Ghana's capital city of Accra. The franchise announced plans to invest about $10 million in Ghana over the next 5 years. The Country Director of Woolworths commented that, "By establishing here,... Ghanaian manufacturers and consumers would have the opportunity to experience international quality standards which would make it possible to meet AGOA and other export requirements." A distributor of clothes, food and beverages, household wear, and toiletries, the franchise plans to manufacture using local inputs.[1]
Kenya	"In Kenya, the Export Processing Zones have been one of the few growth industries in an economy [and this] growth is attributed to AGOA...." Kenya's Export Processing Zones Authority reported that the subsector grew an average 30 percent per year over the last 5 years, and up to $139 million has been invested in the zone, creating approximately 25,000 jobs in 2001, doubling the 13,000 jobs the zones had created in 2000.[2]
	Sri Lankan firms reportedly will invest over $2.4 million in the export processing zones in 2003 in up to 10 additional apparel plants. These plants are expected to generate 14,000 jobs.[3]
	The government reported that plans were underway to construct a Sh300 million (approximately $4 million) cotton-processing plant in Nyanza province. The AGOA Association in Kenya "said investors from the United States had shown interest in financing the project...." The project is expected to create jobs to offset jobs being lost in the fishing, sugar, and tobacco industries.[4]
	Regular job advertisements for employment in garment factories are an example of the positive impact of AGOA-related investment.[5]
	According to government officials, Kenya is expected to start exporting coffee to the United States under AGOA. As a result of the agreement signed between Kenya and the United States, "plans were underway to give the Kenya Planters Cooperative Union the capacity to roast, grade and pack coffee for export" in order to get the higher returns associated with processed coffee.[6]
	"The apparel sector... has blossomed under AGOA. In 2000, there were 10 factories producing US$ 30 million in garment exports and employing 10,000. By 2001 that number had increased to 24 factories producing $70 million in exports and employing 17,000. It is projected that this year the numbers will increase to 25,000 jobs in 36 factories producing $200 million worth of apparel. The companies are in Kenya to take advantage of AGOA provisions. AGOA benefits to Ődownstream' processors, such as those producing silk screening, embroidery or packaging are just coming on line."[7]
	In 2002, AGOA-related textile and apparel businesses employed about 200,000 people, and earned about $650 million.[8]
Lesotho	According to the Minister of Industry, Trade and Marketing, investment is planned for a fine fabric mill. Given AGOA-related investment and expansion plans in Lesotho, the minister estimated that, by 2005, the textile industry would employ over 75,000 workers.[9]
	According to the Minister of Industry, Trade and Marketing for Lesotho, "Since the certification of Lesotho under AGOA in April 2001, we have witnessed a magnificent increase of about 25,000 new jobs to a high figure of 45,000 jobs in 2002 as a direct result of AGOA. Further, a number of companies already operating in Lesotho have expanded their scale of operation and new ones have chosen Lesotho as their investment destination."[10]

See footnotes at end of table.

Table 2-5—*Continued*
Selected examples of AGOA-related investment, employment increases, and industry expansion, July 2002-June 2003

Country	Example
Lesotho(cont.)	Before Lesotho became eligible for AGOA benefits, Nien Hsing International had two apparel factories employing 1,800 people. After AGOA was initiated, the company decided to invest in a mill and another factory, and increased employment to 6,000 people.[11] As a result of AGOA, in 2001 and 2002, 17 companies invested over 130 million Loti (approximately $15 million) in textile and apparel firms exporting to the U.S. market.[12] In 2001, Lesotho's economy grew at 3.5 percent, but is expected to increase to 4 to 5 percent. The Governor of the Central Bank of Lesotho attributed the economic growth to expansion of the textile and apparel industry, which exports clothing mainly to the United States under the AGOA program.[13]
Madagascar	Driven by access to AGOA trade benefits, investors from the Dubai, Saudi Arabia, UAE, and Pakistan have increased investment into Madagascar. In general, this investment has targeted large apparel factories, each employing over 1,000 people.[14]
Mauritius	AGOA has prompted six projects currently under development, of which, four are Chinese and Indian investments in spinning mills.[15] A direct benefit of AGOA has been that at the end of 2003 there will be five spinning mills operating in Mauritius, producing 40,000 tons of cotton yarn for local and regional markets.[16] AGOA has prompted investment in spinning mills, and, consequently, the vertical integration of the textile industry in sub-Saharan Africa.[17] AGOA has encouraged increased foreign investment into Mauritius, such as the contruction of a Chinese-owned mill, Tianli Spinning.[18]
Mozambique	Umar Textiles (Pakistan) began operations in November 2002, and has been exporting exclusively to the United States under the AGOA program.[19]
Namibia	Because of increased investment in the textile industry by four companies, including Ramatex, the government estimated that, by 2005, 20,000 jobs would be created in Namibia.[20]
South Africa	In 2002, BMW SA invested 200 million rand (approximately $23 million) to upgrade a plant, and has exported approximately 22,000 units to the United States under the AGOA program. "Through Agoa, BMW not only can export vehicles with duty-free provisions, but is also by far the biggest local beneficiary under the act."[21] DaimlerChrysler SA plans to invest in the ability to assemble left-hand-drive cars at its East London plant. "Large scale assembly of the C-Class... would attract several billion rands' worth of investment." An attractive aspect of the proposal is duty-free access into the United States under AGOA. If the group's South Africa arm wins the contract, foreign direct investment to South Africa could total 2 billion rand (approximately $230 million) for retooling requirements at the East London Plant, with additional investment of up to 6 billion rand (approximately $695 million) for supplier operations.[22] "Nissan SA hopes to begin exporting locally assembled bakkies [a one ton hardbodied commercial vehicle] to the global market." An attractive feature of investing in South Africa for the Japanese parent is that South Africa has preferential access to the United States market under the AGOA program.[23] Seardel Investment Corporation (clothing and textile company) announced plans to spend about 125 million rand (approximately $15 million) to replace and upgrade existing plants because of growth in domestic sales and exports, some of which have benefitted from the AGOA program.[24]

See footnotes at end of table.

Table 2-5—*Continued*
Selected examples of AGOA-related investment, employment increases, and industry expansion, July 2002-June 2003

Country	Example
South Africa (cont.)	According to company officials, the Levi Strauss factory in Cape Town began producing jeans for export to the United States under the AGOA program.[25] "Within clothing and textile companies, those that have mentioned plans to export to the US using the Agoa advantages include Adonis, the knitwear company; Pals Clothing, which manufactures men's clothing; Seardel, the clothing and textiles giant; clothing manufacturer Rex Trueform which was formerly a serious exporter to the UK; LA Group, in a joint venture for its corporate clothing division; and Ninian & Lester. Agricultural business Afgri (formerly OTK) has geared up its cotton production activities to service demand from textile manufacturers."[26]
Swaziland	Enterprise and Employment Minister Lutfo Dlamini announced this week that by year's end, at Matsapha alone, 1,400 manufacturing jobs would be created by AGOA. The Swaziland Industrial Promotion Authority has optimistically projected tens of thousands of new jobs next year – which would significantly cut the current 40 percent unemployment rate. Most of these jobs would come from new or expanding Taiwanese-owned garment factories eager to take advantage of the benefits of AGOA.[27]
Tanzania	Tanzania officials announced plans to launch an export processing zone in Dar es Salaam in order to spur expansion of the textile and apparel industry. The EPZ's first textile factory, NIDA Textile Mills Limited, plans to produce grey cotton for bed linen for export. It also plans to produce yarn and cloth to supply fabric for the AGOA market. NIDA has invested about $10 million in the project.[28] Tanzania's first modern light-industrial export-processing zone (EPZ) plans to begin operations in June 2003. Investors from Sri Lanka, the United States, Britain, India, Kenya, Uganda, South Africa, Singapore, Taiwan, Canada, South Korea, and China have expressed interest in the project. "Various Sri Lankan garment manufacturing firms have shown interest to establish at the EPZ and take advantage of the opportunity of the AGOA initiative."[29]
Uganda	John Sporidis, a U.S.-based garment dealer, announced plans to invest over $40 million in Uganda's textile industry to access benefits under the AGOA program. The investment is aimed at revamping production to meet requirements of U.S. purchasers.[30] Sigma Knitting Industries Limited plans to export products to the United States under the AGOA program. The managing director noted that, "Following the overwhelming orders from the US, we have ordered for better computerized machines to meet the targets and quality won't be a problem to us." Although the company employs 65 workers, company officials estimated that the labor force could increase to 400 workers in order to fulfill AGOA-related export orders.[31] "An expert from Atlantic Gums Corporation in the US... is in Uganda to assess the viability of investing in the product [and] to get samples that will be taken to the US for tests." According to Anthony Nwachukwu, "Once this test is passed, then companies like Coca Cola will be interested in supporting the project." This project, which could further diversify Uganda's export profile, represents Uganda's first attempt to produce gum arabic for trade, and has resulted from Uganda's participation in the AGOA program.[32] (Gum arabic is an acacia plant product which is used in the food industry to give body and texture to products). Jinja Southern Range Nyanza Textiles Ltd. announced plans to construct a spinning facility aimed at locally producing inputs for apparel exported to the United States under the AGOA program. "The first installation phase of the $2.4m (Shs 4.4 billion) plant is due next month. This phase will see Nyanza able to produce 8,000 to 9,000 bales of textiles. However, final work on the textile [facility] will see annual production of 30,000 [bales]."[33]

See footnotes at end of table.

Table 2-5—*Continued*
Selected examples of AGOA-related investment, employment increases, and industry expansion, July 2002-June 2003

Country	Example
Uganda (cont.)	Lira Spinning Mill company officials announced plans to produce cotton yarn, 80 percent of which is for export to the U.S. market under the AGOA program. The company plans to invest over $10 million in the factory, and has so far spent $3.7 million.[34]
	Rocky Mountain Technology Group (U.S.) announced plans to establish a Cyber City in Kampala, Uganda. In addition to developing infrastructure, training people, and processing data, the company plans to export software. Ms. Muhwezi, the President's secretary in charge of AGOA, highlighted the project in her brief on the benefits of the AGOA program.[35]
	According to government officials, demands for locally produced inputs to satisfy AGOA rules-of-origin requirements have spurred investment in the cotton industry.[36]
	Uganda Investment Authority (UIA) announced that it exceeded its target value of investments by $115 million for fiscal year 2002. UIA executive director stated that, "Our planned investment book value for this financial year was $225m, but by the end of May we had already recorded a total book value of over $340m.... We are optimistic Uganda will continue to attract more and bigger investors with huge investment capital in millions of dollars." The representative added that, under the AGOA program, the UIA has been focusing investment initiatives on the textile; manufacturing; coffee- and tea-processing; and e-commerce, information, and communications technology sectors.[37]
Sub-Saharan Africa	"Countries which have done particularly well out of AGOA include South Africa, where automobile exports have increased 16 times over the last two years; Lesotho, where 11 new factories have opened and 15,000 new jobs have been created; and Kenya, where textile exports rose from 45 million dollars in 2000 to 71 million dollars in 2001 to 100 million in the first nine months of 2002."[38]

See footnotes at end of table.

Table 2-5—*Continued*
Selected examples of AGOA-related investment, employment increases, and industry expansion, July 2002-June 2003

[1] Haruna Mohammed, "Woolworths Comes to Accra," *Accra Mail (Accra)*, Nov. 20, 2002, found at Internet address *http://allafrica.com/stories/printable/200211220186.html*, retrieved Mar. 27, 2003.

[2] "Agoa-Type Pacts ‘No Good' for Africa in the Long Run," *Africa News Services*, Mar. 20, 2003, found at Internet address *http://itc.newsedge-web.com/NewsEdge/ViewReviewStory/030320/0/1/2/17?username=nchrist*, retrieved Mar. 20, 2003

[3] Representative of Embassy of Kenya, USITC staff interview, Washington, DC, Jan. 2003.

[4] Elisha Otieno, "Sh300m Project Planned," *The Nation (Nairobi)*, Mar. 11, 2003, found at Internet address *http://allafrica.com/stories/printable/200303110348.html*, retrieved Mar. 27, 2003.

[5] Wycliffe Muga, "Nepad Lies On Its Deathbed, Long Live Agoa," *The Nation (Nairobi)*, Nov. 2, 2002, found at Internet address *http://allafrica.com/stories/printable/200211010624.html*, retrieved Mar. 27, 2003.

[6] Silas Nthiga, "Country Signs Coffee Deal with US," *The Nation (Nairobi)*, June 10, 2003, found at Internet address *http://allafrica.com/stories/printable/200206100157.html*, retrieved June 18, 2003.

[7] U.S. Department of State telegram, "Without assistance to local textile producers, Kenyan garment exporters will lose comparative advantage," message reference No. NAIROB 04307, prepared by U.S. Embassy, Nairobi, June, 2002.

[8] Ibrahim Kyaruzi, "Manufacturers Say Sector in Doldrums," *Business Times (Dar es Salaam)*, Jan. 31, 2003, found at Internet address *http://allafrica.com/stories/printable/200301310507.html*, retrieved Mar. 27, 2003.

[9] Lawrence Keketso, "75,000 Jobs to Be Created in Two Years," *The Survivor (Maseru)*, Jan. 22, 2003, found at Internet address *http://allafrica.com/stories/printable/200301271088.html*, retrieved Mar. 27, 2003.

[10] U.S. Department of State telegram, "Lesotho's Trade Minister writes to USTR Zoellick requesting extension of AGOA duty-free preferences for textiles and apparel containing third-country fabric," message reference No. MASERU 0108, prepared by U.S. Embassy, Maseru, Feb. 2003.

[11] Representative of Nien Hsing International, USITC staff interview, Lesotho, Mar. 7, 2003..

[12] Lesotho National Development Corporation, table of investment provided to U.S. Embassy, June 2003.

[13] Thabo Thakalekoala, "Economy to Grow by 4% in 2002," *The Survivor (Maseru)*, July 31, 2002, found at Internet address *http://allafrica.com/stories/printable/200208020626.html*, retrieved Mar. 27, 2003.

[14] Niki Tait, "Prospects for the Textile and Clothing Industry in Madagascar," *Textile Outlook International*, Mar.-Apr. 2002, No. 98, p. 141.

[15] Representative of Mauritius Board of Investment, USITC staff interview, Mauritius, Feb. 24, 2003.

[16] Representative of Mauritius Chamber of Commerce and Industry, USITC staff interview, Mauritius, Feb. 24, 2003.

[17] Representative of American Chamber of Commerce, USITC staff interview, Mauritius, Feb. 24, 2003.

[18] Niki Tait, "Prospects for the Textile and Clothing Industry in Mauritius," *Textile Outlook International*, May-June 2002, No. 99, p. 150.

[19] "Despite Agoa, Clothing Industry Still in Crisis," *Agencia de Informacao de Mocambique (Maputo)*, May 2, 2003, found at Internet address *http://allafrica.com/stories/printable/200305020478.html*, retrieved June 18, 2003.

[20] Hugh Ellis, "Textile ‘Rush Set to Create 20,000 Jobs in Three Years,'" *The Namibian (Windhoek)*, Jan. 13, 2003, found at Internet address *http://allafrica.com/stories/printable/200301130754.html*, retrieved Mar. 27, 2003.

[21] Larry Claasen, "Vehicle Industry Has Uphill Drive to Join World Best," *Business Day (Johannesburg)*, Feb. 4, 2003, found at Internet address *http://allafrica.com/stories/printable/200302040253.html*, retrieved Mar. 27, 2003.

[22] Carli Lourens, "SA Vies for a Bigger Slice of Daimlerchrysler Pie," *Business Day (Johannesburg)*, May 26, 2003, found at Internet address *http://allafrica.com/stories/printable/200305260321.html*, retrieved June 18, 2003.

[23] John Fraser, "Nissan SA Eyes Global Market," *Business Day (Johannesburg)*, Feb. 6, 2003, found at Internet address *http://allafrica.com/stories/printable/200302020416.html*, retrieved Mar. 27, 2003.

[24] Charlotte Mathews, "Seardel to Spend R125m to Upgrade Its Plants," *Business Day (Johannesburg)*, Mar. 4, 2003, found at Internet address *http://allafrica.com/stories/printable/200303040468.html*, retrieved Mar. 27, 2003.

[25] Charlotte Mathews, "Levi Strauss Unit to Export to US," *Business Day (Johannesburg)*, May 21, 2003, found at Internet address *http://allafrica.com/stories/printable/200305210562.html*, retrieved June 18, 2003.

[26] Charlotte Mathews, "AGOA's Eased Access to US May Spark Export Bonanza," *Business Day (Johannesburg)*, Aug. 30, 2002, found at Internet address *http://allafrica.com/stories/printable/200208300558.html*, retrieved Mar. 27, 2003.

Table 2-5—*Continued*
Selected examples of AGOA-related investment, employment increases, and industry expansion, July 2002-June 2003

[27] UN Integrated Regional Information Networks, "Fighting to Save Agoa," Oct. 7, 2002, found at Internet address *http://allafrica.com/stories/printable/200210070682.html*, retrieved Mar. 27, 2003.

[28] Bakari Machumu, "Textile Industry Future Rosy," *Business Times (Dar es Salaam)*, May 23, 2003, found at Internet address *http://allafrica.com/stories/printable/200305240233.html*, retrieved June 18, 2003.

[29] Mike Mande, "Dar Set to Open Maiden Export Zone," *The Nation (Nairobi)*, Apr. 22, 2003, found at Internet address *http://allafrica.com/stories/printable/200304210676.html*, retrieved June 18, 2003.

[30] "American Plans $40m for Organic Cotton," *New Vision (Kampala)*, June 5, 2003, found at Internet address *http://allafrica.com/stories/printable/200306050501.html*, retrieved June 18, 2003.

[31] Abubaker Mukose, "Jinja Group Wins Agoa Deal," *New Vision (Kampala)*, Jan. 16, 2003, found at Internet address *http://allafrica.com/stories/printable/200301160147.html*, retrieved Mar. 27, 2003.

[32] Stephen Ilungole, "Gum Arabic Expert Here," *New Vision (Kampala)*, Oct. 23, 2002, found at Internet address *http://allafrica.com/stories/printable/200210230506.html*, retrieved Mar. 27, 2003.

[33] Badru Mulumba, "Nyanza Textiles for New Spinner," *The Monitor (Kampala)*, Oct. 10, 2002, found at Internet address *http://allafrica.com/stories/printable/200210100799.html*, retrieved Mar. 27, 2003.

[34] Denis Ocwich, "Lira Spinning Mill in Yarn Expansion Plan," *New Vision (Kampala)*, Aug. 1, 2002, found at Internet address *http://allafrica.com/stories/printable/200208010417.html*, retrieved Mar. 27, 2003.

[35] Stephen Ilungole, "US Firm in Grand Cyber Initiative," *New Vision (Kampala)*, Mar. 15, 2003, found at Internet address *http://allafrica.com/stories/printable/200303170698.html*, retrieved Mar. 27, 2003.

[36] Joseph Olanyo, "The Rise, Fall and the Rise of the Cotton Sector," *The Monitor (Kampala)*, Jan. 21, 2003, found at Internet address *http://allafrica.com/stories/printable/200301210402.html*, retrieved Mar. 27, 2003.

[37] James Odong, "UIA Hits Above Target," *New Vision (Kampala)*, Aug. 7, 2002, found at Internet address *http://allafrica.com/stories/printable/200208070253.html*, retrieved Mar. 27, 2003.

[38] "The African Growth and Opportunity Act/the facts," *Agence France Presse*, Jan. 16, 2003, found at Internet address *http://itc.newsedge-web.com/NewsEdge/ViewReviewStory/030116/0/1/2/5?Username=nchrist*, retrieved Jan. 29, 2003.

Sources: As cited.

real world of the marketplace requires good governance as a precondition of doing business."[10] It is expected that as countries continue to move up the learning curve with respect to AGOA, the benefits from investment, reform, and regional cooperation will continue to encourage economic development and integration into the global trading regime. Table 2-6 lists examples of AGOA-related facilitation of investment and reform, and table 2-7 provides examples of increased regional cooperation and integration encouraged by AGOA.

[10] Paul Ryberg, "Agoa Successes and Challenges: A Look Back at the First Two Years," *Africa Coalition for Trade (Washington, DC)*, Jan. 10, 2003, found at Internet address *http://allafrica.com/stories/printable/200301140520.html*, retrieved Mar. 27, 2003.

Table 2-6
Selected examples of AGOA-related facilitation of investment and reform, July 2002-June 2003

Country	Example
Côte d'Ivoire	In order to encourage investment driven by access to AGOA benefits in the Côte d'Ivoire textile and agro-industrial sectors, the government was urged to push through reforms in the agriculture and telecommunications sectors, to support regional security, and to combat child labor. For example, the government amended a 2001 decree that required the shipment of cocoa beans in 60 to 65 kilogram bags rather than in bulk.[1]
Ethiopia	The Ethiopian Government has earmarked 1.5 billion birr (approximately $175 million) for loans, including interest rate concessions, for qualifying AGOA-related export-oriented projects. Because access to land with adequate utilities has emerged as an investment constraint in the textile and apparel industry, the Ministry of Trade and Industry has acquired land with 2.5 megawatt power in order to allocate it to potential investors.[2]
Kenya	In order to encourage manufacturing sector expansion, the government signed the AGOA trade agreement, and introduced trade facilitating measures (such as the removal of duties on capital equipment and certain raw materials) in the budget for fiscal year 2002/03.[3]
Swaziland	Various stakeholders and government officials are working on maintaining AGOA benefits by addressing concerns regarding labor and human rights issues. In addition, in order to attract investment, the Matsapha Industrial Estate is being wired with electricity in order to serve AGOA-related business.[4]
Uganda	After manufacturers cited problems with the bureaucracy in commercial banks that hampered AGOA-related investment, such as difficulty in opening a letter of credit, the government "rescued the [AGOA] designated textile and apparel exporting factories from bureaucratic red tape in the central and commercial banks."[5] Companies attempting to access AGOA-related benefits have highlighted the need for improved transportation of goods. As a result, President Museveni launched the $2 million Inland Container Depot (ICD), belonging to the Kenfreight Group of companies, which reportedly will facilitate the transport of imports and exports.[6]
Sub-Saharan Africa	AGOA "serves as a catalyst for economic development by underpinning free exportation of goods, and promoting world marketing of goods, and services from Africa. ... Generally, AGOA encourages and increases trade through reduction of tariffs, expansion of trade promotion, private sector growth, and creating new avenues for trade and opportunities, which would liberalize the economy for poverty reduction, and political stability."[7]

[1] EIU Viewswire, "Côte d'Ivoire: Economy: News analysis: Côte d'Ivoire qualifies for AGOA," Sept. 5, 2002, found at Internet address *http://www.viewswire.com/index.asp?layout=display_article&search_text=AGOA&doc_id=207315*, retrieved on Mar. 27, 2003.

[2] Eskinder Michael, "Over 1 Bln Birr Earmarked for Textile Sector," The Daily Monitor (Addis Ababa), Jan. 30, 2003, found at Internet address *http://allafrica.com/stories/printable/200301300679.html*, retrieved Mar. 27, 2003.

[3] EIU Viewswire, "Kenya: Business: Industry overview: Manufacturing," Dec. 31, 2002, found at internet addres *http://www.viewswire.com/index.asp?layout=display_article&search_text=AGOA*, retrieved Mar. 27, 2003.

[4] UN Integrated Regional Information Networks, "Fighting to Save Agoa," Oct. 7, 2002, found at Internet address *http://allafrica.com/stories/printable/200210070682.html*, retrieved Mar. 27, 2003.

[5] Alfred Wasike,"Museveni Scraps Red Tape on Agoa," New Vision (Kampala), Mar. 5, 2003, found at Internet address *http://allafrica.com/stories/printable/200303050175.html*, retrieved Mar. 27, 2003.

[6] Steven Odeu, "ICD to Boost AGOA," *New Vision (Kampala)*, July 29, 2002, found at Internet address *http://allafrica.com/stories/printable/200207290365.html*, retrieved Mar. 27, 2003.

[7] "Agoa Stimulates Economic Liberalization," *The Independent (Banjul)*, Feb. 14, 2003, found at Internet address *http://allafrica.com/stories/printable/200302140184.html*, retrieved Mar. 27, 2003.

Sources: As cited.

Table 2-7
Examples of AGOA-related regional integration and cooperation, Jan. 2002-June 2003

Countries	Example
Mauritius and sub-Saharan Africa	"A joint trade committee aimed at strengthening trade relations between Kenya and Mauritius will be launched next month." Mauritius has invested heavily in sugar industries in numerous Southern African countries. Also, Mauritius' support for Kenya's sugar and textile industries will reportedly help develop these two sectors.[1] "Mauritian textile and apparel manufacturers are themselves investing abroad - especially in countries which have been granted lesser developed beneficiary Sub-Saharan African country (LDBC) status by the United States, [as] LDBC countries are especially attractive as investment locations because they enjoy special concessions under AGOA. ... Recipients of investment from Mauritius include Madagascar, Mozambique, Botswana and Lesotho."[2]
Mauritius and Senegal	Factors which make Mauritius' increased economic relations with Senegal appealing include a largely stable political environment and Senegal's access to the U.S. market under the AGOA program.[3]
Mauritius and South Africa	To facilitate textile and apparel trade, especially the fulfillment of rules-of-origin requirements associated with the AGOA program, Mauritius and South Africa signed an agreement providing for the progressive removal of import tariffs. Duties will be "lowered to 15% this year, before being reduced to 10% in 2003 and 4% in 2004. Duty-free entry will be effective January 2005."[4]
Sub-Saharan Africa	The AGOA has established a framework that encourages cooperation among sub-Saharan African countries, Mauritius, and the United States by providing incentives for regional investment in order to establish vertically integrated industries in the region.[5]
Uganda and sub-Saharan Africa	The AGOA provision allowing reduced duties on textiles made from locally sourced fabrics has driven cotton sector expansion aimed at supplying regional garment manufacturers.[6]
Zambia, South Africa, and Mauritius	Swarp Spinning Mills (Zambia) began exporting yarn to South Africa and Mauritius for use as locally sourced input as required for reduced-duty benefits under the AGOA program.[7]

[1] Vitalis Omondi, "Trade body ready to start work next month," *The East African (Nairobi)*, Feb. 17, 2003, found at Internet address *http://allafrica.com/stories/printable/200302190814.html*, retrieved Mar. 27, 2003.

[2] Niki Tait, "Prospects for the Textile and Clothing Industry in Mauritius," *Textile Outlook International*, May-June 2002, No. 99, p. 151.

[3] EIU Viewswire, "Mauritius: Economy: Outlook: Country outlook," Oct. 21, 2002, found at Internet address *http://www.viewswire.com/index.asp?layout=display_article&search_text=AGOA&doc_id=215400*, retrieved Mar. 27, 2003.

[4] Emerging Textiles.com, "Mauritius tries boosting textile investment," Sept. 11, 2002, found at Internet address *http://www.emergingtextiles.com/print/?q=art&s=020911-coun&r=search&n=1*, retrieved Sept. 12, 2002.

[5] Representative of Joint Economic Council, USITC staff interview, Mauritius, Feb. 24, 2003.

[6] Joseph Olanyo,"The Rise, Fall And the Rise of the Cotton Sector," *The Monitor (Kampala)*, Jan. 21, 2003, *http://allafrica.com/stories/printable/200301210402.html*, retrieved Mar. 27, 2003.

[7] EIU Viewswire, "Region bans imports from Zimbabwe," Aug. 9, 2002, found at Internet address *http://www.viewswire.com/index.asp?layout=display_article&search_text=AGOA&doc_id=203034*, retrieved Mar. 27, 2003.

Sources: As cited.

Box 2-1: AGOA – Moving Beyond Textiles and Apparel

Several SSA countries are beginning to witness the expansion of AGOA benefits beyond the textile and apparel sector. South Africa, with its broadly diverse industrial base, is leading this expansion. Other countries that are actively seeking opportunities in nontraditional products, however, are also making inroads into the U.S. market and diversifying their export industries. The most significant effect, however, may not be in these countries, but in their neighbors who now have tangible evidence of the expanding investment and export opportunities initiated by access to the AGOA program, and supported by government and business confidence coupled with good governance.

- **Fruits, Vegetables, and Processed Food:** A significant comparative advantage for many SSA countries is in the agricultural sector. In addition to fresh fruits and vegetables, SSA firms accessing AGOA benefits are able to compete internationally in the global market for processed food products. This industry provides increased opportunities for firms to expand production of higher value-added products and reap the associated better prices.

  - South African exports have witnessed substantial benefits from the AGOA program. Edible fruits and nuts, especially oranges, mandarins, canned pears, canned citrus, and macadamia nuts are increasingly headed for the U.S. market under the AGOA program.[1]

  - Kenya announced that it will be exporting coffee to an American firm under AGOA. Unlike most coffee exports from SSA, Kenyan exports under this agreement will involve the export of fully processed coffee. Exporters of this value-added product are expected to receive higher prices than is the case with raw coffee.[2]

  - In South Africa, an entrepreneur teamed up with Sunsweet Growers Inc., located in Yuba City, California, to produce sugar-free fruit bars. The U.S. firm is selling South African products in the United States and the United Kingdom. The South African company is planning to purchase a U.S.-produced packaging machine, which will more than triple the company's capacity. The increased capacity will help the company increase exports to other international markets.[3]

  - A specialty firm in South Africa that produces ice cream in coconut shells and other fruit cases landed a contract with a large U.S. retail firm. AGOA eliminated a 20 percent duty on the company's products, and the owner noted that the contract would not have happened without AGOA.[4]

  - A major international wine and grape concentrate producer based in the Western Cape of South Africa became increasingly competitive in the

[1] U.S. Department of State telegram, "Scenesetter for USTR Zoellick: AGOA is working for South Africa," message reference No. PRETORIA 702, prepared by U.S. Embassy, Pretoria, Feb. 2002.

[2] Silas Nthiga, "Country Signs Coffee Deal with US," *The Nation (Nairobi)*, June 10, 2003, found at Internet address *http://allafrica.com/stories/printable/200306100157.html*, retrieved June 18, 2003.

[3] U.S. Department of State telegram, "Scenesetter for USTR Zoellick: AGOA is working for South Africa," message reference No. PRETORIA 702, prepared by U.S. Embassy, Pretoria, Feb. 2002.

[4] Ibid.

United States as a result of access to the AGOA program. The company is expanding its exports and experiencing new-found success in the U.S. wine market.[5]

- **Vehicles and Vehicle Parts:** The South African vehicles and vehicle parts industry has witnessed increased output and investment driven by exporters' access to the AGOA program. Companies such as BMW and Volkswagen are involved in significant plant expansions spurred by increased export demand, while others such as Nissan and DaimlerChrysler are pitching AGOA benefits to parent companies to solicit investment in South African affiliates. Increasing investment and output is helping make the South African vehicle and vehicle parts industry an increasingly important player in the global market.

  - Nissan SA hopes to begin exporting one-ton hard-bodied commercial vehicles, locally known as ôbakkies,' to the global market. In addition to South Africa, potential Nissan investment sites include South America, Spain, the United Kingdom, and Thailand. In order to secure the investment, the subsidiary would have to convince its parent company in Japan of the attractiveness of South Africa. In addition to the relative labor costs and productivity levels, a central component in its argument for selecting South Africa as the investment destination is preferential access to the U.S. market under the AGOA program.[6]

  - BMW has been one of the biggest beneficiaries of the AGOA program. BMW in South Africa recently completed a significant plant upgrade program and exported 22,000 units to the United States under the AGOA program in 2002.[7] Part of BMW's expansion plans includes shipping two engine types to the United States. Company executives noted that the company would not be able to benefit from AGOA if it was not already competitive in terms of quality; however, AGOA provides tax savings which can amount to $600 per car. BMW's workforce of 3,000, with downstream employment of 20,000, benefit from the program.[8]

  - DaimlerChrysler in South Africa announced that it would invest R10 billion (approximately $1.2 billion) in South Africa if the affiliate won the contract to manufacture the new C-Class Mercedes-Benz.[9] The investment would allow it to produce left-hand vehicles for export to the United States. The associated capital injection would be of significant benefit to the domestic economy, especially by increasing employment opportunities. If the subsidiary secures the investment, domestic

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[5] Ibid.

[6] John Fraser, "Nissan SA Eyes Global Market," *Business Day (Johannesburg),* Feb. 6, 2003, found at Internet address *http://allafrica.com/stories/printable/200302060416.html*, retrieved Mar. 27, 2003.

[7] Larry Claasen, "Vehicle Industry Has Uphill Drive to Join World Best," *Business Day (Johannesburg)*, Feb. 4, 2003, found at Internet address *http:allafrica.com/stories/printable/200302040253.html*, retrieved Mar. 27, 2003.

[8] John Fraser, "Multinational BMW to Benefit From Agoa Scheme," *Business Day (Johannesburg)*, Nov. 8, 2003, found at Internet address *http:allafrica.com/stories/printable/200211080101.html*, retrieved Mar. 27, 2003.

[9] Larry Claasen, "Vehicle Industry Has Uphill Drive...," *Business Day (Johannesburg)*, Feb. 4, 2003.

production could double to 8,000 to 9,000 units per year. In addition to the U.S. market, the ability to produce left-hand vehicles would open other overseas markets for exports from South Africa. Investment in South Africa is particularly attractive to the German-based parent because of access to the AGOA program.[10]

- **Other Products:** Initial AGOA trade and investment benefits stem from established industries that are already familiar with the U.S. market and distribution channels; however, the increased competitiveness afforded by the AGOA program is encouraging nontraditional export industries to take root, and U.S. companies to investigate possible sourcing opportunities in SSA.

  - The AGOA program has increased exposure in the United States of investment opportunities in the SSA region. Rocky Mountain Technology Group, a U.S.-based information technology firm plans to create a ‘cyber city’ in Kampala, Uganda, to develop infrastructure, train people, process data, and export software. Government officials expressed hope that this investment would lead to the development of a regional information technology hub in Uganda, and increase investment opportunities for other firms. Ms. Muhwezi, the President’s secretary in charge of AGOA, highlighted the project in her brief on the benefits of the AGOA program.[11]

  - In October 2002, an expert from a U.S. firm, the world’s largest importer of gum-arabic, visited Uganda to collect samples for testing in the United States. This testing is the first step in assessing the viability of investing in procuring gum-arabic from Uganda.[12] In June 2003, government officials announced that samples were “found to have the characteristics required by U.S. importers;” and the United States had ordered all the high-grade gum arabic that Uganda could supply. Major multinational companies such as Coca Cola have expressed interest in sourcing gum arabic from Uganda. Prompted by access to the U.S. market under the AGOA program, Ugandan farmers will be able to cultivate a product that has not been exploited for trade in over a decade.[13]

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[10] Carli Lourens, “SA Vies for a Bigger Slice of Daimlerchrysler Pie,” *Business Day (Johannesburg)*, May 26, 2003, found at Internet address *http://allafrica.com/stories/printable/200305260321.html*, retrieved June 18, 2003.

[11] Stephen Ilungole, “US Firm in Grand Cyber Initiative,” *New Vision (Kampala)*, Mar. 15, 2003, found at Internet address *http://allafrica.com/stories/printable/200303170698.html*, retrieved Mar. 27, 2003.

[12] Stephen Ilungole, “Gum Arabic Expert Here,” *New Vision (Kampala)*, Oct. 23, 2002, found at Internet address *http://allafrica.com/stories/printable/200210230506.html*, retrieved Mar. 27, 2003.

[13] Patrick Onyango, “Country to Export Gum Arabic to US,” *The Monitor (Kampala)*, June 16, 2003, found at Internet address *http://allafrica.com/stories/printable/200306160543.html*, retrieved June 18, 2003.

- A major South African appliance manufacturer and distributor announced the expansion of its manufacturing facility in Cape Town in order to keep up with the export demand of a U.S. based appliance brand. The managing director attributed the increased exports in part to the introduction of AGOA and the export opportunities the program has opened.[14]

- South African exporters have begun to export several new products since the AGOA program, including pimentos, artichokes, fishing rods, and ice cream products.[15]

[14] U.S. Department of State telegram, "Scenesetter for USTR Zoellick: AGOA is working for South Africa," message reference No. PRETORIA 702, prepared by U.S. Embassy, Pretoria, Feb. 2002.
[15] Ibid.

CHAPTER 3
Regional Integration In Sub-Saharan Africa

This chapter provides information on the African Union (AU), and trade and investment information for the following nine major regional organizations in sub-Saharan Africa: 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 African Development Community (SADC); the Southern African Customs Union (SACU); the East African Community (EAC); the Inter-Governmental Authority on Development (IGAD); the Indian Ocean Commission (IOC); and the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC). The data presented in this section were compiled from a number of sources including the U.S. Department of Commerce, the Economist Intelligence Unit, the World Bank, the International Monetary Fund, and the respective regional organization official Internet sites. The information and analysis generally focus on developments that occurred during 2002.

Regional Integration in 2002

In July 2002, the African Union (AU) was officially launched, as the successor to the Organization of African Unity (OAU), at a meeting of African heads of states in Durban, South Africa. The AU consists of 52 African member states, and is based in Addis Ababa, Ethiopia. The AU is modeled on the EU with plans for the establishment of a parliament, a central bank, a single currency, a court of justice and an investment bank. The AU also plans to have common defense, foreign and communication policies.

In 2002, regional trade groupings in sub-Saharan Africa, continued to focus on reducing tariffs among member countries. COMESA members concluded a free trade agreement in October 2000 with an agreement to phase in tariff reductions on goods of COMESA origin in order to achieve zero tariffs on intra-COMESA trade by 2004. The result has been an increase in recorded trade volumes mainly attributed to the transfer of unrecorded trade into the recorded or legal sector.

The current trend of lowering tariffs on goods of African origin is being driven primarily by regional trading blocs. This trend is likely to continue, and to result in increased total intra-African trade volumes, and an increase in the proportion of recorded trade. This is particularly true for regions of relative stability, where political and economic policies of neighboring states are similar. For example, trade between South Africa and Mozambique increased at a faster pace in 2002. A similar situation emerged in Kenya, Tanzania and Uganda where measures are being undertaken to further boost trade between these countries.

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, Togo

Population: 242.9 million (2002)

GDP: $85.2 billion (2002)

Goals: Free Trade Area; full economic and monetary union.

Status and structure:

ECOWAS was established in 1975, to create a custom union among its 15 member states[1] to promote the free circulation of goods, services, labor, and capital within West Africa. The ECOWAS block includes all eight members of the WAEMU.

ECOWAS is based in Abuja, Nigeria and is headed by the former Ghanaian minister, Mohamed Chambas. The organization has a 120 member parliament, court of justice, and Council of Ministers. Heads of governments meet annually for decision-making.

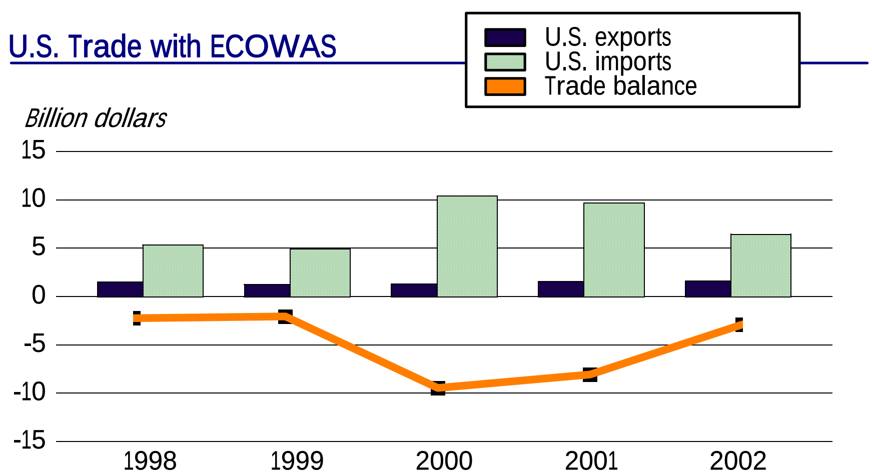
ECOWAS implemented a rules-of-origin regime for locally manufactured goods to receive preferential treatment - more than 300 industrial products have been approved for this regime. In order to receive a certificate of origin, domestic content must be at least 60 percent or, if less, domestic value-added 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, to pave the way for a West African central bank and the introduction of a common currency. The community has also taken the initiative to be proactive on regional security issues. In 1990, ECOWAS established a Cease-fire Monitoring Group (ECOMOG).

Trade:

In 2002, the U.S. trade deficit with ECOWAS declined by 40.7 percent to $4.9 billion. The U.S. had an $8.1 billion trade deficit with the region in 2001. The reason for the change is a 33 percent decrease in U.S. imports from ECOWAS to $6.5 billion, and a slight increase in U.S. exports to the ECOWAS region by 1.7 percent to $1.6 billion, in 2002. The major exported items include wheat, machinery parts, aircraft and spacecraft, and rice. Most of the imports into the U.S. consisted of petroleum oils, cocoa beans, aluminum ores, rubber latex, and diamonds.

U.S. Trade with ECOWAS



Key Traded Commodities

U.S. Exports

Wheat
Parts for boring & sinking machinery
Aircraft and spacecraft
Rice
Parts for airplanes or helicopters
Petroleum oils

U.S. Imports

Petroleum oils
Coca beans
Aluminum ores
Rubber latex
Diamonds
Natural gas

Economic Community of West African States

AGOA Trade:

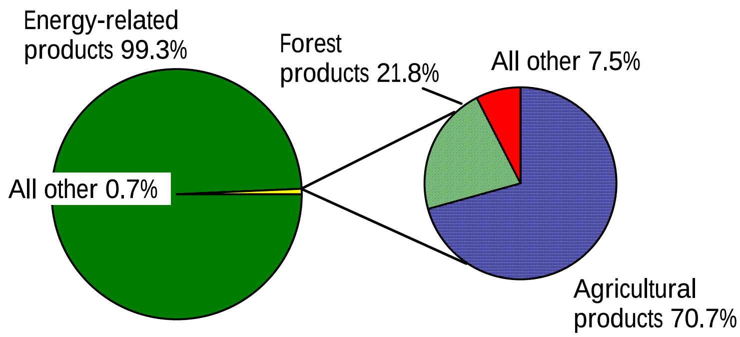
Twelve countries, Benin, Cape Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Mali, Niger, Nigeria, Senegal, and Sierra Leone, are AGOA-eligible countries. In 2002, AGOA imports from ECOWAS totaled $5.5 billion, a decline from $5.8 billion in 2001. Nigeria accounted for 98 percent of total AGOA imports from ECOWAS, in 2002. Energy-related products made up 99 percent of total AGOA imports from the region in 2002.

Recent developments:

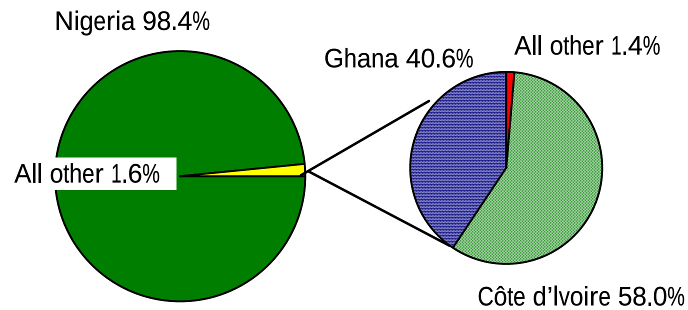
ECOWAS created the West African Monetary Institute in 2001, which then established a West African central bank in December 2002 and introduced a common monetary unit in 2003.

Eight of the 15 ECOWAS member countries– Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo– form the West African Economic and Monetary Union (WAEMU). Another five countries – Gambia, Ghana, Guinea, Nigeria and Sierra Leone – are due to launch their monetary zone, the West African Monetary Zone (WAMZ) this year. The WAMZ , which pegs the currencies of Gambia, Ghana, Guinea, Nigeria and Sierra Leone to the US dollar allowing a fluctuation of 15 percent, is intended to lead to a common currency for ECOWAS.[2] A monetary union of 13 ECOWAS countries is to be achieved in 2004 by merging WAEMU with WAMZ. WAMZ was a $50 million monetary zone, at the time of its establishment.

AGOA Trade in 2002

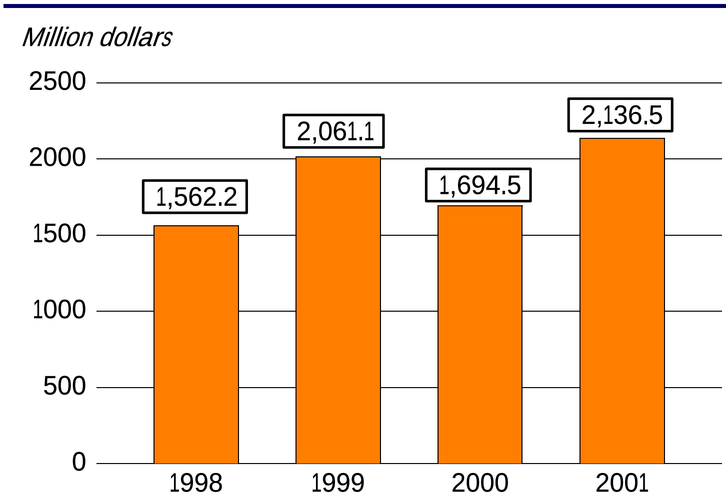


By Sector



By Country

ECOWAS Net Foreign Direct Investment, 1998-2002



WAEMU

West African Economic and Monetary Union

Members: Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo
Population: 142.5 million (2002)
GDP: $27.4 billion (2002)
Goals: Customs union and coordinated monetary policy

Status and structure:

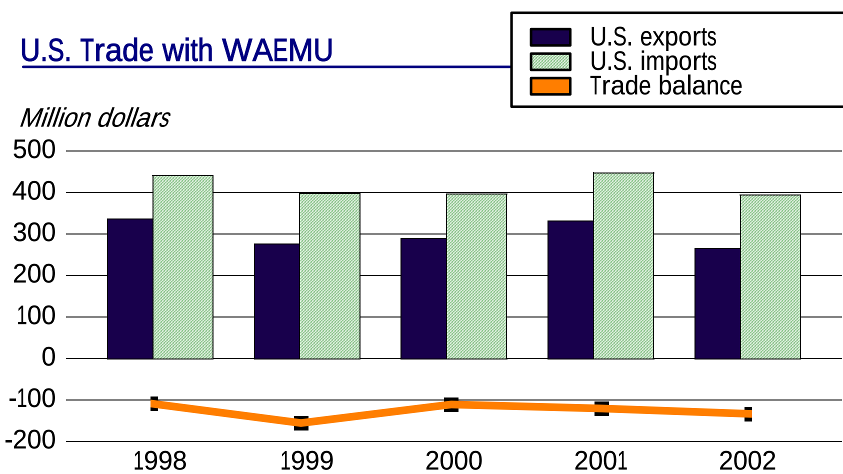
In January 1994, WAEMU was established to create a common market with free movement of goods, services, capital, and labor within the WAEMU region. Ultimately aiming for the convergence of fiscal policies, harmonization of tax legislation, and a common investment policy, the treaty provided for common 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:

In 2002, the U.S. trade deficit with WAEMU rose by 11.4 percent to $130 million. The U.S. had a $116 million trade deficit with the region in 2001. The reason for the change is a 20 percent decrease in U.S. exports to WAEMU to $266 million, and a decrease in U.S. imports from the WAEMU region by 11.9 percent to $395 million, in 2002. The major exported items include machinery parts, worn clothing, fertilizers, and rice. U.S. imports consisted of cocoa beans, petroleum oils, and wood products.

U.S. Trade with WAEMU



Key Traded Commodities

U.S. Exports

Parts for boring or sinking machinery
Worn clothing
Fertilizers
Rice
Parts for machinery

U.S. Imports

Cocoa beans
Petroleum oils
Cocoa powder and paste
Tropical wood

West African Economic and Monetary Union

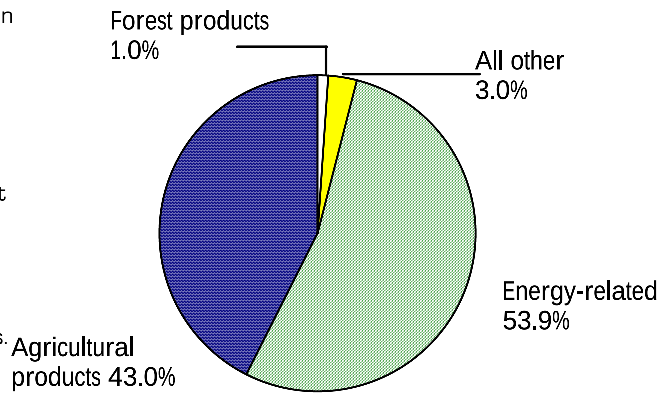
AGOA trade:

The six AGOA beneficiaries are Benin, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, and Senegal. In 2002, U.S. imports under AGOA rose significantly to $50.6 million from $14.4 million in 2001. AGOA imports consisted primarily of agricultural and energy-related products from Côte d'Ivoire in 2002.

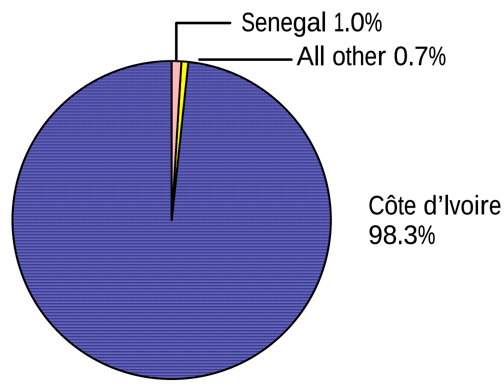
Recent developments:

WAEMU and ECOWAS have determined a number of measures which will help harmonize the two regional blocs. Both have agreed to adopt new common rules of origin to enhance the flow of trade and implement a universal customs declaration form. WAEMU members are working toward greater regional integration with unified external tariffs. The organizaiton's monetary convergence phase has been prolonged to be completed by 2005. In the 2002 WAEMU meeting, members raised concerns about the regional implications of Côte d'Ivoire's internal crisis.

AGOA Trade in 2002

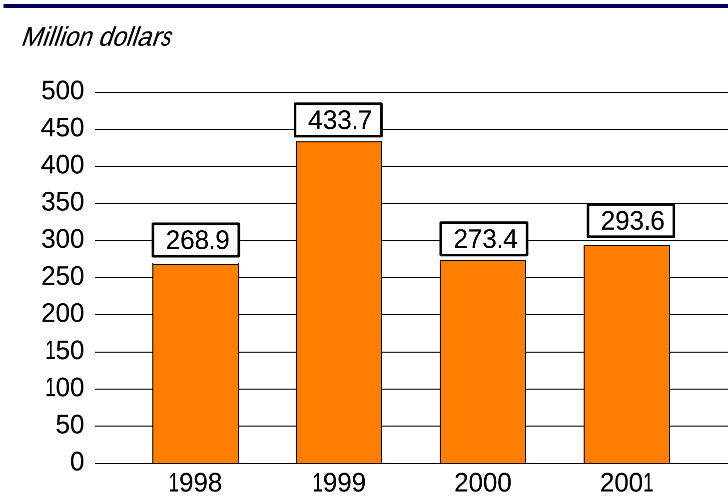


By Sector



By Country

WAEMU Net Foreign Direct Investment, 1998-2001



COMESA

Common Market for Eastern and Southern Africa

Members[4]: Angola, Burundi, Comoros, Democratic Republic of the Congo (DROC), Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, Zimbabwe

Population: 385 million (2002)

GDP: $170.0 billion (2002)

Goals: To liberalize trade and encourage cooperation in industry, agriculture, transportation, and communication through the creation of a monetary union with a single currency and a common central bank.

Status and structure:

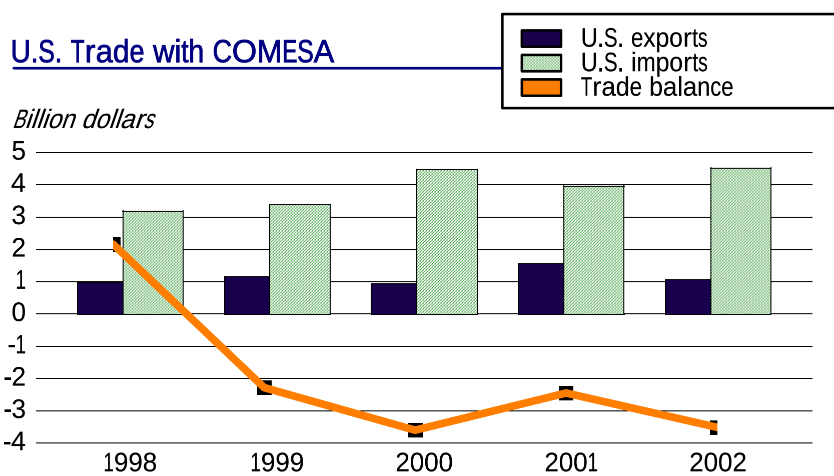
COMESA was founded in December 1994 to promote the free movement of services, capital, and labor; and cooperation in various policy areas, including money and finance, agriculture and industry, communication, energy, environment, health, tourism, and transport within the COMESA region. The COMESA FTA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

Goods from countries not participating in the COMESA FTA are subject to the tariff rates that apply to nonmember countries, although lower tariffs between FTA members and nonmembers can be negotiated on a bilateral basis. Nontariff barriers on imports from member counties are to be eliminated, with possible exceptions based on safety, security, infant industry, or balance-of-payments difficulties. Emergency actions, such as safeguard, antidumping and countervailing measures, are allowed for a limited period.

Trade:

The U.S. trade deficit with COMESA increased by $1.1 billion, and reached $3.5 billion in 2002. U.S. exports decreased by $501 million, and totaled $1.1 billion in 2002. Major U.S. export items were agricultural products, machinery, and military equipment. The top four U.S. export commodities in 2002 were corn, wheat and meslin; aircraft and parts; parts of machinery; and tanks and armored vehicles. U.S. imports increased by $558 million to $4.5 billion in 2002. The top four import items from COMESA were petroleum oils, cotton apparel, vanilla beans, and tobacco. Reports indicate that between 2001-2002, intra-COMESA trade grew by 22 percent. Currently, Kenya exports to Egypt 10 times the value of its imports from Egypt [3]

U.S. Trade with COMESA



Key Traded Commodities

U.S. Exports

Corn, wheat and meslin
Aircraft and parts
Parts of machinery
Tanks and armored vehicles

U.S. Imports

Petroleum oils
Men's and Women's cotton shirts, trousers, overalls and shorts
Sweaters, pullovers, and waistcoats
Vanilla beans
Tobacco

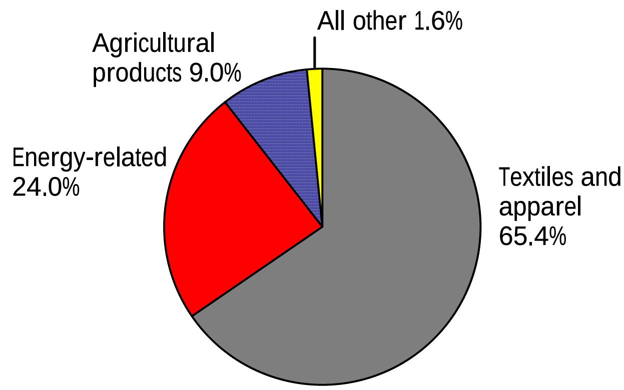
Common Market for Eastern and Southern Africa

AGOA trade:

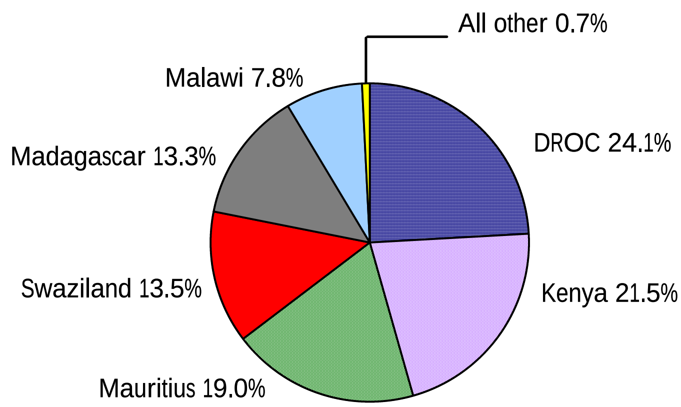
The thirteen AGOA beneficiaries are DROC[5] , Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Swaziland, Uganda and Zambia. In 2002, AGOA imports from COMESA more than doubled to $600 million.[6] Three countries, DROC, Kenya, and Mauritius, constituted 65 percent of total AGOA imports from COMESA. In 2002, six COMESA members-Djibouti, Eritrea, Ethiopia, Kenya, Mauritius, and Swaziland-increased their AGOA imports by more than 100 percent.

Textiles and apparel, energy-related products, and agricultural products accounted for 98 percent of AGOA imports from COMESA in 2002. While AGOA imports of agricultural products and energy related products remained relatively constant, textiles and apparel imports increased by 100 percent in 2002. Another commodity that showed an increase in imports was footwear products. AGOA imports of chemicals, electronics, forest, minerals and metals, miscellaneous manufactures, and machinery products fell in 2002.

AGOA Trade in 2002



By Sector



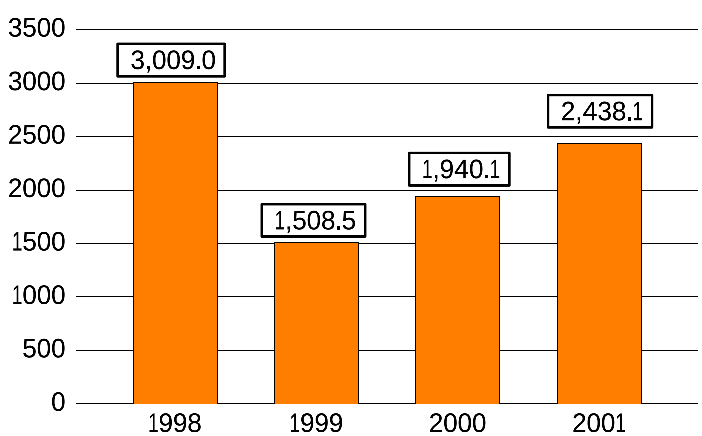
By Country

Recent developments:

In November 2002, the EU signed a regional strategy document with the IOC, EAC, IGAD and COMESA. This involves a 223 million euros program for the period 2002-2007. By early 2003, nine of the nineteen member countries had removed their intraregional trade barriers.[7] In order to attract more foreign investment to the region, COMESA with assistance of the World Bank plans to provide political risk cover for investors.

COMESA Net Foreign Direct Investment, 1998-2001

Millions dollars



SADC

Southern African Development Community

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

Population: 210.1 million (2002)

GDP: $156.6 billion (2002)

Goals: To eliminate the internal tariff by 85 and 100 percent by 2008 and 2012, respectively. To achieve intra-SADC co-operation in mining, remove landmines, and combat drug-trafficking.

Status and structure:

The SADC free trade area was launched on Sept. 1, 2000, to promote development and economic growth, alleviate poverty, and enhance the standard and quality of life for the people of southern Africa through regional integration. SADC seeks to establish a free trade area among its 14 members. It is organizing a rules-of-origin regime that requires goods to be wholly produced in member states, with specific provisions for mineral products that must be either extracted from the ground or the sea-bed of member states.

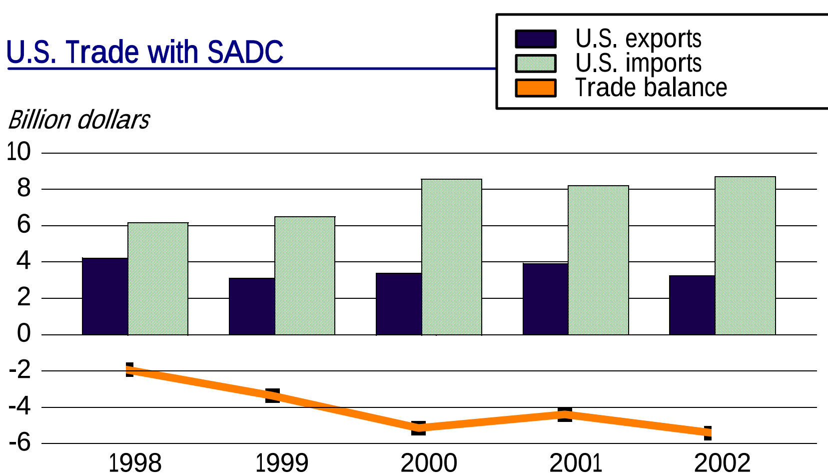
SADC develops policies to facilitate the free movement of goods, services, capital, and labor, and mobilizes support for national and regional projects. SADC is governed by a policymaking body (the Summit of Heads of State and Government), along with a Council of Ministers, and a secretariat based in 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 corporation within the region, such as in communications, energy, industry, mining, tourism, and transport, and operates projects partially financed by foreign investors. 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:

The U.S. trade deficit with the SADC increased by 28 percent to $5.5 billion, in 2002. Consequently, U.S. exports to the SADC declined by 18 percent to $3.2 billion, while imports from the region increased by 6 percent to $8.7 billion. Major U.S. export commodities, in 2002, were ship machinery, aircraft, spacecraft, corn, and motor cars whereas the main imports into the U.S. from SADC included petroleum oils, platinum, diamonds, and motor cars.

U.S. Trade with SADC



Key Traded Commodities

U.S. Exports

Parts for boring or sinking machinery
Aircraft and spacecraft
Motor cars
Corn

U.S. Imports

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

Southern African Development Community

AGOA trade:

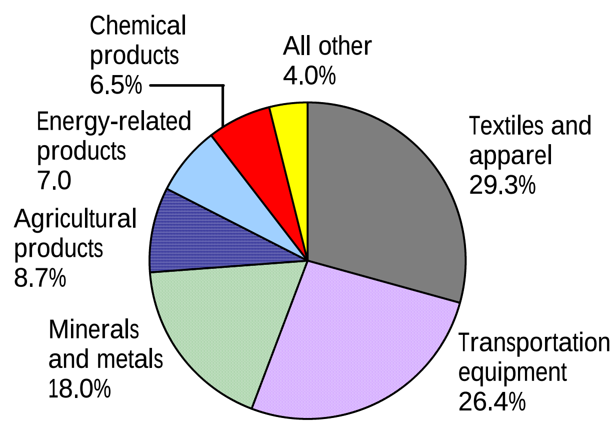
The twelve beneficiaries of AGOA are Botswana, DROC, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Seychelles, Swaziland, Tanzania and Zambia. Total AGOA imports from the region doubled to $2.1 billion in 2002. The top three suppliers of AGOA imports were South Africa (65 percent), Lesotho (15 percent), and DROC (7 percent). In 2002, 29 percent of total AGOA imports from SADC consisted of textiles and apparel products.

Recent developments:

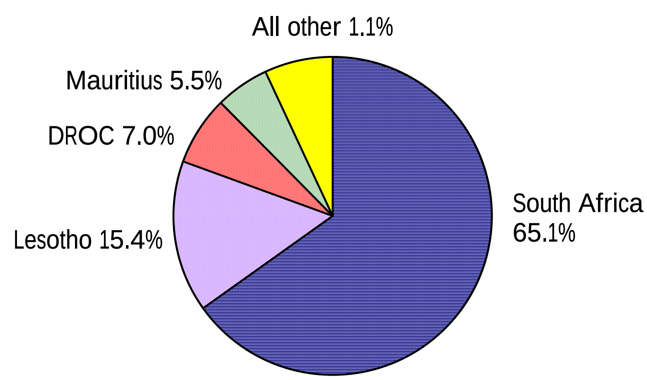
In order to create an economic integration mechanism, SADC established a directorate for trade, industry, finance, and investment in August 2001. In addition, a directorate for infrastructure, food, agriculture, and natural resources was established in January 2002.

As FTAs are signed worldwide, SADC members' decisions to enter into bilateral agreements with other countries individually or collectively may undermine the effectiveness of the SADC FTA. For example, the free trade agreement between South Africa and the European Union reportedly has created some concern among SADC members that their markets may be flooded with cheap imports from Europe.

AGOA Trade in 2002



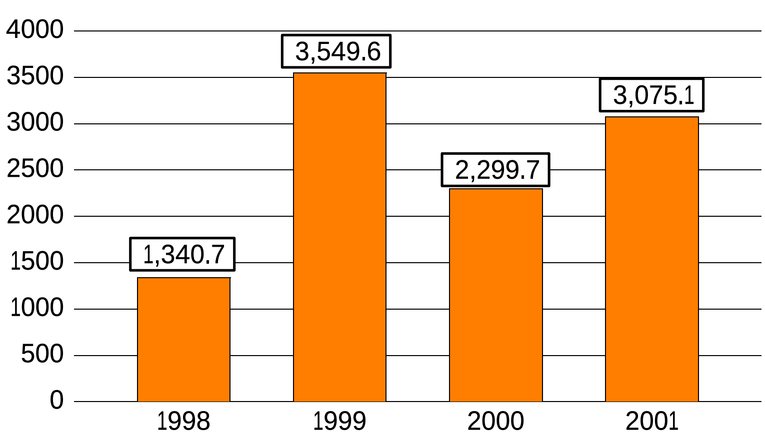
By Sector



By Country

SADC Net Foreign Direct Investment, 1998-2001

Million dollars



SACU

Southern African Customs Union

Members: Botswana, Lesotho, Namibia, South Africa, and Swaziland
Population: 51.8 million (2002)
GDP: $115.5 billion (2002)
Goals: To economically integrate the region.

Status and structure:

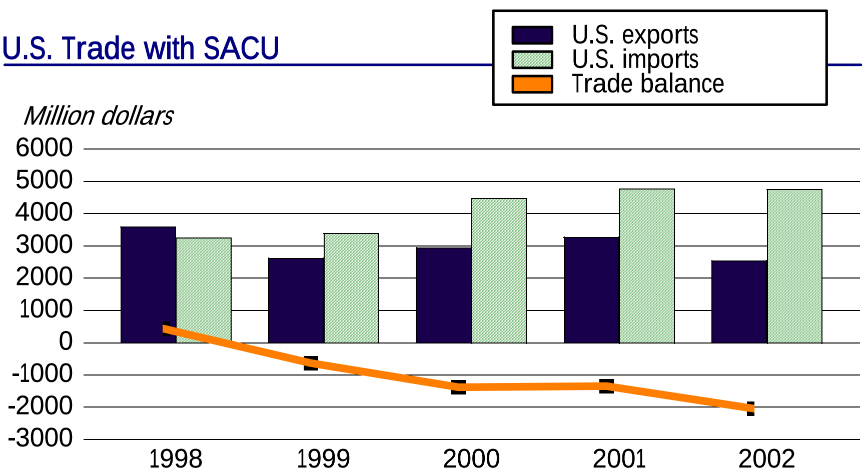
SACU is the oldest regional economic grouping in southern Africa, dating back to 1910. Historically, the customs union was administered by South Africa. The customs union garnered excise duties on local production and custom duties on member countries' imports from outside the SACU area and the resulting revenue was paid to the member states in quarterly instalments using a revenue-sharing formula.

In 1994, negotiations began to reform the SACU agreement, and a new agreement was signed in 2001. The new agreement was ratified by the SACU heads of states and will become operational in 2003/2004. The new revenue-sharing formula aims to ensure that revenue flows to each member country are stable and do not fall below current levels. This is important for countries like Lesotho and Swaziland, for which customs revenue makes up at least half of government income.

Trade:

The U.S. trade deficit with the SACU region increased by 48 percent to $2.2 billion in 2002. U.S. exports to SACU decreased by 22 percent to $2.6 billion, and U.S. imports fell by 1 percent to $4.8 billion in 2002. The major U.S. export items, in 2002, were aircraft and spacecraft, motor cars, petroleum coke, and parts of aircraft and helicopters. U.S. imports from SACU included platinum, diamonds, motor cars, and palladium.

U.S. Trade with SACU



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Motor cars
Petroleum coke products
Parts of aircraft or helicopters

U.S. Imports

Platinum
Diamonds
Motor cars
Palladium
Sweaters, pullovers, sweatshirts, vests
Ash and residues

Southern African Customs Union

AGOA trade:

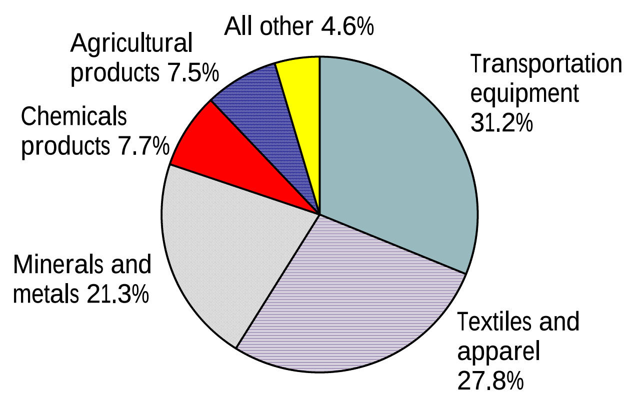
All five SACU members are AGOA beneficiary countries. In 2002, AGOA imports from SACU increased by 64 percent to $1.8 billion. South African imports accounted for 77 percent of total imports from SACU under AGOA. Textiles and apparel, and transportation equipment dominated AGOA imports from SACU, accounting for 28 and 31 percent of the total, respectively.

Recent developments:

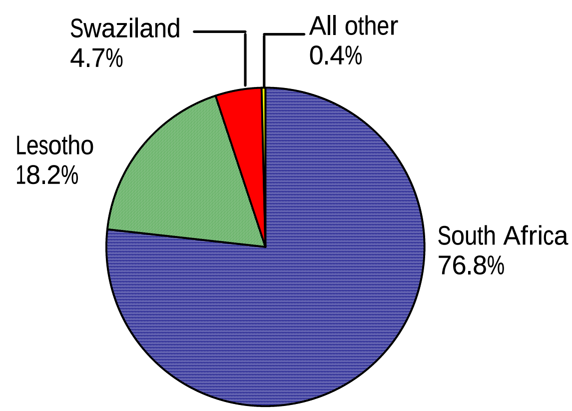
South Africa's tariffs have been reduced, as the country reforms its trade policy in accordance with its free-trade agreement with the EU and to meet WTO guidelines. However, Botswana, Namibia, Lesotho and Swaziland, commonly called the BNLS states, remain dependent on South Africa for most of their imports and on privileged access to the South Africa market.

In early June 2003, the United States began formal discussions on a free trade pact with the SACU, the first trade agreement initiative between the United States and countries in the sub-Saharan Africa region.

AGOA Trade in 2002

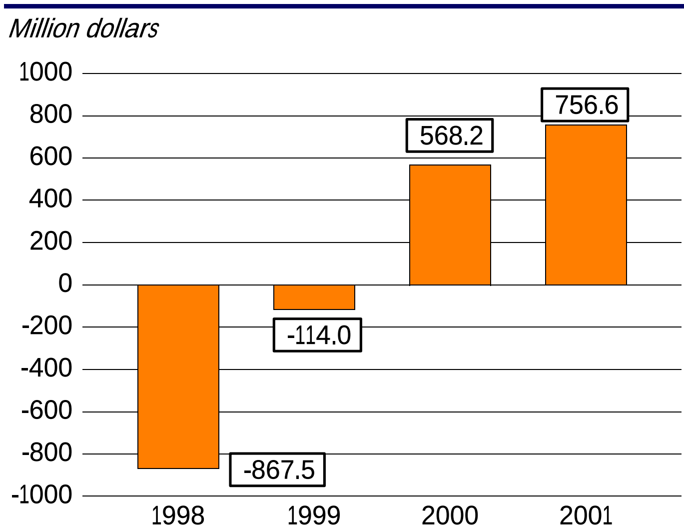


By Sector



By Country

SACU Net Foreign Direct Investment, 1998-2001



EAC

East African Community

Members: Kenya, Tanzania, Uganda[8]

Population: 91.5 million (2002)

GDP: $26.6 billion (2002)

Goals: To create a common market, promote regional trade and investment, create convertibility among members' currencies, progressively reduce tariffs, implement regional infrastructure projects, co-operate in research, and advance in human resources and technology. Long-term goals include creating a monetary and customs union, establishing a common travel document to allow free movement of people, and ultimately form a political federation.

Status and structure:

After the original EAC dissolved in 1977, Kenya, Uganda, and Tanzania signed a second East African Community Treaty, which laid the administrative foundation for future negotiations on regional integration. The EAC was formally launched on January 15, 2001. 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.

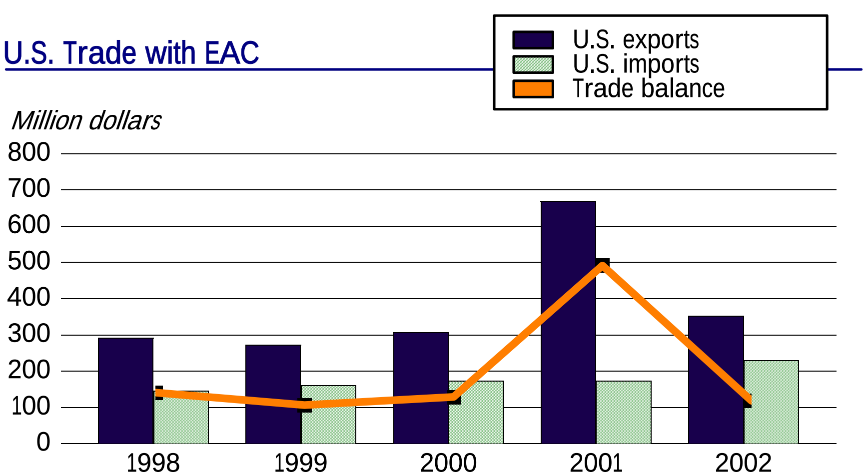
The EAC plans to eventually evolve into an organization that resembles the Common Market for Eastern and Southern Africa (COMESA). Kenya and Uganda are current members of COMESA, whereas Tanzania is a former member of COMESA. EAC goals include the establishment of a free trade area with zero tariff rates among EAC members. To protect revenue and infant industries, a 10 percent surcharge will be permitted on certain products.

The 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. Kenya has the strongest economy in the organization. To compensate for the economic disparities between the member countries, reports indicate Kenya will reduce its tariffs by 90 percent, while Tanzania and Uganda will reduce their tariff rates by 80 percent.

Trade:

The U.S. trade surplus with the EAC declined by 75 percent to $122 million, in 2002. U.S. exports decreased by 47 percent to $352 million, while U.S. imports increased by 32 percent to $230 million. The top three U.S. export items to the EAC were aircraft and spacecraft, worn clothing, and fertilizers. U.S. major import articles included suits, coffee, and tea.

U.S. Trade with EAC



Key Traded Commodities

U.S. Exports

Aircraft and spacecraft
Worn clothing
Parts of aircraft
Fertilizers
Turbojets
Wheat

U.S. Imports

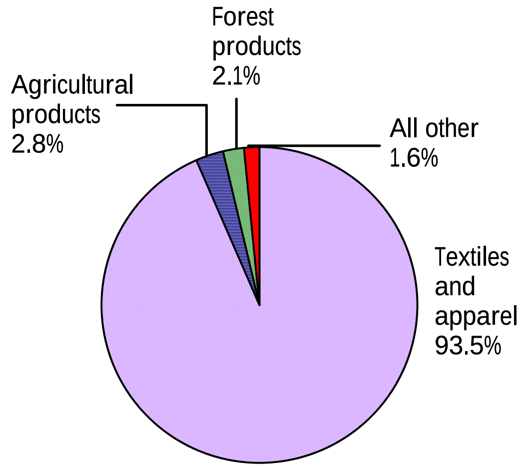
Women's or girls' suits
Men's or boys' suits
Coffee
Tea
Vegetable saps and extracts

East African Community

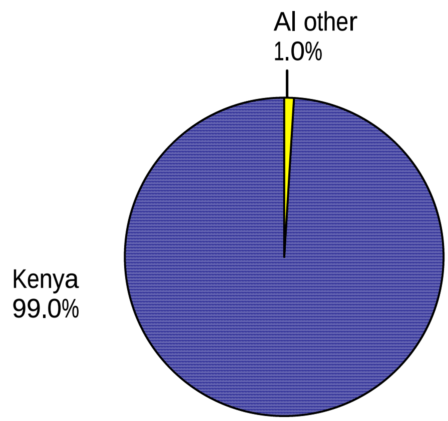
AGOA trade:

All three EAC members are AGOA beneficiary countries. U.S. imports from the EAC under AGOA rose from $51.6 million in 2001 to $130.5 million in 2002. However, 99 percent of total AGOA imports from the EAC in 2002 came from Kenya. The major import, in 2002, through AGOA, was textiles and apparel.

AGOA Trade in 2002



By Sector



By Country

Recent developments:

The EAC plans to harmonize member's fiscal and monetary policies, take measures to avoid double taxation, and prevent tax evasion through its Monetary Affairs Committee. Additionally, the Committee has established an independent East African trade regime to harmonize trade standards for 207 regionally produced goods. Out of the 207 regional trade standards, 91 have been adopted and notified to the World Trade Organization.[9]

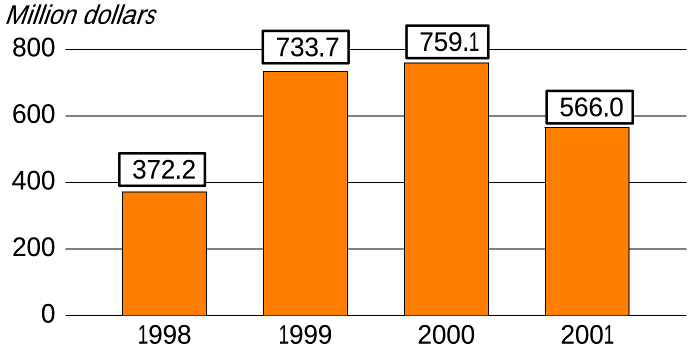
Budgetary calendars have been synchronized between member countries. The East African Securities Regulatory Authority was established and lawyers from Kenya, Tanzania, and Uganda formed the East African Law Society.

The EAC established an East Africa Business Council to promote trade and investment in the region. In order to attain a 7 percent annual GDP growth rate, the EAC facilitated a forum for the private sector to revive the regional economy. In November 2002, approximately 100 CEOs met and formed the East African Investment Company (EAIC) which will head a super investment company. The initial pledge for the Company, $580,000, came from Kenya, Uganda, Tanzania, Rwanda, and Burundi.[10]

EAC members are attempting to integrate their infrastructure. The EAC plans to extend Mombasa's oil pipeline and railways to Uganda. A digital telecommunications transmission system with an estimated cost of $69 million is underway. This investment was funded by the telecommunication authorities of the EAC countries, the European Investment Bank, and the East African Development Bank.

In November 2002, the EU signed a regional strategy document with the IOC, EAC, IGAD and COMESA. This involves a 223 million euros program for the period 2002-2007.

EAC Net Foreign Direct Investment, 1998-2001



IGAD

Intergovernmental Authority on Development

Members: Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Uganda
Population: 191.7 million (2002)
GDP: $24.5 billion (2002)
Goals: To resolve regional conflicts.

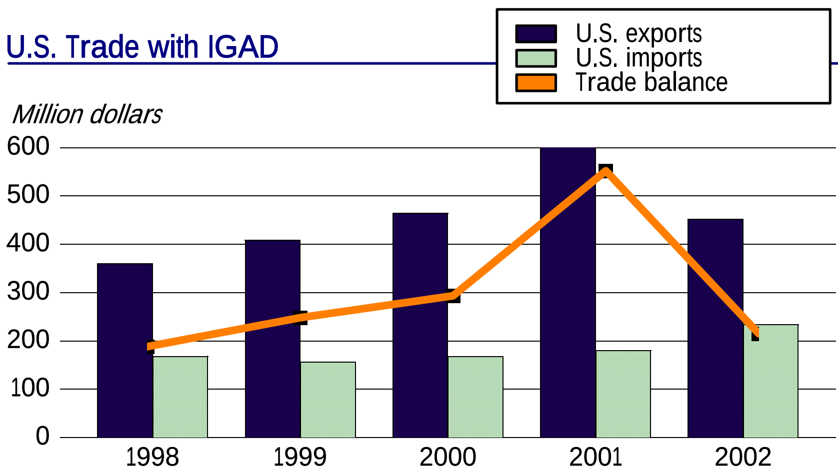
Status and structure:

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

Trade:

In 2002, the U.S. trade surplus to IGAD decreased by 61 percent to $218 million. U.S. total exports to IGAD decreased by 39 percent to $452 million in 2002. However, U.S. total imports from IGAD increased by 30 percent to $233 million in 2002. Major U.S. exports to IGAD were airplane and helicopter parts and vessels, durum wheat, and soybean extracts. The major imported items included vanilla beans, suits, men's cotton shirts, and other garments.

U.S. Trade with IGAD



Key Traded Commodities

U.S. Exports

Parts of airplanes or helicopters
Vessels
Durum wheat
Soybean oil and its extracts
Parts of accounting machinery
Cellulose acetates

U.S. Imports

Vanilla beans
Men's or boys' suits
Women's or girls' suits
Men's or boys' shirts of cotton
Sweaters, pullovers, sweatshirts, vests and similar products
T-shirts, singlets, tank tops and similar garments

Intergovernmental Authority on Development

AGOA trade:

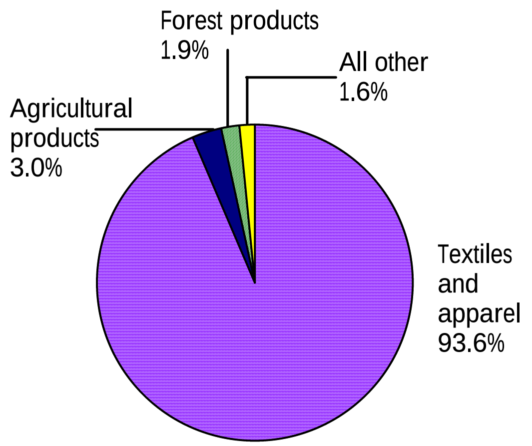
Five countries, Djibouti, Eritrea, Ethiopia, Kenya, and Uganda, are eligible for AGOA benefits. In 2002, all five countries increased their AGOA trade. Specifically, AGOA imports from IGAD increased by 120 percent to $131.6 million, in 2002. The major import items under AGOA were textiles and apparel, agricultural, and forest products. Kenya accounted for 98 percent of total AGOA imports from IGAD. Textiles and apparel imports accounted for 94 percent of total imports under AGOA.

Recent developments:

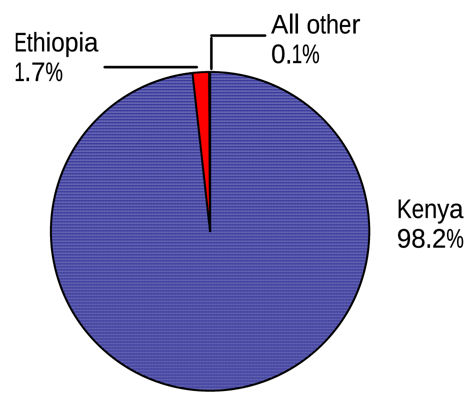
IGAD attempted to resolve the conflict in Somalia and achieved a temporary cease-fire in October 2002. IGAD prepared a memorandum of understanding (MOU) signed by the Sudan People's Liberation Movement (SPLM) and the Sudanese government. The MOU established that the Sudanese government will offer the South Sudan a referendum on independence or unity after a six year period. During the interim period, the government of Sudan, SPLM, and IGAD with other members of the international community will monitor and facilitate the peace process.

In November 2002, the EU signed a regional strategy document with the IOC, EAC, IGAD and COMESA. This involves a 223 million euros program for the period 2002-2007.

AGOA Trade in 2002

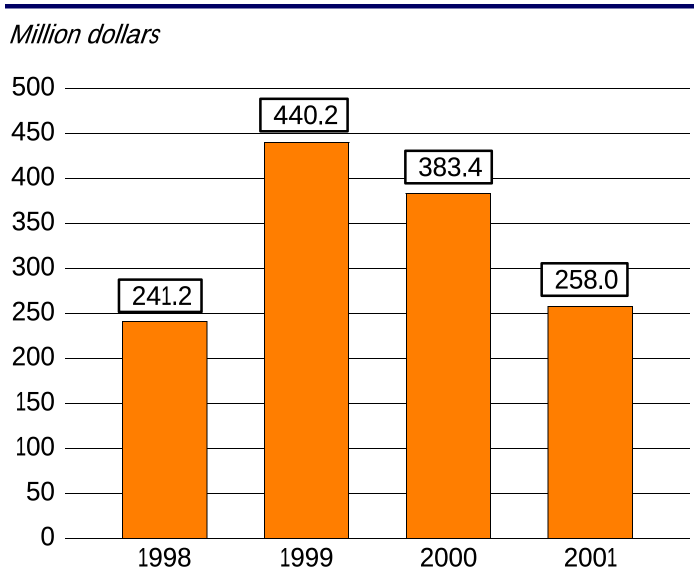


By Sector



By Country

IGAD Net Foreign Direct Investment, 1998-2001



IOC

Indian Ocean Commission

Members: Comoros, France (representing the French Overseas Department of Reunion), Madagascar, Mauritius, Seychelles

Population: 18.2 million (2002)

GDP: $10.2 billion (2002)

Goals: To promote trade within the IOC, develop a plan on tuna fishing, and cooperate in environmental issues. The IOC also aims to work together to attract tourists, and to establish a contingency plan on preventive, and legal measures on oil spills.

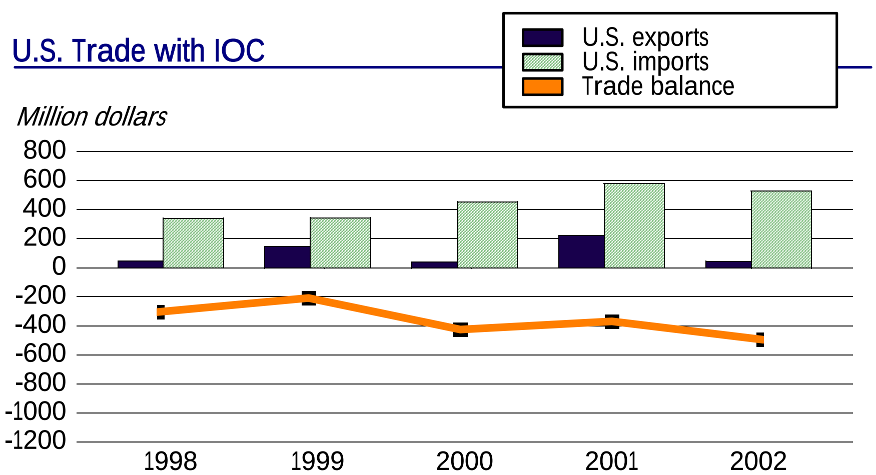
Status and structure:

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 des Dévelopment des Echanges" (PRIDE) which concerns trade in goods and services among the IOC member states. The program seeks to promote interregional trade by removing trade barriers and facilitating import payments, and to contribute toward the integration of the markets of the IOC member states. IOC is applying most of the integration instruments already adopted within COMESA. Comoros, Madagascar, Mauritius, and Seychelles are also members of COMESA.

Trade:

The U.S. trade deficit with the IOC region worsened by 35.2 percent to $485 million, in 2002. U.S. exports to the IOC decreased by 78 percent to $45 million. In 2002, the U.S. exported airplane and helicopter parts, vessels, durum wheat, and soybean oil to the IOC region. U.S. imports from the IOC region declined by 9 percent to $530 million. Most of the imports from the IOC consisted of vanilla beans, and apparel items.

U.S. Trade with IOC



Key Traded Commodities

U.S. Exports

Parts of airplanes or helicopters
Vessels
Durum wheat
Soybean oil
Parts for accounting machinery

U.S. Imports

Vanilla beans
Men's or boys' suits
Women's or girls' suits
Men's or boys' shirts
Sweaters, pullovers, sweatshirts, vests, and similar products

Indian Ocean Commission

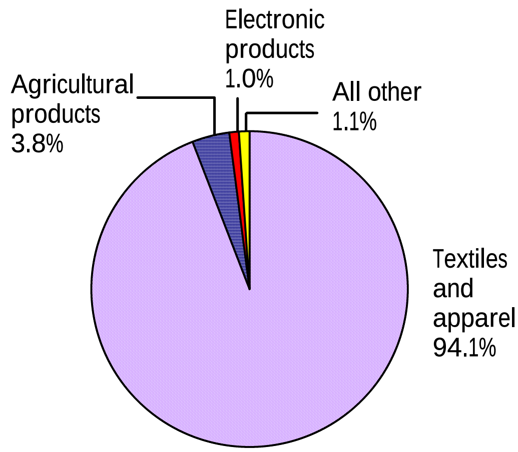
AGOA trade:

AGOA beneficiaries are Madagascar, Mauritius, and Seychelles. In 2002, the U.S. imported $194 million worth of mainly textiles and apparel (94 percent), agricultural (4 percent), and electronic products (1 percent) through AGOA. U.S. AGOA imports from the IOC totaled $155.3 million in 2001. In 2002, Mauritius and Madagascar dominated U.S. imports under AGOA at 59 and 41 percent, respectively.

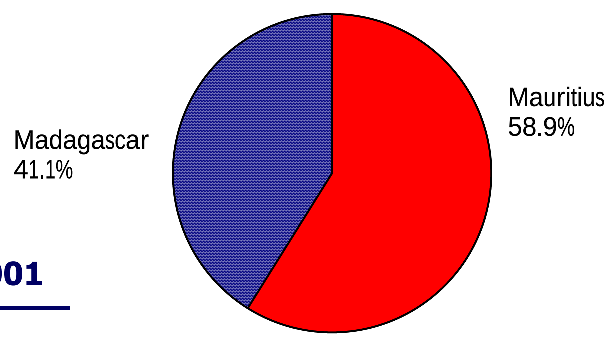
Recent developments:

The IOC continued to implement projects aimed at promoting industry development in member countries. In November 2002, the EU signed a regional strategy document with the IOC, EAC, IGAD and COMESA. This involves a 223 million euros program for the period 2002-2007.

AGOA Trade in 2002

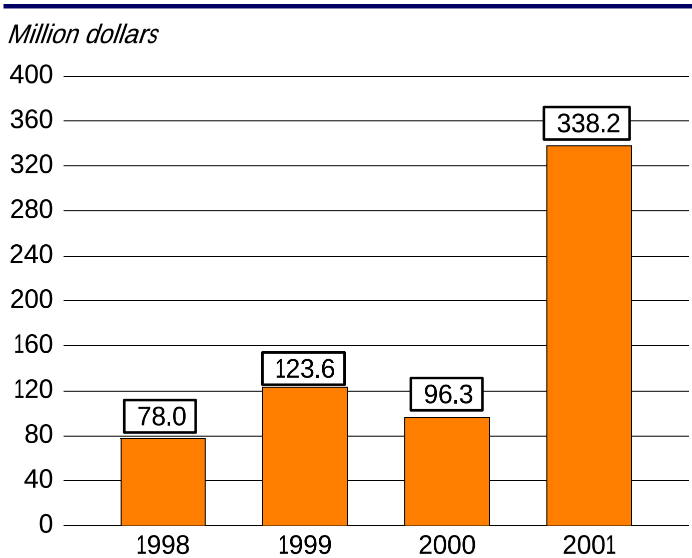


By Sector



By Country

IOC Net Foreign Direct Investment, 1998-2001



CEMAC

Communauté Economique et Monétaire de l'Afrique Centrale

Members: Cameroon, Central African Republic, Chad, Republic of the Congo (ROC), Equatorial Guinea, and Gabon.

Population: 32.0 million (2002)

GDP: $21.7 billion (2002)

Goals: To achieve regional economic and monetary integration through trade liberalization, common external tariff rates, harmonization of taxation, facilitating movements of persons and inputs to production, enhancing multilateral surveillance, and implementing sectoral reforms.

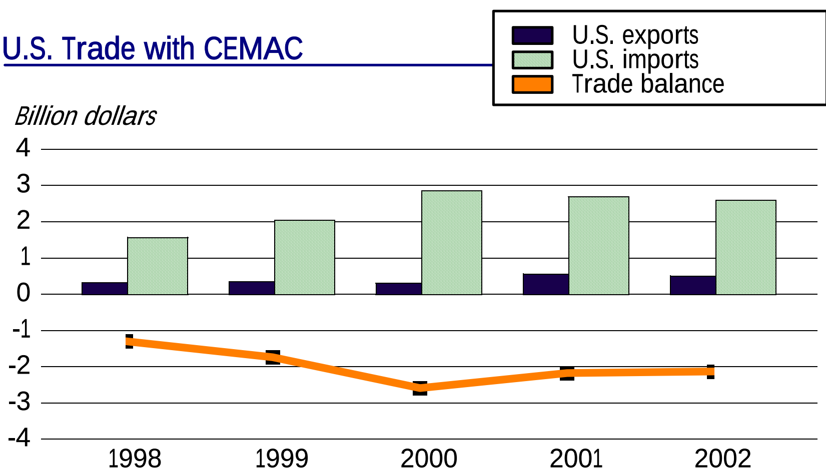
Status and structure:

CEMAC was founded in March 1994 to promote an economic and monetary union. CEMAC members use the CFA franc as a common regional currency. Reportedly, CEMAC has accomplished a monetary customs union and made progress in the free movement of people in the region.[11]

Trade:

The U.S. trade deficit against CEMAC declined by 2 percent to $2 billion, in 2002. U.S. exports, which were mainly machinery parts, airplane and spacecraft, and pumps and pipes for oil and gas, decreased by10 percent to $513 million in 2002. U.S. imports from CEMAC, which were dominated by petroleum oils, methanol, butanes, and petroleum gases, decreased by 4 percent to $2.6 billion in 2002.

U.S. Trade with CEMAC



Key Traded Commodities

U.S. Exports

Parts of Machinery
Airplane and spacecraft
Parts for lifting & handling machinery
Pumps for liquids
Line pipe for oil and gas
Extracting & earth moving equipment
Machines & mechanical appliances

U.S. Imports

Petroleum oils
Methanol (Methyl alcohol)
Butanes
Petroleum gases
Manganese ore
Aromatic hydrocarbons
Diamonds
Cocoa paste

Communauté Economique et Monétaire de l'Afrique Centrale

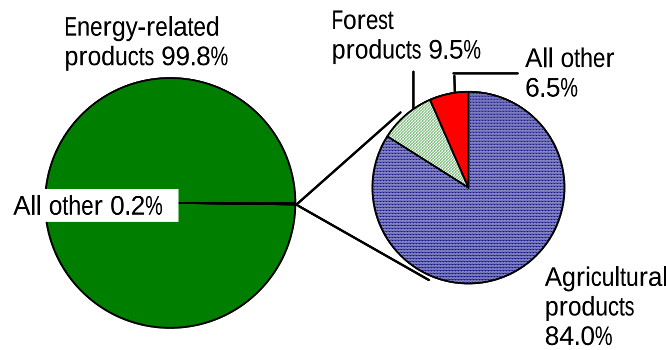
AGOA trade:

Five countries, Cameroon, Central African Republic, Chad, Gabon, and Republic of the Congo are eligible for AGOA benefits. U.S. imports under AGOA from CEMAC totaled $1.4 billion in 2002, up from $1.1 billion in 2001. All five countries increased their AGOA imports in 2002. The largest supplier from CEMAC was Gabon, accounting for 84 percent of total AGOA regional imports. Almost all (99.8 percent) AGOA imports from the CEMAC region, in 2002, constituted energy-related products.

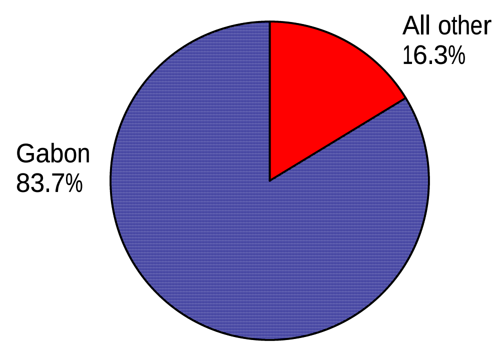
Recent developments:

In April 2002, CEMAC created a regional coordination and administration committee mandated to conclude an economic partnership agreement with the EU.

AGOA Trade in 2002

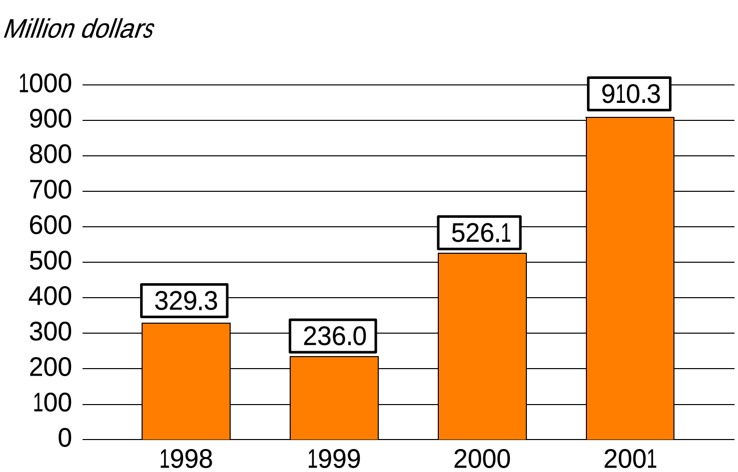


By Sector



By Country

CEMAC Net Foreign Direct Investment, 1998-2001



ENDNOTES

[1] Cape Verde joined in 1977, and Mauritania withdrew from ECOWAS in early 2000.

[2] According to the Economic Intelligence Unit, Liberia was initially considered a potential participant in the common currency, but recent ECOWAS communiques suggest that it no longer is.

[3] Former members include Mozambique, Lesotho, and Tanzania. In 2003, Namibia withdrew from COMESA, to concentrate its efforts on the Southern African Development Community (SADC), and Southern African Customs Union (SACU).

[4] Comtex News Network, "COMESA/ Struggling to Survive," June 3, 2003.

[5] AGOA trade preferences to take effect when determined by the USTR.

[6] AGOA's effect in increasing Africa's exports to the United States is discussed in chapter 2.

[7] The nine countries are Djibouti, Egypt, Kenya, Madagascar, Malawi, Mauritius, Sudan, Zambia, and Zimbabwe.

[8] There is a prospect that Rwanda, Burundi, Ethiopia, and Democratic Republic of the Congo may join the EAC.

[9] The Economist Intelligence Unit.

[10] BBC Monitoring, "East African CEOs Resolve to Create "Super Investment" Company to Boost Economy," Nov. 8, 2003.

[11] UNECA, "Annual Report on Integration in Africa (ARIA-2002)," found at the Internet address *http://www.uneca.org/eca_resources/Speeches/2002_speeches/Aria2002/ARIA_2002.PDF*, retrieved on Aug. 18, 2003.

CHAPTER 4
Multilateral Assistance, U.S. Bilateral Assistance, and Other Trade-Related Initiatives

U.S. trade and investment with SSA is influenced by a number of factors, including programs that provide multilateral assistance, bilateral assistance, and other trade-related initiatives. U.S. trade and investment with countries in SSA are affected by the policies and programs of the Export-Import Bank, U.S. Trade and Development Agency, Overseas Private Investment Corporation, and various programs operated by the U.S. Agency for International Development and the U.S. Department of Agriculture.

Multilateral assistance, through the International Development Association of the World Bank and the African Development Fund of the African Development Bank Group, is a significant source of financing for economic development programs in the region. The United States, as a shareholder in both the World Bank and the AfDB, is an important voice in the operations of these banks, 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. Table 4-1 provides a summary of these activities.

Sources of Multilateral Assistance to Sub-Saharan Africa

The World Bank Group and the African Development Bank Group are two major sources of multilateral assistance for SSA. Lending by the World Bank and AfDB finances specific projects, and therefore can be generally classified by sector. In addition, the International Monetary Fund provides concessional loans to countries with balance-of-payments problems. These loans, however, are not 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

Table 4-1
Summary of general developments in multilateral and U.S. trade and assistance for sub-Saharan Africa, 2002-03

Institution/activity	2002 assistance levels for sub-Saharan Africa	Other developments
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 $3.4 billion in 2001 and in 2002 reached $3.8 billion.	IDA lending increased to $8.1 billion in FY 2002, compared to $6.8 billion in FY 2001.
The World Bank Group: International Finance Corporation (IFC)	The IFC committed to invest $84 million to support the expansion of SSA banks and financial institutions in FY 2002.	The IFC invested $13 million in guarantees in telecom and IT.
The World Bank Group: Multilateral Investment Guarantee Agency (MIGA)	In FY 2002, MIGA issued investment guarantees or coverage for nine projects in Africa, totaling $272 million.	In conjunction with the Foreign Advisory Service, UNCTAD, and UNIDO, MIGA launched a multiagency initiative.
African Development Bank Group (AfDB)	In 2002, the AfDB approved 118 operations with a combined value of $2.6 billion.	In 2002, the largest share of the loans went to infrastructure builiding; followed by multisector projects; social sector projects; and agriculture and rural development.
International Monetary Fund (IMF)	In 2002, 26 percent of the IMF's total technical assistance went to Africa.	In 2002, the IMF adopted a new Africa Capacity-Building Initiative. This initiative will establish Regional Technical Assistance Centers in SSA.
New Partnership for African Development (NEPAD)	In 2002, NEPAD received aid in technical planning and programming from the World Bank.	One third of the African governments participated in the African Peer Review process (APRM) and 12 countries signed the APRM agreement in 2002. The number of signatories to the APRM reached 15 in 2003.
Export-Import Bank of the United States	In FY 2002, Ex-Im Bank support to SSA which consisted of loan guarantees and insurance totaled $207 million.	As of September 20, 2002, Ex-Im Bank's total exposure in SSA was $3.2 billion. DROC accounted for 29 percent, Nigeria made up 23 percent and South Africa represented 12 percent of total regional Ex-Im Bank exposure.

Table 4-1—*Continued*
Summary of general developments in multilateral and U.S. trade and assistance for sub-Saharan Africa, 2002-03

Institution / activity	2002 assistance levels for sub-Saharan Africa	Other developments
U.S. Trade and Development Agency (TDA)	TDA's obligations in sub-Saharan Africa increased to $9.9 million in FY 2002 from $6.1 million in FY 2001.	SSA funding accounted for 11.8 percent of all TDA funding in 2002, compared to 11.8 percent of funding in 2001. South Africa accounted for a large portion of the funds with commitments totaling $4 million.
Overseas Private Investment Corporation (OPIC)	In FY 2002, total investments in SSA were $149 million.	OPIC supported funds that invest in sub-Saharan Africa including the Africa Growth Fund; Modern Africa Growth and Investment Fund; the ZM Africa Investment Fund, and the Africa Millennium Fund.
Development Assistance and other economic assistance programs (USAID)	USAID obligations for SSA totaled $1.1 billion in FY 2002 compared to $1.3 billion in FY 2001.	USAID started several new programs in 2002 including the Initiative to End Hunger in Africa; the Africa Education Initiative; and a new 5-year Anti-Corruption Initiative.

Source: Compiled by Commission staff.

climate and to invest in poverty reduction. While focusing on project quality, the Bank seeks to improve public expenditure through improved procurement and financial management, and to reduce 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. There are 47 countries in sub-Saharan Africa that are eligible for World Bank borrowing.[1]

Whereas the World Bank raises funds through selling securities globally, the IDA is funded through donations from member countries. To be eligible for an IDA loan, a country must be a member of the Bank and have an annual per capita income of less than $895.

The World Bank reports that aid flows to Africa declined by 40 percent per capita in the past decade. However, since many sub-Saharan countries have progressed in terms of peace and stability, the Bank is attempting to reverse this trend.[2] In 2002, sub-Saharan Africa received $3.8 billion in interest-free loans, or 19 percent of the Bank's total lending to developing countries ($19.5 billion).[3]

[1] World Bank, "Countries of the Sub-Saharan Africa," found at Internet address *http://www.worldbank.org/afr/countries.htm*, retrieved July 1, 2003.
[2] World Bank, *The World Bank Annual Report 2002,* p. 84.
[3] U.S. Department of State, "World Bank Lending to Poor Countries Increased in FY 2002," found at Internet address *http://www.state.gov*, retrieved July 2, 2003.

The IDA is an integral part of the Bank's poverty reduction mission, lending to and assisting those countries with limited access to capital.[4] Eligible countries are ranked on the basis of their policy performance and effective use of financial aid. The IDA allocates more funds to the poorest eligible countries, with consideration for a country's level of policy performance and institutional capacity. The Bank provides less-developed countries a zero-interest rate loan with a 10-year grace period and maturities of 35 to 40 years.[5] 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: World Bank, *World Bank Annual Report, 2002,* p. 132.

In 1999, the Poverty Reduction Strategy Program was launched. This program was designed to increase government participation in projects that use foreign aid. 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.

IDA lending increased to $8.1 billion in FY 2002, compared with $6.8 billion in FY 2001.[6] The $3.8 billion received by sub-Saharan Africa in FY 2002 represents 47 percent of IDA's new commitments for the year.[7] Several factors contributed to the increase in IDA lending in FY 2002. First, progress was made toward restoring peace and stability in Ethiopia, Eritrea, the Democratic Republic of the Congo, Sierra Leone, and Angola. Second, new types of activities in Africa supported by the IDA continued to increase the average amount of loans. According to the World Bank, these activities include a concerted response to the HIV/AIDS pandemic, assistance in adjusting to

[4] World Bank, *The World Bank Annual Report, 2001,* vol. 1, pp. i, 11.
[5] IDA, "International Development Association," found at Internet address *http://www.worldbank.org/ida/eligible.htm, retrieved July 1, 2003.*
[6] World Bank, *The World Bank Annual Report, 2002,* vol. 1, p. 8.
[7] Ibid., p. 87.

petroleum price changes, promotion of regional trade, and post-conflict reconstruction support.[8]

Table 4-3 presents IDA's commitments by theme, sector, and credits provided to countries in SSA by the World Bank during fiscal years 1992-2002. In terms of theme, public sector governance received the largest loan commitment for FY 2002, with loans totaling $851.9 million, or 20 percent of total SSA loans. Financial/private sector and human development received $780.7 million and $739.0 million, respectively. In terms of sector, law and justice and public administration programs received the largest allocation, totaling $906.9 million, or 24 percent of total loans to sub-Saharan Africa. Traditional sectors such as transportation, education, and agriculture received loans totaling $491.1 million (13 percent), $472.6 million (12 percent), and $210.4 million (6 percent), respectively.

Table 4-3
World Bank (IDA and IBRD) lending commitments in sub-Saharan Africa to borrowers by theme and sectors, FY 2000-2002, and average FY 1992-97 and FY 1998-99

(Million dollars)

Theme	Average 1992-97	Average 1998-99	2000	2001	2002
Economic Management	165.9	165.0	78.2	138.5	138.7
Public Sector Governance	317.6	291.7	495.3	429.6	851.9
Rule of Law	42.1	21.0	26.7	34.0	22.5
Financial and Private Sector Development	564.6	509.0	466.7	625.8	780.7
Trade and Integration	158.4	120.5	53.7	261.5	46.4
Social Protection and Management	67.4	117.2	140.5	376.4	98.3
Social Development, Gender, and Inclusion . .	145.9	167.6	210.5	491.8	347.4
Human Development	256.3	267.7	208.5	399.4	739.0
Urban Development	319.1	253.8	154.9	206.1	279.6
Rural Development	237.9	393.6	151.8	296.3	329.2
Environmental and Natural Resource Management	201.0	156.0	172.4	110.0	159.9
Total	2,476.0	2,463.2	2,159.1	3,369.6	3,793.5
Sector:					
Agriculture, Fishing, and Forestry	164.1	170.0	115.0	212.0	210.4
Law and Justice and Public Administration .	551.4	610.9	834.9	880.8	906.9
Information and Communication	19.2	36.7	17.3	21.1	33.8
Education	223.5	304.4	189.8	209.5	472.6
Finance	172.0	53.7	121.7	200.1	192.8
Health and Other Social Services	240.1	273.6	183.1	889.9	616.6
Industry and Trade	317.1	94.3	104.7	170.6	266.7
Energy and Mining	269.3	244.0	176.3	198.0	490.3
Transportation	376.1	533.5	263.9	229.8	491.1
Water, Sanitation, and Flood Protection . . .	143.1	142.0	155.9	357.8	112.2
Total	2,476.0	2,463.2	2,159.1	3,369.6	3,793.5

Note.—Because of rounding, figures may not add to the totals shown.
Source: World Bank, *The World Bank Annual Report, 2002*, p. 88.

[8] Ibid.

Table 4-4 shows the World Bank projects approved for SSA in FY 2002. There were 73 IDA projects undertaken in 30 African countries in 2002. The five countries borrowing the most were Democratic Republic of the Congo, Nigeria, Tanzania, Ghana, and Mozambique. The Democratic Republic of the Congo borrowed $450 million and received $50 million in grants for economic recovery projects. In Nigeria, $427 million went to urban, health system, and transmission development. Tanzania invested $402 million in forest conservation, rural sanitary water supply, structural adjustment, Lake Victoria environmental management, gas and power generation development, primary education improvement, and environmental technical management. Ghana borrowed $330.5 million for two economic reform programs and road building. Mozambique's $270.5 million loan was designated to education, communication, roads and bridges, and municipal development. Burkina Faso borrowed $45 million for poverty reduction.[9]

The Heavily Indebted Poor Countries (HIPC) Initiative, a joint effort of the International Monetary Fund and the World Bank, plays an important role in ensuring and maintaining long-term debt sustainability in eligible countries. In the last two years, however, the global economic slow down and a significant decline in many primary commodity prices have weakened growth contributing to the deterioration of many countries' external debt indicators.[10] Furthermore, the United Nations reports that the HIPC Initiative is a costly process.[11] In order to qualify for the HIPC Initiative, countries must maintain a satisfactory track record in adopting World Bank and IMF adjustment and reform programs. Thirteen countries are in the process of meeting these criteria,[12] and nine countries have encountered difficulties in implementing these requirements.[13] Only Burkina Faso, Mali, Mauritania, Mozambique, Tanzania, and Uganda have met the requirements and received most of their assistance under the HIPC Initiative. Of the $850 million that was collected from donor counties, 34 countries received approximately $39 million for debt relief in FY 2002.[14]

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 issue of political instability for investors. The purpose of MIGA is to encourage foreign direct investment in developing countries by providing investment guarantees and technical assistance.

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

[10] World Bank, "The Enhanced HIPC Initiative and the Achievement of Long-Term External Debt Sustainability," found at Internet address *http://www.worldbank.org/hipc/hipc-review/Long-Term.pdf*, retrieved July 10, 2003.

[11] United Nations, "Debt relief needs a bolder approach," found at Internet address *http://www.un.org/ecosocdev/geninfo/afrec/vol14no4/htm/debt_boxes.html*, retrieved July 10, 2003.

[12] The 13 countries are Cameroon, Chad, Ethiopia, The Gambia, Ghana, Guinea, Guinea-Bissau, Madagascar, Malawi, São Tomé and Principle, Senegal, Sierra Leone, and Zambia.

[13] These countries are Burundi, Central African Republic, Democratic Republic of the Congo, Republic of the Congo, Côte d'Ivoire, Liberia, Somalia, Sudan, and Togo.

[14] 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 May 30, 2003.

