

World Economic and Financial Surveys

Regional Economic Outlook

Sub-Saharan Africa

Fostering Durable and Inclusive Growth

.....

APR 14



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Abbreviations

BOT	Bank of Tanzania
BOU	Bank of Uganda
BOZ	Bank of Zambia
BRIC	Brazil, Russia, India, China
CBK	Central Bank of Kenya
CEMAC	Economic and Monetary Community of Central Africa
CET	common external tariff
CFA	Currency zone of CEMAC and WAEMU
CPI	consumer price index
EAC	East African Community
EAC4	Kenya, Rwanda, Tanzania, and Uganda
EACB	East African Central Bank
EAMI	East African Monetary Institute
EAMU	East African Monetary Union
EPFR	Emerging Portfolio Fund Research
FDI	foreign direct investment
GDP	gross domestic product
HDI	Human Development Index
HIPC	Heavily Indebted Poor Countries
ICC	inflation consultation clause
ISIMP	Information System for Instruments of Monetary Policy
IT	inflation targeting
LICs	low-income countries
MDGs	Millennium Development Goals
MPFs	monetary policy frameworks
MPC	monetary policy committees
MPCC	monetary policy consultation clause
OLS	ordinary least squares
REO	Regional Economic Outlook
SSA	sub-Saharan Africa
SMEs	small and medium enterprises
TFP	total factor productivity
ToT	terms of trade
WAEMU	West African Economic and Monetary Union
WEO	World Economic Outlook

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The following conventions are used in this publication:

- In tables, a blank cell indicates “not applicable,” ellipsis points (. . .) indicate “not available,” and 0 or 0.0 indicates “zero” or “negligible.” Minor discrepancies between sums of constituent figures and totals are due to rounding.
- An en dash (–) between years or months (for example, 2009–10 or January–June) indicates the years or months covered, including the beginning and ending years or months; a slash or virgule (/) between years or months (for example, 2005/06) indicates a fiscal or financial year, as does the abbreviation FY (for example, FY2006).
- “Billion” means a thousand million; “trillion” means a thousand billion.
- “Basis points” refer to hundredths of 1 percentage point (for example, 25 basis points are equivalent to $\frac{1}{4}$ of 1 percentage point).

Executive Summary

SUSTAINING GROWTH AMID SHIFTING GLOBAL FORCES

Economic growth in sub-Saharan Africa is projected to pick up from 4.9 percent in 2013 to about 5½ percent this year. This acceleration reflects improved prospects in a large number of countries in the region, including most oil exporters and several low-income countries and fragile states. Economic activity in the region continues to be underpinned by large investments in infrastructure and mining and maturing investments. Inflation looks set to remain contained in most countries, while fiscal balances, on current policies and prospects, are generally projected to improve in 2014. Current account deficits look to remain elevated, including due to the ongoing high level of infrastructure investment and foreign direct investment related imports.

This solid near-term outlook is nonetheless subject to downside risks. External factors pose by far the more potent threats to the region as a whole, but domestic risks are more significant in some countries.

- *Growth in emerging markets could prove less supportive.* The high growth that many countries in sub-Saharan Africa have enjoyed in recent years has been supported by strong growth in the largest emerging market economies. Should growth in these countries—and particularly in China—slow much more than currently envisaged, the implications for the region could be significant. Many countries in the region would be certain to face lower export demand. The outlook for some commodity prices—particularly, copper and iron ore—would likely also be grim, with adverse implications for further mining investment for these commodities. Beyond all this, tighter financial conditions in China could also reduce the appetite of Chinese companies for investing abroad.
- *Tighter global financial conditions.* The highly accommodative monetary policies of advanced economies in the wake of the global financial crisis have prompted high inflows of capital into the region's emerging and frontier markets in recent years. As these policies are rolled back, the region faces less favorable financing conditions and a slowdown, or even reversal, of private capital flows.
- *Rising fiscal imbalances in some countries.* In 2009-10, many countries in sub-Saharan Africa used available fiscal space to counter the impact of the global financial crisis on their economies. But four years after the crisis, fiscal policy in the region has remained on an expansionary footing despite growth having reverted to precrisis levels in most cases. Particularly vulnerable are those countries that have relied heavily on portfolio inflows to finance their high fiscal and/or current account deficits.
- *Security conditions remain difficult in some areas.* The ongoing conflicts in the Central African Republic and South Sudan are exacting a heavy toll in those countries and threatening spill-over effects on some neighboring countries. Other countries in the Sahel belt also face terror threats, with adverse implications for stability and pursuit of development objectives.