Table 4-4
World Bank projects approved in sub-Saharan Africa, FY 2002

Country / project name	Date of approval	Maturity dates	Principal amount *Million dollars*
Benin			
Cotton Sector Reform Investment Credit	January 22, 2002	2012 / 2041	18.0
Multisectoral HIV / AIDS Investment Credit	January 4, 2002	2012 / 2041	23.0
Burkina Faso			
Urban Environment Supplemental Credit	March 28, 2002	2012 / 2041	22.0
Basic Education Sector Investment Credit	January 22, 2002	2012 / 2041	32.6
Poverty Reduction Support Credit	August 23, 2001	2011 / 2041	45.0
HIV / AIDS Disaster Response Investment Credit	July 6, 2001	2011 / 2041	22.0
Burundi			
Multisectoral HIV / AIDS Control and Orphans	June 27, 2002	2012 / 2042	36.0
Cameroon			
Fifth Dimension Credit-IDA Reflow	June 24, 2002	2008 / 2038	5.5
Cape Verde			
HIV / AIDS Investment Credit	March 28, 2002	2012 / 2042	9.0
Structural Adjustment Credit	December 13, 2001	2012 / 2042	15.0
Central African Republic			
Multisectoral HIV / AIDS Investment Credit	December 14, 2001	2011 / 2041	17.0
Chad			
Fourth Structural Adjustment Credit	December 18, 2001	2012 / 2042	40.0
Second Population and AIDS Investment Credit	July 12, 2001	2011 / 2041	24.6
Comoros			
Emergency Economic Recovery Credit	August 2, 2001	2011 / 2041	6.0
Democratic Republic of Congo			
Economic Recovery Credit	June 13, 2002	2012 / 2042	450.0
Emergency Early Recovery Grant	July 31, 2001	n.a.	50.0
Republic of Congo			
Emergency Reconstruction, Rehabilitation, and Living Conditions Improvement Credit	May 2, 2002	2012 / 2042	40.0
Transparency and Governance Capacity Building	February 7, 2002	2012 / 2042	7.0
Emergency Demobilization and Reintegration	July 31, 2001	2011 / 2041	5.0
Post-Conflict Economic Rehabilitation Credit	July 31, 2001	2011 / 2041	37.7
Côte D'Ivoire			
Economic Recovery Investment Credit	June 11, 2002	2012 / 2041	200.0
Transport Sector Investment Credit	January 10, 2002	2008 / 2038	12.0
Eritrea			
Emergency Demobilizations and Reintegration	May 16, 2002	2012 / 2042	60.0
Cultural Assets Rehabilitation Learning and Innovation Credit	July 6, 2001	2011 / 2041	5.0
Ethiopia			
Structural Adjustment Credit	June 18, 2002	2012 / 2042	120.0
Food Security Credit	May 30, 2002	2012 / 2042	85.0
Cultural Heritage Learning and Innovation Credit	April 17, 2002	2012 / 2041	5.0

Table 4-4—*Continued*
World Bank projects approved in sub-Saharan Africa, FY 2002

Country/project name	Date of approval	Maturity dates	Principal amount *Million dollars*
Gambia, The			
Gateway Adaptable Program Credit	February 28, 2002	2011/2041	16.0
Capacity Building for Economic Management	July 26, 2001	2011/2041	15.0
Ghana			
Third Economic Reform Support Credit-IDA Reflow	December 11, 2001	2011/2041	0.5
Third Economic Reform Support Operation Credit	July 26, 2001	2011/2041	110.0
Road Sector Development Investment Credit	July 26, 2001	2011/2041	220.0
Guinea			
Third Water and Sanitation Supplement Credit	August 23, 2001	2011/2041	25.0
Education for All Adaptable Program Credit	July 24, 2001	2012/2041	70.0
Proposed Fourth Structural Adjustment Credit	July 24, 2001	2012/2041	50.0
Guinea-Bissau			
Private Sector Rehabilitation and Development	March 26, 2002	2012/2041	26.0
Kenya			
Economic and Sector Reform Credit	June 24, 2002	2010/2040	1.5
Public Sector Management Technical Assistance	July 31, 2001	2011/2041	15.0
Madagascar			
Multisectional STI/HIV/AIDS Prevention Investment Credit	December 13, 2001	2012/2041	20.0
Second Private Sector Development Credit	August 28, 2001	2012/2041	23.8
Mali			
Third Structural Adjustment Credit	December 11, 2001	2012/2041	70.0
Agricultural Services and Producer Organizations	December 11, 2001	2012/2041	43.5
Mauritania			
Global Distance Learning	November 21, 2001	2012/2041	3.3
Education Sector Development Adaptable Program Credit	October 25, 2001	2012/2041	49.2
Urban Development Adaptable Program Credit	October 25, 2001	2011/2041	70.0
Mauritius			
Public Expenditure Reform Loan	May 7, 2002	2007/2017	40.0
Financial Sector Supervisory Authority Investment Credit	December 12, 2001	–/ 2016	1.8
Mozambique			
Higher Education Sector Investment and Maintenance Credit	March 7, 2002	2012/2042	60.0
Communication Sector Reform Technical Assistance Credit	November 27, 2001	2012/2041	14.9
Roads and Bridges Management and Maintenance Adjustable Program Credit	July 19, 2001	2011/2041	162.0
Municipal Development Investment Credit	July 19, 2001	2011/2041	33.6
Niger			
IDA Private Irrigation Promotion Investment Credit	March 19, 2002	2012/2041	38.7
Public expenditure Adjustment Credit	November 20, 2001	2011/2041	70.0

Table 4-4—*Continued*
World Bank projects approved in sub-Saharan Africa, FY 2002

Country / project name	Date of approval	Maturity dates	Principal amount *Million dollars*
Nigeria			
Community-Based Urban Development Credit	June 6, 2002	2012 / 2037	110.0
Health Systems Development Investment Credit	June 6, 2002	2012 / 2037	127.0
Transmission Development Investment Credit	March 19, 2002	2012 / 2036	100.0
HIV / AIDS Program Development Credit	July 6, 2001	2011 / 2036	90.3
Rwanda			
Demobilization and Reintegration Credit	April 25, 2002	2012 / 2042	25.0
Senegal			
Nutrition Enhancement Adaptable Program Credit	March 14, 2002	2012 / 2042	14.7
HIV / AIDS Prevention and Control Investment Credit	February 7, 2002	2012 / 2041	30.0
Sierra Leone			
HIV / AIDS Response Investment Credit	March 26, 2002	2012 / 2041	15.0
Second Economic Rehabilitation and Recovery Credit	December 13, 2001	2012 / 2041	50.0
Tanzania			
Forest conservation and Management Investment Credit	June 26, 2002	2012 / 2041	31.1
Rural Water Supply and Sanitation Credit	March 26, 2002	2012 / 2042	26.0
Programmatic Structural Adjustment Credit	February 12, 2002	2012 / 2040	0.6
Lake Victoria Environmental Management Supplemental Credit	December 13, 2001	2012 / 2041	5.0
Songo Songo Gas Development and Power Generation Investment Credit	October 9, 2001	2011 / 2041	183.0
Primary Education Development Adjustment Credit	October 9, 2001	2011 / 2041	150.0
Lower Kihansi Environmental Management Technical Assistance Credit	July 3, 2001	2011 / 2041	6.3
Uganda			
Energy for Rural Transformation Adaptable Program Credit	December 13, 2001	2012 / 2041 2012 / 2041	49.1
Makerere University Training Pilot Learning and Innovation Credit	March 26, 2002		5.0
Fourth Power Investment Credit	July 3, 2001	2011 / 2041	62.0
Second Phase of the Road Development Adaptable Program Credit	July 3, 2001	2011 / 2041	64.5
Zambia			
Fiscal Sustainability 5th Dimension	May 16, 2002	2010 / 2041	6.7
Total			3,793.5

Source: *World Bank, World Bank Annual Report, 2002,* pp.136-143

Investment guarantees act as insurance for investors against situations in a host country considered too risky to be profitable by private-sector insurance firms. Examples of economic and social risks include expropriation, breach of contract, and war and civil disturbance . In addition, MIGA provides technical assistance, on-line dissemination of information on investment opportunities, and investment dispute mediation services.

In 2002, MIGA was composed of 154 industrialized and developing countries.[15] Table 4-5 lists those countries in SSA that are currently members of MIGA and those that are in the process of fulfilling membership requirements. MIGA issued investment guarantees to cover nine projects in Africa totaling $272 million during FY 2002, an increase from $186 million in 2001. Table 4-6 outlines these projects, which typically involve privatization efforts and capacity-building activities.

MIGA allocated over 15 percent of the Agency's outstanding portfolio to the SSA region.[16] In order to help investors benefit from recent economic reforms, MIGA opened several mobile offices in central Africa, west Africa, and southern Africa. In addition, the agency organized a U.S.-Africa Business Summit to attract new investment and to build greater institutional capacity in the region. MIGA also actively supports the New Partnership for African Development (NEPAD).[17]

MIGA has technical assistance programs in 12 of the 38 SSA member countries. Ghana, Mozambique, Senegal, and Tanzania have been selected for prioritized technical assistance programs. Technical assistance programs focus on capacity-building efforts in these nations to enable investors to take advantage of increased Africa trade access to the U.S. market through AGOA, and the EU market through the Cotonou Agreement.[18] MIGA, with the Foreign Investment Advisory Service (FIAS), United Nations Conference on Trade and Development (UNCTAD), and United Nations Industrial Development Organization (UNIDO), launched a multiagency initiative to assist Mali, Mozambique, Tanzania, and Uganda to attract more FDI. Projects in Benin, Mauritania, Nigeria, and Senegal received first-time coverage from MIGA.

International Finance Corporation

The IFC was founded in 1956 as a legally and financially independent member of the World Bank Group. The main objective of the IFC is to promote sustainable private sector investments.[19] The IFC achieves its objectives 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.[20]

In 2002, 47 countries in sub-Saharan Africa were members of the IFC. The number of IFC projects approved for SSA declined from 45 in 2001 to 27 in 2002.[21] In 2002,

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

[16] Ibid., p.48.

[17] For additional details see section below on the NEPAD.

[18] MIGA, "Miga Membership," p. 49.

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

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

[21] IFC, "Sub-Saharan Africa, Building Local Capacity and Regional Businesses," found at Internet address *http://www.ifc.org/ar2002/pdf/Africa.pdf*, retrieved July 2, 2003.

Table 4-5
Sub-Saharan African MIGA members and countries in the process of fulfilling membership requirements, 2002

	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 Internet address *http://www.miga.org/screens/pubs/annrep01/members.pdf*, retrieved July 8, 2003.

Table 4-6
MIGA guarantees issued in sub-Saharan Africa, FY 2002

Country	Investor	Investor country	Guarantee amount	Sector
Benin	Investcom	Luxembourg and British Virgin Islands	$8,060,000	GSM mobile telephone network
Kenya	Ormat Holding Corp.	Cayman Islands, wholly owned by Israeli company	$81,500,000	Geothermal power plant
Madagascar . . .	Hydelec	France	$2,060,000	Thermal peaking power station
Mauritania	Tunisie Télécom	Tunisia	$68,300,000	Telecommunication services
Mozambique	Portus Indico-Sociedade de Serviéos Portuarios S.A.	Portugal	$7,100,000	Rehabilitation development, financing and operation of the Maputo Port
Mozambique	Kjaer Group A/S	Denmark	$2,000,000	Service
Nigeria	MTN International Ltd.	Mauritius	$50,000,000	Infrastructure
Nigeria	Econet Wireless Ltd.	UK-registered wholly owned by South Africa	$50,000,000	GSM mobile telephone network
Senegal	Mr. Alain Tagini	Sweden	$3,200,000	Therapeutic center

Source: MIGA, *Multilateral Investment Guarantee Agency, 2002 Annual Report,* p. 15.

53 percent of the IFC's investment commitments to SSA were allocated to telecommunications and information technology (IT). In addition to improving communication in the Democratic Republic of the Congo and Sierra Leone, the IFC invested $13 million in guarantees in telecom and IT.[22] The IFC also supported small and medium enterprises in Africa by allowing smaller firms to provide intermediary financial support for direct investments. For example, the IFC helped design and fund a $30 million facility to provide financing to local oil service contractors for exploration and production firms. The IFC committed to investing $84 million to support the expansion of sub-Saharan African banks and financial institutions. In addition, in FY 2002, the IFC supported AfriCap, an equity fund investing in microfinance institutions; the creation of a new microfinance bank in Ghana; the expansion of Citibank Nigeria's small and medium enterprise (SME) lending business with a partial portfolio guarantee; and the establishment of a special SME financing facility in Nigeria for oil service companies. The IFC recognizes that the global economic slow down and declining commodity prices may continue to negatively impact sub-Saharan African economic performance, and is a major deterrent to attracting foreign investments. On the other hand, the IFC states that NEPAD may improve the mechanism for resolving conflicts in SSA, which could improve the investment climate.[23]

The African Development Bank Group

The African Development Bank Group (AfDB Group) consists of the African Development Bank (AfDB), the African Development Fund (ADF), and the Nigerian Trust Fund (NTF). Shareholders include 53 African and 24 non-African countries. The main goals of the AfDB are to promote sustainable economic growth and to reduce poverty in Africa through capital resources and funds raised from capital markets. The AfDB offers financial assistance on nonconcessional terms directed towards low-risk African countries, such as the northern African countries, South Africa, and Gabon. To complement AfDB, the ADF and NTF lend on concessional terms to low-income regional member countries. In addition to dispersing loans, the Bank Group plays a catalyst role for large capital flows into Africa through cofinancing. The Group also increases development effectiveness through project preparation and supervision.

In 2002, the AfDB Group approved 118 operations worth approximately $2.7 billion (UA[24] 2.04 billion), compared with $2.6 billion (UA[25] 2.1 billion) in 2001. The Bank Group attributes this change to fewer countries qualifying for the HIPC debt relief

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[22] The telecom and IT investment included local financing of SC Mobiles, a cellular operator in Cameroon; TV Africa, a pan-African satellite TV station; and loans to Mobile Systems International Cellular Investments Holdings. Ibid.

[23] IFC, "Building Local Capacity and Regional Business," found at Internet address *http://www.ifc.org/ar2002/regional/africa.html*, retrieved July 2, 2003.

[24] UA= Unit of Account. An artificial currency used for accounting purposes where 1UA=U.S.$1.32408 as of Dec. 31, 2002.

[25] 1UA=U.S.$1.25674 as of Dec. 31,2001.

program; sociopolitical disruption in Côte d'Ivoire, its host country; and a delay in replenishing the ADF's reserves which, in turn, led to a decline in ADF operations in 2002.[26] However, the Bank Group states that its total reserve has consistently registered growth.[27]

The AfDB Group mandate emphasizes a rigorous development effort in debt relief, health, education, regional integration, agriculture, and rural issues. The largest share of loans (30 percent) went to infrastructure building; 18 percent, to multisector projects; 17 percent, to social sector; and 13 percent, to agriculture and rural development. In addition to developing corporate governance performance indicators, AfDB plans to approve at least nine NEPAD multinational infrastructure projects by the end of 2003. In October 2002, the Bank Group established the African Law Institute.[28]

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 this end, several mechanisms are 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, ADF technical assistance operations continue to assist countries in project-related activities such as feasibility studies, environmental impact assessments, sector and multisector studies, and detailed engineering studies.

The AfDB Group is actively involved in the movement to provide African countries with debt relief. The AfDB Group's collaboration with the Bretton Woods institutions–the World Bank and IMF–on the Enhanced HIPC Initiative complements its 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 Poverty Reduction Strategy Papers (PRSPs) to monitor projects, and poverty reduction strategies are implemented with available funds.[29]

Table 4-7 summarizes AfDB and ADF approvals of loans and grants for projects in SSA for 2002 (excluding multinational projects). In 2002, the AfDB Group authorized funding for 86 projects at a total cost of $1.7 billion. Ethiopia received the largest amount of loans and grants: $300.2 million, with 90 percent designated toward debt relief. The AfDB Group's funding approvals by sector reflect the priorities set out in the mission statement, adopted in 1999, and reaffirmed at its annual meeting in 2002.

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[26] African Development Bank, *African Development Bank 2002 Annual Report*, p. 26.

[27] African Development Bank, "Financial and Operation Analysis, 2002" found at Internet address *http://www.afdb.org/financial/pdf/adb_financial_presentation_june2003e.pdf*, retrieved July 2, 2003, p. 17

[28] Ibid.

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

Table 4-7
Total AfDF and AfDB projects and programs approved during 2002, by countries

Country	Sector	Project	AfDF and AfDB Funding Loan & Grant Amounts *(million dollars)* Total cost	Loan & grant amounts
Angola	Agricultural and Rural Development	Artisanal Fisheries, Fisheries Development Project	12.26	9.27
	Social	The Health Services Rehabilitation Project in UIGE Province	9.56	8.61
Benin	Agricultural and Rural Development	The Participative Artisanal Development Support Program (PADPPA)	23.76	9.68
	Social	The Education IV Project	22.90	15.89
Burkina Faso	Agricultural and Rural Development	The Local Development Support Project for Comoé, Labera, and Kenedougou Provinces	24.10	19.86
	Agricultural and Rural Development	Small Dams Rehabilitation Program	15.05	13.24
	Finance	The Good Governance Support Program	3.75	3.11
	Power Supply	Rural Electrification Study	1.29	1.20
	Water Supply and Sanitation	HIPC Debt Relief	NA	34.50
Cameroon	Power Supply	Construction of Oil Rig Repair Facilities in Limbe - Cameroon Shipyard and Industrial Engineering Ltd. (Enclave Project)	120.80	45.40
	Social	Preparation Studies Within the Framework of the PPF of the Urban Poverty Reduction Program	0.67	0.53
Capa Verde	Multisector	Economic Reform Support Program II (PARE II)	38.41	3.31
	Agricultural and Rural Development	The Picos and Engenhos (Santiago Island) Catchment Basin Planning and Development Project	13.84	7.89
Chad	Multisector	Third Structural Adjustment Program (SAP III)	152.52	11.51
Côte D'Ivoire	Multisector	Supplementary Financing Mechanism	NA	30.23
	Multisector	Economic Recovery Support Program	563.62	19.86
	Multisector	National Good Governance and Capacity Building Program	5.28	5.02
	Social	Training Support Project for the Employment of Youth and the Enhanced Efficiency of the Education System	36.12	33.10
	Water Supply and Sanitation	Study on the Upgrading of Drinking Water Supply Systems in Abidjan and Bouaké	1.19	1.12

Table 4-7—*Continued*
Total AfDF and AfDB projects and programs approved during 2002, by countries

Country	Sector	Project	AfDF and AfDB Funding Loan & Grant Amounts (million dollars) Total cost	Loan & grant amounts
Côte D'Ivoire (cont.)	Agricultural and Rural Development	Middle Comoé Rural Development Support Project	33.88	19.86
	Agricultural and Rural Development	Agneby Region Rural Development Plan Study	1.17	1.09
Democratic Republic of Congo	Multisector	Mechanism for Clearing the Arrears of the DRC to the Bank Group	NA	63.91
	Multisector	Emergency Multisector Socioeconomic Infrastructure Rehabilitation Project (PMURIS)	39.72	35.75
	Multisector	Multisectoral Institutional Support Project	4.50	4.28
	Social	Emergency Humanitarian Assistance to the Victims of the Nyiragongo Volcanic Eruption	NA	0.53
Djibouti	Multisector	Structural Adjustment Loan	44.30	3.20
	Social	Basic Health Sevices Reinforcement (Health Project II)	8.85	5.30
Ethiopia	Debt Relief	HIPC Debt Relief		152.31
	Water Supply and Sanitation	HIPC Debt Relief	NA	136.26
	Water Supply and Sanitation	Harare Sanitation and Water Supply Project	35.89	27.81
Gabon	Social	Emergency Humanitarian Assistance for the Surveillance of the Ebola-type Hemorrhagic Fever (VHF)	NA	0.50
Gambia	Social	Education Project III	14.70	13.24
	Water Supply and Sanitation	Water Supply and Sanitation Study	1.80	1.56
	Power Supply	Renewable Energy Study	1.04	0.99
Ghana	Agricultural and Rural Development	Agri-based Enterprises Project	30.40	9.94
	Agricultural and Rural Development	Communal Forest Management Project	12.07	9.27
	Agriculture and Rural Development	GOPDC Oil Palm Expansion Project	24.84	7.08
	Debt Relief	HIPC Debt Relief	NA	96.23
	Social	Health Service Rehabilitation Project III	40.63	23.35
	Social	Tema-Aflao Rehabilitation Road Project (Akatsi-Aflao Section)	28.00	19.46

Table 4-7—*Continued*
Total AfDF and AfDB projects and programs approved during 2002, by countries

Country	Sector	Project	AfDF and AfDB Funding Loan & Grant Amounts (million dollars)	
			Total cost	Loan & grant amounts
Guinea	Agricultural and Rural Development	National Rural Infrastructure Program Support	22.50	10.73
	Power Supply	Electrification Steering Plan and Rural Electrification Project	1.90	1.79
Lesotho	Social	Support to Health Sector Reforms Program (Health VI Project)	14.17	9.79
	Social	The Mpharane-Bela Bela Road Upgrading Project	6.31	5.67
Madagascar	Social	The Rehabilitation of the RN 1BIS National Road and Connecting Roads	15.18	13.68
Malawi	Social	The Skills Development and Income General Project	14.48	12.70
	Social	Humanitarian Emergency Relief Support to Victims of the 2002 Flood	NA	0.51
Mali	Agricultural and Rural Development	Livestock Development Support Project in Northeast Mali, Phase II	23.11	18.16
	Agricultural and Rural Development	Feasibility Study on Phedie and Sabalibougou Irrigation Development Project	0.89	0.95
	Finance	LOC to Banque de Développement Agricole (BNDA)	NA	19.49
	Multisector	Structural Adjustment Program (SAP III)	188.61	29.53
	Multisector	The Good Governance Support Project	3.45	2.78
Mauritania	Finance	LOC to the General Bank Mauritania	NA	9.99
Mauritius	Water Supply and Sanitation	The Plaines Wilhems Sewerage Project	154.94	10.66
Mozambique	Finance	LOC to Support Small and Medium-Sized Enterprises	NA	4.64
	Water Supply and Sanitation	Urban Water Supply, Sanitation, and Institutional Support Program	31.73	28.30
	Water Supply and Sanitation	Primary Teacher Training Project (Education II) (Reallocation)	NA	0.72
	Water Supply and Sanitation	HIPC Debt Relief	NA	5.96
Namibia	Transportation	Aus-Rosh Pinah Road Project	32.28	19.49

Table 4-7—*Continued*
Total AfDF and AfDB projects and programs approved during 2002, by countries

Country	Sector	Project	AfDF and AfDB Funding Loan & Grant Amounts *(million dollars)* Total cost	Loan & grant amounts
Niger	Power Supply	Study on the Preparation of a Domestic Energy National Strategy (SNED)	0.92	0.84
Nigeria	Finance	LOC to Citibank Nigeria	NA	49.87
	Power Supply	The Nigeria Liquefied Natural Gas Project	2,120.86	100.17
	Social	Health Services Development and Project (Health IV)	181.31	45.99
	Power Supply	The NEPA-CEB Interconnextion Project (Nigeria-Benin-Togo)	46.37	15.72
Sâo Tomé and Principe	Social	Human Resource Development Support Projects	6.28	5.30
Senegal	Multisector	Projection and Statistics Department and Poverty Reduction Program Monitoring Unit Support Project	2.27	2.05
	Social	Community Feeder Roads Project to Support the National Rural Infrastructure Program (PPC-PNIR)	25.77	15.69
Sierra Leone	Social	The Rehabilitation of Basic and Informational Education and Vocational Skills Training Project	46.26	21.19
	Water Supply and Sanitation	HIPC Debt Relief	NA	101.16
South Africa	Finance	LOC to Infrastructure Finance Corporation	NA	19.94
Swaziland	Agriculture and Rural Development	Komati Downstream Development Project	24.19	12.80
Tanzania	Agricultural and Rural Development	Agricultural Marketing Systems Development Program	51.99	22.38
Uganda	Agricultural and Rural Development	National Livestock Productivity Improvement Project	44.49	35.14
	Agricultural and Rural Development	Fisheries Development Project	33.79	29.13
	Social	Poverty Reduction Support Loan (PRSL)	491.26	53.57
	Agriculture and Rural Development	Kaweri Coffee Plantation Project	7.81	2.57

NA = Not available.

Note.–Totals do not include multicountry programs and projects approved by the Africa Development Bank Group in 2002.

Source: Derived from data in AfDB, *2002 Annual Report*, pp. 139-146 and 213-232. US$ figures calculated by ITC Staff using a Unit of Account (1AU=US$1.32408).

In 2002, $235.9 million was authorized for debt relief; $226.7 million was authorized for agriculture and rural development; and $289.2 million was designated for social sector 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 to help cushion the impact of structural adjustment. Stand-By Arrangements (SBA) and the Extended Fund Facility (EFF) are two traditional examples of such assistance. Member countries requiring a line of credit on a short-term basis rely on the SBA; member countries requiring long-term funding (at least 3 years) rely on the EFF. In FY 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 to sustain those experiencing abrupt reversals of investment flows.[30]

The IMF has two mechanisms through which it addresses protracted payments arrears: the HIPC Initiative and the Poverty Reduction and Growth Facility (PRGF). In 1996, the World Bank and the IMF combined their resources 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 a country 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.[31] To qualify for support, the antipoverty programs must be developed by member countries in collaboration with civil society and bilateral and multilateral donors.[32] In 2002, 26 percent of the IMF's total technical assistance went to Africa.[33]

The IMF adopted a new Africa Capacity-Building Initiative in 2002. This initiative will establish Regional Technical Assistance Centers (AFRITACs) in sub-Saharan Africa. These centers will help countries implement their poverty reduction strategy papers in order to qualify for the HIPC initiative.

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[30] IMF, *Annual Report 2001,* pp. 38-40.
[31] 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*.
[32] IMF, *Annual Report 2001*, p. 38.
[33] IMF, *Annual Report 2002,* p. 38.

New Partnership for African Development

NEPAD was launched in 2001 as a comprehensive, integrated, strategic framework for African socioeconomic development. NEPAD is a merger of two continent-wide 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 African heads of state at the 2001 Organization for African Unity (OAU) summit. On October 23, 2001, the policy framework was finalized by the Implementation Committee and NEPAD (renamed from the NAI) was formed.[34]

The primary goals of NEPAD are to promote accelerated growth and sustainable development; to eradicate widespread and severe poverty; and to halt the marginalization of Africa in the globalization process. In order to achieve its goals, NEPAD plans:

- to achieve universal primary education and halve poverty by 2015;
- to encourage peace, security, democracy, human rights, and good governance;
- to promote export diversification;
- to promote and 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 necessary for Africa to attain the estimated 7 percent annual economic growth rate needed for substantive socioeconomic development.[35] Although G-8 leaders praised NEPAD and made it a summit priority, no definite funding was allocated. Reports indicate NEPAD's prospect in receiving support depends on its ability to resolve the civil wars in the region's economic hubs, such as in the West African countries.[36] Consequently, donors have expressed concern about NEPAD's delegation of the responsibility of political governance to the African Union's (AU) African Peer Review Mechanism (APRM). There is concern about the AU's ability to lead Africa towards political stability through the APRM because of the OAU's (the predecessor organization of the AU) non-interference approach to conflict resolution in the region. NEPAD plans to provide economic assistance to the

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

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

[36] Financial Times, "West Africa's Wars Threaten NEPAD," Asia Africa Intelligence Wire, Nov. 11, 2002.

AU's peace and security agenda. In addition, the partnership pledges to provide a policy framework and five regional brigades for the AU to undertake peace support operations in the region.[37]

The APRM process is funded by participant member countries, and the AU assembles membership to the APRM agreement on a voluntary basis.[38] In 2002, one-third of the African governments participated in the APRM process and 12 countries signed the APRM agreement.[39] The number of signatories to the peer review processs reached 15 by mid-2003.[40] In 2002, NEPAD received aid in technical planning and programming from the World Bank.[41] In addition, at the seventh summit of the organization, NEPAD announced that Japan and India had committed to support financially the partnership.[42] Following its promise, Japan, at the Third Tokyo International conference on African Development, called for supporting Africa's ownership of its own development process, particularly in implementation of NEPAD.[43]

As an economic and social alliance organization, the NEPAD created a trust fund under the African Development Fund to address food crises in Africa and to implement political, economic, and social infrastructures across the continent.[44] Additionally, NEPAD plans to achieve better market access for agricultural, mining, tourism, and manufacturing by developing these sectors and minimizing non-tariff barriers in the industrialized countries for these sectors. For human development, the organization created the Millennium Partnership for the African recovery program (MAP) as a

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[37] Communiqué Issued at the end of the Seventh Summit of the Heads of State and Government Implementation Committee (HSGIC) of the New Partnership for Africa's Development, Abuja, May 28, 2003.

[38] "Participation in the process will be open to all member states of the African Union. After adoption of the Declaration on Democracy, Political, Economic and Corporate Governance by the African Union, countries wishing to participate in the APRM will notify the Chairman of the NEPAD Heads of State and Government Implementation Committee. This will entail an undertaking to submit to periodic peer reviews, as well as to facilitate such reviews, and be guided by agreed parameters for good political governance and good economic and corporate governance." NEPAD, "The African Peer Review Mechanism (APRW,)" found at Internet address, *http://europa.eu.int/comm/development/body/eu_africa/docs/APRM.pdf*, retrieved Aug. 3, 2003.

[39] The Economist Intelligence Unit, "NEPAD is off to a Bad Start," EIU ViewsWire Africa, p. 64, Nov 22, 2002.

[40] Members of the APRM are Algeria, Burkina Faso, Cameroon, Republic of the Congo, Ethiopia, Gabon, Ghana, Kenya, Mali, Mozambique, Nigeria, Rwanda, Senegal, South Africa, and Uganda.

[41] World Bank technical assistance includes proposals and follow up studies on infrastructure, agriculture, regional trade facilitation, health, nutrition, population, education, community driven development, and capital flows for a workshop in Benoni in 2002. World Bank, "World Bank Support for the New Partnership for Africa's Development (NEPAD)," found at Internet address *http://www.woldbank.org*, retrieved June 18, 2003.

[42] Southern African Regional Poverty Network, Communique issued at the end of the Seventh Summit of the Heads of State and Government Implementation Committee (HSGIC) of the NEPAD, found at Internet address *www.sarpn.org.za/documents/d0000356/index.php*, retrieved Aug. 25, 2003.

[43] World Bank, "A new partnership emerges to develop Africa; Committed to Supporting Africa, Japan hosts this development conference," found at Internet address *http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20130193~menuPK:34457~pagePK:34370~piPK:34424~theSitePK:4607,00.html*, retrieved Oct. 7, 2003.

[44] Infrastructure development plan includes electricity power supply, water, gas pipelines, and transportation.

transitional organization to reverse the emigration of educated professions, to spread education, to develop skills, and to improve health in the continent. The MAP health program strives to increase supplies in health facilities, to achieve sufficient surveillance and monitoring for interventions, to increase health literacy, and to achieve fairness in financing and equity in delivering medicine by 2005. Furthermore, the MAP works to strengthen communicable disease programs and to reduce the burden of disease by 2010.[45]

In addition to creating suborganizations and working with the AU, NEPAD collaborates with other existing African and international organizations. For example, NEPAD met with various women's organizations across the continent to encourage women's participation in the AU and in NEPAD.[46] Further, during the High-level Meeting of the APRM in Cape Town, the partnership announced plans to utilize the work of international organizations, such as the United Nations Development Program's annual human development reports, to supplement the APRM process. The NEPAD aims to lift Africa out of poverty and to integrate the continent economically and politically with the rest of the world.

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

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

U.S. Government agencies continued to fund and implement a broad range of trade capacity-building initiatives in SSA aimed at increasing economic growth and reducing poverty by assisting countries to take advantage of global market forces, such as competition, human resource development, technology transfer, and technological innovation. In the summer of 2001, USAID undertook a survey of U.S. Government agencies' trade capacity-building initiatives in developing and transitional economies, and developed a database from the survey results. The survey was updated to include data covering fiscal years 1999 through 2002.[47] In FY 2002, U.S. Government agencies distributed $637.8 million toward trade capacity-building

[45] Specifically, the MAP plans to focus on decreasing the burden of HIV/AIDS, malaria, and tuberculosis.

[46] The African Women organizations participated in the Strategic Planning Conference on "Mainstreaming Gender and Women's Effective Participation in the African Union (AU). Organizations that participated in this NEPAD sponsored discussion include ABANTU, ACCORD, ACDHRS, ALF, FEMNET, Equality Now, FCD, SAFER Africa and WILDAF. AllAfrica, "African Women Adopt A Strategy for the African Union and NEPAD," found at Internet address *http://allafrica.com/stories/printable/20030490788*, retrieved June 2, 20003.

[47] For a discussion and analysis of FY 1999 through FY 2001 trade capacity-building initiatives, see USITC, *U.S. Trade and Investment With Sub-Saharan Africa*, Third Annual Report, Publication 3552, Dec. 2002, chapter 4.

efforts, an increase of 72.8 percent and 7.2 percent from FY 1999 and FY 2001, respectively. Table 4-8 shows that sub-Saharan Africa received $105.5 million in FY 2002, which represents 16.5 percent of total funding. Sub-Saharan African funding increased 30.6 percent and 16.5 percent from FY 1999 and FY 2001, respectively. According to USAID research, the "United States is the largest provider of trade capacity-building assistance in the world. In recent years, USAID has funded 70 percent of all U.S. trade capacity-building assistance in various regions of the world."[48]

Country Coverage

Since 1999, U.S. Government agencies' trade capacity-building initiatives expanded to cover more SSA countries.[49] In FY 2002, trade capacity-building initiatives were located in 42 SSA countries, double the number of countries in FY 1999.[50] As table 4-9 indicates, the top five recipients represented more than 42 percent of funding, with Mozambique receiving the largest share (10.3 percent). The table also shows that since FY 1999, the top five recipients' combined percent of total has fallen from 54 percent to 42 percent, as funding targets an increasing number of SSA countries. The countries that experienced the largest percentage increases from FY 2001 to FY 2002 are Mozambique (976 percent), Namibia (366 percent), South Africa (340 percent), Kenya (153 percent), and Uganda (153 percent).[51] The countries that experienced the largest percentage increases over the last four years (FY 1999 to FY 2002) are Namibia (1,521 percent), Togo (405 percent), Kenya (220 percent), Ethiopia (217 percent), and Côte d'Ivoire (187 percent).[52]

Types of Trade Capacity-Building Initiatives

U.S. Government agencies' trade capacity-building initiatives cover a broad spectrum of categories. The primary funding category, "Trade Facilitation," represents 30 percent of FY 2002 funding. "Trade Facilitation" includes numerous activities including, but not limited to, customs operations and administration, e-commerce development and information technology, export promotion, business services and training, and regional trade agreements. Of the various funding subcategories included in "Trade Facilitation," "Business Services and Training" represents over

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[48] USAID, "Trade and Investment – Trade Capacity Building Activities," found at Internet address *http://www.usaid.gov/our_work/economi_growth_and_trade/eg/trade/tcb_activities.htm*, retrieved June 25, 2003; for additional information on other U.S. Government agencies involved in trade capacity-building efforts, see USITC, *U.S. Trade and Investment With Sub-Saharan Africa*, Third Annual Report, Publication 3552, Dec. 2002, chapter 4.

[49] Quantitative analysis of trade capacity-building funding in the "Country Coverage" and "Types of Trade Capacity-Building Initiatives" is based on countries for which a funding agency can be attributed and category figures are available as of June 2003.

[50] USAID, "Trade and Investment – Trade Capacity Building Activities," found at Internet address *http://www.usaid.gov/our_work/economi_growth_and_trade/eg/trade/tcb_activities.htm*, retrieved June 25, 2003; USITC staff analysis.

[51] Source: USAID Trade Capacity-Building Database, found at Internet address *http://qesdb.cdie.org/tcb/index.html*, retrieved June 17, 2003; USITC staff analysis.

[52] Ibid.

Table 4-8
U.S. support for building trade capacity, by geographic region, FY 1999-FY 2002

(Millions dollars)

Region/Country	FY1999	FY2000	FY2001	FY2002
Middle East and North Africa	21.1	110.4	118.3	147.1
Asia	48.5	69.7	114.3	109.9
Sub-Saharan Africa	80.5	94.7	64.1	105.5
Former Soviet Republics	97.4	84.0	97.6	72.1
Central and Eastern Europe	56.6	29.4	38.9	63.4
Latin America and the Caribbean	52.4	65.0	61.6	90.8
Global[1]	12.3	51.3	104.0	49.0
All Developing and Transitional Economies	369.1	504.5	594.7	637.8

[1] Assistance programs involving countries from two or more regions and for which country and regional breakdowns were not feasible.

Note.–Due to rounding, numbers shown may not add to totals shown.

Source: USAID Trade Capacity-Building Database, "Trade Capacity Building Database: Summary Statistics," found at Internet address *http://qesdb.cdie.org/tcb/overview.html*, retrieved June 23, 2003.

Table 4-9
Trade capacity-building initiatives, leading SSA country recipients, FY 1999-FY 2002

(Percent)

FY1999		FY2000		FY2001		FY2002	
Country	Share of total	Country	Share of total	Country	Share- of total	Country	Share of total
Ghana	27.2	Ghana	19.1	Ghana	11.0	Mozambique	10.3
Mozambique	10.0	Mozambique	9.7	Tanzania	9.2	Ghana	10.0
Tanzania	6.0	Nigeria	8.0	Nigeria	9.1	Tanzania	9.1
Mali	6.0	Mali	8.0	Zambia	9.0	Uganda	8.3
Zambia	4.9	Zambia	4.1	Uganda	4.9	Rwanda	4.9
Top five total	54.1	Top five total	48.9	Top five total	43.2	Top five total	42.4

Notes.–Percentages based on countries for which funding agency can be attributed and category breakouts are available as of June 2003. As a result of updates and recategorization, percentages may have changed from those reported in previous publications. Because of rounding, figures may not add to totals shown.

Source: USAID Trade Capacity-Building Database, found at Internet address *http://qesdb.cdie.org/tcb/index.html*, retrieved June 17, 2003.

39 percent of the total. "Trade-Related Agriculture," "Human Resources and Labor Standards," "Physical Infrastructure Development," and "WTO Agreements" rank second, third, fourth, and fifth, respectively. While the vast majority of trade capacity-building initiatives directly address trade-related areas (for example, trade facilitation and export promotion), a substantial portion addresses activities which indirectly support trade (for example, human resources and labor standards, and financial sector development and good governance). Figure 4-1 provides percentages of total funding by category for FY 2002.[53] Table 4-10 provides illustrative examples of U.S. trade capacity-building initiatives in SSA.

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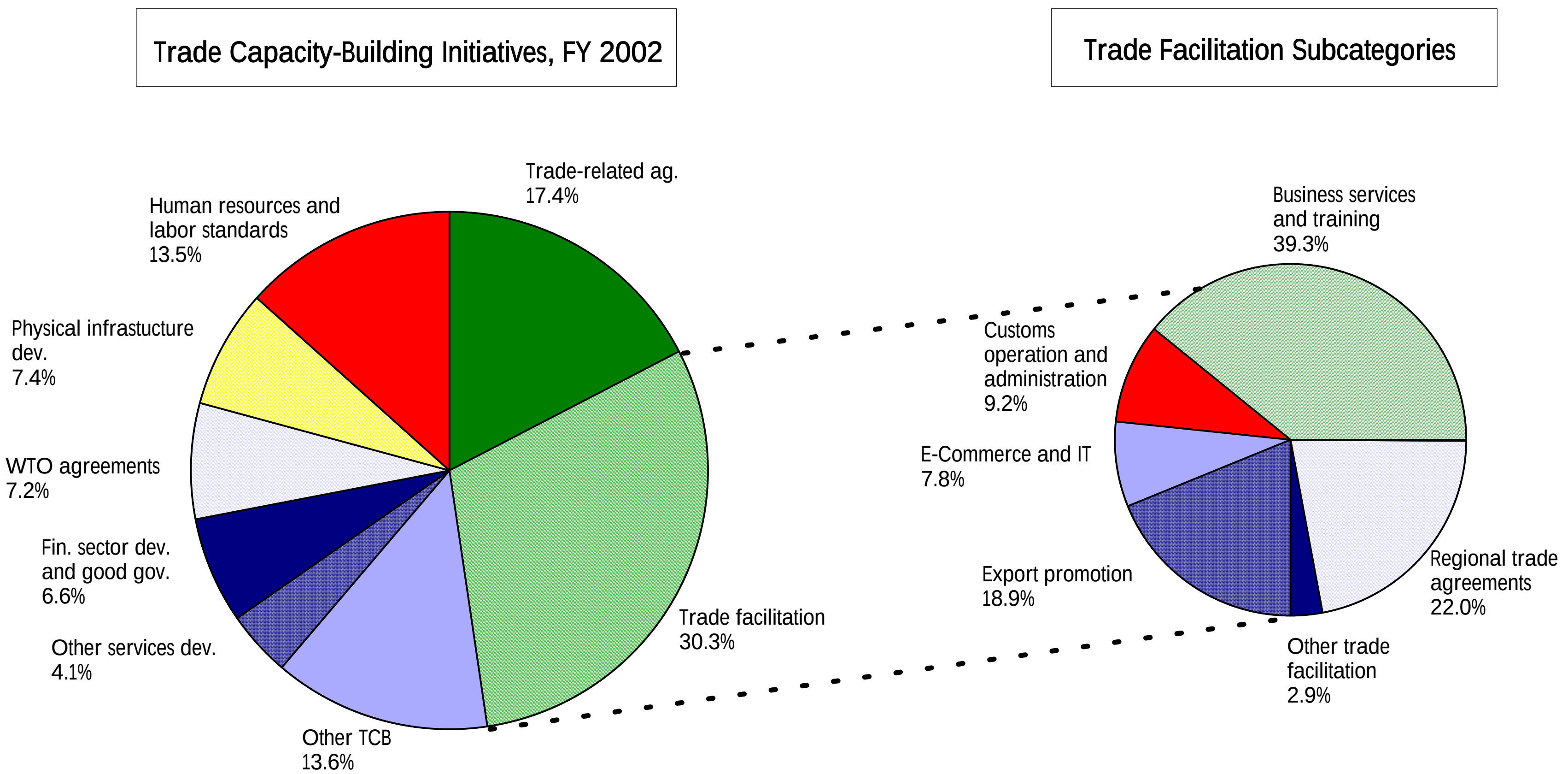
[53] For category definitions and FY 1999 through FY 2001 category percentages, see USITC, *U.S. Trade and Investment With Sub-Saharan Africa*, Third Annual Report, Publication 3552, Dec. 2002, chapter 4.

Figure 4-1
Trade capacity-building initiatives, by funding categories and subcategories, FY 2002



Source: USAID Trade Capacity-Building Database, found at Internet address *http://qesdb.cdie.org/tcb/index.html*, retrieved June 17, 2003; USITC staff analysis.

Table 4-10
Examples of trade capacity-building initiatives in sub-Saharan Africa, FY 2002

Country	Category	Title	Description	Funding
Ghana	Financial Service Dev. & Good Governance Gov/Transparency & Interagency Coord.	Treasury International Affairs Technical Assistance Program	The Government Debt Team, the Financial Institutions Team, and the Tax Team from the Treasury Department are providing both resident and intermittent advisors to help the Government of Ghana to restructure the funding relationship between the Ministry of Finance and the Central Bank, to improve tax collection procedures, and to strengthen the financial sector.	$1,182,500
Mali	Trade-Related Agriculture	Assisting and Promoting Agricultural Subsectors and Agribusiness	This activity consists of providing technical assistance and training to agribusiness operators involved in the production and trade of agricultural products in the West Africa Region and on international markets. The assistance includes market tests, new market development, training in business planning, facilitation of access to trade financing, transfer of processing technologies and methods, training in marketing techniques and internet use. Positive results include the availability in Mali of well-trained private sector services providers (consulting firms) in trade capacity-building, the opening up of new markets in West Africa for Mali livestock exports, an increased availability of finance for trade, and increased incomes.	$3,200,000
Mozambique	Multiple	Red Tape, Trade, and Taxes	The purpose of this activity is to improve competitiveness by improving the enabling environment for investment and business. It has a specific component that seeks to achieve greater economic openness, through the reduction of tariffs, elimination of NTBs, and participation in bilateral, regional, and global trade arrangements.	$1,500,000

Table 4-10–*Continued*
Examples of trade capacity-building initiatives in sub-Saharan Africa, FY 2002

Country	Category	Title	Description	Funding
Mozambique	Physical Infrastructure Development	Road Rehabilitation and Maintenance	This activity finances: a) construction of a major road; b) labor intensive construction of feeder roads; and c) improvements to road maintenance procedures and systems.	$5,900,000
Mozambique	Export Promotion Business Services & Training Trade-Related Agriculture	Rural Enterprise and Financial Services Development	This activity promotes the export of agricultural crops and the establishment of for-profit associations of small farmers.	$1,500,000
Namibia	E-Commerce & IT Business Services & Training	SME Competitive Enhancement Program	This activity targets the development and support of new and expanding Namibian Small and Medium Enterprises; the strengthening of local business services organizations; and the establishment of new markets for Namibian products within the region and internationally. This activity will provide technical assistance, training, IT support, and mentoring services.	$1,350,000
Rwanda	Multiple	Agribusiness Development Activity	The purpose of this initiative is to add value to key agriculture commodities targeted for export, to increase efficiency, to expand employment, to upgrade managerial and technical capability in agribusiness enterprises, to improve product quality and expand access to markets, and to develop financing options to support agribusiness growth.	$2,500,000
Rwanda	Multiple	Partnership Enhancing Agricultural Research through Linkages	This project provides market oriented research along commodity chains, targeting markets in the U.S. and Europe.	$1,500,000
Tanzania	Human Resources & Labor Standards	Tanzania Child Laborers Program	This project will complement the Timebound Program to eliminate the worst forms of child labor in Tanzania. The Tanzania Child Laborers Program will establish and staff community-learning centers in 11 target districts in Tanzania that have the highest incidence of child labor.	$4,000,000

Table 4-10–*Continued*
Examples of trade capacity-building initiatives in sub-Saharan Africa, FY 2002

Country	Category	Title	Description	Funding
Togo	Human Resources and Labor Standards	Combating Child Trafficking through Education	This project will promote school attendance and provide educational opportunities for victims of child trafficking and children at risk of being trafficked.	$2,000,000
Uganda	Trade-Related Agriculture	Competitive Private Enterprise & Trade Expansion (COMPETE)	The COMPETE Project was designed to respond to Uganda's urgent need to improve the export competitiveness of its private enterprises in international markets so as to increase Uganda's foreign exchange earnings and boost domestic economic activity and employment. COMPETE identified the fish, coffee, cotton and ICT (Information Communication Technology) sectors as Uganda's niches. Foreign exchange earned from the three agricultural exports contributes to increase Uganda's export earnings and household incomes.	$1,000,000
Uganda	Trade-Related Agriculture	Investment in Developing Export Agriculture (IDEA)	The IDEA Project supports activities that increase the value of selected non-traditional agricultural exports, such as flowers, fresh produce, cocoa, papain, vanilla and selected food crops.	$3,000,000
Uganda	Business Services & Training Financial Sector Dev. & Good Governance	Support Private Enterprise Expansion and Development (SPEED)	The SPEED Project is designed to address micro, small, and medium enterprise (MSME) finance and business needs in Uganda. Through SPEED, USAID seeks to increase access to financial services, to create and expand agricultural and non-agricultural enterprises, and to strengthen legal and regulatory frameworks for business development in the MSME sectors.	$2,319,000

Table 4-10–*Continued*
Examples of trade capacity-building initiatives in sub-Saharan Africa, FY 2002

Country	Category	Title	Description	Funding
Zambia	Human Resources & Labor Standards	Combating Child Labor through Education	The program will complement and expand upon existing activities to improve education in select rural and peri-urban communities, predominantly in the Copperbelt, Eastern, Lusaka, Southern and Western Provinces, to prevent children's migration to urban areas and engagement in the worst forms of child labor. The education program will work towards reducing child labor in Zambia through: a) improved community awareness-raising efforts on the importance of education for children engaged in or at-risk of the worst forms of child labor; b) strengthened quality of educational opportunities in government and alternative schools; c) increased ministerial and NGO capacity and inter-institutional coordination; and d) improved resource mobilization.	$2,000,000
Zambia	Multiple	Zambia Trade and Investment Enhancement Project	This project, managed by Nathan Associates, Inc., is assisting USAID Zambia in fulfilling part of its country strategic plan aimed at bringing about an improved trade and investment environment. Main components of the project are: a) reducing barriers to trade, b) capacity building in the public/private sector to facilitate economic growth and reduce poverty, and c) fostering linkages to optimize rural income-generating investment and trade opportunities.	$1,000,000

Table 4-10–*Continued*
Examples of trade capacity-building initiatives in sub-Saharan Africa, FY 2002

Country	Category	Title	Description	Funding
SSA Region	Business Services & Training	ATRIP Telecommunications Policy Component/Leland Initiative	This activity works with African stakeholders, such as governments, consumers, and private industry, to promote pro-competitive telecommunications policies and to strengthen capacity of regulatory officials. This initiative has helped Nigeria Telecom regulators to embrace a new community-based approach to rural telecommunications and to establish a consumer affairs division (the first in Africa); aided Eritrea to introduce Internet competition and retail pricing reforms; assisted 16 West African countries to launch WATRA, an advocacy and capacity-building association; and launched NetTel-Africa, an alliance of African and U.S. universities, regulators, the FCC, and resource experts that is designing and delivering high quality training and professional certification courses.	$1,000,000
SSA Region	Multiple	COMESA	COMESA was established in 1994 and includes 20 member countries. COMESA envisions achieving economic integration in East and Southern Africa. Its strategy is based on regional cooperation, including peace and security, in core areas of trade, investment, infrastructure and science and technology development. This project strengthens COMESA's technical and institutional capacity in the areas of regional communication harmonization, trade and transport, and conflict prevention. It also assists COMESA in preparing for WTO negotiations.	$1,750,000
SSA Region	Customs Operations and Administration	Customs Partnership with Africa (AGOA) Funded by the U.S. Customs Service	This initiative provides training and resources by the U.S. Customs Service to ensure that designated beneficiary countries have the customs infrastructure required to be full participants in the duty-free trade made possible by AGOA.	$1,000,000

Table 4-10–*Continued*
Examples of trade capacity-building initiatives in sub-Saharan Africa, FY 2002

Country	Category	Title	Description	Funding
SSA Region	Multiple	East African Global Competitiveness Hub	This project provides technical assistance through the East African Global Competitiveness Hub to East African countries to promote the six main themes of the Trade for African Development and Enterprise (TRADE) initiative, including: to enhance the competitiveness of East African products and services; to expand the role that trade can play in African poverty reduction strategies; to promote U.S.-East African business linkages; to improve the delivery of public services supporting trade; to strengthen regional capacity for trade policy formulation and implementation; and to strengthen the enabling environment for Southern African businesses.	$1,200,000
SSA Region	Other Trade Capacity Building	Integrated Trust Fund Follow-up Activities	This program will implement the recommendations of Integrated Framework (IF) diagnostic studies in two selected Least Developed Countries (LDCs). These funds will demonstrate U.S. support for the IF and increase the trade capacity building of the LDCs chosen.	$1,500,000
SSA Region	Multiple	Southern African Regional Competitiveness Hub	This activity establishes the Southern African Global Competitiveness Hub in Gaborone, Botswana, to reinforce regional efforts to enhance Southern Africa's trade competitiveness and thereby take greater advantage of the increased trading opportunities provided through AGOA and other global trade initiatives. Through the Hub, technical assistance will be provided to Southern African countries, including the region's private sector and civil society organizations.	$5,500,000

Table 4-10–*Continued*
Examples of trade capacity-building initiatives in sub-Saharan Africa, FY 2002

Country	Category	Title	Description	Funding
SSA Region	Agreement on SPS	Strengthening SPS Capacity of Sub-Saharan Africa through Risk Assessment Training	Tuskegee and USDA's Animal and Plant Health Inspection Service is helping African nations liberalize trade under AGOA by building the human and institutional capacity for compliance with the WTO Agreement on the Application of Sanitary/Phytosanitary measures.	$1,000,000
SSA Region	Multiple	Sustainable Tree Crops Project	This initiative targets small scale coffee, cocoa, and cashew farmers in West and East Africa to improve product quality, to gain access to technologies, to improve income, and to improve product price.	$1,440,000

Notes.—Initiatives for which activity total funds equaled or exceeded $1 million. "Multiple" refers to initiatives that targeted more than three trade capacity-building categories.

Source: USG Trade Capacity Building Database, USAID Development Information Services, Country Trade Reports, found at Internet address *http://qesdb.cdie.org/tcb/car_guide.html*, retrieved June 17, 2003.

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 $13 billion of U.S. exports in FY 2002,[54] assisting 2,516 U.S. export sales.[55] Ex-Im Bank support to SSA, which consists of loans, guarantees, and insurance was $207 million in FY 2002.[56] The Ex-Im Bank can consider project financing in every SSA country except Sudan.[57] Overall in SSA, elements of Ex-Im Bank's full range of medium- and long-term loan guarantee and direct loan programs, and short- and medium-term insurance programs are available in 39 countries.[58] Countries benefitting from financing in 2002 included Benin, Cameroon, Côte d'Ivoire, Equatorial Guinea, The Gambia, South Africa, Tanzania, Togo, Uganda, and Zambia. In addition to traditional export financing, the Ex-Im Bank also participates in the Africa Pilot Program, which assists businesses in SSA in purchasing U.S.-made goods and services, including parts, raw materials, and agricultural commodities. For example, in 2002, the Ex-Im Bank

[54] Ex-Im Bank, *2002 Annual Report*, p. 18.
[55] Ibid.
[56] Ibid., pp. 22-25.
[57] Ex-Im Bank, "Country Limitation Schedule," found at Internet address *http://www.exim.gov/tools/country/country_limits.html,* retrieved July 3, 2003.
[58] Ex-Im Bank Press Release, "Ex-Im Bank Short-Term Insurance Now Available in 39 Sub-Saharan African Countries," Apr. 1, 2003.

authorized $135 million in loan guarantees to Nigeria to purchase equipment and services for its LNG Plant from General Electric Co.[59]

As of September 20, 2002, Ex-Im Bank's total exposure in SSA was $3.2 billion. The Democratic Republic of the Congo accounted for 29 percent, while Nigeria made up 23 percent, and South Africa constituted 12 percent of total regional Ex-Im Bank exposure. Table 4-11 lists Ex-Im Bank exposure, 2002 authorizations, and availability of financing in SSA.

U.S. Trade and Development Agency

U.S. Trade and Development Agency (TDA) is an independent 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, trading programs, and other project planning services.

The TDA's obligations in SSA totaled $9.9 million in FY 2002 (table 4-12) and $6.1 million in FY 2001. SSA funding accounted for 11.8 percent of all TDA funding in 2002 and 2001.[60] South Africa accounted for a large portion of the funds allocated, with funding commitments totaling $4 million.[61]

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, following the President's direction at the first AGOA Forum in October 2001, the TDA established its Africa Regional Trade and Development Office in Johannesburg, South Africa. It is the TDA's fourth regional office and the first in Africa. The office allows the agency to provide on-site guidance to U.S. and African companies and African governments seeking to improve their access to the resources of the U.S. private sector and U.S. government trade and development programs. Other programs supported by the TDA included home mortgage financing in Nigeria, feasibility studies on potable water supply in Ghana and Nigeria, air navigation throughout the Southern African region, port infrastructure in Mauritius, and electrical power transmission in Zambia.[62] In November 2002, the TDA cosponsored an Africa Air Cargo Transport Roundtable with the U.S. Department of Transportation and the Ex-Im Bank. The event brought together public and private sector officials from the

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[59] Ex-Im Bank, *2002 Annual Report*, p. 31.

[60] TDA, *2002 Annual Report*, pp. 34 and 39.

[61] TDA Winter 2003 update, found at Internet address *http://www.tda.gov/trade/updatewinter2003/africamiddleeast.html,* retrieved July 9, 2003.

[62] TDA, *2002 Annual Report*, found at Internet address *http://www.tda.gov/abouttda/report2002/africa-middle-east.html*, retrieved Oct. 1, 2003.

Table 4-11
Sub-Saharan Africa: Export-Import Bank exposure, authorizations, and availability for further support as of April 14, 2003

Country	Exposure[1]	2002 Authorizations	Availability[2]
Angola	$141,232,855	(3)	P.A.
Benin	10,857,499	$195,002	P.A.
Botswana	(3)	(3)	Yes
Burkina Faso	(3)	(3)	P.A.
Burundi	(3)	(3)	No
Cameroon	47,825,679	9,021,365	P.A.
Cape Verde	(3)	(3)	P.A.
Central African Republic	8,710,457	(3)	No
Chad	(3)	(3)	P.A.
Comoros	(3)	(3)	No
Congo (ROC)	22,864,759	(3)	P.A.
Congo (DROC)	921,830,192	(3)	No
Côte d'Ivoire	164,351,917	1,055,268	P.A.
Djibouti	(3)	(3)	P.A.
Equatorial Guinea	450,000	450,000	P.A.
Eritrea	(3)	(3)	P.A.
Ethiopia	(3)	(3)	P.A
Gabon	64,369,962	(3)	P.A.
The Gambia	636,039	504,570	P.A.
Ghana	142,546,689	9,045,230	P.A.
Guinea	7,920,740	180,000	P.A.
Guinea-Bissau	(3)	(3)	P.A.
Kenya	100,828,542	3,471,522	P.A.
Lesotho	(3)	(3)	Yes
Liberia	5,980,110	(3)	No
Madagascar	38,318,462	(3)	P.A.
Malawi	(3)	(3)	P.A.
Mali	4,450,083	2,005,256	P.A.
Mauritania	7,297,107	842,750	P.A.
Mauritius	26,495,289	(3)	Yes
Mozambique	626,193	626,193	P.A.
Namibia	83,080,368	(3)	Yes
Niger	6,756,610	(3)	P.A.
Nigeria	742,951,125	150,544,560	P.A.
Rwanda	559,569	(3)	P.A.
São Tomé and Principe	(3)	(3)	P.A.
Senegal	11,537,030	5,579,406	P.A.
Seychelles	36,000	(3)	P.A.
Sierra Leone	(3)	(3)	No
Somalia	(3)	(3)	No
South Africa	391,109,027	325,800	Yes
Sudan	28,246,331	(3)	L
Swaziland	(3)	(3)	Yes
Tanzania	3,839,995	3,247,782	P.A.
Togo	15,002,820	15,000,000	P.A.
Uganda	3,372,062	1,794,978	P.A.
Zambia	151,234,626	3,234,506	P.A.
Zimbabwe	65,959,481	(3)	No
Total	$3,221,277,618	$207,124,188	

[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; No = country is opened for specifically financed transactions but short-term, medium-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.
[3] Not available.

Source: Ex-Im Bank, *2002 Annual Report*, pp. 22-25, and Country Limitation Schedule.

Table 4-12
U.S. Trade and Development Agency funds obligated for program activities in Africa, FY 2002

Country	Title	Activity	Funds obligated
Benin	Cotonou Residential Housing	Desk Study	$2,500
Botswana	Aluminum Project	Desk Study	2,500
Cameroon	Nickel-Cobalt Mining - Phase 1	Feasibility Study	330,250
Cameroon	Polyclinque Bonanjo	Desk Study	2,500
Cameroon	Airspace Management and Airport Concessions	Definitional Missions	29,998
Gabon	Poultry Processing Facility	Desk Study	2,500
Gabon	Civil Aviation	Definitional Mission	24,996
Ghana	Sogakope - Lome Water Supply	Feasibility Study	440,000
Ghana	Airborne Communications	Desk Study	4,000
Ghana	Wireless Communications	Desk Study	2,500
Ghana	Salt Projects	Definitional Mission	24,998
Ghana	Salt Projects - Solar Salt Refinery Projects	Feasibility Study	102,040
Ghana	AGOA Manufacturing	Orientation Visit	76,800
Ghana	Biomass Power	Desk Study	2,500
Guinea	Port of Kamsar	Desk Study	3,000
Guinea	Port of Kamsar	Feasibility Study	507,236
Kenya	Telecommunications Regulatory	Definitional Mission	5,000
Kenya	Cotton/Textile Development	Desk Study	2,425
Kenya	Cotton/Textile Development	Feasibility Study	312,447
Liberia	Iron Ore Transport	Desk Study	3,500
Mauritius	LPG Storage Tank Relocation	Feasibility Study	12,000
Mauritius	Information Technology Implementation Plan	Technical Assistance	220,727
Mauritius	Emergency Services Communications	Technical Assistance	231,289
Namibia	Fishing Sector	Orientation Visit	81,721
Nigeria	Ekiti State Potable Water System Infrastructure Improvements	Desk Study	2,500
Nigeria	Ekiti State Potable Water System Infrastructure Improvements	Feasibility Study	360,381
Nigeria	Bauchi State Dindima Dam	Desk Study	2,500
Nigeria	Private Long-Term Mortgage Corporation	Desk Study	4,975
Nigeria	Private Long - Term Mortgage Corporation	Technical Assistance	272,000
Nigeria	Ogun State Sugar Factory	Feasibility Study	288,645
Nigeria	Port Sector	Definitional Mission	29,950
Nigeria	Akwa Ibom State Fertilizer Complex	Desk Study	2,500
Nigeria	Akwa Ibom State Fertilizer Complex	Feasibility Study	450,000
Nigeria	Agricultural Sector	Definitional Mission	35,000
Nigeria	Ogun State Eggua Cement	Desk Study	2,500
Nigeria	Rivers State Fixed Wireless Project	Desk Study	2,500
Senegal	Ports of Dakar and Bargny	Desk Study	2,500
Senegal	MSG Facility	Desk Study	2,500
South Africa	South Africa Tire Recycling Re-review	Desk Study	1,000
South Africa	South Africa Tire Recycling	Feasibility Study	270,000
South Africa	Richards Bay Fluidized Bed Power	Feasibility Study	534,000
South Africa	Medical Orientation Visit	Orientation Visit	40,000
South Africa	Yeast Manufacturing	Desk Study	4,000
South Africa	Yeast Manufacturing	Feasibility Study	243,000
South Africa	Integrated Rail Freight	Desk Study	4,000
South Africa	Integrated Rail Freight	Feasibility Study	500,000
South Africa	Electrolytic Manganese Dioxide Processing	Feasibility Study	215,720
South Africa	Forest Oil Offshore Gas	Desk Study	4,000
South Africa	Forest Oil Offshore Gas - Ibhubesi	Feasibility Study	650,104
South Africa	PetroSA Pipeline	Desk Study	6,000
South Africa	PetroSA Pipeline	Technical Assistance	282,160
South Africa	Paper Mill	Desk Study	2,500
South Africa	Paper Mill	Feasibility Study	664,000
South Africa	PetroSA Western Cape	Technical Assistance	173,140
South Africa	Hor-Briquetted Iron	Feasibility Study	364,000
Tanzania	AGOA Agribusiness	Orientation Visit	67,606
Togo	Sea Point Africa Container Facility	Desk Study	4,000
Africa/ME Regional	North Africa/Middle East Aviation Conference	Technical Symposium	105,425
Africa/ME Regional	North Africa/Middle East Aviation Sector	Technical Assistance	86,974
Africa/ME Regional	CCA Africa Major Project Conference	Technical Symposium	162,187

Table 4-12—*Continued*
U.S. Trade and Development Agency funds obligated for program activities in Africa, FY 2002

Country	Title	Activity	Funds obligated
Africa/ME Regional	Refinery/Petrochemicals/Power Complex and Related Projects	Definitional Mission	$34,681
Africa/ME Regional	Project Analyst	Technical Assistance	59,990
Africa/ME Regional	Sub-Saharan Africa Regional Trade and Development Office	Technical Assistance	130,496
Africa/ME Regional	CNA/ATM Transition Plan	Desk Study	4,000
Africa/ME Regional	CNA/ATM Transition Plan	Feasibility Study	600,000
Africa/ME Regional	Africa Project Finance Symposium	Technical Symposium	246,418
Africa/ME Regional	East Africa Geothermal Conference	Technical Symposium	161,000
Africa/ME Regional	East Africa Regional Rail and Port	Definitional Mission	31,066
Africa/ME Regional	Co-Sponsorship of Videoconferencing	Technical Symposium	500
Africa/ME Regional	Southern Africa Airport Extension	Definitional Mission	39,991
Africa/ME Regional	Regional/Housing Construction	Orientation Visit	129,911
Africa/ME Regional	Air Cargo Transport Part I	Orientation Visit	84,328
Africa/ME Regional	Air Cargo Transport Part II	Definitional Mission	72,325
	Total		$9,864,400

Source: U.S. Trade and Development Agency, *2001 Annual Report*, found at Internet address *http://ww.tda.gov/abouttda/report2002/pabr_africa-me.html* retrieved on May 2002.

United States and Africa to address issues surrounding the development of an air cargo strategy to facilitate the movement of goods between Africa and the United States.[63] In January 2003, the TDA participated in the SACU FTA launch in South Africa. The agency continues to increase its AGOA-related activities through orientation visits, project studies, and capacity-building technical assistance in several manufacturing and agriculture subsectors.

Overseas Private Investment Corporation

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 2002, OPIC's programs were available for 41 of the 48 SSA countries.[64] Total investments in SSA were $149 million in 2002. OPIC supports four privately managed funds that invest in SSA: the $25 million Africa Growth Fund, which has equity investments in mining, manufacturing, and financial services; the $117 million Modern Africa Growth and Investment Fund, for all SSA countries except South Africa, which focuses on manufacturing, telecommunications, and natural resources; the $120 million ZM Africa Investment fund, for South Africa and regional SADC countries,

[63] TDA, "Working to Promote the U.S. Aviation Industry," Mar. 2003, found at Internet address *http://www.tda.gov/region/sectoral/aviation.html*, retrieved Nov. 17, 2003.
[64] OPIC, *2002 Annual Report*, p. 20.

which concentrates on diversified manufacturing, financial, and service industries; and the $350 million Africa Millennium Fund which holds the equities or quasi-equities of companies that work in the infrastructure sector.[65]

OPIC actively participates in SSA (table 4-13). In Ethiopia, an OPIC loan to MedPharm, Inc. will enable the opening of the International Clinical Laboratories. The ICL lab will serve the majority of the country and introduce testing technologies not currently available in Ethiopia.[66] A $15 million loan guarantee to the Soros Economic Development Fund will allow South Africa's National Urban Reconstruction and Housing Agency to finance the building of 90,000 homes for low-income families and to provide potable water.[67] OPIC-funded political risk insurance of $1.1 million will allow Decision Technologies International of Wappingers Falls, New York, to open an office and to develop and market software products and services in Nigeria. OPIC also provided political risk insurance for the drilling and repair of oil and gas wells in Chad. This insurance coverage represented OPIC's first project in Chad.[68]

U.S. Agency for International Development

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 responding to the HIV/AIDS pandemic, addressing the effects of violent conflicts and instability, providing greater access to education and health services, reducing poverty, and increasing food security.

In FY 2002, USAID obligations for SSA totaled $1.1 billion. USAID's assistance consisted of $420 million for child survival and disease programs, $466 million for development assistance programs, $100 million in economic support funds, and $132 million for Public Law 480, Title II, which provides food assistance and poverty alleviation through nonprofit, charitable organizations.[69] Table 4-14 contains FY 2002 allocation of USAID funds in SSA.

USAID started several new programs in 2002 that are designed to combat poverty, hunger, and corruption, and to improve education. For example, the Initiative to End Hunger in Africa aims to halve hunger in Africa by 2015. Through an African-led partnership, the $148 million initiative will focus on promoting agricultural production

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[65] OPIC, "OPIC Investment Funds list," found at Internet address *http://www.opic.gov/investmentfunds/,* retrieved July 9, 2003.

[66] OPIC, *2002 Annual Report*, p. 6.

[67] Ibid., p. 7.

[68] OPIC, "OPIC Board Approves $250 Million in Insurance for Project in Chad," *OPIC Press Release 2-14*, May 22, 2002.

[69] USAID, "FY 2003 Country Allocation Summary," found at Internet address *http://www.usaid.gov/pubs/cbj2003/fy03_table4c.html*, retrieved July 8, 2003.

Table 4-13
Sub-Saharan Africa: OPIC investment projects, 2002

Country	Project Description	Value	Support Type
Angola	Pump and motor distribution and repair facility	$495,000	Finance
Angola	Pump and motor distribution and repair facility	750,000	Insurance
Chad	Oil and gas drilling	100,000,000	Insurance
Ethiopia	Medical diagnostic testing facility	489,677	Finance
Ghana	Operation of a gravel quarry	168,560	Finance
Ghana	Dehydration facility to process spices, dried fruit, and nuts	2,000,000	Finance
Ghana	Drilling potable-water wells	100,000	Finance
Namibia	Mining of off-shore diamond deposits	15,000,000	Finance
Nigeria	Software business center development	1,080,000	Insurance
South Africa . . .	Low-income residential housing construction	15,000,000	Finance
Togo	Banking	13,500,000	Insurance
	Total	$148,583,237	

Source: OPIC, *2002 Annual Report*, p. 16.

and increasing rural incomes.[70] The partnership began in Ethiopia with a quick start program to improve water management technologies. The $185 million Africa Education Initiative, "Strengthening Basic Education in Africa," is designed to improve basic education for children in Africa. The initiative challenges African educational professionals to find new ways to provide children with opportunities to learn and to become productive members of society. The initiative will also ensure that enough teachers are trained to address the wide variety of student needs.[71] A new 5-year Anti-Corruption Initiative aims to reduce corruption in SSA by addressing the enabling environment for corruption. To achieve this goal the initiative will promote public access to information, encourage civic participation in government action, and emphasize transparent and efficient government oversight institutions. Other regional programs in which USAID participates include the Congo Basin Forest Partnership, which promotes economic development and poverty alleviation in Cameroon, Central African Republic, the Democratic Republic of the Congo, Equatorial Guinea, Gabon, and the Republic of the Congo through natural resource conservation, and the West African Water Initiative, a partnership to provide potable drinking water and sanitation to villages in Ghana, Mali, and Niger.[72]

[70] Department of State Fact Sheet, "Initiative to End Hunger in Africa," found at Internet address *http://www.state.gov/g/oes/rls/fs/2003/18796pf.htm*, retrieved July 8, 2003

[71] USAID Fact Sheet, "Strengthening Basic Education in Africa," found at Internet address *http://www.usaid.gov/press/releases/2002/02fs_afreducation.html*, retrieved July 8, 2003

[72] For information on the Generalized System of Preferences and the Everything But Arms programs, see USITC, *U.S. Trade and Investment With Sub-Saharan Africa 2002*, Publication 3552, Dec. 2002, pp. 108-111.

Table 4-14
USAID funds allocated for sub-Saharan Africa, by major project categories, FY 2002
(Million dollars)

Country	Development Assistance	Child Survival and Disease	P.L. 480 Title II	Economic Support Funds	Total
Angola	3.4	6.2	7.8	2.0	19.4
Benin	3.1	11.2	3.9	0.0	18.2
Burundi	1.5	0.0	0.0	0.0	1.5
DROC	2.8	15.8	0.0	0.0	18.6
Eritrea	5.6	5.2	0.0	0.0	10.8
Ethiopia	12.6	27.9	38.3	0.0	78.8
Ghana	19.4	15.9	13.1	0.0	48.4
Guinea	9.7	10.2	4.7	0.0	24.6
Kenya	18.9	14.4	8.9	0.0	42.2
Liberia	3.8	1.5	1.0	0.0	6.3
Madagascar	14.0	4.5	8.3	0.0	26.8
Malawi	10.0	14.8	4.0	0.0	28.8
Mali	20.3	12.7	0.3	0.0	33.3
Mozambique	29.2	11.9	16.0	0.0	57.1
Namibia	4.4	4.5	0.0	0.0	8.9
Nigeria	30.3	23.7	0.0	25.0	79.0
Rwanda	7.2	6.8	10.4	0.0	24.4
Senegal	16.0	8.5	1.0	0.0	25.5
Sierra Leone	3.5	1.9	0.0	9.0	14.4
Somalia	2.5	0.5	0.0	0.0	3.0
South Africa	34.3	18.4	0.0	0.0	52.7
Sudan	4.5	0.5	0.0	0.0	5.0
Tanzania	14.5	10.6	0.0	0.0	25.1
Uganda	20.9	29.3	15.0	0.0	65.2
Zambia	10.7	27.6	0.0	0.0	38.3
Zimbabwe	5.8	6.4	0.0	0.0	12.2
Total	308.9	290.9	132.7	36.0	768.5

Note.–Only SSA countries receiving direct USAID bilateral assistance are included in this table. These and other SSA countries may receive USAID assistance indirectly through regional programs.

Source: Compiled from USAID data found at Internet address *http://www.usaid.gov/pubs/cbj2002/afr/afrbur_summtabs.html,* retrieved July 2, 2003.

Box 4-1. USAID and Trade Capacity-Building Initiatives

In FY 2002, USAID inaugurated a new, multiyear trade capacity-building initiative, Trade for African Development and Enterprise (TRADE). TRADE promotes regional integration and cooperation by strengthening the ability of African countries and businesses to develop their export sectors. TRADE operates through three Regional Hubs for Global Competitiveness located at USAID's three regional missions in Kenya, Ghana, and Botswana.

The East and Central Africa (ECA) hub, based in Nairobi, Kenya, has three components: trade capacity-building, AGOA business development, and transportation. The trade capacity-building component is a combination of established short-term training courses, trade negotiation simulation models, seminars covering specific issues related to upcoming trade negotiations, and other trade capacity strengthening seminars targeted at both the private and public sectors. Current projects include training on the current round of WTO Uruguay Round agreements for officials from government ministries in the area, the private sector, and other interested stakeholders.

The Southern Africa Hub's primary objective is to enhance the competitiveness of Southern Africa products and services. Located in Gaborone, Botswana, the hub promotes customs and trade facilitation and transport efficiency. Examples of such initiatives include:[1]

- Swazican, a producer of juices, jams, and canned fruit, based in Swaziland, has been exporting to the region for over 20 years though the firm's exports to the U.S. market were not viewed as a priority. After assistance from the Hub staff on AGOA opportunities and requirements, the firm expanded U.S. exports from two products to five. Swazican's production capacity increased 17 percent in 2002 and 210 new jobs were created at the firm.

- Nagrapex Holdings Ltd., a Namibian grape exporter, exports over 2,000 tons of table grapes annually, primarily to Europe. Nagrapex is aggressively looking for new markets, including the United States. The first step to entering the U.S. market is the U.S. Department of Agriculture (USDA) application process, which can take up to 2 years. Trade Hub experts are guiding Nagrapex through the USDA application process as well as arranging for the pest risk assessment (PRA) for table grapes, a prerequisite for export to the United States and the first step in the application process.

[1] USAID, "Southern African Global Competitiveness Hub," found at Internet address *http://www.satradehub.org/TradeIssues/SuccessStories.aspx*, retrieved July 11, 2003.

The West African Trade Hub (WATH), located in Accra, Ghana, focuses on building trade capacity; exploiting opportunities under AGOA; and exchanging, monitoring, and evaluating information. WATH's trade capacity-building component focuses on the training and capacity-building of public and private sector trade specialists on WTO issues and agreements and on broad information dissemination of relevant WTO activities. Activities begun over the last year include:[2]

- Growth through Engendering Enterprise in ECOWAS Countries (ECOGEE): The ECOGEE project supports West African women's efforts to overcome barriers to business development and regional trade. The 3-year project began in September 2002 and is implemented by International Business Initiatives together with West Africa Businesswomen's Network (WABNET).

- West African International Business Linkages (WAIBL): WAIBL is a USAID-funded program to increase commercial partnerships between businesses in the United States and West Africa. These relationships can take many forms including export/import agreements, joint ventures, and equity partnerships. WAIBL is active in 18 countries in West Africa: the 15 countries of ECOWAS as well as Cameroon, Chad, and Mauritania.

[2] USAID, "West African Trade Hub," found at Internet address *http://www.watradehub.com/activities/index.htm*, retrieved July 11, 2003.

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; textiles and apparel; and transportation equipment.[1] These sectors account for the major items of trade between the United States and the SSA region. Each sector discussion provides overview 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, and investment issues. The information and analysis generally focus on developments that occurred during 2002 and early 2003.[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.

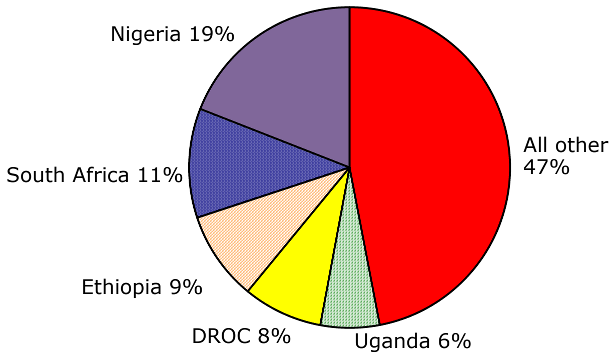
[1] The sectors generally are in the order of the Harmonized Tariff Schedules. Sector coverage may have changed somewhat from last year's report.

[2] In some cases, the latest available data are for 2001.

AGRICULTURE, FISHERIES, AND FOREST PRODUCTS[1]

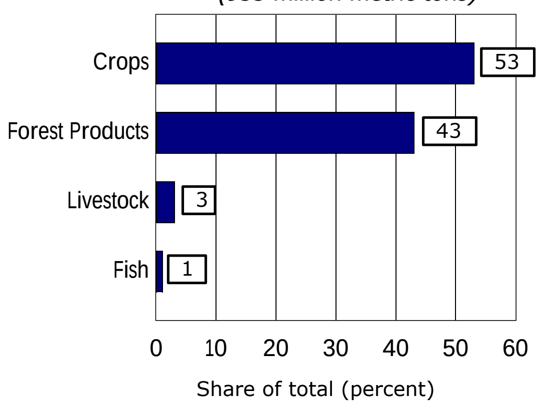
OVERVIEW

SSA sector production, by country, 2001
(935 million metric tons)



Source: United Nations, FAOSTAT database, available at *http://faostat.fao.org.*

SSA sector production, by product, 2001
(935 million metric tons)



Source: United Nations, FAOSTAT database, available at *http://faostat.fao.org.*

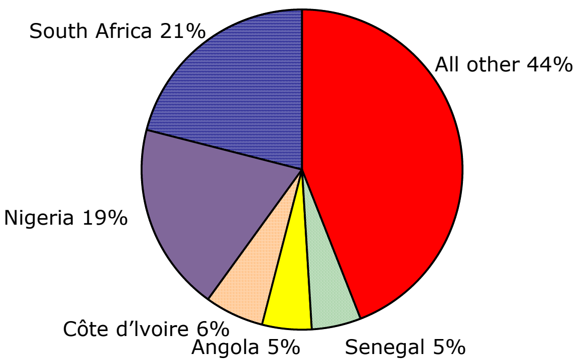
- Although the agriculture, fisheries, and forest products sector is a major component of the SSA economy, its relative importance has been declining. In 2001, the value added by agriculture accounted for 16 percent of SSA GDP, down from 19 percent in 1997.[2]
- Sector production was relatively flat again in 2001, increasing about 1 percent, by quantity, over the previous year. Nigeria and South Africa accounted for 30 percent and the top five SSA countries accounted for 53 percent of the total quantity of SSA production in 2001.[3]
- Agricultural crops again accounted for the largest share of sector production, about 53 percent of the total, by quantity, in 2001. The leading crops produced in SSA in 2001 included cassava, sugar cane, yams, and corn. Forest products production was the second leading sector category, accounting for about 43 percent of the total.
- Fuel wood accounted for 85 percent of forest products production and 37 percent of total sector production in SSA. Livestock and fishery products production were very small parts of sector production.[4]
- Food security continues to be a concern in SSA, owing to weather, continuing political strife in some countries, and land policies in Zimbabwe. In 2002, an estimated 54 percent of the population (337 million people) in the region was inadequately fed. Food production shortfalls during 2001-2002 were the most severe in Zimbabwe, Zambia, and Malawi. In addition, food supplies in Ethiopia and Eritrea were affected during 2002 and 2003 by severe drought. The United Nations identified 23 SSA countries facing food emergencies as of July 2003.[5]
- Cereal food aid pledges to SSA totaled about 2.3 million metric tons (mmt) for marketing year 2002/2003, up from 1.7 mmt the previous year. Principal recipients included Ethiopia (22 percent of the total), Zimbabwe (12 percent), Malawi (10 percent), and Angola (10 percent). Principal donors included the World Food Program of the United Nations (75 percent of the total), the United States (18 percent), and the EU (5 percent).[6]
- Land redistribution in Zimbabwe contributed to a decline in the number of commercial farmers, farm employment, and agricultural output. As of November 2002, an estimated 600 commercial farmers were operating compared with a pre-reform total of 4,500. An estimated 300,000 to 500,000 farm workers have lost their jobs as a result of the redistribution program. Production of tobacco, a primary agricultural product and foreign exchange earner, is estimated to fall to about 88,000 metric tons (mt) in 2003, compared with a record 245,000 mt in 2000 (before major farm closures). Declines were registered during 2000-2002 in the production of corn (76 percent), seed cotton (39 percent), and wheat (40 percent). The commercial beef herd on large-scale commercial farms declined by 69 percent during the period. A slight recovery is expected for some crops in 2003, but at levels that remain well below historic averages.[7]
- Low commodity prices for major SSA export commodities, such as coffee, cocoa, and cotton, persisted in 2002. However, prices show signs of recovering in 2003. Commodity price rises likely will be countervailed in Cotê d'Ivoire by civil strife that has affected cocoa harvesting and distribution.[8]
- HIV/AIDS continues to adversely affect the SSA agriculture sector. There were 3.5 million new infections in SSA in 2002 and 2.4 million HIV/AIDS-related deaths. The projected loss of agricultural output during 1985-2020 resulting from HIV/AIDS in nine SSA countries with high infection rates ranges from 13 percent in Tanzania to 26 percent in Namibia.[9]
- Privatization of sector industries continued in 2002 and 2003. Rwanda is in the process of holding an auction to privatize its two government-owned tea factories. Uganda is privatizing its largest dairy company and a sugar company. South Africa is selling a 75-percent interest in the state-held Komatiland Forests Limited. Nigeria is privatizing government-owned sugar estates, beginning with the sale of Savannah Sugar Company to Dangote Industries in March 2003.[10]

OVERVIEW-Continued

- Despite concern regarding genetically modified (GM) products, interest and research in GM technology continues in SSA. Kenya has several projects underway, including field trials for GM corn and casava as well as the development of animal disease diagnostics and vaccines. Kenya currently is developing domestic biotechnology policies and legislation to commercialize GM products. South Africa, the most advanced SSA country with respect to GM products, currently allows the use of GM cotton, corn, and soybeans and is conducting extensive research on many other products. Zimbabwe is considering the approval of GM cotton use.[11]
- Nigeria banned imports of several food items effective July 1, 2003. Items include bottled beer, chocolates, and sweets and sugar confectionaries. In January 2003, Nigeria seized and destroyed $4 million worth of frozen chicken following a ban on imports the previous August.[12]
- SSA cotton producers are seeking action regarding subsidies provided to cotton producers by the United States, China, the EU, and other cotton exporters. Benin, Burkina Faso, Chad, and Mali introduced a proposal in the WTO Trade Negotiations Committee to establish a sectoral initiative to phase out cotton subsidies. The SSA countries hold that the subsidies contribute to lower world prices and adversely impact their export earnings.[13]

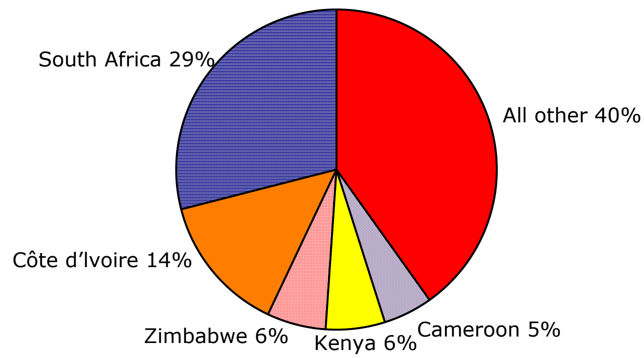
TRADE

SSA sector global imports, by country, 2001
($10.3 billion)



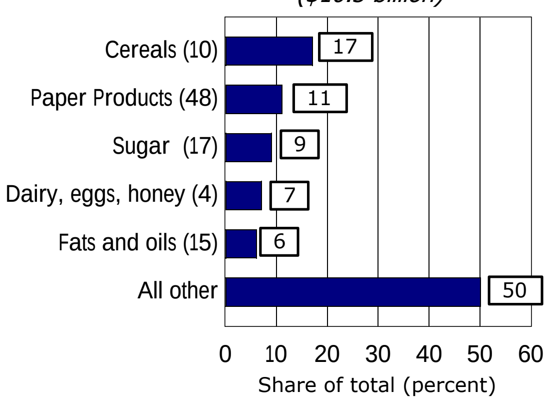
Source: United Nations.

SSA sector global exports, by country, 2001
($18.4 billion)



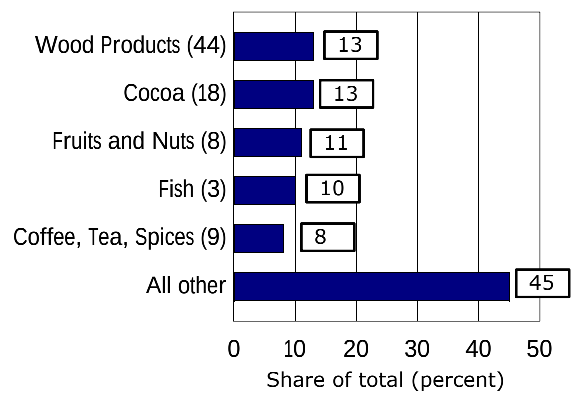
Source: United Nations.

SSA sector global imports, by HS chapter, 2001
($10.3 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2001
($18.4 billion)



Source: United Nations.

Major Import Source (2001)	Share of Total (percent)	Major Import Item (6-digit HS) (2001)	Share of Total (percent)
EU	44	Wheat, not durum (1001.90)	7
South Africa	8	Milled rice (1006.30)	7
United States	8	Cane or beet sugar (1701.99)	6
Thailand	6	Cigarettes (2402.20)	3
Brazil	6	Other food preps. (2106.90)	3
Swaziland	3	Concentrated milk (0402.21)	3

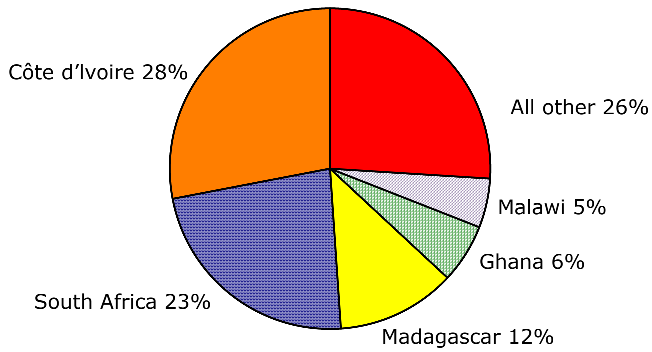
Source: United Nations.

Major Export Market (2001)	Share of Total (percent)	Major Export Item (6-digit HS) (2001)	Share of Total (percent)
EU	58	Cocoa beans (1801.00)	10
United States	6	Tobacco (2401.20)	4
Japan	6	Cane sugar (1701.11)	4
Botswana	4	Cotton (5201.00)	4
China	3	Tropical wood (4403.49)	4
Hong Kong	2	Coffee (0901.11)	4

Source: United Nations.

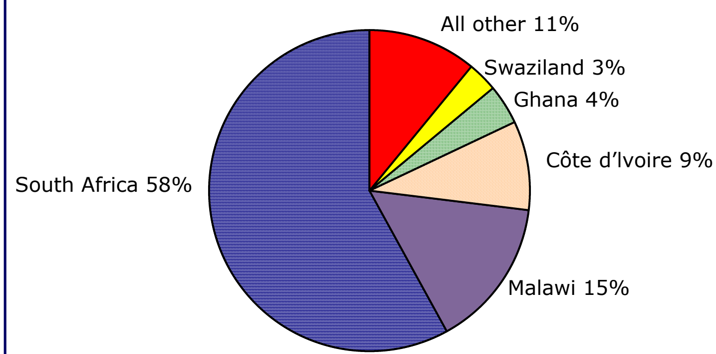
TRADE-Continued

U.S. sector imports from SSA, by source, 2002
($1.0 billion)



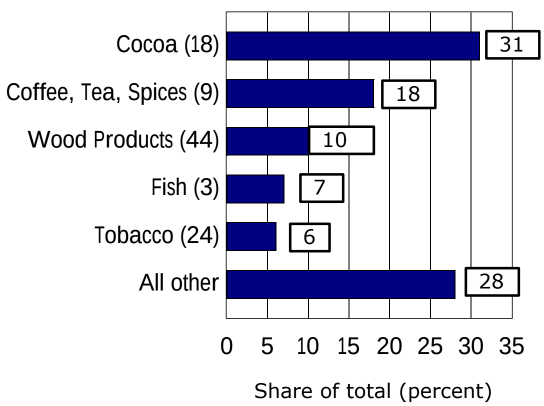
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2002
($242 million)



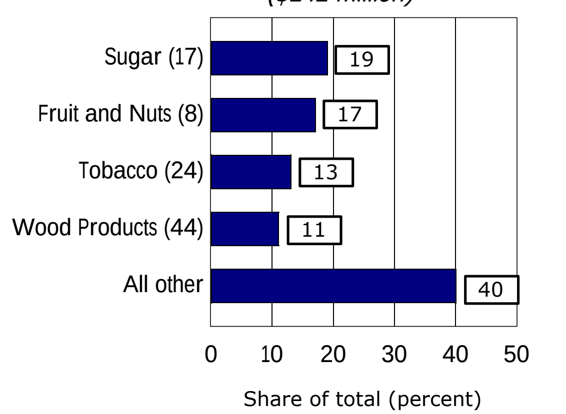
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HTS heading, 2002
($1.0 billion)



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

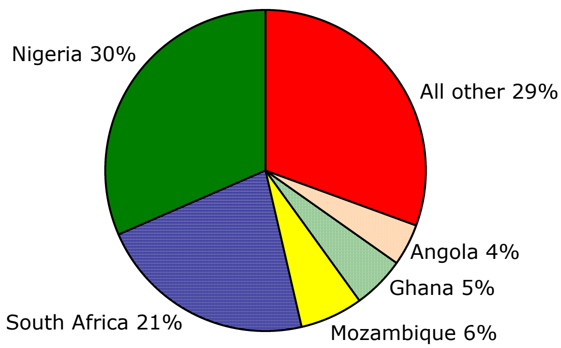
U.S. sector imports under AGOA (including GSP), by HTS heading, 2002
($242 million)



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

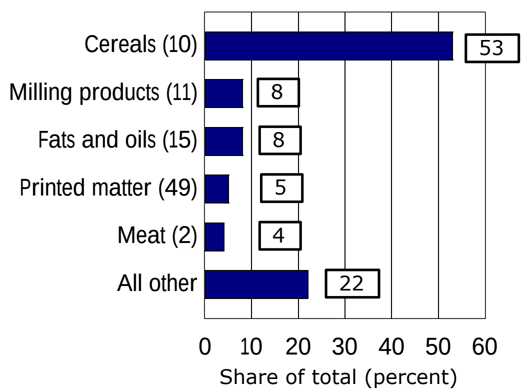
TRADE-Continued

U.S. sector exports to SSA, by market, 2002
($1.1 billion)



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

U.S. sector exports to SSA, by HTS heading, 2002
($1.1 billion)



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

Key U.S. Import Developments

- U.S. sector imports from SSA totaled $1.0 billion in 2002, up 8 percent from the previous year. SSA accounted for about 1 percent of total U.S. sector imports in 2002, the same share as in the previous year. A rise in commodity prices contributed to the increase in imports. The sector accounted for about 6 percent of total U.S. imports from SSA in 2002, up from 5 percent the previous year.
- In 2002, the top five import commodities at the 6-digit HTS level accounted for 53 percent of total imports. Cocoa beans (HTS 1801.00) accounted for 26 percent; vanilla beans (HTS 0905.00) for 12 percent; stemmed and stripped tobacco (HTS 2401.20) for 6 percent; raw cane sugar (HTS 1701.11) for 5 percent; and frozen fish fillets (HTS 0304.20) for 4 percent.
- Côte d'Ivoire and South Africa supplied more than half of all U.S. sector imports from SSA in 2002, slightly up from the previous year. Sector imports from Côte d'Ivoire are highly concentrated, with 85 percent accounted for by cocoa beans (HTS 1801). Imports from South Africa are more evenly distributed, with the major items including fresh citrus (HTS 0805, 9 percent of the total value), sugar (HTS 1701, 9 percent), leather (HTS 4113, 8 percent), fruit juices (HTS 2009, 7 percent), and processed fruits and nuts (HTS 2008, 7 percent).

Key AGOA Trade Developments

- In 2002, the value of U.S. sector imports under AGOA (including GSP) was $242 million, representing an increase of 38 percent over the previous year. Such imports accounted for about 3 percent of total AGOA imports and 23 percent of total sector imports from SSA in 2002; these shares were up from the previous year. South Africa was the largest source for U.S. imports under AGOA in the sector in 2002, accounting for 58 percent of such imports.
- The principal products imported under AGOA in 2002 were raw cane sugar (HTS 1701.11), at $44 million, or 18 percent of the total; stemmed and stripped tobacco (HTS 2401.20), $31 million, or 13 percent; and certain leather (HTS 4113.90, believed to be mainly of ostrich), $17 million, or 7 percent.
- U.S. imports of raw cane sugar under AGOA increased by $16 million, or 59 percent, in 2002 compared with the previous year. The major supplier was South Africa (47 percent of the value). Virtually all U.S. imports of sugar from AGOA sources enter under AGOA (GSP). Although such imports are subject to a prohibitive tariff rate quota, the quota for these suppliers was only about three-quarters filled in fiscal year 2002, leaving room for future expansion.[14]
- Other major products showing substantial import growth under AGOA in 2002 include certain leather (HTS 4113.90, $17 million, up from no imports in 2001), wood doors (HTS 4418.20, up $13 million, or 91 percent), certain nuts (HTS 0802.90, up $13 million, or 28 percent), and cocoa powder (HTS 1805.00, up $11 million, or 153 percent).

Key U.S. Export Developments

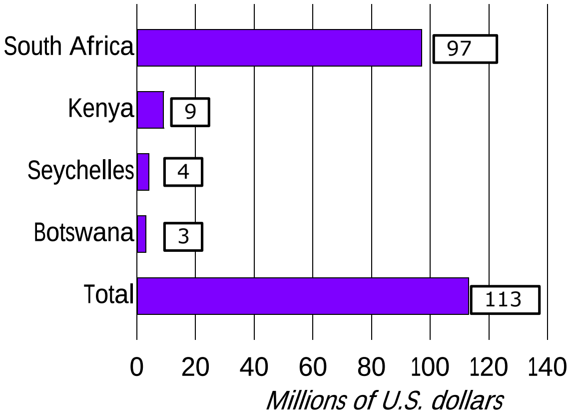
- U.S. sector exports to SSA totaled $1.1 billion in 2002, up 31 percent from the previous year. SSA accounted for about 1 percent of total U.S. sector exports in 2002, about the same share as in 2001. The sector accounted for about 18 percent of total U.S. exports to SSA in 2002, up from 12 percent the previous year.
- The primary SSA export markets in 2002 continued to be Nigeria (30 percent of the total value) and South Africa (21 percent). The share held by these markets declined relative to the previous year.
- In 2002, the top four export commodities at the 6-digit HTS level accounted for 52 percent of total exports. These included wheat other than durum (HTS 1001.90, 34 percent); corn (HTS 1005.90, 9 percent), milled rice (HTS 1006.30, 5 percent); and frozen chicken cuts and offal (HTS 0207.14, 4 percent).
- U.S. cereal exports to SSA countries totaled about $555 million in 2002, an increase of 51 percent over 2001. Nigeria was the primary SSA market, accounting for 47 percent of the total. Following were South Africa (14 percent) and Mozambique (8 percent). About two-thirds of the value of U.S. grain exports to the region in 2002 consisted of wheat, one-fifth of corn, and the remainder was mostly rice.
- The SSA export markets for cereals showing the largest annual percentage increases included Djibouti (5,107 percent), Madagascar (2,308 percent), and Mozambique (1,226 percent). Corn (479 percent) and sorghum (351 percent) showed the largest percentage rise among cereal commodities. Annual shifts in U.S. cereal exports to SSA largely reflect patterns in food aid.

Key U.S. Export Developments-Continued

- Wheat sales to Nigeria represent the largest sector export to SSA (nearly one-quarter the total value). Such exports rose 18 percent in 2002. A government ban on imports of certain baked goods and the increasing popularity of bread contributed to the rise.[15]

INVESTMENT

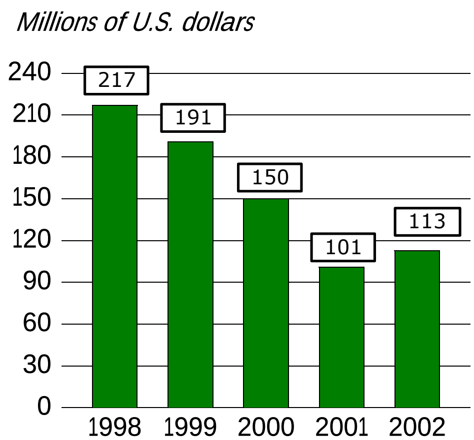
U.S. sector SSA FDI position, by country, 2002



Note.—Data for some countries not disclosed owing to confidentiality. U.S. FDI position may be negative for some countries. Industry classification basis changed from SIC to NAICS in 2002.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Food."

U.S. sector SSA FDI position, 1998-2002



Note.—Industry classification changed from SIC to NAICS in 2002; data from 1999 to 2001 have been converted to NAICS.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Food."

- The U.S. FDI position in the SSA food sector totaled $113 million in 2002, up from $101 million the previous year. South Africa continued to be the primary SSA location for U.S. FDI in the sector, accounting for 86 percent of the regional total. The food sector continued to account for a minor share of the total U.S. FDI position in SSA, and SSA continued to host a minor share of the total U.S. FDI position in the food sector.[16]
- Coca-Cola purchased a juice and a bottled water brand from SABMiller in South Africa for $13 million. The purchase provides Coca-Cola with a 45 percent share of the fast-growing bottled water market in South Africa. Coca-Cola also invested $8.2 million in Kenya to produce a noncarbonated fruit drink.[17]
- Tanzania is developing an investment incentive package for the processing of agricultural goods. Target areas include traditional export items, such as cotton, coffee, and cashew nuts, as well as nontraditional items, including fruits, vegetables, and flowers.[18]

ENDNOTES

[1] This sector includes items classified in Harmonized System chapters 01 through 24, 35, 41, 43, 44 through 49, 51, and 52.

[2] The World Bank Group, "Sub-Saharan Africa Data Profile," found at Internet address *http://devdata.worldbank.org/external/CPProfile.asp?SelectedCountry=SSA&CCODE=SSA&CNAME=Sub Saharan+Africa&PTYPE=CP,* retrieved July 30, 2003.

[3] Based on data of the Food and Agriculture Organization (FAO) of the United Nations. Data for 2000 used for comparison in this report may not be comparable to such data published in last years report owing mainly to data updates.

[4] FAO.

[5] Stacey Rosen, "Sub-Saharan Africa," USDA, ERS, Food Security Assessment GFA-14, Feb. 2002. U.S. Agency for International Development (USAID), "USAID Response to the Food Security Crises in Africa," found at Internet address *http://www.usaid.gov/press/factsheets/2003/fs030108_1.html*, retrieved July 30, 2003. FAO, Global Information and Early Warning System on Food and Agriculture, Food Supply Situation and Crop Prospects in Sub-Saharan Africa, No. 2, July 2003, p. 2.

[6] FAO, Global Information..., ibid., p. 12.

[7] U.S. Department of State telegram, "Only 600 of 4500 Commercial Farmers Still Standing," message reference No. 2700, Nov. 26, 2002, prepared by U.S. Embassy, Harare. USDA, FAS, Zimbabwe Tobacco and Products Annual, 2003, GAIN Report #RH3002, May 23, 2003, p.1. U.S. Department of State telegram, "Zimbabwe's Resettled Farms: Can They Work," message reference No. 2561, Nov. 19, 2002, prepared by U.S. Embassy, Harare.

[8] The World Bank Group, "Commodity Price Data," July 2003, found at Internet address *http://www.worldbank.org/prospects/pinksheets/pink0703.pdf*, retrieved Aug. 1, 2003.
USDA, FAS, Côte d'Ivoire, Coffee Annual, 2003, GAIN Report #IV3005, May 21, 2003, p. 1. USDA, FAS, Côte d'Ivoire, Cotton and Products Annual, 2003, GAIN Report #IV3006, June 17, 2003, p. 1. Economist Intelligence Unit, Business Africa, April 1-15 2003, pp. 1-2.

[9] UNAIDS, "Fact Sheet 2002, Sub-Saharan Africa," found at Internet address *http://www.unaids.org/worldaidsday/2002/press/index.html#facts*, retrieved Aug. 1, 2003. FAO, "HIV/AIDS, food security and rural livelihoods," found at Internet address *http://www.fao.org/worldfoodsummit/english/fsheets/aids.pdf*, retrieved July 16, 2003.

[10] U.S. Department of State telegram, "Rwanda's Privatization of Tea Factories," message reference No. 1294, prepared by U.S. Embassy, Kigali, Jul. 15, 2003. United Nations Industrial Development Organization, Investment Opportunities, found at Internet address *http://www.unido aaitpc.org/unido aaitpc/new1/investment.html*. Republic of South Africa, Department of Public Enterprises, "Call for Expressions of Interest, Komatiland Forests (Pty) Limited," found at Internet address *http://www.southafrican embassy.at/wirtschaft/forest.PDF*. USDA, FAS, Nigeria, Sugar Annual, 2003, GAIN Report #NI3009, Apr.16, 2003, p. 1.

[11] USDA, FAS, Kenya, Biotechnology, Modern Agricultural Biotechnology, 2003, GAIN Report #KE3005, Jul. 11, 2003, p. 1. AfricaBio, "South Africa: Status and Future Prospects of Biotechnology," found at Internet address *http://www.africabio.com/status/statusf.htm*, retrieved Aug. 1, 2003.

[12] USDA, FAS, Nigeria, Trade Policy Monitoring, Import Bans, 2003, GAIN Report #NI3020, Jul. 9, 2003, p. 1. USDA, FAS, Nigeria, Poultry and Products, Nigerian Customs Destroy Imported Frozen Poultry, 2003, GAIN Report #NI3003, Feb. 2, 2003, p. 1.

[13] WTO, Committee on Agriculture, WTO Negotiations on Agriculture, Poverty Reduction: Sectoral Initiative in Favour of Cotton, TN/AG/GEN/4, May 16, 2003. U.S. Department of State telegram, "Joint Initiative for the Elimination of Cotton Subsidies," message reference No. 2194, prepared by U.S. Embassy, Geneva, July 8, 2003.

[14] For example, in fiscal year 2002, 10 SSA countries held U.S. raw sugar import quotas totaling 119,593 mt, of which they exported 89,815 mt, valued at $38 million. In 2002, the ad valorem equivalent for over-quota imports of raw cane sugar was about 49 percent. U.S. International Trade Commission, Dataweb.

[15] USDA, FAS, Nigeria Grain and Feed Annual, 2003, GAIN Report #NI3011, Apr. 23, 2003, p. 2.

[16] USDOC, BEA, U.S. Direct Investment Position Abroad on a Historical-Cost Basis: Country Detail by Industry, 2002, found at Internet address *http://www.bea.gov/bea/di/di1usdbal.htm*, retrieved Oct. 17, 2003.

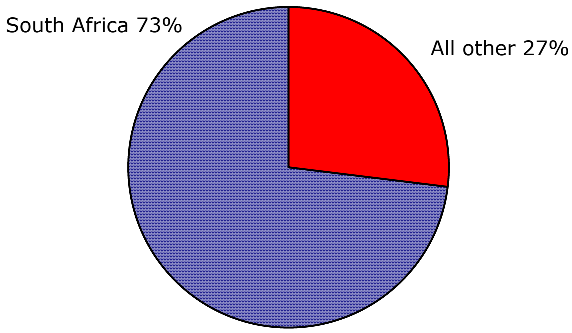
[17] SABMiller plc, "SABMiller disposes of Just Juice and Valpre trademarks," news announcement, Feb. 3, 2003, found at Internet address *http://www.sabmiller.com/book_index.asp?bookmark=news103.asp*, retrieved Aug. 4, 2003. The Economist Intelligence Unit, Business Africa, April 16-30, 2003, p. 11. Economist Intelligence Unit, Business Africa, February 1-15, 2003, p. 11.

[18] Economist Intelligence Unit, Business Africa, May 16-31, 2003, p. 12.

CHEMICALS[1]

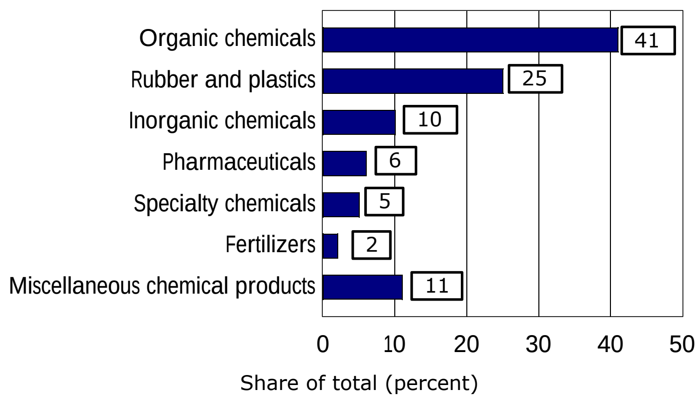
OVERVIEW

SSA sector production, by country, 2002
($16 billion)



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

SSA sector production, by product, 2002
($16 billion)

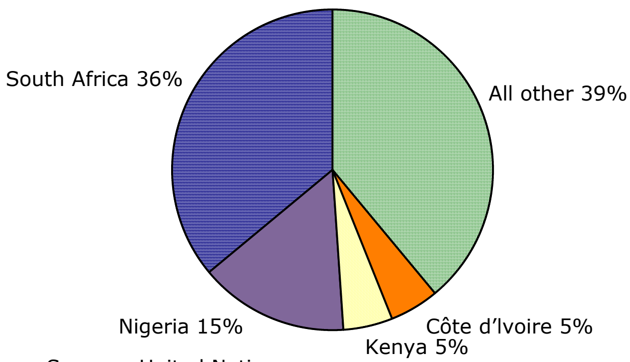


Source: USITC estimates based on information from MBendi; *Chemical & Engineering News,* "World Chemical Outlook," Dec. 17, 2001, pp.26-40; *US Department of Commerce, US&FCS Market Research Reports: Chemicals-South Africa*, Dec. 5, 2001; and *US Department of Commerce, US&FCS Market Research Reports: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

- Due to the strength of the mining industries in South Africa, there is a continually growing demand for explosives. Currently there are three South African-owned firms producing and supplying these materials to the domestic market, African Explosives, Ltd., SMX, and BME. All of these firms are trying to reduce their dependence on imported raw materials and are concentrating on developing their own proprietary product lines as well as local sources for necessary raw materials.
- Changes that have had a significant impact on the South African pharmaceutical demand include the introduction of free medical care to pregnant women and children under the age of six, the new Pharmacy Act, and a broadening of available free primary health care to the general population. Also, there is anticipated to be a continued increase in demand for certain drugs, particularly antibiotics and over-the-counter drugs, as their patent protections expire in the coming years.[2]
- The Government of Senegal, which owns 47 percent of Senegal's largest industrial firm, Industries Chimiques du Senegal (ICS), is attempting to develop the Senegalese economy by emphasizing high value-added industries with significant export potential, such as chemicals, particularly fertilizer.[3]
- Nigerian attempts to develop a petrochemical industry have been more successful than other heavy industries, such as steel and metals. However, a lack of funds has prevented the import of required spare parts for maintenance, so the plants that are still functioning are running well below expected capacity.[4]
- Infrastructure constraints due both to civil disturbances as well as the lack of preexisting transportation links caused significant unforeseen expenses in recent years. For example, inconsistent deliveries of feedstock natural gas to two new petrochemical complexes (which produce plastics and fertilizers) in Port Harcourt have caused these plants to run at about 20 percent of installed capacity.[5]

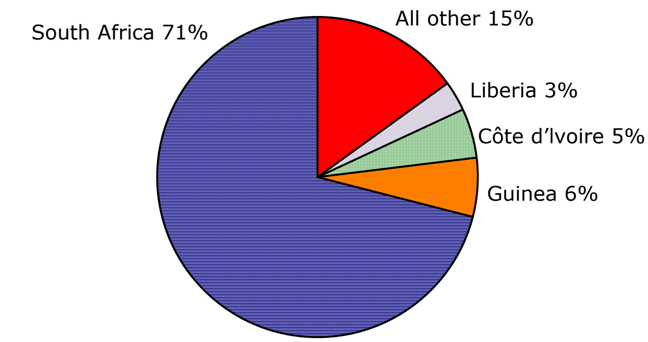
TRADE

SSA sector global imports, by country, 2001
($8.3 billion)



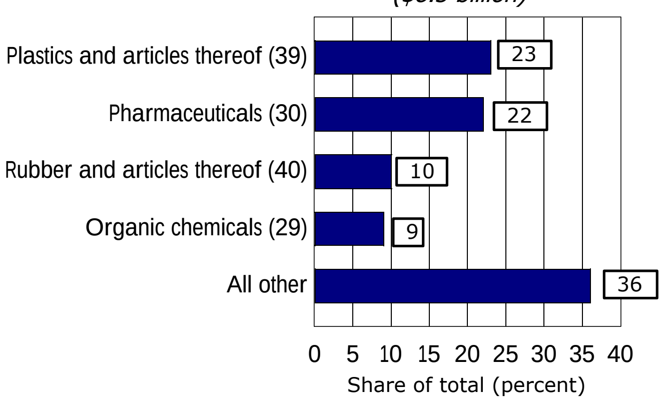
Source: United Nations.

SSA sector global exports, by country, 2001
($2.5 billion)



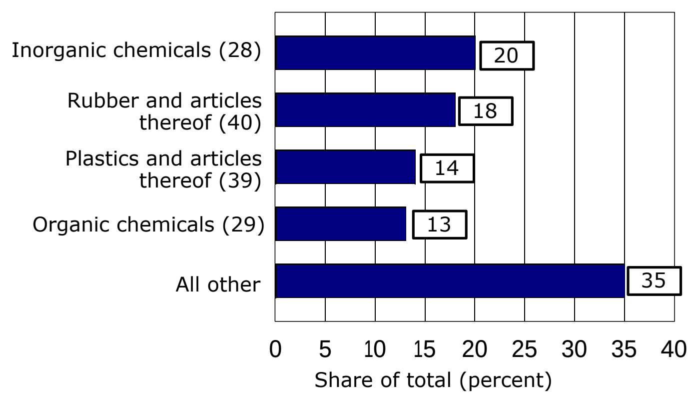
Source: United Nations.

SSA sector global imports, by HS chapter, 2001
($8.3 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2001
($2.5 billion)



Source: United Nations.

Major Import Source (2001)	Share of Total (percent)	Major Import Item (6-digit HS) (2001)	Share of Total (percent)
EU15	50	Pharmaceuticals (3004.90)	14
United States	9	Bus and truck tires (4011.20)	3
South Africa	8	Flavorings (3302.10)	2
China	6		
Korea	4		

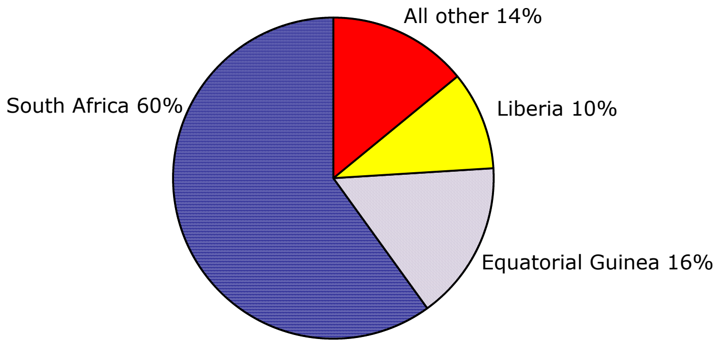
Source: United Nations.

Major Export Market (2001)	Share of Total (percent)	Major Export Item (6-digit HS) (2001)	Share of Total (percent)
EU15	26	Aluminum oxide (2818.20)	7
Botswana	14	Natural rubber (4001.22)	4
United States	12	Medicaments (3004.90)	4
Zambia	7	New tires for cars (4011.10)	4
Swaziland	5	Herbicides (3808.30)	3
Russia	3	Latex (4001.10)	3

Source: United Nations.

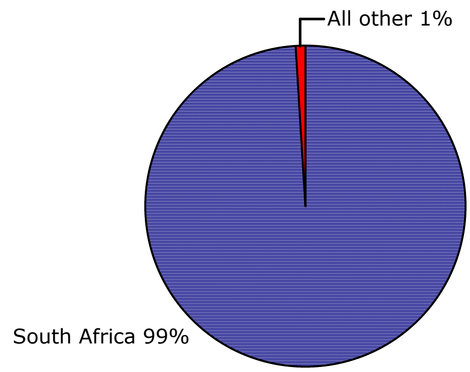
TRADE-Continued

U.S. sector imports from SSA, by source, 2002
($448 million)



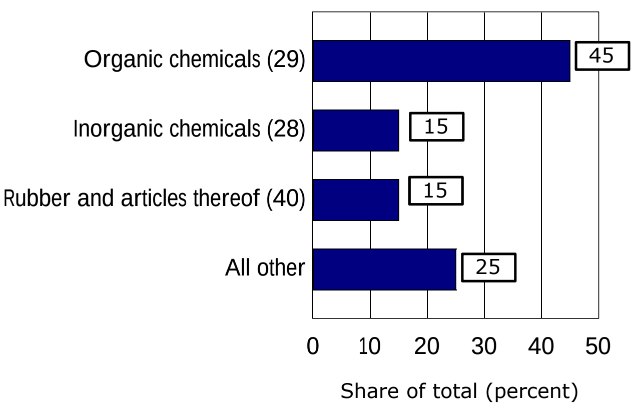
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2002
($136 million)



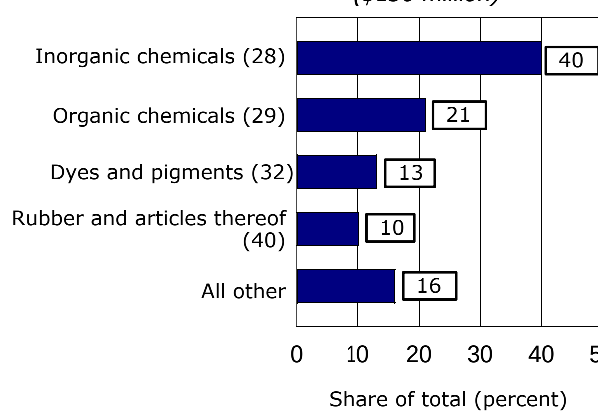
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HTS heading, 2002
($448 million)



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

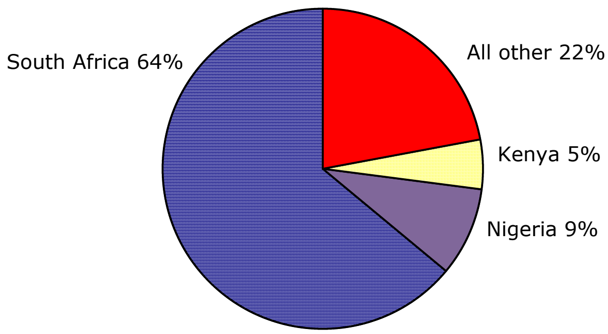
U.S. sector imports under AGOA (including GSP), by HTS heading, 2002
($136 million)



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

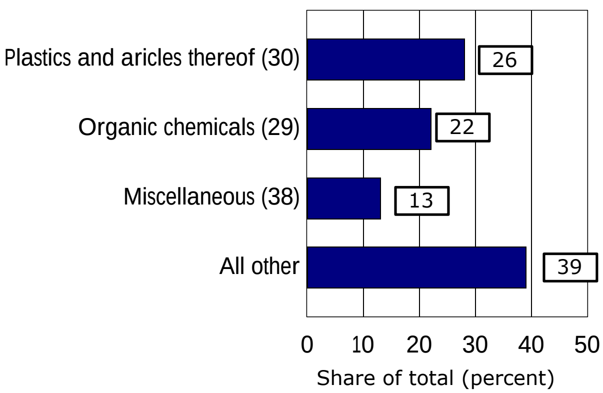
TRADE-Continued

U.S. sector exports to SSA, by market, 2002
($699 million)



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

U.S. sector exports to SSA, by HTS heading, 2002
($699 million)



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

Key U.S. Import Developments

- U.S. chemical sector imports from SSA (AGOA and non-AGOA) totaled $448 million in 2002, down nearly one-third from the previous year. Such imports accounted for less than 1 percent of the sector world total in 2002. Principal SSA sources included South Africa (60 percent of the total), Equatorial Guinea (16 percent), and Liberia (10 percent). These shares shifted substantially from those the previous year, when South Africa held 43 percent and Nigeria 39 percent of the total.
- The three largest U.S. sector imports from SSA in 2002 were organic chemicals used as feedstocks for producing chemical intermediates and chemical products, including unsaturated acyclic hydrocarbons (HTS 2901.29, accounting for 12 percent of the total), methanol (HTS 2905.11, 12 percent), and natural rubber (HTS 4001.10, 10 percent).
- Only South Africa remains a significant supplier of U.S. chemical imports, of which most are organic chemicals derived from the coal resources in South Africa. The remaining items are minerals from South Africa. U.S. imports from Nigeria declined significantly, from $259.0 million in 2001 to $13.0 million in 2002, owing primarily to infrastructure problems.
- The primary materials that make up U.S. chemical imports from individual SSA nations are ethylene (HTS 2901.21), propylene (HTS 2901.22), and cumene (HTS 2902.70) from Nigeria; and unsaturated acyclic hydrocarbons (HTS 2901.29), silicon (HTS 2804.69), and titanium dioxide pigments (HTS 3206.11) from South Africa.

Key AGOA Trade Developments

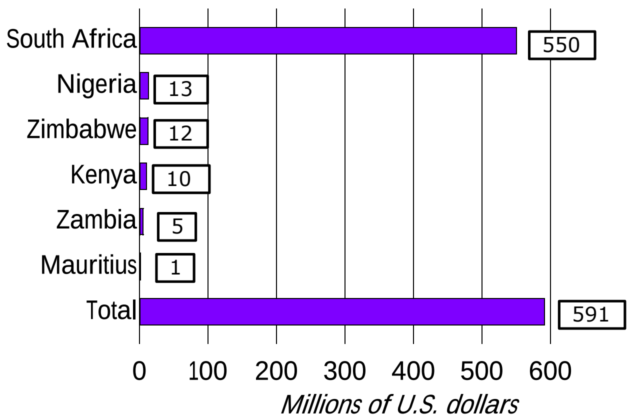
- In 2002, U.S. chemical sector imports under AGOA (including GSP) totaled $136 million. This represented approximately 30 percent of total U.S. imports of these products from the SSA, and is approximately 2 percent of total U.S. AGOA imports.
- The principal sector items imported under AGOA in 2002 included silicon (HTS subheading 2804.69, 17 percent of the total), titanium dioxide pigments (HTS 3206.11, 10 percent), carbides (HTS 2849.90, 6 percent), and car tires (HTS 4011.10, 6 percent).
- U.S. sector imports under specific AGOA provisions were relatively minor in 2002, totaling $4.5 million. AGOA, apart from the GSP, is not expected to have a major effect on the export of chemical sector products from SSA nations to the United States.
- None of the SSA nations that are not designated for AGOA has significant production of sector products.

Key U.S. Export Developments

- In 2002, U.S. chemical sector exports to SSA totaled $699 million, a decline of 10 percent compared with 2001. SSA accounted for less than 1 percent of total sector exports in 2002.
- The top three SSA markets for U.S. chemical exports in 2002 were South Africa, which accounted for 64 percent of U.S. chemical exports to the region, followed by Nigeria (9 percent), and Kenya (5 percent). These shares were similar to those of the previous year.
- The leading U.S. chemical export items to SSA in 2002 included fertilizers (HTS chapter 31,[6] 5 percent of the total), acrylic polymers (HTS subheading 3906.90, 4 percent), and isocyanates (HTS subheading 2929.10, 3 percent).

INVESTMENT

U.S. sector SSA FDI position, by country, 2002

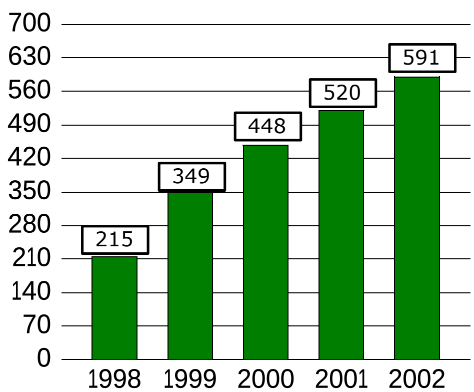


Note.-Data for some countries not disclosed owing to confidentiality. U.S. FDI position may be negative for some countries. Industry classification basis changed from SIC to NAICS in 2002.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Chemicals."

U.S. sector SSA FDI position, 1998-2002

Millions of U.S. dollars



Note.- Industry classification changed from SIC to NAICS in 2002; data from 1999 to 2001 have been converted to NAICS.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Chemicals."

- The U.S. FDI position in the SSA chemicals sector totaled $591 million in 2002, up from $520 million the previous year. South Africa continued to be the primary SSA location for U.S. FDI in the sector, accounting for 93 percent of the regional total. The chemicals sector accounted for 7 percent of the total U.S. FDI position in SSA and SSA accounted for less than 0.5 percent of the global U.S. FDI position in the sector during 2002.[7]
- Dow South Africa (Dow SA) is reported to be divesting a number of chemical plants as part of a restructuring effort targeted to the former Sentrachem group, originally purchased by Dow SA in 1997. Thus far, Dow SA has sold off plants producing calcium carbide, mining chemicals, and synthetic rubber.[8]

ENDNOTES

[1] This sector includes items classified in Harmonized System chapters 28 through 40.

[2] *Mbendi Information for Africa,* "South Africa - Chemicals Industry: Pharmaceuticals," retrieved from Internet address *http://www.mbendi.co.za/indy,/chem/phrm/af/sa/p0005.htm* on July 17, 2003.

[3] Economist Intelligence Unit, EIU Viewswire, "Senegal: Business: Industry overview," Nov. 12, 2002, retrieved from Internet address *http://www.viewswire.com* on July 17, 2003.

[4] Economist Intelligence Unit, *Country Profile 2003,* "Country Profile: Nigeria," 2003, pp. 35-6, retrieved from Internet address *http://www.eiu.com* on July 17, 2003.

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

[6] U.S. exports of fertilizers are reported on an aggregated basis owing to confidentiality.

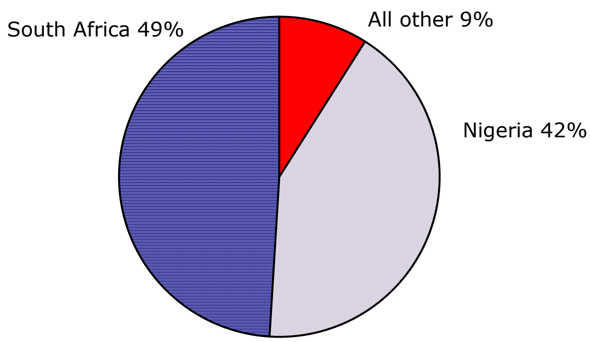
[7] USDOC, BEA, *U.S. Direct Investment Position Abroad on a Historical Cost Basis: Country Detail by Industry, 2002*, found at Internet address *http://www.bea.gov/bea/di/di1usdbal.htm*, retrieved Oct. 17, 2003.

[8] Economics Intelligence Unit, EIU Viewswire, "South Africa: Business News: News Analysis," Sept. 13, 2002, retrieved from Internet address *http://www.viewswire.com* on Aug. 12, 2003.

PETROLEUM AND ENERGY-RELATED PRODUCTS[1]

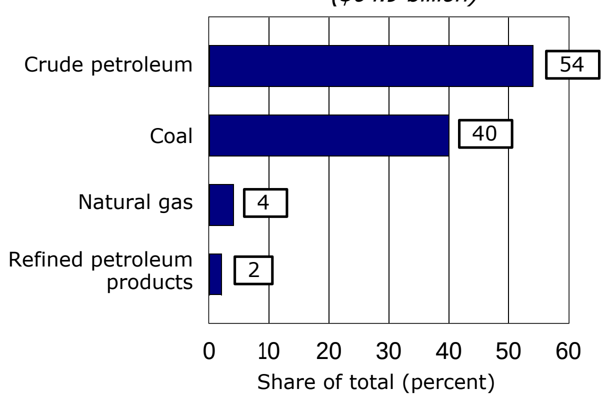
OVERVIEW

SSA sector production, by country, 2002
($64.9 billion)



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

SSA sector production, by product, 2002
($64.9 billion)

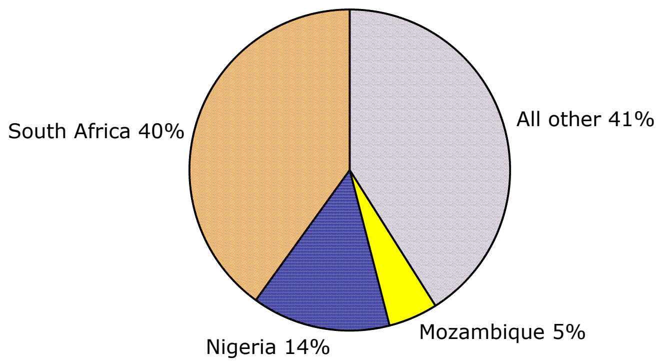


Source: U.S. Department of Energy and the American Petroleum Institute

- Crude petroleum in Nigeria and coal in South Africa continue to be the primary petroleum and energy-related products produced in SSA. Both countries have recoverable reserves of the products and have developed industries geared toward export.
- Nigeria, a member of OPEC, 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 accounts for 3 percent of the world's production and 9 percent of OPEC's production of crude petroleum. Nigeria's crude petroleum production averaged 2.118 million barrels per day in 2002, which exceeded its OPEC quota. Nigeria is again expected to exceed its OPEC production quota in 2003.[2]
- Nigeria's four state-owned refineries, with the combined capacity to refine 438,750 barrels of crude petroleum per day, or 1 percent of the world's total refining capacity, are slated for privatization over the next few years in an effort to upgrade the facilities, increase capacity, and reduce dependence on imported refined petroleum products to satisfy domestic demand. In addition, plans for several small, independently owned and operated refineries are being developed. Nigeria has awarded 18 licenses for privately owned refineries and more are expected.[3]
- Nigeria's reserves of natural gas rank ninth in the world; however, due to a lack of utilization infrastructure (pipelines, separators, storage facilities, and so forth), Nigeria flares almost 80 percent of its natural gas and uses most of the remainder to reinject into wells for enhanced oil recovery. President Obasanjo recently announced that by 2004, Nigeria will cease the flaring of natural gas.[4]
- Nigeria's economy remains 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.[5]
- Production from joint ventures accounts for 95 percent of Nigeria's crude petroleum production. The largest joint venture, operated by Shell, produces nearly 50 percent of total crude petroleum production in Nigeria; the Nigerian National Petroleum Corporation (NNPC) has a 55 percent stake in this joint venture. The other joint ventures, in which the NNPC holds a 60 percent share, are operated by ExxonMobil, ChevronTexaco, AGIP, and TotalFinaElf.[6]
- A major problem facing Nigeria's energy sector has been insufficient government funding of its joint ventures. Lack of funding coupled with political and ethnic strife in the Niger Delta region, including violence, kidnapping, sabotage, siphoning of fuel products, and seizure of petroleum facilities, has caused major disruptions in the production of crude petroleum. During late 2002, ChevronTexaco and Shell temporarily closed their facilities and evacuated all personnel because of these problems.[7]
- Angola continues to be the region's second largest producer of crude petroleum, behind Nigeria. The Angolan economy is highly dependent on is petroleum sector, which accounts for 50 percent of the GDP and over 90 percent of total export revenues.[8]
- Coal continues to be the primary fuel produced and consumed in South Africa and is its largest source of foreign exchange. South Africa accounts for about 4 percent of the world's recoverable reserves of coal and is the world's second largest net exporter of coal to the world market with the EU being the principal market.[9]
- South Africa has a highly developed synthetic fuels industry, which takes advantage of the abundant coal reserves and offshore natural gas and condensate production. Sasol, the world's largest manufacturer of oil from coal, has been studying the feasibility of replacing coal with natural gas as the primary feedstock of synthetic fuels production. Sasol estimates that the switch to natural gas will reduce investment expenditures in its coal mining operations and the high costs of compliance with the environmental regulations associated with coal use. The project is expected to begin delivering natural gas to South Africa in 2004.[10]
- South Africa is the largest refining center in SSA, with a total capacity of 468,547 barrels of crude petroleum per day. In late 2002, the $123 million capacity expansion at the Natref refinery came onstream and, beginning in early 2003, increased capacity by 17,000 barrels per day and includes the ability to produce low-sulfur diesel fuels.[11]

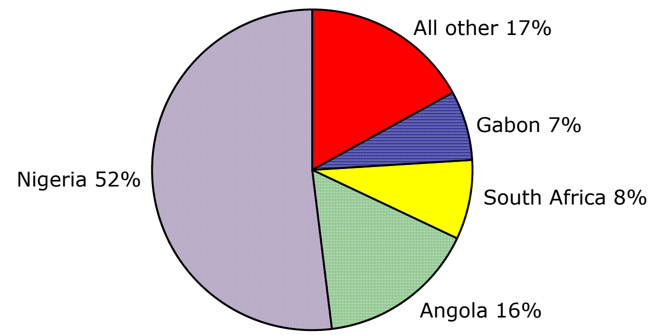
TRADE

SSA sector global imports, by country, 2001
($954 million)



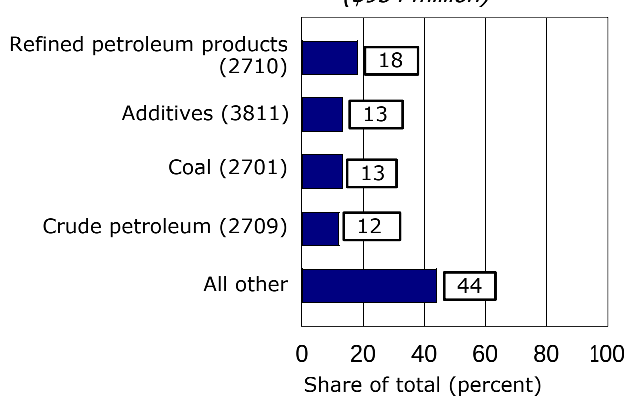
Source: United Nations.

SSA sector global exports, by country, 2001
($34.1 billion)



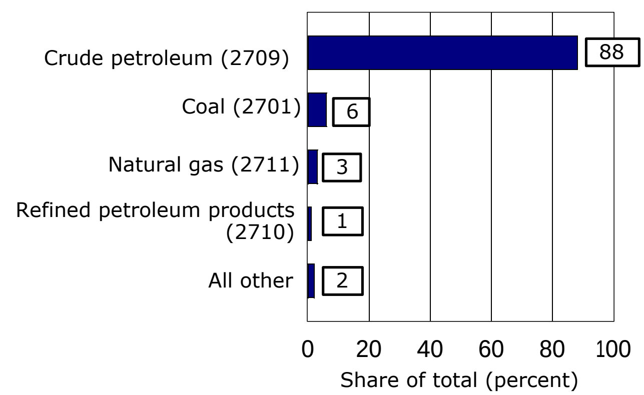
Source: United Nations.

SSA sector global imports, by 4-digit HS, 2001
($954 million)



Source: United Nations.

SSA sector global exports, by 4-digit HS, 2001
($34.1 billion)



Source: United Nations.

Major Import Source (2001)	Share of Total (percent)	Major Import Item (6-digit HS) (2001)	Share of Total (percent)
EU15	22	Refined petroleum products (2710.00)	18
South Africa	12	Crude petroleum (2709.00)	12
United States	12		

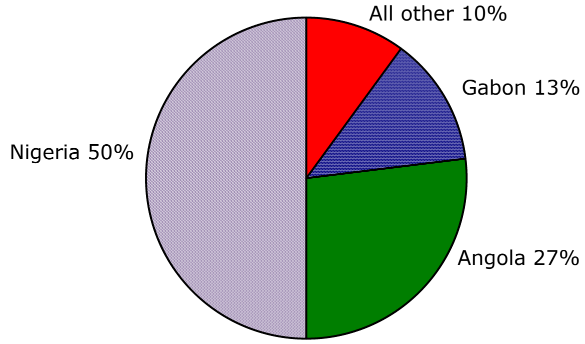
Source: United Nations.

Major Export Market (2001)	Share of Total (percent)	Major Export Item (6-digit HS) (2001)	Share of Total (percent)
United States	43	Crude petroleum (2709.00)	88
EU	28	Bituminous coal (2701.12)	4
China	8		
Brazil	5		

Source: United Nations.

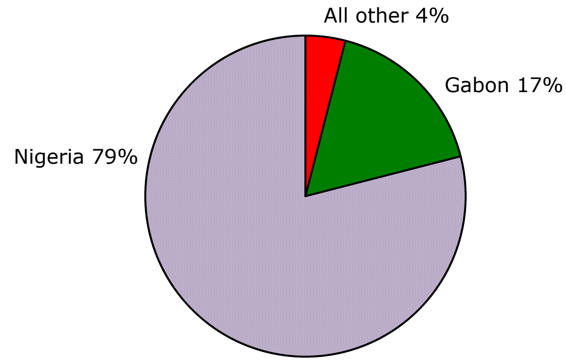
TRADE-Continued

U.S. sector imports from SSA, by source, 2002
($11.7 billion)



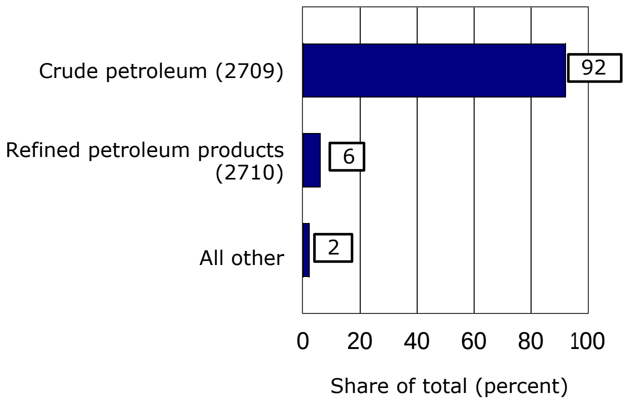
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2002
($6.8 billion)



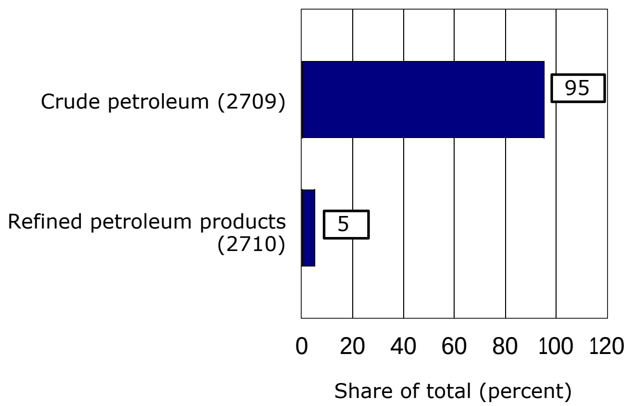
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by 4-digit HTS, 2002
($11.7 billion)



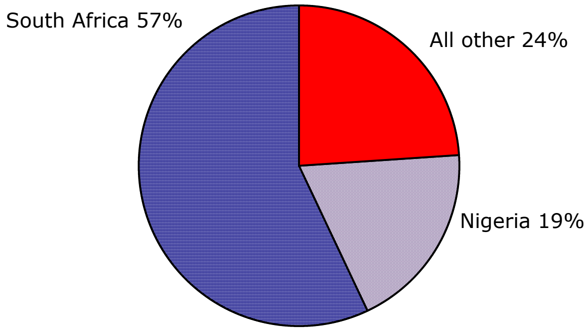
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by 4-digit HTS, 2002
($6.8 billion)



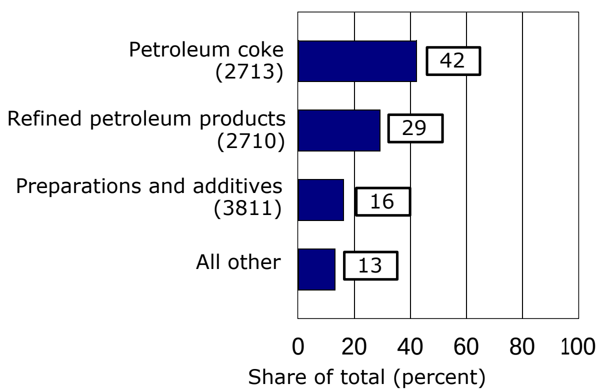
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector exports to SSA, by market, 2002
($193 million)



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

U.S. sector exports to SSA, by 4-digit HTS, 2002
($193 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. Crude petroleum from Nigeria, Angola, and Gabon is the primary U.S. import in this sector from SSA.
- U.S. imports of petroleum and energy-related products from SSA decreased from $14.3 billion in 2001 to $11.7 billion in 2002. The decrease was due primarily to a decrease in the quantity of crude petroleum imports from Nigeria.
- The quantity of U.S. imports of crude petroleum and refined petroleum products from Nigeria decreased by 33 percent from 2001 to 2002, 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 25 percent and by 2 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

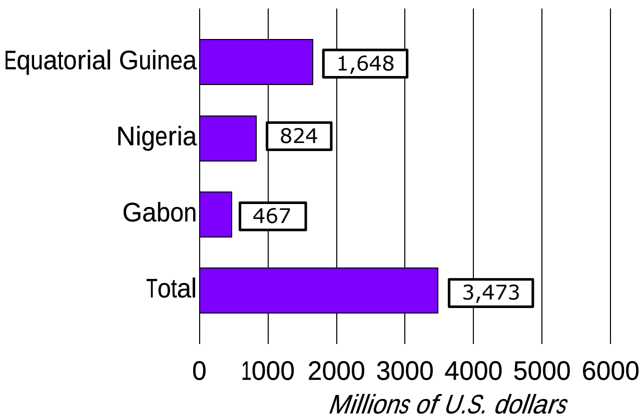
- U.S. sector imports under AGOA (including GSP) totaled $6.8 billion in 2002, virtually the same level as the previous year. Imports under AGOA accounted for 58 percent of the value of total sector imports from SSA in 2002. The petroleum and energy-related products sector accounted for about three-quarters of total U.S. imports under AGOA (including GSP) from AGOA beneficiary countries.
- U.S. imports of coal and natural gas enter the U.S. market free of duty. The only significant imports in this sector under the provisions of AGOA from the SSA are crude petroleum imports from Nigeria.
- Crude petroleum from Nigeria accounted for 79 percent of total sector AGOA imports from the region in 2002.

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 proven 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.[12] During 2002, U.S. exports to SSA consist of refined petroleum products (91 percent) and specialty coals (8 percent).
- U.S. exports of petroleum and energy-related products to SSA increased, from $149 million in 2001 to $193 million in 2002, primarily because the world price of crude petroleum increased by about $3 per barrel in 2002.

INVESTMENT

U.S. sector SSA FDI position, by country, 2002

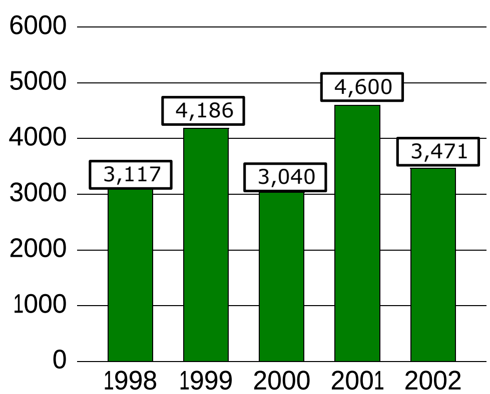


Note.—Data for some countries are not disclosed owing to confidentiality. U.S. FDI position may be negative for some countries. Industry classification basis changed from SIC to NAICS in 2002.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Mining."

U.S. sector SSA FDI position, 1998-2002

Millions of U.S. dollars



Note.—Industry classification changed from SIC to NAICS in 2002; data from 1999 to 2001 have been converted to NAICS.

Source: Bureau of Economic Analysis, Department of Commerce. Data are for sector defined as "Mining."

- The U.S. FDI position in the SSA petroleum and energy-related products sector totaled $3.5 billion in 2002, down from $4.6 billion the previous year.[13] Equitorial Guinea, Nigeria, and Gabon were major SSA locations for U.S. FDI in the sector in 2002, together accounting for 85 percent of the regional total. The sector continued its lead, accounting for 41 percent of the total U.S. FDI position in SSA in 2002. However, SSA accounted for only about 4 percent of the global U.S. FDI position in the sector that year.[14]
- There have been no major SSA sector investment policy developments during 2001-02. 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.
- Nigeria is one of the world's leading exporters of crude petroleum. Nigeria's existing and potential reserves make it attractive for joint ventures as there is the potential to increase its production of crude petroleum significantly in the next few years as recent discoveries come onstream.
- ExxonMobil has begun construction work on Nigeria's deep-water Erha field, which is estimated to hold 500 million barrels of additional reserves. ExxonMobil holds a 56.25 percent share of the project under a production-sharing agreement with NNPC. Shell is also a partner on this field development, which is expected to include a Floating Production Storage and Offloading (FPSO) vessel, 15 producing wells, 5 water injection wells, and 4 gas injection wells.[15]
- ExxonMobil is also developing a 400-million-barrel field offshore, in shallow water. ExxonMobil holds 40 percent of the find and NNPC holds the remaining 60 percent. Initial production began in late 2002 and is expected to be fully onstream by late 2004. When fully operational, the facility will include a FPSO and associated natural gas will be reinjected into the well, thus eliminating flaring.[16]
- Limited production began in late 2002 from a Nigerian field operated by Shell with additional estimated reserves of 350 million barrels of crude petroleum. The field is expected to yield 125,000 barrels of crude petroleum per day and 100 million cubic feet of natural gas per day.[17]
- The NNPC and ChevronTexaco announced a $2.5 billion agreement for development of the Agbami field, which will be a deep offshore operation and could increase Nigeria's production of crude petroleum by an additional 250,000 barrels per day by 2006. NNPC holds a 60 percent share, ChevronTexaco holds 32 percent, and 8 percent is held by a local Nigerian company.[18]
- Angola is beginning its recovery after 27 years of civil war, which resulted in the destruction of much of its infrastructure. Recent discoveries of crude petroleum are becoming attractive to the world's leading production companies.[19]
- ChevronTexaco and TotalFinaElf have established a consortium to conduct exploration activities along the border of Angola and the Republic of the Congo-Brazzaville. The two nations approved the exploration and would jointly share in any find. ExxonMobil has formed a joint venture with Angola to develop a deepwater find which could produce up to 2,640 barrels of crude petroleum per day. In addition, Canadian Natural Resources reached a production sharing agreement with Sonangol, which will allow the Canadian firm to develop another deepwater discovery. British Petroleum is also in the process of developing an agreement to explore and develop reserves in Angola.[20]

ENDNOTES

[1] This sector includes Harmonized System chapter 27.

[2] U.S. Department of Energy, Energy Information Administration, *Country Analysis Briefs: Nigeria*, March 2003.

[3] Staff telephone interviews with industry representatives.

[4] Ibid.

[5] U.S. Department of Energy, Energy Information Administration, *Country Analysis Briefs: Nigeria*, March 2003.

[6] Staff telephone interviews with industry representatives.

[7] Ibid.

[8] Based on official statistics of the U.S. Department of Energy.

[9] Ibid.

[10] Staff telephone interviews with industry representatives.

[11] Ibid.

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

[13] Although this BEA classification covers products not included in this sector, the bulk of the FDI position is believed to be accounted for by sector products such as petroleum, natural gas, and coal.

[14] USDOC, BEA, *U.S. Direct Investment Position Abroad on a Historical Cost Basis: Country Detail by Industry, 2002*, found at Internet address *http://www.bea.gov/bea/di/di1usdbal.htm,* retrieved Oct. 17, 2003.

[15] Staff telephone interviews with industry representatives.

[16] Ibid.

[17] Ibid.

[18] Ibid.

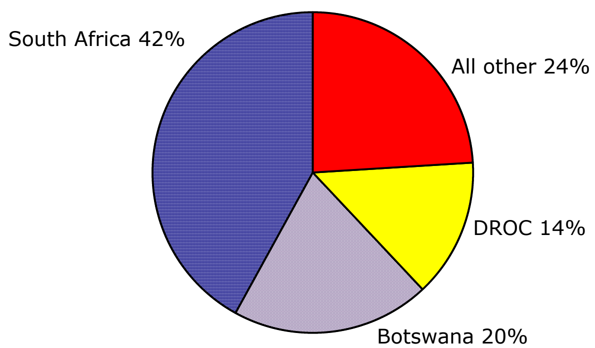
[19] Ibid.

[20] Ibid.

MINERALS AND METALS

OVERVIEW

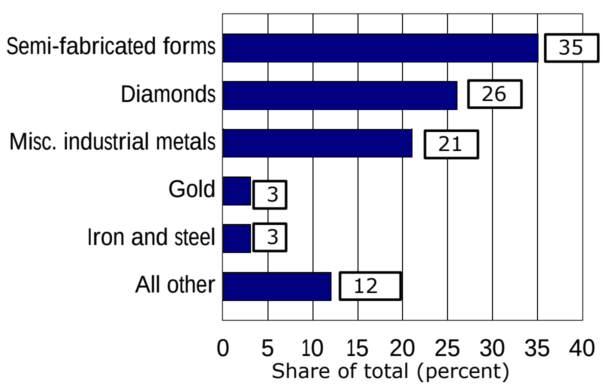
SSA sector production, by country, 2002
($193 billion)



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

Source: Unpublished data and estimates of the U.S. Geological Survey.

SSA sector production, by product, 2002
($193 billion)



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

Source: Unpublished data and estimates of the U.S. Geological Survey.

- SSA minerals and metals production in 2002 declined by $12 billion, largely due to declining commodity values, currency movements, and significant industry restructuring, particularly in South Africa.
- 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] SSA continues to produce much of the world's mine supply of platinum, palladium, chromite, diamonds, vermiculite, alumino-silicates, vanadium, cobalt, manganese, fluorspar, zirconium, gold, and titanium.[3] Several other metals, such as iron, copper and aluminum are also produced, although the SSA share of world production is not as significant.
- Numerous industrial minerals (IM) and gemstones are also produced, including aggregate and sand, clays, limestone, dolomite, dimension stone, and silica. There are 531 producers of IM in South Africa alone.[4]
- Despite significant production, the SSA minerals and metals sector, especially outside South Africa, is considered underdeveloped or in significant disrepair. Africa continues to be a major 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, especially as prices rise and regional stability is gained.
- In 2002-2003, prices for several minerals and metals began to recover from the extreme lows observed in the prior 6 years, reflecting declining exchange inventories arising from a combination of worldwide production shutdowns and rising consumption. Aluminum, which had declined from $0.72 to $0.62 per pound, recovered slightly to $0.65 per pound in 2002. Gold, which had declined from $331 to $294 per troy ounce in 2001, recovered in 2002, to $305 per troy ounce. The price of copper began to climb in early 2003. This is expected to improve the economies of the SSA metal-producing countries and may attract additional international investment.[5]
- In contrast, prices of platinum-group metals (PGM) had increased over the last decade because of strong demand of 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 (RSA) primarily. However, in 2002, both palladium and rhodium declined significantly in price, thus negatively affecting RSA's output, as well as resource valuation and capital availability to the producers.[6]
- 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.[7]
- Several sub-Saharan African countries continued to define their mining laws in an effort to attract foreign investment. For example, Mozambique's new mining law, passed in June 2002 to be effective at the end of that year, replaced prior law and included definite licensing protocols to increase procedural transparency. In contrast, mineral producers contend that RSA's 2002 Mineral Law, which converts all mineral rights from private to state ownership (see Investment Issues section for details), is causing a devaluation of the holdings of many mining companies operating in the country. The perceived financial risk has resulted in a 10 to 50 percent "South African discount" in share prices of mining companies relative to other global companies.[8] The new Royalty Bill, which proposes a royalty of 3 percent on gold and 4 percent on platinum, is adding to the devaluation and further diminishing potential investment.[9]
- The Democratic Republic of the Congo's (DROC) 2001 mining legislation, intended to help attract foreign investment back into the country's minerals and metals sector has had little effect, as it was not officially enacted until this year. DROC investment into new facilities has remained largely stagnant. Belgium's Belgolaise is the only company that has secured western financial institution financing (with a government-backed credit guarantee) during the conflict years, to

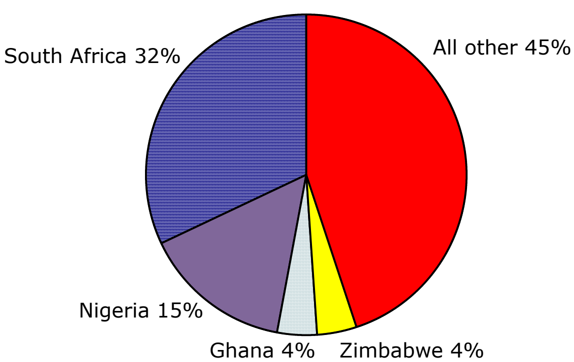
OVERVIEW-Continued

build the Big Hill cobalt smelter. All other foreign mining companies operating in DROC are purchasing small, short-term, low-risk partnerships.[10] However, when the law was enacted Generale des Carrieres et des Mines (Gécamines), the state mining company, was able to divest a portion of its holdings in the Kolwezi tailing project to America Mineral Fields, which now owns 87.5 percent.

- The United States enacted the Clean Diamond Trade Act (The Act, Public Law 108-19) on April 25, 2003, which was initiated by Congress in response to the use of diamonds in fueling conflict and human rights violations in parts of Africa. The Act bans the importation of rough diamonds from any nonparticipant in the Kimberley Process Certification Scheme (KPCS). Presidential Executive Order 13312, effective July 30, 2003, amends prior Orders on the subject to reflect provisions of The Act, bans all rough diamonds from Liberia, even if they originated elsewhere, and removes the prior ban on all rough diamonds from Sierra Leone that are controlled through the KPCS.[11] The Central African Republic (CAR) joined the previous 61 member-countries of the KPCS in August 2003.[12]

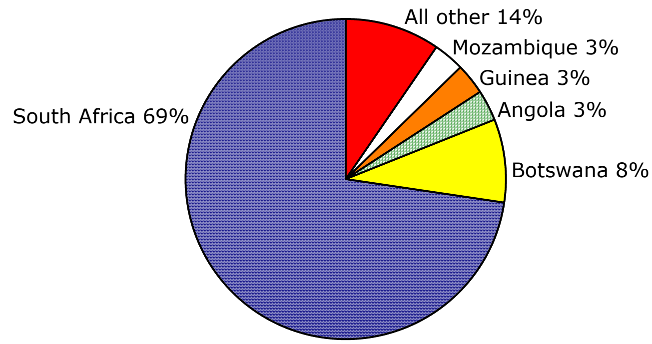
TRADE

SSA sector global imports, by country, 2001
($6.1 billion)



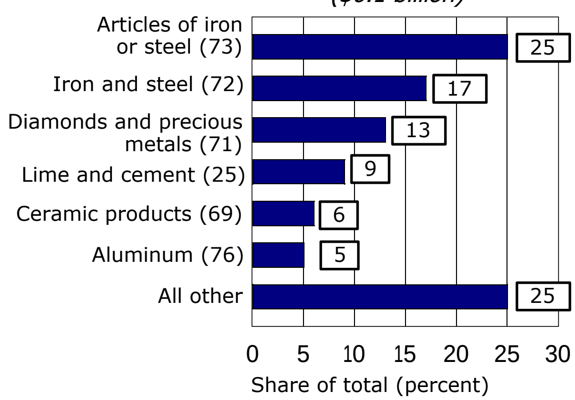
Source: United Nations.

SSA sector global exports, by country, 2001
($20.1 billion)



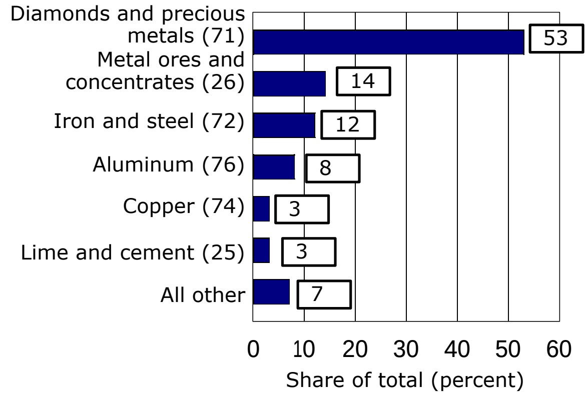
Source: United Nations.

SSA sector global imports, by HS chapter, 2001
($6.1 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2001
($20.1 billion)



Source: United Nations.

Major Import Source (2001)	Share of Total (percent)	Major Import Item (6-digit HS) (2001)	Share of Total (percent)
EU15	46	Nonindustrial diamonds (7102.31)	6
South Africa	8	Portland cement (2523.29)	4
China	7	Iron or steel structures (7308.90)	3
Japan	4	Glazed ceramic tiles (6908.90)	2
United States	4	Copper mattes (7401.10)	2

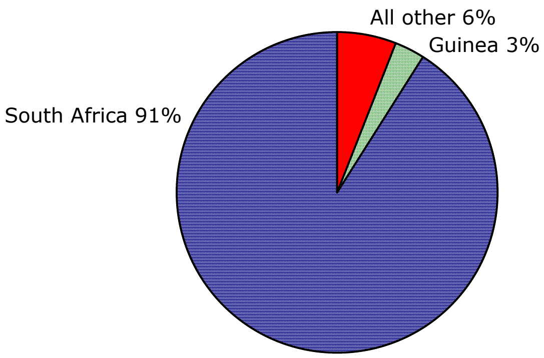
Source: United Nations.

Major Export Market (2001)	Share of Total (percent)	Major Export Item (6-digit HS) (2001)	Share of Total (percent)
EU15	50	Nonindustrial diamonds (7102.31)	23
United States	16	Platinum (7110.11)	11
Japan	10	Aluminum (7601.10)	7
China	4	Gold (7108.12)	5
Botswana	2	Palladium (7110.21)	5
Switzerland	2	Iron ore (2601.11)	4

Source: United Nations.

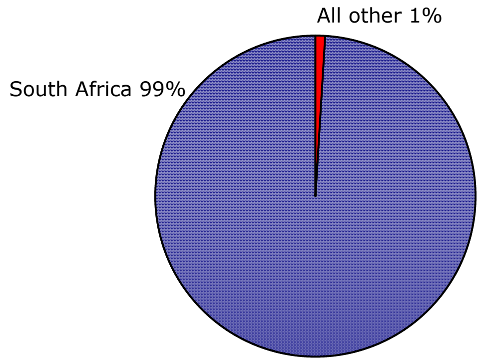
TRADE-Continued

U.S. sector imports from SSA, by source, 2002
($2.7 billion)



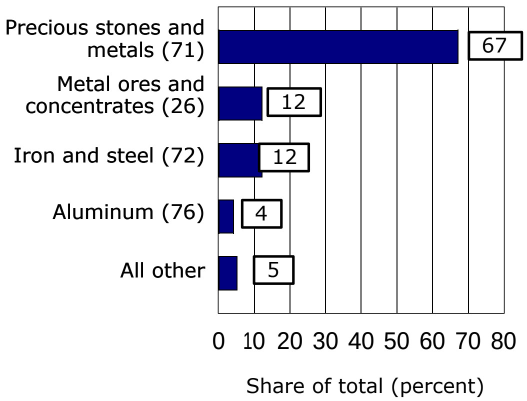
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2002
($373million)



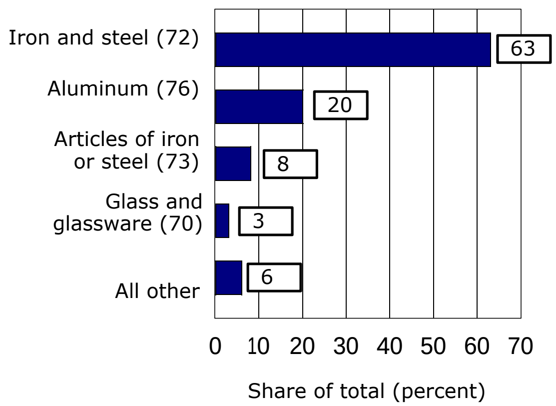
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HTS heading, 2002
($2.7 billion)



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

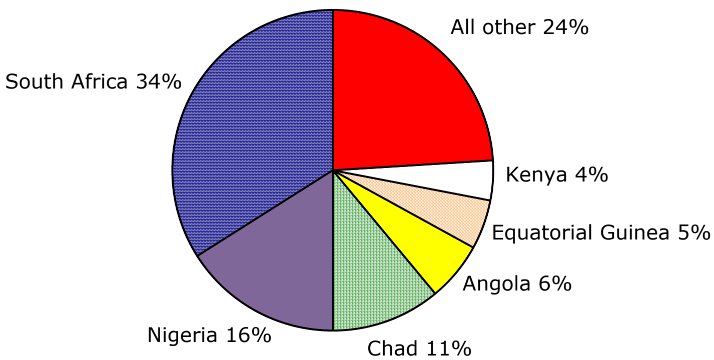
U.S. sector imports under AGOA (including GSP), by HTS heading, 2002
($373 million)



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

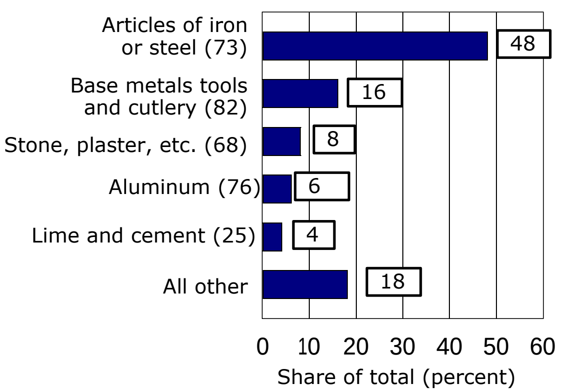
TRADE-Continued

U.S. sector exports to SSA, by market, 2002
($265 million)



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

U.S. sector exports to SSA, by HTS heading, 2002
($265 million)



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

Key U.S. Import Developments

- During 2002, U.S. imports from SSA remained over 10 times as much as U.S. exports to SSA. The U.S. trade deficit decreased $392 million (14 percent) to $2.4 billion, as U.S. imports fell by $376 million (12 percent) and exports increased by $15 million (6 percent). Botswana posted a 38 percent export increase to the United States, displacing Ghana in the top five. The increase was largely in diamonds, and was attributed by some to be the result of restrictions on conflict diamonds from other countries.
- Forty-three percent (down 8 percent) of U.S. imports from SSA in 2002 were PGMs, almost all of which are from South Africa, which is the major source of these metals to the world. The country is the primary mine source for a majority of 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. Imports of diamonds, of which 3 percent were industrial diamonds, totaled $589 million in 2002, or 22 percent of the sector import total. South Africa is also the leading U.S. supplier in the overall sector, by an overwhelming margin, and increased its U.S. import market share to 91 percent in 2002. The import/export ratio from South Africa to the United States, at 27, dwarfed all other countries and trade balances.
- The decrease in U.S. sector imports during 2001-02 was largely a result of decreased shipments from across the region, reflecting the general economic slowdown. The weaker U.S. economy reduced discretionary income, which has resulted in reduced consumption of jewelry containing diamonds and PGMs. Almost all countries recorded declines, with Botswana and Republic of the Congo (ROC) being the only two countries in the top 12 to increase their exports to the United States.
- The WTO members of SSA were granted developing county exclusions from U.S. steel import remedies that were implemented in 2002.[13]

Key AGOA Trade Developments

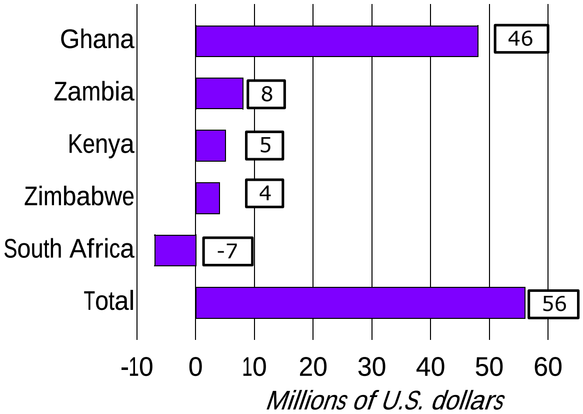
- U.S. sector imports under AGOA (including GSP) totaled $373 million in 2002, up 17 percent from the previous year. Imports under AGOA accounted for 14 percent of total sector imports from SSA in 2002, up from 10 percent the previous year. The sector accounted for about 4 percent of total U.S. imports under AGOA.
- The bulk of U.S. imports of minerals and metals under AGOA were supplied by South Africa and Kenya. Such imports from these sources totaled $372 million in 2002, or 99 percent of the total. Ferroalloys accounted for the majority of sector imports under AGOA in 2002.

Key U.S. Export Developments

- U.S. exports to the region increased by $15 million (6 percent) over 2001, continuing the increase of the prior year, and approaching 1996 levels.
- Significant target country changes year-over-year were observed in increased exports to Chad (up 125 percent, to third place) and extremely high percentage (but low dollar) gains to Swaziland, Central African Republic, and Somalia. Many countries recorded double digit declines, largely as a result of declining economies (e.g., Madacascar, declining 95 percent) and political issues (e.g., Angola, down 27 percent and Sierra Leone, down 56 percent).
- 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. The major exports are steel products (such as tube/pipe, barrels, and casings) and ancillary drilling products (such as drilling muds and abrasives). However, the drilling operations leveled off in 2002, causing the drilling commodities such as pipe and tube, tools, mesh, and drilling muds to plateau. The structural commodities, particularly steel structures, towers and masts, and lime and cement products, showed significant increases. Much of these were directed toward the oil and gas recovery and refining facilities being developed.
- Aluminum products marked the largest subsectoral increase, largely supplying many smaller countries.
- Exports to South Africa decreased by $8 million (9 percent) from 2001, mostly attributable to decreased exports of gold bullion and ferronickel. The decrease in gold bullion exports was likely caused by a decrease in transfers of gold stocks. Ferronickel exports declined because the one U.S. plant producing this product shut down operations in early 2001.

INVESTMENT

U.S. sector SSA FDI position, by country, 2002

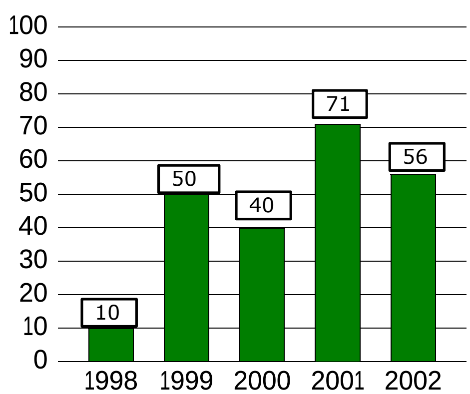


Note.—Does not include mining and certain processing operations or industrial minerals. Industry classification basis changed from SIC to NAICS in 2002.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Primary and Fabricated Metals."

U.S. sector SSA FDI position, 1998-2002

Millions of U.S. dollars



Note.—Does not include mining and certain processing operations or industrial minerals. Industry classification basis changed from SIC to NAICS in 2002; data from 1999 to 2001 have been converted to NAICS. Data not comparable to last year's report.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Primary and Fabricated Metals."

- The U.S. FDI position in the SSA minerals and metals sector totaled $56 million in 2002, down from $71 million the previous year.[14] Ghana was the major SSA location for U.S. FDI in the sector in 2002, accounting for 82 percent of the regional total. The sector accounted for less than 1 percent of the total U.S. FDI position in SSA in 2002, and SSA accounted for less than 1 percent of the global U.S. FDI position in the sector that year.[15]
- Estimates indicate somewhere between $100-150 million of investment from the United States going to metal and nonmetallic mining ventures in SSA, which is down from near $200 million in the mid- to late-1990's.[16] African sources released final total FDI inflows to the top 10 recipient African economies for 1998 ($8.1 billion) and 1999 ($10.3 billion), 7 of which were SSA countries (totaling $3.8 and $5.8 billion, respectively), with Angola leading the list at $1.1 (1998) and $1.8 (1999) billion.[17] When contrasted with the U.S. mining FDI, it confirms that the mining sector of SSA is receiving little investment from U.S. sources.
- Anglo American PLC completed the pullout of the Konkola copper mining facilities in 2002, making a final operating assistance payment of $30 million in 2003, as part of the agreement. The facility continues to operate at minimal force, but the payment is being reinvested to allow increased production.
- Mozambique's Mozal aluminum smelter, which is the country's largest single investment ($1.3 billion), was expanded in 2002 and reportedly began setting world production records.[18]
- Anglo-American's Zimbabwe platinum project, Unki Mine, which had been delayed following the World Bank/IMF aid suspension declaration in 1998, recently issued $90 million in tender offers for development.[19]
- Several issues pose deterrence to new investment and reinvestment to keep existing facilities operating efficiently.[20] These include the following:
    - Political risk: There have been significant strides in stabilization in the past decade, but the overwhelming presence and potential for renationalization of mineral and metal assets remains a concern for most foreign investors.
    - Health issues, malaria prevention and treatment, and the increasing HIV infection rate: This risk when coupled with an additional cost for employee health protection diminish the financial attractiveness of potential investments. Health issues also make it difficult to find suitable foreign technical professionals to move to the region to manage operations.
- Leaders of both main rebel groups in the DROC have reportedly agreed to share power with President Kabila. This may allow the end of civil war, which would probably allow foreign investment to increase.[21]
- South Africa's new Mineral Law gives the government ultimate ownership of all of the country's mineral resources, which mining companies would then exploit only under license, giving the state control over mining. 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. Negotiations continue on a case-by-case basis.[22]

INVESTMENT-Continued

- According to Transparency International Corruption Index 2001, Nigeria ranks the lowest of SSA countries (second-lowest in the world) in the Corruption Perceptions Index, followed by Uganda, Kenya, Cameroon, Tanzania, Zambia, Zimbabwe, and Senegal, all in the bottom 13. Alternatively, in a separate index by Transparency International, Botswana is perceived to be the most successful SSA country in minimizing corruption among public officials. Botswana is ranked 26th out of 91 countries, ahead of all African nations and as good as several EU member states. Two other SSA countries are in the first 50 of the 91 countries listed. These are Namibia (30th) and South Africa (38th).[23]
- Results of a joint UNCTAD-International Chamber of Commerce (ICC) survey of leading trans-national corporations suggest that the increased level of FDI flows into Africa in recent years may be sustained in the future. The survey, conducted at the beginning of this year, indicates that one-third of the 65 respondents intend to increase investment in Africa in the next 3 to 5 years, and more than half expect their investment to remain stable. More than 43 percent expect that Africa's overall prospects for attracting FDI will improve in the next 3 to 5 years, but another 46 percent expect no change. South Africa is viewed as the most attractive SSA location. In general, the more developed countries in the region rank higher in investment attractiveness, but least developed countries - Mozambique, Uganda, Tanzania, and Ethiopia - were also considered attractive FDI destinations.[24]
- According to Infomine-Africa, the best mining investment opportunities in 2000-2003 are in the DROC (gold), Côte d'Ivoire (platinum-group metals), Ethiopia (gold), Gambia (titanium-bearing sands), Madagascar (nickel, gold), Mozambique (nickel), Niger (uranium), Tanzania (gold, iron ore), and Zimbabwe (gold). For nonmetallic mineral products, opportunities are widely expected in Ethiopia (potash, soda ash, building stones, industrial minerals), Gambia (phosphate and subproducts), Niger (lithium), and Zambia (feldspars, barite, fluorite, graphite, clays).[25]

ENDNOTES

[1] This sector includes items classified in Harmonized System chapters 25, 26, 68 through 76, and 78 through 83.

[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 (e.g., containers, wire cables, chain, industrial fasteners, certain kitchen and sewing implements, cutlery, nonpowered hand tools, construction components, builder's hardware, etc.).

[3] Infomine Africa, available at Internet address *http://infomine africa.com/afrinfogen.asp*.

[4] Ibid.

[5] U.S. Geological Survey, *Minerals Information*, available at Internet address *http://minerals.usgs.gov/minerals*.

[6] Ibid.

[7] Coakley, George, *The Mineral Industry of South Africa*, available at Internet address *http://minerals.usgs.gov/minerals/pubs/country/2001/sfmyb01.pdf*.

[8] "Perceived Empowerment Risks Discourage U.S. Investors," *Business Day (South Africa)*, via NewsEdge Corporation, Aug. 18, 2003, received Aug. 19, 2003 by e-mail.

[9] Daniel Thole, "Resources Take a Pounding", Moneyweb (Johannesburg), found at Internet address *http://allafrica.com/stories/printable/200308180609.html*, retrieved Aug. 28, 2003.

[10] "A New Dawn for the DRC?," *Metal Bulletin*, Jul. 24, 2003, p. 9.

[11] Sheryl Katz, "Bush Bans Conflict Diamonds," DIAMONDS.NET, found at Internet address *http://www.diamonds.net/news/newsitem.asp?num=8317&type=all*, retrieved Aug. 8, 2003.

[12] "CAR Joins the Kimberley Process," Mining E-news, August 2003, via Infomine Africa, received Aug. 13, 2003 by e-mail.

[13] U.S. President, "Steel Products Proclamation," Article 12, The White House, Dec. 19, 2001, retrieved from Internet site *http://www.whitehouse.gov/news/releases/2002/03/print/20020305 7.html*, retrieved Aug. 22, 2003. Detailed list provided by USTR, "Developing Countries With Products Not Excluded From Remedy," found at Internet address *http://www.ustr.gov/sectors/industry/steel201/2002 03 05 exclusions.PDF*, retrieved Aug. 20, 2003.

[14] Data are for primary and fabricated metals and do not include mining and certain processing operations or industrial minerals.

[15] USDOC, BEA, *U.S. Direct Investment Position Abroad on a Historical Cost Basis: Country Detail by Industry, 2002*, found at Internet address *http://www.bea.gov/bea/di/di1usdbal.htm*, retrieved Oct. 17, 2003.

[16] Much of the data in the mining sector is withheld so as to avoid disclosure of data of individual companies. The estimates reflect a composite of industry analyst sources.

[17] Infomine Africa. This data includes Saharan countries, with Egypt in 2nd place in 1999 ($1.1 billion, 1998, and $1.5 billion, 1999), Morocco in 5th place in 1999 ($329 million and $827 million, respectively), and Tunisia in 8th place in 1999 ($670 million and $368 million, respectively). The top seven SSA countries represent 47 percent and 56 percent of the African totals, respectively.

[18] Ibid.

[19] Ibid.; and Johnson Matthey, "Unki platinum mine development–July 2003," *Platinum Today*, found at Internet address *http://www.platinum.matthey.com/media_room/1058859006.html*, retrieved Aug. 20, 2003.

[20] Compiled from numerous regional and country reports from the U.S. State Department Bureau of African Affairs, available at Internet address *http://www.state.gov/p/af/*.

[21] "A New Dawn for the DRC?"

[22] Henri E. Cauvin, "A Radical Overhaul for South African Mining," *The New York Times*, Jun. 4, 2002, section W, p.1.

[23] Infomine Africa. The CPI score relates to perceptions of the degree of corruption as seen by business people, academics, and risk analysts. The score ranges from 10 (highly clean) to 0 (highly corrupt).

[24] Ibid.

[25] Ibid.

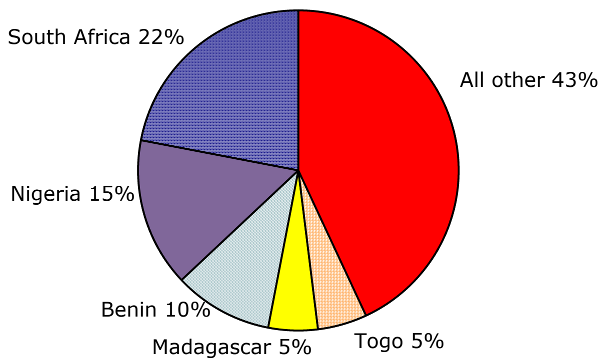
TEXTILES AND APPAREL

OVERVIEW

- Sub-Saharan Africa (SSA) accounted for less than 1 percent of world exports of textiles and apparel and incurred a $0.9 billion trade deficit in such goods in 2001, based on exports of $2.9 billion and imports of $3.8 billion. The major export markets were the European Union (46 percent of SSA exports) and the United States (36 percent); the major import sources were China (33 percent of SSA imports) and the European Union (25 percent). SSA sector exports were concentrated in apparel and among a few countries–Mauritius, South Africa, Madagascar, and Lesotho, which together accounted for 84 percent of the total in 2001.
- Lesotho is the largest SSA supplier of sector goods to the United States with shipments of $321 million in 2002.[2] Its textile and apparel sector has doubled in size as a result of AGOA, with employment rising from 20,000 workers in 2000 to about 45,000 workers in 2002, making it the country's largest source of jobs and export earnings. Sector growth has been driven by Asian and South African investors, largely reflecting not only Lesotho's preferential access to major export markets, but also its low labor costs of approximately $0.30 per hour in 2002, compared with $0.33 in Madagascar, $1.25 in Mauritius, and $1.38 in South Africa.[3] Lesotho's apparel industry reportedly has also benefited from "the management style and work attitude of its Chinese owners [textile firms in Hong Kong and Taiwan]."[4]
- Mauritius posted a 4-percent decline in output of its export processing zone (EPZ) in 2002, which consisted mostly of apparel.[5] The decline in EPZ activity, which continued in early 2003 when several apparel plants closed and more than 3,000 workers lost their jobs, largely reflected weakness in global apparel demand and competition from lower cost countries, as well as the political crisis in Madagascar where Mauritian apparel firms had set up assembly operations. Many Mauritian firms have moved labor-intensive tasks to lower cost SSA countries to improve their global competitiveness. Mauritian textile and apparel firms face a labor shortage at home, leading many of them to hire foreign workers (such workers represent about 21 percent of sector employment, or 16,400 workers). The labor shortage is likely to persist in the long term which, along with long delivery times to the United States of 30-45 days, will make it difficult for firms in Mauritius to benefit fully from AGOA. Nevertheless, AGOA, along with incentives offered by the Government of Mauritius, has spurred investment in the sector (see "Investment" later in this section for further information).
- Madagascar benefited from a shift in apparel production from Mauritius during 1997-2001, when its sector exports to the United States rose by almost 11-fold to $178 million.[6] However, these shipments fell by half to $89 million in 2002, when the political crisis in the country disrupted its economy and forced some apparel firms to shut down, at least temporarily (U.S. sector imports from Madagascar in January-July 2003 were up by 23 percent over the corresponding level in 2002). A Malagasy apparel factory having a U.S. partner reportedly has re-opened because "the conditions that originally attracted them to Madagascar were still in place, i.e., a dedicated workforce that could produce quality goods at extremely competitive prices."
- South Africa's textile and apparel sector reportedly is being hurt by the strong rand, which rose 33 percent against the U.S. dollar from the first quarter of 2002 to the second quarter of 2003 and effectively reduced the price competitiveness of sector exports while improving it for imports.[7] The sector is the country's sixth-largest source of manufacturing jobs and the 11th-largest source of manufactured exports.[8] The South African Textile Federation reportedly stated that "about 12,000 of the [textile] industry's 60,000 jobs were at risk, mainly due to the effects of the strong rand."[9] In July 2003, the Southern African Clothing and Textile Workers Union reported that as many as 500 apparel workers had lost their jobs in the previous month because the strong rand spurred foreign buyers to switch to Asian suppliers.[10] Sources in South Africa stated that AGOA spurred the growth in sector exports to the United States in 2002 and, in turn, the increase in demand for locally produced raw materials.[11]
- The textile industry in Nigeria, the most populous country in SSA, reportedly is beginning to expand production after several years of decline, largely reflecting Government efforts to curb large-scale undocumented Asian textile imports.[12] In January 2003, the Government suspended the importation of printed fabrics and increased the import duty on other textile materials from 65 percent to 75 percent. Capacity utilization in the industry is very low (it was estimated at 30 percent in 2002). Growth in Nigeria's textile industry remains constrained by depressed domestic demand, high production costs, and poor infrastructure. The industry reportedly is unable to take advantage of AGOA benefits because of industry disorganization and the lack of appropriate technology to produce materials that meet international quality standards.

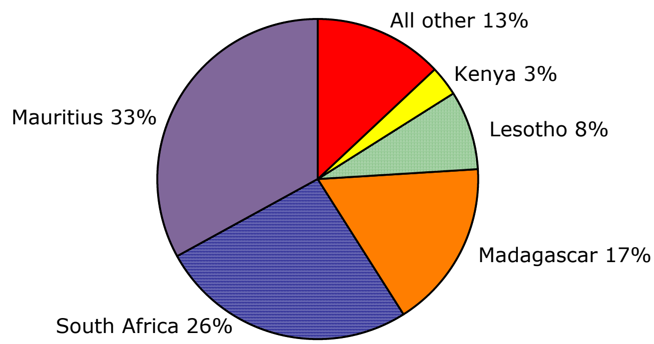
TRADE

SSA sector global imports, by country, 2001
($3.8 billion)



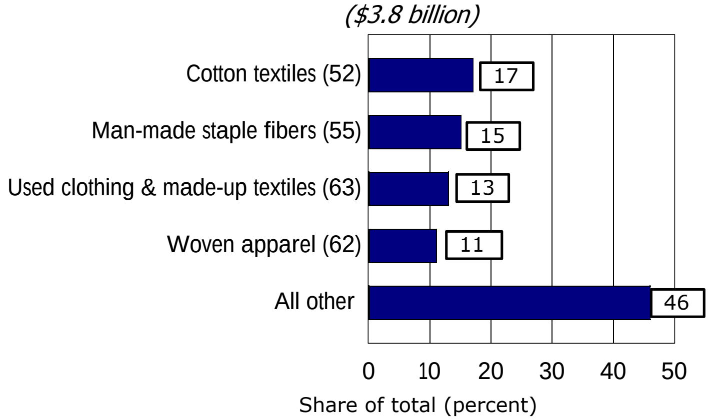
Source: United Nations.

SSA sector global exports, by country, 2001
($2.9 billion)



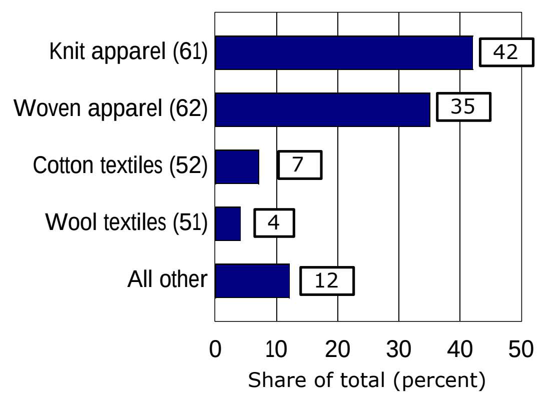
Source: United Nations.

SSA sector global imports, by HS chapter, 2001
($3.8 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2001
($2.9 billion)



Source: United Nations.

Major Import Source (2001)	Share of Total (percent)	Major Import Item (6-digit HS) (2001)	Share of Total (percent)
China	33	Used clothing (6309.00)	9
EU15	25	Cotton fabrics (5208.52)	4
Indonesia	10	Badges, etc. of man-made fiber (5810.92)	3
Korea	6		
Thailand	4		

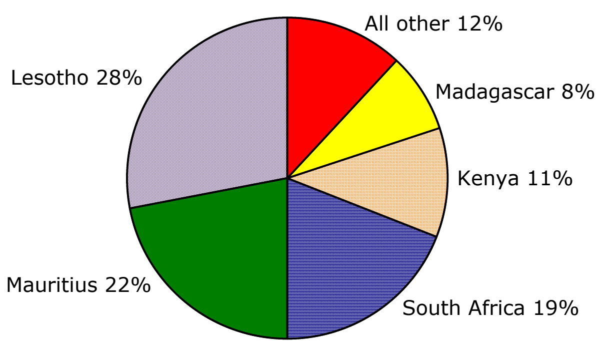
Source: United Nations.

Major Export Market (2001)	Share of Total (percent)	Major Export Item (6-digit HS) (2001)	Share of Total (percent)
EU15	46	Cotton sweaters (6110.20)	11
United States	36	Cotton men's trousers (6203.42)	11
Botswana	4	Cotton T-shirts (6109.10)	10
		Cotton women's trousers (6204.62)	9
		Wool sweaters (6110.10)	7

Source: United Nations.

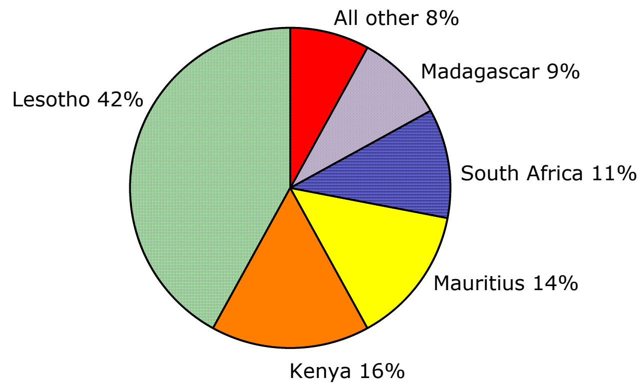
TRADE-Continued

U.S. sector imports from SSA, by source, 2002
($1.1 billion)



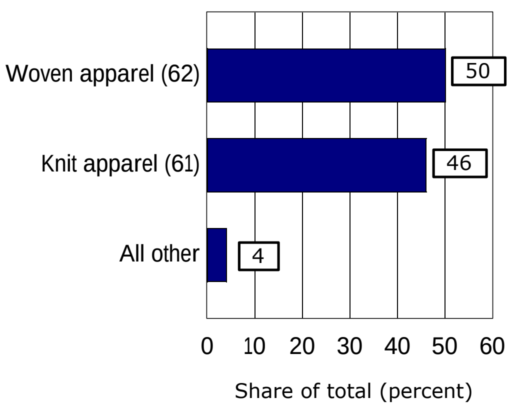
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2002
($803 million)



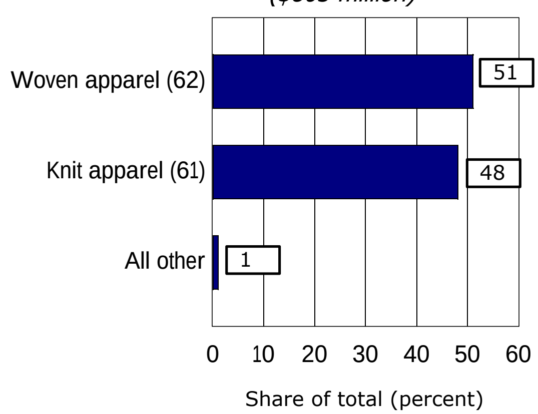
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports from SSA, by HTS heading, 2002
($1.1 billion)



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

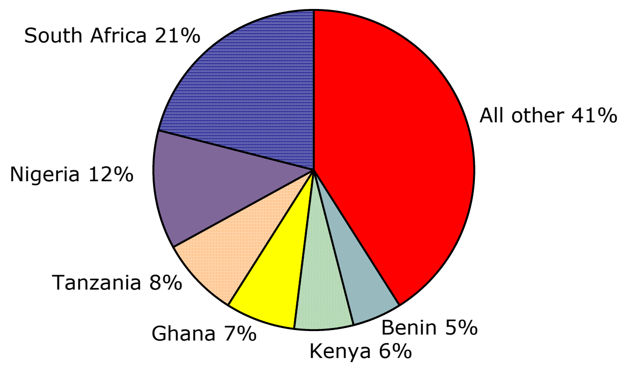
U.S. sector imports under AGOA (including GSP), by HTS heading, 2002
($803 million)



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

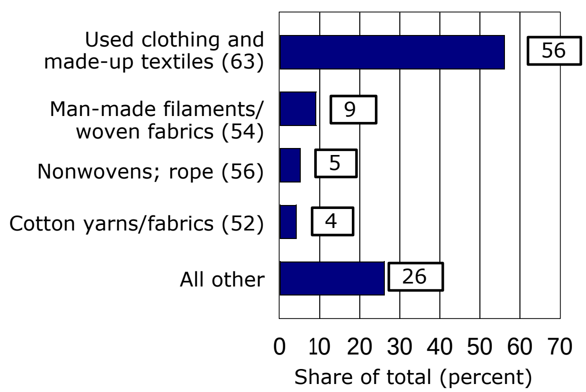
TRADE-Continued

U.S. sector exports to SSA, by market, 2002
($124 million)



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

U.S. sector exports to SSA, by HTS heading, 2002
($124 million)



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

Key U.S. Import Developments

- U.S. sector imports from SSA in 2002 rose 14 percent over the 2001 level to $1.1 billion, or less than 1 percent of total U.S. sector imports. SSA shipments consisted almost entirely of apparel, particularly cotton goods. Almost 60 percent of the shipments were knit cotton tops and related goods (HS subheading 6110.20) and woven cotton pants and shorts for men and boys (6203.42) and women and girls (6204.62). The shipments came mostly from Lesotho (28 percent of the total), Mauritius (22 percent), and South Africa (19 percent). Lesotho supplanted Mauritius as the largest SSA supplier of sector imports in 2002, and has been the major beneficiary of AGOA benefits for sector goods to date.

Key AGOA Trade Developments

- SSA shipments of sector goods under AGOA (including GSP) in 2002 rose 123 percent over the 2001 level to $803 million, representing about three-fourths of total U.S. sector imports from SSA and 9 percent of total imports under AGOA. AGOA sector shipments consisted entirely of apparel, which came mainly from Lesotho (40 percent of AGOA apparel imports), Kenya (15 percent), Mauritius (13 percent), and South Africa (11 percent).
- Most AGOA apparel imports in 2002 entered under a special provision that allows apparel from "lesser developed" SSA countries to be made of third-country fabrics (fabrics other than of U.S. or SSA origin) for the first four years, through September 2004. Imports of such apparel totaled about $600 million, of which more than half (or $318 million) came from Lesotho, whose sector shipments of $321 million consisted almost entirely of such goods. Other major SSA suppliers of apparel under the special provision were Kenya ($121 million), Swaziland ($74 million), and Madagascar ($69 million). All but two (Mauritius and South Africa) of the 19 SSA countries that have met the additional requirements to qualify for AGOA apparel preferences are eligible for the lesser-developed country benefits.
- The rest of the AGOA apparel imports in 2002 consisted mainly of apparel made from "regional fabrics" produced in SSA countries from U.S. or SSA yarns. SSA shipments of such apparel totaled $176 million in 2002, and came almost entirely from Mauritius ($90 million) and South Africa ($82 million). These two countries generally must use yarns and fabrics made in SSA or in the United States to qualify for AGOA apparel preferences.
- AGOA sets an annual limit, or cap, on the quantity of U.S. imports of qualifying apparel articles made from regional or third-country fabrics that is eligible for duty-free entry. For the 12-month period ending on September 30, 2002, the cap was equal to 1.8 percent of the total quantity of U.S. apparel imports in the preceding 12-month period, or 313 million square meter equivalents (SMEs). SSA countries filled 60 percent of the cap, or 188 million SMEs. Most apparel entered under the cap was made from third-country fabric (85 percent of the total).

Key U.S. Export Developments

- U.S. exports of sector goods to SSA in 2002 fell 5 percent from the 2001 level to $124 million, or less than 1 percent of total U.S. sector exports. The major SSA markets for sector exports were South Africa (21 percent of the total) and Nigeria (12 percent). The principal U.S. sector exports to SSA are used clothing and other used textile articles (HS headings 6309 and 6310). U.S. exports of such goods to SSA in 2002 totaled $67 million, of which $59 million were used clothing. The rest of the exports consisted mainly of textile materials such as yarn and fabric. Certain SSA sources report that U.S. fabrics are expensive, take a long time to obtain, and require extra freight costs.[13]

INVESTMENT[14]

- AGOA has spurred both local and foreign investment in the textile and apparel sector of several SSA countries, particularly Lesotho, Mauritius, Kenya, and Namibia. Most of the foreign direct investment (FDI) has come from Asia and has gone into expanding apparel production capacity and building textile mills to produce yarns and fabrics that will enable apparel producers in the lesser developed SSA countries to continue to qualify for preferential treatment following the scheduled expiration of the third-country fabric provision on September 30, 2004.
- Lesotho has attracted textile and apparel FDI mainly from investors in Taiwan and China.[15] In November 2002, the Taiwanese firm Nien Hsing Textile Co. Ltd. reported that it would invest $50 million to build a yarn-spinning plant in Lesotho and that other Taiwanese firms will join this investment, providing an additional $10 million to construct a separate weaving mill and dyeing facility.[16] In January 2003, it was reported that Nien Hsing Textile entered into a partnership with another Taiwanese firm (Precious Garments) to build a fabric knitting mill in Lesotho, scheduled to begin construction in April 2003.[17]
- The Government of Mauritius is reportedly encouraging the country's textile and apparel sector to restructure and become vertically integrated.[18] To help the sector restructure, the Government created a national equity fund of 1 billion Mauritian rupees ($34.5 million) that will subscribe up to 30 percent of the share capital of new ventures in key sectors, including yarn spinning. It also introduced fiscal incentives to spur investment in spinning mills, including a special tax credit of up to 60 percent of the equity invested and leases on land at highly concessionary rates. The Government proposed a fourfold increase to RS20 million ($690,000) in the ceiling under the Development Bank of Mauritius' textile modernization scheme and a reduction in the interest rate to 8 percent. The Bank will also introduce a scheme to finance the working capital needs of textile firms. Two spinning mills, built by Chinese and Indian investors, have recently become operational, and the construction of two more spinning mills will begin during 2003, financed by Mauritian and Indian investors. In addition, two Pakistani textile groups have "firm plans" to set up mills in Mauritius during 2004.
- Namibia has reportedly attracted more than $300 million in textile and apparel investment from three firms as a result of AGOA, leading to the creation of 10,000 jobs.[19] Malaysian-based Ramatex Behrad has invested more than $200 million in a state-of-the-art, vertically integrated textile and apparel plant that became operational in June 2002 and employs more than 4,200 workers, mainly to produce apparel for export to the United States. Another $115 million in investment for apparel production came from Taiwah Manufacturing ($65 million) and Rhino Garments ($50 million), both of whose facilities were expected to become operational in mid-2003 and employ 3,000 workers each. It was reported that a South African firm (Diamond Coast Textiles) is finalizing plans for a $130 million weaving and dyeing facility in Namibia, which is expected to employ more than 1,000 workers and, importantly, attract additional apparel producers to buy its Namibian-made woven fabric. U.S. apparel imports from Namibia rose from $95,000 in 2001 to $6.7 million in 2002, and are $14.5 million in January-July 2003.
- Kenya has reportedly attracted about $60 million in FDI in apparel export production from India, China, Sri Lanka, and Mauritius.[20] The resulting growth in Kenya's apparel industry has had a multiplier effect upon the economy by boosting demand for local suppliers of sewing machines and laundry chemicals.[21]

ENDNOTES

[1] This sector includes items classified in Harmonized Tariff Schedule chapters 39, 40, 42, 43, 50-63, 65, 70, and 94.

[2] Except as noted, information on Lesotho in the paragraph is from U.S. Department of State telegram 108, "Lesotho's Trade Minister Writes to USTR Zoellick Requesting Extension of AGOA Duty-Free Preferences for Textiles and Apparel Containing Third-Country Fabric," prepared by U.S. Embassy, Maseru, Lesotho, Feb. 11, 2003; telegram 121, "Labor Progresses in Lesotho's Garment Industry," prepared by U.S. Embassy, Johannesburg, Mar. 26, 2003; and telegram 474, "Lesotho Investment Climate Statement 2003," prepared by U.S. Embassy, Maseru, July 16, 2003.

[3] Wage rates include social charges and are from Jassin-O'Rourke Group, "Global Competitiveness Report: Selling to Full Package Providers – The Winners and Losers" (New York), Nov. 15, 2002.

[4] "Lesotho Overview," *Cotton Importer Update* (a quarterly publication of the Cotton Board and Cotton Incorporated, Memphis TN), Mar. 2001.

[5] Information on Mauritius in the paragraph is from U.S. Department of State telegram 319, "Mauritius Input for 2003 President's Report on AGOA," and telegram 602, "Mauritius FY 2003-2004 Budget," prepared by U.S. Embassy, Port Louis, Apr. 16 and July 28, 2003, respectively; EmergingTextiles.com, "Mauritius Intends [on] Becoming a Regional Hub," Apr. 4, 2002, found at *www.emergingtextiles.com*, retrieved Nov. 27, 2002; and "Mauritius Overview," *Cotton Importer Update*, Mar. 2001.

[6] Information on Madagascar is from U.S. Department of State telegram 97, "AGOA In Madagascar Forum Highlights Improved Investment Climate," prepared by U.S. Embassy, Antananarivo, Jan. 27, 2003, and EmergingTextiles.com, "Mauritian Textile Groups Confronted with Financial Difficulties," Apr. 12, 2001, found at *www.emergingtextiles.com*, retrieved Nov. 27, 2002. The trade data are "Major Shippers" data of the U.S. Department of Commerce, available online at *http://otexa.ita.doc.gov*.

[7] "World Textile and Apparel Trade and Production Trends: Sub-Saharan Africa," *Textile Outlook International*, Mar.-Apr. 2003, p. 39, and International Monetary Fund, *International Financial Statistics*, Aug. 2003, pp. 880-881.

[8] Textile Federation of South Africa, *South African Textile Statistics & Economic Review 2001/2002* (Bruma, South Africa), p. 6.

[9] "Textile Sector is Hopeful of State Help in Jobs Crisis," *Business Day* (BDFM Publishers (Pty) Ltd., Johannesburg), Sept. 30, 2003, found at *http://www.bday.co.za/bday/content/direct/1,3523,1442170 6099 0,00.html*, retrieved Sept. 30, 2003.

[10] "South Africa: Strong Rand Hitting Clothing Industry Hard," found at *http://www.just style.com,* retrieved July 24, 2003.

[11] U.S. Department of State telegram 1869, "Updated Information on South Africa for 2003 President's Report on AGOA," prepared by U.S. Embassy, Pretoria, Apr. 10, 2003.

[12] Information on Nigeria is from the U.S. Department of Agriculture, Foreign Agricultural Service, "Nigeria: Cotton and Products Annual 2003" (Global Agriculture Information Network (GAIN) Report No. NI3017), May 30, 2003.

[13] U.S. Department of State telegram 1380, "Anxiety Over Lifting of MFA Quotas and End of AGOA Third Country Fabric Provisions," prepared by U.S. Embassy, Pretoria, Mar. 14, 2003.

[14] Data on U.S. foreign direct investment in the SSA textile and apparel sector are not available.

[15] U.S. Department of State, "Labor Progress in Lesotho's Garment Industry," prepared by U.S. Embassy, Johannesburg, Mar. 26, 2003.

[16] U.S. Department of State telegram 748, "AGOA Lesotho: Taiwanese Companies to Invest USD60 Million in Spinning and Weaving Plants," prepared by U.S. Embassy, Maseru, Nov. 29, 2002.

[17] U.S. Department of State telegram 662, "Cotton Board Visits Lesotho; Finds Good Working Conditions and Market Possibilities," prepared by U.S. Embassy, Maseru, Jan. 31, 2003.

[18] Information on Mauritius in the paragraph is from U.S. Department of State telegram 602, "Mauritius FY 2003-2004 Budget."

[19] Information on Namibia is from U.S. Department of State telegram 337, "Namibia Input for President's 2003 Report on AGOA," prepared by U.S. Embassy, Windhoek, Apr. 10, 2003.

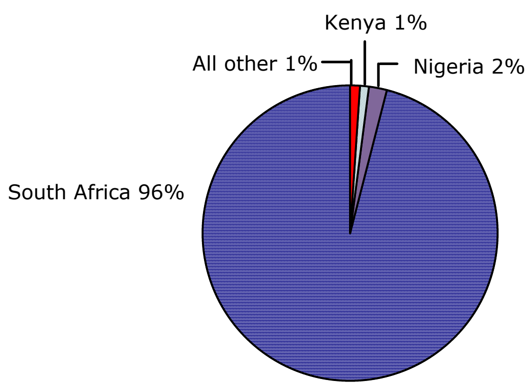
[20] "African Governments to WTO: We Need More Time to Compete," *Daily News Record: Textile News*, Jan. 27, 2003.

[21] U.S. Department of State telegram 1354, "Kenya: AGOA Update for President's Report to Congress," prepared by U.S. Embassy, Nairobi, Apr. 3, 2003.

CERTAIN TRANSPORTATION EQUIPMENT[1]

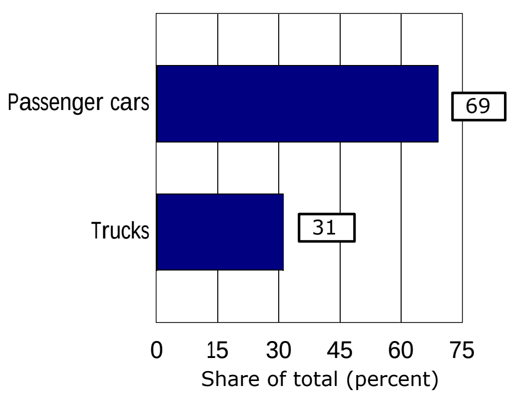
OVERVIEW

SSA sector production, by country, 2002
433,615 vehicles



Source: *Automotive News Market Data Book 2003.*

SSA sector production, by product, 2002
433,615 vehicles



Source: *Automotive News Market Data Book 2003.*

- South Africa is the dominant producer of motor vehicles and motor-vehicle parts in the SSA region, accounting for 96 percent of SSA motor vehicle production in 2002. Nigeria was the second-leading producer with 2 percent, and Kenya was third with 1 percent. Other SSA countries with some motor vehicle production or assembly include Ethiopia, Ghana, Côte d'Ivoire, Mozambique, Tanzania, and Zimbabwe; these countries assemble trucks on a very small scale.[2] South Africa ranks as the 18th largest motor vehicle producer in the world.

- The automotive industry in South Africa accounts for nearly 6 percent of the country's gross domestic product,[3] and 10 percent of total manufacturing in South Africa.[4]

- Production of cars in South Africa increased steadily over the past few years, from 189,283 units in 1999 to 231,602 units in 2002. Production of commercial vehicles increased during 1999-2001, from 106,405 units to 127,839 units, before declining to 118,452 units in 2002.[5] Most motor vehicle production is from completely knocked down (CKD) kits, incorporating some locally produced components.[6]

- The automotive industry in South Africa comprises foreign subsidiaries and local-foreign joint venture operations. In 2002, European-based automakers accounted for 42 percent of South Africa passenger car and light commercial vehicle production; Japanese-based automakers accounted for 33 percent, and U.S. producers GM (through its 49-percent ownership of Delta) and Ford (through its 100-percent ownership of Ford Motor Co. of Southern Africa) accounted for 25 percent.[7]

- Leading South African passenger vehicle producers include BMW South Africa, DaimlerChrysler SA, Delta Motor Corp., Ford Motor Company of Southern Africa, Nissan South Africa, Toyota South Africa, and Volkswagen of South Africa. As of 2002, DaimlerChrysler, BMW, and Toyota were using their South African operations as a manufacturing base for world markets; Ford is planning to integrate its local manufacturing operations in the same way during 2003.[8]

- Leading commercial vehicle producers include ERF South Africa, Iveco South Africa, MAN Truck and Bus SA, Nissan Diesel, Scania South Africa (Pty) Ltd., and Tyco Truck Manufacturers.

- South Africa is the leading market for motor vehicle sales in the SSA region, accounting for 65 percent of SSA motor vehicle sales in 2002. Nigeria was the second-largest market (6 percent), followed by Zambia (3 percent), Côte d'Ivoire (3 percent), and Sudan (3 percent).[9] Because the level of motor vehicle (particularly passenger car) ownership is directly related to macroeconomic trends and personal income, South Africa ranks first in terms of per capita vehicle ownership in SSA, with 10.2 people per passenger car. Ethiopia has the most people per passenger car at 1,392.[10] South Africa accounts for 1 percent of global passenger car sales.[11]

- In South Africa, sales of both cars and light commercial vehicles (e.g., pickup trucks and commercial vans) increased during 1999-2001, but declined in 2002. Sales of cars increased from 214,370 units to 251,560 units before dropping to 241,602 units. Sales of light commercial vehicles increased from 99,669 units to 117,646 units before dropping to 106,247 units in 2002. Sales of medium and heavy commercial vehicles increased steadily during the same period, rising from 11,736 units in 1999 to 14,335 units in 2002.[12] Expected passenger vehicle price hikes in 2002 resulting from the weak rand helped spur vehicle purchases at the end of 2001, pulling forward some purchases that would have been made in 2002.[13]

- In 2002, Toyota garnered the most South African sales of passenger cars and light commercial vehicles, selling 78,373 units. Volkswagen was the second-leading seller with 56,016 units, and Ford was third with 46,371 units in 2002.[14] In 2002, sales of medium and heavy commercial vehicles were led by DaimlerChrysler at 3,733 units, followed by Toyota (2,404 units), Nissan/Renault (1,873 units), and MAN (1,585 units).[15]

- There are more than 300 dedicated automotive component suppliers in South Africa, with another approximately 200 others supplying the industry on a "non-exclusive basis."[16] The automotive component industry is highly concentrated, with only 14 firms accounting for more than half the industry's employment and output.[17]

OVERVIEW-Continued

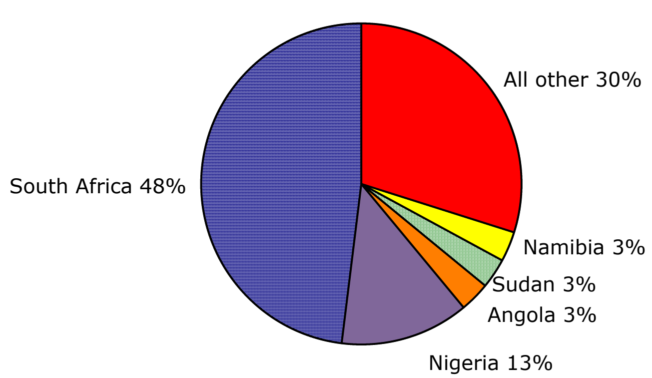
- Local content, or the level of South African components on South African-assembled motor vehicles, is approximately one-third. According to the local automotive components trade association, this level is expected to increase as local vehicle output increases.[18]
- In recent years, the South African automotive industry has made substantial productivity gains. According to the National Association of Automobile Manufacturers of South Africa (NAAMSA), direct labor costs have been reduced by approximately 30 percent during 1998-2002.[19]
- Capacity utilization in the South African automotive industry is increasing; capacity utilization was 66 percent in 2000, rising to 72 percent in 2001. By the first half of 2002, the local industry had reached the global average - approximately 76 percent.[20]
- The South African automotive industry has benefitted from a growing domestic economy and favorable policies including a reduction in personal income taxes which bolsters consumer spending. In addition, the industry has achieved an improved balance between foreign exchange spending and foreign exchange earnings.[21]
- While the South African automotive industry does not currently benefit from a well-developed steel supplying industry, the industry does take advantage of other raw materials abundantly available in South Africa. For example, abundant coal reserves translate into low energy costs, and South African technology excels at converting coal into petrol as well as other specialized materials used in the manufacture of automotive components. South African firms have expertise with aluminum and lightweight alloys as well. Other inputs that are readily available locally and used in automotive manufacturing include ore, natural fibers such as sisal,[22] and platinum group metals used in catalytic converters.
- Other advantages realized by the South African industry include lower labor and social costs, extremely low electrical energy costs, low infrastructure costs, available manufacturing capacity, stable banking and communications systems, ability to provide short production runs at very low cost, competitive tooling costs, high degree of manufacturing flexibility (due largely to the relatively more labor-intensive factory setup), and low transportation costs to the Southern Hemisphere. Finally, because South Africa is a right-hand-drive country, it is a good choice for production of these models for domestic consumption as well as for export to other right-hand-drive markets.[23]
- The South African automotive industry is generally at a competitive disadvantage with respect to innovative technology, using technology primarily supplied by U.S., German, and British companies. However, South African firms excel in certain technologies, particularly those that relate to local climatic challenges, as well as certain off-road vehicle technologies and aluminum welding technology for radiators.[24]
- Several foreign investors in the South African automotive industry have increased their holdings in recent years, and the South African automotive components industry is consolidating, with approximately 10 percent of manufacturing firms closing since 1995.[25] The component manufacturing industry is aggressively seeking technology-sharing arrangements with foreign partners.[26]
- The South African Government's goal of reducing the number of models produced locally and lengthening production runs has been achieved; the number of locally produced models has been reduced from 42 in 1995 to 27 in 2002. Benefits derived from improved economies of scale have facilitated investment in plant and equipment.[27]
- Lower import barriers implemented through the Motor Industry Development Program (MIDP) in the first years of the program resulted in large reductions in sector employment.[28] However, employment levels have stabilized and recently, strong growth in component-manufacturing employment has been reported.[29] The motor vehicle manufacturing industry currently employs approximately 33,000, and the component manufacturing industry employs nearly twice that amount, 60,000.[30]
- Current competitive pressures felt by the South African automotive industry include increased price competition in the global marketplace, increased competition from other low-cost manufacturing countries that have potentially large or growing markets, rising logistical and distribution costs, and rising domestic inflationary pressures as well as a strengthening exchange rate.[31]
- The South African motor vehicle industry benefits from the MIDP, initiated in September 1995. There is one MIDP for passenger cars and light commercial vehicles, and another for medium and heavy commercial vehicles. The goal of the MIDP is to make South Africa a world-class motor vehicle producer by lowering import barriers and promoting exports. Through this process, the industry has restructured considerably. The program encourages manufacturers to become more efficient through higher production volumes and economies of scale, or by identifying and successfully targeting niche markets.
- A midterm review of the MIDP in July 2000 resulted in the extension of both MIDPs until 2007. In December 2002, the MIDP for cars and light commercial vehicles was extended so as to cover the period 2008-2012. Extension of the program is considered important in that it ensures a stable and predictable market for investors. Import duties will continue to be phased down during this extended period, but at a slower rate. The MIDP for the medium and heavy commercial vehicles sector was not reviewed in 2002.
- At the start of the MIDP in 1995, the tariff on cars and light commercial vehicles was 65 percent; in 2002 it was 40 percent, and will be reduced to 30 percent by 2007 and 25 percent by 2012. For CKD components, the tariff at the start of the MIDP was 49 percent; in 2002 it was 30 percent, and will be reduced to 25 percent in 2007 and to 20 percent by 2012. The tariff on medium and heavy commercial vehicles, which was 40 percent at the start of the MIDP, fell to 20 percent in 2000 and remains at that level through 2007. Most components for medium and heavy commercial vehicles enter free of duty; tires are assessed a duty of 15 percent.[32]
- The MIDP offers four provisions for registered local manufacturers to reduce duties paid on imports:
    - The Duty Free Allowance provision allows for 27 percent of the wholesale value of a vehicle to be imported free of duty. This allowance was extended through 2007.

OVERVIEW-Continued

- The Small Vehicle Initiative was eliminated at the end of 2002. It offered duty savings to importers of less expensive vehicles to enhance vehicle affordability for the domestic populous.
- The Productive Asset Allowance (PAA) was introduced in the 2000 midterm review as a means to encourage higher volume production of a fewer number of models. It is a nontradable credit calculated at 20 percent of the qualifying investment in productive assets spread equally over 5 years, to be used against imports of fully assembled vehicles. Component makers may apply for the allowance; when qualifying, 80 percent of the duty savings is passed to the component maker, and the other 20 percent goes directly to the automaker that the component maker supplies. (This allowance is not available to operations receiving other investment incentives from the Department of Trade and Industry.) The PAA is to be reviewed in 2005.
- Import Rebate Credit Certificates (IRCCs) are designed to encourage large volume production of fewer products so as to result in economies of scale. IRCCs are earned through the export of motor vehicles, automotive components, and tooling by authorized manufacturers or exporters. The eligible local content value generates the IRCCs, which entitle the holder to import vehicles, parts, or tooling to the value of the IRCC duty free, or allows them to claim a refund of duty. Reportedly, some automakers are able to import the full range of vehicles they sell locally with export credits earned on components manufactured in South Africa.[33] For 2002-12, every rand of CBU light motor vehicle exports earns 1 rand of duty free imports of CBU light motor vehicle, heavy motor vehicle, tooling, or components. Also during 2002-12, every rand of components, heavy motor vehicles, and tooling exported earns 1 rand of duty free imports of components, heavy motor vehicles, and tooling. Exports of heavy vehicles, components, and tooling do not earn equal credits for light vehicle imports; in 2002 the ratio was 100:65, the ratio declined to 100:60 in 2003 and will remain there through 2012. In addition, the value of light motor vehicle and components exports for import rebate purposes declines over time, from 100 percent in 2002 to 78 percent in 2007 and 70 percent during 2009-12. Finally, the qualifying precious metal content in exported catalytic converters was 50 percent in 2002, falling to 40 for 2003-07.[34] IRCCs are tradable and are issued once the foreign funds have been repatriated.[35]

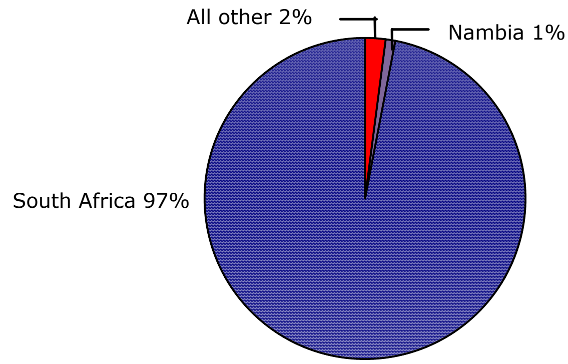
TRADE

SSA sector imports global, by country, 2001
($7.3 billion)



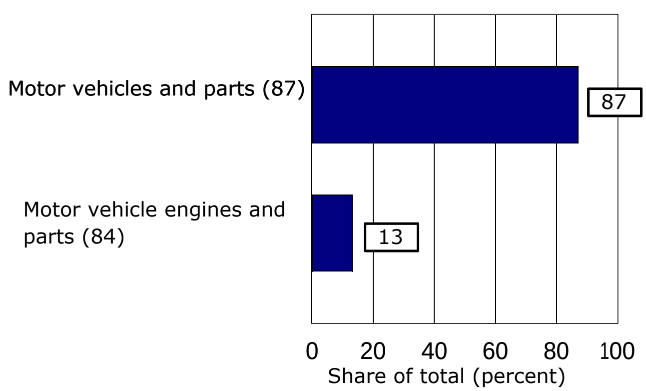
Source: United Nations.

SSA sector global exports , by country, 2001
($2.5 billion)



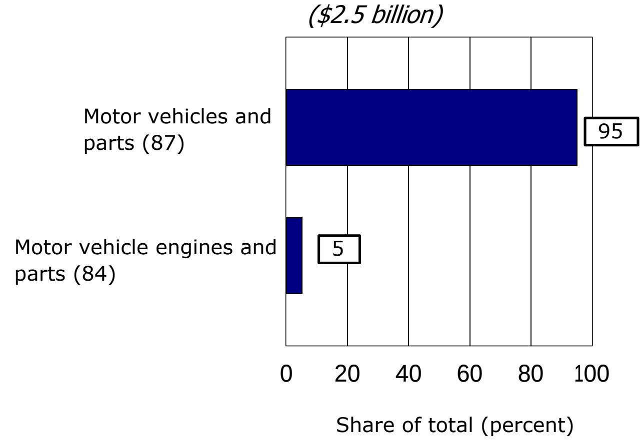
Source: United Nations.

SSA sector global imports, by HS chapter, 2001
($7.3 billion)



Source: United Nations.

SSA sector global exports, by HS chapter, 2001
($2.5 billion)



Source: United Nations.

Major import source (2001)	Share of total (percent)	Major Import item (6-digit HS) (2001)	Share of total (percent)
EU15	56	Passenger vehicles (8703.23)	20
United States	8	Motor vehicle parts (8708.99)	14
South Africa	4	Diesel trucks (8704.21)	6
Brazil	3	Diesel trucks (8704.22)	9
Korea	2	Motor vehicle parts (8708.29)	5
Swaziland	3	Road tractors (8701.20)	4

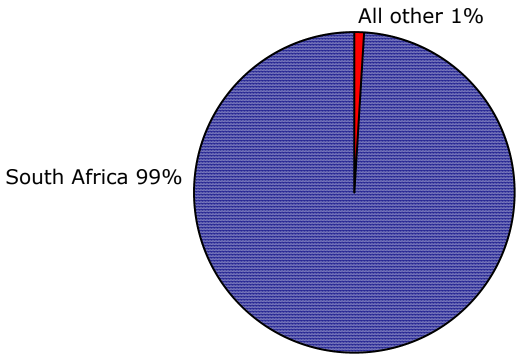
Source: United Nations.

Major export Market (2001)	Share of total (percent)	Major export item (6-digit HS) (2001)	Share of total (percent)
EU15	38	Passenger vehicles (8703.23)	47
United States	15	Passenger vehicles (8703.24)	13
Botswana	15	Trucks (8704.31)	4
Japan	12	Passenger vehicles (8703.32)	4
Australia	7	Wheels and parts (8708.70)	4
Swaziland	3	Motor vehicle parts (8708.29)	3

Source: United Nations.

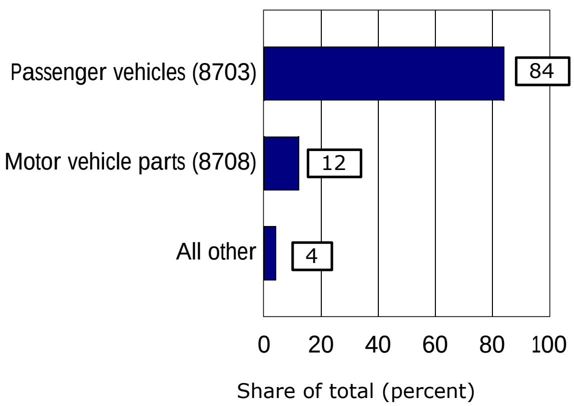
TRADE-Continued

U.S. sector imports from SSA, by source, 2002
($560 million)



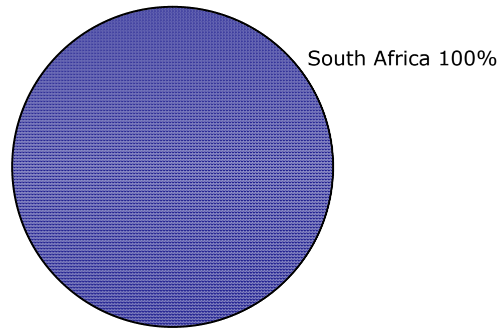
Source: Compiled from official statistics of the U.S. Department Commerce.

U.S. sector imports from SSA, by HTS heading, 2002
($560 million)



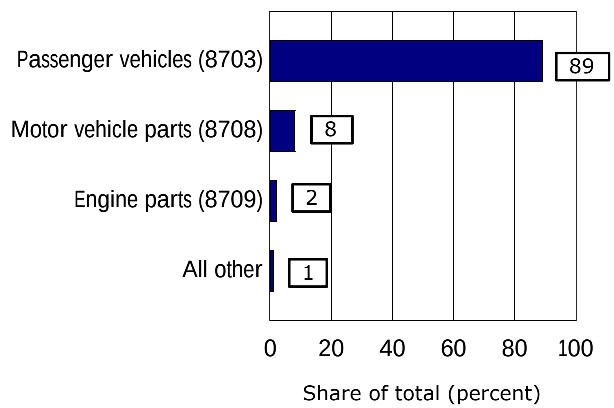
Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. sector imports under AGOA (including GSP), by source, 2002
($533 million)



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

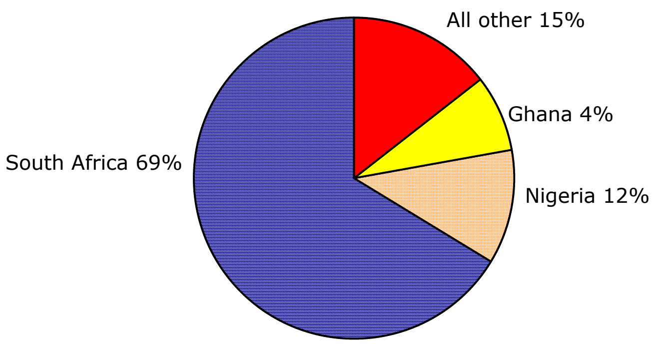
U.S. sector imports under AGOA (including GSP), by HTS heading, 2002
($533 million)



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

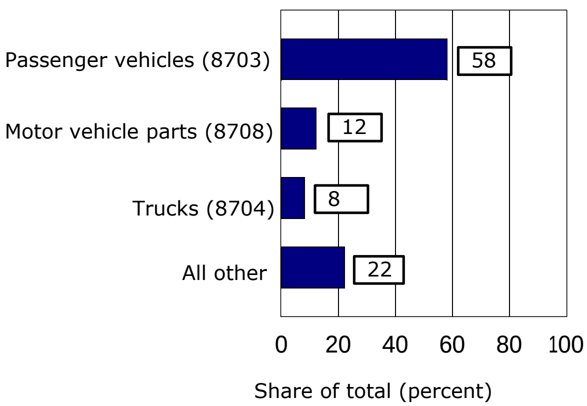
TRADE-Continued

U.S. sector exports to SSA, by market, 2002
($303 million)



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

U.S. sector exports to SSA, by HTS heading, 2002
($303 million)



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

Key U.S. Import Developments

- U.S. imports of transportation equipment from SSA reached $560 million in 2002, up by $229 million (69 percent) over the 2001 level of $331 million. SSA accounted for about 1 percent of the value of total U.S. sector imports in 2002.
- Virtually all U.S. sector imports from SSA in 2002 were supplied by South Africa. The principal sector import items that year included motor vehicles with an engine cylinder capacity between 1,501 and 3,000 cubic centimeters (HTS subheading 8703.23, 61 percent of the total value), and motor vehicles with an engine cylinder capacity exceeding 3,000 cubic centimeters (HTS 8703.24, 24 percent).

Key U.S. Import Developments-Continued

- Passenger cars accounted for 84 percent of the value of total U.S. sector imports from South Africa in 2002. Leading components imported from South Africa in 2002 included road wheels, engine parts, shock absorbers, and mufflers and exhaust pipes.

Key AGOA Trade Developments

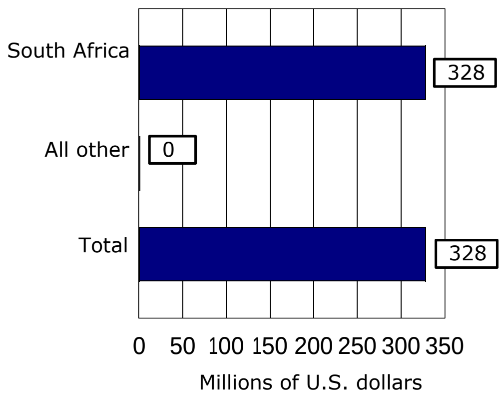
- U.S. transportation equipment imports under AGOA (including GSP) increased by 85 percent in 2002, reaching $533 million. All such imports were from South Africa. In 2002, imports under AGOA accounted for 95 percent of total U.S. sector imports from SSA. The sector accounted for about 6 percent of total AGOA imports that year.
- The leading U.S. sector import items under AGOA in 2002 included motor vehicles with an engine cylinder capacity between 1,501 and 3,000 cubic centimeters (HTS subheading 8703.23, 64 percent of the total value), and motor vehicles with an engine cylinder capacity exceeding 3,000 cubic centimeters (HTS 8703.24, 25 percent).

Key U.S. Export Developments

- In 2002, the United States ran a $257-million deficit in transportation equipment trade with SSA. In 2001, that sector's trade balance was in favor of the United States, with a surplus of $153 million.
- In 2002, U.S. transportation equipment exports to SSA reached $303 million, down 37 percent from the previous year. SSA accounted for about 1 percent of the value of total sector exports in 2002.
- The major U.S. sector export items to SSA in 2002 were the same as those imported motor vehicles with an engine cylinder capacity between 1,501 and 3,000 cubic centimeters (HTS subheading 8703.23, 33 percent of the total value); and motor vehicles with an engine cylinder capacity exceeding 3,000 cubic centimeters (HTS 8703.24, 15 percent).
- In contrast to sizeable increases in U.S. exports of certain large passenger vehicles (HTS 8703.23, an increase of $19 million, or 68 percent; HTS 8703.33, an increase of $14 million, or 140 percent), large decreases were registered in miscellaneous auto parts (HTS 8708.99, a decrease of $177 million, or 89 percent), certain small passenger vehicles (HTS 8703.23, a decrease of $21 million, or 17 percent), and road tractors for semitrailers (HTS 8701.20, a decrease of $16 million, or 51 percent). U.S. exports of these products may have been replaced by increased local production.

INVESTMENT

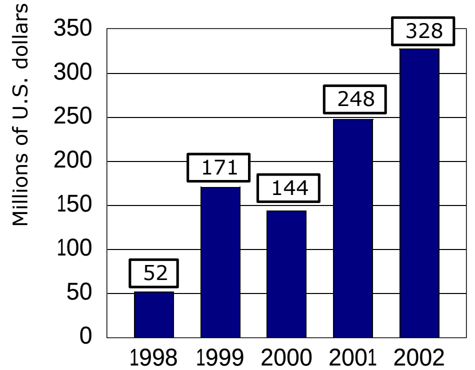
U.S. sector SSA FDI position, by country, 2002



Note.-Data for some countries not disclosed owing to confidentiality. Industry classification basis changed from SIC to NAICS in 2002.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Transportation equipment."

U.S. sector SSA FDI position, 1998-2002



Note.-Industry classification changed from SIC to NICS in 2002; data from 1999-2001 have been converted to NAICS.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Data are for sector defined as "Transportation equipment."

- U.S. FDI in the SSA transportation equipment sector totaled $328 million in 2002, up from $248 million the previous year.[36] This investment trended upward during 1998-2002. South Africa was the primary SSA location for U.S. sector FDI in 2002. The transportation equipment sector accounted for about 4 percent of the total U.S. FDI position in SSA in 2002, and SSA accounted for nearly 1 percent of the global U.S. FDI position in the sector that year.[37]

- A recent survey of 12 members of the National Association of Automobile Manufacturers of South Africa (NAAMSA) revealed rapidly increasing capital expenditures in the South African automotive industry, from R1,521.5 million in 2000 (approximately $194 million) to R2,078.2 million in 2001 and R2,725.8 million in 2002; the projection for 2003 is R3,123.1 million. In 2002, "Product, Local Content, Export Investment" accounted for 52 percent of these firms' capital expenditures, followed by "Production Facilities" at 33 percent, "Support Infrastructure (I.T., R&D, Technical, etc.)" at 9 percent, and "Land and Buildings" at 6 percent.[38]

- According to NAAMSA, overall capital investment in South Africa by motor vehicle companies exceeds R12.5 billion (approximately $1.5 billion), while capital investment in component manufacturers is approximately slightly more than half that amount, at R6.5 billion (approximately $752 million).[39]

- In 2002, the Gauteng provincial government committed to investing some $100 million to establish an automotive supplier park in Rosslyn, South Africa. The park will accommodate 200 facilities of varying sizes for suppliers of a variety of components. The goal of the investment is to further South Africa's competitiveness in the auto industry by improving logistics for manufacturers.[40]

- In 2000, Ford became the full owner of its subsidiary in South Africa, Ford Motor Co. of Southern Africa (FMCSA). Ford repurchased its South African franchise and facilities from Samcor, which assumed their operation when Ford left South Africa in the 1980s. FMCSA acts as Ford's regional production and distribution center for SSA.[41]

- As of 1997, GM owns 49 percent of Delta Motor Corp., which was created through a management buyout in 1986 when GM withdrew from South Africa.[42] Delta assembles Isuzu and Opel (GM's European vehicle line) vehicles at its two plants, and imports and distributes Opel and Suzuki products.[43]

- BMW announced in late 2001 that it planned to invest R2 billion (approximately $232 million) during 2002-03 to upgrade its South Africa facilities for production of new export models. The upgraded plant is to have an installed capacity of 60,000 vehicles per year. In 1998, BMW invested R1.5 billion to upgrade its Rosslyn assembly facility, making the plant part of its global sourcing worldwide production network.[44]

- In 2002, Toyota Motor Corp. raised its stake in Toyota South Africa to 74.9 percent. Toyota engaged in a $100 million capital improvement program for South Africa in 2002 in preparation for production of new generation Corollas for export. Toyota's increased investment in its South African operation signifies the company's intention to include South Africa in its global supply network.[45] The company also announced at the end of 2002 that it plans to more than double its export capacity to 200,000 vehicles per year by 2005. Targeted markets include other African countries, Australia, and possibly Europe. Toyota also hopes to increase its local market share.[46]

INVESTMENT-Continued

- In 2002, Volkswagen announced it would invest slightly more than R2 billion (approximately $232 million) over the next 6 years in an effort to expand its export capabilities. Volkswagen plans to add the new Polo model to its South African export portfolio.[47]
- As discussed above, with the 2000 review of the MIDP, the Government of South Africa initiated the PAA. Under the PAA, "investors in new plant and equipment can qualify for a duty credit certificate up to 20 percent of the value of their investment over a 5-year period."[48]

ENDNOTES

[1] For the purposes of this chapter, certain transportation equipment is defined as motor vehicles (cars, trucks, and buses), engines, and certain motor vehicle parts. These products account for over 90 percent of all transportation equipment imports from SSA. This sector includes portions of Harmonized Tariff Schedule chapters 84 and 87.

[2] Automotive News, *2003 Market Data Book*, May 26, 2003, p. 44.

[3] NAAMSA, *NAAMSA Annual Report 2001/2002*, p. 6, found at *http://www.naamsa.co.za*, retrieved June 19, 2003.

[4] U.S. Commercial Service South Africa, "Automotive Parts," found at *http://www.buyusa.gov/southafrica/en/page164.html*, retrieved June 19, 2003.

[5] Data collected by the National Association of Automobile Manufacturers of South Africa, provided by Ward's Communications, fax communication to USITC staff, Sept. 10, 2003. Data may not match data in production graphs.

[6] BMW South Africa, however, is moving away from CKD production; most of the parts, save the engine and transmission, on the locally produced 3-Series vehicles, are sourced domestically. Nicole Itano, "U.S. Pact Lifts South Africa Car Exports," *New York Times*, July 9, 2003, found at *http://www.NYTimes.com*, retrieved July 9, 2003.

[7] This includes Nissan and Subaru as Japanese, and Saab as European. NAAMSA, found at *http://www.naamsa.co.za/papers/20030127/imports_2002.htm*, retrieved June 19, 2003.

[8] Just-auto.com editorial team, "South Africa: Ford plans to export two models to UK market," Feb. 14, 2003, found at *http://www.just auto.com*, retrieved Feb. 14, 2003.

[9] Automotive News, 2003 Market Data Book, May 26, 2003, p. 47.

[10] Not included in SSA people-per-car statistics are Cape Verde, Comoros, Eritrea, and São Tomé and Principe. National Association of Automobile Manufacturers of South Africa (NAAMSA), NAAMSA Annual Report 2001/2002, p. 24, found at *http://www.naamsa.co.za*, retrieved June 19, 2003.

[11] Nicole Itano, "U.S. Pact Lifts South Africa Car Exports," *New York Times*, July 9, 2003, found at *http://www.NYTimes.com*, retrieved July 9, 2003.

[12] NAAMSA, "Industry Vehicle Sales, Export and Import Data: 1995-2005," found at *http://www.naamsa.co.za/papers/20030127/export_import_1995_2005.html,* retrieved June 19, 2003.

[13] Just-auto.com editorial team, "South Africa: 'Challenges" ahead in 2002 - NAAMSA," Jan. 11, 2002, found at *http://www.just auto.com*, retrieved Jan. 11, 2002.