Against this backdrop, greater emphasis is called for in the coming months on sustaining the macroeconomic stability that has underpinned the high growth the region has enjoyed in recent years. Particularly in countries with heightened reliance on portfolio flows to finance elevated fiscal and external current account deficits, there is need for policies focused on preserving stability, if progress toward long-term development objectives is not to be derailed. Countries

should be ready to adjust their fiscal plans in the event of a fall in external financing while allowing the exchange rate to adjust as appropriate. Even where external financing is more secure, fiscal policy needs to emphasize rebuilding buffers, provided growth is at potential—the situation in many countries. This period of robust growth should be used to ensure that tax revenue collection keeps pace with or exceeds spending growth.

FOSTERING DURABLE AND INCLUSIVE GROWTH

The second chapter in this report considers how growth in the region can be made more inclusive. Supported by sound economic policies, debt relief, stronger institutions, and high investment, many countries in sub-Saharan Africa have now sustained 5–6 percent growth rates for more than a decade, in the process bringing down poverty and improving living conditions. Nevertheless, limited structural transformation has prevented further reductions in poverty. For instance, although Mozambique has grown at the same pace as Vietnam, poverty has declined much faster in Vietnam as a result of its faster structural transformation, which moved more workers into better-paying jobs in industry and services.

This chapter identifies areas where more emphasis should be placed to help make growth more inclusive in the near term. Alongside ongoing initiatives to promote structural transformation in many countries—such as investment in physical and human capital—there is scope to make growth in the near term more inclusive by facilitating job creation, promoting financial inclusion, and raising productivity in agriculture, where most of the population is employed. These objectives can be pursued by improving the business climate, providing better technical training, reducing financial transaction costs, and exploiting new technologies such as mobile banking.

IMPROVING MONETARY POLICY FRAMEWORKS

The final chapter discusses the recent evolution in the conduct of monetary policy in a select group of countries in sub-Saharan Africa, underscoring that a vigilant and effective monetary policy is needed to mitigate the risks to macroeconomic and financial stability. With inflation declining to single digits, central banks in many sub-Saharan African countries face a new set of challenges. The relationship between money and inflation has become weaker as countries have opened their capital accounts—thereby attracting higher capital inflows—and deepened their financial markets. As advanced economies tighten their monetary policies, frontier market economies will also face higher funding costs and a heightened risk of reversal of capital flows.

Enhancing the effectiveness of monetary policy will require a number of reforms, including instruments to manage excess liquidity, high-frequency data to guide timely intervention, sound analytical models to forecast inflation, and a clear communications strategy to anchor expectations. The focus of monetary policy will also shift from quantitative monetary targets to a deeper assessment of monetary conditions. A number of sub-Saharan African countries have already taken steps in this direction.

1. Sustaining Growth Amid Shifting Global Forces

INTRODUCTION AND SUMMARY

Economic growth in sub-Saharan Africa remains robust and is expected to pick up in 2014. After expanding by 4.9 percent in 2013, output looks set to expand by about 5½ percent this year. The region's recent strong period of economic performance thus looks set to be sustained, supported by stronger global economic activity spurred by the improved outlook for the advanced economies. Importantly, the projections assume that the impact on the region of the expected growth slowdown in emerging markets and tightening global monetary conditions will be limited. Should these risks materialize, however, there would be consequential implications for growth in many countries in the region: slower emerging market growth would be certain to adversely impact export demand and commodity prices, while disorderly market conditions as unconventional monetary policies are unwound could trigger markedly higher financing costs. Beyond these latent external headwinds, more home-grown risks are also threatening growth prospects in several countries in the region. In a few cases policy missteps, such as large fiscal imbalances, threaten to undermine the hard-won macroeconomic gains of recent years that have supported growth. More problematic still, in a number of countries conflict is exacting a heavy toll, most acutely so in the Central African Republic and South Sudan. Against this background, the challenge for policy remains the steady pursuit of development objectives while promptly addressing emerging sources of macroeconomic vulnerability.