[14] Included in Ford's domestic production volume are Volvo, Jaguar, and Land Rover models. NAAMSA, found at *http://www.naamsa.co.za/papers/20030127/imports_2002.htm*, retrieved June 19, 2003.

[15] NAAMSA, provided by Ward's Communications, June 23, 2003.

[16] "South Africa: Automotives Overview," *South Africa Business Guidebook 2000/2001*, found at *http://www.africabusinessdirect.com,* retrieved June 19, 2003.

[17] Ibid.

[18] Ibid.

[19] NAAMSA, *NAAMSA Annual Report 2001/2002*, pp. 6 and 11, found at *http://www.naamsa.co.za*, retrieved June 19, 2003.

[20] Business Africa, "Automotive update," EIU Viewswire, found at *http://www.viewswire.com*, retrieved June 17, 2003.

[21] NAAMSA, *NAAMSA Annual Report 2001/2002*, pp. 6 and 11.

[22] Luisa D. Santos, U.S. and Foreign Commercial Service, U.S. Department of Commerce, "Automotive Market," Market Research Reports, Oct. 1, 2002, found at *http://www.stat usa.gov*, retrieved June 18, 2003. Sisal is coupled with polyurethane to form a composite material that is used in linings and structural components for automotive interiors such as door panels and trunk liners. Benefits of using sisal include reduced vehicle weight and lower production costs.

[23] Ibid.

[24] Ibid.

[25] "South Africa: Automotives Overview," *South Africa Business Guidebook 2000/2001*, found at *http://www.africabusinessdirect.com*, retrieved June 19, 2003.

[26] Paulo Fernandes and Fanie Fourie, "Introduction to the Automotive Industry in South Africa," *Automotive Purchasing News*, found at *http://www.theholisticchannel.com/APN/test/04.pdf*, retrieved June 19, 2003.

[27] NAAMSA, *NAAMSA Annual Report 2001/2002*, pp. 6 and 11.

[28] Luisa D. Santos, U.S. and Foreign Commercial Service, U.S. Department of Commerce, "Automotive Market."

[29] NAAMSA, *NAAMSA Annual Report 2001/2002*, p. 11, found at *http://www.naamsa.co.za,* retrieved June 19, 2003.

[30] Ibid.

[31] NAAMSA Media Release, Dec. 9, 2002, found at *http://www.naamsa.co.za/papers/20021209/*, retrieved June 23, 2003.

[32] The Department of Trade and Industry, South Africa, "dti Announces Extension of the Motor Industry Development Programme (MIDP), news release, Dec. 6, 2002; NAAMSA, *NAAMSA Annual Report 2001/2002*, found at *http://www.naamsa.co.za*, retrieved June 19, 2003.

[33] Paulo Fernandes and Fanie Fourie, "Introduction to the Automotive Industry in South Africa," *Automotive Purchasing News*, found at *http://www.theholisticchannel.com/APN/test/04.pdf*, retrieved June 19, 2003.

[34] The Department of Trade and Industry, South Africa, "dti Announces Extension of the Motor Industry Development Programme (MIDP), news release, Dec. 6, 2002.

[35] Luisa D. Santos, U.S. & Foreign Commercial Service, "Automotive Market."

[36] Data may include items not covered by this sector, including aircraft, railroad rolling stock, and ships.

[37] USDOC, BEA, *U.S. Direct Investment Position Abroad on a Historical Cost Basis: Country Detail by Industry, 2002*, found at Internet address *http://www.bea.gov/bea/di/di1usdbal.htm*, retrieved Oct. 17, 2003.

[38] NAAMSA, found at *http://www.naamsa.co.za/papers/20030205/*, retrieved June 19, 2003.

[39] NAAMSA, *NAAMSA Annual Report 2001/2002*, p. 18, found at *http://www.naamsa.co.za*, retrieved June 19, 2003.

[40] Just-auto.com editorial team, "South Africa: Supplier park to be built at Rosslyn," July 4, 2002, found at *http://www.just auto.com*, retrieved July 5, 2002.

[41] Just-auto.com editorial team, "South Africa: Ford strategy includes Ikon brand-rebuilding launch," Feb. 16, 2001, found at *http://www.just auto.com*, retrieved Feb. 23, 2001.

[42] Information found at *http://www.gm.com/company/gmability/environment/plants/plant_db/latin_america/south_africa.html*, retrieved July 1, 2003.

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[43] "General Motors Appoints Delta Motor Corporation as Chevrolet Service Provider
Port Elizabeth, South Africa," Joint Statement Issued by GM African Operations and Delta Motor Corporation, March, 31, 2003, found at *http://www.opelcorsa.co.za/ViewPublicArticle.asp?articleID=292*, retrieved July 1, 2003.

[44] Lucia Mutikani for Reuters, "South Africa: BMW to invest 2 billion rand in car plant," Dec. 3, 2001, found at *http://www.just auto.com,* retrieved Dec. 3, 2001; and just-auto.com editorial team, "South Africa: BMW increasing assembly capacity to 60,000," Aug. 14, 2002, found at *http://www.just auto.com*, retrieved Aug. 22, 2002.

[45] Just-auto.com editorial team, "South Africa: Toyota takes over African outpost," June 25, 2002, found at *http://www.just auto.com*, retrieved June 25, 2002.

[46] Nicole George, "Toyota to Double South African Capacity to Increase Exports," *The Japan Automotive Digest*, Nov. 11, 2002, p. 7.

[47] Just-auto.com editorial team, "South Africa: Volkswagen invests R2.1 billion to boost exports - report," Dec. 12, 2002, found at *http://www.just auto.com*, retrieved Dec. 12, 2002.

[48] Luisa D. Santos, U.S. & Foreign Commercial Service, "Automotive Market."

CHAPTER 6
Country Profiles

This chapter presents economic data on the 48 countries of sub-Saharan Africa. 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

Sub-Saharan Africa continued to face a number of obstacles to economic growth and improvement in social indicators. In 2002, Africa's average GDP growth rate was 3.2 percent, down from 2001's average of 4.3 percent.[1] This declining average growth rate was attributed primarily to a weaker global economy, slower than expected rebound in world trade, drought in some parts of sub-Saharan Africa, increasing impact of HIV/AIDS, and the eruption and persistence of social and political conflict in a number of countries across the continent. While social and political conflict continued in some countries, such as Republic of the Congo, Sierra Leone, Sudan, and Zimbabwe, countries, such as Côte d'Ivoire and Madagascar, also experienced economically detrimental political and social upheavals. There were, however, signs of increased stability in Angola, following the end of its civil war in early 2002; Sudan, following an agreement in mid-2002; and the Democratic Republic of the Congo, as the regional conflict began to subside. Average GDP growth, however, belies the substantial variation in economic performance within sub-Saharan Africa. For example, in 2002 Equatorial Guinea experienced exceptional, petroleum-driven, GDP growth (24.4 percent), while Zimbabwe's continuing political and social crisis resulted in negative GDP growth (-8.9 percent).[2] Although sub-Saharan Africa's average GDP growth rate continued to fall short of the estimated 7 percent required to reduce poverty significantly,[3] five countries achieved a 7 percent or higher growth rate in 2002. These divergences reflect the highly distributed GDP growth rates in SSA (table 6-1). Despite the decrease in average GDP growth, many countries continued their commitment to poverty reduction. The number of countries preparing full or interim poverty reduction strategies increased from four in 2001 to nine in 2002.[4] Total GDP for SSA was $325.6 billion in 2001, a 2.9 percent decrease from 2000.[5]

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[1] United Nations Economic Commission on Africa, *Economic Report on Africa 2003* (Addis Ababa, Ethiopia: 2003), p. 1.
[2] Ibid., p. 33.
[3] Ibid., p. 31.
[4] Ibid., p. 3.
[5] World Bank, *African Development Indicators 2003*, (Washington, DC: 2003), p. 19.

Total GDP amounted to $172.6 billion excluding Nigeria and South Africa.[6] Average Gross National Income (GNI) per capita in 2001 was $461.[7] The top ranking countries were Seychelles, Mauritius, Gabon, Botswana, and South Africa. Countries with the lowest per capita GNI were the Democratic Republic of the Congo, Ethiopia, Burundi, Sierra Leone, and Liberia (figure 6-1); all of which have experienced sustained social and political conflicts. Although the economic profile of SSA countries have historically changed little from year to year, activities in the petroleum and gas sector has altered, or is expected to alter, the economic profile of many SSA countries. In addition to the historic petroleum-exporting countries (Angola, Gabon, Nigeria, and the Republic of the Congo), many of which are also expanding operations, many SSA countries are entering the petroleum-producing arena with increased exploration activity (Cameroon, the Democratic Republic of the Congo, Guinea-Bissau, Malawi, Namibia, São Tomé and Principe, Sierra Leone, Somalia, Tanzania, Togo, and Uganda) or newly discovered and developing sectors (Chad, Equatorial Guinea, Mauritania, and Sudan).

Table 6-1
Distribution of GDP growth rates in Africa, number of countries, 1998-2002

Range	1998	1999	2000	2001	2002
Negative growth	2	0	1	5	5
Low (0-3.9%)	23	26	37	19	27
Medium (4.0-7.0%)	26	23	14	24	16
High (>7.0%)	2	4	1	5	5

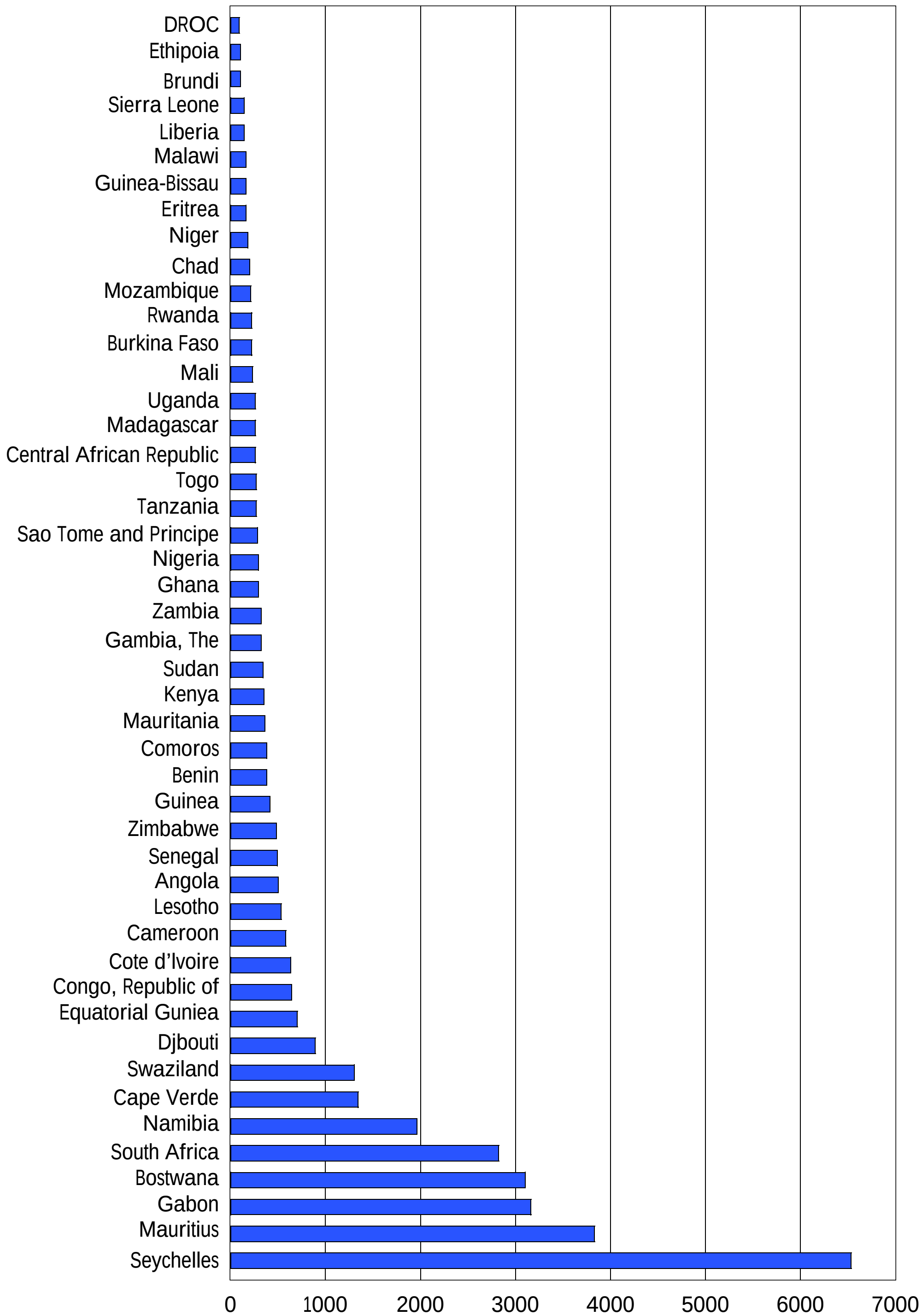
Source: United Nations Economic Commission for Africa, *Economic Report on Africa 2003*, (Addis Ababa, Ethiopia: 2003), p. 31.

SSA countries' efforts to increase integration into the global trading economy continued to be hampered by numerous obstacles. In addition to social and political conflict, inadequate infrastructure, such as dilapidated road networks, congested ports, inefficient customs services, and prohibitively expensive air transport, hampered the national and international transport of merchandise. Many SSA countries continued to depend heavily on primary commodity products, such as petroleum, minerals, and agricultural products (for example, cocoa, coffee, cotton, and tea). These primary products tended to experience erratic and declining international prices. Trade between SSA countries has increased in recent years, primarily driven by regional trading blocs characterized by political stability and

[6] Ibid.

[7] Ibid., p. 33. GNI per capita is the gross national income (GNI) in current U.S. dollars as divided by the mid-year population. GNI measures the total domestic and foreign income claimed by the residents of the economy. It comprises GDP plus net factor income from abroad, which is the income residents receive from abroad for factor services (labor and capital) less similar payments made to nonresidents who contributed to the domestic production. GNI in U.S. dollars is calculated according to the World Bank Atlas method of conversion from national currency to U.S. dollar terms. Found at Internet address *http://www.worldbank.org/data/countrydata/aag.htm*, retrieved on August 19, 2003.

Figure 6-1
Gross national income per capita, 2001



Note.—Because of lack of data, Somalia has not been included.
Source: World Bank, *African Development Indicators, 2003,* (Washington, DC: 2003), p. 33.

broadly similar economic policies.[8] Intra-SSA trade increased from 8 percent in 1989 to 12 percent in 2002.[9] Generally, countries experiencing social upheaval have few domestic revenue sources and, consequently, rely more heavily on trade taxes. These same countries, however, are more likely to lack the capacity to enforce efficient tax collection, resulting in very sporadic collection and further intervention in international trade. Exchange rate distortions also drive unrecorded trade across many of SSA's porous borders.

A significant inhibitor to economic development in SSA remained, for most countries, the low levels of savings and investment. Factors inhibiting savings and investment into SSA included high poverty levels, small domestic markets, inadequate infrastructure, social and political turmoil and instability, limited skilled labor supplies, concerns regarding corruption, and the expected social and business impact of HIV/AIDS. In 2002, foreign direct investment into Africa declined by $6 billion,[10] and the majority of investment remained concentrated in petroleum and minerals and mining sectors. An important source for foreign direct investment for many SSA countries is privatization (table 6-2). During 2002, privatization efforts continued, though at a subdued rate. Part of the slowdown was attributed to the weak global economy, difficulty locating interested buyers, overvalued assets and the large investment required for many state-owned enterprises, political resistance, and a slump in key sectors, such as telecommunications. Further compounding the negative impact of the low savings and investment rates is the high level of capital flight. According to a study covering 30 African countries, capital flight over the past 27 years was estimated to be $187 billion; if interest earnings were included, total capital flight would be estimated to be $274 billion.[11]

Tariff Structure

Most of the governments in SSA are WTO members or are involved as WTO observers.[12] Thirty-eight governments in SSA are WTO members, four have established accession working parties and two others have requested accession working parties.[13] In addition, three governments have typically been granted observer status during ministerial conferences.[14]

[8] EIU Viewswire, "Regional agreements are helping to expand trade," Oct. 31, 2002, found at Internet address *http://www.viewswire.com*, retrieved June, 2003.

[9] United Nations Economic Commission on Africa, *Economic Report on Africa 2003*, p. 38.

[10] Ibid., p. 1.

[11] Ibid., p. 2.

[12] The following 10 SSA governments are not WTO members: Cape Verde, Comoros, Eritrea, Ethiopia, Equatorial Guinea, Liberia, São Tomé and Principe, Seychelles, Somalia, and Sudan.

[13] WTO accession working parties have been established for the following SSA countries: Cape Verde (July 2000), Ethiopia (Feb. 2003), Seychelles (May 1995), and Sudan (Oct. 1994). Equatorial Guinea (Apr. 2002) and São Tomé and Principe (Jan. 2001) have requested that accession working parties be established for their countries.

[14] The Comoros, Eritrea, and Liberia.

Table 6-2
Privatization in Africa, 1991-2001

Country	Number of transactions	Sale value *(million dollars)*
Angola	57	6.0
Benin	28	49.0
Burkina Faso	23	9.0
Burundi	38	4.0
Cameroon	48	244.0
Cape Verde	42	53.0
Central African Republic	18	([1])
Chad	35	12.0
Côte d'Ivoire	82	622.0
Democratic Republic of the Congo	5	([1])
Ethiopia	10	410.0
Gabon	1	([1])
Gambia	17	2.4
Ghana	181	936.5
Guinea	31	45.0
Guinea-Bissau	25	0.5
Kenya	189	381.0
Lesotho	10	6.5
Madagascar	61	16.9
Malawi	11	53.2
Mali	59	67.4
Mauritania	19	1.2
Mozambique	474	135.0
Niger	10	1.8
Nigeria	30	893.5
Republic of the Congo	65	50.0
Rwanda	1	([1])
São Tomé and Principe	4	0.4
Senegal	39	415.0
Sierra Leone	8	1.6
South Africa	8	3,151.0
Sudan	32	([1])
Tanzania	199	287.0
Togo	49	38.0
Uganda	102	174.0
Zambia	253	828.0
Zimbabwe	6	217.0
Total	2,270	9,111.9

[1] Not available.

Source: United Nations Economic Commission for Africa, *Economic Report on Africa 2003*, (Addis Ababa, Ethiopia: 2003), p. 39.

Despite their WTO participation, tariff information for SSA in general has not been readily available, accessible, transparent, or timely.[15] Where tariff data is available, information can be spotty, inconsistent, inaccurate, not comparable, or nontransparent. The picture that emerges from available data for African tariff regimes indicates high tariffs of 15 to 25 percent on average, (table 6-3). In addition to high tariffs, extra import charges, taxes, or fees are common ("other duties and charges"), which neither promote a transparent trade environment nor facilitate expanded trade.

Mindful of caveats set out below, table 6-3 shows recent tariff rates for SSA countries, across several groupings. The first category shows applied tariff rates for 32 WTO members, mostly for 2001.

The average applied rate for these countries was about 17.1 percent ad valorem for agriculture and 13.2 percent for industrial goods. A second category shows bound tariff rates for five WTO members for 1994, for which no applied tariff data was available. The average bound tariff rate for this group was 63.7 percent ad valorem for agriculture and 82.5 percent ad valorem for industrial goods. Lastly, a third group shows applied tariff rates in 2001 for four countries that are not WTO members, indicating an applied tariff rate of 26.7 percent ad valorem for agriculture and 17.6 percent ad valorem for industrial goods. All three groupings are exclusive of other duties and charges. Harmonized System (HS) chapters 1 to 24 cover agricultural goods, and HS 25 to HS 97 cover industrial goods.

Tariff Data, Availability, and Comparability

Manipulation of available tariff data has been simplified recently with the advent of the World Integrated Trade Solution database (WITS), developed by the World Bank in close collaboration with the United Nations Conference on Trade and Development (UNCTAD), the United Nations Statistical Division (UNSD), and the World Trade Organization (WTO). The databases involved are the:

- UNSD Commodity Trade database (COMTRADE) containing export and import flows by commodity for over 130 reporting countries and partners.

- UNCTAD Trade Analysis Information System (TRAINS) containing information on imports, tariffs, quasi-tariffs, and nontariff measures for 119 countries.

- WTO Integrated Data Base (IDB) that contains imports by commodity and partner country for over 80 countries as well as applied tariff rates at detailed commodity levels of national tariff schedules.

[15] Until recently with the advent of the World Integrated Trade Solution database. See below.

Table 6-3
Sub-Saharan Africa Tariff Averages

Country	Agriculture	Industrial	Source (Year)
	(Percent)		
WTO members (applied ad valorem tariff rates)			
Benin	14.91	11.51	UNCTAD TRN (2001)
Botswana	10.61	7.66	UNCTAD TRN (2001)
Burkina Faso	14.91	11.51	UNCTAD TRN (2001)
Cameroon	23.46	17.17	UNCTAD TRN (2001)
Central African Republic	23.46	17.17	UNCTAD TRN (2001)
Chad	23.46	17.17	UNCTAD TRN (2001)
Congo	23.46	17.17	UNCTAD TRN (2001)
Côte d'Ivoire	14.91	11.51	UNCTAD TRN (2001)
Djibouti	22.07	32.00	WTO IDB (1998)
Gabon	23.46	17.17	UNCTAD TRN (2001)
Ghana	19.64	13.89	UNCTAD TRN (2001)
Guinea	6.62	6.44	WTO IDB (1998)
Guinea-Bissau	14.91	11.51	UNCTAD TRN (2001)
Kenya	23.23	18.46	UNCTAD TRN (2001)
Lesotho	10.61	7.66	UNCTAD TRN (2001)
Madagascar	5.71	4.44	UNCTAD TRN (2001)
Malawi	15.28	12.75	UNCTAD TRN (2001)
Mali	14.91	11.51	UNCTAD TRN (2001)
Mauritania	14.36	10.30	UNCTAD TRN (2001)
Mauritius	20.84	18.70	WTO IDB (2001)
Mozambique	21.91	12.50	UNCTAD TRN (2001)
Namibia	10.61	7.66	UNCTAD TRN (2001)
Niger	14.91	11.51	UNCTAD TRN (2001)
Nigeria	32.71	25.02	UNCTAD TRN (2001)
Rwanda	13.14	9.35	UNCTAD TRN (2001)
Senegal	14.91	11.51	UNCTAD TRN (2001)
South Africa	10.61	7.66	UNCTAD TRN (2001)
Swaziland	10.61	7.66	UNCTAD TRN (2001)
Tanzania	21.60	15.49	UNCTAD TRN (2001)
Togo	14.91	11.51	UNCTAD TRN (2001)
Uganda	12.90	8.42	UNCTAD TRN (2001)
Zambia	19.61	13.18	WTO IDB (2001)
Zimbabwe	25.80	18.60	UNCTAD TRN (2001)
Average	17.12	13.21	
WTO members (bound ad valorem tariff ceilings)			
Angola	13.33	80.00	WTO CTS (1994)
Burundi	100.00	100.00	WTO CTS (1994)
Congo, Dem. Rep.	55.00	100.00	WTO URA (1994)
Gambia	110.00	([1])	WTO CTS (1994)
Sierra Leone	40.00	50.00	WTO CTS (1994)
Average	63.67	82.50	

See footnotes at end of table.

Table 6-3—*Continued*
Sub-Saharan Africa Tariff Averages

Country	Agriculture	Industrial	Source (Year)
	(Percent)		
Non-WTO members (applied ad valorem tariff rates)			
Cape Verde	([1])	([1])	
Comoros	([1])	([1])	
Equatorial Guinea	23.46	17.17	UNCTAD TRN (2001)
Eritrea	([1])	([1])	
Ethiopia	24.08	18.00	UNCTAD TRN (2001)
Liberia	([1])	([1])	
São Tomé and Principe	([1])	([1])	
Seychelles	46.34	25.67	UNCTAD TRN (2001)
Somalia	([1])	([1])	
Sudan	13.14	9.35	UNCTAD TRN (2001)
Average	26.76	17.55	

[1] NA = Not available.

Note.–Members of the South African Customs Union (SACU)–Botswana, Lesotho, Namibia, South Africa, and Swaziland–operate under a common tariff schedule, of which the most current available at the WTO is SACU 2002. Members of the Communauté Economique et Monétaire d'Afrique Centrale (CEMAC)–Cameroon, Central African Republic, Chad, Republic of the Congo, and Gabon–operate under a common tariff schedule, of which the most current available in the WTO is CEMAC 1998. UNCTAD TRN indicates the TRAINS database from the United Nations Conference on Trade and Development, taken from the World Bank's WITS database. Data indicate applied ad valorem tariff rates. WTO IDB indicates the Integrated Database from the World Trade Organization, taken from the World Bank's WITS database. Data indicate applied ad valorem tariff rates. WTO CTS indicates the Consolidated Tariff Schedule from the World Trade Organization, taken from the WTO website *http://www.wto.org*. Data indicate ceiling ad valorem tariff rates, exclusive of other duties and charges, taken initially from the national schedule of concessions and commitments in the Marrakesh Protocol of the Uruguay Round Agreements and supplemented where possible by WTO staff. WTO URA indicates the national schedule of concessions and commitments found in the Marrakesh Protocol of the Uruguay Round Agreements, agreed on Apr. 15, 1994. Data indicate ceiling ad valorem tariff rates exclusive of other duties and charges.

Source: World Bank, World Integrated Trade Solution database, Aug. 2003.

- WTO Consolidated Tariff Schedule database (CTS) that contains bound tariff rates, initial negotiating rights, and other information, for countries made during multilateral trade negotiations.

WITS integrates trade, tariff, and nontariff measure data compiled by these various international organizations along the following lines:

- External trade
  - TRAINS
  - IDB
  - COMTRADE
- Tariffs
  - TRAINS
  - IDB
  - CTS
- Nontariff measures
  - TRAINS

The tariff information for SSA used in this section came from the UNCTAD TRAINS, and WTO IDB and CTS databases available through WITS. Although these databases provide improved access to available data, the resulting information and underlying data still reflect the difficulties in finding tariff regime data for SSA that are accurate, timely, and comparable.

Comparability varies among these sources. The CTS database contains bound ad valorem tariff rates that represent tariff ceilings for particular products (not necessarily all products or even many products are listed in WTO national schedules). Base years for SSA trade vary–typically 1995, ranging up to 1996 and sometimes 1998. The CTS files cover 37 of the SSA countries.[16] CTS information comes from the official WTO national schedules of concessions and commitments negotiated during the most recent round of multilateral trade negotiations, reflecting data from the period the Uruguay Round Agreements were signed (April 15, 1994). Bound rates are the maximum tariff that a government agreed during negotiations to levy without incurring additional penalties in the form of further compensation.

Bound tariff rates can contrast sharply with the applied tariff rates (also called most-favored-nation or "MFN" tariff rates) published in national tariff schedules.[17] Whereas the bound rate is the maximum possible tariff that can be legally levied under

[16] Of the 38 WTO members from SSA that have CTS files based on their Uruguay Round national schedules, the Democratic Republic of Congo appears to have not updated the 1994 Uruguay Round national schedule submitted by Zaire.

[17] WTO national schedules of concessions and commitments and national tariff schedules are different, although they can appear quite similar.

the GATT for an imported product, the applied tariff rate is the standard tariff commonly levied on an import in daily commerce. Although they may be the same or similar (i.e., the applied rate may be equal or near the bound rate), the two rates could differ significantly in situations where a government agreed during negotiations only to a bound rate greater than the applied tariff rate typically levied.

The WTO file containing applied tariff information for SSA reports only 15 SSA countries, based on trade data from various years ranging from 1996 to 2002.[18] This information can be further complicated by which Harmonized Schedule format is available in a country at a particular time–usually HS1996 or HS1998, and in some cases HS2002 format.

The widest ranging database containing applied tariff rates is the UNCTAD TRAINS database, covering 30 SSA countries with tariff rates from 1996 to 2002–most around 2001.[19] Although not covered in this report, the TRAINS database also covers nontariff measures–which in SSA are often considerable.

Technical Notes

Attempts have been made to provide standard and consistently defined measures for each country profile, but information may differ among the 48 countries and among different sources because of varying statistical methods and data limitations, coverage, and practices. Consequently, full comparability can not 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. In general, the statistical information provided should be treated as indicative, and emphasis placed on broad trends in data over time. 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.[20] 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.[21] Some data based on estimates in previous editions have been updated or replaced with actual data or improved estimates. In situations where official

[18] Cameroon, Djibouti, Gabon, Guinea, Kenya, Madagascar, Malawi, Mali, Mauritius, Senegal, South Africa, Togo, Uganda, Zambia, and Zimbabwe.

[19] Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Côte d'Ivoire, Equatorial Guinea, Ethiopia, Gabon, Ghana, Guinea-Bissau, Kenya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Niger, Nigeria, Republic of the Congo (Congo), Rwanda, Senegal, Seychelles, South Africa, Sudan, Tanzania, Togo, Uganda, and Zimbabwe.

[20] World Bank, *African Development Indicators 2003*, Washington, DC, p. 2.

[21] Ibid., pp. 2-3.

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 match the local currency GDP value multiplied by the exchange rate.

Textual update information was drawn from sources including The Economist Intelligence Unit country reports and Viewswire articles, African Business (London), World Trade, Associated Press, Agence France Presse, Corporate Council on Africa's Africa 2003 Report, U.S. Department of State, the World Bank, and the International Monetary Fund. Text discussions for Lesotho, Mauritius, and South Africa include information gathered from USITC staff field research conducted in February/March 2003. Where U.S. dollar equivalents were not provided in the source material, IMF exchange rates for relevant years were used to provide estimated U.S. dollar equivalent values.[22] All country profile text discussions represent reported information from the above-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 (economic and world trade indicators),[23] World Bank Africa Database (net FDI),[24] and the U.S. Department of Commerce (U.S.-sub-Saharan African trade data).[25] Some countries' "Composition of GDP" charts are divided into primary, secondary, and tertiary sector aggregations used by the EIU. These sectors are defined as: primary – agriculture, fisheries, mining, and quarrying; secondary – manufacturing, construction, electricity, water, and other utilities; and tertiary – primarily services activities, such as retail, financial, real estate, and government services. As a result of rounding, "Composition of GDP" charts may not add to 100. In addition, some country profiles refer to "Article IV" consultations with the IMF. This term refers to "Articles of Agreement of the International Monetary Fund, Article IV – Obligations Regarding Exchange Arrangements."[26]

[22] IMF exchange rates found at *Internet address http://imfStatistics.org, retrieved Aug.* 2003.

[23] Economist Intelligence Unit, sub-Saharan African Countries' Economic Structure profiles, 2002. EIU data includes both official government data and EIU estimates when official source information is unavailable.

[24] World Bank, *African Development Indicators 2003* (Drawn from World Bank Africa Database).

[25] Compiled from official statistics of the U.S. Department of Commerce.

[26] IMF, "Articles of Agreement of IMF," found at Internet address *http://www.imf.org/external/pubs/ft/aa/aa04.htm*, retrieved Sept. 23, 2003. For more information on Article IV, see website.

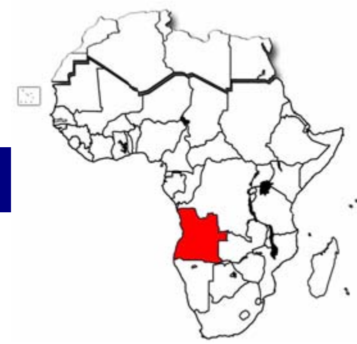
Profiles of 48 sub-Saharan African Countries

Each country profile contains Economic, Trade, and Investment and Privatization sections. Each section combines tabular or graphical summation of related key economic indicators or information with an update of events, which generally focus on developments that occurred during 2002 and early 2003.[27] Where available, information on the climate for services was included as part of the trade profile discussion.[28]

[27] For historical information and background, see previous editions of this report (USITC, *U.S. Trade and Investment With Sub-Saharan Africa*, Investigation No. 332-415, publications 3552, 3371, and 3476).

[28] See other chapters of this publication for more in-depth discussions of trade, investment, multilateral and bilateral assistance, and regional organizations.

ANGOLA

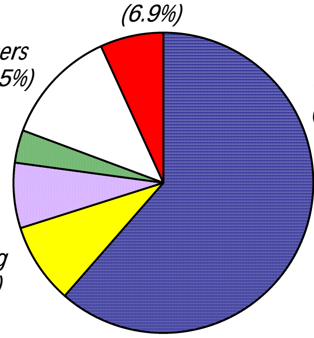


Economic Overview

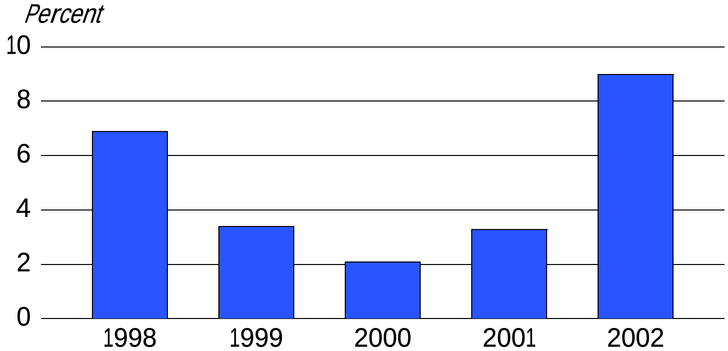
Economic Indicators

	2001	2002	Difference
GDP (nominal, Kz, bn)	198.1	444.8	246.7
GDP (US$ bn)	9.0	10.2	1.2
CPI Inflation (annual average; %)	115.0	106.0	-9.0
Goods Exports (US$ mn)	6,534.3	8,460.0	1,925.7
Goods Imports (US$ mn)	3,179.2	3,974.0	794.8
Trade Balance (US$ mn)	3,355.1	4,486.0	1,130.9
Current Account balance (US$ mn)	-1,431.0	170.3	1,601.3
Foreign Exchange Reserves (US$ mn)	731.9	375.6	-356.3
Total External Debt (US$ bn)	9.8	9.9	0.1
Debt Service Ratio, paid (%)	22.8	12.5	-10.3
Exchange Rate (Kz/US$)	22.1	43.5	21.4

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- As SSA's second largest petroleum exporter, Angola remains a petroleum-dominated economy with the energy sector representing over 60 percent of GDP.
- Although the country's nonpetroleum economic activity remained limited, positive prospects for a durable peace are expected to contribute to the expansion of the other economic sectors that have been devastated by the prolonged civil war, especially the agricultural sector. The two decades of civil unrest have left the country with inadequate infrastructure, weak institutions, and widespread poverty. Despite the cease-fire, agricultural production decreased in 2002 because of late and inadequate rainfall, and drought in some regions.
- ChevronTexaco, the United Nations Development Program, and the Angolan government announced plans to set up an Angola Enterprise Fund, a public-private partnership to create jobs and to increase incomes by encouraging small business development.
- The institution of the country's first electronic payments system, in April 2002, enabling the use of cash machines and debit cards, is expected to increase banking and finance sector activity.
- In 2002, the first submarine telecommunications cable linking Europe and India via the African coastline was extended to Angola and began operating. This cable link is expected to increase Angola's telecommunications capacity substantially.
- In mid-2002, the government approved a Chinese-financed project to rehabilitate the country's telephone infrastructure.
- The government made minimal progress on reforms during 2002, and continued to experience macroeconomic instability. In early 2003, financial instability led some creditors to threaten seizure of assets abroad.
- Although the IMF's staff-monitored program in Angola expired in June 2001, the IMF allowed the government more time to meet outstanding commitments. In mid-2002, after the Angolan authorities did not comply with IMF requests for improved financial and fiscal transparency, especially clarification of discrepancies between actual and declared revenue, the IMF ended the program.
- In May 2003, the World Bank announced plans to disburse more than $100 million in funds designed to support the social reintegration of combatants in Angola. The World Bank clarified, however, that further funding would be contingent on Angola's improvement of transparency and reduction of corruption.
- In June 2003, the World Bank and the government signed a $16.6 million credit agreement for an Economic Management Technical Assistance project, which includes programs to assist the government in managing public expenditure and to improve the management of petroleum and tax revenues. The project is expected to run until 2007.

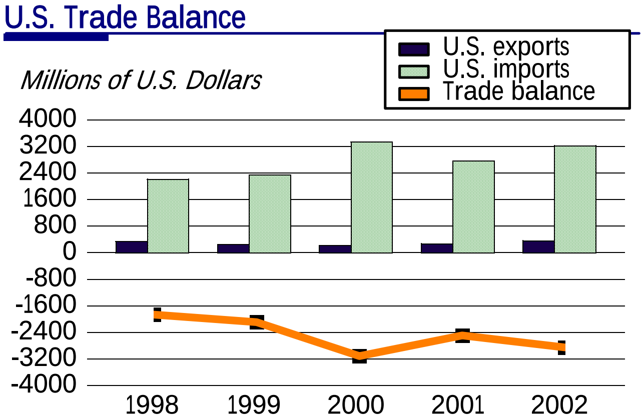
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United States	44.2	Portugal	14.6
China	18.7	South Africa	12.4
France	9.0	United States	10.3
Belgium	8.8	France	4.8

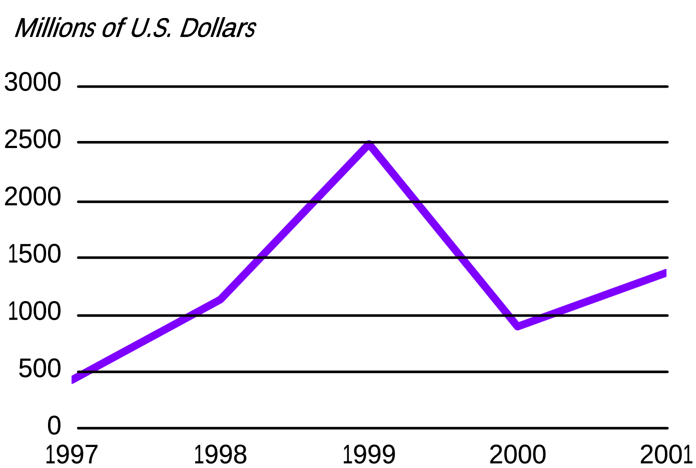
Main Trade Commodities, US$ million

Exports (1999)		*Imports (1996)*	
Crude Oil	4,305.0	Consumer goods (excluding food)	712.0
Diamonds	577.0	Capital goods	327.0
Refined petroleum products	75.0	Intermediate goods	299.0
Liquefied petroleum gas	10.0	Food	295.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Although petroleum continued to dominate exports, diamonds were also a top export as Angola is the world's fourth largest diamond exporter. In July 2002, the government signed new diamond mining agreements with several companies including Endiama, IDAS Resources, Twins, and SouthernEra. These new agreements are expected to increase kimberlite mining activities and diamond production.
- In December 2002, the government announced plans to comply with the international certification of rough diamonds, also known as the Kimberly Process, aimed at identifying the source of exported diamonds. Although the WTO approved a ban on the trade of diamonds used to fund armed conflict, also known as "blood diamonds," in February 2003, the effect on Angola is uncertain given the cease-fire and increased stability.
- Given the increased stability from the cease-fire, informal trade with southern African states, especially Namibia and South Africa, began to increase. In 2001, Angola became South Africa's fourth largest export market in SSA, behind Mozambique, Zambia, and Zimbabwe.
- In 2002, U.S. exports to Angola consisted primarily of machinery and mechanical appliances, aircraft and parts, articles of steel and iron, and cereals; and U.S. imports from Angola consisted primarily of mineral fuels and oils, and organic chemicals.
- In March 2003, Angola agreed to adhere to the SADC Free Trade protocol.

Investment and Privatization Update

- U.S. companies are responsible for more than half the investment in Angola.
- The government continued efforts to increase and diversify private sector investment. In March 2003, the government announced the creation of a private sector investment agency, which will review investment applications and encourage private sector investment.
- In an effort to increase nonpetroleum investment, a new tax regime, which provides for a 15-year tax break for both foreign and domestic investors, as well as exemptions from customs duties on all items for projects worth between $50,000 and $250,000, was introduced.
- Investment primarily focused on the energy sector. In January 2003, Roc Oil (Australia) announced plans to begin exploration activities at the Cabinda South onshore block. In May 2003, Technip-Coflexip (France) won approximately $780 million in contracts from TotalFinaElf Angola to develop Angola's Dalia oilfield.
- Private sector weakness and a lack of financial and administrative capacity continued to constrain the government's privatization program. Most large enterprises, such as the telecommunications, insurance, and banking firms remain government monopolies.
- In mid-2002, the government postponed, then cancelled, the opening of bids for the sale of 70 percent of the sugar company, because the government considered the offers too low. In September 2002, the state bank, BCI, announced new rules for allocating credit as part of its restructuring program in anticipation of privatization. With assistance from the IMF, in January 2002, bids were submitted for consultancy services to oversee the sale of 51 percent of BCI and the eventual privatization of the commercial bank, BPC.

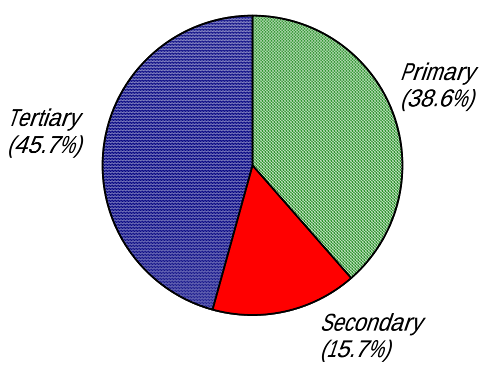
BENIN

Economic Overview

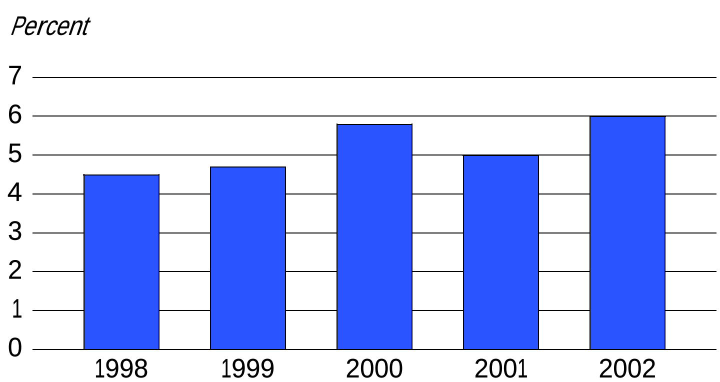
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAr bn)	1,739.0	1,888.0	149.0
GDP (US$ bn)	2.4	2.7	0.4
CPI Inflation (annual average; %)	4.0	2.4	-1.6
Goods Exports (US$ mn)	210.0	245.0	35.0
Goods Imports (US$ mn)	467.0	500.0	33.0
Trade Balance (US$ mn)	-257.0	-255.0	2.0
Current Account balance (US$ mn)	-159.0	-190.0	-31.0
Foreign Exchange Reserves (US$ mn)	578.1	595.0	16.9
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAr/US$)	733.0	693.4	-39.6

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Benin experienced substantial economic growth in 2002, prompted by growth in many sectors. The primary sector grew by 5.7 percent, compared to 3.1 percent in 2001. The secondary sector grew by 7.4 percent driven by increased activity in the food processing and energy sectors. The tertiary sector grew by 5.7 percent, driven by increased commercial activity. Historically low cotton prices, however, continued to constrain Benin's economic performance. A bumper crop in 2002 partially offset the low international prices.
- In January 2003, the heads of state of Benin, Ghana, Nigeria, and Togo signed a 20-year treaty establishing a single regulatory authority for, and harmonizing the fiscal and legal framework of, the planned $500 million West African Gas Pipeline. The pipeline aims to transport Nigerian gas to Benin, Ghana, and Togo.
- The government's main macroeconomic strategy was to accelerate growth and to reduce poverty while maintaining financial stability by strengthening public management, improving transparency of public spending, improving services provision to the poor, reforming the cotton sector, and implementing an anticorruption strategy. The government also focused on reducing the budget deficit. The 2003 budget aims to keep the deficit at 4.6 percent of GDP.
- In August 2002, the European Commission announced a program of cooperation with Benin worth over $269 million for the period 2002 to 2007. The main objective of the program is to support Benin's poverty reduction efforts through sustainable economic and social development, and to facilitate Benin's integration into the world economy.
- According to government officials, between January 2001 and November 2002, Benin received more than 450 billion CFA (approximately $720 million) in aid or loans, of which 180 billion CFA (approximately $288 million) came from the European Union.
- Benin continued to follow the IMF PRGF program first initiated in July 2000. The PRGF's fourth review was completed in March 2003, and Benin become the sixth country in the world to reach completion point under the HIPC initiative and to obtain full debt-relief assistance.

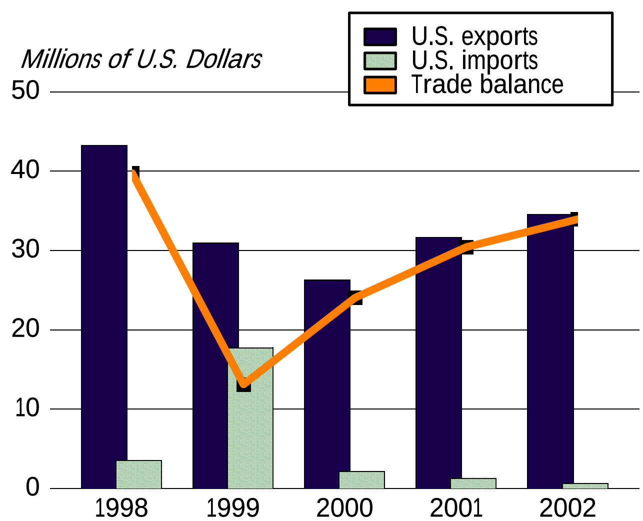
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
India	21.0	China	35.0
Brazil	8.0	France	14.0
Italy	13.0	United Kingdom	5.0
Thailand	12.0	Togo	4.0

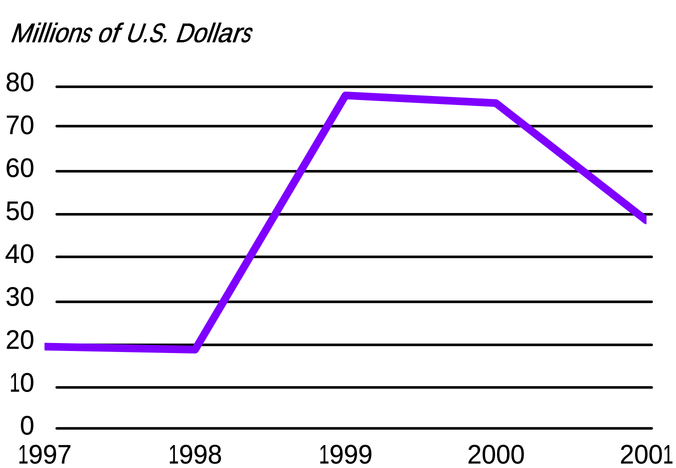
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Cotton and textiles	159.0	Oil	55.0

U.S. Trade Balance



Net Foreign Direct Investment



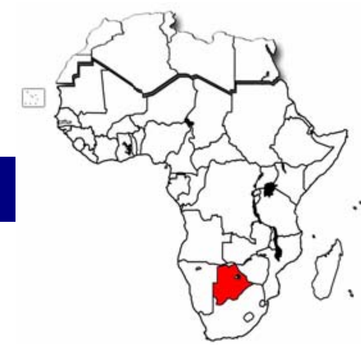
Trade Update

- Cotton, a major export crop, experienced low international prices, forcing the state-owned cotton marketing company to reduce producer prices. The cotton marketing company reported reduced cotton production as a result of the lower prices.
- Benin's economy is highly dependent upon trade with Nigeria; and a week-long border closing in August 2003 effectively cut off Benin's supply of gas and petroleum products.
- In August 2003, Benin's Council of Ministers approved Benin's AGOA textile visa to allow for the duty-free export of textiles and apparel items produced in Benin to the United States.
- In 2002, U.S. exports to Benin consisted primarily of vehicles and parts, clothing, and machinery and mechanical appliances; and U.S. imports from Benin consisted primarily of live animals, precious or semiprecious stones and metals, and wood and wood products. In addition, Benin has been designated an AGOA beneficiary country.

Investment and Privatization Update

- Although plans continued to proceed, final investment decisions regarding the West African Gas Pipeline are not due until the end of 2003, following the completion of environmental and engineering studies.
- Benin continued plans to establish industrial free trade zones in each if its 12 departments to attract domestic and international investment. A Chinese-European shirt and apparel joint venture expressed interest in building a factory near the capital to take advantage of AGOA provisions. In addition, a Hong Kong company expressed interest in importing 3,000 sewing machines to assemble apparel for the U.S. market.
- Government privatization efforts moved forward slowly in 2002. The government announced plans to privatize several industries in 2003 and 2004, including the cotton ginning parastatal, water and electricity sector, and the telecommunications sector. Belgolaise, a Belgian bank, was selected to manage the sale of the national cotton company's assets to the private sector. The government also developed a new timetable for competitive bidding for the national telecommunications company.
- Plans were initiated to introduce private management to the electricity sector by mid-2003 and a joint private-public management to the port. Adherence to the timetable is uncertain given resistance to the privatization process from trade unions and some political parties.

BOTSWANA

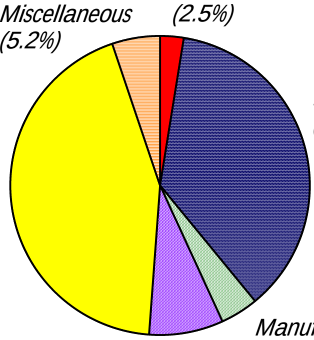


Economic Overview

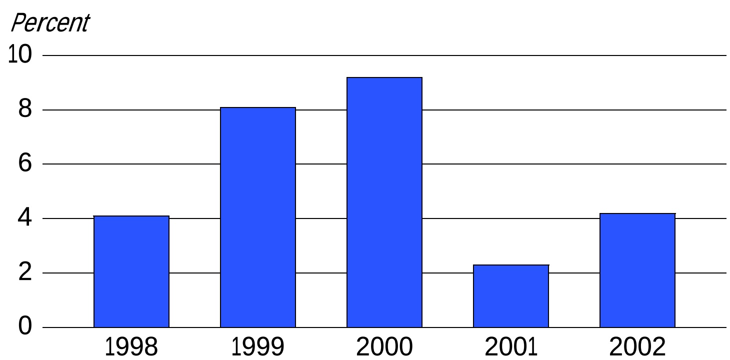
Economic Indicators

	2001	2002	Difference
GDP (nominal, P bn)	33.6	37.9	4.3
GDP (US$ bn)	5.8	6.0	0.2
CPI Inflation (annual average; %)	6.6	8.1	1.5
Goods Exports (US$ mn)	2,177.0	2,363.0	186.0
Goods Imports (US$ mn)	-1,545.0	-1,913.0	-368.0
Trade Balance (US$ mn)	3,722.0	4,276.0	554.0
Current Account balance (US$ mn)	488.0	354.0	-134.0
Foreign Exchange Reserves (US$ bn)	5.9	5.5	-0.4
Total External Debt (US$ mn)	357.7	370.3	12.6
Debt Service Ratio, paid (%)	2.3	1.9	-0.4
Exchange Rate (P/US$)	5.8	6.3	0.5

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- The government continued to encourage the development of the private sector through an attractive taxation regime, the elimination of foreign exchange controls, and support for foreign direct investment in manufacturing, tourism, and financial services.
- The latest phase of the government-funded program to extend the Botswana Power Corporation's electricity grid into rural areas was completed in early 2003. The government aims to provide electricity to 70 percent of the population by March 2009.
- The government continued to pursue prudent fiscal policies aimed at increasing savings rates to fund investment. In March 2003, the government's economic policy, delineated in the national development plans (NDP), NDP8 ended, and the new NDP9 began. NDP9 will run from April 2003 to March 2009. Major social issues identified in NDP9 are curbing the spread of HIV/AIDS, lowering unemployment, reducing poverty, increasing economic diversification, reforming the public sector, and economically empowering citizens. One method of economically empowering its citizens, the issuance of locally denominated government bonds in 2002, was postponed to 2003 after delays in locating advisers.
- In mid-2002, the government introduced a 10 percent value-added tax, originally planned for 2001.
- In 2002, the government approved the National Masterplan for Agricultural and Dairy Development aimed at improving the sector through initiatives such as irrigation development.

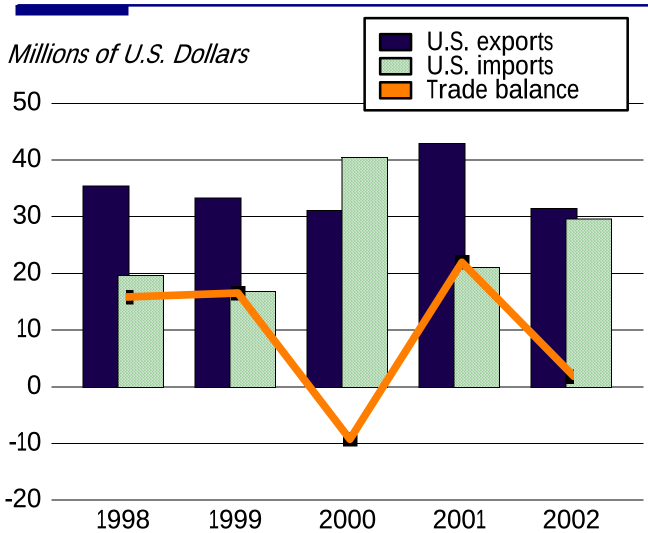
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
EFTA	87.0	SACU	74.0
SACU	7.0	EFTA	17.0
Zimbabwe	4.0	Zimbabwe	4.0

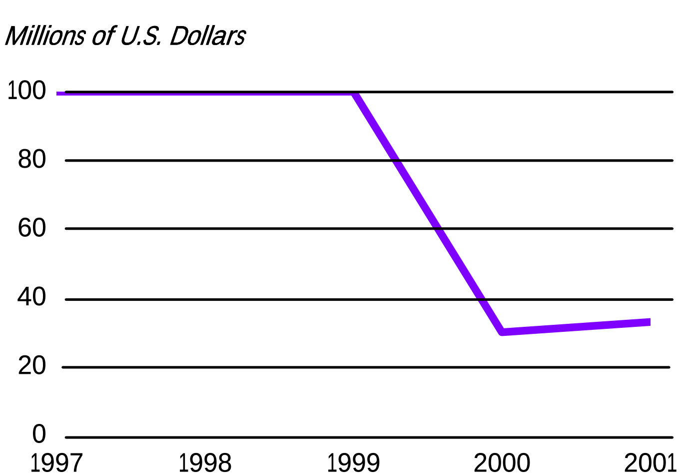
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Diamonds	2,231.0	Machinery & electrical goods	462.0
Copper & nickel	163.0	Food, beverages, & tobacco	293.0
Vehicles	53.0	Vehicles & transport equipment	258.0
Meat & meat products	52.0	Chemical & rubber products	203.0

U.S. Trade Balance



Net Foreign Direct Investment



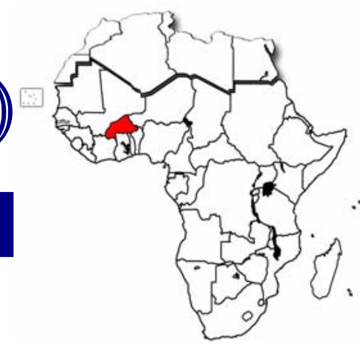
Trade Update

- In January 2003, the government signed up to comply with the UN-backed Kimberley certification process. This process will certify the origin of diamonds and verify Botswana as a legitimate supplier of "conflict-free" diamonds.
- One of Botswana's substantial export products, beef, continued to experience some setbacks in 2002 and early 2003. In 2002 and 2003, foot-and-mouth disease erupted in Botswana. The 2003 outbreak was more severe as a result of the increase in movement across the Zimbabwean border where the disease was more rampant. Although the government reacted quickly to control the outbreak, exports to the EU, an important Botswana market owing to preferential access under the Cotonou agreement, were temporarily halted.
- In August 2002, AGOA was amended to allow Botswana to source raw materials from third countries for textile and apparel production. During the last year, the number of companies manufacturing garments for AGOA-eligible shipment rose from 5 to 8.
- In 2002, U.S. exports to Botswana consisted primarily of aircraft and parts, electrical machinery and equipment, and machinery and mechanical appliances; and U.S. imports from Botswana consisted primarily of precious or semiprecious stones and metals, and knitted and nonknitted apparel. In addition, Botswana has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Botswana totaled $4.6 million in 2002.

Investment and Privatization Update

- In early 2003 Securicor International (UK) bid for a 70 percent stake in Inco Holdings, the country's leading security services firm, which is listed on the Botswana Stock Exchange.
- International Finance Corporation announced plans to invest $2 million in a 10 percent stake in the Kalahari Diamonds company. BHP (Australia) also announced plans to acquire a 20 percent stake in the Kalahari Diamonds company.
- Prompted by the government's new Mining and Minerals Act, which aims to increase private investment in mining exploration in more remote areas, diamond, copper-nickel, soda ash, and gold are expected to see increased activity.
- Botswana was ranked as Africa's most competitive economy according to the World Economic Forum's report released in mid-2003.
- Although progress was slow, the government continued its plans to privatize all parastatals except for Debswana (diamond mining company) and the Diamond Valuing Agency. In 2002, the government established the Public Enterprise Evaluation and Privatization Agency (PEEPA), which will ultimately decide the extent of foreign participation in the privatization process and determine the mechanisms that will be used to promote citizen participation. In early 2003 the PEEPA announced that a draft privatization masterplan had been completed and was awaiting government review.
- During 2002, the national airline, Air Botswana, was prepared for privatization with an expected sale date in 2003.

BURKINA FASO

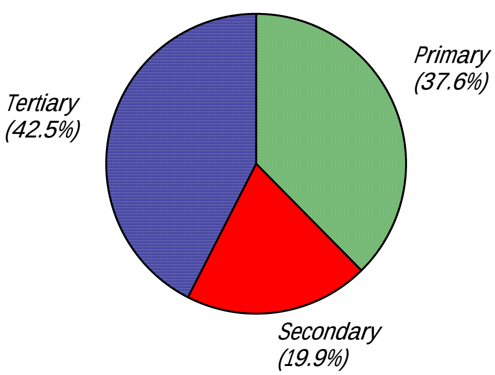


Economic Overview

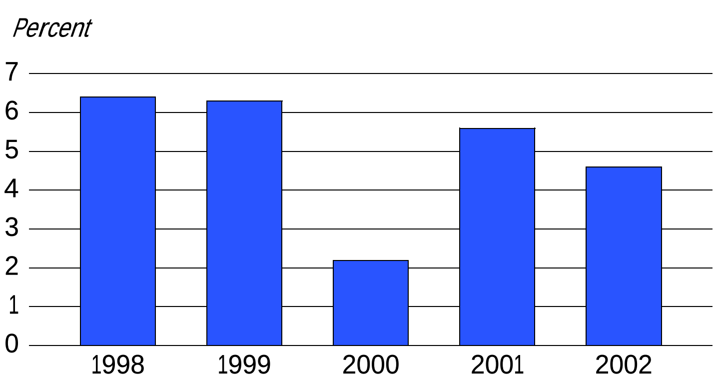
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	1,707.0	1,827.0	-120.0
GDP (US$ bn)	2.3	2.6	0.3
CPI Inflation (annual average; %)	4.9	2.3	2.6
Goods Exports (US$ mn)	230.0	260.0	-30.0
Goods Imports (US$ mn)	509.0	535.0	-26.0
Trade Balance (US$ mn)	-279.0	-275.0	-4.0
Current Account balance (US$ mn)	-289.0	-300.0	11.0
Foreign Exchange Reserves (US$ mn)	260.5	213.4	47.1
Total External Debt (US$ bn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (N$/US$)	733.0	697.0	36.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- As cotton is an important sector in the economy, depressed world prices negatively affected export earnings and economic performance. These pressures placed additional burdens on the state cotton parastatal to lower producer prices during the 2002/2003 season. In addition, irregular rains in mid-2002 resulted in the government declaring numerous provinces to be water deficient.
- The manufacturing sector suffered from increased competition from regional markets because of increased regional trade liberalization.
- As part of the its education plan, the government aims to increase primary school enrollment to 70 percent and secondary school enrollment to 25 percent over 10 years. The government aims to achieve this goal by pledging to invest heavily in education. One-third of all debt-relief savings under the HIPC debt initiative was earmarked for education in 2002.
- The main reforms included in the 1999-2002 PRGF were restructuring of the civil service, privatizing government-owned entities, liberalizing the cotton sector, reforming the judiciary, and improving social indicators by investing in education and health services.
- As the government was determined to have successfully completed the structural adjustment program, in April 2002, Burkina Faso reached “completion point” under the HIPC initiative allowing it to receive total debt relief amounts under the program. Total debt service relief will eventually reach $930 million in nominal terms. Burkina Faso became the fifth country to reach this point.
- In late 2002, Sweden provided a $4.4 million grant to assist Burkina Faso in advancing antipoverty programs.
- In late 2002, the World Bank provided a $7.4 million grant for wildlife conservation.
- In late 2002, the EU provided two grants totaling CFA10.5 billion (approximately $17 million) to assist in the management of water resources and the development of the private sector.

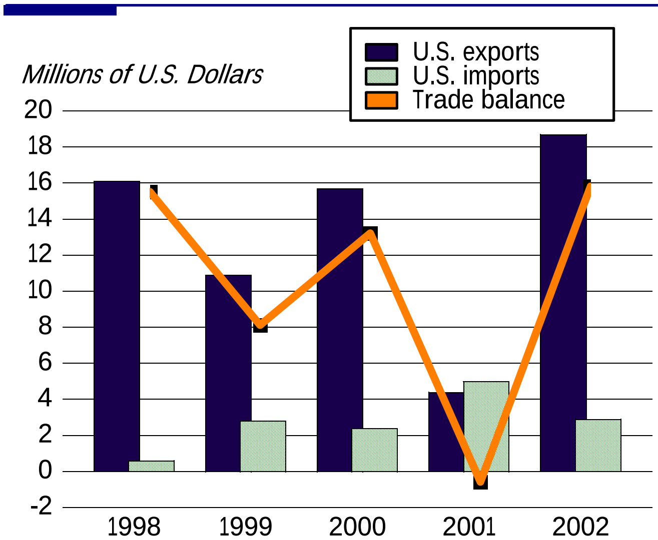
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Singapore	14.9	Côte d' Ivoire	29.6
Italy	13.8	France	24.3
France	7.3	Nigeria	3.7
Ghana	6.1	Italy	3.4

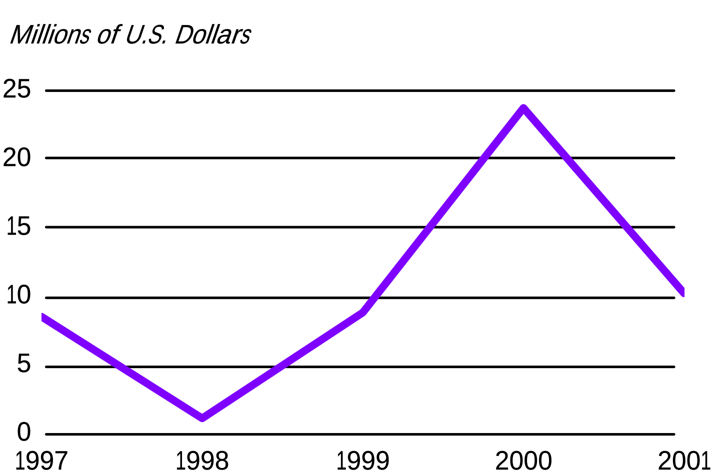
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Cotton	131.0	Capital goods	158.0
Livestock	42.0	Petroleum products	93.0
Gold	5.0	Food	73.0

U.S. Trade Balance



Net Foreign Direct Investment



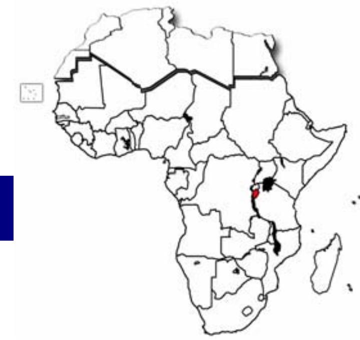
Trade Update

- Burkina Faso has a persistent trade deficit that is partially driven by lagging agricultural sector performance, particularly cotton sector performance, which continued to experience declining international cotton prices. In April 2003, Burkina Faso joined Mali, Benin, and Chad in introducing a sectoral initiative to end cotton subsidies.
- The government announced trials of biotech cotton in a cooperative agreement with Monsanto (U.S.).
- In 2002, U.S. exports to Burkina Faso consisted primarily of machinery and mechanical appliances, animal and vegetable waxes, and cereals; and U.S. imports from Burkina Faso consisted primarily or precious or semiprecious stones and metals, works of art, and knitted apparel.

Investment and Privatization Update

- Although Burkina Faso has some manganese deposits, the country has yet to invest in their development.
- The World Bank is funding a $360 million transport sector adjustment program aimed at developing policy and regulatory frameworks rehabilitating road and rail networks, and restructuring transport parastatals.
- The main parastatals still awaiting privatization include the telecommunications company, the electric company, a gold mine, the water company, a theater, and the airports.
- The state-owned cement factory, which closed in 2001, was purchased by the Togo-based, Indian-owned West African Cement company in 2002.
- In mid-2002, the government released details regarding the liberalization of the cotton marketing sector, and the privatization of the cotton parastatal in the eastern and central regions.
- In early 2003, the government announced its intent to divest a 34 percent holding of the telecommunications parastatal to a strategic investor during the year. Another 17 percent is to be sold to the same investor in 2007 and 2009, with another 20 percent to be divested on the regional stockmarket. Six percent is to be reserved for employees and the remainder for the government.
- As part of its latest agreement with the World Bank and IMF, the government agreed to the privatization of the electric company and the hydrocarbons organization, as well as third-party management of the airport.

BURUNDI

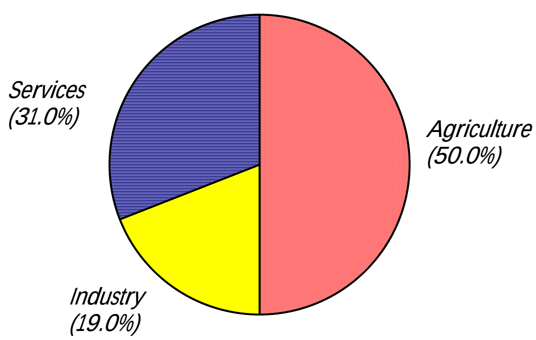


Economic Overview

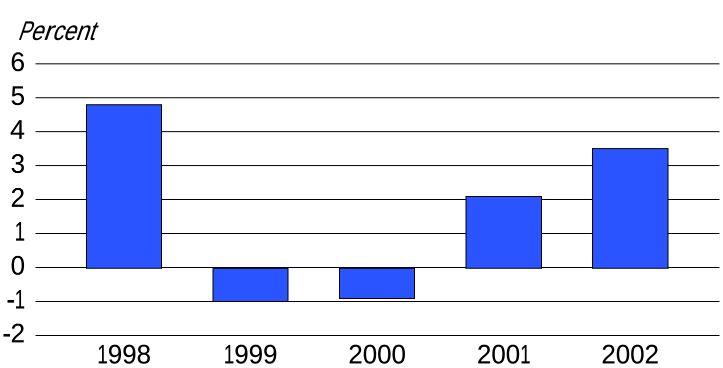
Economic Indicators

	2001	2002	Difference
GDP (nominal, Bufr bn)	550.0	623.3	73.3
GDP (US$ mn)	662.3	669.6	7.3
CPI Inflation (annual average; %)	9.3	8.0	-1.3
Goods Exports (US$ mn)	30.0	26.0	-4.0
Goods Imports (US$ mn)	125.0	132.0	7.0
Trade Balance (US$ mn)	-95.0	-106.0	-11.0
Current Account balance (US$ mn)	-35.7	-50.0	-14.3
Foreign Exchange Reserves (US$ mn)	17.7	58.8	41.1
Total External Debt (US$ mn)	1,145.0	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Bufr/US$)	830.4	930.8	100.4

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- The increase in GDP was primarily driven by increased agricultural production stemming from improved weather, particularly increased rainfall, access to agricultural inputs, and improved security in some regions. Increased agricultural production contributed to increased industrial output, especially in agricultural processing, chemicals, and textiles.
- In March 2002, the World Bank approved a $187 million credit to fund a transitional support strategy for 2002-03 which will address economic rehabilitation, capacity building, and the HIV/AIDS pandemic. In support of the strategy, the World Bank also approved an emergency economic recovery credit of $54 million in September 2002.
- In March 2002, the government completed an interim PRSP outlining a three-year framework for poverty reduction.
- In October 2002, the IMF approved a postconflict emergency program, which will provide $13 million and begin the process toward the PRGF program. As part of the agreement with the IMF, the government has committed to increased fiscal and monetary policy prudence, increased foreign exchange liberalization, and reform of the tea and coffee sectors.
- At a conference in November 2002, donors pledged $905 million to Burundi over the following 3 years to fund the government's economic recovery program.
- In late 2002, China granted Burundi $4 million in debt relief, and provided an additional $2.4 million for educational projects.

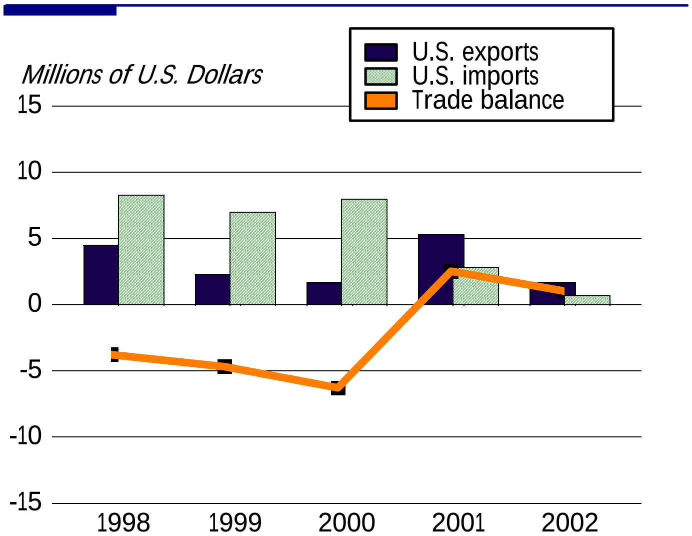
Main Trade Partners, percent of total

Markets (2001)		*Sources (2002)*	
Switzerland	32.6	Belgium	16.4
Germany	19.2	Kenya	12.1
Kenya	17.4	Tanzania	10.3
Japan	8.6	France	7.0

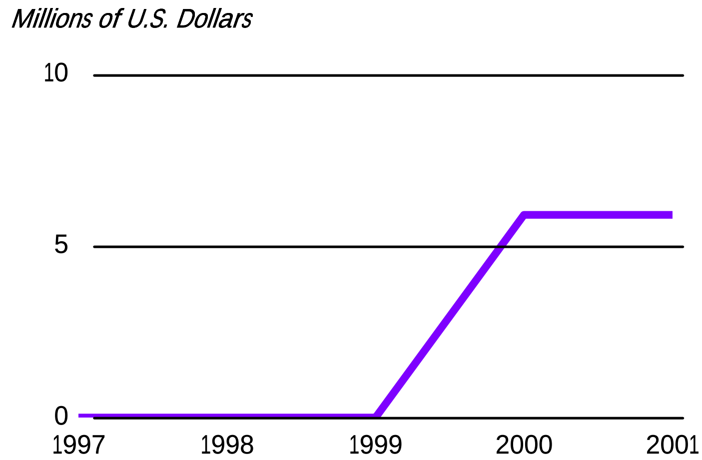
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Coffee	44.1	Intermediate goods	50.2
Tea	10.3	Capital goods	30.0
Manufactures	1.0	Consumer goods	37.4
Hides	0.1	Food	10.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Burundi's declining export earnings were driven primarily by lower output of, and declining international prices for, tea and coffee. Less than potential output has resulted from the negative supply effects of export taxes, input shortages, and civil unrest. The currency devaluation did, however, buffer some of these effects.
- The government is attempting to increase nontraditional exports by exempting them from customs duties on imported inputs and providing qualified exporters with a 10-year tax holiday.
- The government has committed to reducing tariffs in line with its membership in COMESA; however, the government stated that tariff reductions depend on external funding to make up for lost revenue.
- In April 2002, Burundi's application to join the EAC regional grouping was placed on hold by current EAC members, Kenya, Tanzania, and Uganda. The EAC cited a need for additional time for the regional grouping to establish itself prior to admitting additional members.
- In line with commitments to the IMF, devaluations of the Burundian franc in August 2002 and April 2003 reduced the gap between the official and parallel exchange rates.
- In 2002, U.S. exports to Burundi consisted primarily of machinery and mechanical appliances, and vehicles and parts; and U.S. imports from Burundi consisted primarily of coffee, tea and spices, fish and crustaceans, and wool and wool products.

Investment and Privatization Update

- Although Burundi is not a significant investment destination, the government's privatization program is expected to increase investment levels.
- Argosy (Australia) announced in mid-2002 that it would resume development of its nickel project, which had been suspended 2 years prior.
- Although the government announced the sale of the state-owned telecommunications company in February 2001, political unrest has delayed the privatization. In 2002, the company invested in a $4 million system upgrade to increase its subscriber base.
- Although the privatization minister has indicated the government's commitment to the privatization program, as well as the identification of potential investors, resistence from public-sector workers has constrained progress. The March 2002 interim PRSP also cites the continuing war, poor social indicators, and the weakness of institutions as obstacles to privatization.

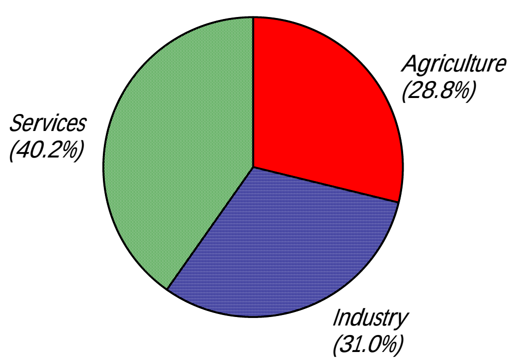
CAMEROON

Economic Overview

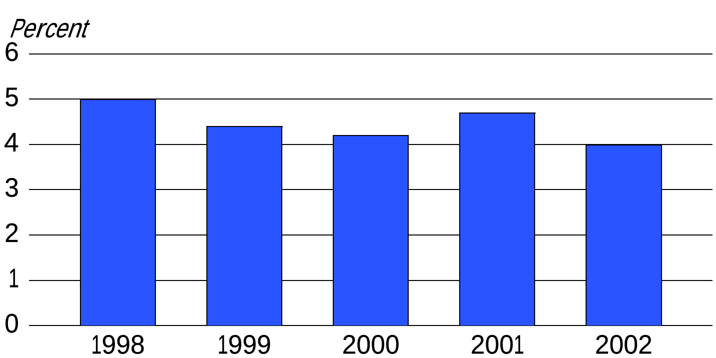
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	6,991.8	7,462.2	470.4
GDP (US$ bn)	9.5	10.1	0.6
CPI Inflation (annual average; %)	4.5	2.8	-1.7
Goods Exports (US$ mn)	1,769.0	1,798.0	29.0
Goods Imports (US$ mn)	1,863.0	1,858.0	-5.0
Trade Balance (US$ mn)	-94.0	-60.0	34.0
Current Account balance (US$ mn)	-539.0	-522.0	17.0
Foreign Exchange Reserves (US$ mn)	331.8	629.7	297.9
Total External Debt (US$ bn)	9.1	8.6	-0.5
Debt Service Ratio, paid (%)	19.2	15.0	-4.2
Exchange Rate (CFAfr/US$)	733.0	697.0	-36.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- In early 2003, the government announced a plan to build a $200 million repair yard for oil platforms in order to take advantage of the increasing hydrocarbons activity in the Gulf of Guinea. The government is seeking funding from various sources, including the African Development Bank, the Islamic Development Bank, the Arab Bank for Economic Development in Africa, and the Dutch Cooperation Fund.
- The transport sector is expected to improve performance after progress in restructuring the national airlines, restructuring the national port, privatization of the national railways, and continued sectoral external assistance.
- Although Cameroon qualified for HIPC debt relief in October 2000, by mid-2002, delays in formulating specific projects and other bottlenecks resulted in accumulated funds of $137 million in the central bank and disbursement delays.
- In September 2002, the IMF completed the third PRGF review of the 2002-03 program, finding that macroeconomic fundamentals had improved. The IMF, however, urged improved governance, accelerated implementation of the privatization program, and increased reform of the forestry, transport, petroleum, and financial sectors.
- As a result of positive reviews of the country's implementation of its economic reforms and poverty reduction program, in October 2002, the IMF and World Bank agreed to a $2 billion debt relief package for Cameroon under the HIPC initiative.
- In mid-2003, the World Bank provided $49.7 million to reduce Cameroon's commercial debt.

Main Trade Partners, percent of total, 2001

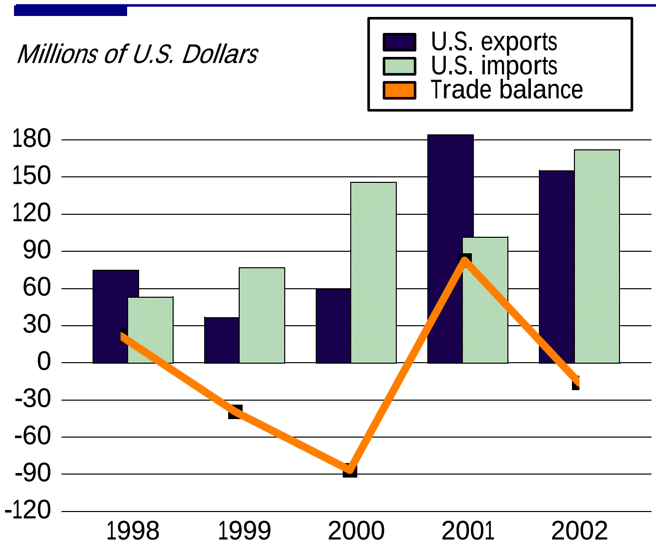
Markets		*Sources*	
Italy	21.7	France	28.8
Spain	12.2	Nigeria	11.9
France	10.6	Italy	2.7

Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Oil	878.0	Manufactures	689.0
Timber & cork	461.0	Non-fuel primary products	596.0
Cocoa	136.0	Fuel	578.0
Coffee	58.0		

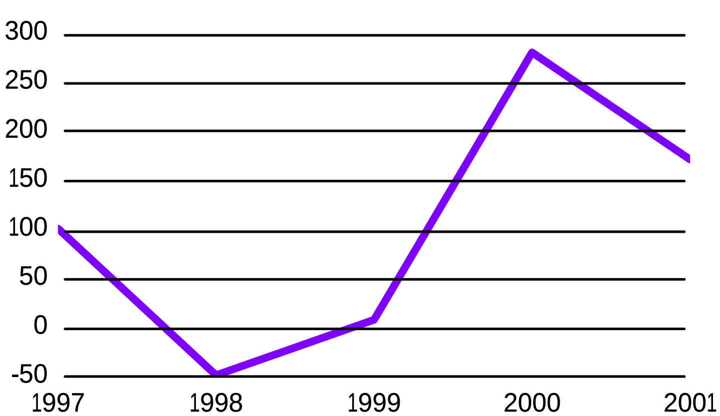
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



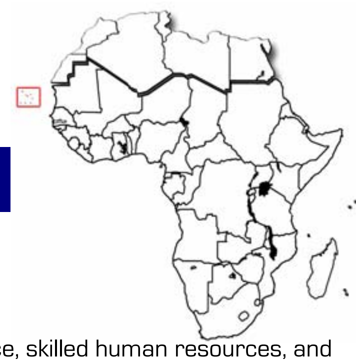
Trade Update

- The government has estimated that without the discovery of new oil fields, the country's petroleum reserves are expected to be depleted by 2010. In May 2002, the national hydrocarbons company launched a licensing round for the development of the Sanaga-Sud gas field. Also in May, the national hydrocarbons company signed an agreement with RSM (U.S.) for the exploration of a section of the Douala Basin. An October 2002 International Court of Justice ruling recognizing Cameroon's sovereignty over the Bakassi peninsula could provide new petroleum prospects.
- At the request of the World Bank, the government created a one-stop shop to expedite fiscal and customs procedures for foreign trade. While the service has reduced the time that it takes cargo to clear the port, transit times and costs remain relatively high and the clearance procedures remain bureaucratic.
- In 2002, U.S. exports to Cameroon consisted primarily of machinery and mechanical appliances, aircraft and parts, and mineral waxes; and U.S. imports from Cameroon consisted primarily of mineral fuels and oils, cocoa, and wood and wood products. In addition, Cameroon has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Cameroon totaled $115.8 million in 2002.

Investment and Privatization Update

- In May 2002, Framington Investment Management launched the Central African Growth Fund which will target investment in joint ventures, high-growth start-ups, or privatized companies primarily in the CEMAC regional group, of which Cameroon is a member.
- The construction of the Chad-Cameroon oil pipeline continued with an expected completion date toward the end of 2003. The oil pipeline is expected to contribute to transport sector growth and boost private investment.
- The government continued its plans to privatize all parastatals except for the aluminum enterprise. Various companies, including the mobile network, rail transport, electricity, and sugar firms have been privatized in recent years. Firms awaiting privatization include the national airline (Camair), the telecommunications companies (Camtel and Camtel-Mobile), the national water company, the national insurance retirement fund (CNPS), and other smaller parastatals.
- A privatization study into the sale of the national airline was completed in September 2002. Although the national airline underwent restructuring, it remains heavily in debt.
- Although the national telecommunications company is slated for privatization, a depressed international telecommunications market and lack of investor interest have stalled its sale. The government began the development of a strategic plan with an expected completion date of end of 2003, further delaying the privatization to possibly 2005.
- The national water company encountered delays as a result of management opposition to the company's privatization. Unfavorable world commodity prices have inhibited the sale of various agricultural firms, such as rubber, palm oil, and banana operations.

CAPE VERDE

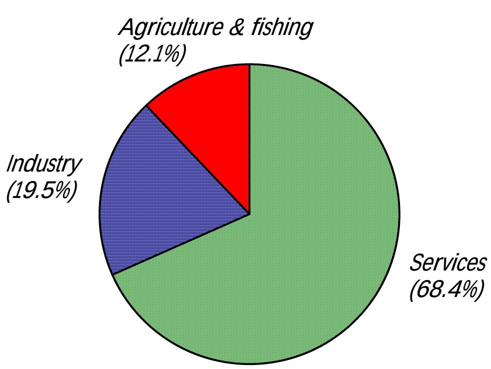


Economic Overview

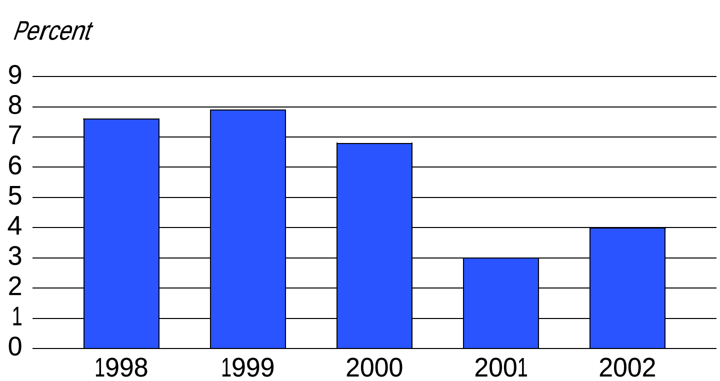
Economic Indicators

	2001	2002	Difference
GDP (nominal, CVEsc bn)	68.6	73.5	4.9
GDP (US$ mn)	553.3	639.6	86.3
CPI Inflation (annual average; %)	3.0	3.0	0.0
Goods Exports (US$ mn)	27.3	30.0	2.7
Goods Imports (US$ mn)	218.0	220.0	2.0
Trade Balance (US$ mn)	-190.7	-190.0	0.7
Current Account balance (US$ mn)	-60.9	-60.0	0.9
Foreign Exchange Reserves (US$ mn)	45.5	63.2	17.7
Total External Debt (US$ mn)	344.0	325.0	-19.0
Debt Service Ratio, paid (%)	n/a	n/a	0.0
Exchange Rate (CVEsc/US$)	122.9	114.9	-8.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- Sustained foreign assistance, skilled human resources, and a supportive environment continued to support steady economic progress, although fiscal austerity in recent years has contributed to reduced annual real GDP growth rates. At approximately $1,440, Cape Verde, nevertheless, maintains one of the highest levels of GDP on a per capita basis in SSA.
- Through fiscal consolidation, the government reduced the budget deficit from 19 percent in 2000 to 2 percent in 2002. Consequently, the government has shifted focus from macroeconomic stability to structural reforms, such as the implementation of customs tariff reductions, the introduction of the value-added tax, and the completion of the banking system reform.
- An important objective of government policy is increased access to education, with over 25 percent of the budget allocated to education in 2003.
- In April 2002, the IMF approved a $11 million, 3-year PRGF for Cape Verde. The program will support government implementation of a value-added tax, a new external tariff regime, and a more transparent and automatic pricing mechanism for petroleum products.
- The World Bank supported an expanded $10 million HIV/AIDS prevention program implemented in 2002.
- In mid-2003, the World Bank approved a $11.5 million loan to develop the private sector. The funding will support tax reform, reduction in government bureaucracy, and technical support for the privatization of companies.

CAPE VERDE

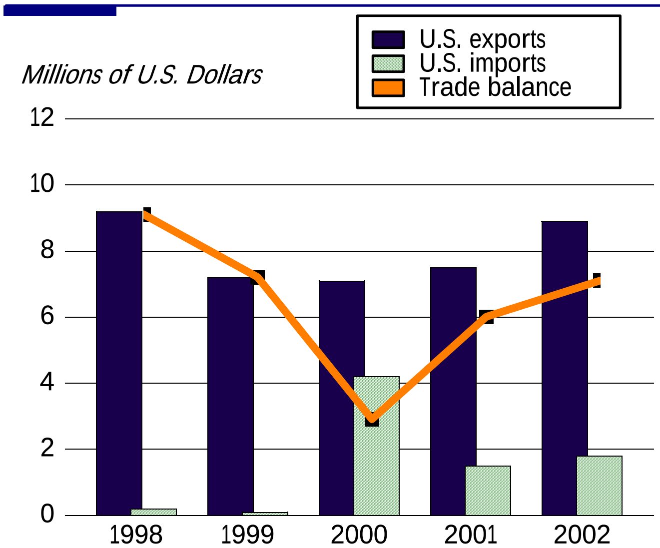
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Portugal	53.3	Portugal	54.0
United Kingdom	26.6	Netherlands	10.5
United States	13.3	Italy	6.5

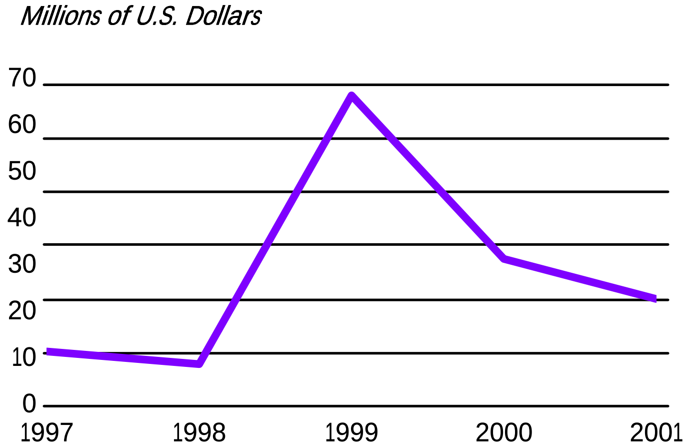
Main Trade Commodities, US$ million, 2000

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



Trade Update

- Although Cape Verde's main trade partner is Portugal, the government continued to search for new trading partners, particularly in Asia.
- The government maintained its peg to the euro as part of its overall reform program, as well as a method for facilitating trade with the EU.
- In August 2002, the government completed the prerequisites for textile and apparel provisions of AGOA, opening the way to the first garment exports to the United States under the AGOA program in December 2002.
- In 2002, U.S. exports to Cape Verde consisted primarily of aircraft and parts, cereals, and mineral waxes; and U.S. imports from Cape Verde consisted primarily of nonknitted articles of apparel, beverages, and articles of leather. In addition, Cape Verde has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Cape Verde totaled $51,000 in 2002.

Investment and Privatization Update

- Investment is seen as crucial to economic growth. The government is attempting to attract foreign investment into the fishing and tourism industries.
- To streamline foreign investment procedures, in May 2003, the World Bank Foreign Investment Advisory Service presented a study on barriers to investing in Cape Verde ordered by the government.
- The government's privatization program has thus far sold more than 30 parastatals. Firms awaiting privatization include the national airline, the pharmaceuticals distribution company, the ship yard, the cold storage facilities for fishing products, two commercial banks, the national insurance company, the power supply company, and the port authority.
- A value-added tax scheduled for mid-2003 and up-coming privatizations are expected to increase government funding for capital investment projects.

CENTRAL AFRICAN REPUBLIC

Economic Overview

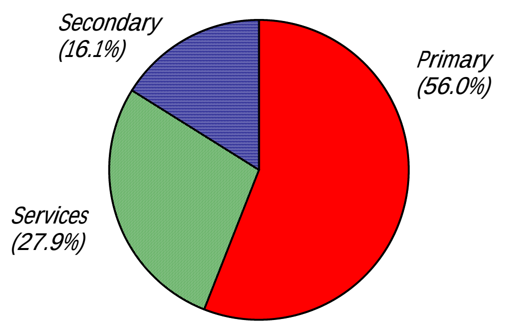
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	684.0	712.0	28.0
GDP (US$ bn)	0.9	1.0	0.1
CPI Inflation (annual average; %)	3.8	2.3	-1.5
Goods Exports (US$ mn)	137.0	132.0	-5.0
Goods Imports (US$ mn)	116.0	107.0	-9.0
Trade Balance (US$ mn)	21.0	25.0	4.0
Current Account balance (US$ mn)	-35.0	-16.0	19.0
Foreign Exchange Reserves (US$ mn)	119.0	123.0	4.0
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$)	733.0	697.0	-36.0

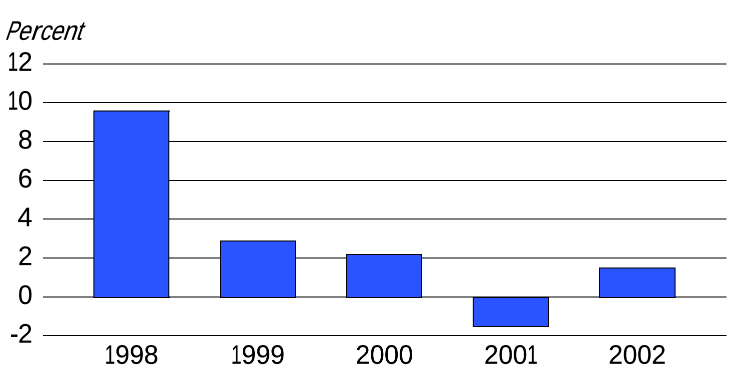
Economic Update

- In recent years the government has implemented several reforms, including the introduction of a value-added tax, the establishment of a National Statistical Board, the establishment of a committee to review petroleum pricing structure, the sale of the petroleum distribution company, and the privatization of the national petroleum company.
- In addition to the resumption of aid projects previously suspended as a result of the coup, in April 2003, China donated $2.5 million for the payment of civil service salaries, and in June 2003, the government signed a $2.5 million interest-free loan agreement with China for the implementation of social and economic development projects.
- In mid-2003, the Economic and Monetary Community of Central African States provided a $9.1 million grant to the Central African Republic in support of its reconstruction efforts.
- Renewed civil unrest in October 2002 hampered the government's reform efforts.

Origins of GDP (2000)



Real GDP Growth Rate



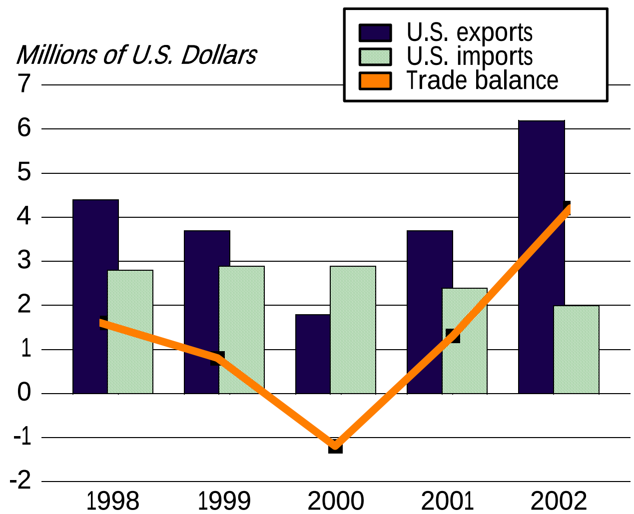
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Belgium	53.0	France	26.0
Kazakhstan	9.0	Cameroon	13.0
Spain	9.0	Spain	5.0

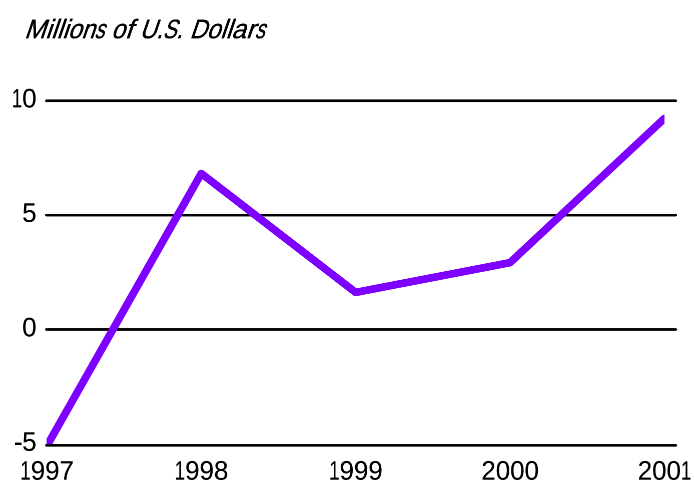
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Timber	57.0	Oil	28.0
Diamonds	56.0	Public investment	20.0
Cotton	10.0		
Coffee	2.0		

U.S. Trade Balance



Net Foreign Direct Investment



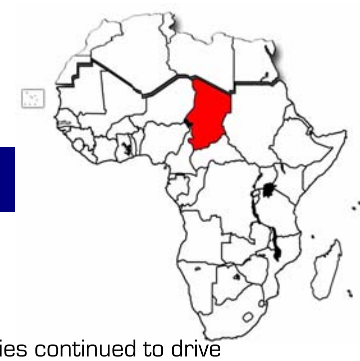
Trade Update

- The country's landlocked position contributes to high transport costs. Another inhibitor to formal sector exports is the export tax, which contributes to an estimated large quantity of smuggled products, such as beans.
- As a result of low international prices, cotton production continued to decline. To assist the cotton sector in marketing and technical support, the government established a new cotton company in May 2002 with support of the World Bank. The government holds only a 15 percent stake in the newly established firm.
- The government continued to promote value-added processed exports in the forestry sector, such as veneer, sawn board, and plywood. Government efforts were inhibited, however, by lack of qualified staff and limited energy supplies.
- The government continued efforts to establish trade agreements with nontraditional partners such as Nigeria, Ghana, Morocco, and Algeria.
- In 2002, U.S. exports to the Central African Republic consisted primarily of machinery and mechanical appliances, animal or vegetable waxes, and articles of iron and steel; and U.S. imports from the Central African Republic consisted primarily of precious or semiprecious stones and metals, tobacco, and animal or vegetable oils. In addition, the Central African Republic has been designated an AGOA beneficiary country. AGOA (including GSP) imports from the Central African Republic totaled $192,000 in 2002.

Investment and Privatization Update

- Aurafrique (Canada) began development of gold resources in the Bambari area. The company is also investigating the possible development of silver, lead, and iron resources in the region.
- Privatization efforts, which had begun when civil unrest erupted in 1996, continued to be delayed.
- In June 2002, international telephone access was cut as a result of nonpayment of the national telecommunications company's satellite bill. It is expected that privatization of the company, initially scheduled for early 2003, would alleviate these problems.
- Provision of power from the state-owned power company also encountered difficulties, such as power cuts and aging infrastructure. Planned privatization of the company, initially scheduled for 2003, is expected to improve power provision.

CHAD

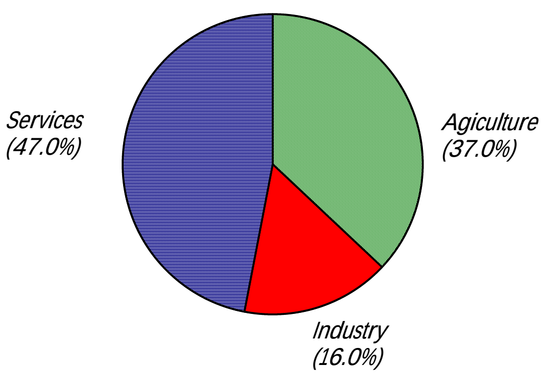


Economic Overview

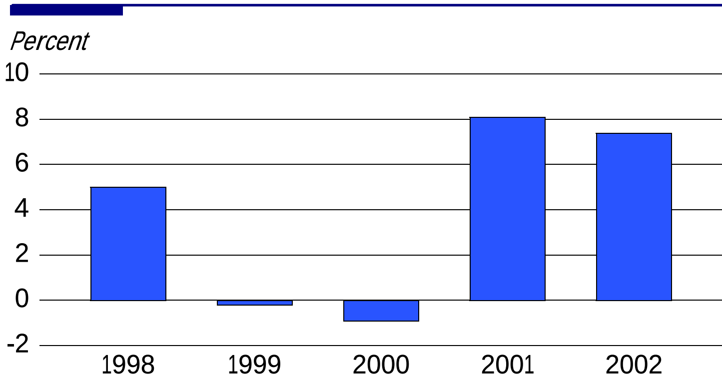
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	1,090.0	1,286.0	196.0
GDP (US$ bn)	1.5	1.8	0.3
CPI Inflation (annual average; %)	12.4	5.2	-7.2
Goods Exports (US$ mn)	177.0	197.0	20.0
Goods Imports (US$ mn)	449.0	570.0	121.0
Trade Balance (US$ mn)	-272.0	-373.0	-101.0
Current Account balance (US$ mn)	-561.0	-761.0	-200.0
Foreign Exchange Reserves (US$ mn)	122.0	219.0	97.0
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$)	733.0	697.0	-36.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- Petroleum exploration activities continued to drive economic growth in Chad, increasing investment and government consumption. Although the government continued efforts to diversify the economy, efforts were inhibited by limited infrastructure capacity, high transport and utility costs, administrative capacity limitations, and on-going civil unrest. The French development agency, AFD, estimated that the newly developed petroleum sector would account for over 40 percent of the GDP beginning in 2004 when petroleum production is expected to begin.
- Continued exploration of the Doba oil fields is expected to contribute to the expansion of the secondary and tertiary sectors. In early 2003, however, a World Bank-commissioned Independent Advisory Group expressed concern that the Dobal petroleum project was weak in measures to maximize local impact. The group cited various concerns, including lack of effective monitoring by the government, poor communication between stakeholders, insufficient mitigation of potential inflationary and environmental impact, and insufficient institutional capacity to manage petroleum revenue.
- Following allegations of corruption and the misuse of HIPC initiative funding, in May 2002, the IMF postponed the fourth PRGF review. The IMF completed this review in October 2002, and approved requests for extension of the commitment period and waiver for the nonobservance of one performance criteria. Consequently, Chad will be able to draw about $7 million from the fund.
- In mid-2003, the African Development Bank signed a $21.4 million loan agreement to support livestock farming through the Pastoral Cattle Breeding System Project in an effort to increase animal production and rural incomes.

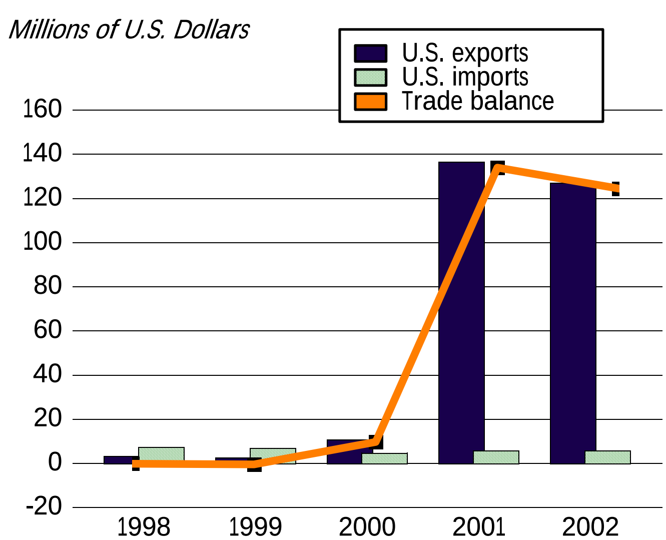
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Portugal	28.0	United States	38.0
Germany	15.0	France	26.0
France	7.0	Cameroon	8.0
Poland	6.0	Nigeria	5.0

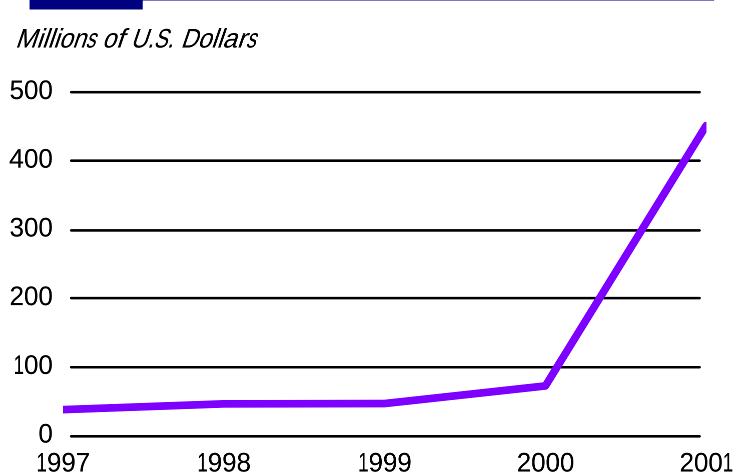
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Livestock & meat	70.0	Oil sector	275.0
Cotton	66.0	Non-oil sector	71.0

U.S. Trade Balance



Net Foreign Direct Investment



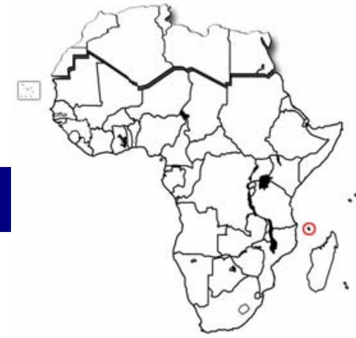
Trade Update

- Completion of the Doba petroleum project is expected to shift Chad's export profile to include substantial amounts of petroleum.
- In 2002, U.S. exports to Chad consisted primarily of machinery and mechanical appliances, articles of iron and steel, and vehicles and parts; and U.S. imports from Chad consisted primarily of vegetable saps and extracts, electrical machinery and equipment, and mineral fuels and oils. In addition, Chad has been designated an AGOA beneficiary country.

Investment and Privatization Update

- With support from the World Bank, a consortium of companies including ExxonMobil (U.S.), Petronas (Malaysia), and Chevron (U.S.) began construction of a petroleum pipeline in 2000 that is expected to be completed in 2003. The Doba petroleum project continued to drive investment, and completion is expected to contribute to petroleum exports. Other companies continued to explore for other petroleum reserves in the southern and western regions of Chad. The French development agency, AFD, estimated that investment related to the Doba petroleum project increased to an estimated $539 million in 2002.
- Most state-owned firms have been sold or liquidated. Privatization efforts have, however, recently slowed. Firms awaiting privatization include the sugar company (Sonasut), the water and electricity utility (STEE), the international telecommunications company (TIT), the national airlines (Air Chad), the national post office and telecommunications company (ONPT), and the cotton monopoly (Cotontchad).
- Although Vivendi (France) took over management of the electric and water companies in 2000, its option to obtain equity stakes in 2002 was delayed because of administrative obstacles.
- The government appointed a consulting firm to plan the privatization of the ginning and cotton export operations of the national cotton monopoly. In addition, Cotontchad's oil and soap-making operations were separated from the company and tender was launched in 2002 to privatize the newly created company.

COMOROS

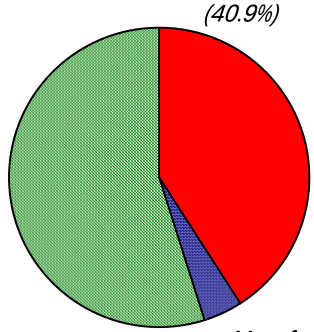


Economic Overview

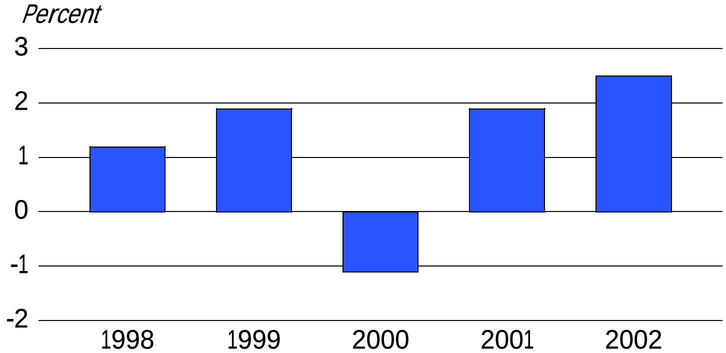
Economic Indicators

	2001	2002	Difference
GDP (nominal, Cfr bn)	108.0	110.7	2.7
GDP (US$ bn)	0.2	0.2	0.0
CPI Inflation (annual average; %)	3.5	3.0	-0.5
Goods Exports (US$ mn)	9.6	n/a	n/a
Goods Imports (US$ mn)	44.9	n/a	n/a
Trade Balance (US$ mn)	-35.3	n/a	n/a
Current Account balance (US$ mn)	-10.5	n/a	n/a
Foreign Exchange Reserves (US$ mn)	62.3	n/a	n/a
Total External Debt (US$ mn)	104.0	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Cfr/US$)	549.8	522.7	-27.1

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- Supported by foreign aid, the government continued ongoing efforts to improve road networks throughout the country in order to increase links between rural communities.
- The proposed introduction of air charter services by Chapman Freeborn (UK) between Comoros, Djibouti, and Marseille, France, is expected to facilitate the expansion of the tourism sector.
- The IMF's staff-monitored program, implemented in mid-2001, continued until mid-2002. The program's main reform attempts included strengthening fiscal management to ensure expenditures within the country's resources, privatizing public enterprises, and reviewing the process used to set domestic prices for petroleum products.
- Comoros remained in arrears to some multilateral lenders including the African Development Bank. Comoros' debt level is generally considered unsustainable, and it may become eligible for the HIPC debt relief program.
- Political instability and uncertainty in late 2002, which continued into 2003, prompted the IMF to suspend funding temporarily until the situation was stabilized.

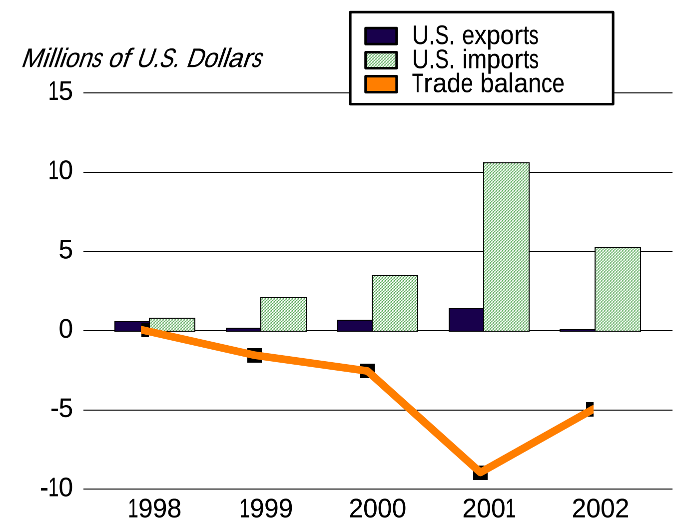
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United States	27.0	France	29.1
France	18.9	South Africa	12.7
Singapore	16.2	Japan	7.6
United Kingdom	13.5	United Arab Emirates	6.3

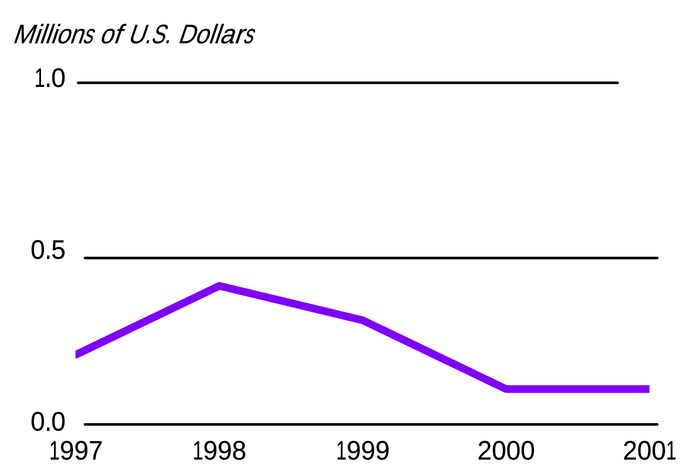
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Vanilla	7.7	Rice	8.8
Cloves	2.3	Petroleum products	5.1
Ylang-ylang	1.7		

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The government continued efforts to introduce new vanilla plants in an attempt to increase productivity and exports. Despite supply constraints, Comoros received a boost in exports as international concern over the civil unrest in Madagascar prompted a shift in vanilla bean sourcing to Comoros.
- Although France is Comoros' main trading partner, Comoros has, in recent years, increased trade with SSA partners, such as Kenya, South Africa, Madagascar, and Mauritius, as well as, Asian countries, such as Pakistan.
- In 2002, U.S. exports to Comoros consisted primarily of mineral fuels and oils, machinery and mechanical parts, and plastics; and U.S. imports from Comoros consisted primarily of coffee, tea and spices, and live animals.

Investment and Privatization Update

- Various factors continued to inhibit foreign investment, including the small size of the economy, heavy reliance on imports, political instability, and weak government institutions.
- The government continued its privatization efforts, including the sale of several state-owned hotels.

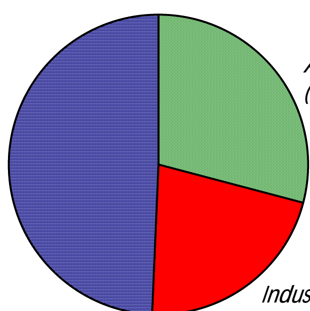
CÔTE D'IVOIRE

Economic Overview

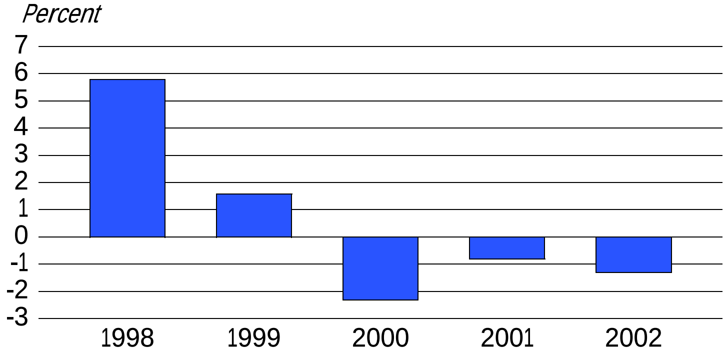
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	6,743.6	6,970.0	226.4
GDP (US$ bn)	9.2	10.0	0.8
CPI Inflation (annual average; %)	4.3	3.1	-1.2
Goods Exports (US$ mn)	3,947.4	4,500.7	553.3
Goods Imports (US$ mn)	2,407.8	2,461.3	53.5
Trade Balance (US$ mn)	1,539.6	2,039.4	499.8
Current Account balance (US$ mn)	-57.7	266.1	323.8
Foreign Exchange Reserves (US$ mn)	1,019.0	1,863.3	844.3
Total External Debt (US$ bn)	11.6	11.0	-0.6
Debt Service Ratio, paid (%)	13.4	13.9	0.5
Exchange Rate (CFAfr/US$)	733.0	697.0	-36.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- In April 2002, the IMF expressed general satisfaction with the government's progress under the staff-monitored program, and formally resumed its financial assistance under the $366 million PRGF program, which was suspended after the 1999 miliary coup. Under the program, the government committed itself to tighter fiscal policies and tax reforms. The eruption of civil unrest in 2002, however, inhibited the government's ability to meet all of the performance criteria, and policy was focused on crisis management.
- As a result of the civil unrest, the government suspended bilateral debt payments, but continued to honor multilateral debt payments with revenues from the cocoa sector.
- The outbreak of civil unrest in September 2002 led to sharp contractions of many economic sectors, as well as the disruption of various trading activities. As Côte d'Ivoire was an important thoroughfare for trade to regional landlocked countries, the civil unrest substantially impacted regional trade, forcing the rerouting of products to other ports.
- At the peace conference in January 2003, donors pledged $369 million over a 5-year period to assist in reconstruction efforts.
- The government's policy priorities included restoring fiscal discipline, clearing up external payment arrears, accelerating the privatization program, reforming the cocoa and coffee marketing structures, increasing investment, and improving the provision of social services.

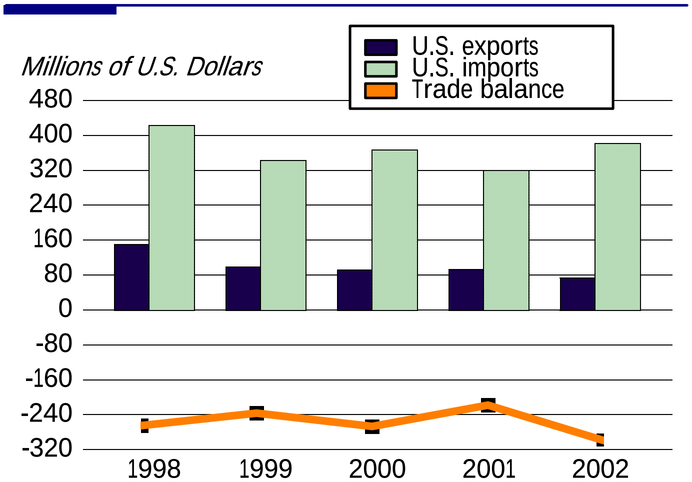
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
France	13.3	Nigeria	23.0
Netherlands	9.4	France	22.6
United States	8.3	China	5.5
Mali	5.8	Italy	3.8

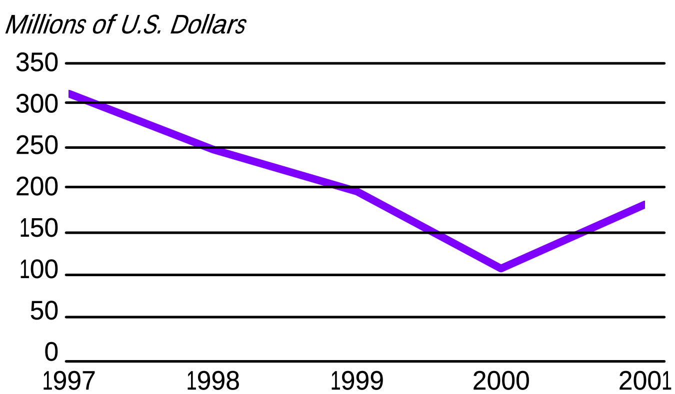
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Cocoa & products	1,038.0	Petroleum & products	839.0
Petroleum & products	735.0	Capital equipment and raw materials	734.0
Coffee & products	301.0	Food	436.0
Timber	246.0		

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Côte d'Ivoire is the world's largest supplier of cocoa, accounting for more than 40 percent of the global supply. It is also an important world supplier of robusta coffee. Total production and export of coffee for 2002 and 2003 was uncertain given the countering effects of relatively high world cocoa prices and the civil unrest.
- Historically, Côte d'Ivoire's port in Abidjan can account for more than 85 percent of national customs revenues. The civil unrest in late 2002 and early 2003 reduced port traffic by an estimated 50 percent.
- An Anglo-Dutch consortium was awarded a 30-year contract to build, operate, and transfer a new terminal, which is expected to double Abidjan's container-handling capacity when complete, and, consequently, increase trade through the country.
- In May 2002, the United States added Côte d'Ivoire to the list of countries eligible for AGOA benefits.
- In 2002, U.S. exports to Côte d'Ivoire consisted primarily of machinery and mechanical appliances, plastics, fertilizers, and cereals; and U.S. imports from Côte d'Ivoire consisted primarily of cocoa, mineral fuels and oils, and wood and wood products. In addition, Côte d'Ivoire has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Côte d'Ivoire totaled $49.7 million in 2002.

Investment and Privatization Update

- Although minimally, production of petroleum products continued to grow. In early 2002, Natural Resources (Canada) resumed production at the Espoir field resulting in increased petroleum production activity.
- A Chinese/Ivoirian joint venture has invested $9 million in a textile factory to export products under the AGOA program.
- Firms awaiting privatization include the telecommunications company, a vegetable-oil producer, a hotel, the electricity utility, the state oil refinery, and the national airline.
- As part of its continuing privatization efforts, the water utility underwent financial rehabilitation; and the state-owned postal savings system, the public-sector pension fund, and the state-owned bank underwent restructuring.

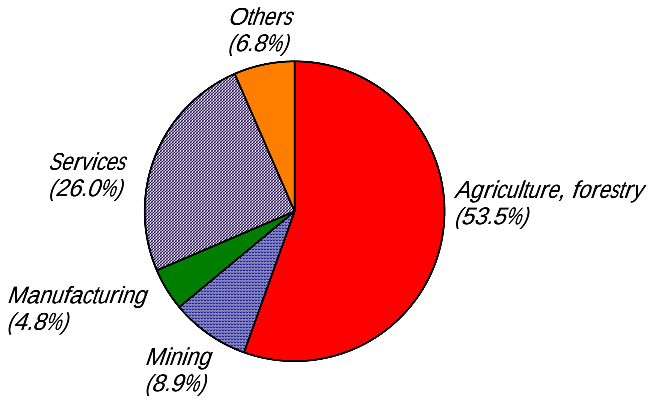
DEMOCRATIC REPUBLIC OF THE CONGO

Economic Overview

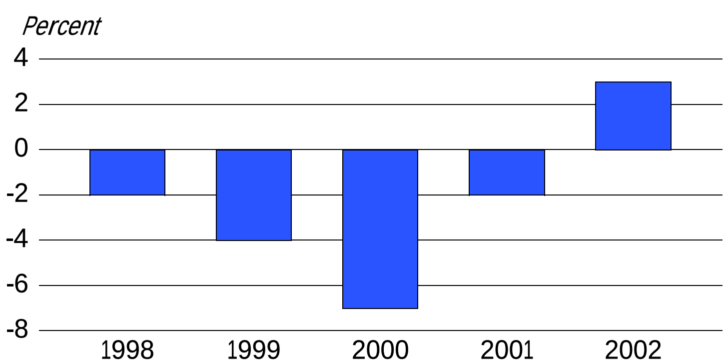
Economic Indicators

	2001	2002	Difference
GDP (nominal, FC bn)	1,556.0	1,911.0	355.0
GDP (US$ bn)	7.5	5.5	-2.0
CPI Inflation (annual average; %)	357.0	25.0	-332.0
Goods Exports (US$ mn)	940.0	1,109.0	169.0
Goods Imports (US$ mn)	1,067.0	1,405.0	338.0
Trade Balance (US$ mn)	-127.0	-296.0	-169.0
Current Account balance (US$ mn)	-250.0	-150.0	100.0
Foreign Exchange Reserves (US$ mn)	n/a	n/a	n/a
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (FC/US$)	206.6	346.5	139.9

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Government policies continued to focus on stabilization and the reversal of years of economic decline. For the first time in 13 years, the Democratic Republic of the Congo saw positive economic performance in 2002, which resulted from positive economic policy performance and reduced civil unrest. Significant contributors to the improved performance were the liberalization of the exchange rate and fuel prices, which stimulated transport and trade activities. The positive policy performance also led to the resumption of nonhumanitarian aid for the country.
- A sign of the improving environment was the partial reopening of the river to commercial traffic, which is expected to benefit many firms requiring river access to transport goods, especially palm oil plantations and timber traders.
- In late 2002, the government announced plans to improve governance and to tackle corruption. Part of this plan included the development of a code of ethics for civil servants.
- In April 2002, the World Bank approved a $450 million loan to assist the government in meeting arrears payments.
- In June 2002, after the successful completion of an IMF staff-monitored program established in July 2001, the Democratic Republic of the Congo was approved for a PRGF program. Under the program, the government committed itself to improving macroeconomic stability, rehabilitating essential infrastructure, and promoting policies aimed at poverty reduction.
- In December 2002, donors pledged $2.5 billion in assistance aimed at restructuring the country.
- In March 2003, the IMF reviewed the PRGF program and noted that most targets had been met satisfactorily, leading to the release of additional funding from the $786 million facility.
- In June 2003, after positive performance with respect to the PRGF program, the Democratic Republic of the Congo was declared eligible for entry into the HIPC initiative. Formal commencement of the program, however, was delayed by donors until the transitional government was in place.

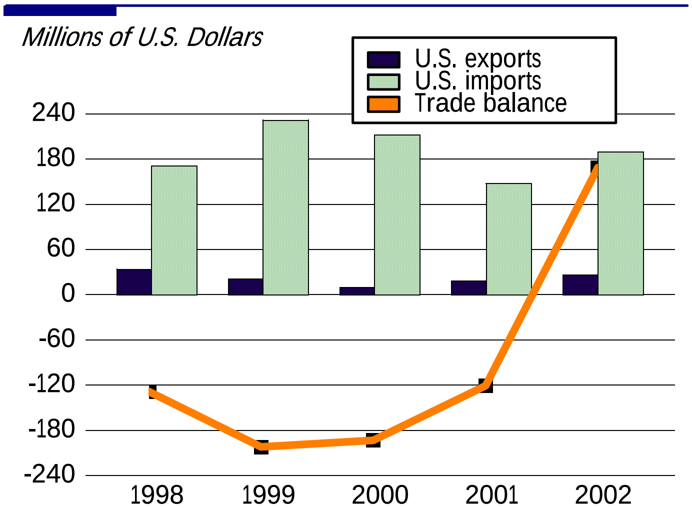
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Belgium	59.7	South Africa	18.2
United States	12.9	Belgium	16.4
Zimbabwe	7.4	Nigeria	11.8
France	6.9	France	5.9

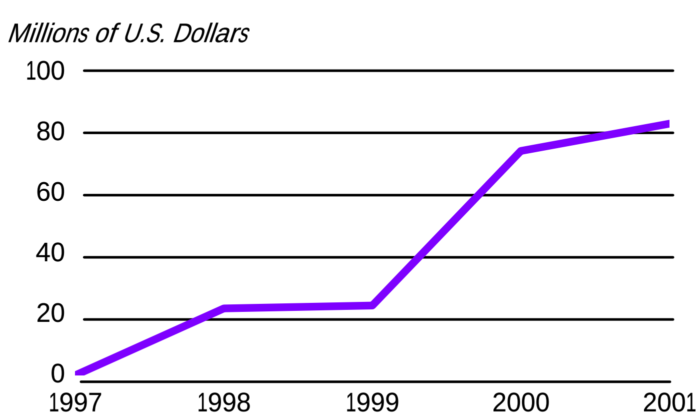
Main Trade Commodities, US$ million

Exports (2000)		*Imports (1999)*	
Diamonds	437.0	Consumer goods	263.0
Crude oil	141.0	Raw materials	115.0
Cobalt	97.0	Capital goods	110.0
Copper	45.0		

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The Democratic Republic of the Congo is an export-oriented economy, dependent on primary commodities, particularly mining and mineral products.
- In 2002, U.S. exports to the Democratic Republic of the Congo consisted primarily of machinery and mechanical appliances, meat, and cereals; and U.S. imports from the Democratic Republic of the Congo consisted primarily of mineral fuels and oils, precious or semiprecious stones and metals, and base metals. In addition, the Democratic Republic of the Congo has been designated an AGOA beneficiary country.

Investment and Privatization Update

- A government priority is the establishment of an investment-friendly environment to encourage foreign investment and private sector development. As part of this strategy, the government is developing an investment code, especially for the mining sector, to clarify tax and profit provisions and legal guarantees for investments.
- Although various firms have expressed interest in the mining sector, many await the new mining code before proceeding with investments. Some firms, however, continued investment projects. For example, a large consortium of international firms invested $120 million in a new tailings processing plant in Lubumbashi.
- A significant investment destination was the petroleum sector. A consortium headed by ChevronTexaco (U.S.) began a 3-year program to increase offshore petroleum production. Parenco Oil (France) also invested in a project to develop the onshore petroleum field, Liawenda.
- Vodacom (South Africa, UK) launched cellular services in 2002 with an investment of $94 million.
- Eskom Holdings (South Africa) set up a consortium to manage and operate transmission infrastructure in the Democratic Republic of the Congo, and to supply power from the Inga dam to various countries including South Africa.
- The civil unrest continued to inhibit privatization efforts. Of the over 100 state-owned enterprises, approximately 60 have mixed ownership structures.
- In late 2002, the government announced various reform plans including the restructuring of public enterprises to be overseen by the Public Enterprise Reform Steering Committee tasked with the preparation of divestiture plans.
- A government priority is the restructuring of the banking sector as three insolvent banks were liquidated in early 2003. As part of this effort, the IMF and the World Bank supported the auditing and restructuring of several commercial banks.

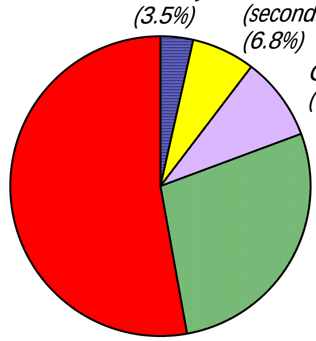
DJIBOUTI

Economic Overview

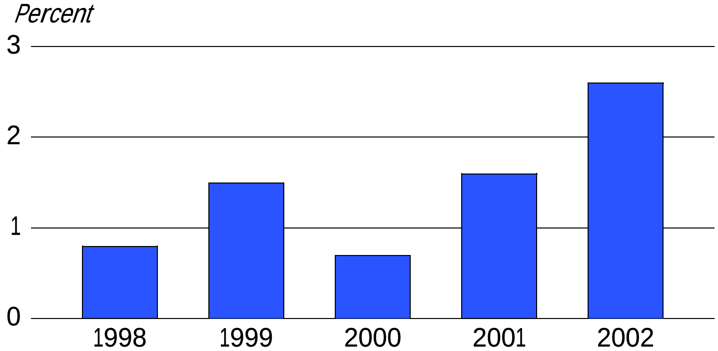
Economic Indicators

	2001	2002	Difference
GDP (nominal, Dfr bn)	101.9	105.7	3.8
GDP (US$ bn)	0.6	0.6	0.0
CPI Inflation (annual average; %)	1.8	1.5	-0.3
Goods Exports (US$ mn)	75.0	70.0	-5.0
Goods Imports (US$ mn)	261.0	255.0	-6.0
Trade Balance (US$ mn)	-186.0	-185.0	1.0
Current Account balance (US$ mn)	-17.0	-10.0	7.0
Foreign Exchange Reserves (US$ mn)	70.3	72.0	1.7
Total External Debt (US$ mn)	262.0	265.0	3.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Dfr/US$)	177.7	177.7	0.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- In December 2002, the IMF completed its third review of Djibouti's PRGF program. The IMF waived a number of conditions. Despite various lapses in government commitments, the IMF commended the government on its improved fiscal position and the audit of the country's domestic arrears.
- In 2002, the government conducted two audits of domestic arrears; and the audits estimated a stock of $163 million in arrears. The government, consequently, developed a plan to address the arrears over a 10-year period.
- In order to address the need for increased power supplies, in March 2003, the Arab Fund for Economic and Social Development provided a $10 million loan to install two new generators, as well as to purchase necessary spare parts.

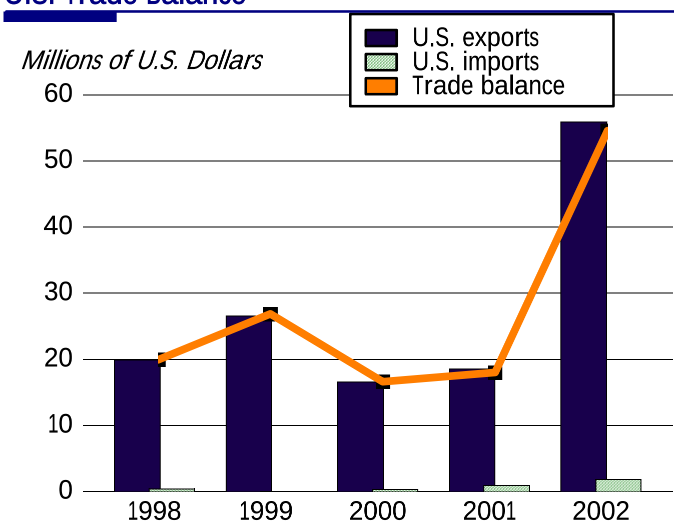
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Somalia	45.0	Saudi Arabia	18.0
France	23.0	France	16.0
Yemen	19.0	Ethiopia	10.0
United Arab Emirates	4.0	China	8.0

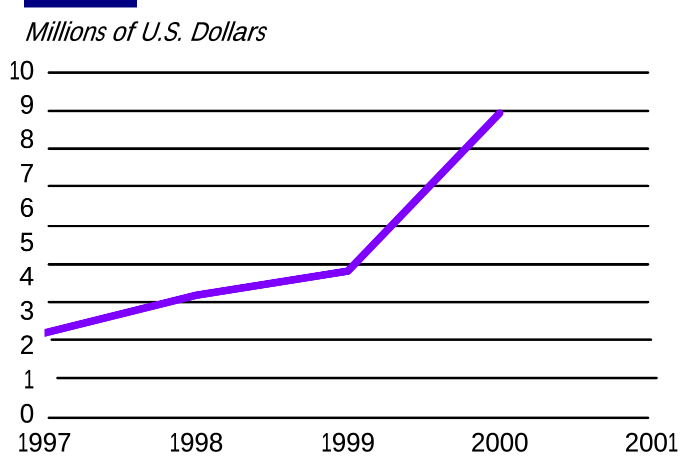
Main Trade Commodities, US$ million, 1998

Exports		*Imports*	
Re-exports	45.0	Food & beverages	53.0
Locally produced goods	14.0	Qat	17.0
		Petroleum products	17.0
		Machinery	15.0

U.S. Trade Balance



Net Foreign Direct Investment



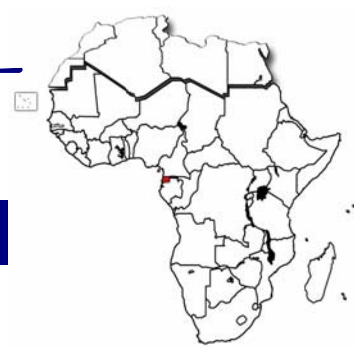
Trade Update

- A meeting between Ethiopia and Djibouti, held in Addis Ababa in March 2003, led to the establishment of accords regulating transport of goods and commercial relations between the two countries.
- In 2002, U.S. exports to Djibouti consisted primarily of cereals, printed material, and machinery and mechanical appliances; and U.S. imports from Djibouti consisted primarily of machinery and mechanical appliances, milling industry products, and fish and crustaceans. In addition, Djibouti has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Djibouti totaled $23,000 in 2002.

Investment and Privatization Update

- Privatization efforts continued slowly as a result of government delays and limited responses from potential investors. Despite an ambitious privatization program targeting water, electricity, postal, and telecommunications companies, the only parastatals privatized by early 2003 were the port (2000) and the airport (2002).
- In June 2002, the government privatized the international airport by awarding management to Dubai Port International.
- The government also began the process for privatizing the state-owned electric company.

EQUATORIAL GUINEA

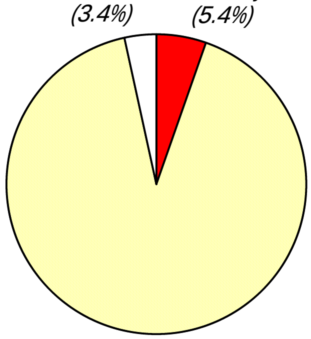


Economic Overview

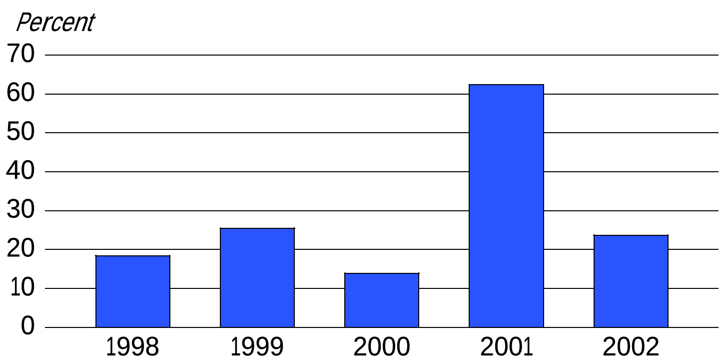
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	1,305.0	1,712.0	407.0
GDP (US$ bn)	1.8	2.5	0.7
CPI Inflation (annual average; %)	8.8	6.0	-2.8
Goods Exports (US$ mn)	1,837.0	2,450.0	613.0
Goods Imports (US$ mn)	810.0	560.0	-250.0
Trade Balance (US$ mn)	1,027.0	1,890.0	863.0
Current Account balance (US$ mn)	-1,057.0	-705.0	352.0
Foreign Exchange Reserves (US$ mn)	70.9	88.6	17.7
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$)	733.0	693.4	-39.6

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Equatorial Guinea continued to exhibit significant growth rates driven by development of the petroleum sector and associated investment flows. Crude oil production currently exceeds 265,000 barrels per day. The activity has resulted in the continued increase in methanol and liquified petroleum gas exports. Continued investment and associated economic expansion is expected to continue as exploration and new expansions are planned for 2003.
- The creation of a national petroleum company (Gepetrole), tasked with management of the petroleum sector and the government's relations with petroleum companies, was formally launched in late 2002.
- In early 2003, the government replaced a multi-tier minimum wage system with a two-tier system creating a separate wage system for private sector workers inside and outside the petroleum sector.
- The discovery of petroleum and the resulting inflow of revenue has dampened the government's commitment to reforms, such as agricultural production initiatives, budgetary reforms, and improved governance. Lack of transparency has also fueled concern regarding increasing corruption. Consequently, macroeconomic management remains relatively opaque, and resumption of formal IMF lending, suspended more than 10 years ago, remains unlikely.
- In early 2002, the World Bank resumed relations with Equatorial Guinea by supporting transport sector initiatives.

EQUATORIAL GUINEA

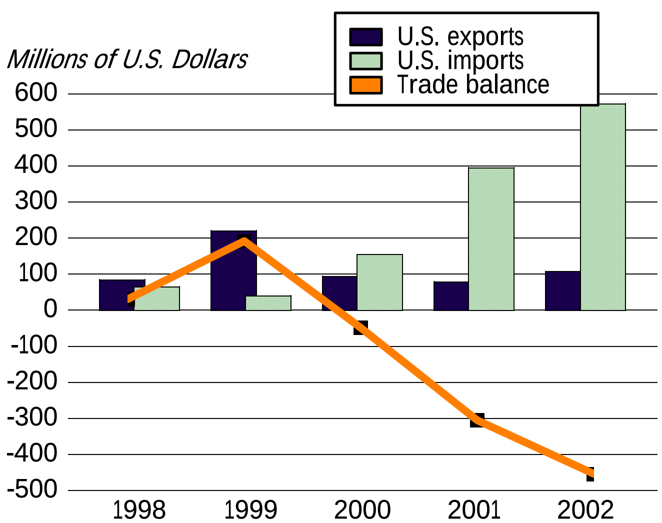
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Spain	32.0	United States	32.0
China	27.0	United Kingdom	15.0
United States	26.0	Spain	12.0
France	2.0	Côte d'Ivoire	7.0

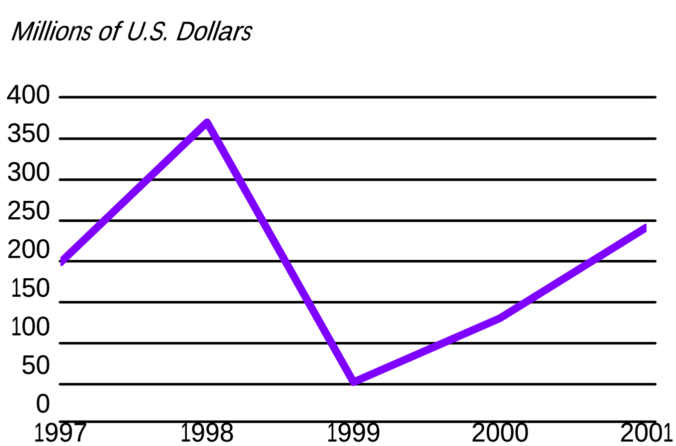
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Petroleum	1,683.0	Petroleum sector	654.0
Methanol	183.0	Equipment goods	94.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- In 2002 the first phase of a joint project by the government and Incat (UK) to upgrade the port of Luba to make it an oil-services facility was completed. The upgraded port is expected to facilitate petroleum trade.
- Although commercial agricultural products, such as coffee and cocoa, were important export products in years past, their contribution to the country's trade profile continues to diminish. Although timber and forestry products exported to China continued to contribute to export revenues, in light of the expansion of the petroleum sector, its relative contribution diminished.
- In 2002, U.S. exports to Equatorial Guinea consisted primarily of machinery and mechanical appliances, and articles of iron or steel; and U.S. imports from Equatorial Guinea consisted primarily of mineral fuels and oils, organic chemicals, and works of art.

Investment and Privatization Update

- The petroleum sector continued to drive investment activity, and economic growth. Since 1995, U.S. companies have invested approximately $5 billion in this sector.
- In April 2002, ExxonMobil (U.S.) announced a $900 million expansion program for its oil fields.
- A consortium consisting of Petronas (Malaysia), Ocean Energy (U.S.), Det Norske Oljeselskap (Norway), and Atlas Petroleum (Nigeria) were awarded an exploration license in early 2003.
- Investment in the forestry sector, stemming from increased Asian demand, has also expanded the nonpetroleum sector. Although Equatorial Guinea is believed to possess mineral deposits, such as gold, diamonds, bauxite, iron ore, titanium, manganese, and uranium, inadequate infrastructure has inhibited investment in and development of the minerals sector.
- Firms awaiting privatization include the cocoa company, national airline, shipping and maritime enterprises, electricity and water utilities, and the telecommunications company.

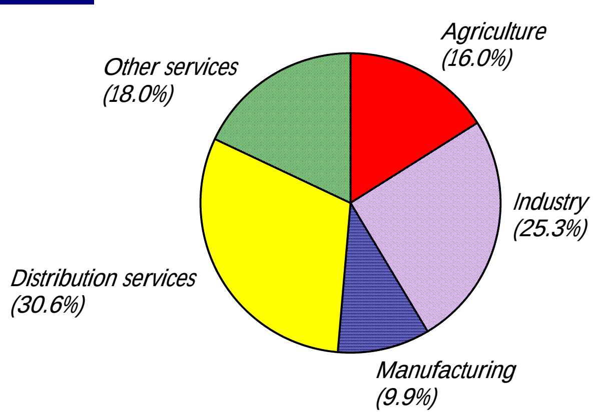
ERITREA

Economic Overview

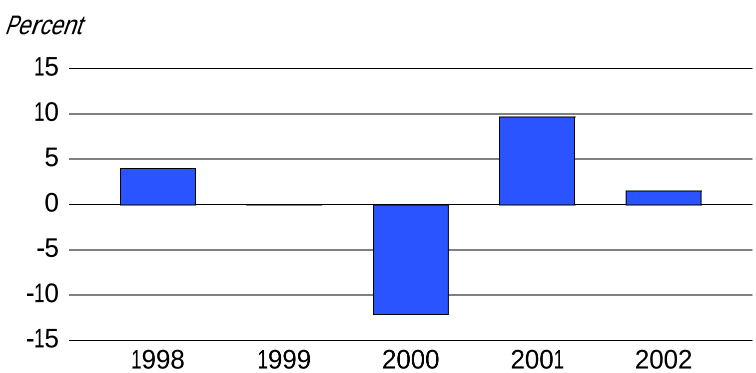
Economic Indicators

	2001	2002	Difference
GDP (nominal, Nfa bn)	9.3	10.7	1.4
GDP (US$ bn)	0.7	0.7	0.0
CPI Inflation (annual average; %)	14.6	16.0	1.4
Goods Exports (US$ mn)	20.0	22.0	2.0
Goods Imports (US$ mn)	490.0	530.0	40.0
Trade Balance (US$ mn)	-470.0	-508.0	-38.0
Current Account balance (US$ mn)	-87.0	-165.0	-78.0
Foreign Exchange Reserves (US$ mn)	n/a	n/a	n/a
Total External Debt (US$ mn)	410.0	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Nfa/US$)	13.5	14.5	1.0

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- The agricultural sector remained an important determinant of economic performance. The main constraints to agricultural development include the lack of irrigation, inadequate technology, lack of access to credit, and inadequate marketing services. Despite government investment efforts in the agricultural sector, the effects of drought resulted in an appeal for food aid in late 2002 and early 2003.
- Eritrea's economic policy focused primarily on developing and rehabilitating infrastructure and improving food security.
- The first private commercial bank, Augaro Bank, began operations in 2002.
- A new national carrier, Eritrean Airlines, made its first flight in April 2003.
- In January 2002, Denmark announced the suspension of development assistance by 2005 as a result of concerns regarding human rights.
- In November 2002, the European Commission provided a 96.8 million euro (approximately $102 million) package for economic, political, cultural, and social-cooperation projects. The aid package will cover the 2002-2007 period and assist in poverty reduction and social development initiatives.
- In February 2003, the European Development Fund agreed to a $19.8 million loan to renovate Eritrea's electricity distribution system.

Main Trade Partners, percent of total, 1998

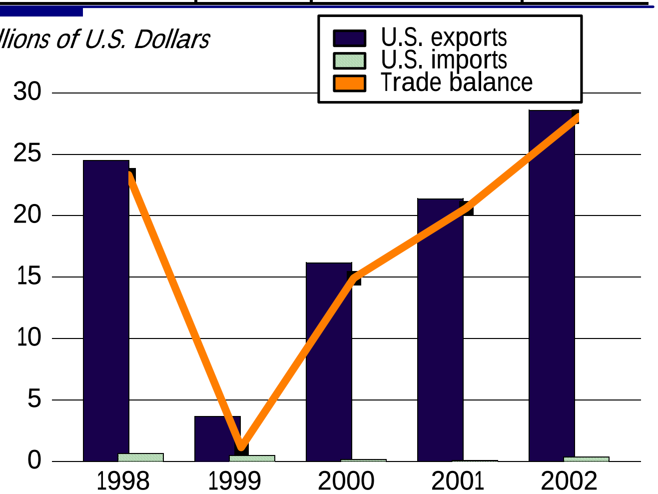
Markets		*Sources*	
Sudan	27.2%	Italy	17.4%
Ethiopia	26.5%	United Arab Emirates	16.2%
Japan	13.2%	Germany	5.7%
United Arab Emirates	7.3%	United Kingdom	4.5%

Main Trade Commodities, US$ million, 1998

Exports		*Imports*	
Crude materials	12.0	Machinery & transport equipment	141.0
Food & live animals	8.0	Manufactured goods	88.0
Manufactured goods	4.0	Food & live animals	63.0
		Chemicals & chemical products	21.0

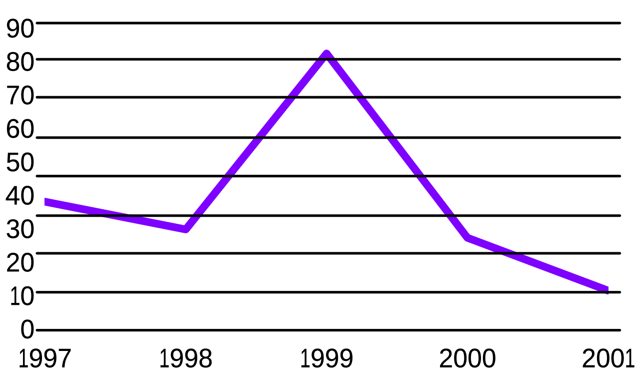
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



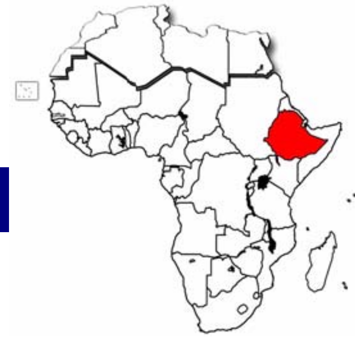
Trade Update

- The need for substantial capital imports for reconstruction efforts, the suspension of trade with Ethiopia (formerly a primary export market), and the need for food and food aid, contributed to the country's trade deficit.
- The government continued efforts to diversify export markets by increasing trade with Sudan, and searching for new markets in East Africa.
- In 2002, U.S. exports to Eritrea consisted primarily of cereals, animal or vegetable oils, and animal or vegetable waxes; and U.S. imports from Eritrea consisted primarily of organic chemicals, raw hides and skins, and essential oils and resinoids. In addition, Eritrea has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Eritrea totaled $11,000 in 2002.

Investment and Privatization Update

- Despite the government's continued efforts to establish a private-sector-led economy, continued conflict with Ethiopia and concerns regarding human rights records have inhibited investment.
- Eritrea continued to expand exploration of potential petroleum and gas reserves. Though underexplored, the mining sector also received some investment. In January 2003, Nevsun Resources (Canada) announced high grade-borehole results.
- In addition to recent civil unrest, numerous conditions for sale and relatively high prices constrained privatization efforts.

ETHIOPIA

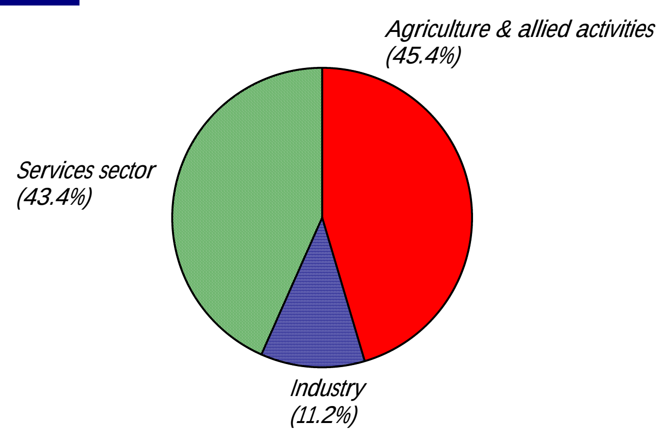


Economic Overview

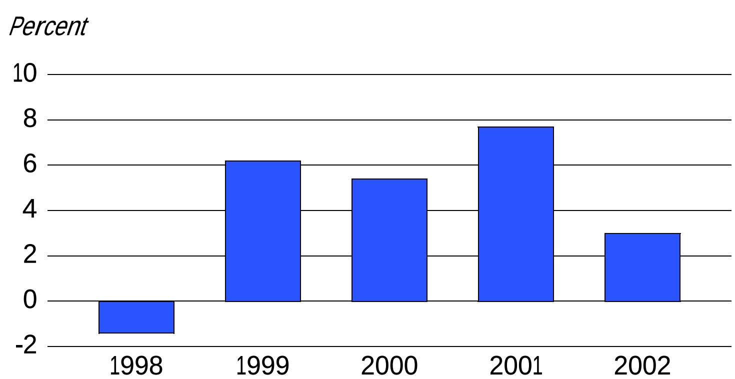
Economic Indicators

	2001	2002	Difference
GDP (nominal, Birr bn)	51.2	50.3	-0.9
GDP (US$ bn)	6.0	5.8	-0.2
CPI Inflation (annual average; %)	-8.1	-7.0	1.1
Goods Exports (US$ mn)	433.0	400.0	-33.0
Goods Imports (US$ mn)	1,626.0	1,715.0	89.0
Trade Balance (US$ mn)	-1,193.0	-1,315.0	-122.0
Current Account balance (US$ mn)	-477.0	-550.0	-73.0
Foreign Exchange Reserves (US$ mn)	433.0	882.0	449.0
Total External Debt (US$ bn)	5.6	6.0	0.4
Debt Service Ratio, paid (%)	18.7	7.4	-11.3
Exchange Rate (Birr/US$)	8.5	8.6	0.1

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- The effects of a severe drought in 2002 throughout southern and eastern Africa led to a food deficit in Ethiopia, and dampened economic performance.
- In March 2002, the IMF conducted a second annual review of the PRGF, and disbursed $30 million. Following an interim poverty reduction strategy paper published in early 2001, in August 2002, the government published its full poverty reduction strategy paper. The strategy provides for structural reforms, such as further deregulation of foreign-exchange controls, interest rate liberalization, and increased privatization, and was positively evaluated by the World Bank and IMF. By March 2003, approximately SDR69 million (approximately $94 million) had been disbursed under the PRGF.
- At a Consultative Group meeting in Addis Ababa in December 2002, donors pledge $3.6 billion to cover the mid-2002 to mid-2005 period.
- As part of its agreement with the IMF, the government instituted a value-added tax of 15 percent in January 2003.
- Donor and investor confidence continued to be dampened in 2002 and early 2003 by allegations of corruption.

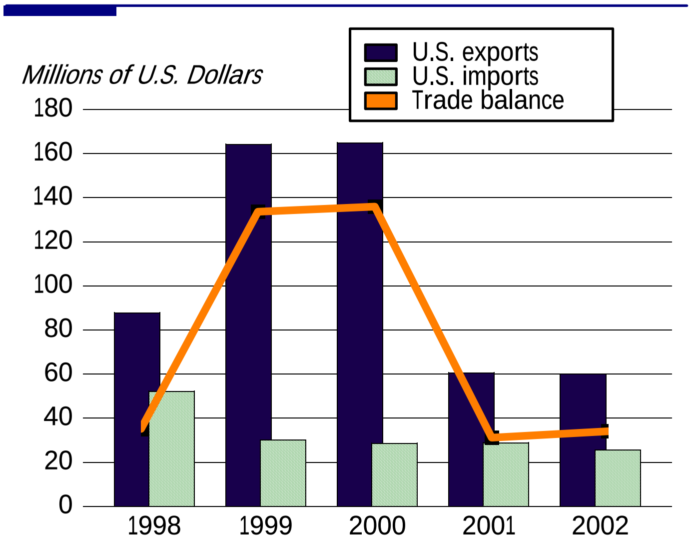
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Djibouti	13.2	Saudi Arabia	29.3
Italy	9.4	Italy	7.2
Japan	9.2	India	6.7
Saudi Arabia	9.0	United States	4.2

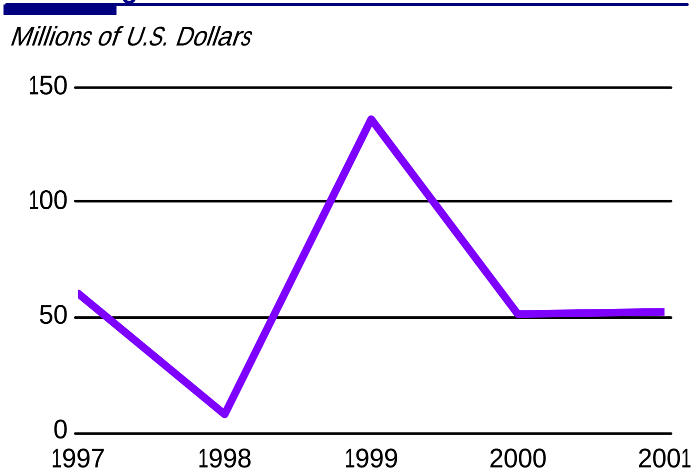
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Coffee	171.0	Consumer goods	459.0
Qat	60.0	Capital goods	436.0
Oilseeds	30.0	Fuel	403.0
Pulses	8.0	Semi-finished goods	278.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- In addition to a regionwide drought, volatile international coffee prices continued to produce erratic coffee export performance.
- Ethiopia's conflict with Eritrea resulted in the loss of access to Eritrea's ports, which had previously accounted for over 65 percent of Ethiopia's merchandise trade. Trade transport was shifted to Djibouti's and Sudan's ports.
- The government continued efforts to diversify export markets by promoting trade links with the Arabian peninsula, Japan, and China.
- In 2002, U.S. exports to Ethiopia consisted primarily of aircraft and parts, milling industry products, machinery and mechanical appliances, and cereals; and U.S. imports from Ethiopia consisted primarily of coffee, tea, spices, oil seeds, and fruits. In addition, Ethiopia has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Ethiopia totaled $2.3 million in 2002.

Investment and Privatization Update

- In early 2002, the government increased efforts to encourage nonresident Ethiopians to invest in the country by reducing bureaucracy and immigration formalities, and aligning their incentives with that of local investors.
- Although approximately 114 state-owned enterprises, ranging from hotel chains to plantations, were slated for privatization between 2001 and 2003, recent civil unrest and administrative uncertainty continued to constrain privatization efforts.
- All state-owned textile plants were slated for privatization in 2002 and 2003.
- Questionable sale circumstances resulted in the reacquisition of a hotel, soap factory, printing press company, and four mills in recent years.

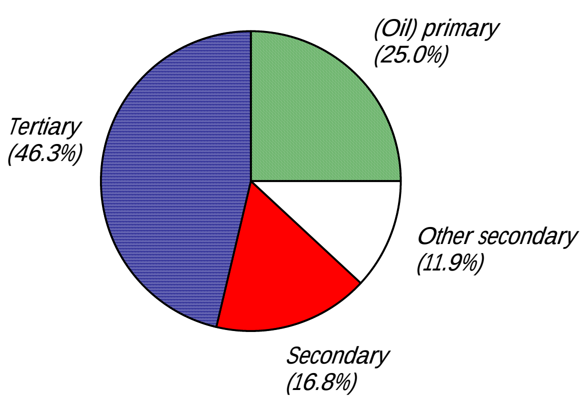
GABON

Economic Overview

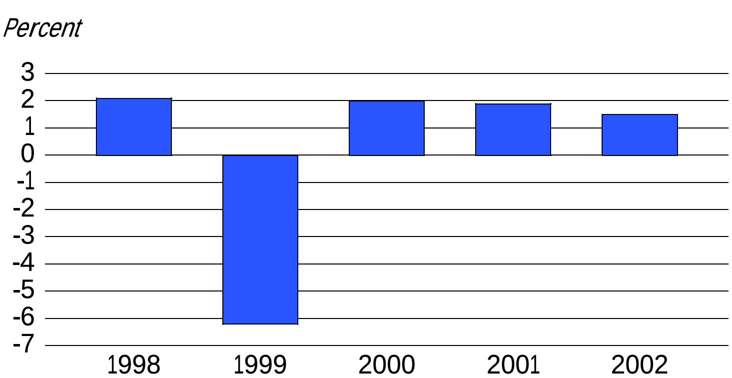
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	2,712.1	2,788.0	75.9
GDP (US$ bn)	3.7	4.0	0.3
CPI Inflation (annual average; %)	2.1	1.5	-0.6
Goods Exports (US$ mn)	2,631.6	2,497.7	-133.9
Goods Imports (US$ mn)	1,006.4	1,094.9	88.5
Trade Balance (US$ mn)	1,625.2	1,402.8	-222.4
Current Account balance (US$ mn)	-57.4	-247.0	-189.6
Foreign Exchange Reserves (US$ mn)	9.8	140.0	130.2
Total External Debt (US$ bn)	3.9	3.8	-0.1
Debt Service Ratio, paid (%)	20.9	19.8	-1.1
Exchange Rate (CFAfr/US$)	733.0	697.0	-36.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Gabon's economic performance remains highly dependent on the petroleum sector, and, consequently, vulnerable to international petroleum prices.
- Economic development and diversification continued to be inhibited by inadequate institutional and social infrastructure, high communication costs, small market size, and large distances between local producers and markets.
- In July 2002, Gabon was linked to an international fiber optic cable linking Europe and India via the African coastline. This access is expected to substantially increase telecommunications capacity.
- In order to provide a reliable water supply to the capital, the national water utility invested $15.3 million in a water processing unit in 2003.
- Sluggish progress toward the privatization of state assets contributed to the disbursement of only SDR13.22 million (approximately $18 million) of stand-by credit by April 2002 from the IMF. In late 2002, the government reinforced its commitment to economic reforms by formulating a more realistic 2003 budget, improving expenditure management, establishing new anticorruption laws, strengthening tax and customs administration, advancing privatization plans, and auditing petroleum companies.
- In September 2002, the United States pledged $53 million for the environmental initiative, the Congo Basin Forest Partnership, which will establish forestry reserves in the region for research and tourism.
- In January 2003, the European Commission granted Gabon 35 million euro (approximately $36.7 million) to reduce the environmental impact of mining projects.

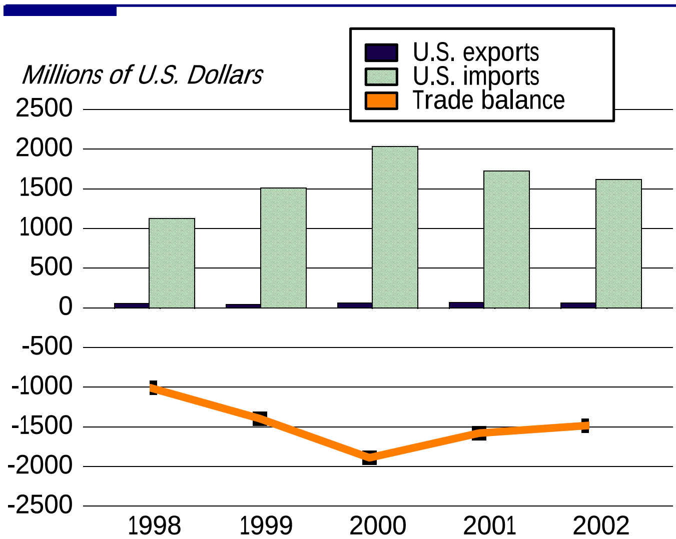
Main Trade Partners, percent of total, 2000

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

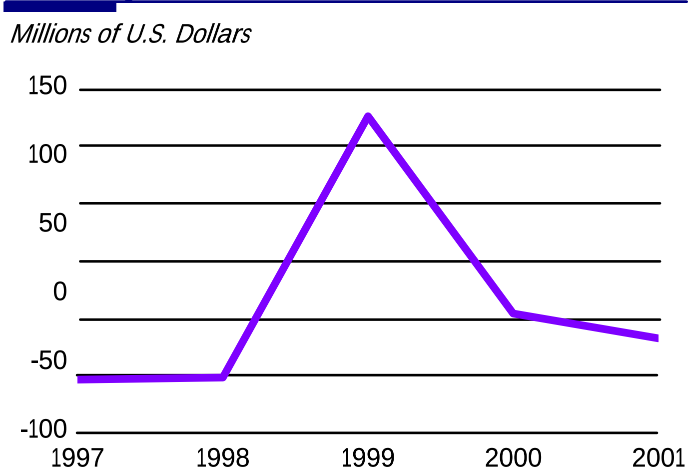
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Petroleum (crude)	2,046.0	Machinery and mechanical appliances	184.4
Timber	324.0	Prepared food stuff	170.1
Manganese	118.0	Consumption goods	151.8

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Gabon's main export product is petroleum. Despite continued efforts by the government via licensing rounds to encourage exploration, petroleum output continued to decline because of the depletion of existing reserves. In mid-2003, the government signed a 10-year exploration and production-sharing contract with Elf Gabon, Elf Aquitaine, Amerade Hess Production Gabon, and Shell Gabon, which is expected to involve a $150 million investment and to increase onshore petroleum production.
- Forestry products are one of Gabon's main sources of foreign exchange. A new forestry code, approved in early 2002, encouraged investment in physical capital and timber processing. Faced by stagnating international prices for processed wood as well as increased export taxes in 2002, SNBG, the timber company jointly owned by the state and private forestry companies, applied new quality quotas and strengthened measures to reduce fiscal evasion. In early 2003, forestry companies suspended operations to protest the introduction of a new tax in the 2003 budget, suggested by the IMF.
- In 2002, the government launched a tender for the management of the export processing zone at Port-Gentil.
- In 2002, U.S. exports to Gabon consisted primarily of machinery and mechanical appliances, meat, and electrical machinery and equipment; and U.S. imports from Gabon consisted primarily of mineral fuels and oils; ores, slag, and ash; and organic chemicals. In addition, Gabon has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Gabon totaled $1.1 billion in 2002.

Investment and Privatization Update

- The government continued efforts to restructure the national airline company prior to privatization. The government announced the possibility of integrating its privatization plans with the January 2003 CEMAC pledge to create a regional airline.
- The government decided to split the national postal and telecommunications services with a plan to maintain state control of the postal services. The telecommunications branch received a bid in November 2002 and the government plans to privatize it in 2003.
- Other firms targeted for privatization include the railway (OCTRA), the electricity and water utilities (SEEG), and the telecommunications company (OPT).

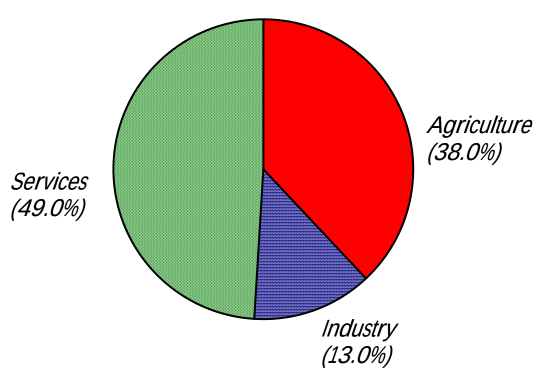
THE GAMBIA

Economic Overview

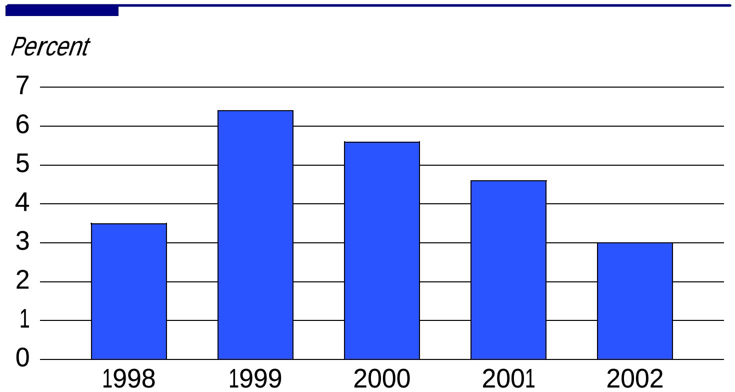
Economic Indicators

	2001	2002	Difference
GDP (nominal, D bn)	88.6	121.4	32.8
GDP (US$ mn)	5,641.0	6,130.0	489.0
CPI Inflation (annual average; %)	4.3	5.5	1.2
Goods Exports (US$ mn)	146.0	138.0	-8.0
Goods Imports (US$ mn)	226.0	225.0	-1.0
Trade Balance (US$ mn)	-80.0	-87.0	-7.0
Current Account balance (US$ mn)	-23.0	-22.0	1.0
Foreign Exchange Reserves (US$ mn)	106.0	103.0	-3.0
Total External Debt (US$ mn)	476.0	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (D/US$)	15.7	19.8	4.1

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- In July 2002, the IMF agreed to a $27 million PRGF to run until the end of 2005. Under the program, the government committed to tightening monetary policy, broadening the tax base, encouraging income activities in the agricultural, tourism, and trade sectors, and improving education and health services. This action set up the foundation for possible inclusion in the HIPC initiative program.
- The World Bank's International Development Association approved a $16 million loan to finance the government's Gambia Trade Project.

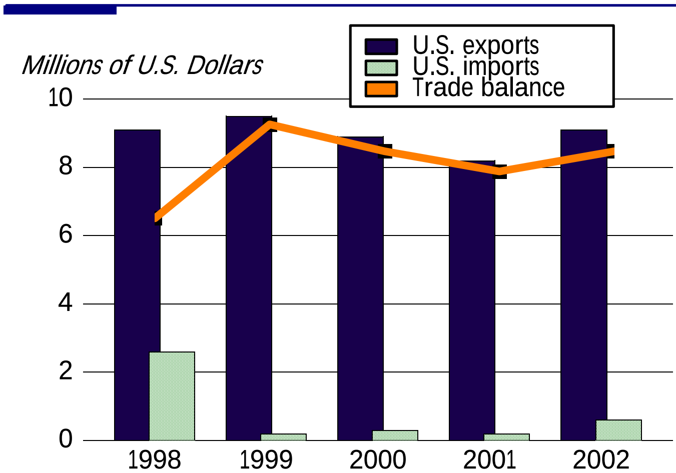
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Belgium-Luxembourg	14.8	China (incl. Hong Kong)	59.2
Brazil	8.1	United Kingdom	19.6
Netherlands	6.5	Netherlands	15.1
United Kingdom	5.3	Brazil	14.1

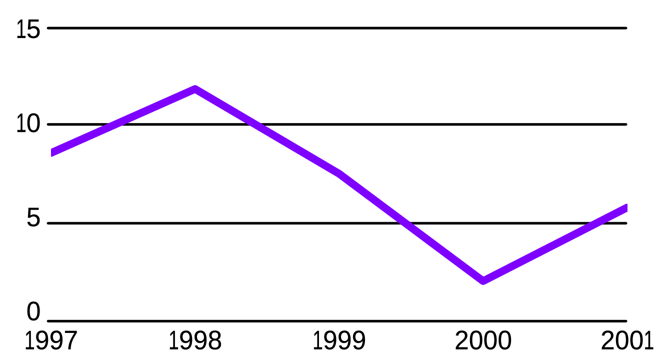
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Re-exports	104.0	Food & beverages	89.4
Groundnut products	10.0	Manufactures	53.8
Fish & fish preparations	3.1	Machinery & transport equipment	46.5
		Minerals & fuel	12.4

U.S. Trade Balance



Net Foreign Direct Investment



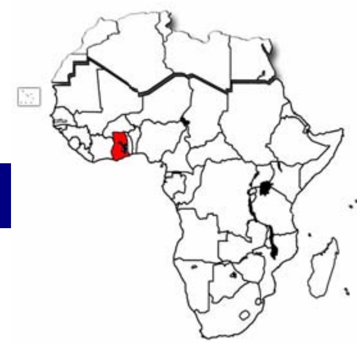
Trade Update

- In July 2002, Afrinat International Airlines (U.S.) began flights between The Gambia and New York. The service could increase American tourism to, and trade with, The Gambia. In an effort to develop and promote tourism, the government launched The Gambia Tourism Authority in April 2002.
- The Gambia Trade Project, funded by the World Bank, aims to develop a competitive export processing center in the country. It involves four separate projects: the development of a free port at Banjul to provide storage, warehousing, and transshipment services; the establishment of an export processing zone; the creation of a special economic zone to develop industrial, commercial, agroprocessing, and other businesses reliant on air transport; and the establishment of a company to provide information processing services.
- As a result of the civil unrest in Côte d'Ivoire, which disrupted trade routes for landlocked Mali, Mali and The Gambia came to an agreement in early 2003 providing Mali with access to The Gambia's ports.
- In 2002, U.S. exports to The Gambia consisted primarily of meat, machinery and mechanical appliances, and cotton products; and U.S. imports from The Gambia consisted primarily of oil seeds and fruit, machinery and mechanical appliances, and optical or medical instruments and apparatus. In addition, The Gambia has been designated an AGOA beneficiary country. AGOA (including GSP) imports from The Gambia totaled $24,000 in 2002.

Investment and Privatization Update

- Petroleum exploration efforts continued in 2002. In 2002, Fusion Oil (UK-Australia) confirmed a petroleum production license with the government, and, in 2002, was finalizing analysis of collected data.
- The privatization of state-owned enterprises continued at a slow pace. Although several firms, including the printing and stationary company, the telecommunications company, and two groundnut processing plants were slated for privatization, the government has yet to establish a definite timetable for the sale of assets.

GHANA

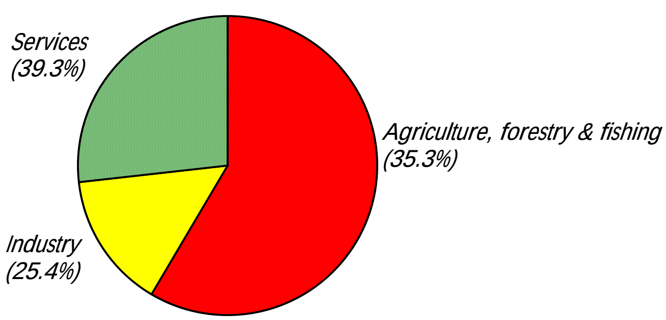


Economic Overview

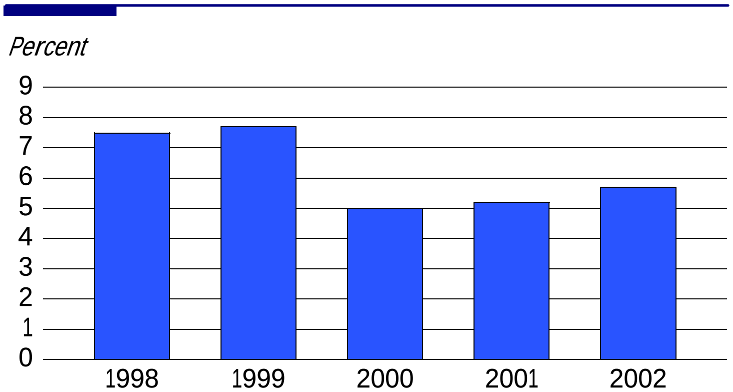
Economic Indicators

	2001	2002	Difference
GDP (nominal, C bn)	37,288.2	45,216.4	7,928.2
GDP (US$ bn)	5.2	5.7	0.5
CPI Inflation (annual average; %)	19.7	20.2	0.5
Goods Exports (US$ mn)	1,867.2	2,063.9	196.7
Goods Imports (US$ mn)	2,968.5	2,705.1	-263.4
Trade Balance (US$ mn)	-1,101.3	-641.2	460.1
Current Account balance (US$ mn)	387.2	-45.7	-432.9
Foreign Exchange Reserves (US$ mn)	298.2	500.0	201.8
Total External Debt (US$ bn)	6.9	7.2	0.3
Debt Service Ratio, paid (%)	13.2	12.0	-1.2
Exchange Rate (C/US$)	7,170.8	7,932.7	761.9

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- The government's State of the Ghanaian Economy report characterized the performance of the economy as inhibited by low productivity and continued dominance of the traditional export sector.
- In mid-2002, the government purchased rights to access the Submarine Fiber-Optic Cable Project, which will provide direct communications services from Ghana to most African states, as well as broadband communication services and products.
- In January 2003, the heads of state of Benin, Ghana, Nigeria, and Togo signed a 20-year treaty establishing a single regulatory authority for, and harmonizing the fiscal and legal framework of, the planned $500 million West African Gas Pipeline. The pipeline will be used to transport Nigerian gas to Benin, Ghana, and Togo.
- Aspects of the government's 2002 budget priorities include strengthening revenue collection and administration through the creation of a National Tax Audit Team; finalizing the transitional pricing policy for electricity and water, and preparing a timetable for full cost recovery; providing subsidies to utility companies to reduce expected losses; encouraging competition in crude petroleum purchases; implementing fast-track-sale of 12 state-owned companies, including Ghana Telecom and Coca Cola Ghana; and eliminating several import taxes.
- The government's 2003 budget continued to focus on maintaining a stable macroeconomic environment, accelerating the implementation of the Ghana Poverty Reduction Strategy, and increasing spending on education and healthcare.
- In 2002, the government resumed payment of arrears to the construction industry, encouraging expansion of the sector.
- In October 2002, Ghana and the EU signed a 5-year Country Strategic Paper and Indicative Program under which the EU will provide 311 million euro (approximately $325 million) to finance road transport and capacity-building initiatives.
- In mid-2003, the government and the IMF agreed to a 3-year, $258 million PRGF aimed at improving fiscal performance, restructuring the utility pricing system, and modernizing the financial sector. The government continued to make progress with the HIPC program. When completed, Ghana is expected to average about $200 million in debt savings per year after a substantial write-off of its debt stock.

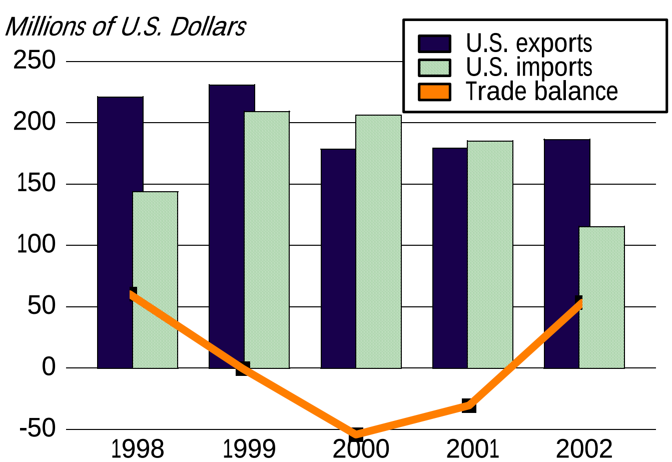
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Netherlands	11.5	Nigeria	20.2
United States	10.0	United Kingdom	7.1
United Kingdom	9.4	United States	6.9
Germany	6.0	Côte d'Ivoire	5.6

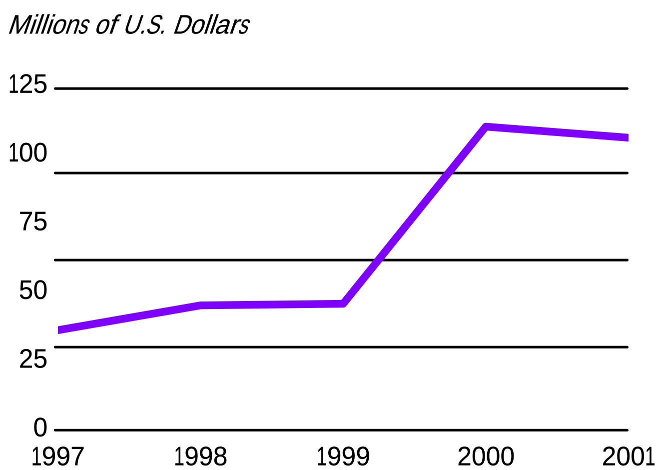
Main Trade Commodities, US$ million, 2002

Exports		*Imports*	
Gold	698.1	Non-oil	2,197.0
Cocoa beans & products	463.4	Oil	508.1
Timber & products	182.7		

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The Export Development Investment Fund, created in 2001, began operations in June 2002 by announcing plans to encourage commercial activities by disbursing funds collected from privatizations and taxes on nonpetroleum imports. The agency's main roles include: developing and promoting products for export; building market research and infrastructure capacity; expanding public and private sector export-oriented activities; developing and promoting entrepreneurial activities; and providing credit, export insurance, refinancing, and credit guarantees.
- The government established two Presidential Special Initiatives for the garment and cassava industries. The garment initiative is aimed at improving the capacity of the Ghanaian textile and apparel manufactures by providing training and technical assistance to assist producers in manufacturing and exporting textile and apparel products. The cassava initiative is aimed at promoting village enterprises by encouraging farmers to own shares in community enterprises that manufacture starch for export.
- In 2002, U.S. exports to Ghana consisted primarily of machinery and mechanical appliances, cereals, and vehicles and parts; and U.S. imports from Ghana consisted primarily of wood and products, mineral fuels and oils, and cocoa. In addition, Ghana has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Ghana totaled $34.8 million in 2002.

Investment and Privatization Update

- In early 2003, Gold Fields (South Africa) announced plans to invest more than $27 million primarily in its Tarkwa gold mine in Ghana.
- In early 2003, Newmont (U.S.), which acquired mines from Normandy Mining (Australia) in 2002, announced plans to invest $450 million in two Ghanaian mines. These mines represented Newmont's first significant investment in Africa.
- Although the government remained committed to continuing Ghana's privatization program, charges of corruption, fraud, and lack of transparency have negatively affected recent sales. Consequently, the government decided to conduct a financial and managerial audit of the Divestiture and Implementation Committee prior to continuing with other privatization plans. In mid-2003, the government directed the Divestiture and Implementation Committee to accelerate the sale of state-owned assets and government joint venture shares.
- Ghana's 2002 budget included provision for the sale of 12 state-owned enterprises, including Ghana Telecom and Coca Cola Ghana.
- In October 2002, the government sold 25 percent of its ownership stake (through the Ghana Stock Exchange) in the Cocoa Processing Company, which processed cocoa beans into finished and semifinished products. Privatization of the Cocoa Processing Company was a significant component in the government's overall strategy for restructuring the cocoa industry. In early 2003, the Ghana Cocoa Board increased its purchase price for cocoa by 37 percent in an attempt to reduce smuggling to Côte d'Ivoire where producer prices are generally higher.
- In early 2003, Ghana Telcom signed a 3-year management services agreement with Telnor (Norway) to upgrade and manage the telecommunications network.

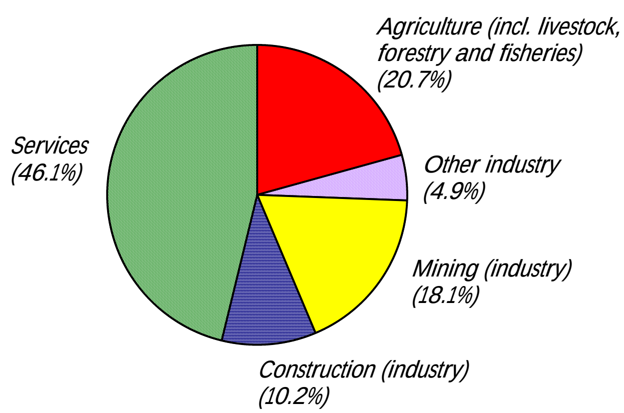
GUINEA

Economic Overview

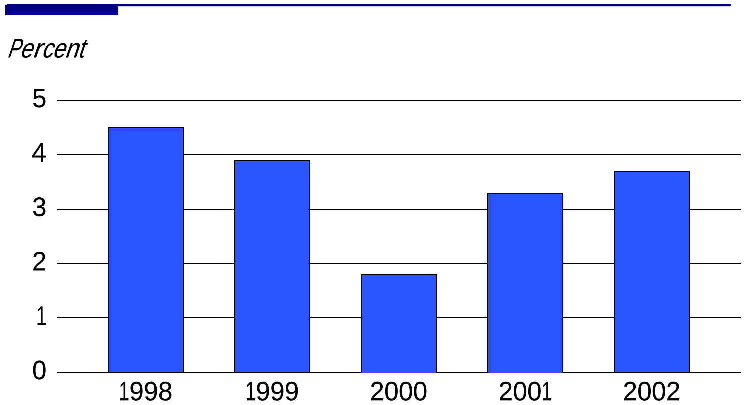
Economic Indicators

	2001	2002	Difference
GDP (nominal, Gnf bn)	5,915.0	6,502.0	587.0
GDP (US$ bn)	3.0	3.3	0.3
CPI Inflation (annual average; %)	9.6	6.0	-3.6
Goods Exports (US$ mn)	731.0	750.0	19.0
Goods Imports (US$ mn)	562.0	580.0	18.0
Trade Balance (US$ mn)	169.0	170.0	1.0
Current Account balance (US$ mn)	-102.4	-130.0	-27.6
Foreign Exchange Reserves (US$ mn)	200.0	170.0	-30.0
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Gnf/US$)	1,951.0	1,975.0	24.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- The government established a development agency, AGETIP, tasked with assisting local communities to identify and fund public sector construction projects to be carried out by small-scale, labor-intensive local enterprises.
- Progress on the 3-year PRGF, agreed to in May 2001, was relatively slow. Following a meeting at the World Bank to review Guinea's poverty reduction strategy paper, completed in January 2002, the IMF granted $17 million of support under the program in August 2002. Guinea also received $3.6 million in additional interim assistance under the HIPC initiative to cover debt-service payments.
- In late 2002, the EU announced a 5-year, $217 million development aid package for Guinea. The funding, aimed at supporting Guinea's 5-year poverty reduction strategy, will come from the European Development Fund under the terms of the Cotonou Convention.
- The World Bank, France, and the United States also funded Guinea's poverty reduction strategy with pledges of $232 million, $150 million, and $122 million, respectively.

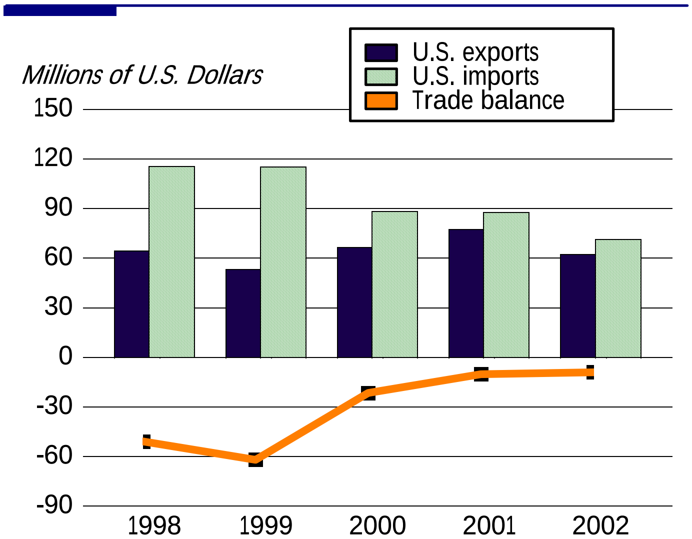
Main Trade Partners, percent of total

Markets (2001)		*Sources (2000)*	
Belgium	16.4	France	15.9
United States	10.9	United States	11.5
Spain	10.4	Côte d'Ivoire	8.6
France	8.8	Belgium	7.7

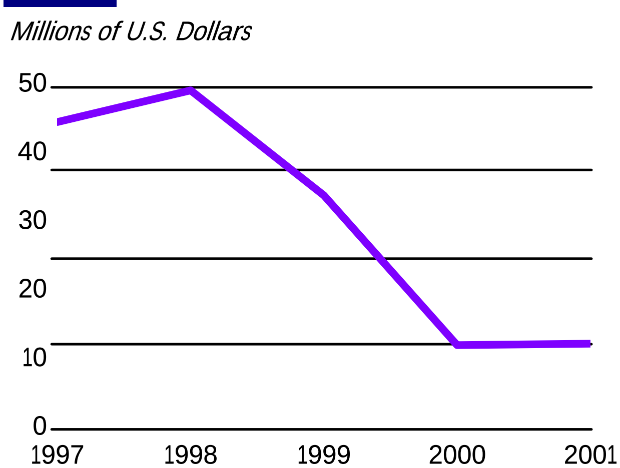
Main Trade Commodities, US$ million

Exports (1999)		*Imports (2001)*	
Bauxite	285.0	Intermediate & capital goods	340.0
Gold	119.0	Food products	124.0
Aluminum	94.0	Petroleum products	82.0
Diamonds	24.0	Other	100.0

U.S. Trade Balance



Net Foreign Direct Investment



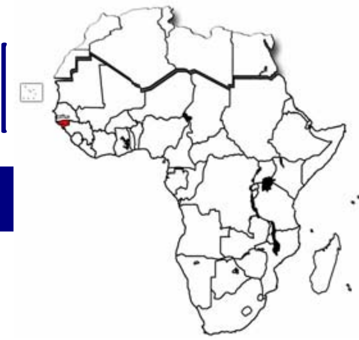
Trade Update

- Guinea's trade profile remained heavily concentrated in the mining sector. Guinea has almost half of the world's stock of bauxite and is the second largest global producer of the ore. The government continued to encourage value-added operations to produce alumina and aluminum from bauxite in order to expand export earnings.
- Guinea was one of 20 African countries that filed a complaint in July 2002 with the World Trade Organization alleging unfair competition by developed countries in the cotton sector.
- In 2002, U.S. exports to Guinea consisted primarily of machinery and mechanical appliances, mineral fuels and oils, and mineral waxes; and U.S. imports from Guinea consisted primarily of ores, slag, and ash; precious or semiprecious stones and metals; and coffee, tea, and spices. In addition, Guinea has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Guinea totaled $68,000 in 2002.

Investment and Privatization Update

- The bulk of foreign-exchange earnings is derived from the mining sector, but its share of economic output continued to decline because of low investment levels and low international prices. Several companies have announced investment and development of value-added products, which may counter this declining trend.
- In mid-2002 RusAl (Russia) announced a possible investment in the aluminum sector. RusAl, the world's second largest aluminum producer, announced the possible construction of an aluminum smelter in Guinea after it won rights to a mine at Dian-Dian. The refinery would allow RusAl to process bauxite into alumina in Guinea's relatively cheaper operating environment. The Boke Alumina Corporation refinery (U.S.-Japan) continued plans for a $2.1 billion alumina factory and associated bauxite mine.
- In early 2002, Semafo (Canada) began mining gold at Kiniero and reported that production had exceeded targets. In July 2002, SearchGold (Canada) announced that it had raised $200,000 to fund exploration of its diamond concession at Mandala where alluvial sediments will be examined for traces of diamond. Also in mid-2002, Cassidy Gold (Canada) agreed to purchase 100 percent of the private interest in a 240-square-kilometer gold exploration permit.
- The government continued to control some enterprises in the energy sector. The government continued plans to divest a 49 percent share of the country's largest bauxite mining company (CBG).
- In mid-2002, the government dissolved Air Guinea, preparing the way for the transfer of assets to Futurelec. The World Bank opposed the sale because of a lack of transparency in the privatization process.

GUINEA-BISSAU

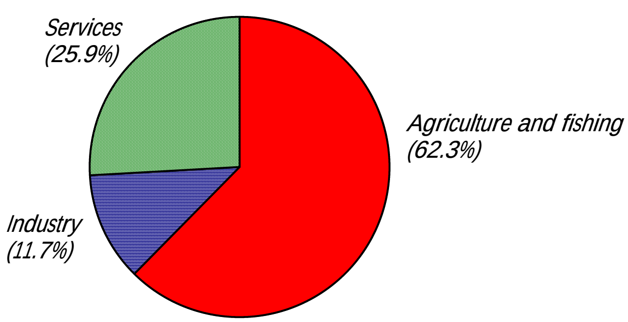


Economic Overview

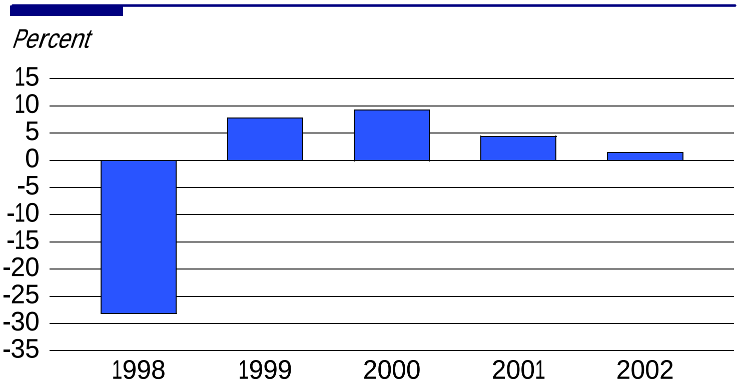
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	148.8	157.8	9.0
GDP (US$ mn)	203.8	231.0	27.2
CPI Inflation (annual average; %)	5.0	4.0	-1.0
Goods Exports (US$ mn)	68.0	71.0	3.0
Goods Imports (US$ mn)	58.0	59.0	1.0
Trade Balance (US$ mn)	10.0	12.0	2.0
Current Account balance (US$ mn)	28.0	30.0	2.0
Foreign Exchange Reserves (US$ mn)	69.5	84.4	14.9
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$)	733.0	696.9	-36.1

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- Economic development continued to be hindered by social instability, small local market size, weak development of rural markets, inadequate infrastructure, lack of skilled labor, and low levels of investment. Consequently, little progress was made in poverty reduction, economic diversification, and investment in public infrastructure. In early 2002, the civil unrest contributed to the withdrawal of a Portugese bank from Guinea-Bissau, and resulted in a weakened financial sector suffering from decapitalization and an increase in nonrecoverable loans.
- Guinea-Bissau's economic policies historically have been funded by the World Bank and IMF, and have aimed at macroeconomic stabilization and structural reform. Government economic policy has also focused on reducing the fiscal deficit, removing price controls, reforming the public sector, and strengthening the role of private enterprises. Economic reform programs have been periodically suspended because of the government's failure to meet economic or fiscal targets. Political instability has also contributed to the government's struggle to meet agreed-upon targets and expenditure controls.
- In March 2002, the World Bank approved a Private Sector Rehabilitation and Development project. The project aims to increase investment in, as well as competitiveness of and participation in, the private sector.
- Although the IMF had suspended funding for the PRGF, the IMF agreed to an interim program with the government designed to allow for the resumption of the PRGF.

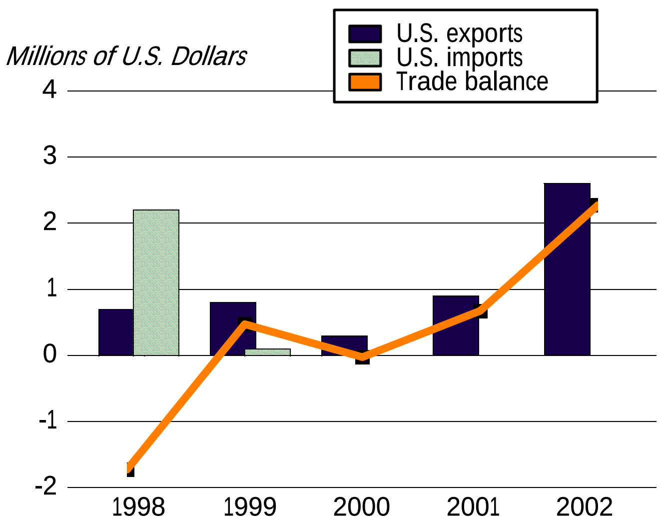
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Uruguay	40.7	Portugal	22.9
Thailand	27.9	Senegal	15.6
India	25.7	China	10.4
Portugal	1.4	Taiwan	5.2

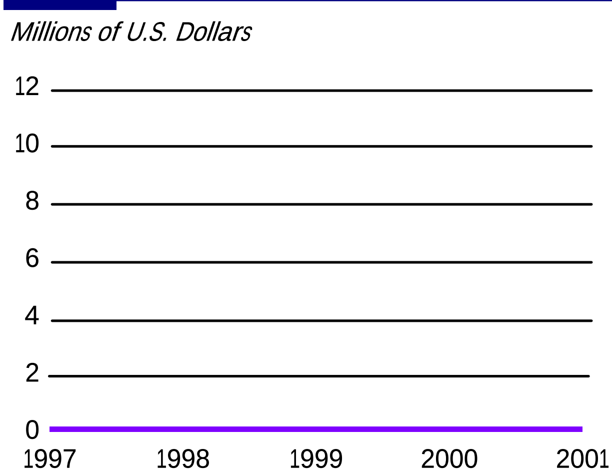
Main Trade Commodities, US$ million,

Exports (1998)		*Imports (1999)*	
Cashew nuts	22.9	Foodstuffs	19.8
Fish & shrimp	0.5	Petroleum products	6.4

U.S. Trade Balance



Net Foreign Direct Investment

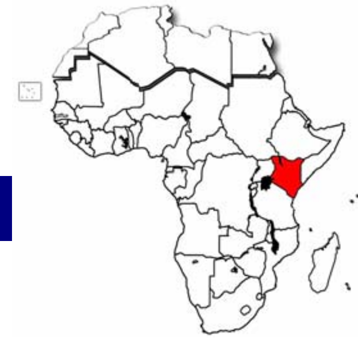


Trade Update

- In 2002, U.S. exports to Guinea-Bissau consisted primarily of animal or vegetable oils, organic and inorganic chemicals and compounds, and vehicles and parts. U.S. imports from Guinea-Bissau consisted primarily of live animals, electrical machinery and equipment, and fish and crustaceans. In addition, Guinea-Bissau has been designated an AGOA beneficiary country.

Investment and Privatization Update

- In cooperation with the state petroleum company, Premier Oil (United Kingdom) announced plans to explore three blocks off of the Guinea-Bissau coast. Exploration remained at the early stages, without clear evidence of commercially viable deposits.
- A far-reaching privatization program, which extended from 1990 to 1998, resulted in the privatization of most state companies. The major companies still slated for privatization include public infrastructures and utility companies, such as the electric company, water company, and airport. The privatization council appointed to oversee the restructuring of parastatals in preparation for sale resumed activity after the restoration of peace. The government continued to explore the introduction of private-sector participation in the management or ownership of state-owned companies.
- In preparation for privatization, the state timber company was separated into four separate companies.
- The government announced plans to liberalize the telecommunications sector. It also introduced plans to extend the telephone network to the entire country, to introduce a cellular telephone service, and to develop Internet services with USAID funding.
- Although there are plans to privatize the state power utility, little progress was made, contributing to continued poor performance and frequent power outages.



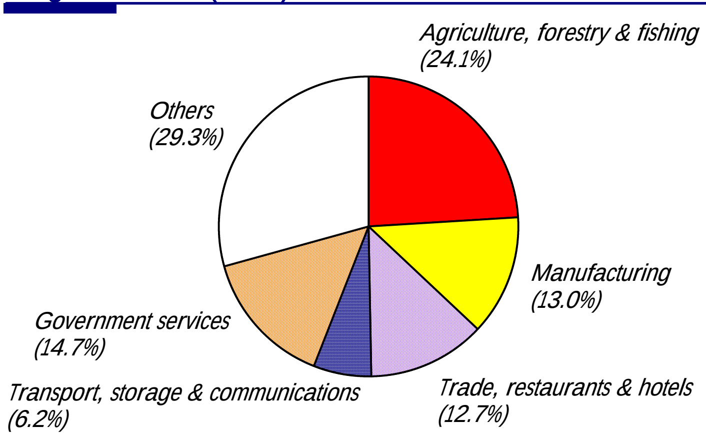
KENYA

Economic Overview

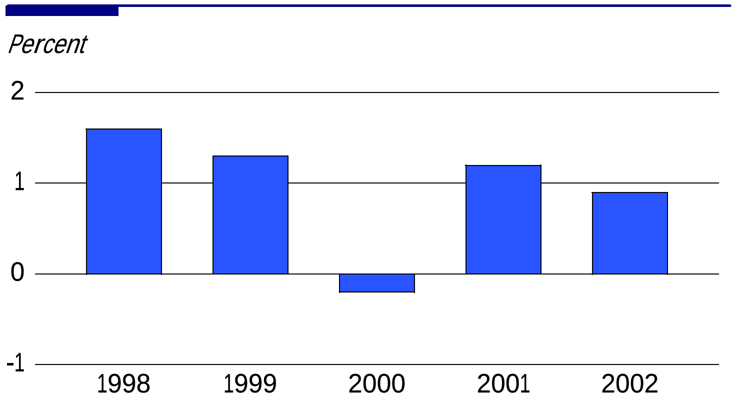
Economic Indicators

	2001	2002	Difference
GDP (nominal, KSh bn)	895.3	906.0	10.7
GDP (US$ bn)	11.4	11.5	0.1
CPI Inflation (annual average; %)	5.7	1.9	-3.8
Goods Exports (US$ mn)	1,894.0	2,117.7	223.7
Goods Imports (US$ mn)	3,176.1	2,974.9	-201.2
Trade Balance (US$ mn)	-1,282.1	-857.2	424.9
Current Account balance (US$ mn)	-317.9	-203.0	114.9
Foreign Exchange Reserves (US$ mn)	1,064.9	1,068.0	3.1
Total External Debt (US$ bn)	5.9	5.6	-0.3
Debt Service Ratio, paid (%)	11.8	11.0	-0.8
Exchange Rate (KSh/US$)	78.6	78.8	0.2

Origins of GDP (2001)



Real GDP Growth Rate



Economic Group

- The IMF's April 2002 Article IV consultation cited erratic macroeconomic policies and the slow pace of structural reform for below-potential economic performance over the past decade. The report, nevertheless, commended the government for achieving a certain degree of macroeconomic stability in recent years, especially in light of the increasing social and economic burden of HIV/AIDS.
- Improved weather conditions in 2002 contributed to an increase in agricultural output.
- The tourism sector continued to struggle following terrorist attacks in Mombasa in November 2002, and a British ban on commercial flights to and from Kenya in mid-2003 imposed following warnings of possible terrorist attacks. In mid-2003, the IMF approved a $108 million assistance package to aid Kenya following the terrorist attacks and the resulting negative impact of flight bans.
- Exports, some of which were AGOA-related, suffered a setback in early 2003 when a series of strikes halted operations at Kenya's Export Processing Zones, resulting in a 2-day closure and disruption of export orders.
- A substantial change in the new government's economic policy is its commitment to tackle corruption by undertaking several initiatives including reforming the judiciary, establishing a board to oversee the privatization process, and creating an assets disclosure database.
- In 2003, the IMF and the government began negotiations on a new Poverty Reduction and Growth Program.

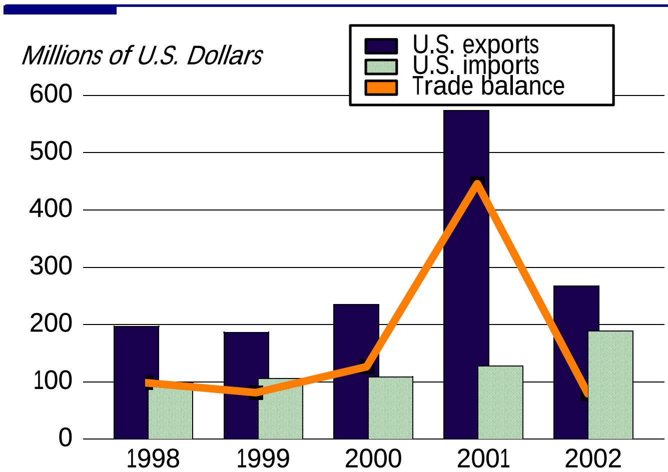
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United Kingdom	13.5	United Kingdom	12.0
Tanzania	12.5	United Arab Emirates	9.8
Uganda	12.0	Japan	6.5
Germany	5.5	India	4.4

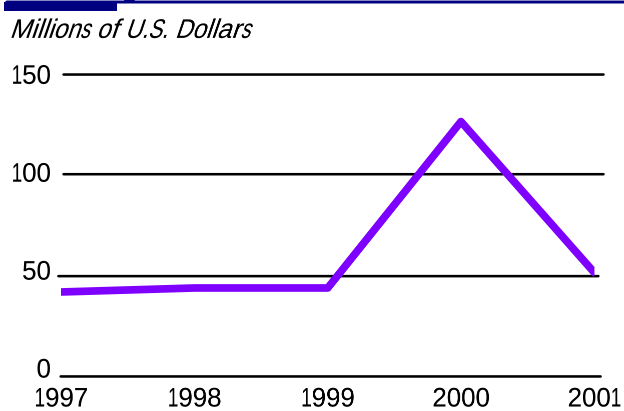
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Tea	439.0	Industrial machinery	484.0
Horticultural products	253.0	Crude petroleum	397.0
Petroleum products	157.0	Refined petroleum products	331.0
Coffee	95.0	Motor vehicles	185.0

U.S. Trade Balance



Net Foreign Direct Investment



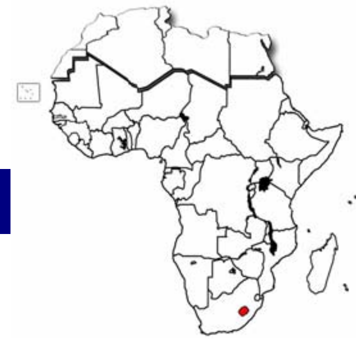
Trade Update

- Regional trade continued to increase, especially with Comesa and EAC countries. While trade with the EU is dominated by primary products, trade with regional countries consisted primarily of manufactured goods.
- In late 2002, the state-owned Kenya Railway Corporation and the Export Processing Zones Authority announced plans to set up a joint venture to build a railway extension from the Mombasa-Nairobi line to the EPZ factories in Athi River. The railway extension is expected to address concerns of loss of business as a result of inadequate road infrastructure in the region.
- After a request from Kenya in early 2003, Comesa granted Kenya a 1-year extension on import tariffs on wheat-flour and sugar. Kenya claimed that the tariff was necessary to protect the subsectors from dumping.
- Under the AGOA program, Kenya's textile and apparel exports have increased. The Kenya Association of Manufacturers estimated that approximately 40,000 jobs were created in the sector over the past 2 years. Bedi Investments reported doubling its employment since it began exporting products to the United States.
- In 2002, U.S. exports to Kenya consisted primarily of aircraft and parts, machinery and mechanical appliances, and milling industry products; and U.S. imports from Kenya consisted primarily of knitted and nonknitted apparel, and coffee, tea, and spices. In addition, Kenya has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Kenya totaled $129.2 million in 2002.

Investment and Privatization Update

- In July 2002, the government granted an environmental permit to Tomin (Canada) allowing it to continue with plans to develop a titanium mine. The $120-140 million mining project is the largest since independence, and is expected to begin production in 2004.
- In late 2002, AfriOre (Barbados) was granted a gold-prospecting license in Western Kenya, and the company begun a $1.3 million drilling program to explore this, and other, mining properties in Kenya.
- In early 2003, Coca Cola (U.S.) invested $8.2 million in facilities to produce a new noncarbonated drink in Kenya. The company will be jointly owned by Coca Cola and its eight franchised Kenyan bottlers.
- In early 2003, Kenya Airways announced plans to purchase a 49 percent stake in Precision Air (Tanzania) allowing it to list on the Dar es Salaam stock exchange and to serve a number of major urban centers.
- A main condition for resumption of IMF lending is the privatization of Telkom Kenya, which originally went out to tender in April 2000. The government reaffirmed its commitment to privatizing the company. In early 2002, however, talks with Mount Kenya Consortium fell through.
- In June 2002, the government implemented the provision of the new Coffee Act, replacing the Coffee Board of Kenya with a new organization responsible only for regulating the industry. The act is aimed at providing farmers with the ability to choose marketing agents and to increase earnings by reducing deductions and receiving more timely payments.
- Privatization plans, in the form of subcontracting, continued for container terminal operations at Mombasa harbor and airport operations.

LESOTHO

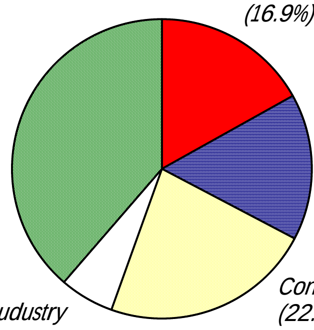


Economic Overview

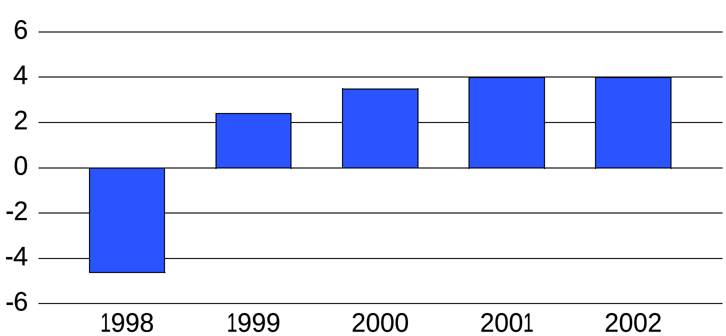
Economic Indicators

	2001	2002	Difference
GDP (nominal, M bn)	7.1	8.1	1.0
GDP (US$ mn)	820.9	767.2	-53.7
CPI Inflation (annual average; %)	6.9	11.9	5.0
Goods Exports (US$ mn)	282.0	422.0	140.0
Goods Imports (US$ mn)	676.0	738.0	62.0
Trade Balance (US$ mn)	-394.0	-316.0	78.0
Current Account balance (US$ mn)	-94.0	-60.0	34.0
Foreign Exchange Reserves (US$ mn)	386.0	400.0	14.0
Total External Debt (US$ mn)	725.5	735.0	9.5
Debt Service Ratio, paid (%)	10.5	11.0	0.5
Exchange Rate (M/US$)	8.6	10.5	1.9

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- As part of its efforts to strengthen tax administration, and in accordance with its IMF program, the government launched the Lesotho Revenue Authority in September 2002. The launching of the Authority includes the consolidation of various taxes and the representation of the private sector on the board to ensure its autonomy. The establishment of the Authority also opened the way for the introduction of a value-added tax, originally scheduled for April 2002, to be established in mid-2003.
- Telecommunications services are expected to improve and the sector is expected to experience increased competition after the May 2002 launch of a cellular subsidiary by TeleCom Lesotho.
- In 2002, as part of its IMF program, the Central Bank of Lesotho prepared a strategy paper aimed at improving the financial sector in Lesotho.
- During 2002, the government made progress toward producing a poverty reduction strategy paper by developing an interim poverty reduction strategy paper, which outlines plans for developing institutional capacity to implement poverty reduction programs. IMF review of the paper was generally satisfactory.
- In mid-2002, the IMF completed its third review of Lesotho's PRGF arrangement, allowing Lesotho to draw up to $4.8 million under the program. In mid-2003, the IMF approved a $4.98 million disbursement after completing its fourth review of Lesotho's PRGF arrangement. Some of the criteria were waived because of recent drought in the country.

Main Trade Partners, percent of total, 2001

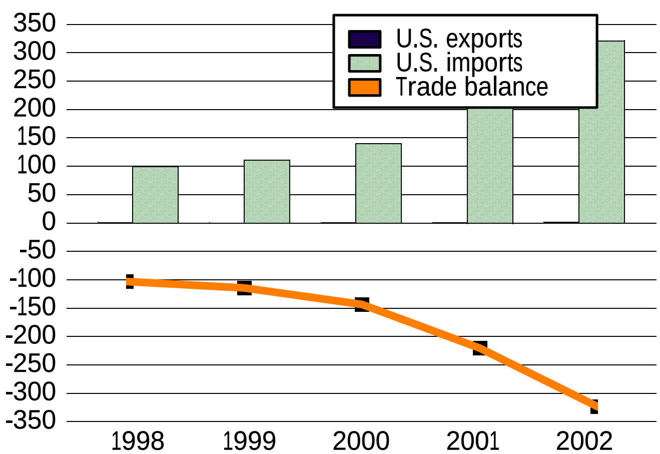
Markets		*Sources*	
North America	73.3	SACU	82.8
SACU	26.2	Asia	14.9
European Union	0.5	North America	0.7

Main Trade Commodities, US$ million

Exports (2001)		*Imports (1995)*	
Manufactures	205.9	Capital goods	368.0
Machinery & transport equipment	29.6	Food	328.0
Beverages & tobacco	14.7	Fuel & energy	216.0
Food & livestock	9.5		

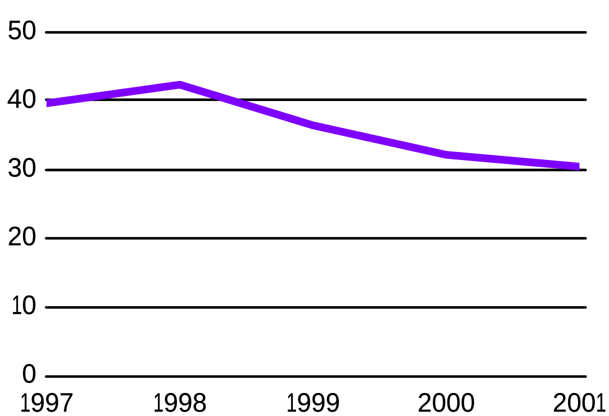
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



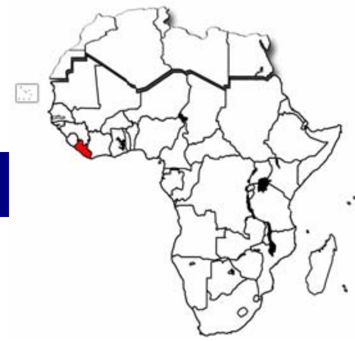
Trade Update

- Led by clothing and footwear exports to the United States and South Africa, Lesotho's export-oriented manufacturing sector experienced substantial growth in 2002, especially after the country qualified for the special apparel provision under the AGOA program.
- In 2002, the government committed funds for infrastructure improvements, and the Mahlasela ski resort is expected to open in mid-2003, expanding Lesotho's tourism sector.
- In 2002, U.S. exports to Lesotho consisted primarily of animal or vegetable oils, electrical machinery and equipment, and aircraft and parts; and U.S. imports from Lesotho consisted primarily of knitted and nonknitted apparel, and plastics. In addition, Lesotho has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Lesotho totaled $318.0 million in 2002.

Investment and Privatization Update

- Investment in Lesotho is primarily in the textile and apparel industry by companies seeking to access AGOA benefits for export to the United States.
- The successful completion of the elections in mid-2002 is expected to support investor confidence.
- Firms awaiting privatization include the Lesotho Telecommunications Corporation and the Lesotho Electric Company.
- After the appointment of a Sales Advisory Group in 2002, the government reported that 15 private power companies had expressed interest in acquiring the state-owned Lesotho Electric Company, which is responsible for energy distribution. A main goal of the privatization is to increase electricity access from 100,000 to 400,000 people over a 5-year period.

LIBERIA

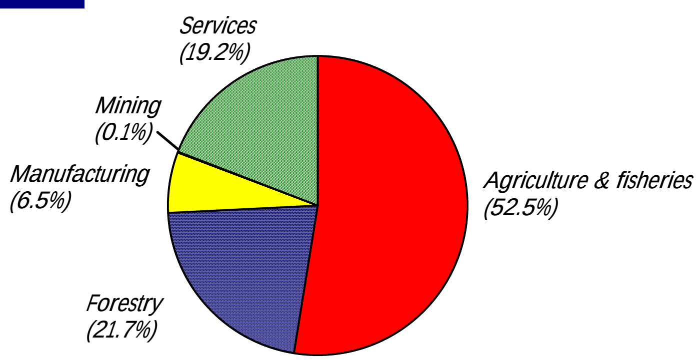


Economic Overview

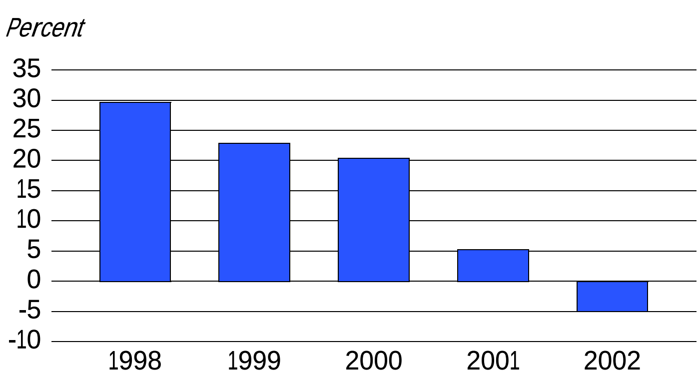
Economic Indicators

	2001	2002	Difference
GDP (nominal, L$ bn)	25.4	35.3	9.9
GDP (US$ mn)	522.9	571.3	48.4
CPI Inflation (annual average; %)	12.4	15.0	2.6
Goods Exports (US$ mn)	127.0	110.0	-17.0
Goods Imports (US$ mn)	181.0	165.0	-16.0
Trade Balance (US$ mn)	-54.0	-55.0	-1.0
Current Account balance (US$ mn)	-51.0	-50.0	1.0
Foreign Exchange Reserves (US$ mn)	0.5	0.1	-0.4
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (L$/US$)	48.6	61.8	13.2

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Economic development remained inhibited by the detrimental impacts of the civil war, such as the destruction of most of the country's infrastructure and lack of stability. The resumption of civil unrest in early and mid-2003 resulted in economic paralysis of the country, a significant decline in government revenue, and rising inflation. The government estimated that Liberia's unemployment rate reached 85 percent.
- The economy continued to rely on rubber, mining, timber, and, to a limited extent, agriculture. Diamonds and gold are mined in small-scale operations, primarily for export.
- In mid-2002, Bellview Airlines of Nigeria introduced a service between Robertsfield and Lagos.
- In mid-2002, the OECD placed Liberia on the tax haven blacklist because of its lack of transparency and unwillingness to exchange information regarding its offshore company registration.
- The IMF's July 2002 Article IV consultation cited concerns with the government's budgeting, lack of governmental oversight, and lack of tax and expenditure transparency. Given these concerns, the government's reform plans received limited international assistance. While the country continues to require substantial development assistance, donors generally limited assistance to specific humanitarian relief and infrastructure projects.
- The government committed very little to debt service payments as the county's arrears continued to mount, accounting for approximately $2.3 billion of the debt stock according to the IMF. Liberia has been in arrears since 1984. In February 2002, the IMF began proceedings to suspend Liberia's voting rights as a result of the government's failure to maintain loan repayments. In March 2003, the IMF formally suspended Liberia's voting rights.

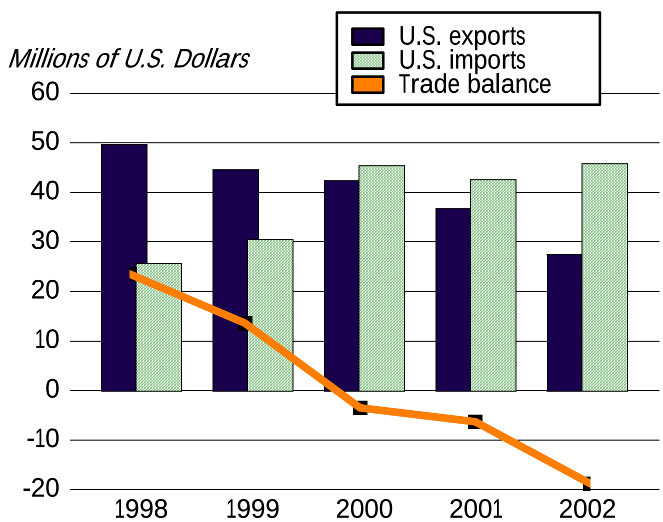
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Germany	51.8	France	30.0
Italy	7.2	South Korea	24.1
United States	5.4	Japan	15.8
China	5.3	Singapore	8.2

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	Manufactured goods	17.1

U.S. Trade Balance



Trade Update

- With the trade embargo on diamonds, the country's export sector has become increasingly reliant on timber and rubber. In early 2003, the government announced the completion of the diamond certification program to comply with the Kimberley Certification process, which is expected to facilitate the legal export of diamonds.
- Although the government committed itself to independent monitoring of its management of forest resources in June 2002, various parties at a conference held in the capital in January 2003 expressed concerns regarding the level of logging activity in the country.
- In 2002, U.S. exports to Liberia consisted primarily of articles of iron and steel, cereals, and clothing; and U.S. imports from Liberia consisted primarily of rubber and rubber products, and works of art.

Investment and Privatization Update

- In 2002, the government signed two agreements with Mano River Resources (Canada) to develop diamond and gold mines. Mano River Resources was one of the first companies to benefit from legislation passed in 2000 offering improved terms on mining concessions.
- As a result of recent social unrest, the government estimated that approximately 300 expatriate investors have left the country, transferring operations to nearby West African countries. In addition, several international logging companies have also halted operations.
- The government's attempt to attract investment through privatization of the Liberia Electricity Corporation remained fruitless. The company estimated that $107 million would be needed to repair the electricity generation and distribution system.

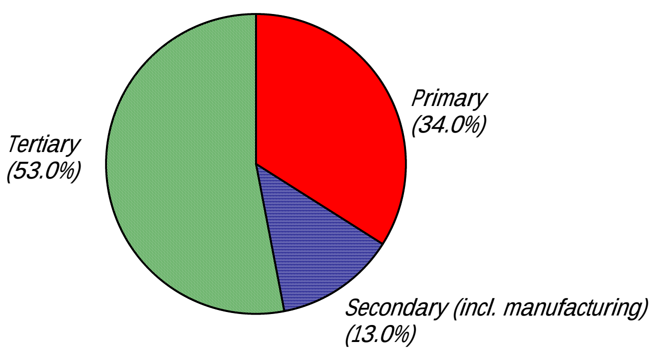
MADAGASCAR

Economic Overview

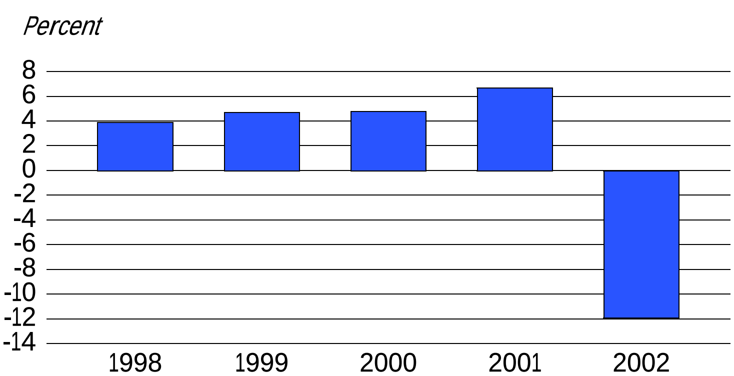
Economic Indicators

	2001	2002	Difference
GDP (nominal, Mgfr bn)	31,121.0	31,741.0	620.0
GDP (US$ bn)	4.7	4.6	-0.1
CPI Inflation (annual average; %)	8.5	15.9	7.4
Goods Exports (US$ mn)	984.0	536.0	-448.0
Goods Imports (US$ mn)	970.0	656.0	-314.0
Trade Balance (US$ mn)	14.0	-120.0	-134.0
Current Account balance (US$ mn)	-60.0	-204.0	-144.0
Foreign Exchange Reserves (US$ mn)	398.3	363.3	-35.0
Total External Debt (US$ mn)	4,160.0	3,942.0	-218.0
Debt Service Ratio, paid (%)	6.3	8.0	1.7
Exchange Rate (Mgfr/US$)	6,588.0	6,832.0	244.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- During the first half of 2002, a political crisis, resulting from a contested presidential election, resulted in economic contraction, particularly in the export processing sector. The social unrest disrupted transport links and land transport networks, producing a downturn in manufacturing and services sectors. The agriculture sector continued to be hampered by inadequate transport infrastructure, which was worsened by the destruction of bridges during the political crisis.
- In July 2002, a meeting was held in Paris to discuss recovery plans for the country. The meeting included 19 donor organizations and 17 bilateral donor countries. The recovery program's main elements included provisions to alleviate poverty through improved health and education services, measures to enhance governance and the rule of law and to curb corruption, and measures to revive private-sector activities. In addition to the recovery plans, attendees discussed plans to restart the country's HIPC initiative program. As a result of the meeting, donors endorsed the government's postcrisis recovery program and pledged $2.3 billion in new aid over the next four years.
- In late 2002, the IMF completed a review of the country's 3-year program, and although the political crisis resulted in missed targets, the IMF commended recovery efforts, the government's establishment of an anticorruption commission, and improvements to public-sector financial control. Consequently, the IMF approved disbursement of funds under the next phase of the PRGF.
- In mid-2003, the World Bank signed a $32 million credit arrangement to fund the mineral resources management project. Also in mid-2003, France agreed to cancel $55 million in debt owed by Madagascar.

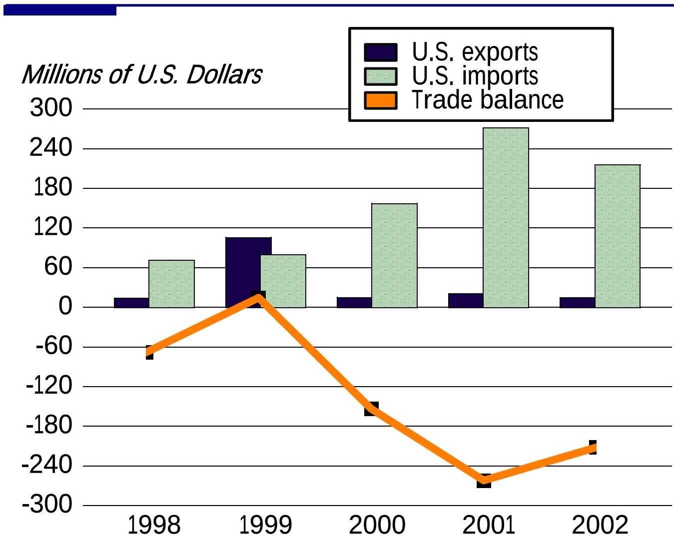
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
France	29.9	France	24.1
United States	27.6	Hong Kong	7.0
Germany	6.4	China	6.6
United Kingdom	3.5	Singapore	3.5

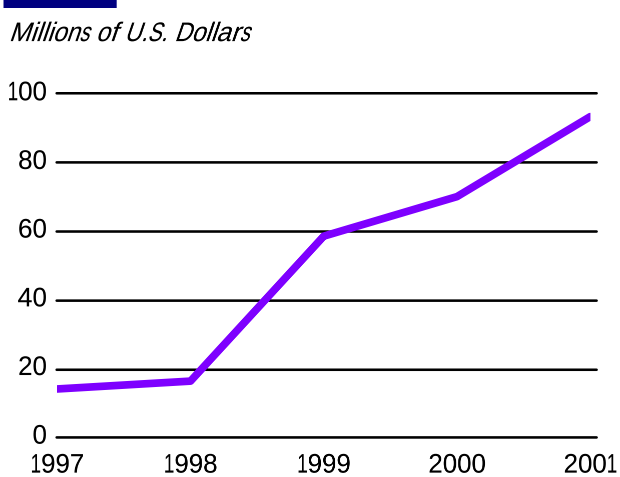
Main Trade Commodities, US$ million

Exports (2000)		*Imports (1998)*	
Fish	90.0	Capital goods	150.0
EPZ products (primarily apparel)	80.0	Raw materials	144.0
Vanilla	17.0	Consumer goods	122.0
Prawns	17.0	Fuel products	49.0

U.S. Trade Balance



Net Foreign Direct Investment



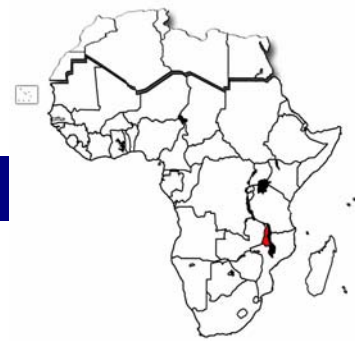
Trade Update

- The political crisis from January 2002 to July 2002 effectively halted international trade as a blockade was imposed on international air links and road transport. Many EPZ firms, which were heavily reliant on imported inputs and fuel, were forced to terminate operations. Many investors switched operations from Madagascar to Asia, Mauritius, or Kenya. The textile and apparel export sector lost substantial production capacity as many companies switched to other locations. In addition to merchandise trade, tourism, which had been experiencing growth, declined by over 60 percent during the first half of 2002. In an effort to assist companies to recover from the political crisis, the government cut customs tariffs on essential equipment and intermediate goods.
- In early 2003, the government instituted a system that would effectively eliminate the need for export processing zone operators to pay value-added tax on imported inputs for export production.
- In 2002, U.S. exports to Madagascar consisted primarily of cereals, ships and boats, and animal or vegetable oils; and U.S. imports from Madagascar consisted primarily of coffee, tea, and spices, and knitted and nonknitted apparel. In addition, Madagascar has been designated an AGOA beneficiary country, including apparel benefits. AGOA (including GSP) imports from Madagascar totaled $79.7 million in 2002.

Investment and Privatization Update

- The political crisis during the first half of 2002 damaged investor confidence in the once politically stable country. Substantial investment was pulled from the country as companies relocated operations in other countries in the region.
- In early 2003, the government announced several incentives for investment, including the elimination of customs duties and VAT on a range of capital and consumer goods, and the modification of land laws to permit foreign investors to own land.
- In January 2003, the Cottonline apparel factory formally opened as part of the Groupe Socota-Cotona fabric and apparel complex in Antsirabe, which plans to export apparel to the United States under the AGOA program.
- Comazar (South Africa) is the lead member of a concession awarded in late 2002 to upgrade and operate the northern railway.
- Although the government split up and privatized the national fuel distribution company, the deal has yet to be finalized because of administrative problems.
- The government continued plans to privatize the national telecommunications company, Telma. A substantial barrier to the government's privatization plans is the high investment costs necessary to expand the company's network.
- The national airline, Air Madagascar, remained one of the approximately 40 firms awaiting privatization.

MALAWI

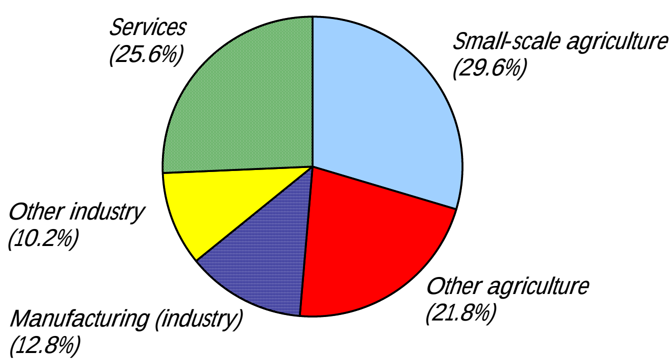


Economic Overview

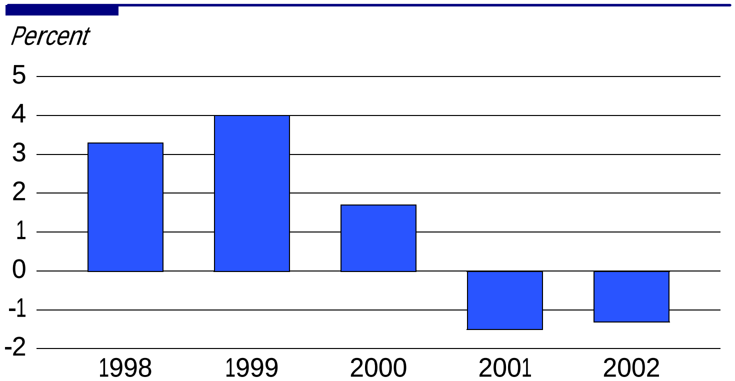
Economic Indicators

	2001	2002	Difference
GDP (nominal, MK bn)	121.7	139.9	18.2
GDP (US$ bn)	1.7	1.8	0.1
CPI Inflation (annual average; %)	27.2	16.0	-11.2
Goods Exports (US$ mn)	406.8	424.3	17.5
Goods Imports (US$ mn)	582.2	634.6	52.4
Trade Balance (US$ mn)	-175.4	-210.3	-34.9
Current Account balance (US$ mn)	-127.7	-171.0	-43.3
Foreign Exchange Reserves (US$ mn)	206.7	165.2	-41.5
Total External Debt (US$ bn)	2.7	2.9	0.2
Debt Service Ratio, paid (%)	13.7	13.2	-0.5
Exchange Rate (MK/US$)	72.2	76.7	4.5

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- The government's economic policy focused on alleviating poverty, privatizing parastatals, and liberalizing agricultural marketing arrangements in order to improve smallholder farms.
- The country's continued reliance on the agricultural sector makes economic performance dependent on weather conditions and international commodity prices. Flooding in 2001 followed by a drought in 2002, coupled with inadequate government policies, resulted in poor economic performance.
- In 2002, like much of the southern African region, Malawi experienced a devastating drought that resulted in one of the worst famines in the region. Poor weather conditions, low producer prices, and the sale of the strategic grain reserves were cited as the main factors in the famine.
- The IMF continued to withhold assistance, citing concerns with missed fiscal targets and corruption.
- In April 2002, Malawi launched its first poverty reduction strategy paper, which was discussed and endorsed by the Board of the World Bank in August 2002.
- In mid-2003, the World Bank agreed to fund the $24 million implementation of a government-wide computerized financial management system, which is expected to improve government expenditure transparency.