Strong economic performance continued in sub-Saharan Africa in 2013. The region's economy expanded by a solid 4.9 percent, the same level as in 2012, underpinned by investment in natural resources and infrastructure, as well as higher

agricultural production. An exception was South Africa, where tense industrial relations in the mining sector, tight electricity supply, anemic private investment, and weak consumer and investor confidence kept growth subdued. Reflecting moderate international food and fuel prices as well as largely prudent monetary policies, inflation continued to abate in most of the region, declining to an average of 6.3 percent in 2013 from about 9 percent in 2011–12. Overall, fiscal and external current account deficits widened in many countries, although with some marked disparities. Of particular note was weaker fiscal revenue among oil exporters. Since June 2013, the currencies of South Africa and some frontier economies have weakened, reflecting capital outflows as global monetary conditions have tightened and, in a few cases, pronounced external or fiscal imbalances.

The near-term outlook is expected to remain favorable. Growth is projected to accelerate to about 5½ percent in 2014, reflecting improved prospects in a large number of countries, including most oil exporters and several low-income countries and fragile states. In Nigeria, growth is expected to accelerate as production picks up after recent supply disruptions have been addressed. Elsewhere, growth accelerations are underpinned by improvement in the domestic political and security situation (Mali), large investments in infrastructure and mining (the Democratic Republic of the Congo, Liberia), and maturing investments (Mozambique, Niger). Economic activity in South Africa is also expected to improve modestly, reflecting stronger demand in its advanced country trading partners. Moderate food prices and prudent monetary policies should facilitate further declines in inflation in most of the region, while the fiscal balance is projected to improve in several countries; in particular, a recovery of revenue in Nigeria and further adjustment in Kenya are expected. Nevertheless, the average current account deficit is not expected to narrow, owing to relatively weak prospects for commodity

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prices and import demand volumes in emerging markets, and to continuing high levels of imports related to foreign direct investment (FDI).

This scenario is nevertheless subject to significant downside risks, as some factors that have underpinned the good performance in recent years are expected to be less benign in the near term. Although the strong growth performance of the last decade has mainly been driven by domestic factors in most countries, favorable external conditions have also played their part, including, most notably, higher growth in emerging markets and highly accommodative global financial conditions. These factors are now expected to weaken, with uncertain effects on sub-Saharan Africa.

- *Emerging market growth is expected to slow down.* Robust economic growth in emerging markets in recent years has led to a significant share of sub-Saharan Africa's trade taking place with these countries. One-third of non-oil exports of the region now go to the BRICs (Brazil, Russia, India, China), compared with less than 10 percent a decade ago. Apart from the direct demand channel, growth in the BRICs, notably China, has fueled growth in sub-Saharan Africa through high commodity prices and investment inflows. The slowing of emerging market economies and the rebalancing of China's growth toward relatively more reliance on consumption and less on investment are likely to reduce demand and lower prices for commodities, especially for industrial inputs such as copper and iron ore. In addition, tightening financial conditions in China are likely to lead to higher funding costs for banks there, which could reduce the appetite of Chinese companies for investments abroad.
- *Global financial conditions are expected to tighten.* In the wake of the global financial crisis, advanced economies deployed highly accommodative unconventional monetary policies, which led to high global liquidity and induced a sharp increase in capital flows to emerging and frontier market economies. This allowed some of these countries to issue international

sovereign bonds for the first time. As unconventional monetary policies are rolled back, external financing conditions facing countries in the region are turning less favorable, with private capital inflows slowing or even reversing in some cases.

Our assessment is that the impact of these emerging external headwinds is likely to be limited in the near term in most countries. Particularly with the recovery in most advanced economies gathering momentum, and global growth accelerating as a result, the overall external demand conditions should remain supportive. However, the changing composition of global growth and, in particular, tighter global financial conditions, will adversely impact those countries in the region with large external financing requirements, forcing rapid adjustment in some cases. The next section in this chapter explores these issues in further detail.

In addition, important home-grown risks arise from fiscal vulnerabilities in a number of countries such as Ghana and Zambia, and from possible spillovers associated with increased political instability and a worsening security situation in the Central African Republic and South Sudan.

To address these risks and sustain high growth, macroeconomic and financial policies should aim at preserving stability, strengthening resilience, and avoiding the buildup of macroeconomic imbalances. Fiscal deficits that widened during the global financial crisis have remained elevated in many countries, despite growth and revenue reverting to precrisis levels (see the section below on Persistent Fiscal Deficits). Many countries should now take advantage of the growth momentum to strengthen their fiscal balances, rebuild buffers, and consolidate public finances, while preserving social safety nets and productive investment and keeping inflation under control. Where financial markets are more developed, monetary policy should be strengthened by adopting more forward-looking and flexible frameworks. Further advances in regional integration will also be critical to enhance growth sustainability. In this respect, the achievements of the East African Community (EAC), which recently reached

agreement to establish a full monetary union within ten years (Box 1.1), set an encouraging example.

All in all, the economic outlook for most countries remains favorable, including over the medium term. Export activities and related investment have been important drivers of growth in many countries, and will continue to provide a positive contribution. As a side effect of investment, current account deficits have grown in many cases, but these deficits are expected to moderate as projects come into production. The main downside risk to this generally positive baseline scenario is the risk that growth in emerging markets might slow much more abruptly than currently envisaged. The recent experience of the frontier market countries in the region shows that the best way of mitigating the impact of an adverse external environment is by containing fiscal and external imbalances. Countries in the region that were affected the most in the May 2013 and January 2014 emerging market turmoil were those with large imbalances (Ghana, Zambia) and/or other sources of domestic policy uncertainty (Nigeria, South Africa).

The rest of this publication turns to two aspects of the longer-term development agenda facing countries in the region:

- Chapter 2 considers the policy areas where attention is needed to make growth more inclusive and consequently, more sustainable. The analysis identifies expanding job opportunities and improved access to finance as important ingredients to sustain growth and build on the improvements in living standards and social indicators observed in recent years.
- Chapter 3 focuses on emerging challenges to the conduct of monetary policy in some countries in the region. Increasingly, as financial markets develop, central banks will need to enhance their monetary policy by strengthening their analytical, forecasting, and liquidity management capacity so as to minimize liquidity and interest rate volatility.

SHIFTING GLOBAL FORCES: WHAT DO THEY PORTEND FOR SUB-SAHARAN AFRICA?

Growth in sub-Saharan Africa recovered quickly in 2010 and has been robust since then, supported by domestic factors and by the global recovery. However, despite the projected rise in global economic growth, certain changes in the global economic environment pose downside risks. The robust trade and investment flows between sub-Saharan African countries and emerging markets (including China) are likely to weaken as these economies slow, taking momentum off commodity prices. Also, the favorable financing conditions of recent years are expected to tighten as advanced economies phase out unconventional monetary policies. The impact of these developments will be felt differently across countries. Countries that are highly dependent on commodity exports and capital flows will likely be negatively affected, but those with close linkages to advanced economies are likely to benefit from the uptick in growth.

Growth has been robust, mainly driven by investment

Growth in 2013 remained robust in most of sub-Saharan Africa, attaining 4.9 percent in 2013, the same level as in 2012 (Table 1.1). This performance was mainly driven by domestic demand, supported by continued strong credit growth to the private sector in some countries (Figure 1.1). A major contribution to growth derived from buoyant public and private investment in mining activities, infrastructure for transport and communication, and energy production.¹ These investments were accompanied by a general expansion in trade, communications, and other services, and several countries benefited also from improved agricultural production. External demand provided a relatively weaker contribution to growth in the region,

¹ Public investment remained buoyant throughout the region and increased most notably in Mozambique, Namibia, Swaziland, Togo, and Uganda, although in some countries a lower-than-expected execution of public investment plans contributed to containing the fiscal deficit (Botswana, Côte d'Ivoire, Liberia).