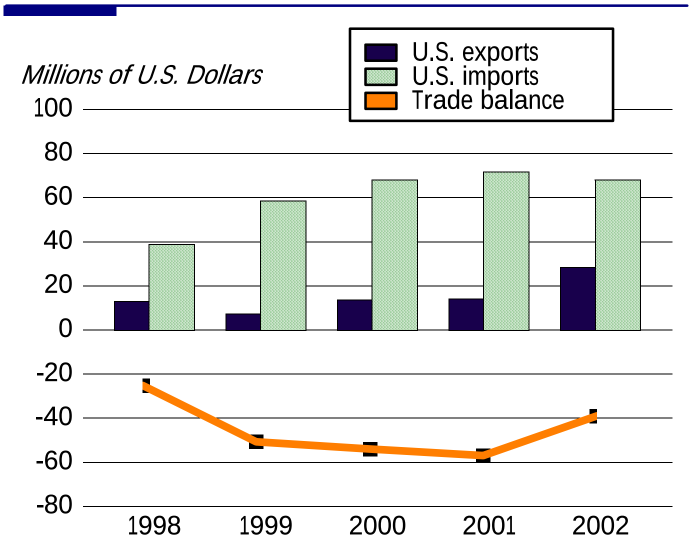
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
South Africa	19.8	South Africa	40.6
United States	16.0	Zimbabwe	16.3
Germany	11.7	Zambia	11.1
Japan	7.8	India	3.2

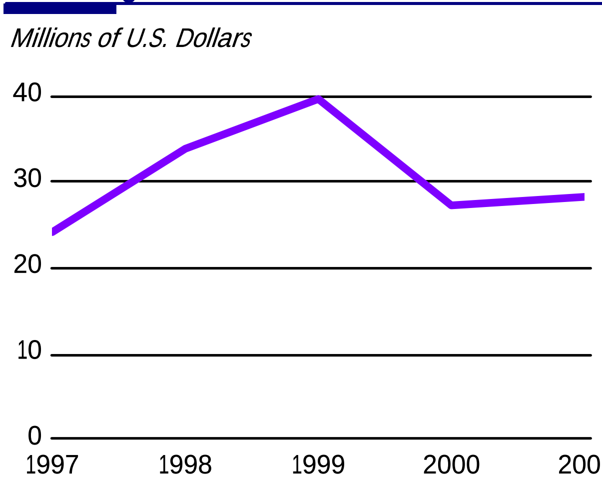
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Tobacco	224.0	Intermediate goods	287.0
Sugar	42.0	Fuel oils	79.0
Tea	37.0	Capital goods	83.0
Pulses	7.0	Consumer goods	65.0

U.S. Trade Balance



Net Foreign Direct Investment



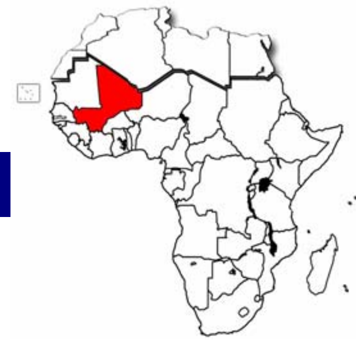
Trade Update

- Declining tobacco earnings and falling international sugar prices continued to dampen export earnings. Textile and apparel exports, however, continued to grow and became the largest nonagricultural export. Expansion of AGOA-related textile and apparel production has created an estimated 6,500 jobs.
- The regional drought contributed to increased food imports and associated transport costs.
- In 2002, U.S. exports to Malawi consisted primarily of machinery and mechanical appliances, animal or vegetable oils or waxes, and cereals; and U.S. imports from Malawi consisted primarily of tobacco, coffee, tea, and spices, and knitted and nonknitted apparel. In addition, Malawi has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Malawi totaled $46.9 million in 2002.

Investment and Privatization Update

- Despite efforts by the Malawi Investment Promotion Agency, investment continued to be inhibited by low labor productivity, high transport costs, inadequate infrastructure, dated technology, and a small domestic market.
- In an attempt to stimulate the investment in the stockmarket, the National Investment Trust, which holds the government's stakes in six companies, was launched in late 2002.
- In January 2003, with support from several international petroleum companies, Syracuse University (U.S.) began drilling into the bed of lake Malawi to assess the prospect of finding petroleum.
- Although the privatization program was restored in October 2001, progress remained slow. Privatizations completed in 2002 include the Lifidzi and Kabumbu Farms and the Malawi Lake Services. IMF disbursements remained conditional upon sale of government shares in the telecommunications company, the airline, and subsidiaries of the Agricultural Development and Marketing Corporation.
- In late 2002, after years of delays and lapsed deadlines, South African Airways and British Airways submitted bids for a 49 percent stake in Air Malawi.
- Although there has been progress in separating the state-owned electric company, Escom, into generation, transmission, and distribution companies, sale of the companies progressed slowly.

MALI

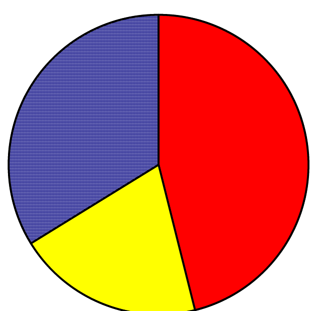


Economic Overview

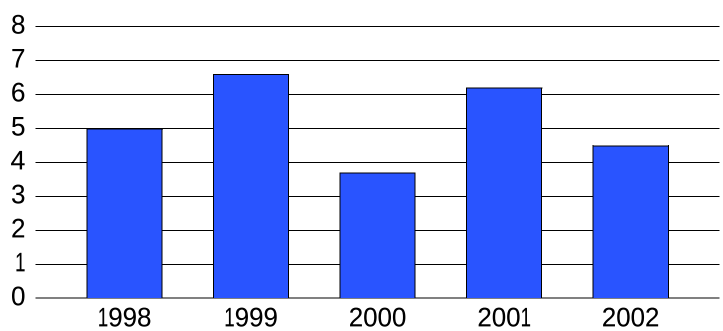
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	2,074.0	2,265.0	191.0
GDP (US$ bn)	2.8	3.3	0.4
CPI Inflation (annual average; %)	5.2	5.1	-0.1
Goods Exports (US$ mn)	661.0	680.0	19.0
Goods Imports (US$ mn)	620.0	630.0	10.0
Trade Balance (US$ mn)	41.0	50.0	9.0
Current Account balance (US$ mn)	-276.0	-235.0	41.0
Foreign Exchange Reserves (US$ mn)	349.0	520.0	171.0
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$)	733.0	697.0	-36.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Economic performance in 2002 was dampened primarily by the effects of the civil unrest in Côte d'Ivoire and inadequate rainfall.
- In late 2002, the government appointed an eight-member commission to monitor the conduct and performance of mining firms in the country. The commission is tasked with ensuring that firms meet the terms of the concession agreements.
- In early 2002, the government announced that in 2003 it would launch a 12-year fertilizer plan for increasing the production of cotton, rice, and cereals. The government has allocated $59 million for this plan.
- After becoming the seventh country to reach "completion point" under the HIPC initiative, Mali is expected to receive approximately $675 million in debt relief. Mali's debt will be cut by 29 percent, and the country will be able to draw an additional $9 million from the IMF under the PRGF negotiated in 1999.
- In mid-2002, an IMF report commended the government for increased government transparency, reduced intervention in public enterprises, a transparent privatization process, and a reasonably effective internal audit mechanism. In May 2002, the government launched its 2002-2006 poverty reduction strategy paper, which was discussed by the World Bank and IMF in early 2003.
- In late 2002, the government and the African Development Bank signed a $17 million loan agreement to fund the country's 2001-2003 structural adjustment program. The program will support agricultural production efforts, especially in the cotton sector, public service delivery, improved governance, and decentralization of government services.

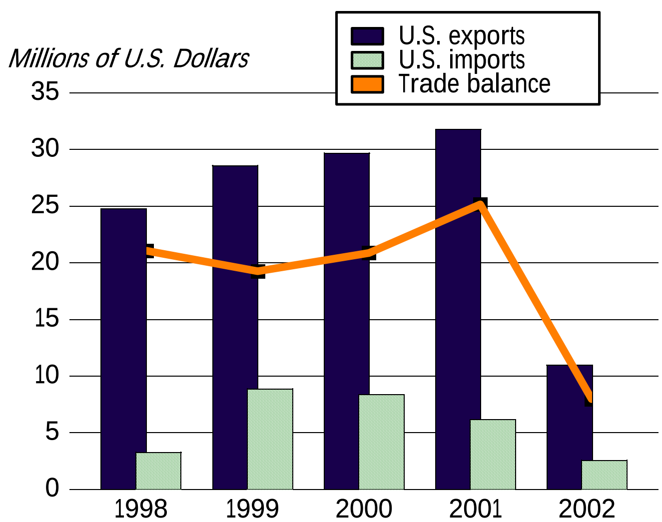
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Thailand	17.0	Côte d'Ivoire	17.5
Brazil	12.5	France	13.9
Italy	6.0	Germany	4.5
South Korea	4.1	Senegal	3.8

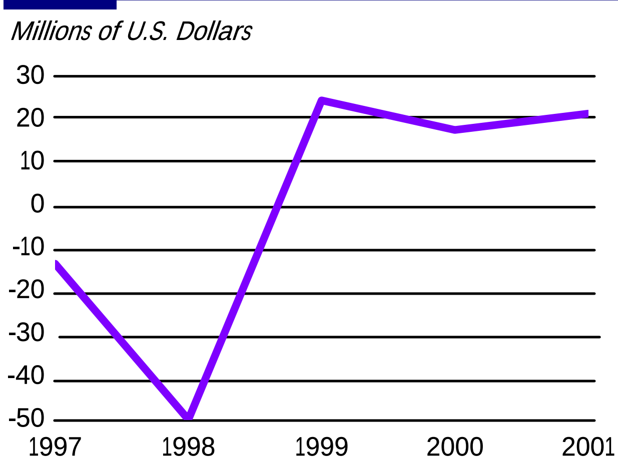
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Gold	483.0	Capital goods	334.0
Cotton	114.0	Petroleum products	188.0
Livestock & products	61.0	Food	95.0

U.S. Trade Balance



Net Foreign Direct Investment



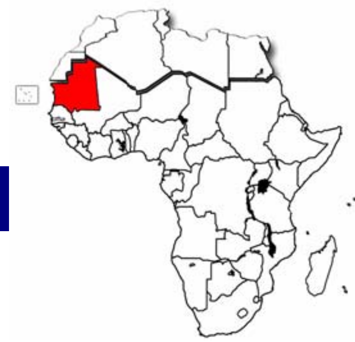
Trade Update

- International trade costs were increased as civil unrest in Côte d'Ivoire in early 2003 disrupted land-locked Mali's traditional transport routes. Prior to the civil unrest in Côte d'Ivoire, more than 70 percent of Mali's trade passed through Abidjan.
- Facing a declining global demand for cotton, the government increased producer prices. The increased producer prices contributed to a bumper crop during the 2001/2002 marketing season.
- In 2002, U.S. exports to Mali consisted primarily of machinery and mechanical appliances, plastics, and organic chemicals; and U.S. imports from Mali consisted primarily of works of art, machinery and mechanical appliances, and precious or semiprecious stones and metals. In addition, Mali has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Mali totaled $342,000 in 2002.

Investment and Privatization Update

- In mid-2002, France Telecom was awarded a license to work in the country's telecommunications sector. The company will be able to establish a GSM mobile telephone network and international communications. France Telecom's participation in the sector officially ended Malitel's monopoly of the sector.
- Although privatization efforts continued slowly, over 90 percent of production remained under state control. The state-owned telecommunications company, Sotelma, is still slated for privatization.
- Although the governments of Mali and Senegal have long committed to the sale of the jointly-owned railway company, various factors, including opposition by the trade unions, have inhibited privatization of the railway.

MAURITANIA

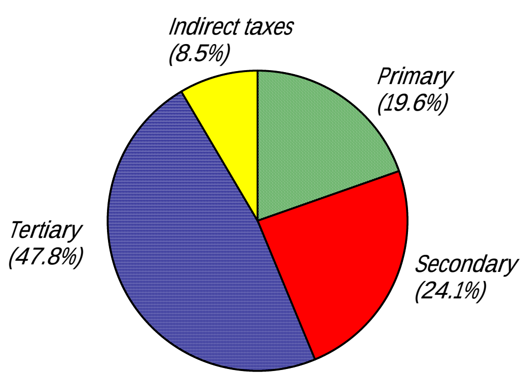


Economic Overview

Economic Indicators

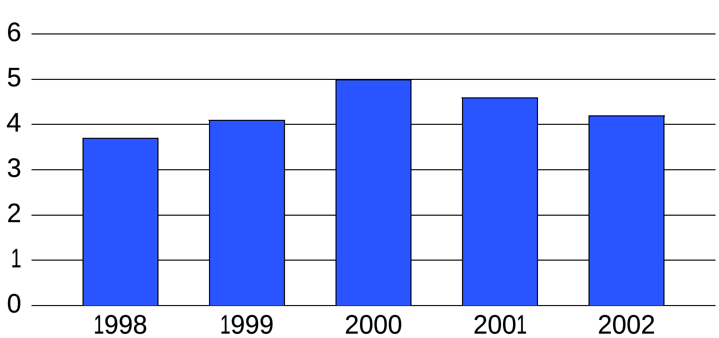
	2001	2002	Difference
GDP (nominal, UM bn)	245.6	266.2	20.6
GDP (US$ bn)	1.0	1.0	0.0
CPI Inflation (annual average; %)	4.7	4.0	-0.7
Goods Exports (US$ mn)	345.0	321.0	-24.0
Goods Imports (US$ mn)	357.0	389.0	32.0
Trade Balance (US$ mn)	-12.0	-68.0	-56.0
Current Account balance (US$ mn)	-21.3	92.5	113.8
Foreign Exchange Reserves (US$ mn)	286.0	388.0	102.0
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (UM/US$)	255.6	280.0	24.4

Origins of GDP (2001)



Real GDP Growth Rate

Percent



Economic Update

- Mauritania's economy is characterized by stable macroeconomic policies and good governance. The government continued to make strides in privatization, improvement of investment environment, and encouragement of economic diversification.
- In 2002, the first new bank since liberalization of the sector in 1993 began operations. Several other banks have applied for a license to establish banks in Mauritania.
- The World Bank and various international donors continued funding of the 1998-2002, $190 million health sector investment program. The program aims to increase the provision of health services.
- Donor institutions continued to commend the government's commitment to reform. The 1999 PRGF program expired in December 2002, and in June 2002, the government reached "completion point" under the HIPC initiative. Under the HIPC initiative, the government has received over $1.1 billion in debt relief.

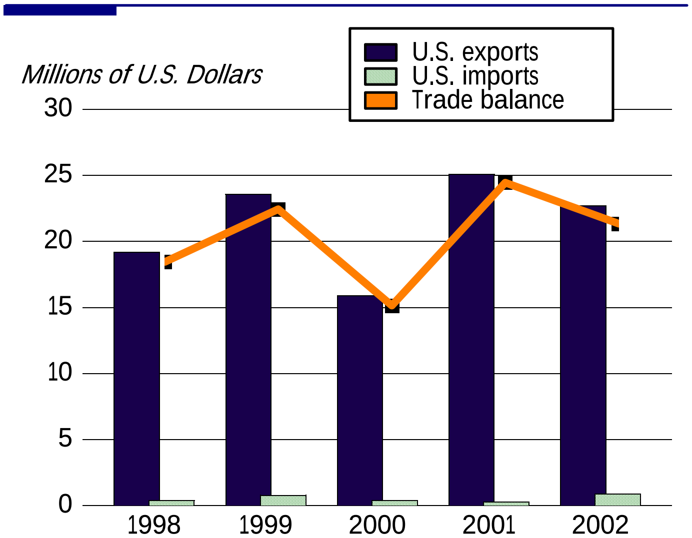
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Italy	15.0	France	23.0
France	14.9	Belgium	8.0
Spain	12.4	Spain	5.5
Japan	8.0	Algeria	3.7

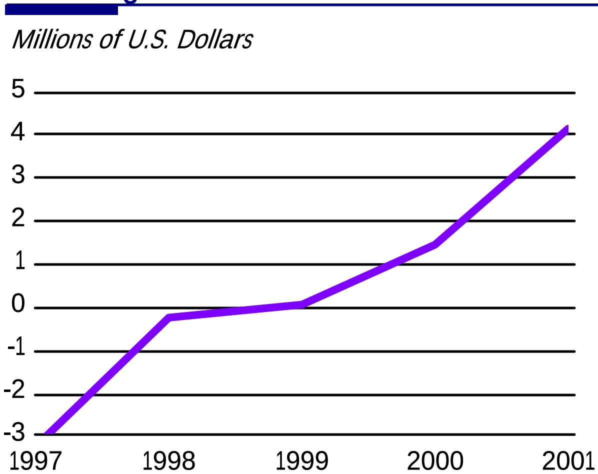
Main Trade Commodities, US$ million

Exports (2001)		*Imports (1999)*	
Iron ore	188.4	Public sector	130.4
Fish & fish products	155.3	Private sector	226.2

U.S. Trade Balance



Net Foreign Direct Investment



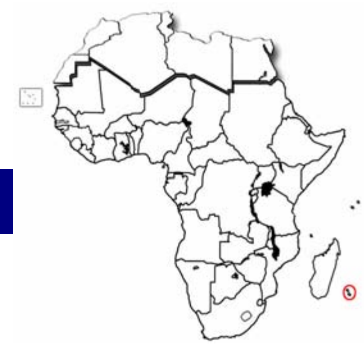
Trade Update

- The country continued to depend primarily on two export products, fish and iron ore. The discovery of petroleum, however, is expected to diversify the country's export portfolio, but production of petroleum is not expected to begin until 2004.
- In 2002, U.S. exports to Mauritania consisted primarily of machinery and mechanical appliances, vehicles and parts, railway and parts; and U.S. imports from Mauritania consisted primarily of footwear and the like, fish and crustaceans, and electrical machinery and equipment. In addition, Mauritania has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Mauritania totaled $35,000 in 2002.

Investment and Privatization Update

- In 2002, the government adopted a new investment code to encourage investment by providing investors with greater security. The code provides for exemption from customs duties on equipment and goods imported for export-oriented projects. It also provides for the free transfer of convertible currencies earned from new investments, the right to national or international arbitration, the simplification of administrative processes through a one-stop shop, and the establishment of an export processing zone. The new code excludes mining and fisheries sectors, which are subject to separate sector-specific codes.
- In 2002, several petroleum companies, including Hardman Petroleum (Australia), Woodside Petroleum (Australia), Fusion Investments (Australia), and Roc Oil (Australia), continued explorations in blocks off of the Mauritania coast. In January 2002, the International Petroleum Grouping was granted rights to prospect for petroleum and gas in an offshore block. In September 2002, an Australian consortium announced the discovery of petroleum. The Australian joint venture is also collaborating with the government to establish a legal and regulatory framework for the nascent petroleum industry.
- The government continued efforts to privatize the telecommunications, electricity, and air transport enterprises. In mid-2002, attempts to privatize the state electricity company failed as only one bid was received, which was less than the reserve price.
- The distribution of petroleum products was liberalized in July 2002. Although Petroleum India International was set to takeover operations of the Nouadhibou oil refinery in 2002, an agreement has yet to be reached. Completion of the agreement is expected to ensure that domestic demand is fulfilled, as well as production for markets elsewhere in Africa.

MAURITIUS

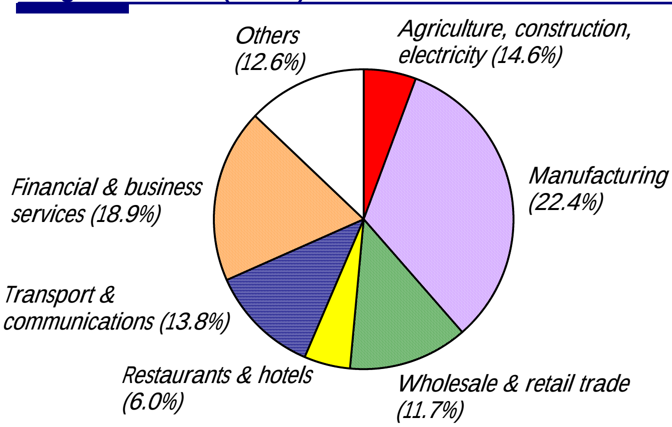


Economic Overview

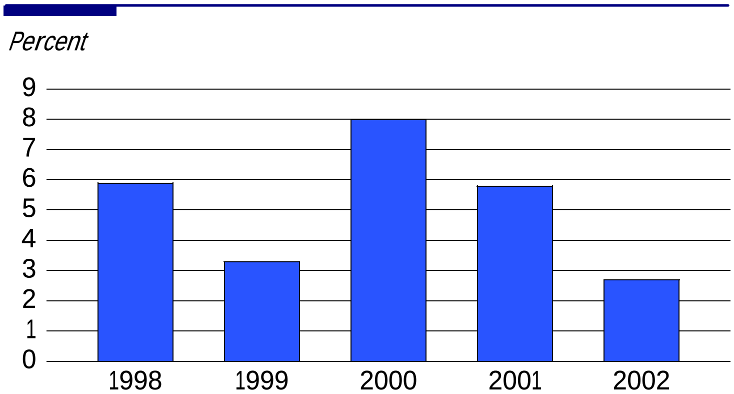
Economic Indicators

	2001	2002	Difference
GDP (nominal, MRs bn)	131.8	143.5	11.7
GDP (US$ bn)	4.5	4.8	0.3
CPI Inflation (annual average; %)	5.4	6.4	1.0
Goods Exports (US$ mn)	1,615.4	1,600.8	-14.6
Goods Imports (US$ mn)	1,871.2	1,848.9	-22.3
Trade Balance (US$ mn)	-255.8	-248.1	7.7
Current Account balance (US$ mn)	246.7	204.9	-41.8
Foreign Exchange Reserves (US$ mn)	835.6	1,227.4	391.8
Total External Debt (US$ bn)	1.7	1.7	0.0
Debt Service Ratio, paid (%)	6.9	6.9	0.0
Exchange Rate (MRs/US$)	29.1	30.0	0.9

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- The decrease in GDP growth from 2001 to 2002 is explained by the adverse effects of a severe hurricane on sugar output, the negative growth in the export processing zone following the political crisis in Madagascar where Mauritian companies had invested heavily, and the lower growth in the tourism sector because of security concerns.
- The government continued efforts to overhaul the Mauritius economy. By encouraging improvements in management, company structures, and business climate, the government is attempting to transform the economy from one based on production of export merchandise (primarily textiles and apparel) and sugar to one based on export-oriented services. Consequently, the government has placed substantial emphasis on developing the information technology sector.
- The elimination of the textile and apparel quotas in 2005 is expected to place significant strains on the economy as Mauritius faces increased competition from other countries. In addition, negotiations between the EU and sugar-exporting countries, as well as other multilateral liberalization efforts, may increase the sugar sector's exposure to international competition. The government has undertaken a 5-year Sugar Sector Strategic Plan to restructure and rationalize the industry.
- As various Mauritius textile and apparel firms had invested in Madagascar, the political instability in Madagascar during the first half of 2002 negatively affected the sector in Mauritius.
- In May 2002, the South Africa-Far East underwater fiber-optic submarine cable became operational. The cable is Mauritius' first underwater fiber-optic link and will provide greater reliability and speed for telecommunications services.
- In May 2002, the World Bank approved a $40 million public expenditure reform loan to support the 2001/2002 fiscal program.

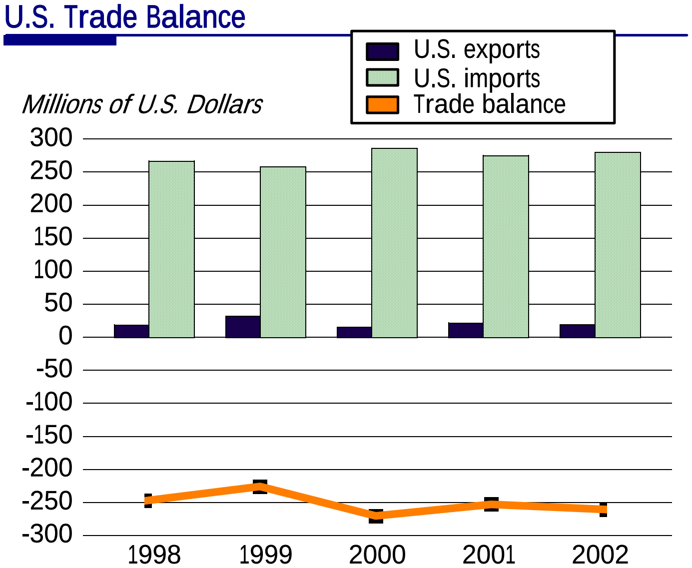
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United Kingdom	28.3	France	20.2
France	23.6	South Africa	11.8
United States	17.1	India	8.9
South Africa	11.5	Hong Kong	5.0

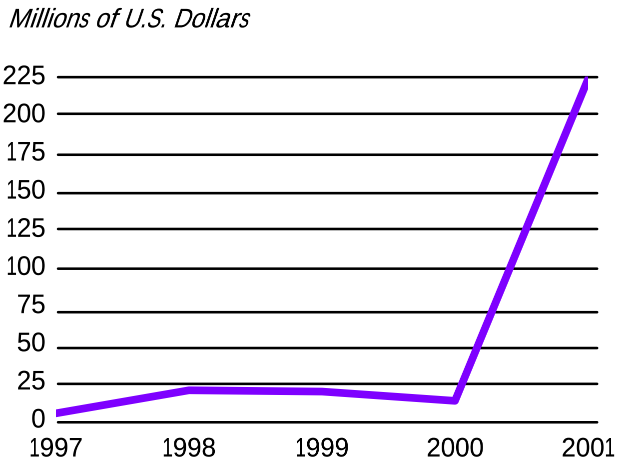
Main Trade Commodities, US$ million, 2002

Exports		*Imports*	
EPZ products (primarily textile & apparel)	1,118.0	Manufactured goods	836.0
Sugar & molasses	287.0	Machinery & transport equipment	461.0
		Food & beverages	387.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Mauritius' two primary export sectors, sugar and textiles and apparel, are expected to experience substantial change as international quotas are slated for removal. In addition to the planned removal of textile and apparel quotas in 2005, Mauritius continued to face increased competition from low-cost countries. Consequently, the government has implemented initiatives aimed at rationalizing the sugar sector and diversifying the export processing zone. Diversification of the EPZ has met with some success as other products and services, such as diamond-cutting, spectacles, canned tuna, watches, razor blades, gloves, gumboots, electronic products, marble, and chicken hatcheries, were exported.
- In mid-2002, the government undertook several initiatives aimed at expanding the tourism sector, including a law aimed at improving environmental protection standards and the Tourism Bill, which would introduce a new regulatory framework for the sector.
- In 2002, U.S. exports to Mauritius consisted primarily of machinery and mechanical appliances, electrical machinery and equipment, and aircraft and parts; and U.S. imports from Mauritius consisted primarily of knitted and nonknitted apparel, and precious or semiprecious stones and metals. In addition, Mauritius has been designated an AGOA beneficiary country, including apparel benefits. AGOA (including GSP) imports from Mauritius totaled $114.2 million in 2002.

Investment and Privatization Update

- A government priority has been to develop Mauritius into a cyber island and to make information and communications technology an important sector of the economy. The first cyber city is currently under construction at Ebene with financial and technical assistance from India. Approximately 32 local and foreign firms have reserved space at the center for such activities as call centers, business process outsourcing, training, and software development.
- The majority of investment into Mauritius has targeted the textile and apparel sector, and came from Chinese multinationals. Several firms have invested in developing spinning mills with investments of $12 million (India), $28 million (China), and $32 million (China). To take advantage of AGOA program benefits, the government has introduced a special incentive scheme to encourage investment in spinning mills, which will further the vertical integration of the textile sector.
- In late 2002, Arvind Mills (India) announced plans to build two plants in order to access AGOA benefits. The company plans to build a new spinning mill and a garment plant. The factories are expected to begin production in mid-2003.
- Firms slated for privatization include trade monopolies, a telecommunications company, banking firms, and broadcasting entities. With the assistance of the World Bank's International Financial Corporation, the government is considering various options for private sector participation in the water and wastewater sectors.
- In January 2003, the government liberalized the telecommunications sector, a year in advance of its commitment to the WTO. Private operators have not been able to start operations, however, because the telecommunications regulator, ICTA, has yet to deliver the required licenses.

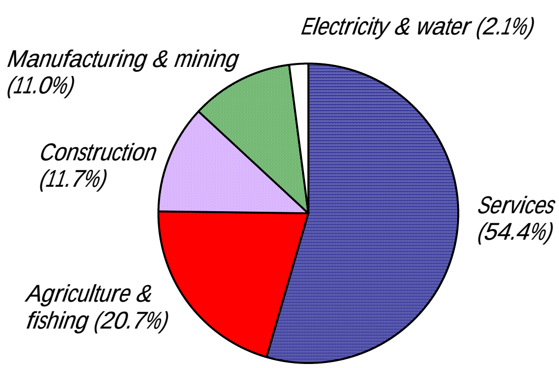
MOZAMBIQUE

Economic Overview

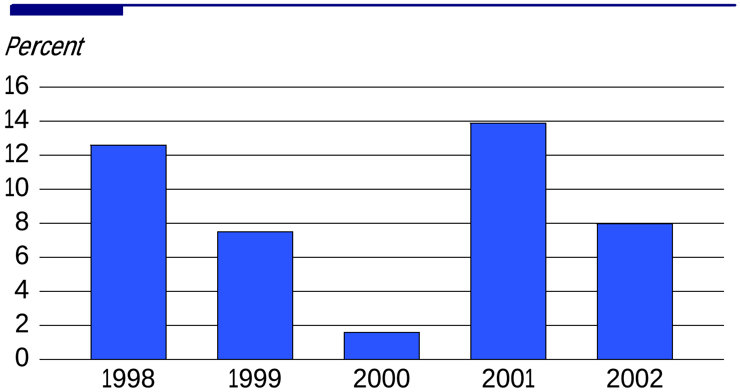
Economic Indicators

	2001	2002	Difference
GDP (nominal, MT bn)	81,786.0	96,367.0	14,581.0
GDP (US$ bn)	3.6	2.8	-0.8
CPI Inflation (annual average; %)	21.9	15.2	-6.7
Goods Exports (US$ mn)	704.0	680.0	-24.0
Goods Imports (US$ mn)	-1,118.0	1,181.0	2,299.0
Trade Balance (US$ mn)	1,822.0	-501.0	-2,323.0
Current Account balance (US$ mn)	-850.0	-1,143.0	-293.0
Foreign Exchange Reserves (US$ mn)	727.0	755.0	28.0
Total External Debt (US$ mn)	966.0	966.0	0.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (MT/US$)	20,704.0	23,678.0	2,974.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Government policy remained focused on implementing the government's 2001 poverty reduction strategy paper, which is in effect through 2005. The main objectives of the paper are to achieve private-sector growth in order to reduce poverty, to maintain macroeconomic stability, to improve delivery of public sector services, especially health and education services, to reform the legal system and public administration, and to implement fiscal reforms, such as improved financial management and increased transparency.
- After having experienced drought and flooding during 2001 and 2002, the region experienced drought in early 2003, which resulted in severe food shortages in southern Mozambique. Inadequate infrastructure inhibited efforts to transport food surpluses from central and northern Mozambique. The emigration of Zimbabwean farmers to Mozambique may assist in agricultural sector expansion.
- Investment continued to drive economic growth in Mozambique. According to the IMF, Mozambique has become an attractive destination for foreign direct investment because of its political stability, sustained economic reform and macroeconomic stability, investment protection and property rights, tax exemptions and fiscal incentives, privatizations, and liberal policies on remittance of profits and dividends.
- Mozambique was one of the largest recipients of foreign assistance in SSA. In February 2002, the EU pledged $138 million development assistance per year over a 5-year period. In early 2002, the government reached an agreement with Russia for a reduction in bilateral debt from $509 million to $200 million. OPEC also canceled $7.7 million of Mozambique's debt. In early 2002, the EU provided $5.5 million to finance the recovery of the cashew nut industry.
- In mid-2002, the IMF completed its fourth review of Mozambique's PRGF and released an additional $11 million in assistance.

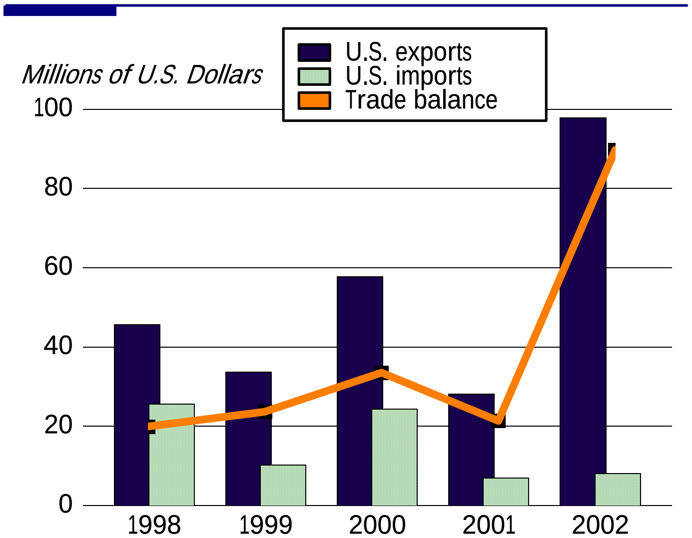
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
South Africa	15.3	South Africa	40.5
Zimbabwe	5.3	Portugal	8.4
Japan	4.2	United States	1.8
Portugal	4.0	United Kingdom	1.1

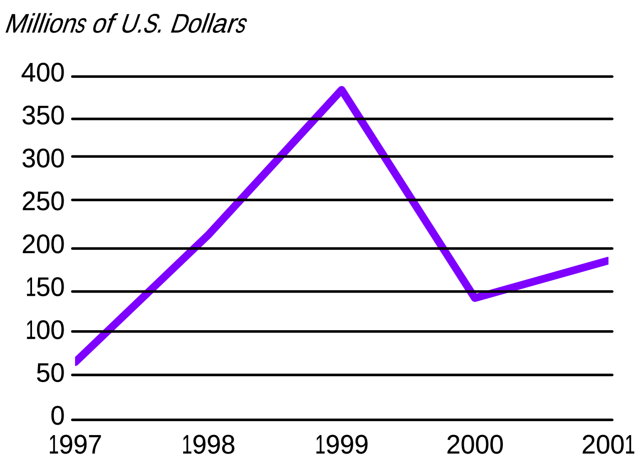
Main Trade Commodities, US$ million

Exports (2001)		*Imports (1997)*	
Aluminum	335.0	Machinery & equipment	139.0
Prawns	92.4	Vehicles, transport equipment, & spare parts	113.8
Electricity	57.3	Fuel	92.3
Cotton	18.3	Textiles	43.4

U.S. Trade Balance



Net Foreign Direct Investment



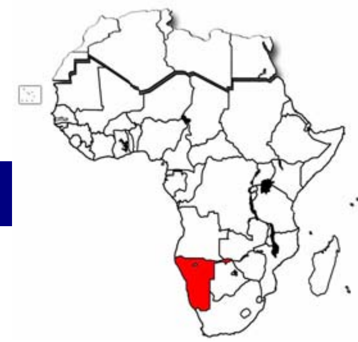
Trade Update

- The development of the Mozal aluminum smelter is expected to alter Mozambique's export profile. With the proposed expansion of the smelter and construction of a gas line to South Africa, Mozambique's exports could surpass merchandise imports by 2005.
- Although cashews remained a major export product, the sector experienced supply side constraints, such as aging trees, few new plantings, and ineffective use of pesticides and pruning.
- In June 2003, the first shipment of non-industrially caught prawns were exported to the United States.
- By mid-2003, three Mozambican firms had taken advantage of AGOA benefits in the textile and apparel sector. U.S. companies importing from Mozambique include FUBU, Cherokee (Target stores), and Sara Lee.
- In 2002, U.S. exports to Mozambique consisted primarily of cereals, mineral fuels and oils, mineral waxes, and milling industry products; and U.S. imports from Mozambique consisted primarily of sugars, ores, slag, and ash, and edible fruits and nuts. In addition, Mozambique has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Mozambique totaled $5.9 million in 2002.

Investment and Privatization Update

- Investment into Mozambique is facilitated by access to cheap electricity and commercially viable gas reserves. Foreign direct investment associated with the development of the Mozal aluminum smelter contributed significantly to overall investment flows. Expansion of the Mozal smelter and construction of a gas pipeline to South Africa are expected to drive investment into Mozambique.
- Major foreign investment projects include the construction of four sugar refineries; a titanium minerals project near Moma backed by Kenmare Resources (Ireland), which has the potential to generate $70 million per year in exports; a titanium mining project backed by Southern Mining (South Africa), which involves an initial investment of $495 million; possible construction of an aluminum smelter at Beira; possible construction of a gas-to-liquids fuel plant in Beira; a possible iron reduction project backed by Johannesburg Consolidated Investments (South Africa); and the development of several coal mines.
- In late 2002, the government awarded a 15-year license to Vodacom, a cellular operator, who has announced plans to invest $90 million in the network before launching services in 2003.
- In early 2002, management of the Maputo-South Africa railway line was awarded to South Africa's Spoornet for 15 years. The state will retain 49 percent of the newly created joint venture and Spoornet will pay rental fees of $2 million per year.
- In May 2002, the government announced that it had fully liberalized the domestic airline market by eliminating the state-owned airline's monopoly.
- With technical assistance from the World Bank, the government continued efforts to liberalize the telecommunications sector. A pending telecommunications bill will open the sector to private capital and require the state-owned company to separate its mobile and fixed-line operations. The government also plans to award two additional GSM licenses.

NAMIBIA

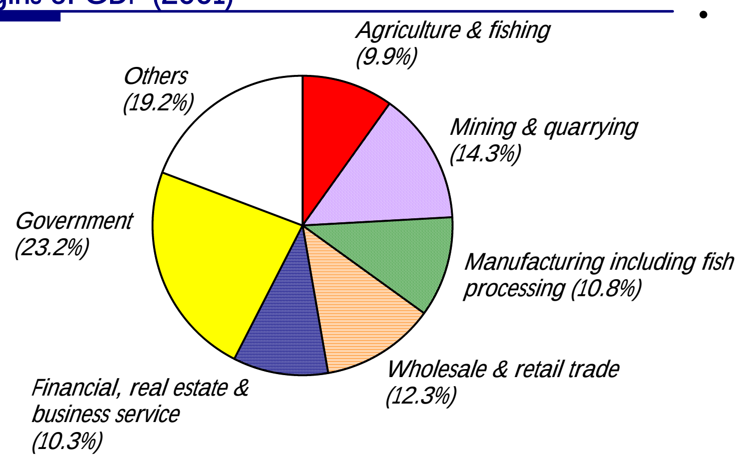


Economic Overview

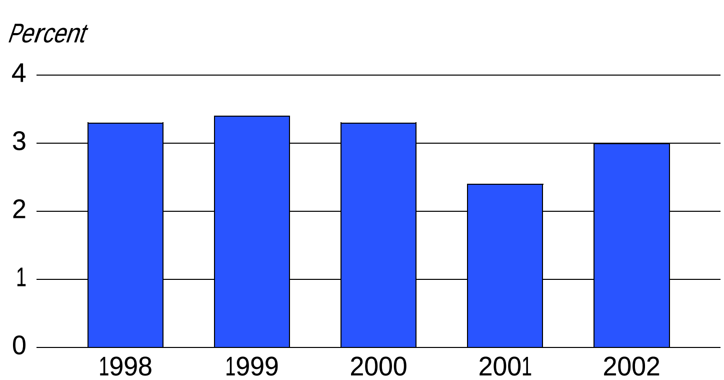
Economic Indicators

	2001	2002	Difference
GDP (nominal, N$ bn)	27.2	31.6	4.4
GDP (US$ bn)	3.2	3.0	-0.2
CPI Inflation (annual average; %)	9.5	11.4	1.9
Goods Exports (US$ mn)	1,179.0	1,150.0	-29.0
Goods Imports (US$ mn)	-1,427.0	-1,394.0	33.0
Trade Balance (US$ mn)	2,606.0	2,544.0	-62.0
Current Account balance (US$ mn)	64.0	119.0	55.0
Foreign Exchange Reserves (US$ mn)	234.0	323.0	89.0
Total External Debt (US$ mn)	412.0	623.0	211.0
Debt Service Ratio, paid (%)	3.2	4.7	1.5
Exchange Rate (N$/US$)	8.6	10.5	1.9

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- The government completed a review of the tax system in 2002, and plans to implement changes in the tax system aimed at widening the tax base, as the government expects tariff revenue to decrease when free trade agreements are fully implemented.
- In late 2002, the Namibian Minerals Corporation suspended offshore mining because of financial difficulties, and the liquidation of the company is expected to contribute to a decline in diamond production. The commissioning of a zinc mine and refinery, which began operations in early 2003, however, is expected to contribute substantially to GDP growth.
- The manufacturing sector remained constrained by a small domestic market, shortage of skilled labor, and close economic integration with South Africa, which is an important source of manufactured imports.
- In May 2003, a merger between First National Bank Namibia and Swabou created the country's largest commercial bank. As part of its plans to move from "pure control" to "prudential regulation," in mid-2003, the government announced a relaxation of foreign exchange controls, making it easier to transfer funds outside the country.
- In mid-2002, the government announced possible plans to begin expropriating white-owned farmland for redistribution.

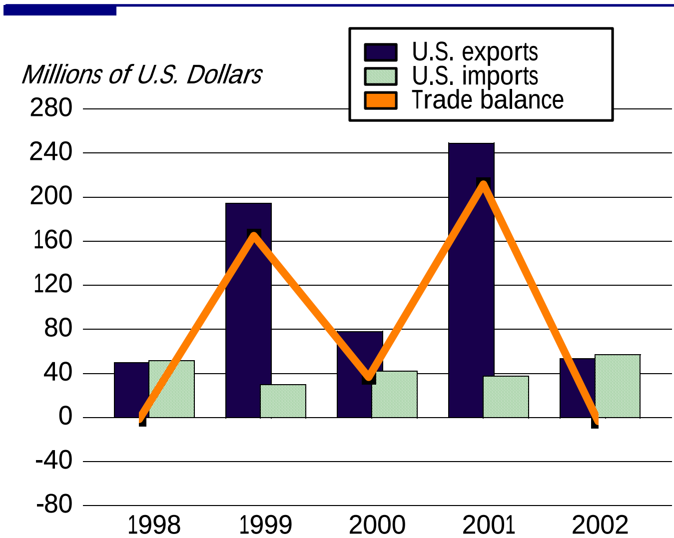
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
United Kingdom	48.0	South Africa	80.0
South Africa	23.0	United States	5.0
Spain	15.0	Germany	3.0
France	4.0	Russia	1.0

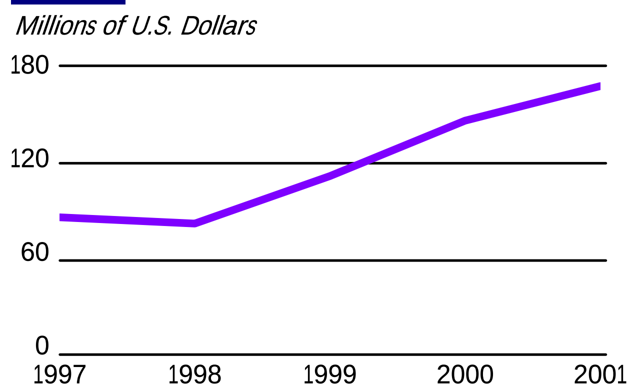
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Diamonds	485.0	Transport equipment	230.0
Prepared & preserved fish	287.0	Chemical products, rubber & plastics products	211.0
Metal ores, incl. uranium ore	156.0	Refined petroleum products	204.0
Beverages, other food products	80.0	Machinery & equipment	166.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

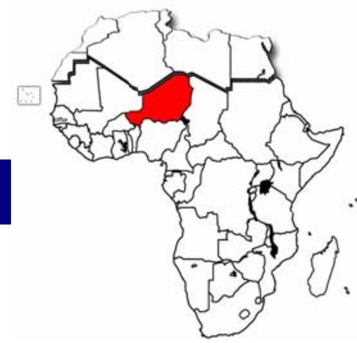
- Namibia is the world's seventh largest (by value) producer of diamonds and fifth largest (by volume) producer of uranium. In late 2002, the government announced development of an international certification and verification system, also known as the Kimberley Certification process, to be implemented in early 2003.
- Namibia continued to attract investment into its export procession zone. A significant investor in the EPZ was Ramatex (Malaysia), which invested in a textile and garment manufacturing plant to access the U.S. market through the AGOA program.
- As a result of the sharp decline in pilchard stocks, the government announced a zero total allowable catch for the 2002 fishing season.
- In 2002, U.S. exports to Namibia consisted primarily of machinery and mechanical appliances, organic chemicals, and aluminum products; and U.S. imports from Namibia consisted primarily of inorganic chemicals, copper, and knitted apparel. In addition, Namibia has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Namibia totaled $1.7 million in 2002.

Investment and Privatization Update

- In 2002, AfriOre was granted exclusive gold-prospecting licenses for the Wagner and Capricorn areas of northern Namibia.
- After numerous attempts, privatization of the state-owned airline, Air Namibia, is expected in mid-2003 when ExecuJet (Europe) plans to acquire a 40 percent stake in the company.
- The government continued to control key economic sectors such as utilities (electricity and water), telecommunications, and railway. The government plans to liberalize the telecommunications sector in 2004 and to award a second GSM license in 2003. In lieu of a full-scale privatization, the government has announced plans to deregulate the energy sector and eliminate the electric company's monopoly.
- In early 2003, the government awarded a petroleum-related concession covering the area near Rundu and Ruacana to a joint venture between a consortium, the First African Oil Corporation, and the National Petroleum Corporation of Namibia.

NIGER

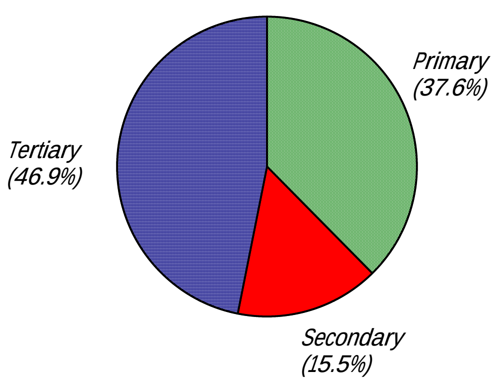
Economic Overview



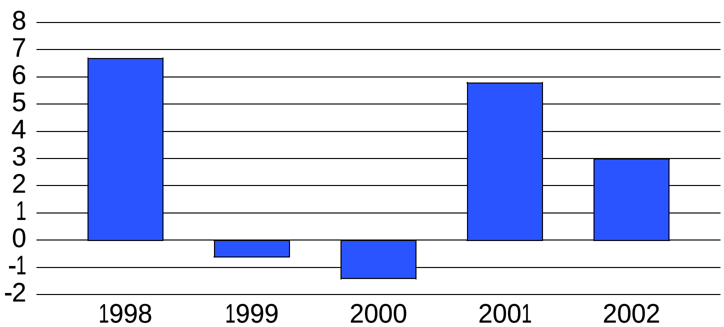
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	1,399.0	1,478.0	79.0
GDP (US$ bn)	1.9	2.1	0.2
CPI Inflation (annual average; %)	4.0	2.6	-1.4
Goods Exports (US$ mn)	273.0	293.0	20.0
Goods Imports (US$ mn)	333.0	368.0	35.0
Trade Balance (US$ mn)	-60.0	-75.0	-15.0
Current Account balance (US$ mn)	-88.0	-100.0	-12.0
Foreign Exchange Reserves (US$ mn)	107.0	133.9	26.9
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$)	733.0	697.0	-36.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- In 2002, a Canadian-funded coal mine project was reactivated. The project is expected to alleviate energy shortages and the reliance on Nigeria for oil and electricity imports. In late 2002, the African Development Bank approved a CFA604 million (approximately $1 million) credit to finance a study on strategies to improve the effectiveness of the domestic energy supply.
- In early 2002, the government launched a new national airline, Air Niger International.
- In 2002, the government continued efforts to reduce domestic-payment arrears, and budgeted 1.9 percent of GDP to clear wage arrears, to settle debts to public and private enterprises, and to regularize payments to the investment budget.
- In March 2002, the EU granted $337 million to Niger for a cooperation program under the ninth European Development Fund for 2002-2007. The program will finance the long-term development operations in the mining sector.
- In January 2002, the government published a full poverty reduction strategy paper. Priorities under the plan include improving basic health and education services and preparing a strategy to combat HIV/AIDS. In mid-2002, the IMF completed its second review of Niger's performance under the PRGF, which has opened the way for the next phase of macroeconomic targets. Conditions for Niger's HIPC initiative "completion point," include preparation of a poverty reduction strategy paper, improving health and education services, commitment to macroeconomic stabilization and structural reforms, and good governance and fiscal transparency.

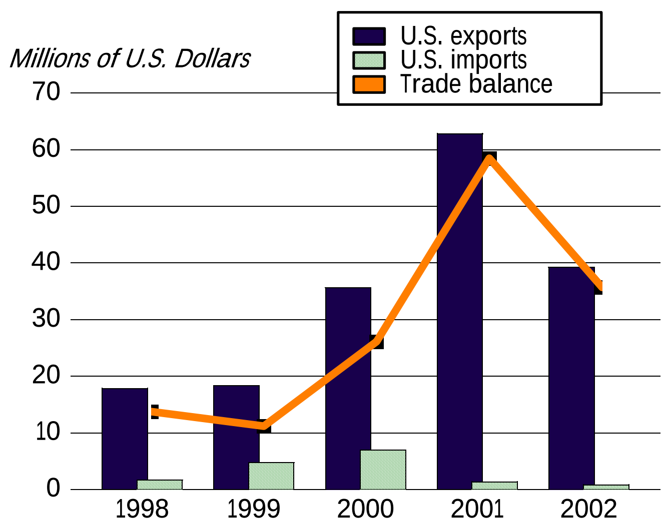
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
France	33.5	France	18.6
Nigeria	30.5	United States	16.4
South Korea	18.7	Côte d'Ivoire	9.3
United States	5.4	Germany	9.3

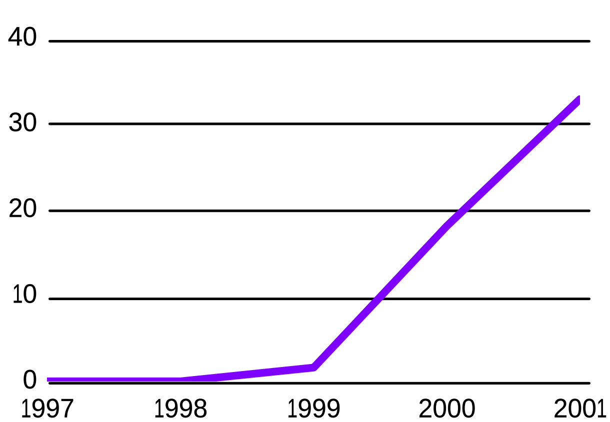
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Uranium	86.0	Capital goods	78.0
Livestock	56.0	Petroleum products	37.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Niger is the third largest producer (by volume) of uranium after Canada and Australia. Major uranium companies, Cominak and Somair, continued to invest in the sector. The world market price for uranium stabilized and recovered almost 10 percent in early 2003. With possible further recovery and planned production expansion during 2003, Niger's foreign exchange earnings from uranium exports are expected to increase.
- Since the implantation of a private customs monitoring company along Niger's Western and Southern borders, customs receipts have increased by 22 percent.
- Niger's access to the AGOA program facilitated the first-ever export of gum arabic from Niger directly to the United States.
- In 2002, U.S. exports to Niger consisted primarily of machinery and mechanical appliances, optical and medical instruments and apparatus, and wood or pulp products; and U.S. imports from Niger consisted primarily of machinery and mechanical appliances, and works of art. In addition, Niger has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Niger totaled $22,000 in 2002.

Investment and Privatization Update

- Foreign direct investment in Niger continued to be hampered by a small domestic market, inadequate infrastructure, high relative energy costs, and a lack of skilled labor.
- Following the restructuring of the mining code in order to attract investment, a Canadian consortium has actively invested in the gold sector. Industrial quarrying is expected to begin in the next 2 years.
- Telecommunications services are expected to improve following the recent privatization of the telecommunications company, Sonitel, and the development of a mobile phone network.
- Opposition from trade unions hampered privatization efforts. Companies slated for privatization include the state electric company (Nigelec), the company responsible for petroleum product imports (Sonidep), a mortgage company, and the Gaweye Hotel.

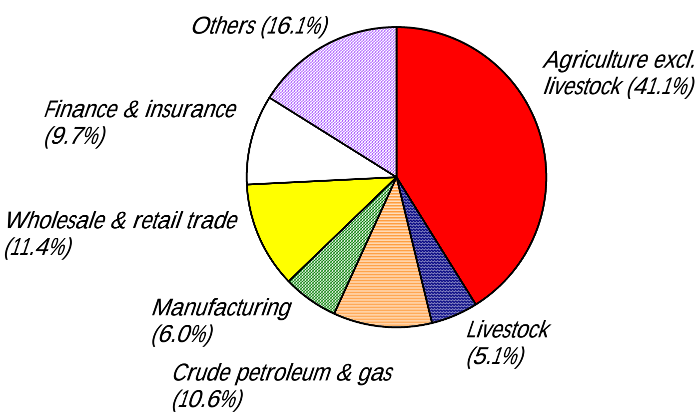
NIGERIA

Economic Overview

Economic Indicators

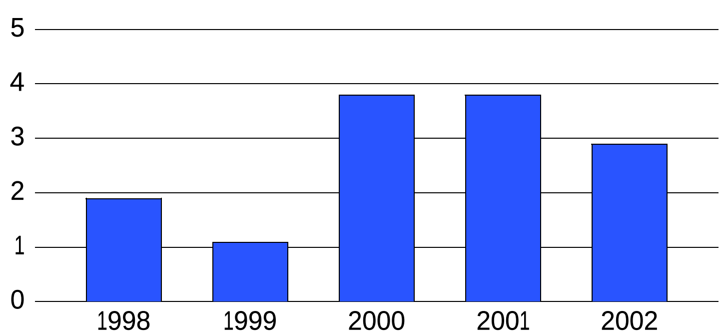
	2001	2002	Difference
GDP (nominal, N bn)	4,548.1	4,916.6	368.5
GDP (US$ bn)	40.9	40.7	-0.2
CPI Inflation (annual average; %)	18.2	14.2	-4.0
Goods Exports (US$ mn)	17,949.0	17,256.0	-693.0
Goods Imports (US$ mn)	12,303.0	13,650.0	1,347.0
Trade Balance (US$ mn)	5,646.0	3,606.0	-2,040.0
Current Account balance (US$ mn)	1,124.0	-1,225.0	-2,349.0
Foreign Exchange Reserves (US$ mn)	10,457.0	7,452.0	-3,005.0
Total External Debt (US$ bn)	28.8	29.7	0.9
Debt Service Ratio, paid (%)	6.0	4.3	-1.7
Exchange Rate (N/US$)	111.2	120.8	9.6

Origins of GDP (2001)



Real GDP Growth Rate

Percent



Economic Update

- Official government economic policy focused on economic liberalization, fiscal stability, improved competitiveness in the nonpetroleum sector, privatization, and agricultural and rural development. In an attempt to diversify Nigeria's economic base, in November 2002, the government announced a new industrialization policy aimed at increasing capacity utilization. Various aspects of the strategy include developing an enabling investment environment, reducing tariffs on imported inputs, and providing incentives to producers. According to a 2002 report by the Central Bank of Nigeria, the manufacturing sector remained constrained by high production costs, high interest rates, multiple taxes and levies imposed by state and local governments, limited local demand, inadequate infrastructure, and a high crime rate.
- A significant constraint to economic development has been the recurrent energy shortages. Domestic power supplies have been constrained by low government-established prices, which encourages the smuggling of cheap fuel to neighboring countries; and a poorly managed national petroleum company, which has run oil refineries at approximately 50 percent capacity. In January 2002, the government revived efforts to license private refineries in Nigeria. As part of this effort, the government attempted to lower domestic fuel subsidies to encourage investment in private oil refineries, but resistence by unions in January 2002 left domestic fuel prices among the lowest in the world. This slow process and domestic pricing policy have, consequently, limited progress and investment in establishing new oil refineries.
- The petroleum sector is managed by the Nigerian National Petroleum Company (NNPC), which maintains joint-venture equity agreements with the main oil-producing companies. Financial problems in recent years have resulted in NNPC's inability to meet its funding commitments for maintenance and operations costs associated with its agreements, resulting in production delays and adversely affecting investment in, and development of, the industry. In 2002, the Nigerian parliament approved a $3.1 billion cash-call payment to address the NNPC's funding problem. In an attempt to avert future situations, the government began investigating alternative financing arrangements whereby operators would cover full operating costs. In May 2002, the government granted NNPC full commercial status in order to enhance its finance-generating capacity.
- In January 2003, the heads of state of Benin, Ghana, Nigeria, and Togo signed a 20-year treaty establishing a single regulatory authority for, and harmonizing the fiscal and legal framework of, the planned $500 million West African Gas Pipeline. The pipeline will transport Nigerian gas to Benin, Ghana, and Togo.

Economic Update—Continued

- In March 2002, Nigeria withdrew from the informal IMF monitoring program in order to pursue its own reform strategy. The government subsequently released the "Framework for Nigeria's Economic Growth and Development (2003-2007)," which delineated the goals and processes for restructuring the economy.
- In late 2002, the World Bank announced its intent to reduce further investment in Nigeria from approximately $400 million to $200 million because of macroeconomic risks and the lack of substantive economic growth or poverty reduction.
- In December 2002, as part of its attempt to cut debt-servicing costs, Nigeria purchased $610 million of outstanding Brady bonds owed to the IMF at a cost of $139 million.
- In early 2003, the World Bank provided a $237 million interest-free loan to assist in healthcare and community development projects.
- In mid-2003, the IMF expressed concerns that macroeconomic imbalances, stemming from fiscal indiscipline and nontransparent budgets, had increased to unsustainable levels.

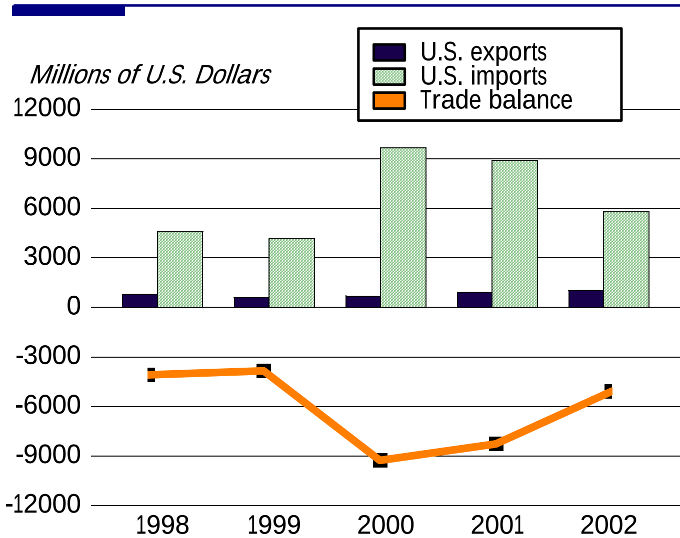
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United States	47.7	United Kingdom	8.8
Spain	10.0	United States	8.6
India	7.7	Germany	7.9
France	6.1	France	6.8

Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Oil	18,677.0	Manufactured goods	3,332.0
Non-oil	250.0	Machinery & transport	2,672.0
		Chemicals	2,576.0
		Food & live animals	1,312.0

U.S. Trade Balance



Trade Update

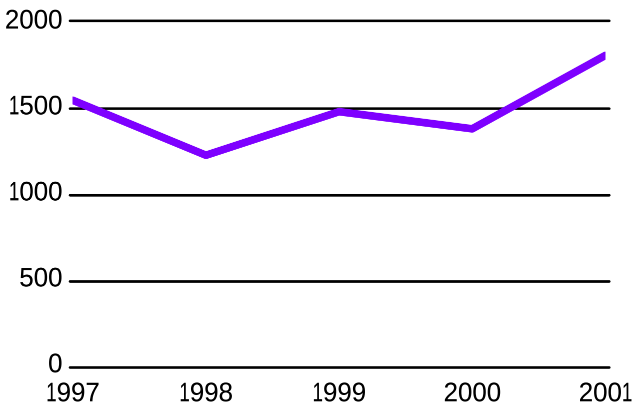
- Nigeria's location provides it with an advantage in supplying the North American petroleum market. In recent years, the United States alone accounted for one-third to one-half of Nigerian crude petroleum exports.
- In early 2003, social unrest in the Niger Delta forced several firms, including ChevronTexaco (U.S.), to close petroleum facilities.
- Although the government's stated goal is to reduce import controls with the number of banned products expected to decline until a scheduled elimination in 2005, tariff policies adopted in 2002 suggested an increase in overall tariff and nontariff protection of domestically produced finished goods. In addition, in March 2003, the government reduced duties on certain products, primarily raw materials and capital equipment, but increased duties on other products, primarily finished goods and agricultural products.
- In July 2002, the government reintroduced the Dutch auction system to counter depleting foreign-exchange reserves and destabilizing effects of multiple foreign-exchange markets.
- In 2003, the government reduced port taxes and has begun to remove administrative obstacles that hamper efficient port operations.
- In 2002, U.S. exports to Nigeria consisted primarily of machinery and mechanical appliances, cereals, and electrical machinery and equipment; and U.S. imports from Nigeria consisted primarily of mineral fuels and oils, and organic chemicals. In addition, Nigeria has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Nigeria totaled $5.4 billion in 2002.

Investment and Privatization Update

- Foreign investment remained concentrated in the petroleum sector, which represented over 75 percent of foreign investment in 2001. Inhibitors to nonpetroleim investment included uncertain commitment to economic reform, low per capita income, substantial bureaucracy, inadequate infrastructure (such as erratic and unreliable electric, water, Internet, and telephone services), social unrest, and allegations of corruption. The government, nevertheless, continued efforts to liberalize the investment climate and increase FDI, including repealing restrictive laws, improving security, signing investment-protection treaties, providing fiscal incentives, and improving export processing zones.
- In 2002, petroleum production-sharing contracts were signed with various firms, including Esso Nigeria and Phillips Petroleum. Investment in the sector is expected to increase as a result of a new licensing round for 22 blocs expected to occur in late 2003 or early 2004. The petroleum sector, however, continued to experience obstacles and disruptions driven by social unrest. Following shutdowns by Shell and TotalFinaElf, in March 2003, ChevronTexaco (U.S.) suspended its operations in the Niger Delta after disgruntled communities and protest groups targeted petroleum companies.

Net Foreign Direct Investment

Millions of U.S. Dollars



Investment and Privatization Update-Cont.

- As part of its strategy to export liquified natural gas and to end the flaring of gas by 2008, in November 2002 production began on Nigeria's third liquified natural gas train. In January 2003, various banks, including Credit Lyonnais, BNP, Citibank, Mediocredito Centrale, and WestLB, provided Nigeria with a $1 billion loan facility to expand its liquified natural gas project. This loan facility is believed to be the largest in private-sector SSA.
- Nigeria has, nevertheless, received non-energy-related investment. In January 2003, British American Tobacco returned to Nigeria with a $150 million investment in a factory in Ibada, Oyo. In mid-2003, Toyota Nigeria announced plans to open a factory/assembly plant in Nigeria. South Africa has, in recent years, increased its investment presence in Nigeria, especially in retailing, mobile telephones, and satellite television sectors.
- In August 2002, the government announced that the Abuja Stock Exchange, first established in October 2000 as a competitor to the Nigeria Stock Exchange, would become Nigeria's first commodities exchange.
- The privatization program has continued at a slow pace. Many of the proposed sales scheduled in the privatization program, developed by the Bureau of Public Enterprises, have been delayed, including the national electric company, oil refineries, and steel plants. Several factors that contributed to the delays included administrative constraints, unrealistic deadlines, poor financial state of many state-owned enterprises, political constraints of election-year campaigning, and uncertain economic and investment environments.
- Although the privatization agency had announced a privatization program in 2001 for liberalization of the energy sector, sales have been delayed until late 2003. These delays have discouraged the development of independent power producers.
- In early 2002, the sale of 51 percent of the national telecommunications firm fell through. Consequently, the government decided to appoint a foreign firm to manage the telecommunications company. After winning the contract to manage the company, Pentascope (Netherlands), in early 2003, announced plans to purchase a 51 percent stake in the telecommunications firm. In August 2002, the government licensed privately-owned Globacom as a second national carrier to compete with the national telecommunications firm.
- In August 2002, the Ministry of Aviation sold 49 percent of Nigeria Airways to Airwing Aerospace (UK). According to a June 2002 agreement, Air Nigeria was to replace Nigeria Airways and the company was to be floated. Because the agreement was not undertaken under the auspices of the privatization agency, the Bureau of Public Enterprises, the circumstances of the sale are to be investigated.
- In early 2003, the privatization agency announced that several companies had expressed interest in acquiring a 51 percent stake in the state-owned aluminum smelter company, Alscon. Financial documents revealed the company to be insolvent, with a government exposure of about $2.33 billion. Interested companies included Ferrostaal (Germany), Alcan (Canada), Russian Aluminum, Glencore (Switzerland), and Alcon (U.S.).

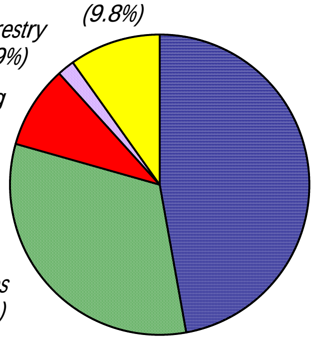
REPUBLIC OF THE CONGO

Economic Overview

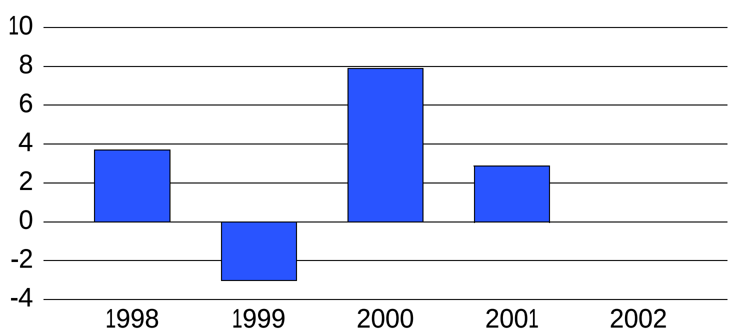
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	1,574.0	1,637.0	63.0
GDP (US$ bn)	2.1	2.3	0.2
CPI Inflation (annual average; %)	-0.5	3.6	4.1
Goods Exports (US$ mn)	2,405.0	2,343.0	-62.0
Goods Imports (US$ mn)	705.0	730.0	25.0
Trade Balance (US$ mn)	1,700.0	1,613.0	-87.0
Current Account balance (US$ mn)	42.0	66.0	24.0
Foreign Exchange Reserves (US$ mn)	68.9	41.1	-27.8
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$)	733.0	696.9	-36.1

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- The economy remained dominated by the petroleum industry, which represented over 90 percent of export earnings and over 65 percent of GDP. Growth of the nonpetroleum sector was inhibited by the resumption of social unrest in March 2002. In addition to the conflict, the economy remained hampered by lack of regulatory transparency and inadequate government institutions.
- In January 2003, as part of its commitment to the IMF and the World Bank, the government enacted a new forestry code in order to increase forestry revenue. A key aspect of the code is the increase in taxes by approximately 200 to 350 percent. In an attempt to encourage wood processing, such as veneering, the government stressed that the taxes would be less on processed or manufactured wood products than on unprocessed timber. Other changes include a new licensing system announced in late 2002, which aims to increase timber company cooperation with local communities. In early 2003, the government announced plans to join the World Bank's Congo Basin Forest Partnership, which aims to preserve the tropical forest by combating illegal and uncontrolled logging in the region.
- Under its agreements with the IMF, the government has committed to reforming the public sector, improving public services, and clearing arrears to public-sector workers. The IMF has also urged the government to increase social-sector spending, especially on healthcare and education. The IMF has expressed concern that the implementation of reforms have been weak and most targets and deadlines have not been met. In addition, the government has failed to curb unplanned spending, to increase nonpetroleum revenue, or to increase transparency in the petroleum sector. The IMF has also expressed concerns regarding the country's borrowing on the commercial market using petroleum revenue as collateral, which is a breach of its commitments to the IMF. These obstacles continued to hinder the Republic of the Congo's access to development funding and debt relief through such programs as the PRGF and the HIPC initiative.
- The ceasefire agreement signed in early 2003 opened up the opportunity for the country to receive increased external assistance for reconstruction. In mid-2003, the World Bank signed a $40.3 million agreement to fund economic recovery.

REPUBLIC OF THE CONGO

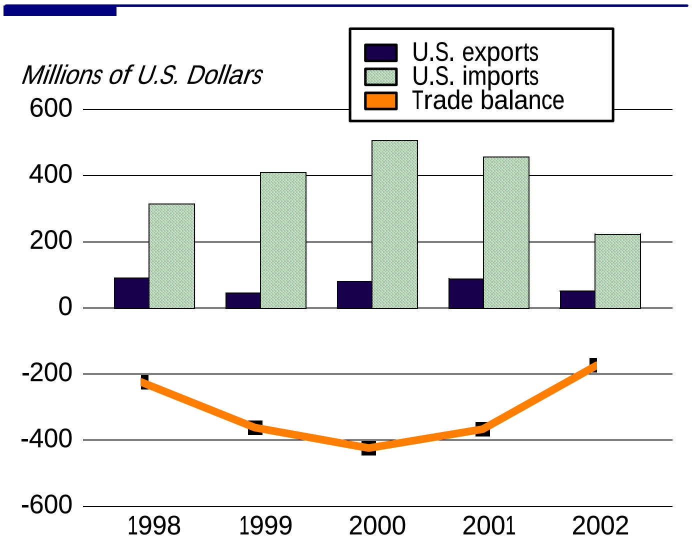
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United States	17.2	France	20.5
South Korea	12.7	Italy	10.9
China	9.9	United States	9.5
Germany	5.6	Belgium	5.1

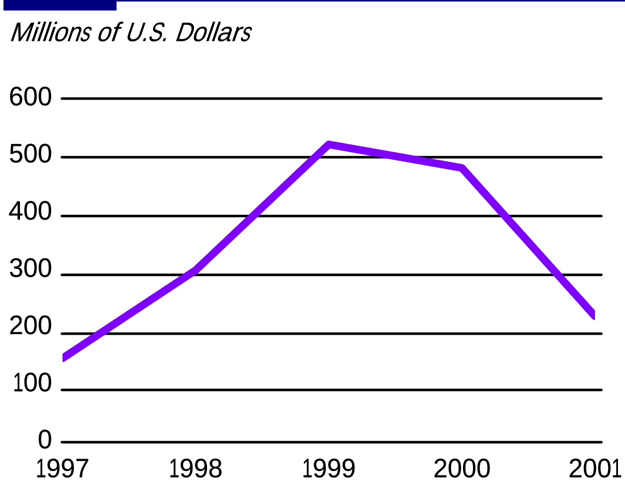
Main Trade Commodities, US$ million

Exports (1999)		*Imports (1998)*	
Petroleum	1,526.4	Petroleum sector	423.7
Timber	70.8	Other capital goods	64.9
Sugar	12.5		
Others	58.3		

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Civil conflict, which erupted in early 2002, disrupted trade by blocking access to railway and river transport services.
- The country has experienced increased activity in the timber production and export sector in recent years. Companies investing in timber production include Mokabi (France-government joint venture), a Malaysian-Congolese joint venture company, Danzar (Germany), and Foralac (Portugal).
- In 2002, U.S. exports to the Republic of the Congo consisted primarily of machinery and mechanical appliances, articles of iron or steel, electrical machinery and equipment, and cereals; and U.S. imports from the Republic of the Congo consisted primarily of mineral fuels and oils, precious or semiprecious stones and metals, and sugars. In addition, the Republic of the Congo has been designated an AGOA beneficiary country. AGOA (including GSP) imports from the Republic of the Congo totaled $106.6 million in 2002.

Investment and Privatization Update

- Investment in the petroleum sector was dampened by the resumption of conflict in early 2002. A peace agreement with the last rebel group, signed in March 2003, is expected to increase stability and to improve the investment climate.
- Magnesium Alloy Corporation announced plans to develop magnesium deposits in the Kouilou region. If successful, it would represent the Republic of the Congo's largest mining investment.
- In 2002, the government liberalized fuel services by transferring fuel distribution services to a consortium, which included ChevronTexaco (U.S.) and TotalFinaElf (France).
- In 2002, the government sold several state forestry companies to Congolese and foreign investors.
- In May 2002, Credit Lyonnais (France) purchased the viable assets of the state development bank. With technical assistance from a private French bank, the government continued plans to privatize the last state-owned bank, CPAC.
- The government continued efforts to locate a buyer for the state-owned railway line, as well as efforts to privatize the banking and insurance sectors.

RWANDA

Economic Overview

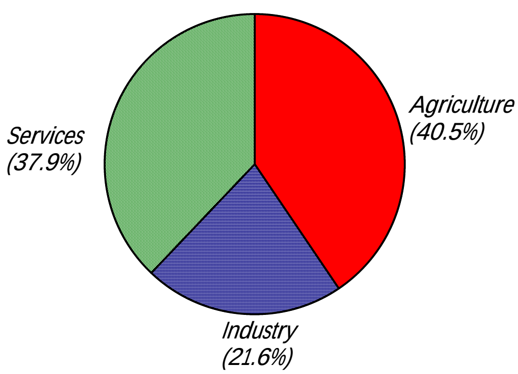
Economic Indicators

	2001	2002	Difference
GDP (nominal, Rwfr bn)	754.7	844.5	89.8
GDP (US$ bn)	1.7	1.8	0.1
CPI Inflation (annual average; %)	3.4	2.0	-1.4
Goods Exports (US$ mn)	93.3	68.0	-25.3
Goods Imports (US$ mn)	225.5	253.0	-2.2
Trade Balance (US$ mn)	-161.9	-185.0	-23.1
Current Account balance (US$ mn)	-118.1	-141.0	-22.9
Foreign Exchange Reserves (US$ mn)	212.1	243.7	31.6
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Rwfr/US$)	443.0	475.4	32.4

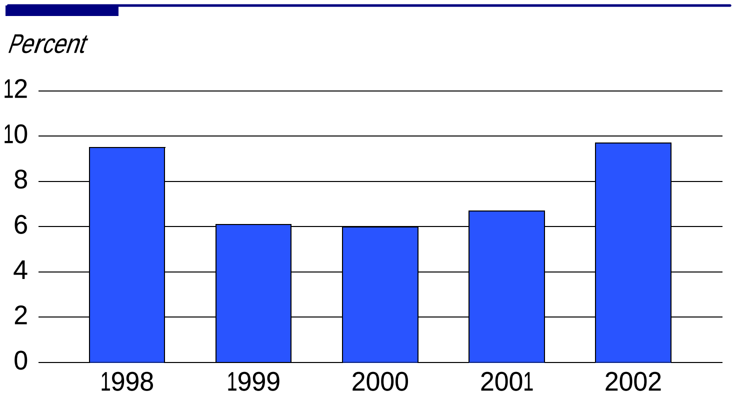
Economic Update

- Improved weather conditions and increased productivity contributed to substantial agricultural production growth.
- As a result of the government's prudent economic management and commitment to poverty reduction and economic growth, Rwanda continued to receive substantial support from international donors. The government continued to maintain macroeconomic stability, to liberalize public sector monopolies, to privatize state-owned companies, and to promote foreign investment. The IMF and the World Bank have, however, expressed concerns regarding government defense spending.
- The country's poverty reduction strategy paper, discussed with the IMF in 2002, included various programs such as support for small-scale agriculture, labor-intensive public works, demobilization of soldiers, and increased adult literacy. After negotiations with the IMF, the government scaled down its programs, and a new PRGF was finalized in June 2003.

Origins of GDP (2001)



Real GDP Growth Rate



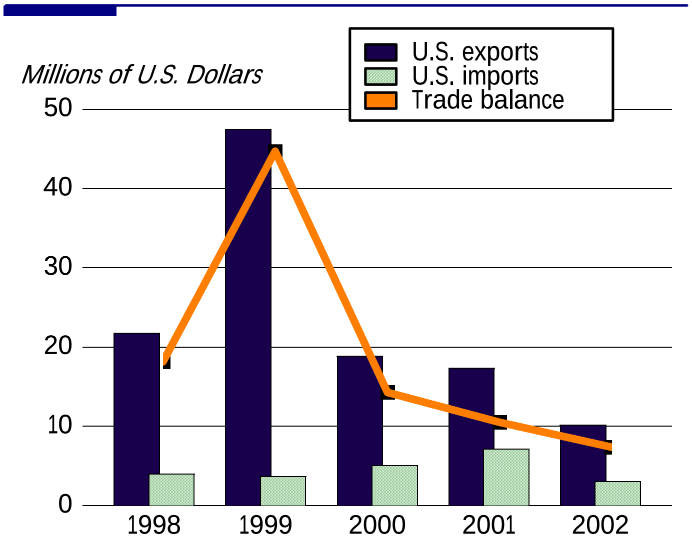
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Germany	39.4	Kenya	25.7
China	21.3	Belgium	9.0
United States	8.1	United States	7.7
Netherlands	7.4	Germany	3.7

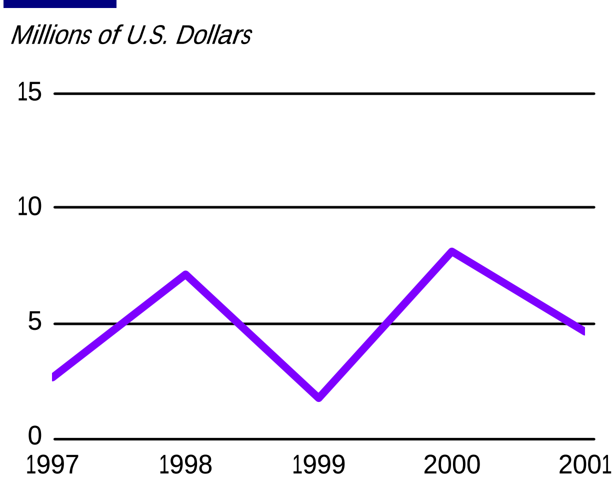
Main Trade Commodities, US$ million, 2002

Exports		*Imports*	
Tea	22.0	Consumption goods	120.5
Coffee	14.6	Raw materials	44.6
Coltan	14.0	Energy products	36.7
Hides	2.6	Capital goods	35.5

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Following a precedent-setting increase in the mining sector's contribution to export earnings in 2001, a fall in international prices dropped coltan to the third largest export product, behind tea and coffee.
- Aging trees, adverse weather, and declining international prices contributed to the decline in coffee production. Government plans to privatize coffee processing plants is expected to increase production and improve quality.
- Tea remained an important foreign-exchange earner. The government has attempted to diversify the export base by promoting floriculture exports. Floriculture exports were deterred by the collapse of Sabena airlines eliminating a direct flight from Rwanda to Europe. The launch of a new service by SN Brussels Airline is expected to resolve this problem.
- Although Rwanda did not meet its commitment to reduce tariffs by 100 percent as part of Comesa membership, in 2002 the government implemented an 80 percent reduction in Comesa region tariffs and plans to achieve 100 percent reduction by 2004.
- Rwanda applied to join the East African Community, but in mid-2002, the regional organization deferred reviewing its application.
- In March 2003, Rwanda received its textile and apparel eligibility under the AGOA program, opening the way for duty-free textile and apparel exports to the United States.
- In 2002, U.S. exports to Rwanda consisted primarily of animal or vegetable oils or waxes, edible vegetables or roots, and milling industry products; and U.S. imports from Rwanda consisted primarily of coffee, tea, and spices, and ores, slag, and ash. In addition, Rwanda has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Rwanda totaled $10,000 in 2002.

Investment and Privatization Update

- Government plans to privatize several of the country's tea estates, assets in the banking sector, and the energy utility in 2002 were delayed. In early 2003, the government awarded a private management contract for the state energy company, Electrogaz.
- In late 2002, the government launched the sale of the telecommunications company, Rwandatel. The government plans to sell a 51 percent stake to foreign investors, with 43 percent reserved for local interests, 5 percent reserved for company staff, and 1 percent reserved for the state.

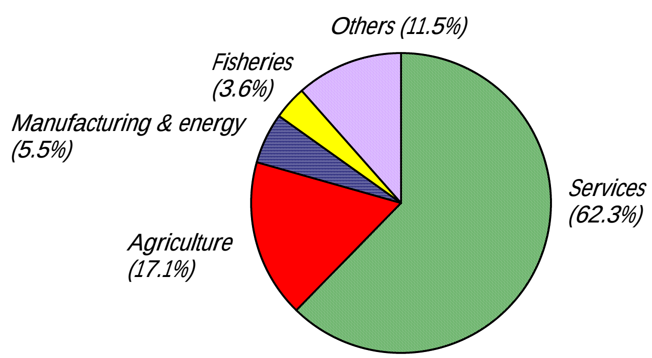
SÃO TOMÉ & PRINCIPE

Economic Overview

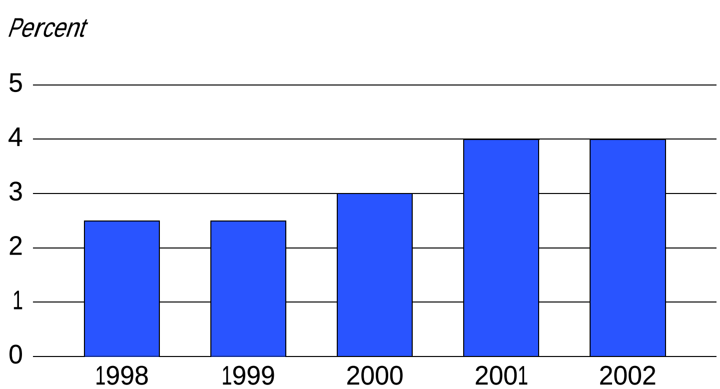
Economic Indicators

	2001	2002	Difference
GDP (nominal, Db bn)	422.0	478.0	56.0
GDP (US$ mn)	47.7	51.1	3.4
CPI Inflation (annual average; %)	9.4	7.0	-2.4
Goods Exports (US$ mn)	3.9	5.5	1.6
Goods Imports (US$ mn)	23.4	24.8	1.4
Trade Balance (US$ mn)	-19.5	-19.3	0.2
Current Account balance (US$ mn)	-5.2	-5.0	0.2
Foreign Exchange Reserves (US$ mn)	15.5	15.2	-0.3
Total External Debt (US$ mn)	312.0	318.0	6.0
Debt Service Ratio, paid (%)	10.8	n/a	n/a
Exchange Rate (Db/US$)	8,842.1	9,356.0	513.9

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- Economic growth has been supported by increased inflows of foreign assistance and improved policy performance.
- The expected production of petroleum by 2006 is expected to impact the country's economy significantly.
- In 2002, two Portugese airlines announced plans to introduce service to São Tomé and Principe.
- In 2002, the recently privatized telecommunications company, CST, and a private firm introduced cellular service.
- Government policy remained focused on implementing its 2001 poverty reduction strategy paper. The main goals of the paper are increased GDP growth and improved access to social services. The government's policies were outlined in its Poverty Action Plan, which established a framework for social sector investment, macroeconomic stabilization, and increased economic growth.
- Lapses in meeting PRGF targets, particularly larger-than-budgeted government spending, resulted in IMF extension of the program to the end of 2002.

SÃO TOMÉ AND PRINCIPE

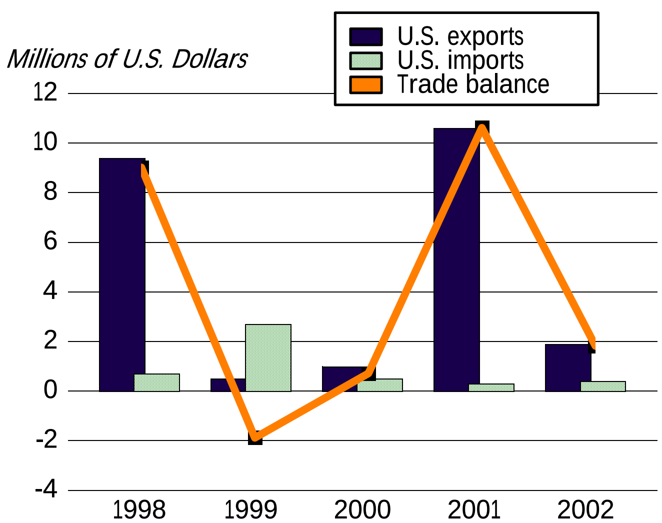
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Netherlands	27.3	Portugal	38.9
Portugal	18.2	United States	22.2
Canada	9.1	United Kingdom	9.3

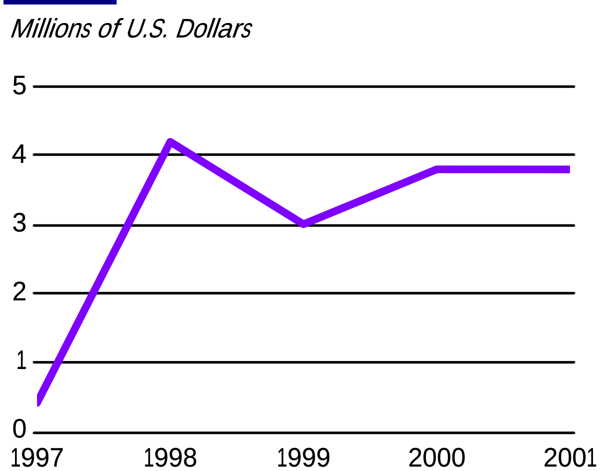
Main Trade Commodities, US$ million, 1999

Exports		*Imports*	
Cocoa	3.0	Capital goods	12.0
Others	0.9	Food	6.0
		Fuel	3.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Falling international prices and supply-side constraints have dampened cocoa sector production and export.
- In January 2002, the government signed a new 3-year fishing agreement with the EU, which is expected to bring in approximately $2.4 million per year.
- In 2002, U.S. exports to São Tomé and Principe consisted primarily of machinery and mechanical appliances, electrical machinery and equipment, and paper products; and U.S. imports from São Tomé and Principe consisted primarily of wood and products, electrical machinery and equipment, and precious or semiprecious stones and metals. In addition, São Tomé and Principe has been designated an AGOA beneficiary country.

Investment and Privatization Update

- The country's territorial waters have received substantial attention from international petroleum firms in recent years, and attracted significant investment into the country. Although petroleum production is expected to begin in 2006, legal disputes with Nigerian-owned Chrome Energy have inhibited continued development. Bidding on various blocks, which were to begin in late 2002, were delayed until mid-2003 after the government decided to renegotiate its agreement with Chrome Energy.
- Although the privatization program has progressed, the government continued to control 12 companies, primarily utilities and public infrastructure. The government announced plans to retain ownership of most of these remaining firms with provision for private participation or management. The telecommunications company, national fuel company, and airport include private capital.

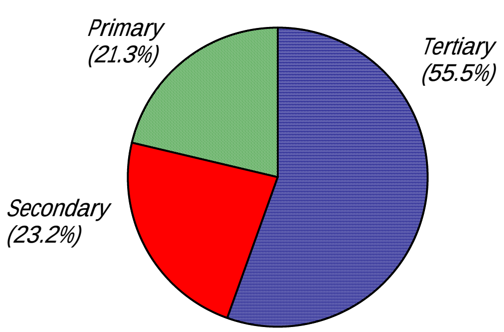
SENEGAL

Economic Overview

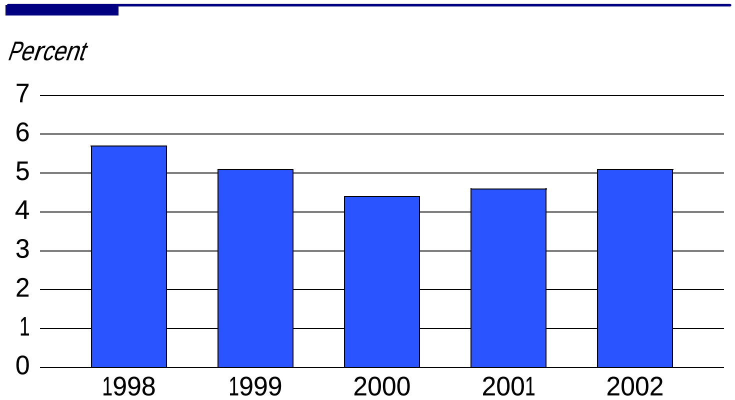
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	3,391.5	3,545.9	154.4
GDP (US$ bn)	4.6	5.1	0.5
CPI Inflation (annual average; %)	3.0	2.3	-0.7
Goods Exports (US$ mn)	966.3	1,060.1	93.8
Goods Imports (US$ mn)	1,326.9	1,405.0	78.1
Trade Balance (US$ mn)	-360.6	-344.9	15.7
Current Account balance (US$ mn)	-262.5	-264.6	-2.1
Foreign Exchange Reserves (US$ mn)	447.3	637.4	190.1
Total External Debt (US$ bn)	3.4	3.1	-0.3
Debt Service Ratio, paid (%)	13.6	13.0	-0.6
Exchange Rate (CFAfr/US$)	733.0	697.0	-36.0

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- In 2002, economic growth was hampered by a decrease in activity in the primary sector, such as agriculture, fishing, and stock rearing. Groundnut production experienced poor production; and the fishing sector was constrained by dilapidated equipment and a lack of investment.
- In January 2003, the government unveiled the design for a new airport at Ndiass, which will be a build-operate-transfer project. A Swedish-Swiss engineering, power, and automation firm, Asea Brown Boveri, was selected as the private partner that will construct the airport in return for a 22-year concession.
- In order to address energy shortages, the Senegal River Development Organization, in July 2002, completed connection of generators to Senegal's grid. By May 2003, the plant reached full generating capacity.
- Economic reforms have focused on four main areas: fiscal consolidation and transparency; privatization and structural reform; poverty reduction by addressing health, education, and unemployment concerns; and investment through the launching of various initiatives to attract investors, such as the establishment of an agency responsible for advocating the interests of potential foreign investors.
- In 2002, the government announced a series of agricultural reform initiatives, including efforts to encourage agricultural diversification and to reduce dependence on groundnut production, increased irrigation projects, a cloud-seeding project to increase rainfall, construction of an artificial lake, and new agricultural training schools.
- In April 2002, the PRGF expired. A poverty reduction strategy paper was published in November 2002, and the IMF agreed to a new PRGF in April 2003, for 2003 to 2005. The policies outlined aim to double income per capita by 2015 through real GDP growth averaging 7 to 8 percent per year, to increase access to basic social services by increasing the development of necessary infrastructure, and to improve gender equality in access to primary and secondary education.

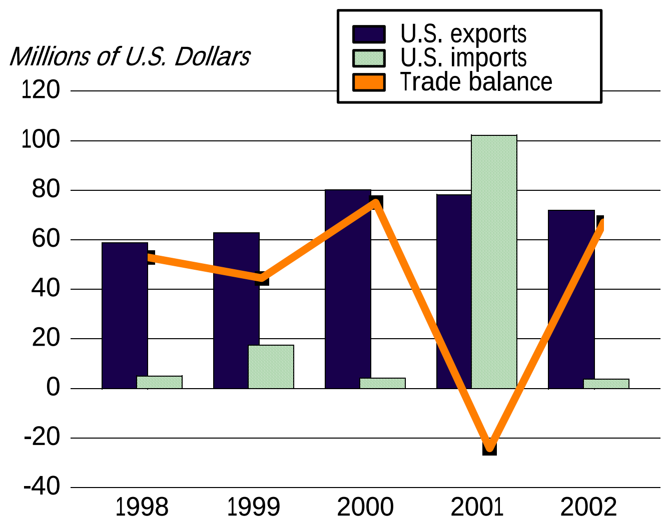
Main Trade Partners, percent of total, 2000

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

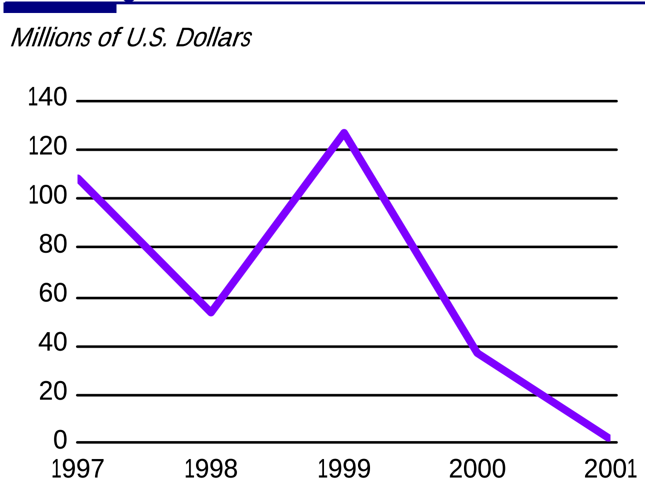
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Fish & fish products	222.0	Petroleum products	341.0
Phosphates & fertilizers	101.0	Food products	326.0
Groundnuts & products	84.0	Capital goods	216.0

U.S. Trade Balance



Net Foreign Direct Investment



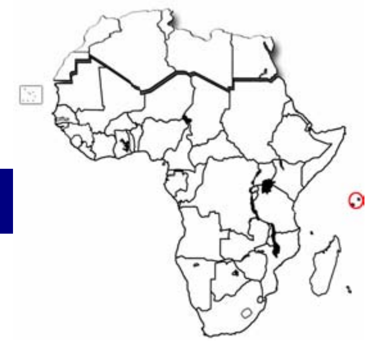
Trade Update

- Trade transport infrastructure, particularly the port, experienced increased traffic as trade to land-locked states, such as Mali, rerouted trade through Senegal because of the political instability in Côte d'Ivoire.
- In June 2002, the government signed a new 4-year fishing agreement with the EU. The government has expressed concerns regarding the depletion of fish stocks and the need to improve competitiveness. Consequently, the agreement specifies maximum allowable catches and requires investment targeting Senegal's fishing industry, such as assistance to small-scale fishing, improvement of fishing equipment, and access to credit and technical assistance.
- In 2002, U.S. exports to Senegal consisted primarily of vehicles and parts, machinery and mechanical appliances, and electrical machinery and equipment; and U.S. imports from Senegal consisted primarily of prepared feathers and down, organic chemicals, and fish and crustaceans. In addition, Senegal has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Senegal totaled $499,000 in 2002.

Investment and Privatization Update

- In November 2002, the country's second cement plant began operations. The plant represents the largest investment in Senegal since 1994, and is expected to address the cement shortage that has constrained the construction sector.
- The Senegalese national telecommunications company, Sonatel, was granted a 15-year investment guarantee by the World Bank for planned investment in a GSM network being built in Mali.
- In May 2003, the World Bank approved a $46 million loan to help Senegal stimulate investment by improving the investment climate and promoting increased private sector participation. The loan will fund initiatives to reform the legal, judicial, and tax systems, as well as to eliminate administrative and trade barriers.
- The government continued to exercise influence in key economic sectors by divesting less than 50 percent of large enterprises.
- In July 2002, after talks with two prospective buyers fell through, the government suspended privatization of the state energy utility, Senelec. The government has announced plans to investigate alternative options to privatization.
- The IMF mission to Senegal in early 2003 cited concerns with delays in the privatization of the electric utility and groundnut parastatals, as well as the continued subsidy of the groundnut parastatals.

SEYCHELLES

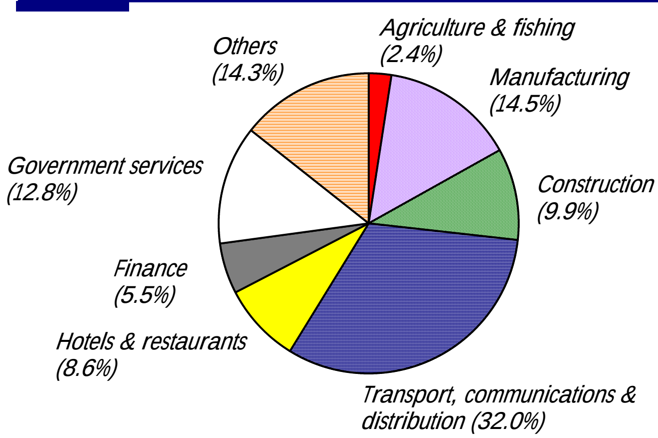


Economic Overview

Economic Indicators

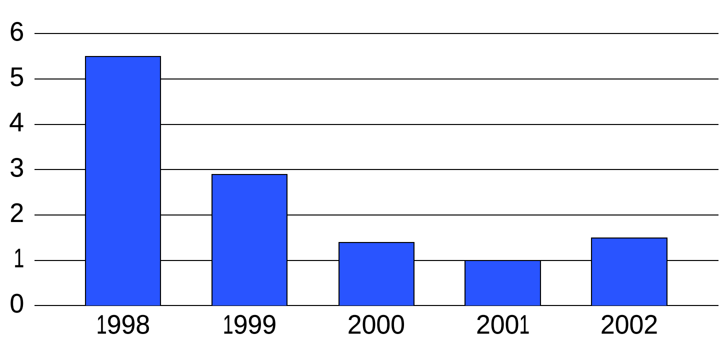
	2001	2002	Difference
GDP (nominal, SRs mn)	3,337.0	3,341.0	4.0
GDP (US$ mn)	569.5	609.7	40.2
CPI Inflation (annual average; %)	6.0	0.5	-5.5
Goods Exports (US$ mn)	215.0	235.0	20.0
Goods Imports (US$ mn)	387.0	380.0	-7.0
Trade Balance (US$ mn)	-172.0	-145.0	27.0
Current Account balance (US$ mn)	-100.0	-75.0	25.0
Foreign Exchange Reserves (US$ mn)	37.1	69.7	32.6
Total External Debt (US$ mn)	215.0	220.0	5.0
Debt Service Ratio, paid (%)	2.7	3.0	0.3
Exchange Rate (SRs/US$)	5.9	5.5	-0.4

Origins of GDP (2000)



Real GDP Growth Rate

Percent



Economic Update

- Shipping remained an important sector in the Seychelles economy. In addition to facilitating trade for the country, the shipping sector also earns revenue by providing services to international cruise liners, fishing vessels, and freight carriers. The sector is expected to benefit, through increased export earnings and more efficient trade, from the May 2002 establishment of a direct route between Asia and East Africa by a joint venture between Delmas, P&O Nedlloyd, and Mitsui OSK Lines. Much of the revenue earned in the sector stems from the re-export of oil to ships and aircraft. Earnings from this service are expected to increase because of the January 2002 delivery of a new tanker.
- The service sector, consisting of transportation, communications, commerce, trade, and tourism, remained an important factor in the country's economic performance. The tourism sector experienced a downturn in activity as the number of visitors fell by 15 percent in early 2002. In April 2002, the government appointed a new Seychelles Tourism Advisory Board with increased private sector representation. The manufacturing sector remained constrained by a small domestic market, geographic isolation, and extensive state intervention in the private sector. For example, markups in the private sector are limited to 30 percent in the retail sector and 15 percent in the wholesale sector. Several firms were fined for selling in excess of controlled prices.
- Despite establishment of the Seychelles International Business Association, the country's high-cost environment, limited international connections, high wages, and land shortages continued to inhibit investment and domestic market development.
- In order to address problems arising from water shortages in years of low rainfall, the government commissioned four desalination plants which are expected to begin operations in 2003.
- Because of its relatively high GDP per capita, at over $8,000 in 2001, Seychelles received relatively less international assistance and aid.
- In February 2002, the EU granted $3.6 million for a solid waste management project.
- In April 2002, the state-owned SePeC, which manages oil trade, borrowed $10 million from Malaysia's export-import bank to address its debt overhang.

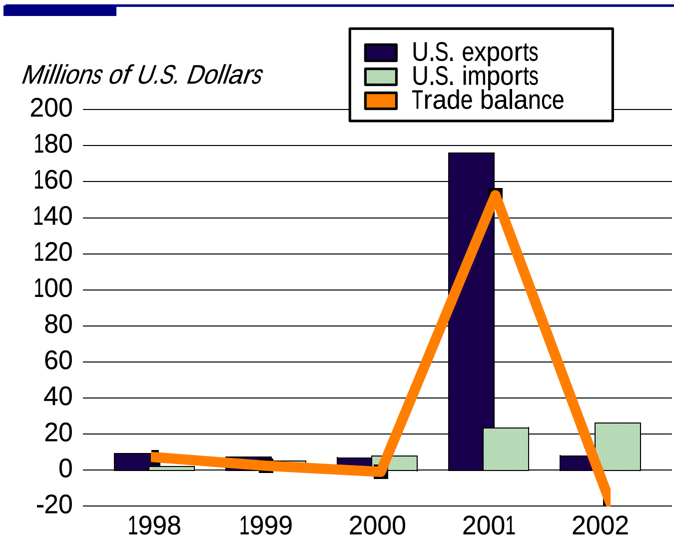
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United Kingdom	37.4	United States	26.0
France	25.2	France	9.8
Italy	15.2	Saudi Arabia	8.6
Germany	6.1	South Africa	6.8

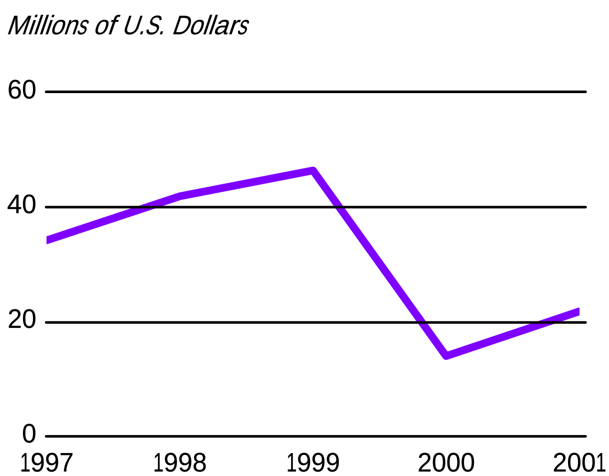
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Canned tuna	131.6	Machinery & transport goods	125.1
Re-exports of petroleum	50.6	Food & live animals	93.0
Frozen prawns	2.1	Manufactured goods	66.5
Frozen & fresh fish	1.8	Fuel	59.9

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- In January 2002, the government renewed its fisheries protocol with the EU. Under the 3-year agreement, which began in January 2002, the EU will pay $1.9 million per year for fishing rights.
- Given its preferential access to the EU market, Seychelles is expected to face increased competition if a mediated proposal providing for tariff cuts on Thai and Philippine tuna is ratified by the European Commission.
- In order to address persistent foreign-exchange shortages, the government instituted new restrictions on foreign-exchange transactions in mid-2001, including requirements that tourists pay for almost all services in foreign currency and restrictions on the sale of foreign exchange to commercial banks. The parallel market value for the local currency was estimated at half the official exchange rate. The foreign-exchange shortages persisted in 2002, dampening economic performance in many sectors, including tourism, airline, and manufacturing industries.
- At over 40 percent, trade taxes continued to represent a large share of government revenue.
- In 2002, U.S. exports to Seychelles consisted primarily of machinery and mechanical appliances, plastics, and aircraft and parts; and U.S. imports from Seychelles consisted primarily of fish and crustaceans, and optical or medical instruments and apparatus. In addition, Seychelles has been designated an AGOA beneficiary country.
- The substantial increase in U.S. exports in 2001 was driven by U.S. exports of aircraft and parts.

Investment and Privatization Update

- Despite the downturn in the global tourism industry, the tourism sector continued to attract investment. Current and potential investors include Beachcomber (Mauritius), Sun International (Bahamas), Accor Sofitel (France), and the Aman group (Yemen).
- Parastatals continued to play a significant role in the economy. Key state-owned enterprises include Air Seychelles, the Seychelles Petroleum Company, and the Seychelles Marketing Board. In addition to preferential access to foreign exchange, the Seychelles Marketing Board continued to retain a monopoly on the trade and distribution of numerous products.
- After concerns over the 1995 establishment of the Seychelles international trade zones, and the tax competition created by the practice of investors negotiating personal terms, the government committed to the OECD to end the practice by 2005. Subsequently, in early 2002, the OECD named Seychelles one of the 11 offshore jurisdictions with which it enjoys a close working relationship.

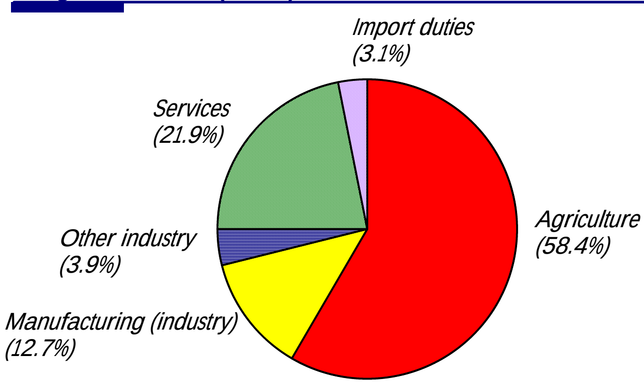
SIERRA LEONE

Economic Overview

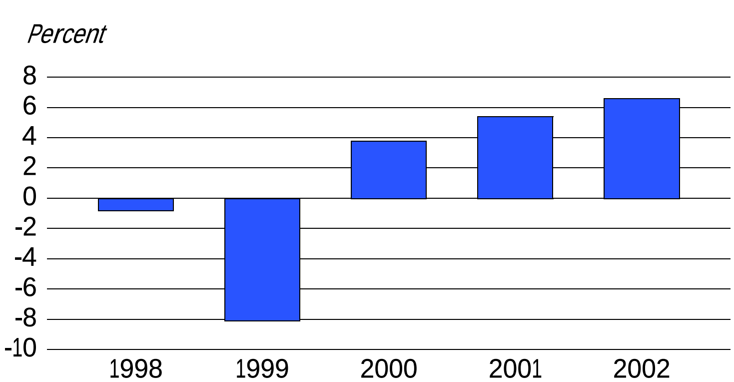
Economic Indicators

	2001	2002	Difference
GDP (nominal, Le bn)	1,508.7	1,658.7	150.0
GDP (US$ mn)	759.9	836.0	76.1
CPI Inflation (annual average; %)	3.0	1.0	-2.0
Goods Exports (US$ mn)	30.5	35.0	4.5
Goods Imports (US$ mn)	182.2	190.0	7.8
Trade Balance (US$ mn)	-151.7	-155.0	-3.3
Current Account balance (US$ mn)	-135.0	n/a	n/a
Foreign Exchange Reserves (US$ mn)	51.6	n/a	n/a
Total External Debt (US$ mn)	1,398.0	1,473.0	75.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Le/US$)	1,985.2	1,984.0	-1.2

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- Although areas of the country continued to experience substantial civil unrest, a national election in May 2002 provided hope that Sierra Leone has begun to recover from its 10-year civil war. The government has stated it will focus on five key areas: developing the private sector, expanding agricultural production, reviving the mining industry, improving the country's infrastructure, and building "human capital."
- In addition to the constraints of low producer prices and inadequate infrastructure, the agriculture sector was significantly disrupted by the social unrest. Although there were signs of increased food security, international organizations estimate that some areas will continue to require humanitarian aid, as over 500,000 families have experienced displacement.
- Manufacturing sector expansion was constrained by social instability, small domestic market, inadequate infrastructure, limited credit, and foreign-exchange shortages.
- The banking sector began to experience some recovery, and in July 2002, one of the state-owned banks opened the country's first automated teller machines.
- After a review of the September 2001 PRGF in March 2002, the IMF expressed satisfaction with the government's progress toward advancing peace and in reaching economic performance targets. The IMF released a disbursal of $12 million. In September 2002, the IMF conducted a second review of the PRGF, and commended the government's progress despite institutional and financial constraints. The IMF released an additional $25 million.
- In March 2002, the IMF and World Bank announced debt reduction for Sierra Leone under the HIPC initiative amounting to $950 million. Savings from the debt relief program are to be used to fund education, health, and rural development.
- In June 2002, the African Development Bank approved a $42.8 million debt-relief package to assist Sierra Leone in funding its poverty reduction programs under the interim poverty reduction strategy paper.

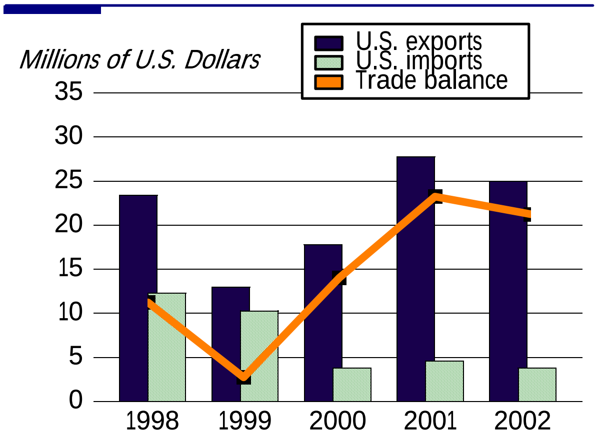
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Greece	32.1	United Kingdom	25.3
Belgium	28.2	Netherlands	10.3
United States	6.3	United States	7.9
United Kingdom	5.9	Germany	6.3

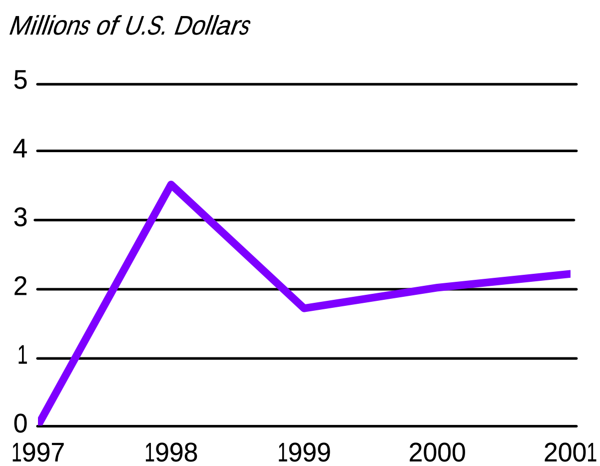
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Diamonds	26.3	Food	51.9
Others	2.0	Fuel & lubricants	43.3
		Machinery & transport equipment	37.2
		Manufactured goods	21.5

SIERRA LEONE
U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Production of Sierra Leone's main agricultural export products, coffee and cocoa, was significantly inhibited by social unrest and low producer prices.
- Although Sierra Leone has substantial deposits of diamonds, gold, bauxite, and rutile, the social unrest limited mineral exports primarily to diamonds and minimal amounts of gold, after the closure of bauxite and rutile mines.
- In late 2002, RusAl (Russia) announced plans to open bauxite mines in Sierra Leone. The company also announced the possibility of constructing an alumina smelter to process ore prior to export.
- In June 2003, the United Nations announced its decision to drop sanctions, first imposed in June 2002, against "blood diamonds" exports from Sierra Leone. The country will be able to export diamonds after the government establishes a certification process which complies with the Kimberley Process Certification system.
- In 2002, U.S. exports to Sierra Leone consisted primarily of preparations of cereals, milling industry products, and animal or vegetable oils or waxes; and U.S. imports from Sierra Leone consisted primarily of precious or semiprecious stones, and nonknitted apparel. In addition, Sierra Leone has been designated an AGOA beneficiary country. AGOA (including GSP) imports from Sierra Leone totaled $217,000 in 2002.

Investment and Privatization Update

- In July 2002, a seismic data company, TGS Nopec, announced that approximately 28,000 square kilometers of offshore area would be offered for exploration. In mid-2003, the government received bids from three petroleum companies to explore the coastal waters, Repsol (Spain), Oranto Petroleum (Nigeria), and 8 Investments (U.S.). The government announced evidence of petroleum and gas deposits, and expects exploratory drilling to begin in 2005.
- In late 2002, the governments of Libya, Nigeria, and South Africa announced plans to invest $10 million each to assist in the country's recovery.
- Although the government announced incentives, such as tax exemptions, for export and resource-based investment projects, relatively high levels of political risk continued to deter foreign investment.
- In June 2002, the government announced plans to privatize the national power company, and, with assistance from the World Bank, has contracted an international consultancy firm, Electricity Africa, to develop a strategy for the sector.
- In mid-2002, Nigeria's privatization agency announced the sale of the West African Refinery in Freetown owned by the Nigerian government.