Table 1.1. Sub-Saharan Africa: Real GDP Growth
(Percent change)

	2004–08	2009	2010	2011	2012	2013	2014	2015
Sub-Saharan Africa, excluding South Africa	7.2	4.3	6.7	6.3	5.8	5.9	6.5	6.5
Sub-Saharan Africa (Total)	6.4	2.6	5.6	5.5	4.9	4.9	5.4	5.5
<i>Of which:</i>								
Oil-exporting countries	8.4	4.8	6.7	6.1	5.2	5.7	6.6	6.5
Middle-income countries ¹	5.1	-0.8	4.1	4.9	3.4	2.7	3.0	3.3
<i>Of which:</i> South Africa	4.9	-1.5	3.1	3.6	2.5	1.9	2.3	2.7
Low-income countries ¹	7.3	5.1	7.0	6.5	6.2	6.8	6.9	6.8
Fragile states	2.7	3.3	4.8	3.3	7.5	6.0	7.1	7.1
<i>Memorandum item:</i>								
World economic growth	4.6	-0.4	5.2	3.9	3.2	3.0	3.6	3.9
Sub-Saharan Africa resource-intensive countries ²	6.4	2.0	5.4	5.5	4.8	4.1	4.9	5.0
Sub-Saharan Africa frontier and emerging market economies ³	5.8	2.5	5.4	5.5	4.8	4.4	5.0	5.2

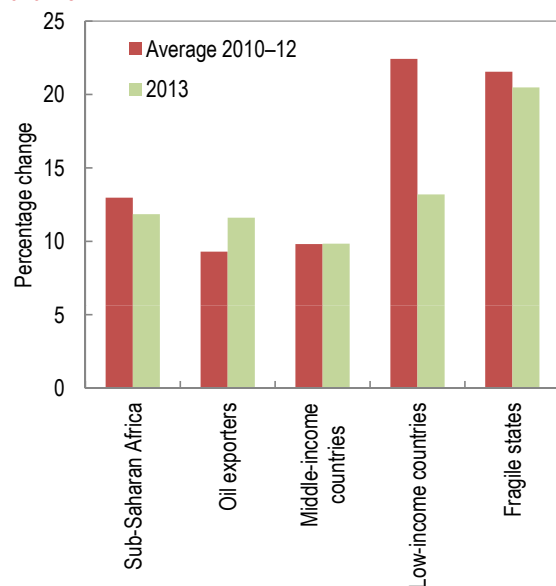
Source: IMF, World Economic Outlook database.

¹Excluding fragile states.²Includes Angola, Botswana, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Republic of Congo, Equatorial Guinea, Gabon, Ghana, Guinea, Mali, Namibia, Niger, Nigeria, Sierra Leone, South Africa, Tanzania, Zambia, and Zimbabwe.³Includes Côte d'Ivoire, Ghana, Kenya, Mauritius, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Uganda, and Zimbabwe.

as growth in the rest of the world and commodity prices remained relatively subdued during most of the year.

Some countries—most prominently Côte d'Ivoire and Mali—benefited from post-conflict stabilization; and the smooth running of elections in Kenya highlights major gains in political stability. At the same time, a new internal conflict severely curtailed economic activity in the Central African Republic;

and the outbreak of violence heightened uncertainty in South Sudan toward the end of the year. Growth rates also rose among oil exporters, despite declines in production in Chad and Equatorial Guinea; Nigeria experienced a broad-based growth that partly offset the losses associated with large-scale oil theft; and South Sudan resumed oil production in July after an 18-month suspension. In South Africa, growth continued to decelerate, owing to sluggish private investment, weak consumer and investor confidence, tense mining sector relations, and tight electricity supply.

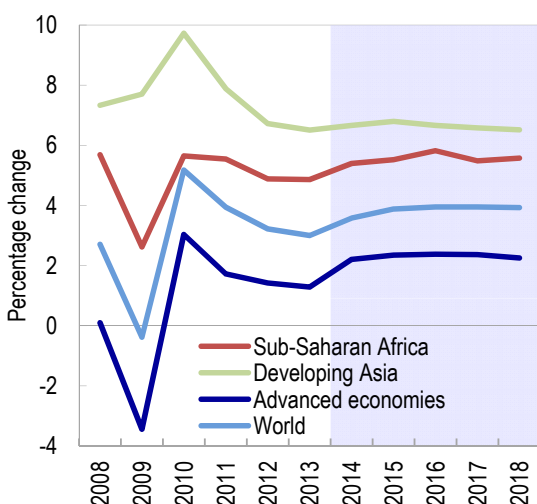
Figure 1.1. Sub-Saharan Africa: Credit to Private Sector, 2010–13

Source: IMF, African Development database.

What do weakening growth prospects in emerging market economies and softer commodity markets mean for the region?

Global growth is projected to strengthen from 3 percent to 3.6 percent in 2014 (Figure 1.2). Much of the impulse is expected to come from advanced economies, especially the United States. Although growth in emerging market economies as a whole is projected to pick up slightly in 2014, it is likely to remain relatively weak in some key trading partners of the region, such as Brazil and India, under the combined effect of policy tightening, reduced global liquidity, and structural bottlenecks, with adverse effects on commodity prices and demand for major African exports.

Figure 1.2. Selected Regions: Projected Real GDP Growth, 2008–18



Source: IMF, World Economic Outlook database.

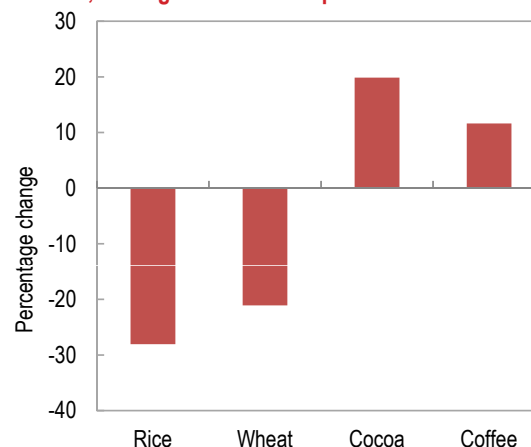
Growth in some emerging market economies is expected to weaken in 2014, and this deceleration could be protracted over the medium term. The deceleration in Brazil, China, and India may be of a structural nature and therefore last for a prolonged period, beyond normal business-cycle fluctuations. In China, where the authorities are seeking to rein in credit and rebalance growth, growth is projected to remain at about 7½ percent. Even after 2014, China's growth is not expected to return to the heady rates of years past; and some rebalancing in the drivers of growth from investment to consumption, facilitated by measures taken to slow credit growth and increase the cost of capital, is expected to take place in the next several years.

Softer demand from emerging markets and recent increases in global productive capacity are expected to maintain moderate commodity price increases. Compared with the October 2013 *World Economic Outlook*, the forecast for the composite price index of nonfuel commodities for 2014 has been increased by only about 1 percent, and the oil price forecast increased by 2.8 percent (the latter is most relevant for Angola, Equatorial Guinea, Nigeria, and other oil exporters). Although overall commodity consumption is expected to continue rising, demand growth rates for some primary commodities such as copper and iron ore are expected to moderate;

this would affect countries such as the Democratic Republic of the Congo, Guinea, Liberia, and Zambia. Compared with the levels observed in 2013, iron ore and coal will have the largest downward adjustments, whereas cocoa and coffee prices will be higher (Figures 1.3 and 1.4). Lower gold prices in the next three years will particularly affect Burkina Faso, Ghana, Mali, and Tanzania, while exports from countries like Côte d'Ivoire, Ghana, Rwanda and Uganda should see a boost from higher cocoa and coffee prices.