SOMALIA

Economic Overview

Economic Indicators

	2001	2002	Difference
GDP (nominal, N$ 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)	126.0	n/a	n/a
Goods Imports (US$ mn)	343.0	n/a	n/a
Trade Balance (US$ mn)	-217.0	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)	2,531.0	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (N$/US$)	n/a	n/a	n/a

Economic Update

- Given the on-going political and social unrest, as well as international disengagement, economic, trade, and investment information remains limited. The absence of data continued to inhibit assessment of economic performance. The Somali National Reconciliation Process, which began in October 2002, offered hope of increased stability.
- Somalia's economy continued to rely heavily on the livestock and agricultural sectors. As a result of the insecurity, the United Nations estimated that in November 2002, approximately three-quarters of a million people required humanitarian assistance. The southern part of Somalia required substantial food-aid imports as the unrest continued to hamper domestic commercial networks.
- Small, independent companies have begun to offer telecommunications services by linking up with overseas satellite operators. In January 2002, two Internet service providers began operations in Mogadishu; and in 2002, three companies were established to provide telecommunications services to Mogadishu.
- Given the civil unrest in parts of the country, there was little formal economic policy aside from collection of tariffs and taxes. As creditors had frozen Somalia's accounts for more than ten years and the country lacked a functioning government, donors remained reluctant to provide funding or development aid.
- In mid-2003, the World Bank resumed operations in Somalia, which had been suspended in 1991. The World Bank plans to provide assistance through the Low-Income Countries Under Stress initiative; and to focus on macroeconomic data analysis and dialogue, livestock sector rehabilitation, HIV/AIDS prevention, and skills development for capacity building.

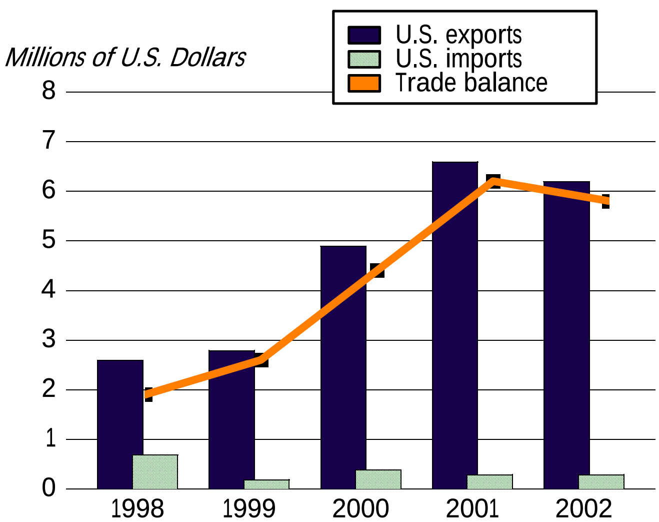
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Saudi Arabia	32.0	Djibouti	28.0
United Arab Emirates	32.0	Kenya	13.0
Yemen	17.0	India	10.0
Thailand	2.0	Brazil	6.0

Main Trade Commodities, US$ million, 1990

Exports		*Imports*	
Livestock	43.0	Manufactures	204.0
Bananas	28.0	Non-fuel primary products	104.0
Hides & skins	3.0	Fuels	52.0

U.S. Trade Balance



Trade Update

- In addition to the social turmoil and drought, a ban on imports of Somali livestock by Saudi Arabia and other Gulf states, after an outbreak of Rift Valley fever, negatively affected the livestock sector.
- In February 2003, the European Commission approved funding for a road network rehabilitation project, which is expected to facilitate trade.
- In 2002, U.S. exports to Somalia consisted primarily of electrical machinery and equipment, optical and medical instruments and apparatus, and organic chemicals; and U.S. imports from Somalia consisted primarily of edible preparations of meat, fish, and crustaceans.

Investment and Privatization Update

- The Somali coast has proven reserves of petroleum; and in October 2002, the break-away republic of Somaliland signed an agreement on drilling and extraction with the Seminal Copenhagen Group.
- As a result of the social unrest, privatization information remained unavailable.

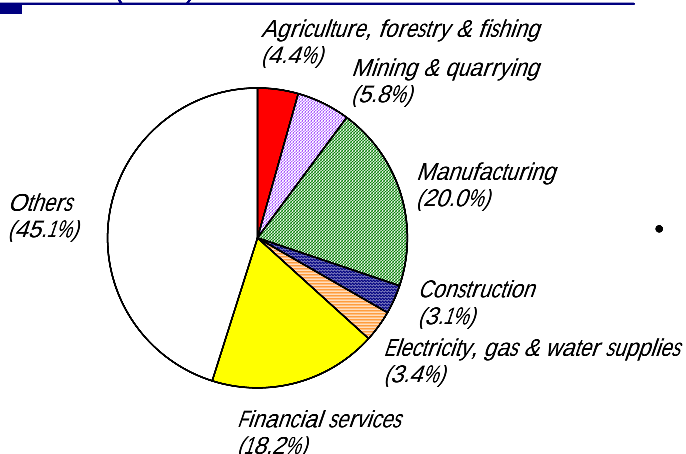
SOUTH AFRICA

Economic Overview

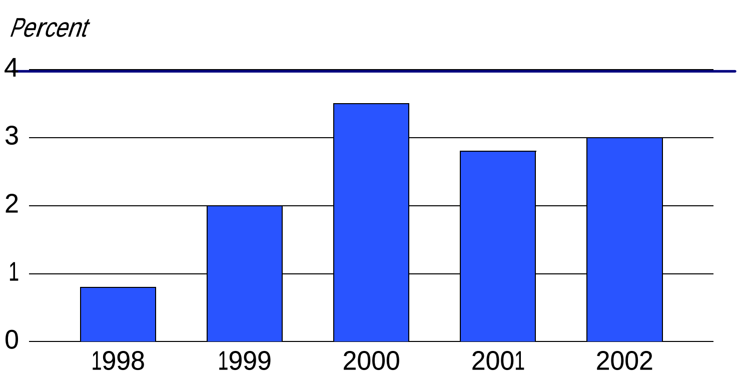
Economic Indicators

	2001	2002	Difference
GDP (nominal, R bn)	982.9	1,098.7	115.8
GDP (US$ bn)	114.0	104.5	-9.5
CPI Inflation (annual average; %)	5.7	9.2	3.5
Goods Exports (US$ mn)	30,717.0	31,085.0	368.0
Goods Imports (US$ mn)	25,855.0	26,712.0	857.0
Trade Balance (US$ mn)	4,862.0	4,373.0	-489.0
Current Account balance (US$ mn)	-295.0	289.0	584.0
Foreign Exchange Reserves (US$ mn)	6,045.0	5,904.0	-141.0
Total External Debt (US$ bn)	24.1	24.4	0.3
Debt Service Ratio, paid (%)	11.6	10.5	-1.1
Exchange Rate (R/US$)	8.6	10.5	1.9

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- South Africa has the most diversified economy in SSA. Mining remains an important sector, with gold accounting for more than one-third of exports. Other important mineral products include manganese, chrome, platinum, coal, and diamonds.
- Agriculture is an important source of both direct and indirect employment. Although maize is the predominant crop, wine, high-value fruit, ostrich meat, and other emerging products continued to develop niche markets. Maize is a staple food, but is also exported. Maize production depends heavily on weather conditions.
- The manufacturing sector, which is heavily capital-intensive and based on mining, energy, heavy chemicals, and minerals benefication, represented approximately 20 percent of GDP. Although the depreciation of the rand has helped the manufacturing sector, a shortage of skilled labor continued to constrain the sector. A substantial driver of the manufacturing sector was the automobile and parts industry, which has contributed to increasing exports and overall GDP. In April 2002, the government drafted the Integrated Manufacturing Strategy to address the two main changes in the manufacturing sector: the rise of the automotive industry and the decline of the textile and apparel industry. The strategy aims to promote eight key manufacturing sectors: clothing and textiles, agro-processing, metals and minerals, tourism, automotive and transport, crafts, chemicals, and bio-technology and knowledge-based industries.
- Services, which range from financial services to tourism, represented the largest contributor to GDP. Financial services alone contributed 20 percent to GDP. South Africa's financial markets are larger than all other SSA exchanges combined. In January 2002, the Johannesburg Stock Exchange began to implement changes to improve its competitiveness, such as coordinating exchange hours with European markets, switching stocks to London's stock exchange electronic trading service system, and implementing new listing and reporting requirements to comply with international standards. South Africa's tourism industry was one of the fastest growing in the world in 2001, with a 10 percent increase in visitors.
- In June 2002, the government passed the Mineral and Petroleum Resources Development Bill designed to open up the sector to foreign competition and to encourage the development of black-owned mining groups by transferring all mineral rights to the state.
- In August 2002, the government passed the Electronic Communications and Transactions Act, which provides comprehensive legislation outlining the government's commitment to electronic transactions by addressing some of the legal issues surrounding contractual arrangements made on line.

Economic Update—Cont.

- In 2002, the government passed a bill designed to halt the emigration of skilled labor. In addition, after an IMF consultation in May 2001, that recommended labor reform as a means of addressing the country's unemployment rate, the government passed labor law amendments in 2002. The new amendments aim to improve labor market efficiency by altering the way in which the Commission for Conciliation, Mediation and Arbitration resolves disputes.

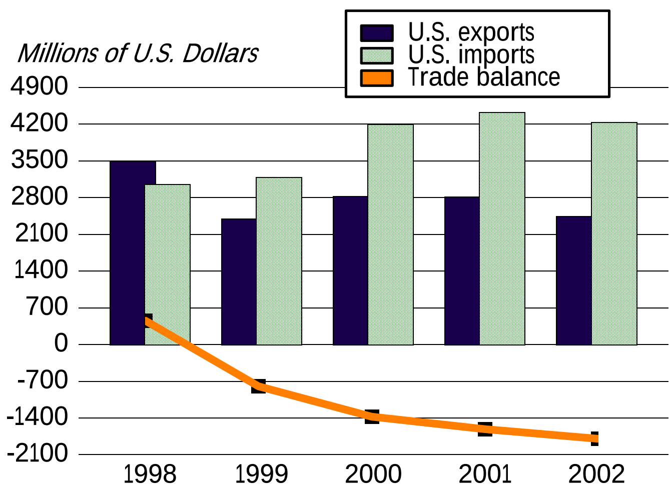
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
United States	11.7	Germany	15.4
United Kingdom	11.1	United States	11.5
Germany	8.3	United Kingdom	8.7
Japan	6.2	Japan	5.9

Main Trade Commodities, US$ million, 1997

Exports		*Imports*	
Metals & 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

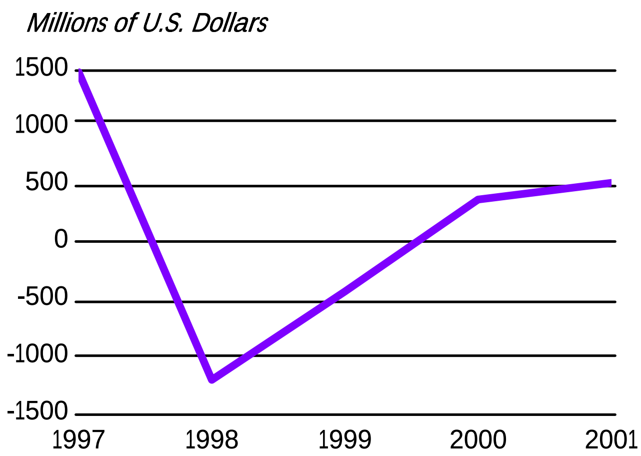
U.S. Trade Balance



Trade Update

- South Africa has 80 percent, 56 percent, 35 percent, and 68 percent of the world's reserves of manganese, platinum group metals, gold, and chromium, respectively. Gold accounted for approximately 13 percent of total exports, and gold exports by value increased because of the depreciation of the rand and the increase in gold prices.
- Since 2000, the value of automotive exports have doubled. Key growth sectors included tires, car radios, radiators, wheels, and automotive glass. The Automotive Industry Export Council credited this export growth to the Motor Industry Development Program, which uses import rebate credits to promote exports. BMW South Africa announced plans to upgrade its Rosslyn assembly plant to increase capacity. BMW South Africa's main export market was the United States.
- Although South African Breweries produced two-thirds of Africa's beer and has become China's second largest brewer, an increasingly important alcohol industry export has been wine, which contributed substantially to the 26 percent growth in alcohol exports in 2001.
- In early 2003, the state railway company, Spoornet, announced plans to invest $120 million a year to upgrade its network after various companies cited inadequate rail capacity as an obstacle to exports.
- In November 2002, the United Nations Convention on International Trade in Endangered Species of Wild Fauna and Flora allowed South Africa, Namibia, and Botswana to sell their stockpiles of ivory by 2004. The one-time sale of the stockpile, which resulted from the systematic culling of elephants in reserves, will begin when UN monitoring is established to prevent poaching.
- South Africa proposed free trade agreements with a number of countries, including the South American common market (Mercosur), India, and the United States.
- In early 2003, the government introduced the International Trade Administration Bill, which would establish an International Trade Administration Commission responsible for monitoring trade, dealing with import and export permits, and administering the Southern African Customs Union.
- The government continued to relax foreign-exchange controls. In early 2003, the government announced a wide-range restructuring of its foreign-exchange control regime, including the elimination of a tax on foreign dividends and the release of funds of emigrant South Africans.
- In 2002, U.S. exports to South Africa consisted primarily of machinery and mechanical appliances, aircraft and parts, and vehicles and parts; and U.S. imports from South Africa consisted primarily of precious or semiprecious stones or metals, vehicles and parts, and iron and steel. In addition, South Africa has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from South Africa totaled $1.3 billion in 2002.

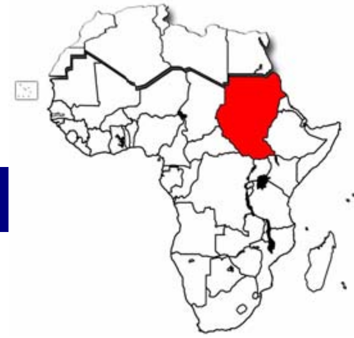
Net Foreign Direct Investment



Investment and Privatization Update

- The recovery of foreign direct investment in early 2002 was driven primarily by the purchase of majority shares of two local steel firms by foreign interests. An overall decline in 2002 was attributed to numerous factors. Despite political and macroeconomic stability, various factors, including a weak global environment, the HIV/AIDS pandemic, regional political instability, the slow pace of privatizations, a highly regulated labor market, low capital and labor productivity, and a high crime rate continued to hamper foreign direct investment.
- In early 2003, South Africa-based AngloGold, announced plans to raise up to $600 million in equity and debt in the U.S. financial market after having registered with the U.S. Securities and Exchange Commission.
- South Africa has become one of the largest sources of foreign direct investment into other SSA countries. South African firms have invested an average of $1.4 billion annually into SSA since 1991. A contributing factor to this growth has been foreign-exchange control regulations which allow investments up to 2 billion rand in SSA, but only 500 million rand in other regions. Although a substantial portion of South Africa's investment in SSA has been in the mining and construction sectors, investment has since diversified into financial services, telecommunications, consumer goods, health care, media, and retail companies. For example, MTN South Africa owns 63 percent of mobile-phone operator MTN Nigeria; and MTN has expanded into Rwanda, Swaziland, and Uganda.
- Firms awaiting privatization include the defense contractor (Denel), the power utility (Eskom), a diamond exploration company (Alexcor), the Airports Company of South Africa, and the transport group (Transnet).
- Although the national telecommunications company, Telkom, lost exclusive rights in May 2002, no firm has yet entered the market. Privatization of the company via the sale of shares on the stockmarket, as well as the sale of M-Cell (mobile phone and Internet group) remained uncertain in the uncertain international telecommunications market.
- Although the government has acknowledged a need to increase privatization efforts, several trade unions conducted a nationwide strike against the privatization program in October 2002. The unbundling of parastatals, such as Eskom, Telkom, Transnet, and Denel, is expected to create private sector investment opportunities, but the slow pace of privatizations has affected investor confidence.
- In March 2003, the government listed the national telecommunications company, Telkom, on the Johannesburg and New York Stock Exchanges.

SUDAN

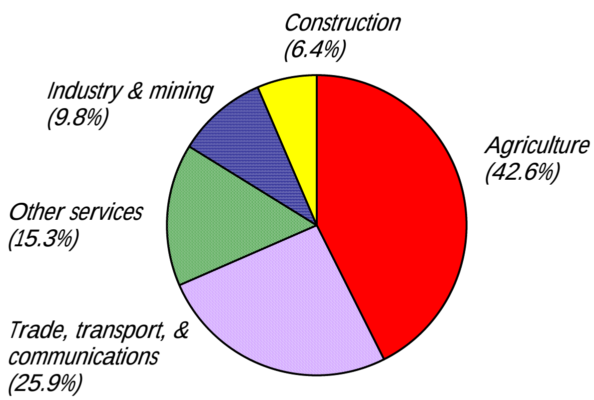


Economic Overview

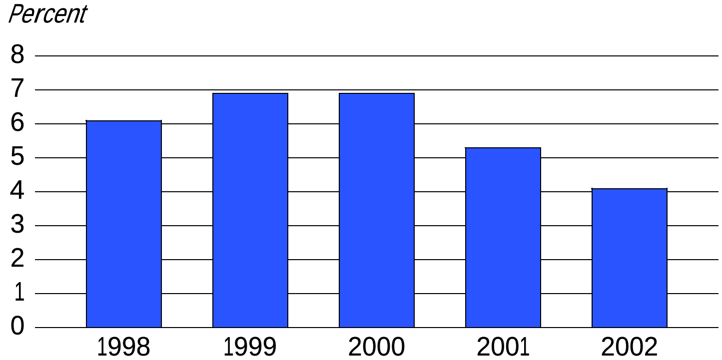
Economic Indicators

	2001	2002	Difference
GDP (nominal, SD bn)	3,127.9	3,571.8	443.9
GDP (US$ bn)	12.1	13.6	1.5
CPI Inflation (annual average; %)	3.0	8.4	5.4
Goods Exports (US$ mn)	1,698.7	1,949.1	250.4
Goods Imports (US$ mn)	1,395.1	2,152.8	757.7
Trade Balance (US$ mn)	303.6	-203.7	-507.3
Current Account balance (US$ mn)	-618.3	-960.4	-342.1
Foreign Exchange Reserves (US$ mn)	117.8	478.4	360.6
Total External Debt (US$ bn)	15.3	15.9	0.6
Debt Service Ratio, paid (%)	2.4	3.1	0.7
Exchange Rate (SD/US$)	258.7	263.3	4.6

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- The political and social upheavals in recent years have forced many farmers off their land and interrupted access to input products, substantially disrupting agricultural production. Poor weather conditions and internal conflict led the United Nations to appeal for increased food aid in late 2002. Livestock production, however, continued to improve as many Gulf countries lifted their ban on Sudanese meat imports; and livestock has surpassed cash crops as the fastest growing nonpetroleum export sector.
- Although the agricultural sector remains an important sector for employment and contribution to GDP, the development of the petroleum sector continued to increase its role in the economy. Development of the petroleum sector has resulted in a sharp increase in foreign investment and export earnings, as well as accelerated development of the industrial sector.
- A project to increase Sudan's energy capacity moved forward in 2002 when ABB (Switzerland) announced that it had begun to lay the power lines connecting a power station to the grid. The project, which began in April 2001, is expected to be completed in 2003.
- Concerns regarding corruption and the country's large external debt arrears have limited access to international funding support.
- In early 2002, the development agencies of Saudi Arabia, Abu Dhabi, and Kuwait signed agreements with the government to fund, in part, the construction of a hydroelectric power project.
- The Kuwait Fund for Arab Economic Development provided $110 million for the construction of a road in 2002.

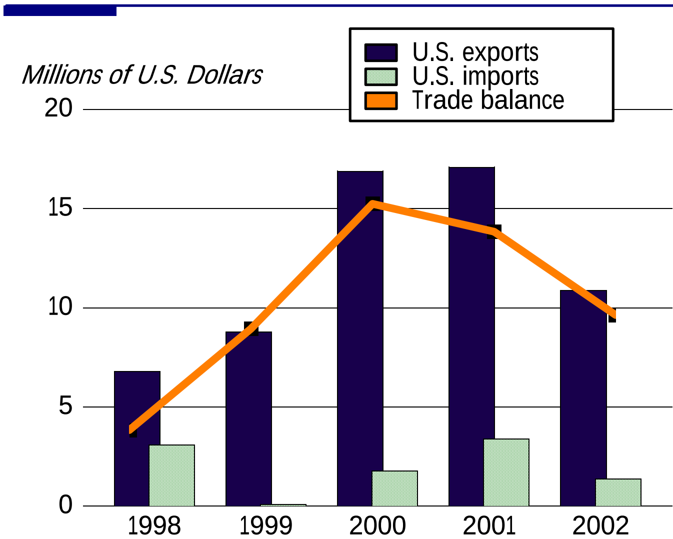
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
China	42.3	China	11.9
Japan	14.1	Saudi Arabia	8.8
Saudi Arabia	7.4	Germany	8.1
South Korea	4.9	United Kingdom	7.2

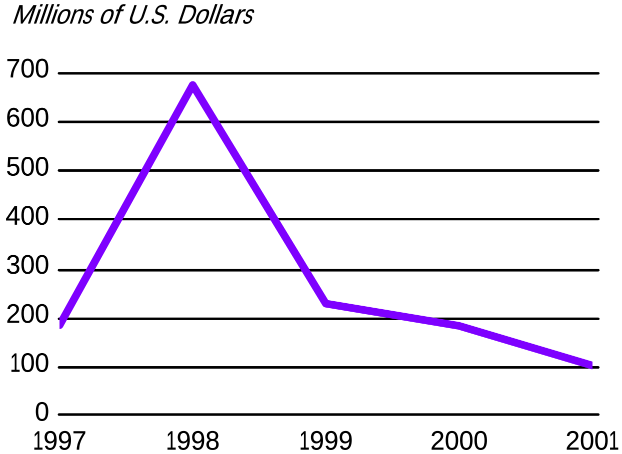
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Crude oil	1,370.0	Machinery & equipment	442.5
Sesame	104.5	Manufactured goods	296.5
Cotton	44.4	Transport equipment	202.9
Gum arabic	24.3	Wheat & wheat flour	138.1

U.S. Trade Balance



Net Foreign Direct Investment



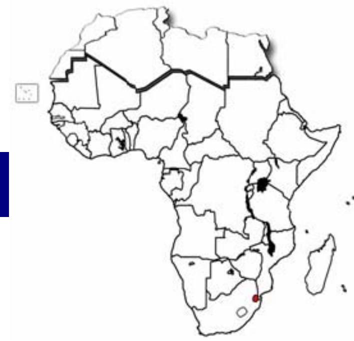
Trade Update

- The relative importance of cotton in Sudan's trade commodities profile has fallen as a result of declining international cotton prices and a reduction in planting area. Sesame and livestock exports, however, have increased in recent years.
- The most significant impact on trade has been the country's development of the petroleum sector. The petroleum sector was inaugurated in August 1999, and by 2002, petroleum-related export revenues represented more than 70 percent of total export earnings. Prior to development of the petroleum export sector, export earnings and the trade balance fluctuated substantially; recent years, however, have recorded trade surpluses.
- Increased earnings from petroleum exports have also fueled increased imports of capital and food products.
- In 2002, U.S. exports to Sudan consisted primarily of cereals, milling industry products, and edible vegetables or roots; and U.S. imports from Sudan consisted primarily of vegetable saps and extracts, machinery and mechanical appliances, and oil seeds and fruits.

Investment and Privatization Update

- Sudan reportedly has significant petroleum reserves, and in recent years, the government, in conjunction with international petroleum firms, has been developing fields in the central southern regions of the country and plans to expand exploration farther south.
- Lundin Oil (Sweden), which discovered viable deposits in 2001, had planned to begin production in 2002, but deteriorating security delayed the company's plans as it was forced to withdraw staff in early 2002.
- In October 2002, after several years of an international divestment campaign, Talisman (Canada), the only publicly listed Western petroleum company operating in Sudan, announced plans to sell its stake in the consortium developing Sudan's petroleum reserves.
- In early 2003, the government inaugurated a $20 million oil-pumping station at the country's main pipeline and largest refinery. The new station is expected to boost exports to 300,000 barrels per day as capacity constraints in the existing pipeline had been limiting production and export.
- The pace of privatizations remained slow because of various factors, including lack of managerial capacity to define and assess state-owned enterprises, the large deficits sustained by many parastatals, the dilapidated condition of many parastatals and necessary investment, allegations of corruption, and opposition from labor unions.
- In late 2002, the government announced plans to sell a 74 percent stake in the Bank of Khartoum; the government plans to retain the remaining 26 percent. The government also began to restructure the Agricultural Bank in anticipation of privatization.
- In 2002, the government privatized the Sudan Duty-Free Zone Company and the Bridges and Roads Corporation.

SWAZILAND

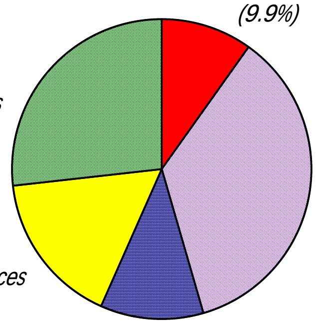


Economic Overview

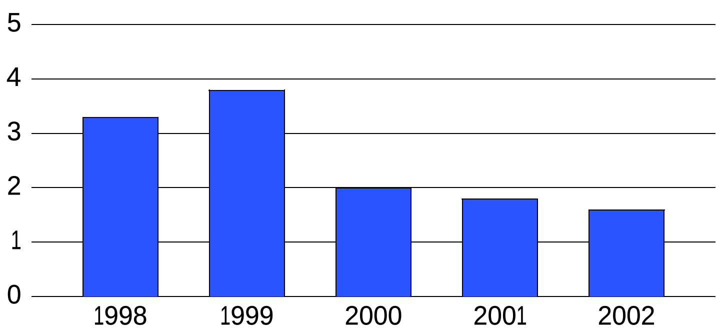
Economic Indicators

	2001	2002	Difference
GDP (nominal, E mn)	10,971.0	12,462.0	1,491.0
GDP (US$ mn)	1,274.2	1,182.4	-91.8
CPI Inflation (annual average; %)	7.5	11.8	4.3
Goods Exports (US$ mn)	820.0	830.0	10.0
Goods Imports (US$ mn)	894.0	938.0	44.0
Trade Balance (US$ mn)	-74.0	-108.0	-34.0
Current Account balance (US$ mn)	-53.0	-41.0	12.0
Foreign Exchange Reserves (US$ mn)	272.0	276.0	4.0
Total External Debt (US$ mn)	406.0	305.0	-101.0
Debt Service Ratio, paid (%)	2.3	3.2	0.9
Exchange Rate (E/US$)	8.6	10.5	1.9

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- As Swaziland depends on the agricultural sector for employment, exports, and contribution to GDP, economic performance was significantly influenced by climate conditions and international commodity prices. GDP growth was hampered by food shortages resulting from insufficient agricultural production after dry conditions in 2001/2002, the estimated high rate of HIV/AIDS, and high unemployment. In early 2003, the World Bank estimated that one-quarter of the population required food aid.
- The government continued to focus on prudent macroeconomic policy based on free-market principles and limited government intervention. Economic policy concentrated on attracting foreign investment, improving fiscal discipline, and diversifying revenue sources as tariff revenue represented approximately 50 percent of government revenue.
- Swaziland did not have an IMF-funded program in place. The IMF's 2003 Article IV report advised the government to tighten fiscal policy, to restore macroeconomic stability, to reduce inflation, to increase privatization efforts, and to increase spending on health and education.

SWAZILAND

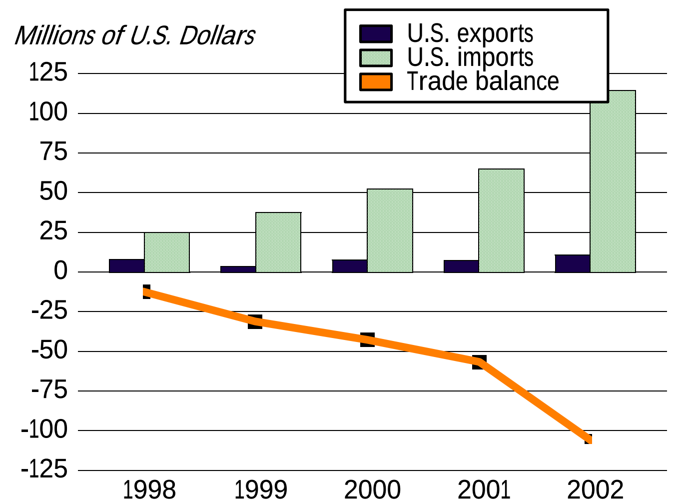
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
South Africa	59.7	South Africa	95.6
United States	8.8	European Union	0.9
European Union	8.0	Japan	0.9
Mozambique	6.2	Singapore	0.3

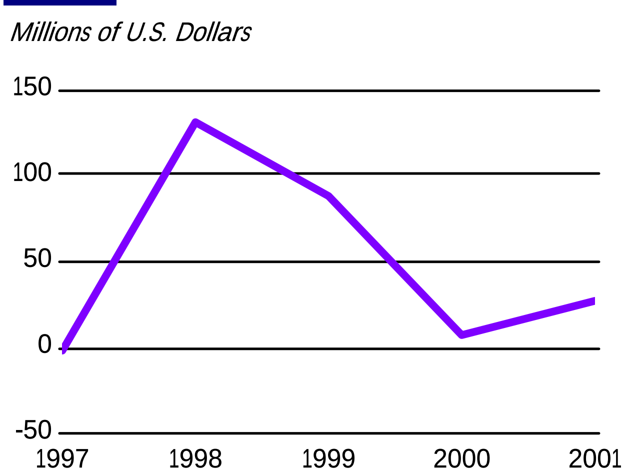
Main Trade Commodities, US$ million

Exports (2001)		*Imports (2000)*	
Miscellaneous edibles	281.0	Machinery & transport equipment	197.0
Sugar	76.0	Manufactured goods	148.0
Wood pulp	61.0	Food & live animals	132.0
Textiles	50.0	Chemicals	112.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The government continued efforts to broaden the tax base and to increase diversification as expected tariff reductions in 2006 required by the EU-South Africa agreement and commitments to the WTO are expected to substantially decrease tariff revenue. Revenue from the SACU revenue pool is also expected to decrease after changes in the revenue-sharing agreement are implemented in 2006.
- In late 2002, Comesa gave Swaziland 12 months to make a final decision on joining the free-trade area. In order to join Comesa, Swaziland would need to obtain consent from other SACU members.
- In 2002, U.S. exports to Swaziland consisted primarily of precious or semiprecious stones or metals, imitation jewelry, and electrical machinery and equipment; and U.S. imports from Swaziland consisted primarily of knitted and nonknitted apparel, and electrical machinery and equipment. In addition, Swaziland has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Swaziland totaled $81.2 million in 2002.

Investment and Privatization Update

- Swaziland has experienced some success in attracting foreign investment driven by access to the AGOA program. The majority of the investment has been from Taiwanese and Indian investors targeting the textile and apparel industry. As AGOA eligibility is dependent on good governance, concerns regarding labor treatment and governance led the United States to notify the government that access to AGOA trade benefits could be lost.
- Taiwanese and Indonesian investors announced plans to establish spinning and dyeing factories in Swaziland.
- A bond market was opened in 2002.
- The first draft of the privatization policy was completed in May 2002, and was transfered to the minister of finance to be issued to stakeholders for comment.
- Firms targeted for privatization include the postal and telecommunications enterprise (SPTC) and the national airline (Royal Swazi National Airways Corporation).

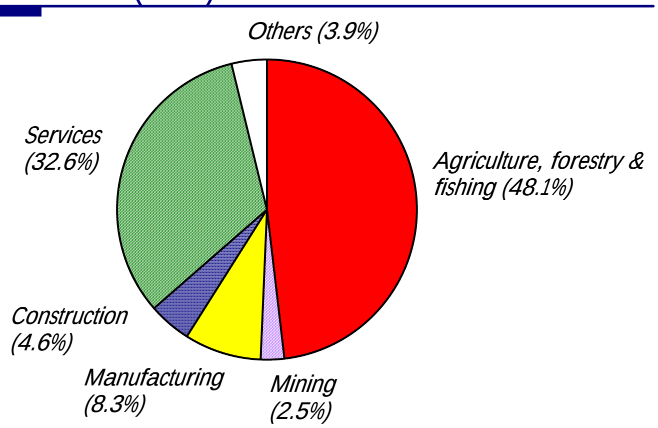
TANZANIA

Economic Overview

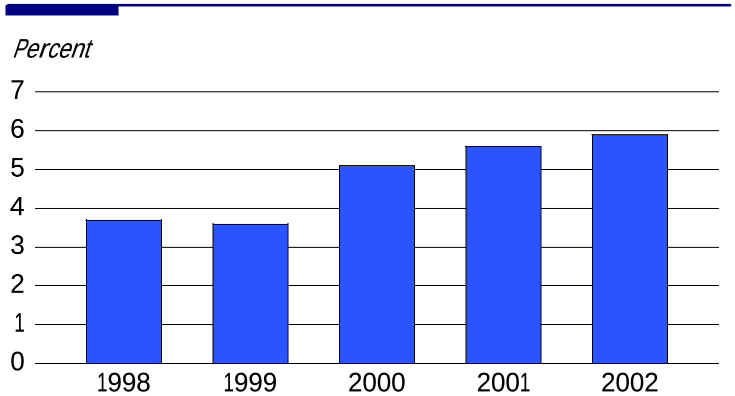
Economic Indicators

	2001	2002	Difference
GDP (nominal, TSh bn)	8,001.9	8,859.1	857.2
GDP (US$ bn)	9.1	9.2	0.1
CPI Inflation (annual average; %)	5.1	4.6	-0.5
Goods Exports (US$ mn)	777.2	855.5	78.3
Goods Imports (US$ mn)	1,492.1	1,661.5	169.4
Trade Balance (US$ mn)	-714.9	-806.0	-91.1
Current Account balance (US$ mn)	-558.9	-610.6	-51.7
Foreign Exchange Reserves (US$ mn)	1,156.6	1,528.8	372.2
Total External Debt (US$ bn)	7.0	6.9	-0.1
Debt Service Ratio, paid (%)	12.5	11.1	-1.4
Exchange Rate (TSh/US$)	876.4	966.6	90.2

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Tanzania's economy remained heavily dependent on the agricultural sector, and, consequently, economic performance relied on climate conditions. Prospects of discovering commercially viable petroleum deposits, however, may substantially alter the country's economic profile. The fishing sector continued to be hampered by a lack of modern fishing equipment. Although its contribution to GDP remained small, the mining sector has increased in recent years, especially gold production. Supported by more reliable access to water and electric supplies, and prompted by privatization of some manufacturing firms, the manufacturing sector has expanded, although from a low base.
- In early 2003, the government began developing an investment incentive package as part of its efforts to increase agricultural sector investment. The incentives, aimed at assisting companies to establish agro-processing industries in Tanzania, will focus on encouraging value-added processing of traditional crops, such as coffee, cotton, and cashew nuts, as well as emerging sectors, such as floriculture and horticulture. In addition, the Tanzanian Investment Center continued efforts to establish a land bank designed to facilitate investor acquisition of land.
- Although Tanzania's electric supply has been erratic because of heavy reliance on hydroelectric power, during 2002, the government continued plans to secure gas from the Songo Songo field to supply industrial sites and power plants.
- Tanzania's economic policy continued to follow broadly commitments made under the June 2000 PRGF, which expired in June 2003. The main components of the policy included maintaining macroeconomic stability, implementing agricultural and rural development strategies, reforming the civil service, privatizing infrastructure, and improving local government structures. The country remained heavily dependent on foreign aid to finance development projects and to provide balance-of-payments support. Economic reform efforts have included microfinance, electricity provision, tax simplification, textile and agro-processing, and improvement of rural roads and government services.
- In mid-2003, after a review of the IMF-supported PRGF, the IMF commended the government on its economic performance in the 2002-2003 fiscal year.
- In December 2002, Norway and Tanzania signed an agreement cancelling the remainder of Tanzania's debt to Norway amounting to 7.4 billion shillings (approximately $7.7 million).

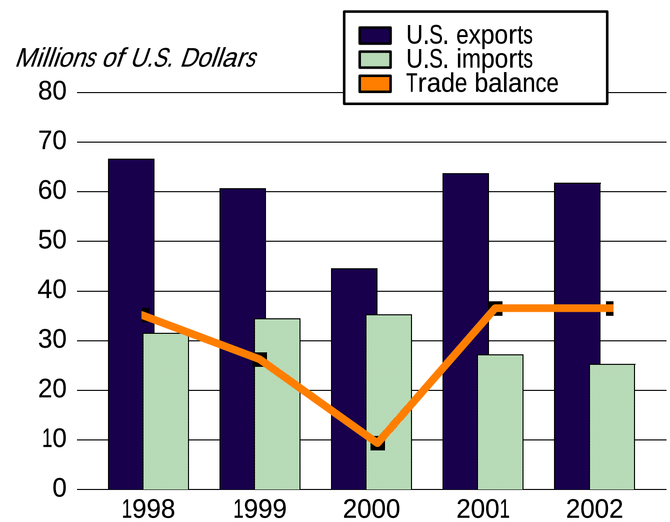
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
India	15.4	South Africa	13.3
Germany	7.8	Japan	10.7
Japan	6.7	United Kingdom	6.3
Belgium	6.7	Kenya	6.2

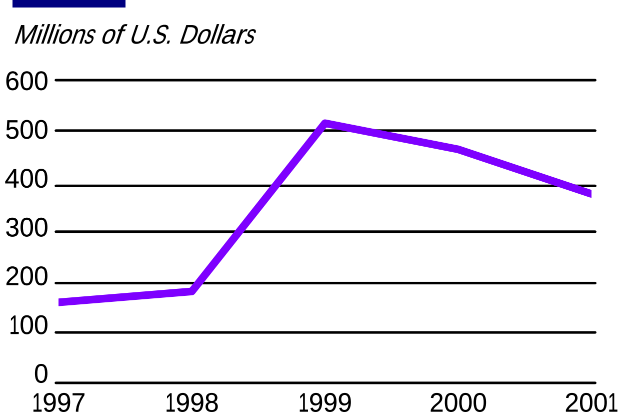
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Gold	257.0	Machinery	407.0
Coffee	57.0	Consumer goods	363.0
Cashew nuts	57.0	Oil & other fuels	221.0
Manufactures	56.0	Industrial raw materials	205.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Tanzania's traditional export cash crops include cotton and coffee, both of which continued to experience falling international commodity prices, as well as structural production constraints limiting export volumes.
- In early 2002, the consulting group Techno Serve (U.S.) advised the Tanzanian government to introduce a single coffee tax to replace the 26 existing taxes, duties, and levies. The group noted that comparable Guatemalan taxes amount to only 1.1 percent, while Tanzania's taxes amount to 21 percent. The consulting firm also noted that the combination of low international prices and high taxes was making coffee production costs prohibitive.
- In 2002, U.S. exports to Tanzania consisted primarily of clothing, machinery and mechanical appliances, and articles of iron or steel; and U.S. imports from Tanzania consisted primarily of precious or semiprecious stones and metals, fish and crustaceans, and vegetable saps and extracts. In addition, Tanzania has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Tanzania totaled $1.3 million in 2002.

Investment and Privatization Update

- Although the agricultural sector represents a significant part of the economy, it has attracted limited foreign investment. According to a report jointly issued by the Bank of Tanzania, the Tanzania Investment Center, and the Bureau of Statistics in late 2002, only 7 percent of total direct foreign capital had been invested in the agricultural sector, while the vast majority of foreign direct investment, 80 percent, targeted the mining and manufacturing sectors.
- In mid-2002, Antrim (Canada) announced that, after years of delay because of political unrest in Zanzibar, it would begin three exploratory drilling projects in its Pemba/Zanzibar blocks.
- In October 2002, Tanga Cement was listed on the Dar es Salaam stock exchange.
- During late 2002 and early 2003, the Dar es Salaam stock exchange opened investment to foreigners. Under the revised framework, foreigners will be able to purchase up to 60 percent of shares floated on the exchange, with the remaining 40 percent reserved for local investors.
- In April 2003, the government announced plans to sell its 49 percent holding in the Dar es Salaam Airport Handling Company to the public through the Dar es Salaam stock exchange.
- In November 2002, South African Airways purchased a 49 percent stake in Air Tanzania, paying $20 million and, subsequently, announced plans to invest a further $410 million in developing the airline company. After acquiring the company, South African Airways launched its new airline, Air Tanzania Corporation, on April 1, 2003. South African Airways reportedly plans to make Tanzania the regional hub for its Southern African services.
- During 2002, the government moved forward on plans to transfer the railway network, excluding the Tanzania-Zambia Railway Authority, to a private management firm.
- Firms awaiting privatization include major public utilities such as the telecommunications, power, water and sewage, and several transport enterprises.

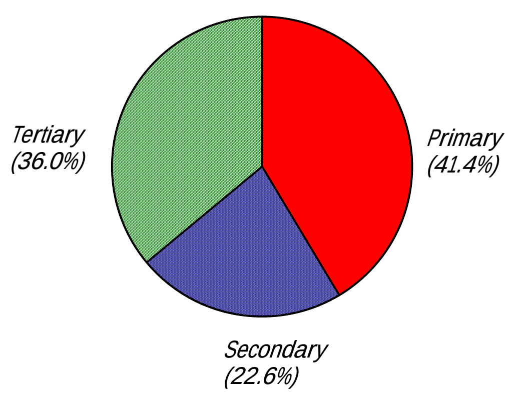
TOGO

Economic Overview

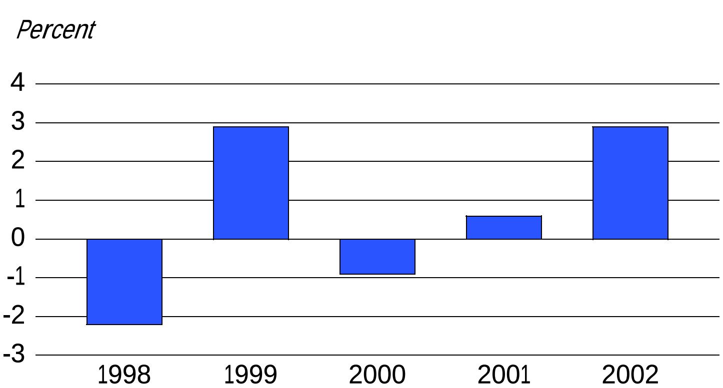
Economic Indicators

	2001	2002	Difference
GDP (nominal, CFAfr bn)	908.0	963.0	55.0
GDP (US$ bn)	1.2	1.4	0.2
CPI Inflation (annual average; %)	3.9	3.1	-0.8
Goods Exports (US$ mn)	390.0	429.0	39.0
Goods Imports (US$ mn)	523.0	580.0	57.0
Trade Balance (US$ mn)	-133.0	-151.0	-18.0
Current Account balance (US$ mn)	-167.0	-186.0	-19.0
Foreign Exchange Reserves (US$ mn)	126.1	210.0	83.9
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$)	733.0	693.4	-39.6

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Togo's economic performance remained dependant on the performance of three main sectors: agriculture, phosphate mining, and trade and transport.
- Similar to many West African countries, Togo has received investment driven by petroleum exploration activities. In late 2002, after signing a production-sharing agreement with the government, Hunt Oil (U.S.) began drilling its first exploratory well in Togo's territorial waters.
- In January 2003, the heads of state of Benin, Ghana, Nigeria, and Togo signed a 20-year treaty establishing a single regulatory authority for, and harmonizing the fiscal and legal framework of, the planned $500 million West African Gas Pipeline. The pipeline will transport Nigerian gas to Benin, Ghana, and Togo.
- After a satisfactory assessment of Togo's performance under the IMF's staff-monitored program established in April 2001, a second interim program was undertaken between January and September 2002.
- Lack of donor support and increased spending in advance of the 2002 legislative election deteriorated the country's fiscal situation in late 2002. International concerns regarding the political unrest, however, are likely to hamper efforts to access debt relief or aid under the PRGF or HIPC programs.
- In August 2002, the Islamic Development Fund provided $9.3 million for the paving of main north-south road to improve integration of the central region into the national economy.

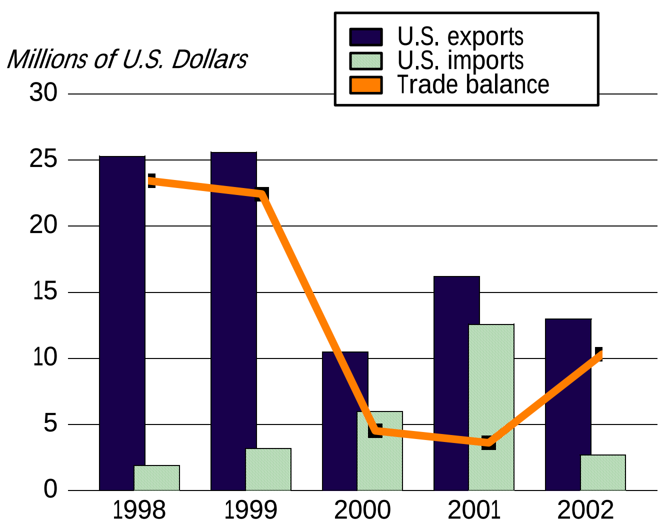
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Benin	13.0	Ghana	35.0
Nigeria	9.0	France	10.0
Ghana	5.0	Côte d'Ivoire	8.0
Colombia	4.0	China	8.0

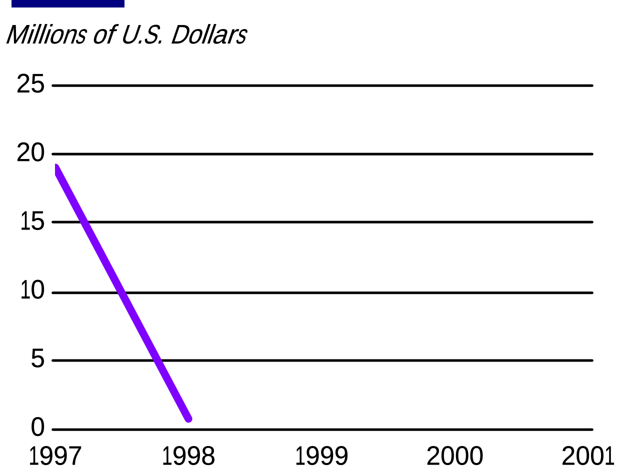
Main Trade Commodities, US$ million, 2001

Exports		*Imports*	
Re-exports	70.0	Petroleum products	119.0
Cotton	47.0	Capital goods	90.0
Phosphates	46.0	Food products	74.0

U.S. Trade Balance



Net Foreign Direct Investment



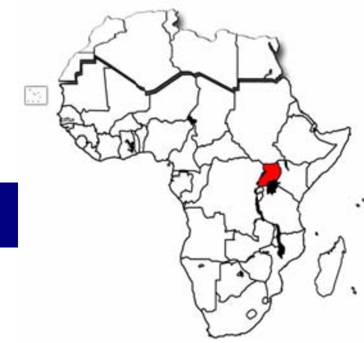
Trade Update

- Togo is the third largest producer of phosphates in SSA. Production has declined in recent years because of obsolete mining equipment, electricity shortages, and difficulty in accessing higher-quality reserves. In addition, Scandinavia and Germany have prohibited import of Togolese phosphate because of cadmium content limits, which Togo's phosphate exceeds. The government is actively seeking alternate markets, such as Canada, India, Iran, the Philippines, and South Africa. The replacement of the state-run phosphate industry management company with private foreign management during 2001 and early 2002 is expected to address these issues.
- Because of the social unrest in Côte d'Ivoire and congestion in Nigeria's port, Togo's port experienced increased activity as goods destined for Mali and Burkina Faso were rerouted through Lomé during 2002. The Port of Lomé Authority announced plans to establish a one-stop office to facilitate investment activity and to limit paperwork.
- Although cotton has traditionally been Togo's main cash crop, the decline in international prices in recent years has led many farmers to switch to other crops.
- In 2002, U.S. exports to Togo consisted primarily of machinery and mechanical appliances, cereals, and clothing; and U.S. imports from Togo consisted primarily of live animals, and oil seeds and fruits.

Investment and Privatization Update

- Increased activity in the port has prompted an increase in foreign investment in container handling facilities. For example, Ecomarine International, a joint venture between a West African private consortium and Sea Point (U.S.), is investing $100 million in a new container terminal, which is expected to be completed by the end of 2004. The project is expected to increase foreign-exchange earnings derived from re-export services.
- In an effort to curb reliance on phosphate exports, the government amended the mining code. The new mining code liberalizes the mining sector and encourages the research, exploration, and trade of precious stones and metals, such as gold and diamonds.
- Aside from the tourism sector, the privatization program slowed after most external funding was frozen in 1998. The poor financial condition of many parastatals has also hampered the sale of state-owned enterprises. Firms awaiting privatization include the phosphate mining company, state-owned banks, and the telecommunications enterprise.
- Sterling Merchant Finance (U.S.), which was appointed in 2001 to oversee the privatization of the telecommunications company, Togo Telecom, continued to develop divestment plans, but privatization is not expected until 2004.
- During 2002, the government made strides in privatizing its assets in the hotel-tourism industry. In May 2002, the government awarded management of a Hôtel 2 Février to Corinthia Hotels (Libya-Malta). In September 2002, the government sold a 15-year lease for the Hôtel de la Paix to Royal Financial Investments (U.S.) for $6.5 million. Also in September 2002, Parrain-Accord (France) took over management of the Hôtel-Ecole le Bénin.

UGANDA

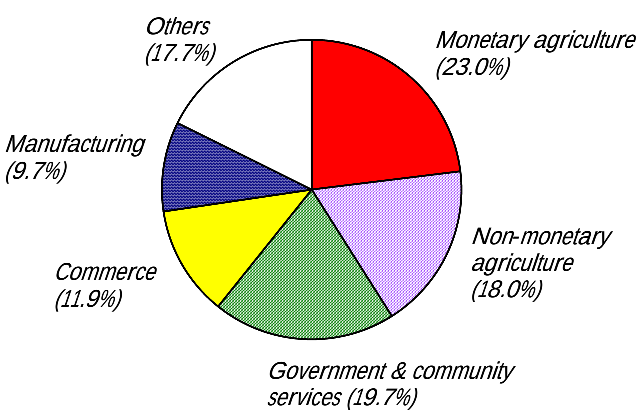


Economic Overview

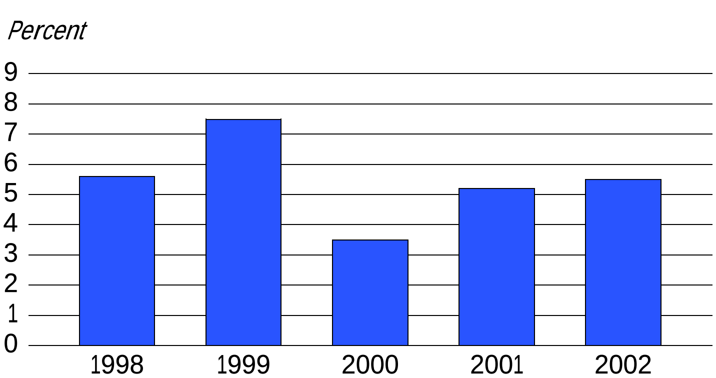
Economic Indicators

	2001	2002	Difference
GDP (nominal, NUSh bn)	10,007.5	10,605.8	598.3
GDP (US$ bn)	5.7	5.9	0.2
CPI Inflation (annual average; %)	2.0	0.0	-2.0
Goods Exports (US$ mn)	451.6	457.7	6.1
Goods Imports (US$ mn)	1,026.6	1,142.7	116.1
Trade Balance (US$ mn)	-575.0	-685.0	-110.0
Current Account balance (US$ mn)	-434.5	-551.9	-117.4
Foreign Exchange Reserves (US$ mn)	983.4	934.0	-49.4
Total External Debt (US$ bn)	3.1	2.8	-0.3
Debt Service Ratio, paid (%)	19.5	19.1	-0.4
Exchange Rate (NUSh/US$)	1,755.7	1,797.6	41.9

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- The agricultural sector remained an important contributor to export earnings and GDP; and, consequently, Uganda's economic performance remained determined primarily by weather conditions. Civil unrest in northern Uganda, however, hampered agricultural production and destroyed infrastructure.
- Economic reforms focused on promoting economic growth and reducing poverty levels. The government's enactment of the Public Finance and Accountability Act 2003 provides a foundation for strengthening public sector financial management and went into force in July 2003.
- In an August 2002 letter to the IMF, the government announced plans to begin a phased increase in the minimum paid-up capital required by banks to strengthen the banking system. In early 2003, the Bank of Uganda required the withdrawal from the banking sector of six banks unable to meet this requirement.
- In September 2002, the IMF and World Bank provided $17.8 million for a second 3-year grant for the government's poverty eradication and action plan under its PRGF. The poverty eradication and action plan focuses on assisting the poor to increase incomes, improving the quality of life of the poor, facilitating economic growth and structural transformation, and ensuring good governance and security.
- Although the IMF and World Bank have endorsed the government's economic policies, they and other international donors have, in recent years, expressed concerns regarding corruption, lack of progress towards political pluralism, and the country's involvement in the region's conflicts. In early 2003, the IMF and World Bank, after expressing concerns with the government's defense spending and limited political reform, informed the government that they would be unable to approve the $150 million budget support loan until the government met related conditions.
- In mid-2003, Libya announced that it would cancel Uganda's debt of $160 million under the terms of the HIPC initiative.

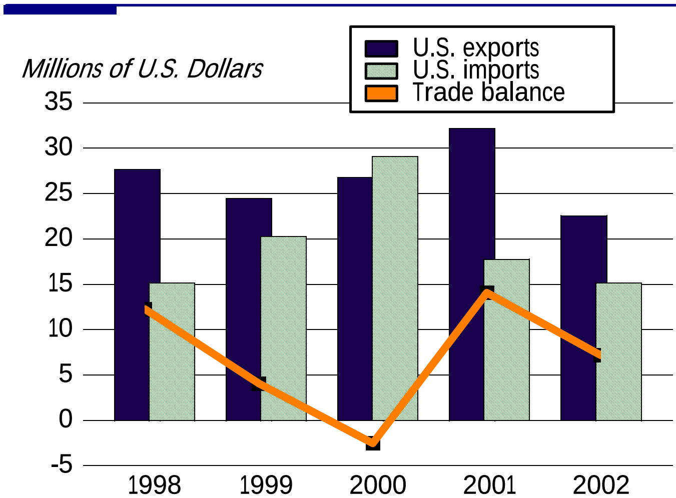
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Belgium	14.3	Kenya	43.2
Netherlands	14.1	India	6.8
Germany	7.5	United Kingdom	5.6
United States	6.0	United States	3.7

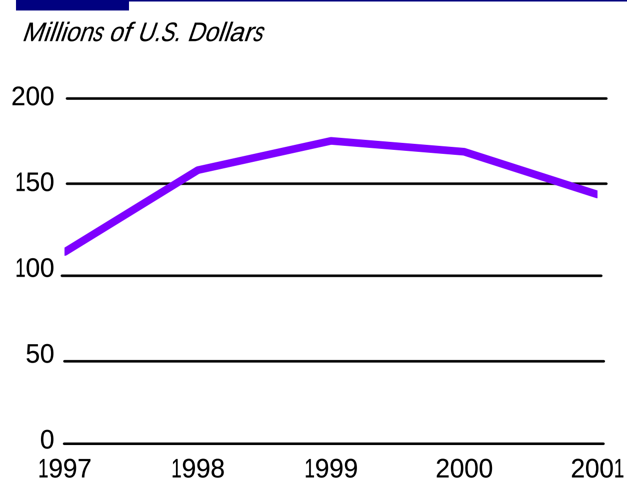
Main Trade Commodities, US$ million

Exports (2001)		*Imports (2000)*	
Coffee	97.6	Petroleum & petroleum products	163.1
Tea	78.2	Road vehicles	85.6
Gold	49.2	Medical & pharmaceuticals	34.1
Cotton	30.0	Specialized industrial machinery	31.4

U.S. Trade Balance



Net Foreign Direct Investment



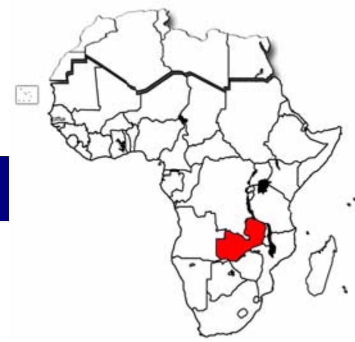
Trade Update

- Although world prices for coffee increased in the latter half of 2002, erratic and historically declining international prices for coffee prompted the government to encourage alternate export products. Despite the strides made by recent attempts to diversify into nontraditional exports (products other than coffee, cotton, tea, and tobacco), coffee remained an important foreign-exchange earner. Nontraditional products that have expanded in recent years include fish, gold, electricity, and flowers.
- In late 2002, the minister of agriculture reported that liberalization of the tea sector was yielding positive results, and tea exports had increased fourfold from 1986 to 2002.
- In early 2003, the government announced plans to begin a $120 million project aimed at developing palm oil exports. The state-run Vegetable Oil Development Project plans to plant palm trees over 99,000 acres on Lake Victoria island and the mainland near the basin.
- In mid-2003, the government announced plans to set aside funds to promote export-oriented, value-added commodity investments that utilize preferential trade programs offered by the United States (AGOA) and the EU.
- In mid-2003, as part of its efforts to stimulate investment and to reduce dependence on aid, the government's budget included a 10-year corporate tax break; duty exemptions on raw materials, plants, machinery, and other inputs; and abolition of export taxes.
- In 2002, U.S. exports to Uganda consisted primarily of machinery and mechanical appliances, electrical machinery and equipment, and milling industry products; and U.S. imports from Uganda consisted primarily of coffee, tea, and spices, fish and crustaceans, and base metals. In addition, Uganda has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Uganda totaled $32,000 in 2002.

Investment and Privatization Update

- According to the Uganda Investment Authority, investment into Uganda during 1999/2000 totaled $214 million, with approximately $773 million in planned investments.
- Various companies such as Tri Star Apparel (Sri Lankan investment), Phenix Logistics (Japanese investment), and Nytil Southern Range have invested in the textile and apparel sector in Uganda with plans to export to the United States under the AGOA program.
- Several companies, including TotalFinaElf (France) and RSM Production Corporation (U.S.), have expressed interest in exploratory drilling for petroleum deposits in Uganda.
- In 2002, Heritage Oil and Gas (Canada) and Energy Africa (South Africa) began drilling for petroleum near Lake Albert.
- Approximately 110 enterprises have been privatized to date, with 35 enterprises remaining to be privatized over the next 4 years, including companies in the agricultural, mining, housing, tourism, transport, and utilities sectors. The government's privatization efforts were constrained by a lack of transparency and asset stripping, which contributed to several failed deals. After a failed attempt in 1999, in early 2002, the government privatized the Uganda Commercial Bank.
- In 2002, in preparation for privatization, the Uganda Electricity Board was separated into power generation, power transmission, and power distribution companies.

ZAMBIA

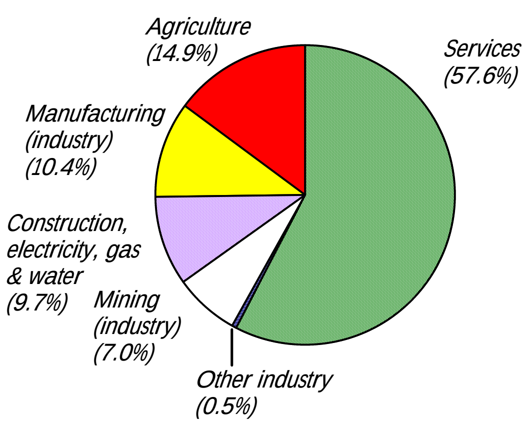


Economic Overview

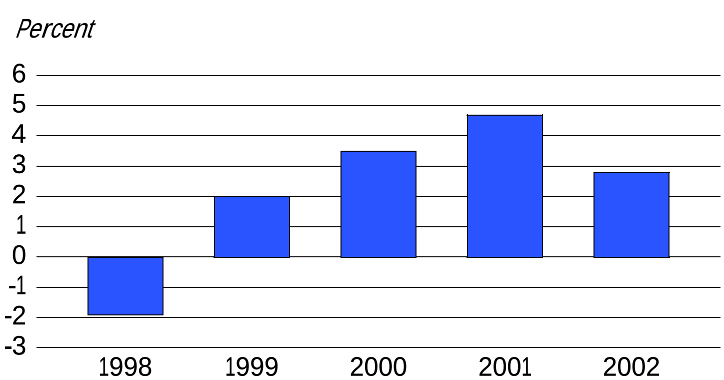
Economic Indicators

	2001	2002	Difference
GDP (nominal, ZK bn)	12,999.2	16,366.2	3,367.0
GDP (US$ bn)	3.6	3.8	0.2
CPI Inflation (annual average; %)	21.4	22.2	0.8
Goods Exports (US$ mn)	887.0	920.0	33.0
Goods Imports (US$ mn)	1,253.0	1,157.0	-96.0
Trade Balance (US$ mn)	-366.0	-237.0	129.0
Current Account balance (US$ mn)	-439.0	-265.0	174.0
Foreign Exchange Reserves (US$ mn)	183.4	451.4	268.0
Total External Debt (US$ bn)	5.7	5.9	0.2
Debt Service Ratio, paid (%)	28.5	43.9	15.4
Exchange Rate (ZK/US$)	3,610.9	4,306.9	696.0

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Economic growth was hampered by a drought in 2002, which substantially reduced cereal production, resulting in an estimated 2.3 million people in need of emergency food aid. The government's 2002 budget focused on the agricultural sector, increasing the sector's budget allocation threefold.
- The economy experienced significant setback when Anglo American announced plans to withdraw from Zambia's mining sector, as the company accounted for substantial direct and indirect employment, and foreign exchange earnings. The withdrawal highlighted the country's need to diversify the economy; and in early 2003, the government launched the National Economic Diversification Plan aimed at reducing the country's reliance on the copper industry, though the government released few details. In early 2003, the government announced the provision of land to farmers interested in cultivating nontraditional crops such as cotton, paprika, and sugar.
- The manufacturing and export sectors continued to be hampered by high electricity rates (one of the highest in the region), high duties on manufacturing inputs, a depreciating local currency, and regional instability dampening potential markets.
- The tourism sector, especially visitors to Victoria Falls, experienced increased activity as many tourists have shunned the political and social instability in Zimbabwe in favor of Zambia.
- In 2002, the EU pledged $356 million over 5 years for road rehabilitation, education, healthcare, and institutional reforms.
- In May 2002, Zambia completed its poverty reduction strategy paper, which included various options for diversifying the economy, such as agriculture and tourism expansion projects.
- In May 2002, the IMF completed its fourth review of Zambia's PRGF and agreed to release up to $160 million. The IMF also pledged $53 million in balance-of-payments support, and, under the HIPC initiative, $152 million in debt relief.

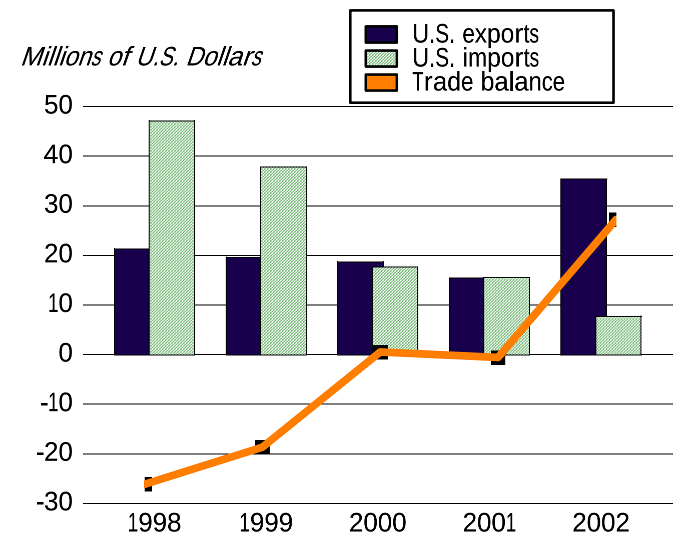
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
South Africa	25.5	South Africa	65.1
Switzerland	9.2	Zimbabwe	6.5
Malawi	7.8	United Kingdom	3.2
Thailand	7.7	Tanzania	2.9

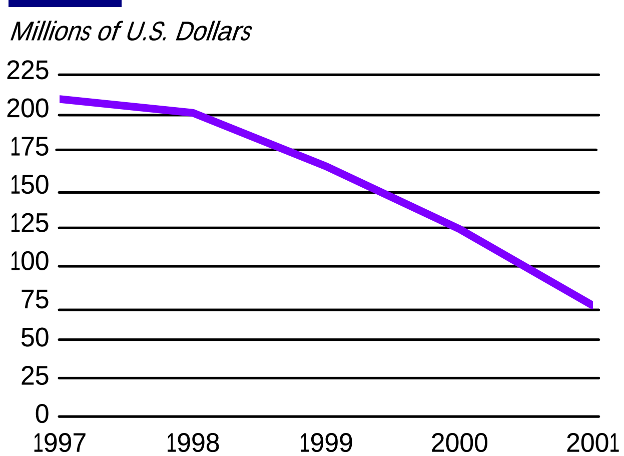
Main Trade Commodities, US$ million, 2002

Exports		*Imports*	
Copper	594.0	Metals	194.0
Cobalt	54.0	Others	963.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The government continued efforts to diversify the country's export base. High growth, nontraditional exports included horticulture and floriculture, such as specialty and organic vegetables, summer flowers, and roses.
- The increasing divergence in neighboring Zimbabwe's official and parallel exchange rates prompted increased smuggling of products, raising concerns by Zambian manufacturers. In an effort to halt the influx, in July 2002, the government banned the import of a number of Zimbabwean goods. In early 2003, the government lifted the ban after introducing new customs duty rules and a value-added tax; though the government maintained a parallel exchange rate system aimed at leveling competition between Zambian and Zimbabwean products.
- In August 2002, the government signed a letter of intent to join the Nacala Development Corridor, which is expected to provide more cost-effective transport routes.
- In June 2002, the government submitted a request to the U.S. Department of Commerce for handloomed and handmade folklore products to enter the United States duty free under the AGOA program. The application was accepted and went into effect in August 2003.
- In 2002, U.S. exports to Zambia consisted primarily of machinery and mechanical appliances, edible vegetables and roots, and cereals; and U.S. imports from Zambia consisted primarily of base metals; precious or semiprecious stones and metals; and coffee, tea, and spices. In addition, Zambia has been designated an AGOA beneficiary country, including apparel eligibility. AGOA (including GSP) imports from Zambia totaled $83,000 in 2002.

Investment and Privatization Update

- Despite Anglo American's announced plans to withdraw from Zambia by the end of 2002, investments in the minerals and mining sector continued. For example, First Quantum Minerals (Canada) announced plans to invest $120 million to develop an open-pit copper mine.
- In early 2003, the government signed agreements with the Netherlands and Italy aimed at providing investment opportunities, protection, and compensation in the event of loss as a result of domestic instability.
- In early 2002, the state awarded a 20-year concession for Zambia Railways to a consortium including Spoornet (South Africa), and led by New Limpopo Projects and Investments. Consortium plans included a transfer of management in late 2002 and an increase in investment aimed at increasing freight and passenger volumes. The consortium will pay the government $253 million per year for the concession.
- The government reaffirmed its commitment to privatize all state-owned enterprises, and by June 2002, 257 of 280 companies had been sold.
- During 2002, the government privatized and reformed much of the energy sector. In 2002, the government announced that it had received four bids for long-term concession rights to the Tazama pipeline. The government also announced plans to sell a majority stake in the Indeni refinery. In April 2002, the government liquidated the Zambia National Oil Company, which had a monopoly on the procurement and processing of crude petroleum.
- In early 2002, after receiving no purchase offers, the government assumed Zambia National Commercial Bank's major debts and, in early 2003, increased the percent for sale from 35 percent to 50 percent.

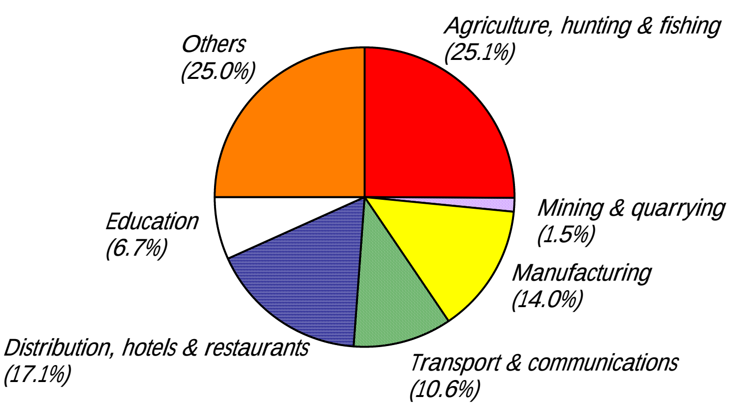
ZIMBABWE

Economic Overview

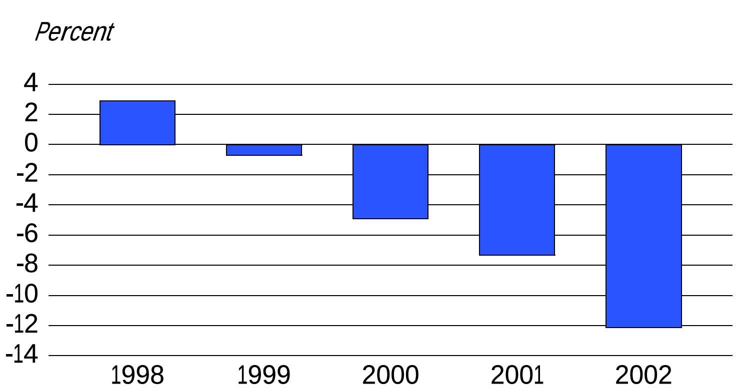
Economic Indicators

	2001	2002	Difference
GDP (nominal, Z$ bn)	523.3	1,085.4	562.1
GDP (US$ bn)	3.9	2.4	-1.5
CPI Inflation (annual average; %)	74.5	134.5	60.0
Goods Exports (US$ mn)	1,754.2	1,618.7	-135.5
Goods Imports (US$ mn)	1,544.9	1,551.0	6.1
Trade Balance (US$ mn)	209.3	67.7	-141.6
Current Account balance (US$ mn)	-171.6	-69.7	101.9
Foreign Exchange Reserves (US$ mn)	64.7	51.0	-13.7
Total External Debt (US$ bn)	3.8	3.9	0.1
Debt Service Ratio, paid (%)	15.0	12.4	-2.6
Exchange Rate (Z$/US$)	55.1	55.0	-0.1

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- As a result of increasing political and social instability, Zimbabwe continued to register negative economic growth in 2002. The economy has contracted by approximately 35 percent in the last 5 years. The agriculture and mining sectors, both large contributors to GDP, continued to struggle and decline in importance as many farms and factories ceased operations. The country's cement industry was effectively shut down when United Portland Cement stopped production in early 2003, citing government control on the price of cement. Cement and energy shortages (stemming from coal shortages) also hampered the construction sector, which contracted to approximately one-quarter its size in the 1990s. In late 2002, approximately one-half of Zimbabwe's manufacturing, agro-business, and mining companies planned to remain closed following normal closure for the holiday season.
- Because of an acceleration of the government's land redistribution, by August 2002 only approximately 600 commercial farms were left in operation. Along with regional drought, the decline in commercial farms contributed to significant food shortages and the need for international food aid.
- In March 2003, citing concerns regarding the government's land redistribution program, and the lack of rule of law, respect for human rights, or democracy, the Commonwealth Secretary General announced the continued suspension of Zimbabwe from the organization. The year-long suspension had been initially imposed in early 2002.
- By December 2002, inflation had surpassed 200 percent, unemployment rates had increased significantly, and real wages were substantially eroded. By mid-2003, inflation had increased to over 250 percent with projections of surpassing 500 percent by the end of 2003. The population continued to face an increasing number of product shortages, including cornmeal, bread, cooking oil, sugar, and salt.
- Economic policy has been conducted on an ad hoc basis, in reaction to periodic crises. Persistent fiscal deficit and foreign-exchange shortages continued to deteriorate the economic environment. According to the Minister of Finance, by the end of 2002, external arrears had reached $1.3 billion. In early 2003, state-owned Air Zimbabwe grounded two passenger airplanes because it could not obtain foreign currency to purchase imported spare parts.
- On June 6, 2003, the IMF announced that it had suspended Zimbabwe's voting and other related rights because the government had not adopted comprehensive and consistent economic policies. By May 2003, the country's arrears to the IMF totaled $233 million.

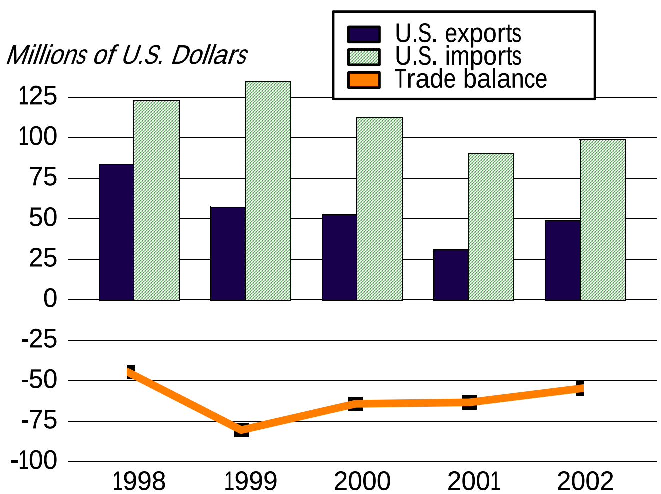
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
South Africa	14.1	South Africa	44.5
Netherlands	6.6	Mozambique	4.6
Japan	6.6	United Kingdom	4.1
Germany	6.5	Germany	3.5

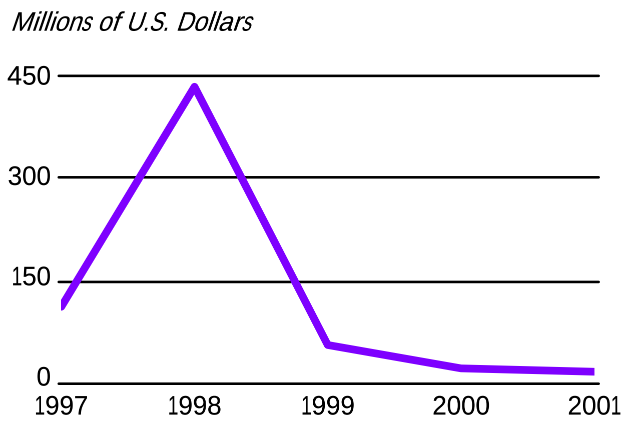
Main Trade Commodities, US$ million, 2000

Exports		*Imports*	
Tobacco	25.6	Machinery & transport equipment	29.1
Gold	13.3	Manufactures	16.7
Ferro-alloys	5.8	Chemicals	16.6
Textiles & clothing	3.7	Petroleum products & electricity	11.1

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- In addition to the political and social instability, an overvalued exchange rate led to decreased export earnings. In 2002, the government closed all foreign-exchange bureaus and introduced new foreign currency rules for exporters requiring them to surrender 50 percent of foreign earnings to the Reserve Bank of Zimbabwe.
- Although sales were dampened by the social unrest and government interventions, tobacco remained the country's primary export crop. Prospects for future tobacco auctions remained limited as many tobacco growers have been removed from their farms and several tobacco processors closed operations.
- In 2002, U.S. exports to Zimbabwe consisted primarily of milling industry products, plastics, and machinery and mechanical appliances; and U.S. imports from Zimbabwe consisted primarily of precious or semiprecious stones and metals, tobacco, and sugar.

Investment and Privatization Update

- According to the Minister of Finance, in 2002, Zimbabwe experienced a net capital outflow from donors and investors of approximately $347 million.
- Driven by increasing world prices and limited reserves outside South Africa, the platinum sector experienced increased investment. In mid-2002, Anglo American Zimbabwe announced plans to invest $90 million in a platinum mine. In August 2002, Impala Platinum Holdings (South Africa) announced plans to increase its stake in two Zimbabwean companies.
- In mid-2002, the state-owned Sabi Gold Mine closed operations after the company was unable to meet loan commitments. Citing constraints stemming from the government's foreign-exchange policies, in early 2003, Anglo American announced plans to withdraw from the country's nickel industry.
- In early 2003, Colgate Palmolive (U.S.) announced plans to downsize operations in Zimbabwe.
- Given the increasing inflation, falling currency value, and unstable economic environment, local Zimbabweans have been investing in assets, particularly the stock exchange. In 2002, the stock market reached its highest market capitalization level since 1896.
- In December 2002, the government awarded a second 20-year license for fixed-line telephones to Teleaccess, which plans to begin operations in mid-2003.
- In 2002, MegaTel was the sole bidder for the 30-percent stake in TelOne (fixed-line operator) and NetOne (cellular phone operator).
- The social and political instability hampered privatization efforts, and the probability of future sales remained low given the difficult operating environment. Although the government had targeted Z$20 billion and Z$40 billion in privatization revenue for 2001 and 2002, respectively, it received only Z$7 billion and Z$462 million in 2001 and 2002, respectively.

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

The Honorable Lynn M. Bragg
Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, D.C. 20436

DOCKET

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, 1998-2002

Country	1998	1999	2000	2001	2002
			Dollars		
Angola					
Exports	351,603,250	251,380,604	224,914,281	274,794,271	370,825,854
Imports	2,225,140,910	2,348,605,815	3,343,375,089	2,775,669,515	3,231,265,752
Trade Balance	-1,873,537,660	-2,097,225,211	-3,118,460,808	-2,500,875,244	-2,860,439,898
Benin					
Exports	43,286,127	30,956,269	26,281,015	31,731,531	34,619,048
Imports	3,603,527	17,830,197	2,237,065	1,286,336	680,272
Trade Balance	39,682,600	13,126,072	24,043,950	30,445,195	33,938,776
Botswana					
Exports	35,498,960	33,399,297	31,165,348	43,017,365	31,500,507
Imports	19,691,226	16,939,523	40,509,805	21,117,620	29,731,569
Trade Balance	15,807,734	16,459,774	-9,344,457	21,899,745	1,768,938
Burkina Faso					
Exports	16,072,654	10,886,863	15,669,781	4,432,168	18,742,362
Imports	603,159	2,770,684	2,446,360	5,000,753	2,914,195
Trade Balance	15,469,495	8,116,179	13,223,421	-568,585	15,828,167
Burundi					
Exports	4,475,455	2,266,400	1,667,697	5,295,802	1,710,961
Imports	8,274,010	7,003,849	7,994,937	2,788,774	689,333
Trade Balance	-3,798,555	-4,737,449	-6,327,240	2,507,028	1,021,628
Cameroon					
Exports	74,832,578	36,723,807	58,963,050	184,053,753	155,269,697
Imports	53,338,798	76,572,705	145,819,782	101,627,151	172,057,111
Trade Balance	21,493,780	-39,848,898	-86,856,732	82,426,602	-16,787,414
Cape Verde					
Exports	9,229,990	7,234,012	7,137,034	7,467,167	8,926,221
Imports	170,558	75,600	4,213,567	1,495,949	1,810,742
Trade Balance	9,059,432	7,158,412	2,923,467	5,971,218	7,115,479
Cen African Rep					
Exports	4,421,135	3,726,770	1,752,964	3,671,103	6,243,575
Imports	2,798,068	2,895,754	2,903,654	2,363,674	2,003,797
Trade Balance	1,623,067	831,016	-1,150,690	1,307,429	4,239,778
Chad					
Exports	3,420,703	2,683,811	10,779,527	136,466,758	126,971,198
Imports	7,311,058	6,911,149	4,780,131	5,653,051	5,700,194
Trade Balance	-3,890,355	-4,227,338	5,999,396	130,813,707	121,271,004
Comoros					
Exports	612,719	243,437	699,150	1,371,714	143,891
Imports	822,078	2,051,202	3,513,130	10,568,080	5,308,145
Trade Balance	-209,359	-1,807,765	-2,813,980	-9,196,366	-5,164,254
Congo (DROC)					
Exports	34,008,180	21,033,972	9,982,446	18,508,084	26,612,248
Imports	170,874,307	231,913,414	212,239,435	147,713,471	189,691,644
Trade Balance	-136,866,127	-210,879,442	-202,256,989	-129,205,387	-163,079,396
Congo (ROC)					
Exports	91,316,952	46,823,518	81,199,774	89,343,835	51,792,696
Imports	314,725,276	410,518,438	507,942,861	457,900,881	223,823,987
Trade Balance	-223,408,324	-363,694,920	-426,743,087	-368,557,046	-172,031,291
Côte d'Ivoire					
Exports	150,170,388	98,882,021	92,045,617	93,441,070	74,589,695
Imports	423,340,545	343,487,218	367,002,332	319,823,279	381,859,529
Trade Balance	-273,170,157	-244,605,197	-274,956,715	-226,382,209	-307,269,834

Table B-1 -*Continued*
U.S. exports, imports, and trade balance, with sub-Saharan Africa, 1998-2002

Country	1998	1999	2000	2001	2002
	Dollars				
Djibouti					
Exports	20,040,569	26,555,057	16,609,378	18,573,432	55,945,016
Imports	529,888	110,152	419,099	950,571	1,915,270
Trade Balance	19,510,681	26,444,905	16,190,279	17,622,861	54,029,746
Eq Guinea					
Exports	85,171,464	221,050,338	94,672,721	79,557,987	107,681,184
Imports	65,666,885	40,600,986	154,716,660	395,609,104	572,618,644
Trade Balance	19,504,579	180,449,352	-60,043,939	-316,051,117	-464,937,460
Eritrea					
Exports	24,502,053	3,697,562	16,236,047	21,428,884	28,591,422
Imports	736,063	479,950	203,163	88,586	368,930
Trade Balance	23,765,990	3,217,612	16,032,884	21,340,298	28,222,492
Ethiopia					
Exports	87,900,405	164,297,080	165,015,512	60,659,106	60,122,513
Imports	52,278,234	30,210,775	28,659,924	29,041,095	25,658,988
Trade Balance	35,622,171	134,086,305	136,355,588	31,618,011	34,463,525
Gabon					
Exports	61,687,636	44,967,438	63,270,100	74,089,203	65,175,555
Imports	1,130,273,363	1,512,945,075	2,037,921,091	1,731,671,117	1,622,020,949
Trade Balance	-1,068,585,727	-1,467,977,637	-1,974,650,991	-1,657,581,914	-1,556,845,394
Gambia					
Exports	9,103,677	9,495,993	8,866,814	8,163,538	9,102,842
Imports	2,616,505	186,020	341,939	232,353	562,533
Trade Balance	6,487,172	9,309,973	8,524,875	7,931,185	8,540,309
Ghana					
Exports	221,212,286	231,045,490	178,711,739	179,472,853	186,601,016
Imports	143,858,271	209,330,416	206,431,143	185,391,288	115,640,877
Trade Balance	77,354,015	21,715,074	-27,719,404	-5,918,435	70,960,139
Guinea					
Exports	64,692,119	53,435,468	66,809,924	77,619,498	62,489,353
Imports	115,574,441	115,410,504	88,363,076	87,832,253	71,599,652
Trade Balance	-50,882,322	-61,975,036	-21,553,152	-10,212,755	-9,110,299
Guinea-Bissau					
Exports	743,077	816,074	283,849	869,909	2,558,586
Imports	2,208,983	72,430	41,534	18,933	35,140
Trade Balance	-1,465,906	743,644	242,315	850,976	2,523,446
Kenya					
Exports	197,743,835	187,089,428	235,412,958	573,818,982	267,971,746
Imports	99,522,881	106,143,711	109,394,035	128,582,454	189,156,457
Trade Balance	98,220,954	80,945,717	126,018,923	445,236,528	78,815,289
Lesotho					
Exports	1,437,283	733,027	836,981	816,942	1,817,585
Imports	100,244,227	110,813,785	140,149,739	217,165,247	321,475,459
Trade Balance	-98,806,944	-110,080,758	-139,312,758	-216,348,305	-319,657,874
Liberia					
Exports	49,839,717	44,584,887	42,396,828	36,807,432	27,517,221
Imports	25,844,701	30,522,939	45,408,107	42,558,194	45,810,442
Trade Balance	23,995,016	14,061,948	-3,011,279	-5,750,762	-18,293,221
Madagascar					
Exports	14,490,940	106,056,294	15,397,173	20,947,283	15,217,288
Imports	71,395,355	80,213,560	157,736,805	271,791,293	215,923,206
Trade Balance	-56,904,415	25,842,734	-142,339,632	-250,844,010	-200,705,918

Table B-1-*Continued*
U.S. exports, imports, and trade balance, with sub-Saharan Africa, 1998-2002

Country	1998	1999	2000	2001	2002
			Dollars		
Malawi					
Exports	13,071,112	7,355,532	13,626,516	14,334,452	28,626,023
Imports	38,756,574	58,604,188	68,125,752	71,800,334	68,109,315
Trade Balance	-25,685,462	-51,248,656	-54,499,236	-57,465,882	-39,483,292
Mali					
Exports	24,845,943	28,585,582	29,740,418	31,818,350	11,031,293
Imports	3,348,358	8,866,656	8,438,175	6,205,376	2,582,737
Trade Balance	21,497,585	19,718,926	21,302,243	25,612,974	8,448,556
Mauritania					
Exports	19,205,632	23,596,940	15,865,546	25,125,619	22,651,540
Imports	392,559	753,861	354,181	293,539	928,891
Trade Balance	18,813,073	22,843,079	15,511,365	24,832,080	21,722,649
Mauritius					
Exports	19,100,967	32,102,550	15,447,506	22,022,185	19,397,952
Imports	266,960,457	258,342,946	286,007,589	275,127,009	280,433,293
Trade Balance	-247,859,490	-226,240,396	-270,560,083	-253,104,824	-261,035,341
Mozambique					
Exports	45,687,013	33,847,182	57,913,095	28,326,902	97,868,588
Imports	25,749,569	10,286,577	24,377,489	7,060,058	8,160,331
Trade Balance	19,937,444	23,560,605	33,535,606	21,266,844	89,708,257
Namibia					
Exports	49,856,701	194,822,292	78,447,596	249,334,301	53,687,889
Imports	51,676,002	29,984,085	42,191,114	37,844,581	57,352,723
Trade Balance	-1,819,301	164,838,207	36,256,482	211,489,720	-3,664,834
Niger					
Exports	17,895,234	18,394,487	35,670,555	62,886,272	39,319,731
Imports	1,731,114	4,836,858	6,971,702	1,426,658	897,131
Trade Balance	16,164,120	13,557,629	28,698,853	61,459,614	38,422,600
Nigeria					
Exports	814,125,754	624,161,311	712,599,944	947,613,868	1,046,908,082
Imports	4,603,620,144	4,172,321,584	9,680,127,636	8,916,476,316	5,819,603,288
Trade Balance	-3,789,494,390	-3,548,160,273	-8,967,527,692	-7,968,862,448	-4,772,695,206
Rwanda					
Exports	21,754,002	47,489,832	18,921,730	17,385,659	10,162,227
Imports	4,030,512	3,685,527	5,061,286	7,220,871	3,086,211
Trade Balance	17,723,490	43,804,305	13,860,444	10,164,788	7,076,016
São Tomé & Prin					
Exports	9,380,209	510,189	961,908	10,613,575	1,921,158
Imports	682,266	2,693,288	513,147	322,306	391,360
Trade Balance	8,697,943	-2,183,099	448,761	10,291,269	1,529,798
Senegal					
Exports	58,916,664	62,808,134	80,183,024	78,334,256	71,961,766
Imports	5,181,229	17,473,416	4,230,914	102,344,504	3,798,831
Trade Balance	53,735,435	45,334,718	75,952,110	-24,010,248	68,162,935
Seychelles					
Exports	9,396,660	7,547,023	6,971,295	175,959,266	8,204,220
Imports	2,184,250	5,197,403	8,097,349	23,700,765	26,291,014
Trade Balance	7,212,410	2,349,620	-1,126,054	152,258,501	-18,086,794
Sierra Leone					
Exports	23,441,142	12,984,791	17,790,697	27,790,772	25,005,766
Imports	12,274,130	10,334,540	3,806,067	4,640,463	3,832,840
Trade Balance	11,167,012	2,650,251	13,984,630	23,150,309	21,172,926

Table B-1-*Continued*
U.S. exports, imports, and trade balance, with sub-Saharan Africa, 1998-2002

Country	1998	1999	2000	2001	2002
			Dollars		
Somalia					
Exports	2,574,241	2,813,019	4,861,939	6,591,251	6,161,431
Imports	704,348	191,956	442,986	343,295	348,030
Trade Balance	1,869,893	2,621,063	4,418,953	6,247,956	5,813,401
South Africa					
Exports	3,494,594,407	2,393,997,972	2,829,545,616	2,822,353,542	2,446,169,057
Imports	3,053,322,858	3,192,768,012	4,203,656,562	4,429,539,186	4,235,974,093
Trade Balance	441,271,549	-798,770,040	-1,374,110,946	-1,607,185,644	-1,789,805,036
Sudan					
Exports	6,790,449	8,821,290	16,882,033	17,119,103	10,854,119
Imports	3,089,958	57,235	1,808,412	3,385,389	1,350,050
Trade Balance	3,700,491	8,764,055	15,073,621	13,733,714	9,504,069
Swaziland					
Exports	8,185,594	3,747,598	7,740,519	7,437,663	11,039,914
Imports	24,972,849	37,849,249	52,576,931	65,036,011	114,464,222
Trade Balance	-16,787,255	-34,101,651	-44,836,412	-57,598,348	-103,424,308
Tanzania					
Exports	66,618,611	60,682,250	44,548,068	63,740,539	61,799,503
Imports	31,568,213	34,495,270	35,287,568	27,229,207	25,343,176
Trade Balance	35,050,398	26,186,980	9,260,500	36,511,332	36,456,327
Togo					
Exports	25,310,249	25,620,176	10,480,118	16,154,125	13,008,326
Imports	1,949,908	3,170,462	5,975,284	12,582,819	2,659,268
Trade Balance	23,360,341	22,449,714	4,504,834	3,571,306	10,349,058
Uganda					
Exports	27,684,877	24,518,306	26,766,160	32,150,057	22,635,364
Imports	15,154,319	20,255,757	29,064,087	17,835,352	15,196,982
Trade Balance	12,530,558	4,262,549	-2,297,927	14,314,705	7,438,382
Zambia					
Exports	21,435,119	19,699,845	18,769,600	15,487,076	35,490,629
Imports	47,169,885	37,857,016	17,726,954	15,584,310	7,789,882
Trade Balance	-25,734,766	-18,157,171	1,042,646	-97,234	27,700,747
Zimbabwe					
Exports	83,864,733	57,525,489	52,772,942	31,165,732	49,116,013
Imports	123,197,586	135,072,682	113,043,235	90,559,801	99,127,252
Trade Balance	-39,332,853	-77,547,193	-60,270,293	-59,394,069	-50,011,239

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

Table B-2
Angola: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	28,255	23,083	54,767	27,960	46,288	65.6
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	1,268	4,706	1,873	924	645	-30.2
Imports	-	15	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	14,385	10,398	5,823	15,110	11,612	-23.2
Imports	54,901	18,103	10,431	250	19,552	7,723.0
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	1,265	1,318	1,126	1,453	3,060	110.6
Imports	2,165,827	2,319,748	3,321,320	2,768,666	3,204,081	15.7
Imports GSP/AGOA	1,571,319	2,008,608	2,843,469	2,510,654	2,826,108	12.6
Textiles and apparel:						
Exports	6,660	2,758	4,182	4,402	5,881	33.6
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	465	279	336	174	617	255.2
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	50,040	16,705	11,265	20,004	14,570	-27.2
Imports	228	9,286	6,929	-	39	-
Imports GSP/AGOA	-	-	205	-	6	-
Machinery:						
Exports	57,175	41,698	33,080	36,195	21,909	-39.5
Imports	-	-	6	77	53	-30.8
Imports GSP/AGOA	-	-	3	3	-	-100.0
Transportation equipment:						
Exports	157,308	126,921	78,523	147,604	241,499	63.6
Imports	2	68	32	3	2,571	96,423.6
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	23,197	17,996	27,169	14,580	15,609	7.1
Imports	8	18	109	480	334	-30.3
Imports GSP/AGOA	8	-	-	364	7	-98.0
Miscellaneous manufactures:						
Exports	4,934	883	690	983	662	-32.6
Imports	35	206	58	329	5	-98.5
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	6,653	4,634	6,079	5,406	8,473	56.7
Imports	4,142	1,162	4,489	5,865	4,630	-21.1
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	351,603	251,381	224,914	274,794	370,826	34.9
Imports	2,225,141	2,348,606	3,343,375	2,775,670	3,231,266	16.4
Imports GSP/AGOA	1,571,326	2,008,608	2,843,677	2,511,022	2,826,122	12.5

Table B-2–*Continued*
Benin: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	6,473	2,322	3,949	4,488	5,165	15.1
Imports	2,499	15,269	597	707	517	-26.9
Imports GSP/AGOA	1,944	9,572	-	-	-	-
Forest products:						
Exports	395	95	378	96	149	55.4
Imports	340	140	142	266	67	-74.9
Imports GSP/AGOA	306	111	-	178	-	-100.0
Chemicals and related products:						
Exports	1,333	4,635	3,626	3,041	2,543	-16.4
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	125	9	-	48	14	-71.2
Imports	-	2,106	1,410	-	-	-
Imports GSP/AGOA	-	2,106	1,410	-	-	-
Textiles and apparel:						
Exports	16,733	14,172	11,122	7,392	6,101	-17.5
Imports	239	92	5	33	1	-97.9
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	73	60	93	86	225	160.3
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	45	112	140	4,835	4,329	-10.5
Imports	-	176	4	-	78	-
Imports GSP/AGOA	-	-	4	-	-	-
Machinery:						
Exports	3,860	2,747	1,555	1,217	4,021	230.5
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	10,346	3,474	1,866	3,177	7,653	140.9
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	2,066	1,288	2,231	6,696	3,534	-47.2
Imports	22	-	5	-	-	-
Imports GSP/AGOA	19	-	-	-	-	-
Miscellaneous manufactures:						
Exports	36	683	178	173	133	-23.4
Imports	123	29	24	23	18	-19.9
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	1,801	1,360	1,143	482	753	56.3
Imports	380	18	51	258	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	43,286	30,956	26,281	31,732	34,619	9.1
Imports	3,604	17,830	2,237	1,286	680	-47.1
Imports GSP/AGOA	2,269	11,788	1,414	178	-	-

Table B-2—*Continued*
Botswana: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	674	1,345	1,301	1,026	20	-98.0
Imports	25	12	29	122	180	48.4
Imports GSP/AGOA	2	10	28	19	38	98.5
Forest products:						
Exports	196	155	824	1,157	160	-86.2
Imports	30	14	10	11	3	-68.2
Imports GSP/AGOA	30	11	5	-	-	-
Chemicals and related products:						
Exports	82	292	431	701	300	-57.3
Imports	-	-	-	2	6	218.8
Imports GSP/AGOA	-	-	-	2	-	-100.0
Energy-related products:						
Exports	5	-	10	-	55	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,972	156	378	53	82	53.8
Imports	10,151	9,763	7,941	2,936	6,353	116.4
Imports GSP/AGOA	-	-	0	-	3,707	-
Footwear:						
Exports	-	-	-	-	18	-
Imports	5	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	1,323	346	614	459	1,257	173.8
Imports	3,262	1,337	1,201	15,580	21,453	37.7
Imports GSP/AGOA	-	-	-	-	98	-
Machinery:						
Exports	523	962	273	472	457	-3.3
Imports	-	3	272	76	-	-100.0
Imports GSP/AGOA	-	-	-	8	-	-100.0
Transportation equipment:						
Exports	7,173	13,545	5,189	13,766	6,862	-50.2
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	4,759	3,412	6,895	6,944	5,664	-18.4
Imports	10	17	8	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	232	23	309	141	172	21.8
Imports	5,629	5,295	2,980	1,742	1,414	-18.8
Imports GSP/AGOA	5,628	4,804	2,889	1,191	735	-38.3
Special provisions:						
Exports	17,561	13,163	14,940	18,297	16,454	-10.1
Imports	578	498	28,068	649	322	-50.5
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	35,499	33,399	31,165	43,017	31,501	-26.8
Imports	19,691	16,940	40,510	21,118	29,732	40.8
Imports GSP/AGOA	5,660	4,824	2,922	1,221	4,578	275.0

Table B-2—*Continued*
Burkina Faso: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	9,125	6,006	5,025	1,427	7,228	406.7
Imports	-	2,455	1,839	79	55	-30.7
Imports GSP/AGOA	-	-	1,839	8	-	-100.0
Forest products:						
Exports	-	133	192	130	74	-43.4
Imports	57	17	112	41	39	-4.9
Imports GSP/AGOA	40	17	96	33	37	9.8
Chemicals and related products:						
Exports	365	81	114	51	110	117.7
Imports	-	1	32	5	2	-53.0
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	46	52	12.5
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,166	2,871	1,821	706	1,295	83.6
Imports	19	35	39	9	120	1,194.8
Imports GSP/AGOA	6	7	8	3	-	-100.0
Footwear:						
Exports	-	-	66	-	-	-
Imports	-	-	1	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	31	12	37	447	48	-89.4
Imports	39	5	59	13	2,274	17,723.6
Imports GSP/AGOA	24	5	3	-	5	-
Machinery:						
Exports	2,784	518	659	171	4,420	2,484.9
Imports	264	-	2	-	17	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	136	120	6,397	121	106	-12.0
Imports	-	-	-	-	3	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	707	634	656	849	1,099	29.4
Imports	2	-	4	3	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	59	31	41	143	133	-6.7
Imports	172	246	273	120	297	147.3
Imports GSP/AGOA	25	47	24	50	11	-78.4
Special provisions:						
Exports	700	482	662	343	4,177	1,119.3
Imports	50	13	86	4,731	107	-97.7
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	16,073	10,887	15,670	4,432	18,742	322.9
Imports	603	2,771	2,446	5,001	2,914	-41.7
Imports GSP/AGOA	95	76	1,970	94	52	-44.5

Table B-2—*Continued*
Burundi: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	3,181	400	86	2,650	20	-99.2
Imports	6,320	5,913	7,791	2,454	678	-72.4
Imports GSP/AGOA	-	7	-	-	-	-
Forest products:						
Exports	4	-	15	72	35	-50.7
Imports	7	2	-	2	-	-100.0
Imports GSP/AGOA	1	-	-	-	-	-
Chemicals and related products:						
Exports	42	86	89	60	16	-73.6
Imports	91	35	29	-	-	-
Imports GSP/AGOA	91	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	17	38	119.4
Imports	616	833	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	48	241	17	61	28	-54.9
Imports	66	-	8	0	8	2,092.5
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	3	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	-	9	4	20	62	205.2
Imports	1,135	186	12	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	18	293	40	175	181	3.6
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	74	23	1,064	915	359	-60.8
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	185	293	315	377	409	8.4
Imports	2	5	48	57	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	13	7	20	138	586.3
Imports	-	-	-	46	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	923	909	30	929	422	-54.6
Imports	37	30	106	229	3	-98.5
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	4,475	2,266	1,668	5,296	1,711	-67.7
Imports	8,274	7,004	7,995	2,789	689	-75.3
Imports GSP/AGOA	92	7	-	-	-	-

Table B-2—*Continued*
Cameroon: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	9,979	8,033	5,596	1,600	4,044	152.7
Imports	5,628	7,319	8,354	3,881	15,880	309.2
Imports GSP/AGOA	1,262	424	2,646	164	8	-94.9
Forest products:						
Exports	2,055	970	2,281	1,369	472	-65.5
Imports	3,978	5,169	10,020	8,015	8,270	3.2
Imports GSP/AGOA	55	64	71	160	168	5.2
Chemicals and related products:						
Exports	5,262	1,830	8,288	6,772	7,236	6.8
Imports	5,335	7,026	3,028	2,199	3,127	42.2
Imports GSP/AGOA	-	-	25	48	-	-100.0
Energy-related products:						
Exports	3,851	8,308	6,011	5,635	7,817	38.7
Imports	28,844	48,906	118,415	83,031	138,811	67.2
Imports GSP/AGOA	-	-	-	36,731	115,542	214.6
Textiles and apparel:						
Exports	1,577	813	434	645	833	29.2
Imports	5,096	3,097	2,740	1,842	1,133	-38.5
Imports GSP/AGOA	-	-	-	-	1	-
Footwear:						
Exports	857	104	888	635	499	-21.4
Imports	418	1,401	141	14	192	1,278.3
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	1,907	563	1,100	3,835	4,053	5.7
Imports	211	724	71	201	242	20.4
Imports GSP/AGOA	19	-	9	23	5	-77.0
Machinery:						
Exports	15,032	4,331	5,851	8,880	25,688	189.3
Imports	60	19	202	117	295	152.1
Imports GSP/AGOA	-	7	-	-	-	-
Transportation equipment:						
Exports	30,202	7,418	21,483	143,917	94,984	-34.0
Imports	8	69	15	18	2	-88.8
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	2,425	2,861	5,559	6,843	6,349	-7.2
Imports	936	1,159	968	268	1,225	356.8
Imports GSP/AGOA	-	15	-	-	-	-
Miscellaneous manufactures:						
Exports	459	267	276	2,878	1,563	-45.7
Imports	1,299	1,473	1,048	800	1,484	85.4
Imports GSP/AGOA	59	64	52	48	79	64.6
Special provisions:						
Exports	1,228	1,226	1,197	1,046	1,733	65.7
Imports	1,526	211	815	1,240	1,395	12.5
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	74,833	36,724	58,963	184,054	155,270	-15.6
Imports	53,339	76,573	145,820	101,627	172,057	69.3
Imports GSP/AGOA	1,394	574	2,804	37,174	115,804	211.5

Table B-2—*Continued*
Cape Verde: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	6,279	3,578	1,794	995	2,009	101.8
Imports	-	49	92	249	83	-66.7
Imports GSP/AGOA	-	49	-	152	51	-66.7
Forest products:						
Exports	9	3	46	4	-	-100.0
Imports	134	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	30	164	7	94	6	-93.8
Imports	11	-	6	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	3	-	-	-	590	-
Imports	-	-	2,760	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	11	28	-	5	57	943.3
Imports	8	9	877	1,201	1,651	37.5
Imports GSP/AGOA	-	0	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	3	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	5	-	79	4	-	-100.0
Imports	-	-	-	11	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	79	901	24	4	49	1,018.1
Imports	-	-	-	-	7	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	1,035	720	3,856	5,556	5,163	-7.1
Imports	6	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	463	557	520	262	469	78.8
Imports	7	18	-	31	24	-21.8
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	10	70	19	15	5	-68.4
Imports	5	-	414	-	38	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	1,307	1,213	792	528	579	9.8
Imports	-	-	64	3	3	2.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	9,230	7,234	7,137	7,467	8,926	19.5
Imports	171	76	4,214	1,496	1,811	21.0
Imports GSP/AGOA	-	49	-	152	51	-66.7

Table B-2—*Continued*
Central African Republic: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	85	260	-	16	1,875	11,669.9
Imports	2,451	2,589	1,928	458	337	-26.3
Imports GSP/AGOA	53	14	-	-	-	-
Forest products:						
Exports	107	75	269	493	71	-85.6
Imports	44	-	-	34	69	103.5
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	85	15	100	98	455	365.0
Imports	-	25	8	127	133	4.9
Imports GSP/AGOA	-	21	8	-	-	-
Energy-related products:						
Exports	-	-	-	20	4	-81.9
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	594	170	59	48	65	37.2
Imports	-	1	39	188	21	-89.0
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	5	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	154	363	354	31	811	2,547.5
Imports	134	24	640	1,414	1,107	-21.7
Imports GSP/AGOA	-	-	5	-	-	-
Machinery:						
Exports	1,020	1,066	262	296	804	171.4
Imports	6	2	4	26	48	83.4
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	1,144	345	68	716	713	-0.4
Imports	-	10	-	15	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	887	898	374	1,519	676	-55.5
Imports	3	-	18	38	62	62.2
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	8	-	-	13	170	1,218.3
Imports	20	67	65	-	197	-
Imports GSP/AGOA	-	49	-	-	192	-
Special provisions:						
Exports	337	534	267	423	594	40.6
Imports	140	177	202	64	29	-54.9
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	4,421	3,727	1,753	3,671	6,244	70.1
Imports	2,798	2,896	2,904	2,364	2,004	-15.2
Imports GSP/AGOA	53	83	13	-	192	-

Table B-2—*Continued*
Chad: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	-	1,188	2,614	2,521	1,743	-30.9
Imports	7,189	6,638	4,633	4,683	5,250	12.1
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	31	106	64	135	549	306.2
Imports	-	-	-	719	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	53	31	5,351	6,352	8,725	37.4
Imports	-	-	-	172	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	223	-	-	1,049	537	-48.8
Imports	-	-	-	-	19	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	360	89	132	726	1,138	56.7
Imports	-	-	37	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	30	73	95	29.5
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	-	5	76	12,857	28,851	124.4
Imports	-	-	-	-	13	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	265	220	733	37,108	42,362	14.2
Imports	-	-	-	46	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	1,356	69	189	46,604	27,102	-41.9
Imports	-	205	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	868	714	1,187	4,403	9,661	119.4
Imports	54	15	23	5	63	1,290.6
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	129	65	21,064	2,401	-88.6
Imports	6	27	63	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	265	135	337	3,575	3,807	6.5
Imports	62	27	24	29	355	1,140.9
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	3,421	2,684	10,780	136,467	126,971	-7.0
Imports	7,311	6,911	4,780	5,653	5,700	0.8
Imports GSP/AGOA	-	-	-	-	-	-

Table B-2—*Continued*
Comoros: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	231	41	-	17	-	-100.0
Imports	708	1,653	3,232	10,367	5,223	-49.6
Imports GSP/AGOA	10	-	-	-	-	-
Forest products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	6	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	21	16	180	189	29	-84.8
Imports	51	71	274	168	25	-85.2
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	40	-
Imports	-	316	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	206	63	4	-	14	-
Imports	56	-	-	-	13	-
Imports GSP/AGOA	-	-	-	-	13	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	-	-	-	3	5	65.4
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	-	4	199	50	31	-38.8
Imports	-	6	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	70	105	302	116	-	-100.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	77	3	3	967	5	-99.5
Imports	5	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	-	-	-	11	-
Imports	-	-	-	-	18	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	9	12	11	29	9	-68.5
Imports	2	4	6	27	29	8.1
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	613	243	699	1,372	144	-89.5
Imports	822	2,051	3,513	10,568	5,308	-49.8
Imports GSP/AGOA	10	-	-	-	13	-

Table B-2—*Continued*
Congo (DROC): U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	9,827	3,249	1,713	6,430	6,568	2.1
Imports	1,538	1,432	1,830	995	1,536	54.3
Imports GSP/AGOA	1,075	501	334	517	671	29.8
Forest products:						
Exports	70	37	350	1,327	1,792	35.0
Imports	239	48	300	943	343	-63.7
Imports GSP/AGOA	69	6	17	26	15	-43.9
Chemicals and related products:						
Exports	632	714	753	1,141	2,144	88.0
Imports	541	1,196	504	148	56	-61.9
Imports GSP/AGOA	528	-	-	-	-	-
Energy-related products:						
Exports	6	34	-	10	-	-100.0
Imports	71,095	106,548	168,656	108,302	152,986	41.3
Imports GSP/AGOA	56,897	97,883	164,361	108,302	143,982	32.9
Textiles and apparel:						
Exports	2,498	1,399	2,420	1,759	2,045	16.3
Imports	13	10	6	4	-	-100.0
Imports GSP/AGOA	-	-	0	-	-	-
Footwear:						
Exports	61	28	78	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	2,190	633	406	545	944	73.2
Imports	97,060	122,291	39,616	34,807	30,987	-11.0
Imports GSP/AGOA	249	15,408	9,074	9,674	196	-98.0
Machinery:						
Exports	2,027	2,713	446	861	1,054	22.4
Imports	-	6	24	69	64	-6.9
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	13,400	10,269	1,183	587	1,542	162.6
Imports	36	-	9	-	5	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	1,963	1,081	2,138	1,500	3,946	163.0
Imports	30	76	476	162	142	-12.2
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	104	50	60	3,531	12	-99.7
Imports	181	175	494	2,159	3,248	50.4
Imports GSP/AGOA	-	4	-	7	21	175.5
Special provisions:						
Exports	1,229	826	435	817	6,567	703.4
Imports	142	131	325	125	325	159.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	34,008	21,034	9,982	18,508	26,612	43.8
Imports	170,874	231,913	212,239	147,713	189,692	28.4
Imports GSP/AGOA	58,818	113,803	173,787	118,527	144,885	22.2

Table B-2—*Continued*
Congo (ROC): U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	7,801	9,487	16,369	14,325	4,251	-70.3
Imports	1,403	4,423	3,053	1,196	3,560	197.6
Imports GSP/AGOA	-	3,083	2,456	-	2,786	-
Forest products:						
Exports	70	95	6,078	417	158	-62.2
Imports	4,351	2,063	1,227	682	461	-32.3
Imports GSP/AGOA	24	21	27	2	-	-100.0
Chemicals and related products:						
Exports	1,972	1,345	6,365	1,380	1,633	18.3
Imports	8,380	16,847	29,720	666	1,675	151.7
Imports GSP/AGOA	31	-	-	-	-	-
Energy-related products:						
Exports	761	59	348	91	114	24.8
Imports	288,967	367,338	445,822	438,808	200,766	-54.3
Imports GSP/AGOA	-	-	-	128,746	103,808	-19.4
Textiles and apparel:						
Exports	8,294	5,778	4,949	4,191	3,580	-14.6
Imports	2	14	2	4	7	97.0
Imports GSP/AGOA	0	1	-	2	-	-100.0
Footwear:						
Exports	578	129	349	22	13	-41.2
Imports	-	-	2	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	5,574	836	4,182	5,601	6,972	24.5
Imports	6,830	16,057	24,840	14,525	16,437	13.2
Imports GSP/AGOA	37	3,160	1,847	1,410	14	-99.0
Machinery:						
Exports	15,673	7,538	8,437	8,441	6,335	-24.9
Imports	1	4	76	22	5	-78.1
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	43,919	14,393	23,666	46,299	23,914	-48.4
Imports	-	4	9	-	38	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	3,830	3,446	7,460	5,778	2,233	-61.4
Imports	34	3	419	138	40	-70.8
Imports GSP/AGOA	-	3	-	-	-	-
Miscellaneous manufactures:						
Exports	31	104	342	227	69	-69.4
Imports	4,072	2,124	1,994	1,115	692	-37.9
Imports GSP/AGOA	156	51	50	74	26	-65.4
Special provisions:						
Exports	2,814	3,612	2,655	2,573	2,522	-2.0
Imports	684	1,642	780	747	142	-81.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	91,317	46,824	81,200	89,344	51,793	-42.0
Imports	314,725	410,518	507,943	457,901	223,824	-51.1
Imports GSP/AGOA	248	6,319	4,380	130,235	106,633	-18.1

Table B-2—*Continued*
Côte d'Ivoire: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	8,743	20,508	15,450	12,120	13,038	7.6
Imports	381,407	293,603	259,264	226,899	279,954	23.4
Imports GSP/AGOA	10,173	8,385	21,591	12,595	21,689	72.2
Forest products:						
Exports	8,394	9,249	8,278	3,905	606	-84.5
Imports	6,697	5,999	12,673	9,669	10,214	5.7
Imports GSP/AGOA	875	243	447	456	500	9.5
Chemicals and related products:						
Exports	36,604	19,522	14,160	21,987	22,299	1.4
Imports	8,509	4,779	4,446	2,940	3,569	21.4
Imports GSP/AGOA	2	-	4	5	2	-55.3
Energy-related products:						
Exports	370	298	213	6,377	821	-87.1
Imports	17,317	34,166	84,220	72,040	78,762	9.3
Imports GSP/AGOA	-	-	-	-	27,258	-
Textiles and apparel:						
Exports	7,162	6,275	3,023	5,481	4,532	-17.3
Imports	773	1,054	593	527	604	14.6
Imports GSP/AGOA	55	481	173	115	187	63.1
Footwear:						
Exports	305	425	175	830	661	-20.3
Imports	44	-	1	81	46	-43.1
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	10,221	1,928	2,047	2,468	3,154	27.8
Imports	676	332	733	854	1,442	68.8
Imports GSP/AGOA	70	2	-	10	3	-69.3
Machinery:						
Exports	32,962	14,374	13,284	11,045	10,202	-7.6
Imports	267	387	273	12	151	1,135.5
Imports GSP/AGOA	-	9	-	-	-	-
Transportation equipment:						
Exports	31,562	15,416	22,411	15,316	10,846	-29.2
Imports	2	21	26	24	219	798.2
Imports GSP/AGOA	-	-	-	2	4	81.2
Electronic products:						
Exports	6,214	7,484	10,137	11,261	5,818	-48.3
Imports	4,491	655	2,036	2,968	2,634	-11.3
Imports GSP/AGOA	3	71	10	39	-	-100.0
Miscellaneous manufactures:						
Exports	777	596	541	907	619	-31.7
Imports	1,336	1,559	2,044	2,283	1,641	-28.1
Imports GSP/AGOA	59	92	91	99	90	-8.9
Special provisions:						
Exports	6,857	2,808	2,326	1,745	1,993	14.2
Imports	1,823	932	693	1,526	2,621	71.8
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	150,170	98,882	92,046	93,441	74,590	-20.2
Imports	423,341	343,487	367,002	319,823	381,860	19.4
Imports GSP/AGOA	11,238	9,284	22,317	13,321	49,733	273.3

Table B-2—*Continued*
Djibouti: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2000-02
			1,000 dollars			
Agricultural products:						
Exports	7,177	13,816	2,908	1,981	40,667	1,953.3
Imports	465	103	26	79	54	-32.5
Imports GSP/AGOA	-	-	-	-	23	-
Forest products:						
Exports	17	145	26	48	3,389	6,906.8
Imports	-	-	-	4	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	892	4,980	5,276	7,867	760	-90.3
Imports	-	1	86	74	2	-97.6
Imports GSP/AGOA	-	-	86	-	-	-
Energy-related products:						
Exports	-	-	20	26	4	-83.7
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	3,078	1,115	2,941	1,568	1,627	3.8
Imports	1	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	12	-	-100.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	114	257	182	560	72	-87.2
Imports	-	-	5	-	9	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	1,625	2,131	951	856	870	1.7
Imports	18	6	-	7	4	-49.3
Imports GSP/AGOA	-	6	-	-	-	-
Transportation equipment:						
Exports	2,711	1,691	1,210	4,329	5,586	29.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	3,482	771	2,458	307	1,491	385.4
Imports	-	-	-	3	91	3,176.7
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	116	936	4	18	112	530.0
Imports	5	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	828	713	632	1,002	1,367	36.4
Imports	42	1	303	783	1,756	124.2
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	20,041	26,555	16,609	18,573	55,945	201.2
Imports	530	110	419	951	1,915	101.5
Imports GSP/AGOA	-	6	86	-	23	-

Table B-2—*Continued*
Equatorial Guinea: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	486	589	307	1,147	1,110	-3.2
Imports	344	-	11	-	27	-
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	1,446	1,136	93	42	38	-10.8
Imports	1,017	724	690	16	48	190.3
Imports GSP/AGOA	443	-	-	-	-	-
Chemicals and related products:						
Exports	462	1,469	8,181	1,253	1,355	8.2
Imports	4,229	5,465	-	37,251	71,219	91.2
Imports GSP/AGOA	-	-	-	24,954	49,390	97.9
Energy-related products:						
Exports	220	103	329	1,328	495	-62.7
Imports	58,687	33,822	152,534	355,083	495,987	39.7
Imports GSP/AGOA	25,574	7,845	136,280	90,985	352,108	287.0
Textiles and apparel:						
Exports	126	149	145	63	333	425.3
Imports	276	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	3	4	38	16	50	208.5
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	5,241	38,416	10,991	10,991	14,372	30.8
Imports	23	13	35	-	16	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	3,649	6,281	10,001	7,408	12,340	66.6
Imports	28	-	-	-	10	-
Imports GSP/AGOA	28	-	-	-	-	-
Transportation equipment:						
Exports	70,300	167,099	59,210	54,674	72,596	32.8
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	356	682	3,017	954	1,035	8.5
Imports	45	-	18	6	26	341.7
Imports GSP/AGOA	45	-	4	6	-	-100.0
Miscellaneous manufactures:						
Exports	1,738	456	333	405	2,141	428.2
Imports	-	-	51	-	548	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	1,145	4,666	2,028	1,277	1,818	42.4
Imports	1,017	576	1,378	3,253	4,737	45.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	85,171	221,050	94,673	79,558	107,681	35.3
Imports	65,667	40,601	154,717	395,609	572,619	44.7
Imports GSP/AGOA	26,090	7,845	136,284	115,945	401,498	246.3

Table B-2—*Continued*
Eritrea: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	15,110	-	12,091	14,451	23,022	59.3
Imports	546	347	43	38	35	-6.5
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	34	55	17	100	90	-9.6
Imports	-	-	36	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	496	48	78	870	699	-19.6
Imports	2	63	38	4	59	1,234.1
Imports GSP/AGOA	-	-	-	-	11	-
Energy-related products:						
Exports	141	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	87	53	140	32	347	991.4
Imports	1	1	80	0	2	348.3
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	9	-	-	-	-
Imports	-	-	1	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	472	488	52	580	83	-85.8
Imports	37	38	-	17	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	916	382	289	649	435	-33.0
Imports	44	-	-	20	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	2,215	1,062	200	630	286	-54.6
Imports	-	-	-	5	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	3,883	1,151	754	2,029	1,987	-2.1
Imports	74	8	4	5	28	473.8
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	70	9	65	18	92	395.5
Imports	12	21	2	-	24	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	1,079	440	2,551	2,070	1,550	-25.1
Imports	21	2	0	-	221	-
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	24,502	3,698	16,236	21,429	28,591	33.4
Imports	736	480	203	89	369	316.5
Imports GSP/AGOA	-	-	-	-	11	-

Table B-2—*Continued*
Ethiopia: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	29,533	29,522	113,990	26,274	10,624	-59.6
Imports	44,614	27,241	25,668	25,336	22,043	-13.0
Imports GSP/AGOA	744	488	888	655	1,004	53.3
Forest products:						
Exports	498	701	371	318	1,119	251.7
Imports	24	17	36	9	20	124.2
Imports GSP/AGOA	14	7	26	-	12	-
Chemicals and related products:						
Exports	5,519	9,728	9,772	17,276	5,646	-67.3
Imports	975	299	453	180	169	-6.3
Imports GSP/AGOA	314	4	2	-	4	-
Energy-related products:						
Exports	27	3	126	201	81	-59.9
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	901	629	946	223	142	-36.3
Imports	28	10	30	735	1,324	80.3
Imports GSP/AGOA	1	-	1	163	1,297	694.7
Footwear:						
Exports	-	15	29	5	-	-100.0
Imports	-	-	0	1	0	-77.1
Imports GSP/AGOA	-	-	-	-	0	-
Minerals and metals:						
Exports	283	309	387	163	385	136.5
Imports	5,169	1,573	2,024	1,911	8	-99.6
Imports GSP/AGOA	6	-	3	-	-	-
Machinery:						
Exports	7,529	7,878	1,808	2,833	2,134	-24.7
Imports	-	-	-	3	18	532.7
Imports GSP/AGOA	-	-	-	-	2	-
Transportation equipment:						
Exports	30,020	105,407	16,108	6,311	6,487	2.8
Imports	-	500	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	8,371	6,161	6,606	3,148	5,238	66.4
Imports	16	-	88	69	2	-96.5
Imports GSP/AGOA	-	-	-	3	-	-100.0
Miscellaneous manufactures:						
Exports	865	373	151	201	141	-30.1
Imports	87	53	158	186	16	-91.4
Imports GSP/AGOA	39	18	7	-	-	-
Special provisions:						
Exports	4,354	3,572	14,721	3,706	28,126	659.0
Imports	1,364	517	203	611	2,059	237.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	87,900	164,297	165,016	60,659	60,123	-0.9
Imports	52,278	30,211	28,660	29,041	25,659	-11.6
Imports GSP/AGOA	1,118	516	927	822	2,320	182.3

Table B-2—*Continued*
Gabon: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	4,192	5,443	4,967	4,416	4,383	-0.8
Imports	426	601	347	638	512	-19.8
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	3,723	39	609	576	454	-21.2
Imports	2,543	4,676	6,217	5,517	6,032	9.3
Imports GSP/AGOA	-	-	-	65	149	128.5
Chemicals and related products:						
Exports	2,625	1,920	1,965	2,236	2,118	-5.3
Imports	64,504	104,129	116,917	18,172	17,480	-3.8
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	600	242	1,282	1,526	441	-71.1
Imports	1,029,428	1,320,410	1,884,421	1,680,342	1,570,697	-6.5
Imports GSP/AGOA	-	-	-	938,695	1,145,478	22.0
Textiles and apparel:						
Exports	2,700	1,145	942	1,495	1,298	-13.2
Imports	-	-	2	13	337	2,485.0
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	129	88	345	582	368	-36.9
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	2,305	5,041	2,529	3,709	2,918	-21.3
Imports	17,379	26,213	27,200	21,593	19,013	-11.9
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	9,933	4,541	6,825	8,064	8,173	1.4
Imports	108	13	50	2	-	-100.0
Imports GSP/AGOA	-	-	10	-	-	-
Transportation equipment:						
Exports	30,820	17,799	38,567	46,564	40,700	-12.6
Imports	-	53,127	13	30	59	101.0
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	3,177	7,372	2,668	2,874	2,534	-11.8
Imports	35	72	53	3	26	925.8
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	44	246	1,049	389	493	26.8
Imports	859	2,162	912	2,998	1,774	-40.8
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	1,439	1,091	1,523	1,658	1,295	-21.9
Imports	14,993	1,541	1,790	2,365	6,092	157.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	61,688	44,967	63,270	74,089	65,176	-12.0
Imports	1,130,273	1,512,945	2,037,921	1,731,671	1,622,021	-6.3
Imports GSP/AGOA	-	-	10	938,760	1,145,627	22.0

Table B-2—*Continued*
The Gambia: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	4,187	4,095	3,709	3,002	3,292	9.6
Imports	247	38	196	134	237	76.6
Imports GSP/AGOA	16	-	7	-	-	-
Forest products:						
Exports	-	21	70	121	67	-44.4
Imports	7	3	12	3	24	791.7
Imports GSP/AGOA	7	3	5	-	21	-
Chemicals and related products:						
Exports	353	344	270	469	518	10.4
Imports	133	1	-	-	35	-
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	3	10	51	83	63.2
Imports	440	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	1,829	1,295	1,597	1,677	1,631	-2.7
Imports	38	27	90	65	29	-55.0
Imports GSP/AGOA	-	0	0	1	1	-39.1
Footwear:						
Exports	8	41	39	55	88	59.5
Imports	2	-	0	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	174	135	674	187	146	-22.1
Imports	1,564	33	6	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	418	529	59	189	660	248.9
Imports	42	-	4	6	86	1,414.6
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	309	306	250	566	1,527	169.7
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	1,513	1,951	836	1,555	841	-45.9
Imports	5	-	-	22	87	291.4
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	153	49	289	55	102	86.5
Imports	27	64	30	-	7	-
Imports GSP/AGOA	27	8	12	-	3	-
Special provisions:						
Exports	160	728	1,063	236	147	-37.6
Imports	111	20	3	3	57	1,873.5
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	9,104	9,496	8,867	8,164	9,103	11.5
Imports	2,617	186	342	232	563	142.1
Imports GSP/AGOA	50	12	24	1	24	2,825.3

Table B-2—*Continued*
Ghana: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	47,211	53,586	39,815	41,896	47,651	13.7
Imports	27,949	42,361	70,890	58,093	29,042	-50.0
Imports GSP/AGOA	1,940	2,902	2,951	2,271	3,368	48.4
Forest products:						
Exports	3,831	1,857	5,560	2,848	5,258	84.6
Imports	21,491	22,966	28,700	31,263	35,108	12.3
Imports GSP/AGOA	2,802	2,626	7,448	6,863	7,301	6.4
Chemicals and related products:						
Exports	36,753	31,209	16,378	29,426	22,220	-24.5
Imports	144	826	8,458	524	690	31.7
Imports GSP/AGOA	4	-	5	1	2	71.6
Energy-related products:						
Exports	2,943	15,389	10,825	5,863	1,377	-76.5
Imports	10,623	20,020	46,063	56,145	24,750	-55.9
Imports GSP/AGOA	-	-	-	33,086	22,657	-31.5
Textiles and apparel:						
Exports	12,184	9,059	6,404	6,863	8,863	29.1
Imports	7,811	3,619	508	413	550	33.4
Imports GSP/AGOA	4	3	8	5	336	6,341.5
Footwear:						
Exports	783	2,273	538	857	841	-1.9
Imports	-	-	2	0	5	1,197.1
Imports GSP/AGOA	-	-	-	-	1	-
Minerals and metals:						
Exports	11,800	6,795	6,868	4,758	4,574	-3.9
Imports	74,421	115,472	46,021	32,482	20,128	-38.0
Imports GSP/AGOA	2,051	3,308	2,605	222	350	57.7
Machinery:						
Exports	25,888	19,448	24,484	14,937	25,479	70.6
Imports	9	139	67	74	58	-21.9
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	51,062	62,765	39,328	40,905	40,998	0.2
Imports	7	21	153	215	267	24.2
Imports GSP/AGOA	-	-	-	3	-	-100.0
Electronic products:						
Exports	11,953	12,032	15,624	16,711	15,087	-9.7
Imports	29	123	34	45	27	-40.5
Imports GSP/AGOA	9	-	-	2	-	-100.0
Miscellaneous manufactures:						
Exports	3,671	2,243	3,821	3,195	4,092	28.1
Imports	873	1,384	1,268	1,026	1,490	45.2
Imports GSP/AGOA	655	798	523	437	815	86.5
Special provisions:						
Exports	13,132	14,390	9,067	11,212	10,161	-9.4
Imports	502	2,399	4,266	5,112	3,526	-31.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	221,212	231,045	178,712	179,473	186,601	4.0
Imports	143,858	209,330	206,431	185,391	115,641	-37.6
Imports GSP/AGOA	7,464	9,637	13,539	42,889	34,830	-18.8

Table B-2—*Continued*
Guinea: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	9,088	17,458	14,534	7,706	9,114	18.3
Imports	3,887	1,143	378	3,565	1,217	-65.9
Imports GSP/AGOA	-	30	-	-	10	-
Forest products:						
Exports	990	1,202	947	792	818	3.3
Imports	46	201	94	401	164	-59.2
Imports GSP/AGOA	36	23	70	113	35	-69.3
Chemicals and related products:						
Exports	9,134	4,637	9,225	21,058	7,066	-66.4
Imports	12	57	155	24	143	482.2
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	1,976	2,184	5,806	2,249	11,380	406.1
Imports	-	5,155	7	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	4,258	3,454	2,250	2,306	2,572	11.5
Imports	35	16	171	39	61	55.8
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	110	123	309	162	123	-24.0
Imports	-	3	0	1	1	-10.0
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	1,037	1,226	2,288	3,851	1,670	-56.6
Imports	109,878	107,206	85,097	82,144	69,398	-15.5
Imports GSP/AGOA	13	-	3	3	-	-100.0
Machinery:						
Exports	11,175	3,328	6,119	9,656	3,978	-58.8
Imports	21	67	36	28	7	-75.9
Imports GSP/AGOA	-	-	-	23	-	-100.0
Transportation equipment:						
Exports	11,334	6,507	15,013	14,009	12,233	-12.7
Imports	10	-	117	88	64	-27.5
Imports GSP/AGOA	10	-	-	-	-	-
Electronic products:						
Exports	4,778	1,830	2,061	2,439	4,186	71.6
Imports	191	22	405	74	21	-70.9
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	442	574	564	1,028	254	-75.3
Imports	206	618	280	531	67	-87.4
Imports GSP/AGOA	39	32	26	53	24	-54.9
Special provisions:						
Exports	10,369	10,914	7,694	12,363	9,096	-26.4
Imports	1,288	923	1,623	937	459	-51.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	64,692	53,435	66,810	77,619	62,489	-19.5
Imports	115,574	115,411	88,363	87,832	71,600	-18.5
Imports GSP/AGOA	97	84	100	191	68	-64.2

Table B-2—*Continued*
Guinea-Bissau: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	-	694	48	50	846	1,582.1
Imports	41	-	-	3	27	835.1
Imports GSP/AGOA	4	-	-	-	-	-
Forest products:						
Exports	7	-	6	-	49	-
Imports	-	-	-	16	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	167	-	-	22	733	3,210.8
Imports	361	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	1,675	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	15	-	-	9	-	-100.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	-	-	-	18	40	123.3
Imports	131	72	20	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	41	43	-	-	10	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	304	-	126	-	519	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	176	64	98	359	302	-15.9
Imports	-	-	7	-	8	-
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	4	-	-	-	22	-
Imports	-	-	11	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	29	15	5	412	38	-90.7
Imports	0	1	4	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	743	816	284	870	2,559	194.1
Imports	2,209	72	42	19	35	85.6
Imports GSP/AGOA	4	-	-	-	-	-

Table B-2—*Continued*
Kenya: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	59,969	28,167	27,141	18,762	42,698	127.6
Imports	50,332	36,247	34,994	41,055	40,012	-2.5
Imports GSP/AGOA	392	650	833	3,016	2,860	-5.2
Forest products:						
Exports	4,189	5,601	4,252	3,933	3,214	-18.3
Imports	3,305	2,741	2,476	2,511	3,358	33.7
Imports GSP/AGOA	3,192	2,584	1,997	2,317	2,448	5.6
Chemicals and related products:						
Exports	16,688	32,392	28,197	41,364	32,604	-21.2
Imports	671	1,203	1,238	3,099	2,394	-22.8
Imports GSP/AGOA	86	352	16	1,148	734	-36.1
Energy-related products:						
Exports	609	411	412	234	188	-19.4
Imports	296	15	236	101	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	8,462	7,854	6,160	9,047	7,594	-16.1
Imports	33,782	39,633	44,089	64,623	126,488	95.7
Imports GSP/AGOA	21	-	1	51,556	121,881	136.4
Footwear:						
Exports	209	201	194	210	87	-58.7
Imports	1	11	35	7	33	389.9
Imports GSP/AGOA	-	-	-	-	6	-
Minerals and metals:						
Exports	1,973	4,429	5,439	9,979	10,805	8.3
Imports	2,884	2,725	2,437	1,430	1,592	11.3
Imports GSP/AGOA	1,720	584	228	162	530	226.6
Machinery:						
Exports	13,742	14,913	13,464	16,833	10,071	-40.2
Imports	302	250	1,104	259	503	94.0
Imports GSP/AGOA	-	-	9	14	45	226.5
Transportation equipment:						
Exports	66,466	67,137	122,495	442,175	123,895	-72.0
Imports	103	875	319	413	179	-56.8
Imports GSP/AGOA	6	172	19	-	-	-
Electronic products:						
Exports	17,958	18,420	20,007	17,873	23,217	29.9
Imports	1,564	13,421	9,925	5,912	4,357	-26.3
Imports GSP/AGOA	47	37	29	29	8	-72.5
Miscellaneous manufactures:						
Exports	1,265	917	1,197	2,622	1,907	-27.3
Imports	3,160	3,032	2,943	3,874	2,333	-39.8
Imports GSP/AGOA	1,265	704	785	630	698	10.8
Special provisions:						
Exports	6,214	6,647	6,456	10,788	11,692	8.4
Imports	3,122	5,992	9,598	5,298	7,906	49.2
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	197,744	187,089	235,413	573,819	267,972	-53.3
Imports	99,523	106,144	109,394	128,582	189,156	47.1
Imports GSP/AGOA	6,728	5,082	3,919	58,873	129,210	119.5

Table B-2—*Continued*
Lesotho: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	1,233	59	492	30	614	1,948.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	17	82	-	7	3	-55.4
Imports	-	-	-	27	-	-100.0
Imports GSP/AGOA	-	-	-	23	-	-100.0
Chemicals and related products:						
Exports	30	11	12	-	-	-
Imports	5	-	-	144	274	89.9
Imports GSP/AGOA	-	-	-	39	226	479.7
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	-	-	-	-	221	-
Imports	100,187	110,748	140,060	216,776	321,049	48.1
Imports GSP/AGOA	-	1	-	129,523	317,803	145.4
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	-	-	-	6	-	-100.0
Imports	3	6	-	31	-	-100.0
Imports GSP/AGOA	-	-	-	8	-	-100.0
Machinery:						
Exports	17	-	112	16	31	91.8
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	40	39	74	350	365	4.3
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	33	525	128	354	525	48.6
Imports	-	-	-	4	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	-	3	20	3	-87.4
Imports	-	-	-	55	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	67	18	16	34	56	64.2
Imports	49	59	90	127	152	20.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	1,437	733	837	817	1,818	122.5
Imports	100,244	110,814	140,150	217,165	321,475	48.0
Imports GSP/AGOA	-	1	-	129,592	318,029	145.4

Table B-2—*Continued*
Liberia: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	13,207	16,013	12,320	8,683	9,294	7.0
Imports	715	294	64	18	59	227.8
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	402	347	548	333	302	-9.5
Imports	6	816	78	142	77	-46.2
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	1,578	3,499	1,700	1,978	1,586	-19.8
Imports	24,794	28,606	43,374	41,158	43,424	5.5
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	351	331	235	204	95	-53.2
Imports	-	3	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	4,173	4,417	3,514	2,970	1,900	-36.0
Imports	22	2	7	3	18	478.7
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	147	165	150	143	201	40.7
Imports	0	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	4,095	4,837	9,810	10,278	7,403	-28.0
Imports	242	139	586	92	211	129.6
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	2,882	3,317	2,449	1,725	478	-72.3
Imports	-	255	100	52	250	384.8
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	7,016	2,248	1,887	2,423	1,274	-47.4
Imports	6	3	655	2	55	2,658.1
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	3,922	2,833	3,225	2,132	836	-60.8
Imports	9	36	231	130	208	59.8
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	464	474	296	697	145	-79.2
Imports	6	59	17	317	558	75.9
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	11,602	6,105	6,262	5,243	4,004	-23.6
Imports	44	308	298	643	950	47.7
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	49,840	44,585	42,397	36,807	27,517	-25.2
Imports	25,845	30,523	45,408	42,558	45,810	7.6
Imports GSP/AGOA	-	-	-	-	-	-

Table B-2—*Continued*
Madagascar: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	5,595	1,587	4,962	4,785	7,407	54.8
Imports	41,369	28,090	39,599	83,969	121,478	44.7
Imports GSP/AGOA	74	3,229	2,598	2,484	2,360	-5.0
Forest products:						
Exports	298	123	87	239	128	-46.6
Imports	1,901	2,004	2,177	2,054	1,526	-25.7
Imports GSP/AGOA	1,106	863	1,006	1,140	873	-23.4
Chemicals and related products:						
Exports	1,682	2,100	1,104	2,630	1,455	-44.7
Imports	409	413	501	1,470	200	-86.4
Imports GSP/AGOA	2	-	4	-	3	-
Energy-related products:						
Exports	107	30	12	50	36	-27.7
Imports	-	-	-	2	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	657	670	432	744	234	-68.6
Imports	22,639	46,068	109,907	178,750	89,998	-49.7
Imports GSP/AGOA	478	338	239	92,558	76,128	-17.8
Footwear:						
Exports	-	15	-	-	-	-
Imports	-	-	3	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	55	310	379	812	38	-95.3
Imports	3,367	1,929	3,111	1,926	1,454	-24.5
Imports GSP/AGOA	141	120	164	231	104	-54.9
Machinery:						
Exports	478	1,087	566	2,635	973	-63.1
Imports	-	-	7	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	3,121	98,050	5,894	5,917	2,707	-54.3
Imports	-	-	3	5	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	1,706	1,706	1,572	2,500	1,507	-39.7
Imports	676	454	416	360	72	-80.1
Imports GSP/AGOA	662	302	370	307	42	-86.3
Miscellaneous manufactures:						
Exports	456	3	51	116	76	-34.3
Imports	736	648	880	2,305	396	-82.8
Imports GSP/AGOA	72	221	339	385	217	-43.6
Special provisions:						
Exports	336	375	338	519	656	26.4
Imports	298	610	1,133	949	799	-15.8
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	14,491	106,056	15,397	20,947	15,217	-27.4
Imports	71,395	80,214	157,737	271,791	215,923	-20.6
Imports GSP/AGOA	2,535	5,073	4,720	97,105	79,728	-17.9

Table B-2—*Continued*
Malawi: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	-	133	2,013	578	12,426	2,051.1
Imports	38,380	57,274	60,616	59,317	56,565	-4.6
Imports GSP/AGOA	16,342	24,660	23,216	30,561	35,499	16.2
Forest products:						
Exports	223	366	560	956	944	-1.3
Imports	59	7	4	12	4	-66.5
Imports GSP/AGOA	42	-	-	2	-	-100.0
Chemicals and related products:						
Exports	944	931	195	948	252	-73.4
Imports	-	-	3	-	-	-
Imports GSP/AGOA	-	-	3	-	-	-
Energy-related products:						
Exports	49	24	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	674	419	812	862	337	-60.9
Imports	246	1,204	7,326	12,385	11,432	-7.7
Imports GSP/AGOA	-	-	-	4,799	11,405	137.7
Footwear:						
Exports	-	-	13	18	22	22.2
Imports	-	-	-	0	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	7	5	31	48	206	330.8
Imports	21	48	-	19	-	-100.0
Imports GSP/AGOA	21	42	-	-	-	-
Machinery:						
Exports	933	402	1,576	2,273	1,528	-32.8
Imports	-	9	-	-	-	-
Imports GSP/AGOA	-	9	-	-	-	-
Transportation equipment:						
Exports	5,335	279	1,344	284	509	79.2
Imports	3	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	1,565	2,077	1,195	3,076	6,480	110.7
Imports	-	5	119	2	67	3,017.2
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	14	12	25	53	110	108.2
Imports	-	-	2	22	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	3,327	2,708	5,862	5,238	5,811	10.9
Imports	47	58	57	42	42	1.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	13,071	7,356	13,627	14,334	28,626	99.7
Imports	38,757	58,604	68,126	71,800	68,109	-5.1
Imports GSP/AGOA	16,405	24,711	23,218	35,362	46,904	32.6

Table B-2—*Continued*
Mali: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	4,244	1,760	5,160	1,774	1,461	-17.7
Imports	1,013	2,734	410	618	184	-70.3
Imports GSP/AGOA	501	-	0	15	16	5.6
Forest products:						
Exports	269	28	1,173	73	68	-5.9
Imports	348	389	123	241	80	-66.7
Imports GSP/AGOA	332	262	123	153	48	-68.7
Chemicals and related products:						
Exports	2,174	6,031	6,679	5,461	4,000	-26.8
Imports	53	46	79	1	7	1,034.0
Imports GSP/AGOA	46	-	58	-	6	-
Energy-related products:						
Exports	187	37	-	20	10	-47.6
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,857	1,133	1,166	285	573	101.0
Imports	200	218	261	108	122	13.2
Imports GSP/AGOA	7	4	5	4	1	-74.9
Footwear:						
Exports	3	82	20	72	21	-70.1
Imports	-	-	18	-	0	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	54	291	993	573	107	-81.3
Imports	8	38	148	398	252	-36.7
Imports GSP/AGOA	2	21	-	81	208	158.0
Machinery:						
Exports	5,986	7,092	1,313	1,879	1,509	-19.7
Imports	99	92	32	51	20	-60.9
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	3,338	4,161	8,091	11,230	1,484	-86.8
Imports	3	-	46	5	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	1,099	7,351	4,439	7,710	1,562	-79.7
Imports	952	190	1,815	484	584	20.6
Imports GSP/AGOA	5	-	-	-	-	-
Miscellaneous manufactures:						
Exports	36	44	126	18	15	-13.6
Imports	317	4,342	4,241	1,946	872	-55.2
Imports GSP/AGOA	14	19	200	40	63	57.4
Special provisions:						
Exports	4,598	577	580	2,723	220	-91.9
Imports	357	817	1,265	2,353	460	-80.4
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	24,846	28,586	29,740	31,818	11,031	-65.3
Imports	3,348	8,867	8,438	6,205	2,583	-58.4
Imports GSP/AGOA	906	306	387	293	342	16.7

Table B-2—*Continued*
Mauritania: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	14,115	13,076	1,886	2,216	1,418	-36.0
Imports	155	-	49	26	131	401.0
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	-	-	5	9	15	66.4
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	206	130	155	261	427	63.5
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	72	84	3	174	6,058.3
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	13	34	215	240	361	50.7
Imports	140	11	40	1	30	2,890.7
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	30	3	-	-	6	-
Imports	-	-	-	-	387	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	2,132	1,249	2,244	2,154	269	-87.5
Imports	-	171	-	-	15	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	253	3,152	4,728	4,577	6,608	44.4
Imports	-	-	-	-	42	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	1,384	4,415	4,458	12,103	11,727	-3.1
Imports	-	-	3	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	862	913	1,821	2,920	1,053	-64.0
Imports	12	537	15	131	139	6.6
Imports GSP/AGOA	-	-	3	-	35	-
Miscellaneous manufactures:						
Exports	31	-	19	40	63	56.9
Imports	-	-	4	40	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	180	552	252	602	531	-11.8
Imports	85	36	243	95	185	93.7
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	19,206	23,597	15,866	25,126	22,652	-9.8
Imports	393	754	354	294	929	216.4
Imports GSP/AGOA	-	-	3	-	35	-

Table B-2—*Continued*
Mauritius: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	918	443	920	274	550	100.7
Imports	19,854	8,351	23,382	13,941	10,079	-27.7
Imports GSP/AGOA	4,874	3,274	4,836	10,162	5,061	-50.2
Forest products:						
Exports	510	716	781	610	420	-31.1
Imports	16	-	63	117	368	213.7
Imports GSP/AGOA	-	-	5	6	-	-100.0
Chemicals and related products:						
Exports	930	1,129	1,570	1,816	1,490	-17.9
Imports	109	374	762	1,882	1,286	-31.6
Imports GSP/AGOA	4	-	13	9	37	312.4
Energy-related products:						
Exports	26	3	99	126	168	33.8
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	381	405	453	2,865	1,501	-47.6
Imports	233,618	232,109	244,863	238,345	254,653	6.8
Imports GSP/AGOA	79	17	-	38,925	106,528	173.7
Footwear:						
Exports	6	-	-	6	5	-18.0
Imports	-	8	75	-	2	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	420	469	444	299	877	193.0
Imports	3,049	6,622	6,946	7,001	6,689	-4.5
Imports GSP/AGOA	58	48	50	18	16	-12.6
Machinery:						
Exports	3,422	2,799	4,327	4,415	3,434	-22.2
Imports	215	-	166	620	517	-16.7
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	6,132	2,837	1,536	3,149	2,821	-10.4
Imports	238	115	1,757	110	102	-7.5
Imports GSP/AGOA	5	-	-	2	-	-100.0
Electronic products:						
Exports	4,536	20,312	3,940	6,837	6,338	-7.3
Imports	5,172	3,685	3,571	4,155	3,630	-12.6
Imports GSP/AGOA	3,536	3,211	2,928	2,945	1,854	-37.0
Miscellaneous manufactures:						
Exports	779	1,507	441	705	790	12.0
Imports	3,451	4,107	3,544	4,796	1,771	-63.1
Imports GSP/AGOA	2,003	2,740	1,825	1,908	795	-58.3
Special provisions:						
Exports	1,040	1,483	935	920	1,003	9.0
Imports	1,238	2,973	876	4,159	1,338	-67.8
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	19,101	32,103	15,448	22,022	19,398	-11.9
Imports	266,960	258,343	286,008	275,127	280,433	1.9
Imports GSP/AGOA	10,560	9,291	9,658	53,975	114,292	111.7

Table B-2—*Continued*
Mozambique: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	28,728	18,274	30,311	14,979	66,136	341.5
Imports	23,348	8,403	23,901	6,594	6,656	0.9
Imports GSP/AGOA	9,103	78	10,688	5,253	5,713	8.8
Forest products:						
Exports	20	22	151	80	81	1.3
Imports	66	46	7	61	64	5.3
Imports GSP/AGOA	36	-	3	8	16	101.4
Chemicals and related products:						
Exports	1,747	1,952	1,338	720	958	33.1
Imports	4	-	-	0	-	-100.0
Imports GSP/AGOA	-	-	-	0	-	-100.0
Energy-related products:						
Exports	-	49	6,076	2,805	15,791	462.9
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,821	2,758	4,495	2,193	1,742	-20.6
Imports	116	44	0	179	193	7.8
Imports GSP/AGOA	-	-	-	-	186	-
Footwear:						
Exports	230	51	175	93	307	231.8
Imports	28	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	460	2,821	1,074	166	412	147.5
Imports	1,675	1,065	159	19	952	4,993.1
Imports GSP/AGOA	50	17	11	16	-	-100.0
Machinery:						
Exports	2,266	3,390	4,709	1,462	5,833	298.9
Imports	267	19	-	-	48	-
Imports GSP/AGOA	3	-	-	-	-	-
Transportation equipment:						
Exports	6,229	924	1,473	1,412	3,983	182.1
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	2,287	2,444	2,287	1,520	1,574	3.5
Imports	1	57	71	8	157	1,841.9
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	57	83	28	504	39	-92.2
Imports	23	60	46	34	69	101.8
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	844	1,079	5,798	2,393	1,013	-57.7
Imports	223	592	194	165	22	-86.7
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	45,687	33,847	57,913	28,327	97,869	245.5
Imports	25,750	10,287	24,377	7,060	8,160	15.6
Imports GSP/AGOA	9,192	95	10,701	5,278	5,916	12.1

Table B-2—*Continued*
Namibia: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	74	67	2,414	4,928	5,651	14.7
Imports	32,167	18,406	18,883	12,495	6,456	-48.3
Imports GSP/AGOA	764	341	1	26	-	-100.0
Forest products:						
Exports	47	48	420	187	468	150.2
Imports	99	173	186	76	189	147.1
Imports GSP/AGOA	61	76	134	67	161	140.9
Chemicals and related products:						
Exports	413	946	1,481	4,169	9,315	123.5
Imports	204	197	404	48	1	-97.3
Imports GSP/AGOA	-	0	0	-	-	-
Energy-related products:						
Exports	-	32	120	138	86	-37.5
Imports	9,749	-	13,432	11,302	30,694	171.6
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	211	201	77	84	157	86.1
Imports	24	40	192	118	6,713	5,576.9
Imports GSP/AGOA	-	8	-	-	1,552	-
Footwear:						
Exports	-	-	-	3	-	-100.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	100	141	259	676	5,794	757.0
Imports	7,290	9,638	6,968	12,138	11,344	-6.5
Imports GSP/AGOA	5,684	-	-	-	-	-
Machinery:						
Exports	2,452	1,508	1,064	2,420	2,253	-6.9
Imports	4	94	220	34	79	129.4
Imports GSP/AGOA	4	-	-	-	-	-
Transportation equipment:						
Exports	28,589	182,338	57,993	176,282	3,287	-98.1
Imports	-	7	2	-	6	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	7,852	5,944	3,012	10,260	13,601	32.6
Imports	415	200	6	10	27	175.9
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	97	180	725	597	1,688	182.8
Imports	144	57	105	52	71	36.1
Imports GSP/AGOA	-	2	18	-	4	-
Special provisions:						
Exports	10,021	3,417	10,882	49,591	11,388	-77.0
Imports	1,579	1,173	1,795	1,571	1,775	12.9
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	49,857	194,822	78,448	249,334	53,688	-78.5
Imports	51,676	29,984	42,191	37,845	57,353	51.5
Imports GSP/AGOA	6,513	427	154	93	1,717	1,744.3

Table B-2—*Continued*
Niger: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	1,967	432	2,357	4,759	7,184	51.0
Imports	102	152	146	6	16	150.1
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	25	228	1,252	2,732	4,090	49.7
Imports	12	14	51	273	3	-99.0
Imports GSP/AGOA	8	11	-	-	3	-
Chemicals and related products:						
Exports	1,993	1,896	2,806	20,006	5,791	-71.1
Imports	335	121	56	204	94	-54.0
Imports GSP/AGOA	22	-	16	42	-	-100.0
Energy-related products:						
Exports	78	-	-	5	5	-1.2
Imports	39	2,455	4,770	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	9,484	8,172	4,287	4,708	3,227	-31.5
Imports	91	128	42	54	100	85.9
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	3	5	-	-	-
Imports	-	1	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	170	195	490	947	953	0.6
Imports	102	4	578	126	32	-74.5
Imports GSP/AGOA	78	4	-	-	-	-
Machinery:						
Exports	464	1,838	5,533	7,626	2,166	-71.6
Imports	267	599	810	55	167	202.1
Imports GSP/AGOA	-	254	-	-	-	-
Transportation equipment:						
Exports	840	1,065	1,865	8,217	5,451	-33.7
Imports	-	33	12	112	211	88.3
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	1,465	2,855	14,032	11,365	7,955	-30.0
Imports	136	318	139	240	29	-87.7
Imports GSP/AGOA	-	-	-	-	4	-
Miscellaneous manufactures:						
Exports	81	773	584	168	321	91.1
Imports	75	199	24	13	201	1,475.0
Imports GSP/AGOA	6	11	-	-	15	-
Special provisions:						
Exports	1,328	938	2,459	2,352	2,177	-7.5
Imports	571	813	344	342	43	-87.5
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	17,895	18,394	35,671	62,886	39,320	-37.5
Imports	1,731	4,837	6,972	1,427	897	-37.1
Imports GSP/AGOA	114	280	16	42	22	-47.6

Table B-2—*Continued*
Nigeria: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	149,995	172,699	178,734	245,911	303,482	23.4
Imports	10,471	8,277	5,227	10,529	16,015	52.1
Imports GSP/AGOA	-	-	58	153	464	203.3
Forest products:						
Exports	8,588	8,493	14,667	20,944	14,817	-29.3
Imports	1,108	1,138	875	477	421	-11.7
Imports GSP/AGOA	-	-	10	19	13	-30.3
Chemicals and related products:						
Exports	73,129	43,156	55,631	61,726	60,008	-2.8
Imports	367,061	429,134	943,895	258,960	12,966	-95.0
Imports GSP/AGOA	-	-	-	0	-	-100.0
Energy-related products:						
Exports	35,735	26,321	16,568	24,335	36,515	50.1
Imports	4,212,685	3,720,249	8,706,166	8,627,161	5,772,765	-33.1
Imports GSP/AGOA	-	-	-	5,688,030	5,409,167	-4.9
Textiles and apparel:						
Exports	12,704	12,817	8,384	13,647	15,053	10.3
Imports	3,801	801	572	453	111	-75.5
Imports GSP/AGOA	-	-	-	0	-	-100.0
Footwear:						
Exports	560	738	728	1,391	3,590	158.1
Imports	-	57	106	186	5	-97.1
Imports GSP/AGOA	-	-	-	71	1	-99.3
Minerals and metals:						
Exports	53,575	19,272	25,355	37,884	42,235	11.5
Imports	1,399	972	16,187	12,107	1,108	-90.9
Imports GSP/AGOA	-	-	-	-	2	-
Machinery:						
Exports	156,579	74,239	124,234	151,764	140,803	-7.2
Imports	425	2,693	55	296	487	64.2
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	249,134	194,092	228,238	284,261	311,616	9.6
Imports	9	-	23	72	1,075	1,386.5
Imports GSP/AGOA	-	-	-	56	-	-100.0
Electronic products:						
Exports	55,348	52,304	42,039	86,934	96,832	11.4
Imports	16	97	92	318	830	160.9
Imports GSP/AGOA	-	-	-	46	3	-94.3
Miscellaneous manufactures:						
Exports	8,207	9,969	3,590	7,583	8,986	18.5
Imports	3,867	4,710	2,969	1,463	1,635	11.8
Imports GSP/AGOA	-	-	3	85	10	-88.4
Special provisions:						
Exports	10,571	10,061	14,432	11,234	12,971	15.5
Imports	2,778	4,194	3,961	4,454	12,185	173.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	814,126	624,161	712,600	947,614	1,046,908	10.5
Imports	4,603,620	4,172,322	9,680,128	8,916,476	5,819,603	-34.7
Imports GSP/AGOA	-	-	71	5,688,461	5,409,660	-4.9

Table B-2—*Continued*
Rwanda: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	9,850	17,796	10,186	8,404	7,543	-10.2
Imports	1,915	2,007	2,301	3,668	1,899	-48.2
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	9,333	8,111	3,917	117	22	-81.0
Imports	-	-	-	20	10	-50.1
Imports GSP/AGOA	-	-	-	20	10	-50.1
Chemicals and related products:						
Exports	315	82	128	324	136	-58.0
Imports	0	-	-	294	-	-100.0
Imports GSP/AGOA	-	-	-	265	-	-100.0
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	351	116	201	166	124	-25.1
Imports	-	17	23	-	2	-
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	4	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	28	116	82	196	37	-81.3
Imports	1,910	1,422	2,552	3,134	991	-68.4
Imports GSP/AGOA	302	154	324	33	-	-100.0
Machinery:						
Exports	27	135	280	91	37	-59.2
Imports	-	-	-	-	33	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	178	32	1,020	50	284	462.6
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	1,028	19,550	2,537	6,990	1,491	-78.7
Imports	14	39	150	66	119	80.5
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	14	17	75	54	-28.1
Imports	8	-	-	20	18	-10.2
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	638	1,538	554	973	434	-55.4
Imports	183	201	36	20	14	-27.8
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	21,754	47,490	18,922	17,386	10,162	-41.5
Imports	4,031	3,686	5,061	7,221	3,086	-57.3
Imports GSP/AGOA	302	154	324	318	10	-96.8

Table B-2—*Continued*
São Tomé & Principe: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	-	12	28	318	64	-80.0
Imports	2	-	21	-	-	-
Imports GSP/AGOA	2	-	-	-	-	-
Forest products:						
Exports	-	319	63	-	190	-
Imports	50	-	-	-	272	-
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	14	73	65	63	91	44.6
Imports	-	59	10	0	11	3,501.0
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	20	-	16	38	-	-100.0
Imports	-	1,616	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	230	-	108	25	119	387.5
Imports	-	23	3	19	2	-87.6
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	0	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	49	-	91	37	53	42.8
Imports	-	33	46	9	34	291.3
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	22	4	137	43	50	14.9
Imports	56	758	245	247	12	-95.2
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	8,863	52	190	9,921	1,068	-89.2
Imports	-	6	9	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	67	33	106	135	203	50.9
Imports	7	142	116	32	37	14.3
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	84	-	123	5	24	443.2
Imports	-	7	5	-	3	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	31	17	34	29	59	100.0
Imports	567	49	59	15	19	29.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	9,380	510	962	10,614	1,921	-81.9
Imports	682	2,693	513	322	391	21.4
Imports GSP/AGOA	2	-	-	-	-	-

Table B-2—*Continued*
Senegal: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	21,998	14,388	16,895	8,166	9,452	15.7
Imports	904	994	1,015	6,346	583	-90.8
Imports GSP/AGOA	812	-	-	2	50	1,999.0
Forest products:						
Exports	903	175	498	878	184	-79.1
Imports	96	171	227	154	184	19.5
Imports GSP/AGOA	17	16	38	58	22	-61.9
Chemicals and related products:						
Exports	11,055	6,617	15,773	17,377	11,206	-35.5
Imports	779	2,040	767	474	464	-2.2
Imports GSP/AGOA	740	699	691	407	376	-7.5
Energy-related products:						
Exports	70	171	185	535	2,299	329.3
Imports	-	7,263	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,667	3,570	4,102	4,142	4,125	-0.4
Imports	620	171	299	91	158	74.8
Imports GSP/AGOA	45	1	11	3	0	-86.3
Footwear:						
Exports	31	62	97	124	103	-16.8
Imports	8	8	2	14	14	-
Imports GSP/AGOA	-	-	-	-	0	-
Minerals and metals:						
Exports	519	140	1,976	4,853	1,672	-65.6
Imports	210	156	-	11	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	4,008	8,494	6,801	7,740	6,018	-22.2
Imports	50	17	14	-	4	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	9,113	9,997	21,551	18,861	26,741	41.8
Imports	44	-	26	6	-	-100.0
Imports GSP/AGOA	41	-	-	-	-	-
Electronic products:						
Exports	5,994	16,172	9,289	8,463	6,917	-18.3
Imports	535	1,453	204	2,576	571	-77.8
Imports GSP/AGOA	4	-	-	-	-	-
Miscellaneous manufactures:						
Exports	336	711	363	1,431	870	-39.2
Imports	964	1,337	1,138	1,376	1,116	-18.9
Imports GSP/AGOA	753	24	41	97	50	-48.7
Special provisions:						
Exports	2,223	2,311	2,653	5,765	2,376	-58.8
Imports	971	3,863	539	91,297	704	-99.2
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	58,917	62,808	80,183	78,334	71,962	-8.1
Imports	5,181	17,473	4,231	102,345	3,799	-96.3
Imports GSP/AGOA	2,412	740	781	567	499	-11.9

Table B-2—*Continued*
Seychelles: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	90	346	363	246	240	-2.5
Imports	241	96	1,035	15,639	20,179	29.0
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	71	29	326	261	65	-75.0
Imports	6	166	10	24	45	82.3
Imports GSP/AGOA	-	93	-	-	-	-
Chemicals and related products:						
Exports	1,099	953	656	858	1,804	110.4
Imports	136	-	1	3	47	1,515.0
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	779	145	711	1,035	303	-70.7
Imports	159	1,041	156	25	0	-98.5
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	3	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	643	1,523	391	295	383	29.8
Imports	2	38	291	355	220	-37.9
Imports GSP/AGOA	-	10	-	-	-	-
Machinery:						
Exports	3,059	1,063	535	6,613	676	-89.8
Imports	4	46	-	36	54	51.8
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	810	280	188	155,029	2,272	-98.5
Imports	-	-	32	-	31	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	2,370	2,071	3,490	10,888	1,886	-82.7
Imports	265	3,277	5,172	4,880	3,327	-31.8
Imports GSP/AGOA	-	2,497	4,662	4,230	-	-100.0
Miscellaneous manufactures:						
Exports	176	854	32	357	274	-23.3
Imports	22	81	34	11	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	297	283	278	376	300	-20.1
Imports	1,350	454	1,366	2,728	2,388	-12.5
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	9,397	7,547	6,971	175,959	8,204	-95.3
Imports	2,184	5,197	8,097	23,701	26,291	10.9
Imports GSP/AGOA	-	2,600	4,662	4,230	-	-

Table B-2—*Continued*
Sierra Leone: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	15,726	4,720	5,527	13,893	13,184	-5.1
Imports	257	153	291	209	526	151.8
Imports GSP/AGOA	16	-	10	18	48	163.7
Forest products:						
Exports	334	99	153	316	666	110.6
Imports	-	17	25	3	-	-100.0
Imports GSP/AGOA	-	-	25	3	-	-100.0
Chemicals and related products:						
Exports	721	491	787	1,015	963	-5.1
Imports	567	82	262	454	311	-31.6
Imports GSP/AGOA	517	3	60	1	145	22,416.6
Energy-related products:						
Exports	20	117	41	390	104	-73.3
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,834	1,971	1,256	1,567	1,248	-20.3
Imports	353	193	335	1,374	466	-66.1
Imports GSP/AGOA	20	25	-	-	-	-
Footwear:						
Exports	12	-	49	111	170	53.5
Imports	3	1,776	134	854	140	-83.6
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	127	149	536	1,039	459	-55.8
Imports	10,454	7,529	2,044	537	1,515	182.1
Imports GSP/AGOA	68	-	119	226	6	-97.4
Machinery:						
Exports	455	302	860	1,030	554	-46.2
Imports	75	81	80	150	53	-64.6
Imports GSP/AGOA	-	-	29	44	10	-77.2
Transportation equipment:						
Exports	898	336	2,489	1,165	2,333	100.2
Imports	5	107	55	189	48	-74.4
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	844	1,573	2,422	2,767	2,478	-10.4
Imports	131	151	45	180	112	-38.1
Imports GSP/AGOA	-	4	-	95	-	-100.0
Miscellaneous manufactures:						
Exports	101	88	389	542	288	-46.8
Imports	276	213	512	680	277	-59.3
Imports GSP/AGOA	209	-	-	-	8	-
Special provisions:						
Exports	1,370	3,141	3,282	3,958	2,558	-35.4
Imports	154	33	23	10	385	3,720.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	23,441	12,985	17,791	27,791	25,006	-10.0
Imports	12,274	10,335	3,806	4,640	3,833	-17.4
Imports GSP/AGOA	831	31	245	387	217	-44.0

Table B-2—*Continued*
Somalia: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	1,723	1,936	1,776	3,193	1,609	-49.6
Imports	388	67	14	82	192	134.1
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	-	-	-	6	8	19.0
Imports	-	-	5	5	7	33.4
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	16	68	100	25	808	3,180.9
Imports	-	35	56	151	39	-74.3
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	12	5	-55.9
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	177	228	4	454	304	-32.9
Imports	35	28	9	69	5	-93.3
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	-	138	-	5	137	2,435.0
Imports	12	-	324	6	6	-
Imports GSP/AGOA	-	-	324	-	-	-
Machinery:						
Exports	66	276	126	51	18	-64.8
Imports	100	-	7	4	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	295	5	517	550	44	-91.9
Imports	-	-	-	8	11	42.7
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	250	132	2,137	778	3,062	293.7
Imports	36	36	6	3	79	2,510.2
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	-	-	-	10	53	414.0
Imports	16	26	20	2	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	48	31	201	1,518	117	-92.3
Imports	118	-	2	0	5	1,153.8
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	2,574	2,813	4,862	6,591	6,161	-6.5
Imports	704	192	443	343	348	1.4
Imports GSP/AGOA	-	-	324	-	-	-

Table B-2—*Continued*
South Africa: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	211,298	186,131	132,718	100,678	150,899	49.9
Imports	158,146	161,980	199,584	173,169	192,160	11.0
Imports GSP/AGOA	44,153	29,006	41,229	78,750	123,723	57.1
Forest products:						
Exports	138,969	102,848	98,146	96,753	75,009	-22.5
Imports	50,147	52,158	66,461	48,456	44,302	-8.6
Imports GSP/AGOA	4,825	8,889	8,789	9,141	17,467	91.1
Chemicals and related products:						
Exports	427,924	401,563	481,668	460,718	446,993	-3.0
Imports	217,019	225,449	283,500	283,066	267,343	-5.6
Imports GSP/AGOA	129,428	97,971	118,967	126,011	134,334	6.6
Energy-related products:						
Exports	152,811	94,429	107,317	94,076	110,362	17.3
Imports	67,444	9,678	62,926	66,489	42,385	-36.3
Imports GSP/AGOA	1,203	291	-	2,136	866	-59.5
Textiles and apparel:						
Exports	35,502	32,680	37,633	28,712	26,439	-7.9
Imports	110,463	126,978	175,579	212,457	214,957	1.2
Imports GSP/AGOA	1,741	1,737	2,242	33,621	88,292	162.6
Footwear:						
Exports	8,394	10,069	7,674	2,101	1,037	-50.7
Imports	215	91	59	217	461	112.9
Imports GSP/AGOA	-	-	-	171	290	69.6
Minerals and metals:						
Exports	97,352	109,057	118,611	97,323	89,056	-8.5
Imports	2,147,467	2,109,370	2,841,397	2,783,624	2,456,462	-11.8
Imports GSP/AGOA	220,533	199,174	268,102	316,565	371,501	17.4
Machinery:						
Exports	375,200	259,829	253,428	286,541	302,035	5.4
Imports	75,848	121,632	174,431	258,817	227,713	-12.0
Imports GSP/AGOA	65,491	15,168	31,500	22,899	17,771	-22.4
Transportation equipment:						
Exports	1,220,766	534,725	958,392	1,097,239	744,639	-32.1
Imports	103,758	145,474	181,882	398,018	615,636	54.7
Imports GSP/AGOA	58,330	72,265	76,812	300,476	544,706	81.3
Electronic products:						
Exports	608,472	493,454	455,730	394,615	347,703	-11.9
Imports	18,091	29,780	30,995	28,223	22,957	-18.7
Imports GSP/AGOA	8,800	17,021	13,499	5,476	6,887	25.8
Miscellaneous manufactures:						
Exports	65,621	44,692	53,895	46,389	35,190	-24.1
Imports	23,259	36,929	48,939	56,841	62,218	9.5
Imports GSP/AGOA	17,210	7,862	22,037	27,997	36,756	31.3
Special provisions:						
Exports	152,284	124,521	124,335	117,209	116,806	-0.3
Imports	81,467	173,250	137,904	120,163	89,380	-25.6
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	3,494,594	2,393,998	2,829,546	2,822,354	2,446,169	-13.3
Imports	3,053,323	3,192,768	4,203,657	4,429,539	4,235,974	-4.4
Imports GSP/AGOA	551,715	449,384	583,176	923,243	1,342,594	45.4

Table B-2—*Continued*
Sudan: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	6,462	8,399	16,869	16,557	8,984	-45.7
Imports	3,082	-	1,688	3,337	1,308	-60.8
Imports GSP/AGOA	-	-	-	-	-	-
Forest products:						
Exports	65	56	-	-	70	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Chemicals and related products:						
Exports	11	-	-	122	629	414.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	21	-	-	-	-	-
Imports	-	-	0	2	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	-	-	-	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	44	27	-	6	8	19.2
Imports	8	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Machinery:						
Exports	-	58	4	116	5	-95.7
Imports	-	-	-	-	42	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	-	19	-	20	12	-41.6
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	65	51	-	41	10	-76.6
Imports	-	26	4	8	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	3	-	-	-	11	-
Imports	-	21	116	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Special provisions:						
Exports	120	211	9	255	1,125	341.6
Imports	-	10	-	39	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	6,790	8,821	16,882	17,119	10,854	-36.6
Imports	3,090	57	1,808	3,385	1,350	-60.1
Imports GSP/AGOA	-	-	-	-	-	-

Table B-2—*Continued*
Swaziland: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	1,517	749	73	398	364	-8.6
Imports	3,116	8,297	12,539	6,891	7,286	5.7
Imports GSP/AGOA	2,711	7,744	11,935	6,487	6,779	4.5
Forest products:						
Exports	209	155	321	80	256	219.6
Imports	2,094	2,122	3,015	2,382	4,449	86.8
Imports GSP/AGOA	39	70	-	3	270	10,199.4
Chemicals and related products:						
Exports	3,309	881	807	2,110	1,672	-20.8
Imports	776	1,452	1,866	839	886	5.7
Imports GSP/AGOA	669	2	22	85	283	232.0
Energy-related products:						
Exports	-	-	-	4	-	-100.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	39	204	160	159	16	-89.7
Imports	16,303	23,318	31,898	48,091	89,088	85.3
Imports GSP/AGOA	-	-	-	8,195	73,901	801.8
Footwear:						
Exports	-	-	5	-	-	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	9	50	43	384	6,134	1,496.7
Imports	160	147	207	126	102	-19.0
Imports GSP/AGOA	148	120	-	-	19	-
Machinery:						
Exports	166	367	2,542	138	362	162.1
Imports	642	539	61	2,256	421	-81.4
Imports GSP/AGOA	48	-	-	-	-	-
Transportation equipment:						
Exports	256	459	1,240	1,023	502	-50.9
Imports	305	124	3	3	443	14,303.8
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	2,474	640	2,312	2,716	1,421	-47.7
Imports	570	157	152	258	7,212	2,698.1
Imports GSP/AGOA	-	28	-	-	-	-
Miscellaneous manufactures:						
Exports	8	51	44	216	70	-67.6
Imports	554	1,429	2,482	3,897	4,217	8.2
Imports GSP/AGOA	553	-	-	-	-	-
Special provisions:						
Exports	199	192	194	209	242	15.9
Imports	452	264	355	294	359	22.3
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	8,186	3,748	7,741	7,438	11,040	48.4
Imports	24,973	37,849	52,577	65,036	114,464	76.0
Imports GSP/AGOA	4,169	7,964	11,957	14,770	81,252	450.1

Table B-2—*Continued*
Tanzania: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	7,728	16,548	3,704	9,797	11,672	19.1
Imports	10,730	17,165	13,739	12,301	13,253	7.7
Imports GSP/AGOA	185	1,026	1,134	636	811	27.5
Forest products:						
Exports	2,466	1,095	875	895	523	-41.5
Imports	500	190	561	499	355	-28.9
Imports GSP/AGOA	142	75	200	224	239	6.9
Chemicals and related products:						
Exports	1,772	2,539	2,269	5,506	1,722	-68.7
Imports	496	341	554	236	122	-48.4
Imports GSP/AGOA	-	-	-	21	-	-100.0
Energy-related products:						
Exports	43	92	79	170	198	16.2
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	9,187	8,262	10,881	9,780	10,236	4.7
Imports	8,236	2,658	242	487	371	-23.7
Imports GSP/AGOA	8	6	19	1	127	17,040.2
Footwear:						
Exports	1,319	1,377	1,106	1,757	2,572	46.4
Imports	-	-	-	-	3	-
Imports GSP/AGOA	-	-	-	-	2	-
Minerals and metals:						
Exports	1,449	1,253	1,047	5,280	7,499	42.0
Imports	6,801	9,771	14,586	11,528	8,263	-28.3
Imports GSP/AGOA	4,565	2,007	13	10	105	964.1
Machinery:						
Exports	8,477	3,905	4,174	3,935	5,945	51.1
Imports	-	-	30	200	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	18,430	9,284	10,324	16,624	9,076	-45.4
Imports	-	-	3	8	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	12,579	11,529	5,269	7,050	6,593	-6.5
Imports	23	4	51	265	10	-96.3
Imports GSP/AGOA	-	-	-	2	-	-100.0
Miscellaneous manufactures:						
Exports	838	296	1,830	449	367	-18.2
Imports	3,842	3,384	2,927	273	268	-1.7
Imports GSP/AGOA	35	-	25	5	8	57.1
Special provisions:						
Exports	2,333	4,502	2,989	2,497	5,397	116.1
Imports	940	981	2,596	1,432	2,699	88.4
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	66,619	60,682	44,548	63,741	61,800	-3.0
Imports	31,568	34,495	35,288	27,229	25,343	-6.9
Imports GSP/AGOA	4,936	3,114	1,392	899	1,293	43.8

Table B-2—*Continued*
Togo: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	314	3,020	380	1,212	2,979	145.7
Imports	1,141	2,081	1,259	1,246	1,510	21.2
Imports GSP/AGOA	155	1,442	233	145	5	-96.9
Forest products:						
Exports	177	36	269	68	90	33.7
Imports	7	3	14	11	9	-12.3
Imports GSP/AGOA	7	3	-	11	9	-12.3
Chemicals and related products:						
Exports	1,780	1,040	507	1,435	1,409	-1.8
Imports	-	-	-	4,568	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Energy-related products:						
Exports	49	21	33	33	13	-61.1
Imports	-	-	3,118	3,819	-	-100.0
Imports GSP/AGOA	-	-	3,118	3,819	-	-100.0
Textiles and apparel:						
Exports	3,144	3,031	2,098	3,165	2,234	-29.4
Imports	190	42	23	4	6	49.6
Imports GSP/AGOA	-	0	3	-	-	-
Footwear:						
Exports	606	275	596	429	745	73.9
Imports	-	1	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	21	131	619	74	21	-71.8
Imports	3	2	5	3	8	211.3
Imports GSP/AGOA	3	-	2	3	-	-100.0
Machinery:						
Exports	2,370	2,687	1,341	4,855	1,096	-77.4
Imports	-	-	10	-	13	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	10,114	1,842	2,367	966	2,484	157.2
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	5,812	12,563	1,252	3,203	1,585	-50.5
Imports	-	120	14	2	55	2,296.0
Imports GSP/AGOA	-	-	-	-	-	-
Miscellaneous manufactures:						
Exports	254	228	96	126	38	-70.2
Imports	309	378	247	534	295	-44.9
Imports GSP/AGOA	118	-	-	-	-	-
Special provisions:						
Exports	671	746	924	589	314	-46.7
Imports	298	543	1,286	2,396	763	-68.2
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	25,310	25,620	10,480	16,154	13,008	-19.5
Imports	1,950	3,170	5,975	12,583	2,659	-78.9
Imports GSP/AGOA	285	1,445	3,355	3,977	14	-99.7

Table B-2—*Continued*
Uganda: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	11,404	6,901	6,214	8,984	3,942	-56.1
Imports	12,687	19,225	21,124	15,723	13,738	-12.6
Imports GSP/AGOA	51	26	-	-	13	-
Forest products:						
Exports	115	671	316	637	596	-6.5
Imports	25	10	14	27	19	-30.4
Imports GSP/AGOA	25	10	14	27	14	-49.8
Chemicals and related products:						
Exports	1,183	2,281	1,942	3,328	1,431	-57.0
Imports	251	47	133	24	20	-20.0
Imports GSP/AGOA	21	-	-	-	-	-
Energy-related products:						
Exports	27	20	43	5	-	-100.0
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,159	2,466	2,419	2,386	2,494	4.5
Imports	11	-	16	13	1	-92.4
Imports GSP/AGOA	-	-	4	-	-	-
Footwear:						
Exports	12	-	4	11	14	32.6
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	450	50	3,733	266	213	-19.9
Imports	572	742	1,415	1,776	870	-51.0
Imports GSP/AGOA	-	-	59	114	-	-100.0
Machinery:						
Exports	2,726	1,639	2,425	2,457	2,120	-13.7
Imports	66	-	-	4	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	1,982	2,919	1,075	1,453	1,511	4.0
Imports	-	-	2	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	5,283	6,330	6,949	9,597	7,275	-24.2
Imports	10	8	292	9	7	-29.7
Imports GSP/AGOA	2	3	-	-	-	-
Miscellaneous manufactures:						
Exports	368	70	260	237	612	158.2
Imports	32	45	23	51	84	64.7
Imports GSP/AGOA	6	6	2	-	6	-
Special provisions:						
Exports	1,976	1,172	1,386	2,788	2,427	-13.0
Imports	1,501	180	6,046	206	459	123.0
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	27,685	24,518	26,766	32,150	22,635	-29.6
Imports	15,154	20,256	29,064	17,835	15,197	-14.8
Imports GSP/AGOA	105	45	78	141	32	-77.4

Table B-2—*Continued*
Zambia: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	1,227	500	485	765	14,092	1,742.4
Imports	1,301	2,004	1,385	1,213	1,200	-1.1
Imports GSP/AGOA	276	134	229	95	60	-36.7
Forest products:						
Exports	2,623	3,266	400	231	295	27.4
Imports	129	1,231	852	1,261	494	-60.8
Imports GSP/AGOA	104	2	132	677	20	-97.0
Chemicals and related products:						
Exports	1,021	961	2,913	2,208	3,434	55.6
Imports	5	-	-	-	6	-
Imports GSP/AGOA	5	-	-	-	-	-
Energy-related products:						
Exports	117	11	67	-	37	-
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	2,123	933	929	935	1,133	21.1
Imports	2	8	258	227	5	-97.8
Imports GSP/AGOA	-	-	-	-	-	-
Footwear:						
Exports	50	106	53	139	146	5.5
Imports	-	-	2	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	112	132	427	156	187	19.7
Imports	45,340	33,955	14,031	12,384	5,819	-53.0
Imports GSP/AGOA	3	185	98	2	-	-100.0
Machinery:						
Exports	2,450	2,175	1,798	2,060	3,340	62.2
Imports	-	-	-	-	6	-
Imports GSP/AGOA	-	-	-	-	-	-
Transportation equipment:						
Exports	5,555	4,970	4,189	3,915	7,819	99.7
Imports	-	-	-	-	14	-
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	4,152	3,397	4,306	3,124	2,601	-16.7
Imports	12	-	3	1	65	7,073.1
Imports GSP/AGOA	6	-	-	-	-	-
Miscellaneous manufactures:						
Exports	212	233	57	196	81	-58.7
Imports	43	93	97	18	15	-12.9
Imports GSP/AGOA	13	-	7	-	2	-
Special provisions:						
Exports	1,794	3,016	3,146	1,758	2,325	32.2
Imports	337	566	1,099	481	166	-65.5
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	21,435	19,700	18,770	15,487	35,491	129.2
Imports	47,170	37,857	17,727	15,584	7,790	-50.0
Imports GSP/AGOA	408	321	466	775	83	-89.3

Table B-2—*Continued*
Zimbabwe: U.S. exports, imports, and GSP/AGOA imports, by major commodity sectors, 1998-2002

Sector	1998	1999	2000	2001	2002	Percent Change 2001-02
			1,000 dollars			
Agricultural products:						
Exports	4,172	8,893	3,813	317	16,620	5,138.1
Imports	19,702	37,179	21,376	27,369	33,714	23.2
Imports GSP/AGOA	7,393	10,535	14,076	10,247	13,337	30.2
Forest products:						
Exports	992	1,294	1,465	2,346	1,259	-46.3
Imports	4,896	4,192	3,213	2,942	3,647	24.0
Imports GSP/AGOA	3,245	2,442	2,362	2,872	3,386	17.9
Chemicals and related products:						
Exports	8,919	4,889	4,751	6,082	10,840	78.2
Imports	8	609	1,476	18	216	1,124.7
Imports GSP/AGOA	5	11	70	7	115	1,582.8
Energy-related products:						
Exports	68	47	9	28	16	-44.9
Imports	-	-	-	-	-	-
Imports GSP/AGOA	-	-	-	-	-	-
Textiles and apparel:						
Exports	1,719	2,121	1,695	651	277	-57.5
Imports	12,589	18,727	19,872	15,332	8,132	-47.0
Imports GSP/AGOA	26	2	10	11	15	32.6
Footwear:						
Exports	-	13	-	-	-	-
Imports	86	66	104	122	86	-29.5
Imports GSP/AGOA	-	-	-	-	-	-
Minerals and metals:						
Exports	1,081	551	538	395	898	127.6
Imports	49,137	49,549	51,971	27,460	24,425	-11.1
Imports GSP/AGOA	38,182	41,088	35,034	18,750	11,551	-38.4
Machinery:						
Exports	23,653	10,869	6,825	6,611	2,294	-65.3
Imports	39	-	46	50	11	-78.6
Imports GSP/AGOA	4	-	34	50	11	-78.6
Transportation equipment:						
Exports	30,150	17,078	20,604	8,916	7,019	-21.3
Imports	9	5	-	36	-	-100.0
Imports GSP/AGOA	-	-	-	-	-	-
Electronic products:						
Exports	9,723	9,860	10,876	4,150	4,038	-2.7
Imports	364	7	13	73	204	180.9
Imports GSP/AGOA	23	5	-	-	5	-
Miscellaneous manufactures:						
Exports	1,083	208	300	655	3,874	491.5
Imports	34,193	22,826	13,938	16,576	28,153	69.8
Imports GSP/AGOA	32,651	21,185	9,665	12,100	26,461	118.7
Special provisions:						
Exports	2,304	1,702	1,897	1,014	1,981	95.3
Imports	2,172	1,913	1,034	583	540	-7.4
Imports GSP/AGOA	-	-	-	-	-	-
All sectors:						
Exports	83,865	57,525	52,773	31,166	49,116	57.6
Imports	123,198	135,073	113,043	90,560	99,127	9.5
Imports GSP/AGOA	81,529	75,268	61,251	44,037	54,881	24.6

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

Table B-3
Angola: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	*Change, 2002 from 1998* Absolute	Percent
U.S. imports:				
Transportation equipment	1,500	2,571,388	2,569,888	171,326%
Electronic products	7,500	334,334	326,834	4358%
Energy-related products	2,165,827,079	3,204,081,400	1,038,254,321	48%
Special provisions	4,141,622	4,629,551	487,929	12%
Agricultural products	0	0	0	0%
Footwear	0	0	0	0%
Forest products	0	0	0	0%
Machinery	0	53,192	53,192	0%
Textiles and apparel	0	0	0	0%
Chemicals and related products	54,900,689	19,551,787	(35,348,902)	-64%
Minerals and metals	227,520	39,100	(188,420)	-83%
Miscellaneous manufactures	35,000	5,000	(30,000)	-86%
Total	2,225,140,910	3,231,265,752	1,006,124,842	45%
U.S. exports:				
Energy-related products	1,265,128	3,059,901	1,794,773	142%
Agricultural products	28,255,302	46,288,337	18,033,035	64%
Transportation equipment	157,307,734	241,499,249	84,191,515	54%
Footwear	465,229	616,713	151,484	33%
Special provisions	6,652,534	8,472,723	1,820,189	27%
Textiles and apparel	6,659,762	5,881,337	(778,425)	-12%
Chemicals and related products	14,384,629	11,612,455	(2,772,174)	-19%
Electronic products	23,196,733	15,608,800	(7,587,933)	-33%
Forest products	1,267,566	645,274	(622,292)	-49%
Machinery	57,174,988	21,909,023	(35,265,965)	-62%
Minerals and metals	50,040,114	14,570,010	(35,470,104)	-71%
Miscellaneous manufactures	4,933,531	662,033	(4,271,498)	-87%
Total	351,603,250	370,825,855	19,222,605	5%
Total trade:				
Agricultural products	28,255,302	46,288,337	18,033,035	64%
Transportation equipment	157,309,234	244,070,637	86,761,403	55%
Energy-related products	2,167,092,207	3,207,141,301	1,040,049,094	48%
Footwear	465,229	616,713	151,484	33%
Special provisions	10,794,156	13,102,274	2,308,118	21%
Textiles and apparel	6,659,762	5,881,337	(778,425)	-12%
Electronic products	23,204,233	15,943,134	(7,261,099)	-31%
Forest products	1,267,566	645,274	(622,292)	-49%
Chemicals and related products	69,285,318	31,164,242	(38,121,076)	-55%
Machinery	57,174,988	21,962,215	(35,212,773)	-62%
Minerals and metals	50,267,634	14,609,110	(35,658,524)	-71%
Miscellaneous manufactures	4,968,531	667,033	(4,301,498)	-87%
Total	2,576,744,160	3,602,091,607	1,025,347,447	40%

Table B-3-*Continued*
Côte d'Ivoire: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	Change, 2002 and 1998 Absolute	Percent
U.S. imports:				
Transportation equipment	2,000	219,222	217,222	1,0861%
Energy-related products	17,316,501	78,761,823	61,445,322	355%
Minerals and metals	676,055	1,442,356	766,301	113%
Forest products	6,696,908	10,214,468	3,517,560	53%
Special provisions	1,822,508	2,620,925	798,417	44%
Miscellaneous manufactures	1,335,644	1,641,463	305,819	23%
Footwear	43,911	46,224	2,313	5%
Textiles and apparel	772,571	604,234	(168,337)	-2.2%
Agricultural products	381,407,095	279,954,460	(101,452,635)	-27%
Electronic products	4,490,803	2,633,855	(1,856,948)	-41%
Machinery	267,188	151,343	(115,845)	-43%
Chemicals and related products	8,509,361	3,569,156	(4,940,205)	-58%
Total	423,340,545	381,859,529	(41,481,016)	-10%
U.S. exports:				
Energy-related products	370,412	820,921	450,509	122%
Footwear	304,642	660,891	356,249	117%
Agricultural products	8,742,642	13,038,132	4,295,490	49%
Electronic products	6,213,500	5,817,773	(395,727)	-6%
Miscellaneous manufactures	776,769	619,413	(157,356)	-20%
Textiles and apparel	7,162,222	4,531,946	(2,630,276)	-37%
Chemicals and related products	36,603,520	22,299,474	(14,304,046)	-39%
Transportation equipment	31,562,462	10,846,432	(20,716,030)	-66%
Machinery	32,962,091	10,201,969	(22,760,122)	-69%
Minerals and metals	10,221,070	3,153,981	(7,067,089)	-69%
Special provisions	6,857,226	1,993,087	(4,864,139)	-71%
Forest products	8,393,832	605,676	(7,788,156)	-93%
Total	150,170,388	74,589,695	(75,580,693)	-50%
Total trade:				
Energy-related products	17,686,913	79,582,744	61,895,831	350%
Footwear	348,553	707,115	358,562	103%
Miscellaneous manufactures	2,112,413	2,260,876	148,463	7%
Electronic products	10,704,303	8,451,628	(2,252,675)	-21%
Agricultural products	390,149,737	292,992,592	(97,157,145)	-25%
Forest products	15,090,740	10,820,144	(4,270,596)	-28%
Textiles and apparel	7,934,793	5,136,180	(2,798,613)	-35%
Chemicals and related products	45,112,881	25,868,630	(19,244,251)	-43%
Special provisions	8,679,734	4,614,012	(4,065,722)	-47%
Minerals and metals	10,897,125	4,596,337	(6,300,788)	-58%
Transportation equipment	31,564,462	11,065,654	(20,498,808)	-65%
Machinery	33,229,279	10,353,312	(22,875,967)	-69%
Total	573,510,933	456,449,224	(117,061,709)	-20%

Table B-3-*Continued*
Equatorial Guinea: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	Change, 2002 from 1998 Absolute	Percent
U.S. imports:				
Chemicals and related products	4,229,291	71,219,412	66,990,121	1,584%
Energy-related products	58,686,832	495,986,767	437,299,935	745%
Special provisions	1,017,052	4,737,356	3,720,304	366%
Footwear	0	0	0	0%
Miscellaneous manufactures	0	548,249	548,249	0%
Transportation equipment	0	0	0	0%
Minerals and metals	23,300	16,300	(7,000)	-30%
Electronic products	44,655	26,300	(18,355)	-41%
Machinery	28,457	9,708	(18,749)	-66%
Agricultural products	344,314	26,906	(317,408)	-92%
Forest products	1,017,301	47,646	(969,655)	-95%
Textiles and apparel	275,683	0	(275,683)	-100%
Total	65,666,885	572,618,644	506,951,759	772%
U.S. exports:				
Footwear	3,062	49,843	46,781	1,528%
Machinery	3,648,914	12,340,201	8,691,287	238%
Chemicals and related products	462,071	1,354,710	892,639	193%
Electronic products	355,777	1,034,954	679,177	191%
Minerals and metals	5,240,937	14,371,810	9,130,873	174%
Textiles and apparel	126,153	332,613	206,460	164%
Agricultural products	485,646	1,109,574	623,928	128%
Energy-related products	219,753	494,943	275,190	125%
Special provisions	1,145,338	1,817,909	672,571	59%
Miscellaneous manufactures	1,737,557	2,140,941	403,384	23%
Transportation equipment	70,300,129	72,595,851	2,295,722	3%
Forest products	1,446,127	37,835	(1,408,292)	-97%
Total	85,171,464	107,681,184	22,509,720	26%
Total trade:				
Footwear	3,062	49,843	46,781	1,528%
Chemicals and related products	4,691,362	72,574,122	67,882,760	1,447%
Energy-related products	58,906,585	496,481,710	437,575,125	743%
Machinery	3,677,371	12,349,909	8,672,538	236%
Special provisions	2,162,390	6,555,265	4,392,875	203%
Minerals and metals	5,264,237	14,388,110	9,123,873	173%
Electronic products	400,432	1,061,254	660,822	165%
Miscellaneous manufactures	1,737,557	2,689,190	951,633	55%
Agricultural products	829,960	1,136,480	306,520	37%
Transportation equipment	70,300,129	72,595,851	2,295,722	3%
Textiles and apparel	401,836	332,613	(69,223)	-17%
Forest products	2,463,428	85,481	(2,377,947)	-97%
Total	150,838,349	680,299,828	529,461,479	351%

Table B-3—*Continued*
Gabon: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	Change, 2002 from 1998 Absolute	Percent
U.S. imports:				
Forest products	2,542,537	6,032,041	3,489,504	137%
Miscellaneous manufactures	859,142	1,774,106	914,964	106%
Energy-related products	1,029,427,763	1,570,696,504	541,268,741	53%
Agricultural products	425,908	511,830	85,922	20%
Minerals and metals	17,378,695	19,012,516	1,633,821	9%
Footwear	0	0	0	0%
Textiles and apparel	0	337,421	337,421	0%
Transportation equipment	0	59,307	59,307	0%
Electronic products	34,921	25,645	(9,276)	-27%
Special provisions	14,993,259	6,091,507	(8,901,752)	-59%
Chemicals and related products	64,503,541	17,480,072	(47,023,469)	-73%
Machinery	107,597	0	(107,597)	-100%
Total	1,130,273,363	1,622,020,949	491,747,586	44%
U.S. exports:				
Miscellaneous manufactures	44,332	493,211	448,879	1,013%
Footwear	128,579	367,645	239,066	186%
Transportation equipment	30,820,418	40,700,260	9,879,842	32%
Minerals and metals	2,305,300	2,918,214	612,914	27%
Agricultural products	4,191,750	4,382,763	191,013	5%
Special provisions	1,439,373	1,295,061	(144,312)	-10%
Machinery	9,932,782	8,173,194	(1,759,588)	-18%
Chemicals and related products	2,624,999	2,118,152	(506,847)	-19%
Electronic products	3,177,308	2,534,288	(643,020)	-20%
Energy-related products	600,127	440,513	(159,614)	-27%
Textiles and apparel	2,700,102	1,298,093	(1,402,009)	-52%
Forest products	3,722,567	454,161	(3,268,406)	-88%
Total	61,687,637	65,175,555	3,487,918	6%
Total trade:				
Footwear	128,579	367,645	239,066	186%
Miscellaneous manufactures	903,474	2,267,317	1,363,843	151%
Energy-related products	1,030,027,890	1,571,137,017	541,109,127	53%
Transportation equipment	30,820,418	40,759,567	9,939,149	32%
Minerals and metals	19,683,995	21,930,730	2,246,735	11%
Agricultural products	4,617,658	4,894,593	276,935	6%
Forest products	6,265,104	6,486,202	221,098	4%
Machinery	10,040,379	8,173,194	(1,867,185)	-19%
Electronic products	3,212,229	2,559,933	(652,296)	-20%
Textiles and apparel	2,700,102	1,635,514	(1,064,588)	-39%
Special provisions	16,432,632	7,386,568	(9,046,064)	-55%
Chemicals and related products	67,128,540	19,598,224	(47,530,316)	-71%
Total	1,191,961,000	1,687,196,504	495,235,504	42%

Table B-3-*Continued*
Ghana: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	*Change, 2002 and 1998* Absolute	Percent
U.S. imports:				
Transportation equipment	6,723	266,842	260,119	3,869%
Special provisions	501,785	3,525,905	3,024,120	603%
Machinery	9,189	58,160	48,971	533%
Chemicals and related products	143,842	690,083	546,241	380%
Energy-related products	10,623,157	24,749,564	14,126,407	133%
Miscellaneous manufactures	873,144	1,490,182	617,038	71%
Forest products	21,490,991	35,108,388	13,617,397	63%
Agricultural products	27,948,648	29,042,437	1,093,789	4%
Footwear	0	4,540	4,540	0%
Electronic products	28,710	26,500	(2,210)	-8%
Minerals and metals	74,421,176	20,127,921	(54,293,255)	-73%
Textiles and apparel	7,810,906	550,355	(7,260,551)	-93%
Total	143,858,271	115,640,877	(28,217,394)	-20%
U.S. exports:				
Forest products	3,831,207	5,257,787	1,426,580	37%
Electronic products	11,953,170	15,087,066	3,133,896	26%
Miscellaneous manufactures	3,671,268	4,092,298	421,030	11%
Footwear	783,362	841,226	57,864	7%
Agricultural products	47,211,037	47,650,712	439,675	1%
Machinery	25,888,010	25,479,432	(408,578)	-2%
Transportation equipment	51,062,175	40,997,721	(10,064,454)	-20%
Special provisions	13,132,106	10,160,845	(2,971,261)	-23%
Textiles and apparel	12,183,816	8,862,916	(3,320,900)	-27%
Chemicals and related products	36,752,841	22,220,190	(14,532,651)	-40%
Energy-related products	2,943,249	1,377,006	(1,566,243)	-53%
Minerals and metals	11,800,045	4,573,818	(7,226,227)	-61%
Total	221,212,286	186,601,017	(34,611,269)	-16%
Total trade:				
Energy-related products	13,566,406	26,126,570	12,560,164	93%
Forest products	25,322,198	40,366,175	15,043,977	59%
Electronic products	11,981,880	15,113,566	3,131,686	26%
Miscellaneous manufactures	4,544,412	5,582,480	1,038,068	23%
Footwear	783,362	845,766	62,404	8%
Agricultural products	75,159,685	76,693,149	1,533,464	2%
Machinery	25,897,199	25,537,592	(359,607)	-1%
Transportation equipment	51,068,898	41,264,563	(9,804,335)	-19%
Special provisions	13,633,891	13,686,750	52,859	2.5%
Chemicals and related products	36,896,683	22,910,273	(13,986,410)	-38%
Textiles and apparel	19,994,722	9,413,271	(10,581,451)	-53%
Minerals and metals	86,221,221	24,701,739	(61,519,482)	-71%
Total	365,070,557	302,241,894	(62,828,663)	-17%

Table B-3-*Continued*
Kenya: Leading changes in sectoral tarde, by sectors, 1998 and 2002

Sector	1998	2002	Change, 2002 from 1998 Absolute	Percent
U.S. imports:				
Footwear	850	33,161	32,311	3,801%
Textiles and apparel	33,782,038	126,488,205	92,706,167	274%
Chemicals and related products	671,423	2,394,055	1,722,632	257%
Electronic products	1,563,635	4,357,237	2,793,602	179%
Special provisions	3,122,390	7,905,747	4,783,357	153%
Transportation equipment	102,896	178,714	75,818	74%
Machinery	301,765	503,346	201,581	67%
Forest products	3,305,413	3,358,437	53,024	2%
Agricultural products	50,332,193	40,011,957	(10,320,236)	-21%
Miscellaneous manufactures	3,160,293	2,333,199	(827,094)	-26%
Minerals and metals	2,884,475	1,592,399	(1,292,076)	-45%
Energy-related products	295,510	0	(295,510)	-100%
Total	99,522,881	189,156,457	89,633,576	90%
U.S. exports:				
Minerals and metals	1,972,674	10,804,909	8,832,235	448%
Special provisions	6,213,579	11,691,703	5,478,124	88%
Transportation equipment	66,465,911	123,894,692	57,428,781	86%
Miscellaneous manufactures	1,264,839	1,907,074	642,235	51%
Chemicals and related products	16,688,111	32,604,215	15,916,104	95%
Electronic products	17,958,130	23,217,253	5,259,123	29%
Textiles and apparel	8,462,486	7,593,554	(868,932)	-10%
Forest products	4,188,991	3,213,693	(975,298)	-23%
Machinery	13,742,065	10,071,446	(3,670,619)	-27%
Agricultural products	59,969,071	42,698,135	(17,270,936)	-29%
Footwear	208,971	86,665	(122,306)	-59%
Energy-related products	609,007	188,407	(420,600)	-69%
Total	197,743,835	267,971,746	70,227,911	36%
Total trade:				
Textiles and apparel	42,244,524	134,081,759	91,837,235	217%
Minerals and metals	4,857,149	12,397,308	7,540,159	155%
Special provisions	9,335,969	19,597,450	10,261,481	110%
Chemicals and related products	17,359,534	34,998,270	17,638,736	102%
Transportation equipment	66,568,807	124,073,406	57,504,599	86%
Electronic products	19,521,765	27,574,490	8,052,725	41%
Miscellaneous manufactures	4,425,132	4,240,273	(184,859)	-4%
Forest products	7,494,404	6,572,130	(922,274)	-12%
Agricultural products	110,301,264	82,710,092	(27,591,172)	-25%
Machinery	14,043,830	10,574,792	(3,469,038)	-25%
Footwear	209,821	119,826	(89,995)	-43%
Energy-related products	904,517	188,407	(716,110)	-79%
Total	297,266,716	457,128,203	159,861,487	54%

Table B-3-*Continued*
Mauritius: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	Change, 2002 from 1998 Absolute	Percent
U.S. imports:				
Forest products	16,074	368,117	352,043	2,190%
Chemicals and related products	109,243	1,286,380	1,177,137	1,078%
Machinery	214,761	516,618	301,857	141%
Minerals and metals	3,049,494	6,688,554	3,639,060	119%
Textiles and apparel	233,618,295	254,652,630	21,034,335	9%
Special provisions	1,238,178	1,338,056	99,878	8%
Energy-related products	0	0	0	0%
Footwear	0	1,500	1,500	0%
Electronic products	5,171,837	3,630,341	(1,541,496)	-30%
Agricultural products	19,854,351	10,078,502	(9,775,849)	-49%
Miscellaneous manufactures	3,450,517	1,770,688	(1,679,829)	-49%
Transportation equipment	237,707	101,907	(135,800)	-57%
Total	266,960,457	280,433,293	13,472,836	5%
U.S. exports:				
Energy-related products	26,079	168,316	142,237	545%
Textiles and apparel	381,268	1,500,826	1,119,558	294%
Minerals and metals	420,182	877,008	456,826	109%
Chemicals and related products	929,721	1,489,871	560,150	60%
Electronic products	4,536,135	6,338,260	1,802,125	40%
Miscellaneous manufactures	779,436	790,133	10,697	1%
Machinery	3,421,926	3,434,399	12,473	0%
Special provisions	1,039,758	1,002,966	(36,792)	-4%
Footwear	5,689	5,009	(680)	-12%
Forest products	510,282	420,421	(89,861)	-18%
Agricultural products	918,480	549,929	(368,551)	-40%
Transportation equipment	6,132,011	2,820,813	(3,311,198)	-54%
Total	19,100,967	19,397,951	296,984	2%
Total trade:				
Energy-related products	26,079	168,316	142,237	545%
Chemicals and related products	1,038,964	2,776,251	1,737,287	167%
Minerals and metals	3,469,676	7,565,562	4,095,886	118%
Forest products	526,356	788,538	262,182	50%
Footwear	5,689	6,509	820	14%
Machinery	3,636,687	3,951,017	314,330	9%
Textiles and apparel	233,999,563	256,153,456	22,153,893	9%
Electronic products	9,707,972	9,968,601	260,629	3%
Special provisions	2,277,936	2,341,022	63,086	3%
Miscellaneous manufactures	4,229,953	2,560,821	(1,669,132)	-39%
Agricultural products	20,772,831	10,628,431	(10,144,400)	-49%
Transportation equipment	6,369,718	2,922,720	(3,446,998)	-54%
Total	286,061,424	299,831,244	13,769,820	5%

Table B-3-*Continued*
Nigeria: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	Change, 2002 from 1998 Absolute	Change, 2002 from 1998 Percent
U.S. imports:				
Transportation equipment	8,500	1,074,586	1,066,086	12,542%
Electronic products	15,773	829,872	814,099	5,161%
Special provisions	2,778,109	12,184,803	9,406,694	339%
Agricultural products	10,470,714	16,015,440	5,544,726	53%
Energy-related products	4,212,684,988	5,772,764,666	1,560,079,678	37%
Machinery	424,942	486,689	61,747	15%
Footwear	0	5,396	5,396	0%
Minerals and metals	1,399,097	1,108,039	(291,058)	-21%
Miscellaneous manufactures	3,867,392	1,635,420	(2,231,972)	-58%
Forest products	1,108,292	421,209	(687,083)	-62%
Chemicals and related products	367,061,276	12,966,192	(354,095,084)	-96%
Textiles and apparel	3,801,061	110,976	(3,690,085)	-97%
Total	4,603,620,144	5,819,603,288	1,215,983,144	26%
U.S. exports:				
Footwear	559,735	3,589,522	3,029,787	541%
Agricultural products	149,995,306	303,481,966	153,486,660	102%
Electronic products	55,347,759	96,831,802	41,484,043	75%
Forest products	8,588,186	14,817,274	6,229,088	73%
Transportation equipment	249,134,302	311,615,997	62,481,695	25%
Special provisions	10,571,183	12,971,351	2,400,168	23%
Textiles and apparel	12,703,744	15,052,656	2,348,912	18%
Miscellaneous manufactures	8,207,306	8,986,437	779,131	9%
Energy-related products	35,734,594	36,515,155	780,561	2%
Machinery	156,578,894	140,803,045	(15,775,849)	-10%
Chemicals and related products	73,129,435	60,007,995	(13,121,440)	-18%
Minerals and metals	53,575,309	42,234,882	(11,340,427)	-21%
Total	814,125,753	1,046,908,082	232,782,329	29%
Total trade:				
Footwear	559,735	3,594,918	3,035,183	542%
Agricultural products	160,466,020	319,497,406	159,031,386	99%
Special provisions	13,349,292	25,156,154	11,806,862	88%
Electronic products	55,363,532	97,661,674	42,298,142	76%
Forest products	9,696,478	15,238,483	5,542,005	57%
Energy-related products	4,248,419,582	5,809,279,821	1,560,860,239	37%
Transportation equipment	249,142,802	312,690,583	63,547,781	26%
Textiles and apparel	16,504,805	15,163,632	(1,341,173)	-8%
Machinery	157,003,836	141,289,734	(15,714,102)	-10%
Miscellaneous manufactures	12,074,698	10,621,857	(1,452,841)	-12%
Minerals and metals	54,974,406	43,342,921	(11,631,485)	-21%
Chemicals and related products	440,190,711	72,974,187	(367,216,524)	-83%
Total	5,417,745,897	6,866,511,370	1,448,765,473	27%

Table B-3-*Continued*
Republic of the Congo: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	*Change, 2002 from 1998* Absolute	Percent
U.S. imports:				
Textiles and apparel	1,675	6,990	5,315	317%
Machinery	1,308	4,733	3,425	262%
Agricultural products	1,402,896	3,560,389	2,157,493	154%
Minerals and metals	6,830,117	16,437,058	9,606,941	141%
Electronic products	34,440	40,124	5,684	17%
Footwear	0	0	0	0%
Transportation equipment	0	38,311	38,311	0%
Energy-related products	288,966,848	200,765,656	(88,201,192)	-31%
Special provisions	684,373	142,008	(542,365)	-79%
Chemicals and related products	8,380,231	1,675,443	(6,704,788)	-80%
Miscellaneous manufactures	4,072,199	692,050	(3,380,149)	-83%
Forest products	4,351,189	461,225	(3,889,964)	-89%
Total	314,725,276	223,823,987	(90,901,289)	-29%
U.S. exports:				
Miscellaneous manufactures	30,845	69,320	38,475	125%
Forest products	70,483	157,513	87,030	123%
Minerals and metals	5,574,025	6,972,239	1,398,214	25%
Special provisions	2,813,857	2,521,794	(292,063)	-10%
Chemicals and related products	1,971,623	1,632,717	(338,906)	-17%
Electronic products	3,829,786	2,232,508	(1,597,278)	-42%
Agricultural products	7,801,404	4,251,276	(3,550,128)	-46%
Transportation equipment	43,918,826	23,913,522	(20,005,304)	-46%
Textiles and apparel	8,294,228	3,580,113	(4,714,115)	-57%
Machinery	15,673,058	6,335,253	(9,337,805)	-60%
Energy-related products	760,876	113,615	(647,261)	-85%
Footwear	577,941	12,826	(565,115)	-98%
Total	91,316,952	51,792,696	(39,524,256)	-43%
Total trade:				
Minerals and metals	12,404,142	23,409,297	11,005,155	89%
Agricultural products	9,204,300	7,811,665	(1,392,635)	-15%
Special provisions	3,498,230	2,663,802	(834,428)	-24%
Energy-related products	289,727,724	200,879,271	(88,848,453)	-31%
Electronic products	3,864,226	2,272,632	(1,591,594)	-41%
Transportation equipment	43,918,826	23,951,833	(19,966,993)	-45%
Textiles and apparel	8,295,903	3,587,103	(4,708,800)	-57%
Machinery	15,674,366	6,339,986	(9,334,380)	-60%
Chemicals and related products	10,351,854	3,308,160	(7,043,694)	-68%
Miscellaneous manufactures	4,103,044	761,370	(3,341,674)	-81%
Forest products	4,421,672	618,738	(3,802,934)	-86%
Footwear	577,941	12,826	(565,115)	-98%
Total	406,042,228	275,616,683	(130,425,545)	-32%

Table B-3—*Continued*
South Africa: Leading changes in sectoral trade, by sectors, 1998 and 2002

Sector	1998	2002	Change, 2002 from 1998 Absolute	Change, 2002 from 1998 Percent
U.S. imports:				
Transportation equipment	103,757,739	615,636,454	511,878,715	493%
Machinery	75,848,348	227,712,696	151,864,348	200%
Miscellaneous manufactures	23,258,609	62,217,767	38,959,158	168%
Footwear	215,035	461,098	246,063	114%
Textiles and apparel	110,462,671	214,957,371	104,494,700	95%
Electronic products	18,090,999	22,957,335	4,866,336	27%
Chemicals and related products	217,019,196	267,342,720	50,323,524	23%
Agricultural products	158,145,723	192,159,808	34,014,085	22%
Minerals and metals	2,147,466,740	2,456,462,195	308,995,455	14%
Special provisions	81,467,103	89,379,992	7,912,889	10%
Forest products	50,146,879	44,301,789	(5,845,090)	-12%
Energy-related products	67,443,816	42,384,868	(25,058,948)	-37%
Total	3,053,322,858	4,235,974,093	1,182,651,235	39%
U.S. exports:				
Chemicals and related products	427,924,273	446,993,424	19,069,151	4%
Minerals and metals	97,352,315	89,055,513	(8,296,802)	-9%
Machinery	375,199,802	302,034,609	(73,165,193)	-20%
Special provisions	152,283,637	116,806,186	(35,477,451)	-23%
Textiles and apparel	35,502,165	26,439,400	(9,062,765)	-26%
Energy-related products	152,810,783	110,362,301	(42,448,482)	-28%
Agricultural products	211,298,305	150,899,459	(60,398,846)	-29%
Transportation equipment	1,220,766,268	744,638,879	(476,127,389)	-39%
Electronic products	608,472,176	347,703,395	(260,768,781)	-43%
Miscellaneous manufactures	65,621,165	35,189,956	(30,431,209)	-46%
Forest products	138,969,036	75,009,356	(63,959,680)	-46%
Footwear	8,394,482	1,036,579	(7,357,903)	-88%
Total	3,494,594,407	2,446,169,057	(1,048,425,350)	-30%
Total trade:				
Textiles and apparel	145,964,836	241,396,771	95,431,935	65%
Machinery	451,048,150	529,747,305	78,699,155	17%
Minerals and metals	2,244,819,055	2,545,517,708	300,698,653	13%
Chemicals and related products	644,943,469	714,336,144	69,392,675	11%
Miscellaneous manufactures	88,879,774	97,407,723	8,527,949	10%
Transportation equipment	1,324,524,007	1,360,275,333	35,751,326	3%
Agricultural products	369,444,028	343,059,267	(26,384,761)	-7%
Special provisions	233,750,740	206,186,178	(27,564,562)	-12%
Energy-related products	220,254,599	152,747,169	(67,507,430)	-31%
Forest products	189,115,915	119,311,145	(69,804,770)	-37%
Electronic products	626,563,175	370,660,730	(255,902,445)	-41%
Footwear	8,609,517	1,497,677	(7,111,840)	-83%
Total	6,547,917,265	6,682,143,150	134,225,885	2%

Note.—Calculations based on unrounded data.
Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-4
U.S. imports under AGOA, GSP, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

SECTOR/Country	AGOA+GSP 2001 Full year	GSP 2001 Full year	AGOA+GSP 2002 Full year	GSP 2002 Full year	AGOA+GSP 2002 Jan-Jun	GSP 2002 Jan-Jun	AGOA+GSP 2003 Jan-Jun	GSP 2003 Jan-Jun
Agricultural products								
South Africa . .	78,750,025	29,638,422	123,722,536	47,160,024	44,287,641	11,975,185	43,190,667	8,587,384
Malawi	30,561,202	23,302,051	35,499,271	5,583,659	16,282,211	1,425,404	8,715,457	4,624,029
Côte d'Ivoire . .	12,594,669	12,594,669	21,688,834	21,681,834	8,761,178	8,761,178	19,761,150	19,747,150
Mauritius	10,161,871	10,161,871	5,061,297	5,061,297	1,204,879	1,204,879	492,807	492,807
Swaziland	6,487,424	6,369,003	6,779,206	6,573,302	125,741	0	152,166	0
Mozambique .	5,253,319	5,253,319	5,713,206	5,713,206	0	0	0	0
Kenya	3,016,351	2,483,874	2,860,074	1,247,514	1,254,224	609,601	1,447,629	682,221
Madagascar . .	2,483,874	2,264,374	2,360,377	2,360,377	2,346,161	2,346,161	35,164	35,164
Ghana	2,270,530	620,610	3,368,470	3,355,642	1,539,442	1,539,442	1,815,625	1,815,625
Ethiopia	655,279	603,165	1,004,377	982,656	719,733	698,012	471,925	467,275
Tanzania	636,329	599,371	811,319	300,653	432,852	150,376	344,815	97,736
Cameroon	163,596	163,596	8,324	8,324	0	0	8,851	8,851
Nigeria	153,147	153,147	464,454	464,454	67,281	67,281	1,341,846	1,341,846
Cape Verde . .	151,760	151,760	50,599	50,599	0	0	45,608	12,500
Zambia	95,268	85,508	60,328	8,678	23,920	0	11,000	11,000
Namibia	26,060	26,060	0	0	0	0	2,923	2,923
Botswana	19,268	19,268	38,250	38,250	13,285	13,285	0	0
Sierra Leone . .	18,138	18,138	47,826	47,826	42,950	42,950	0	0
Mali	14,875	14,875	15,700	15,700	15,700	15,700	0	0
Senegal	2,400	2,400	50,376	50,376	0	0	13,929	9,369
Djibouti	0	0	23,035	23,035	0	0	8,616	8,616
Congo (ROC) .	0	0	2,785,829	2,785,829	2,785,829	2,785,829	2,812,979	2,812,979
Uganda	0	0	12,506	0	9,253	0	4,888	0
Guinea	0	0	9,850	9,850	7,450	7,450	34,431	34,431
Total AG . . .	153,515,385	94,525,481	212,436,044	103,523,085	79,919,730	31,642,733	80,712,476	40,791,906
Chemical and releated products								
South Africa . .	126,010,777	123,569,482	134,334,265	130,446,977	64,538,293	61,746,004	90,314,565	86,337,427
Kenya	1,148,061	42,370	734,224	103,555	659,378	28,709	105,382	105,382
Senegal	406,720	406,720	376,332	376,332	205,000	205,000	417,220	417,220
Rwanda	265,240	0	0	0	0	0	0	0
Swaziland	85,123	85,123	282,582	95,713	47,648	47,648	135,131	135,131
Cameroon	47,959	47,959	0	0	0	0	0	0
Niger	41,597	41,597	0	0	0	0	36,445	36,445
Lesotho	38,987	38,987	226,014	226,014	168,869	168,869	42,160	42,160
Tanzania	20,965	20,965	0	0	0	0	0	0
Mauritius	9,061	9,061	37,369	37,369	6,948	6,948	9,839	9,839
Côte d'Ivoire . .	4,657	4,657	2,080	2,080	0	0	0	0
Botswana	1,857	1,857	0	0	0	0	0	0
Ghana	876	876	1,503	1,503	1,240	1,240	0	0
Sierra Leone . .	645	645	145,232	145,232	0	0	0	0
Mozambique .	470	470	0	0	0	0	0	0
Nigeria	360	360	0	0	0	0	0	0
Eritrea	0	0	11,250	11,250	0	0	0	0
Mali	0	0	6,048	6,048	6,048	6,048	0	0
Ethiopia	0	0	3,800	3,800	3,800	3,800	1,651	1,651
Madagascar . .	0	0	3,267	3,267	3,267	3,267	0	0
Total CH . . .	128,083,355	124,271,129	136,163,966	131,459,140	65,640,491	62,217,533	91,062,393	87,085,255

Table B-4—*Continued*
U.S. imports under AGOA, GSP, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

SECTOR/Country	AGOA+GSP 2001 Full year	GSP 2001 Full year	AGOA+GSP 2002 Full year	GSP 2002 Full year	AGOA+GSP 2002 Jan-Jun	GSP 2002 Jan-Jun	AGOA+GSP 2003 Jan-Jun	GSP 2003 Jan-Jun
Electronic products								
South Africa . .	5,476,029	5,476,029	6,886,799	6,884,587	3,619,294	3,617,992	3,676,374	3,672,243
Seychelles	4,229,500	4,229,500	0	0	0	0	0	0
Mauritius	2,944,540	2,944,540	1,853,755	1,853,755	906,019	906,019	962,197	962,197
Madagascar . .	307,129	307,129	42,075	42,075	42,075	42,075	0	0
Sierra Leone . .	94,630	94,630	0	0	0	0	0	0
Nigeria	46,098	46,098	2,648	2,648	0	0	0	0
Côte d'Ivoire . .	39,054	39,054	0	0	0	0	0	0
Kenya	28,667	28,667	7,878	5,600	0	0	3,312	3,312
Ethiopia	3,408	3,408	0	0	0	0	103,800	103,800
Tanzania	2,300	2,300	0	0	0	0	6,000	6,000
Ghana	2,300	2,300	0	0	0	0	0	0
Mauritania . . .	0	0	35,298	35,298	15,138	15,138	0	0
Niger	0	0	3,625	3,625	0	0	0	0
Chad	0	0	0	0	0	0	29,242	29,242
Senegal	0	0	0	0	0	0	8,730	8,730
Total EL	13,173,655	13,173,655	8,832,078	8,827,588	4,582,526	4,581,224	4,789,655	4,785,524
Energy-related products								
Nigeria	5,688,029,650	0	5,409,166,504	0	2,340,523,043	0	4,633,121,265	0
Gabon	938,694,584	0	1,145,478,260	0	608,234,779	0	499,634,297	0
Congo (ROC) .	128,746,327	0	103,808,158	0	42,613,598	0	160,209,221	0
Cameroon	36,731,102	0	115,542,306	0	22,656,553	0	33,784,083	0
Ghana	33,085,849	0	22,657,164	0	17,012,778	0	18,627,906	0
South Africa . .	2,136,484	2,378	866,196	0	0	0	2,829,584	9,630
Côte d'Ivoire . .	0	0	27,257,725	0	6,833,198	0	5,558,091	0
Total EP	6,827,423,996	2,378	6,824,776,313	0	3,037,873,949	0	5,353,764,447	9,630
Footwear								
South Africa . .	171,002	0	289,997	0	126,331	0	411,410	0
Nigeria	71,010	0	522	0	522	0	999	0
Kenya	0	0	6,024	0	6,024	0	6,860	0
Tanzania	0	0	1,990	0	1,990	0	0	0
Ghana	0	0	1,190	0	0	0	0	0
Senegal	0	0	450	0	450	0	0	0
Ethiopia	0	0	320	0	320	0	0	0
Total FW . . .	242,012	0	300,493	0	135,637	0	419,269	0
Forest products								
South Africa . .	9,140,804	9,140,804	17,467,365	17,442,803	6,138,458	6,126,936	11,152,577	11,140,354
Ghana	6,863,038	6,863,038	7,301,451	7,297,460	3,649,207	3,649,207	2,904,082	2,904,082
Kenya	2,317,479	2,312,372	2,447,583	2,447,583	1,001,969	1,001,969	796,927	790,514
Madagascar . .	1,140,210	1,079,503	873,360	650,848	545,581	373,827	580,947	410,371
Zambia	677,446	677,446	20,278	20,278	18,039	18,039	93,241	93,241
Côte d'Ivoire . .	456,388	456,388	499,563	499,563	59,284	59,284	95,917	95,917
Tanzania	223,830	223,830	239,229	239,229	126,326	126,326	51,032	51,032
Benin	178,319	178,319	0	0	0	0	0	0
Cameroon	159,748	159,748	168,009	168,009	91,669	91,669	43,170	43,170
Mali	153,462	153,462	48,025	48,025	15,363	15,363	41,412	41,412
Guinea	112,902	112,902	34,640	34,640	9,240	9,240	21,370	21,370
Namibia	67,047	67,047	161,491	161,491	120,954	120,954	46,061	46,061

Table B-4—*Continued*
U.S. imports under AGOA, GSP, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

SECTOR/Country	AGOA+GSP 2001 Full year	GSP 2001 Full year	AGOA+GSP 2002 Full year	GSP 2002 Full year	AGOA+GSP 2002 Jan-Jun	GSP 2002 Jan-Jun	AGOA+GSP 2003 Jan-Jun	GSP 2003 Jan-Jun
Forest products — *Continued*								
Gabon	65,276	65,276	149,133	149,133	121,276	121,276	0	0
Senegal	58,327	58,327	22,209	22,209	10,760	10,760	9,716	9,716
Uganda	27,148	27,148	13,621	13,621	2,567	2,567	20,785	20,785
Lesotho	22,790	22,790	0	0	0	0	0	0
Rwanda	20,230	20,230	10,100	10,100	10,100	10,100	0	0
Nigeria	19,000	19,000	13,248	8,586	6,686	5,686	8,631	8,631
Mozambique .	8,081	8,081	16,273	16,273	4,153	4,153	13,883	13,883
Mauritius	5,870	5,870	0	0	0	0	0	0
Sierra Leone . .	3,000	3,000	0	0	0	0	0	0
Swaziland	2,622	2,202	270,049	270,049	0	0	2,877	2,182
Congo (ROC) .	2,453	2,453	0	0	0	0	48,129	48,129
Malawi	2,300	2,300	0	0	0	0	891	0
Ethiopia	0	0	12,485	12,485	3,485	3,485	13,709	13,709
Gambia	0	0	21,017	21,017	0	0	7,000	7,000
Niger	0	0	2,774	2,774	0	0	0	0
Seychelles	0	0	0	0	0	0	2,967	2,967
Total FP	21,727,770	21,661,536	29,791,903	29,536,176	11,935,117	11,750,841	15,955,324	15,764,526
Machinery								
South Africa . .	22,899,246	22,886,652	17,770,826	17,762,797	8,822,108	8,816,518	5,965,980	5,965,980
Sierra Leone . .	44,373	44,373	10,104	10,104	0	0	0	0
Guinea	22,500	22,500						
Kenya	13,800	13,800	45,052	45,052	45,052	45,052	0	0
Botswana	8403	8403						
Ethiopia	0	0	2,381	2,381	0	0	21,473	21,473
Chad	0	0	0	0	0	0	6,616	6,616
Senegal	0	0	0	0	0	0	8,496	8,496
Total MT . . .	22,988,322	22,975,728	17,828,363	17,820,334	8,867,160	8,861,570	6,002,565	6,002,565
Minerals and metals								
South Africa . .	316,565,059	225,357,876	371,500,868	233,199,174	138,080,538	95,083,302	185,405,096	118,403,533
Congo (ROC) .	1,410,440	1,410,440	13,740	13,740	5,240	5,240	15,076	15,076
Madagascar . .	230,695	230,695	103,947	103,947	91,568	91,568	31,203	31,203
Sierra Leone . .	226,487	226,487	6,006	6,006	0	0	0	0
Ghana	221,662	221,662	349,542	349,542	211,310	211,310	157,276	157,276
Kenya	162,313	162,313	530,105	320,957	204,544	204,544	148,827	148,827
Uganda	114,129	114,129	0	0	0	0	0	0
Mali	80,629	80,629	208,000	208,000	0	0	6,274	6,274
Rwanda	32,522	32,522	0	0	0	0	0	0
Cameroon	23,453	23,453	5,405	5,405	2,405	2,405	4,324	4,324
Mauritius	18,309	18,309	15,998	15,998	0	0	0	0
Mozambique .	16,343	16,343	0	0	0	0	0	0
Tanzania	9,893	9,893	105,271	105,271	0	0	0	0
Côte d'Ivoire . .	9,780	9,780	3,000	3,000	0	0	28,103	28,103
Lesotho	7,500	7,500	0	0	0	0	0	0
Guinea	2,627	2,627	0	0	0	0	11,628	11,628
Zambia	2,356	2,356	0	0	0	0	0	0
Botswana	0	0	97,778	97,778	0	0	0	0

Table B-4—*Continued*
U.S. imports under AGOA, GSP, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

SECTOR/Country	AGOA+GSP 2001 Full year	GSP 2001 Full year	AGOA+GSP 2002 Full year	GSP 2002 Full year	AGOA+GSP 2002 Jan-Jun	GSP 2002 Jan-Jun	AGOA+GSP 2003 Jan-Jun	GSP 2003 Jan-Jun
Minerals and metals —*Continued*								
Swaziland	0	0	18,648	0	0	0	15,753	2,282
Nigeria	0	0	2,398	0	0	0	41,571	41,571
Ethiopia	0	0	0	0	0	0	19,050	19,050
Total MM . .	319,134,197	227,927,014	372,960,706	234,428,818	138,595,605	95,598,369	185,884,181	118,869,147
Miscellanoues manufactures								
South Africa . .	27,996,997	27,710,417	36,755,871	35,892,077	16,136,239	15,757,576	20,013,586	19,313,438
Mauritius	1,908,009	1,908,009	795,401	795,401	334,396	334,396	372,073	372,073
Botswana	1,191,480	1,191,480	734,987	734,987	426,656	426,656	0	0
Kenya	629,994	617,588	698,272	692,590	350,480	347,002	405,477	386,247
Ghana	436,959	436,530	814,703	813,191	450,397	449,697	215,311	213,251
Madagascar . .	384,963	384,963	217,149	217,149	118,617	118,617	215,288	215,288
Côte d'Ivoire . .	99,113	99,113	90,306	90,306	22,830	22,830	9,504	9,504
Senegal	96,912	96,912	49,746	49,746	5,398	5,398	12,753	10,683
Nigeria	85,017	83,932	9,834	7,462	4,722	2,350	5,943	5,943
Congo (ROC) .	73,848	73,848	25,549	25,549	25,549	25,549	4,823	4,823
Guinea	52,530	52,530	23,700	23,700	10,900	10,900	31,860	31,860
Cameroon	48,156	48,156	79,276	79,276	47,993	47,993	21,834	21,834
Mali	40,220	40,220	63,298	61,827	52,745	51,754	62,786	62,436
Tanzania	4,989	4,989	7,838	6,348	7,838	6,348	2,024	2,024
Uganda	0	0	5,759	5,759	3,022	3,022	3,820	3,820
Niger	0	0	15,404	15,004	6,210	6,210	23,872	23,872
Sierra Leone . .	0	0	7,810	7,810	0	0	0	0
Namibia	0	0	3,953	0	0	0	7,237	7,237
Gambia	0	0	2,500	2,500	2,500	2,500	0	0
Zambia	0	0	2,209	2,209	0	0	0	0
Ethiopia	0	0	0	0	0	0	3,095	3,095
Cen African Rep	0	0	191,774	191,774	0	0	0	0
Total MS . . .	33,049,187	32,748,687	40,595,339	39,714,665	18,006,492	17,618,798	21,411,286	20,687,428
Transportation								
South Africa . .	300,475,786	59,275,898	544,706,434	61,353,875	245,080,171	28,580,961	326,138,713	40,076,543
Nigeria	56,210	56,210	0	0	0	0	204,584	204,584
Ghana	2,500	2,500	0	0	0	0	0	0
Mauritius	2,415	2,415	0	0	0	0	48,916	48,916
Côte d'Ivoire . .	2,375	2,375	4,303	4,303	0	0	0	0
Gabon	0	0	0	0	0	0	8,047	8,047
Ethiopia	0	0	0	0	0	0	12,000	12,000
Total TE	300,539,286	59,339,398	544,710,737	61,358,178	245,080,171	28,580,961	326,412,260	40,350,090
Textiles and apparel								
Lesotho	129,522,817	0	317,803,078	0	142,039,483	0	166,455,175	34,704
Madagascar . .	92,557,738	473,149	76,127,920	511,965	57,922,919	224,101	60,007,522	60,829
Kenya	51,556,136	6,130	121,880,573	10,386	45,353,282	5,650	86,746,363	7,858
Mauritius	38,925,087	25,624	106,527,814	0	52,783,661	0	62,352,183	0
South Africa . .	33,620,638	2,928,596	88,292,479	2,899,363	30,126,016	1,377,211	55,805,149	1,838,866
Swaziland	8,195,167	0	73,901,023	0	28,812,897	0	53,608,211	0
Malawi	4,798,764	568	11,404,806	295	5,475,125	0	10,515,846	0

Table B-4—*Continued*
U.S. imports under AGOA, GSP, 2001, 2002, Jan.-June 2002, and Jan.-June 2003

SECTOR/Country	AGOA+GSP 2001 Full year	GSP 2001 Full year	AGOA+GSP 2002 Full year	GSP 2002 Full year	AGOA+GSP 2002 Jan-Jun	GSP 2002 Jan-Jun	AGOA+GSP 2003 Jan-Jun	GSP 2003 Jan-Jun
Textiles and apparel —*Continued*								
Ethiopia	163,221	0	1,297,077	0	621,412	0	801,454	0
Côte d'Ivoire . .	114,690	114,690	187,077	187,077	52,509	52,509	131,830	131,830
Ghana	5,220	5,220	336,248	12,093	39,445	5,076	1,997,301	4,431
Mali	3,900	3,900	979	979	479	479	1,699	1,699
Senegal	2,731	2,731	375	375	0	0	1,135	1,135
Congo (ROC) .	1,885	1,885	0	0	0	0	0	0
Tanzania	742	742	127,180	2,824	2,824	2,824	365,174	0
Nigeria	441	441	0	0	0	0	858	858
Namibia	0	0	1,551,705	12,402	15,203	12,402	9,147,198	0
Botswana	0	0	3,707,452	0	1,441,077	0	2,209,170	0
Mozambique .	0	0	186,167	0	12,665	0	1,693,291	0
Cameroon	0	0	525	525	0	0	0	0
Gambia	821	821	500	500	500	500	0	0
Uganda	0	0	0	0	0	0	457,163	0
Cape Verde . .	0	0	0	0	0	0	824,034	0
Total TX . . .	359,469,998	3,564,497	803,332,978	3,638,784	364,699,497	1,680,752	513,120,756	2,082,210
Grand Total	8,179,347,163	600,189,503	8,991,728,920	630,306,768	3,975,336,375	262,532,781	6,599,534,612	336,428,281

Note.—Calculations based on unrounded data.
Source: Compiled from official statistics of the U.S. Department of Commerce.