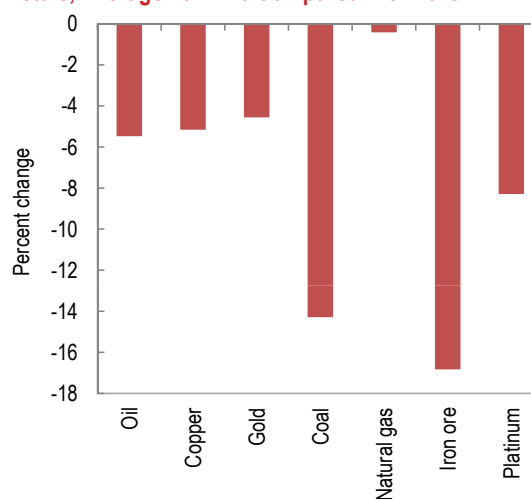
Weaker commodity prices and slower growth in emerging markets might also reduce net inflows of

Figure 1.3. International Commodity Prices, Agricultural Products, Average 2014–16 Compared with 2013



Source: IMF, World Economic Outlook database.

Figure 1.4. International Commodity Prices, Fuels and Metals, Average 2014–16 Compared with 2013



Source: IMF, World Economic Outlook database.

FDI, which are particularly important in natural-resource-rich low-income countries and fragile states. These factors could also reduce external investors' interest in the exploration and development of new sources; and softening economic conditions in originating countries could result in the postponement or rescaling of some of these initiatives, particularly "greenfield" projects that are still in the early phases of development. This would reduce the growth stimulus produced by investment activity and delay the boost in supply that follows the completion of the projects.

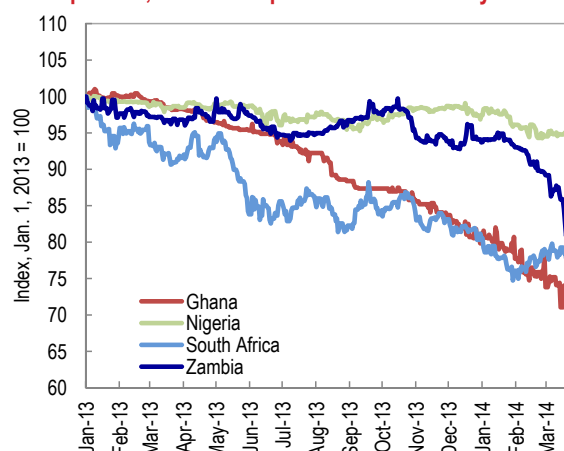
How will the tightening global liquidity conditions affect the region?

The effects of tightening global liquidity became evident in 2013 with the U.S. Federal Reserve's "tapering announcement" in May 2013, which contributed to capital outflows from some sub-Saharan African frontier markets and exchange rate depreciations (Figure 1.5).² Yields also rose in some bond markets (for example, Nigeria and South Africa) and some countries may have experienced net equity and bond outflows (Figures 1.6 and 1.7).³ Sovereign spreads and market interest rates rose (Figure 1.8), with the largest increases in Ghana and Zambia reflecting fiscal sustainability concerns of their own; but stock market valuations continued to increase in various countries (Ghana, Kenya, Rwanda, Zambia, the West African Economic and Monetary Union). International credit agencies downgraded the ratings of Ghana, Zambia, and, lately, Uganda, but the outlook for Rwanda was revised to positive, and Senegal was revised to stable. These developments increased borrowing costs for the governments of frontier

² Several low-income countries also experienced significant currency depreciation in 2013, although the underlying causes were varied: low reserves (Malawi), a drop in exports caused by floods (Mozambique), monetary financing of the deficit (Liberia), worsening terms of trade (Ethiopia), or the removal of ineffective exchange rate restrictions amid large fiscal slippages (The Gambia).

³ The most recent, and more comprehensive, balance of payments data available to IMF staff present a milder impact than suggested by the Emerging Portfolio Fund Research data reported in Figures 1.6 and 1.7, which track flows of funds registered for sale in major developed markets from individual and institutional investors.

Figure 1.5. Sub-Saharan Africa: Nominal Exchange Rate Developments, U.S. Dollar per National Currency



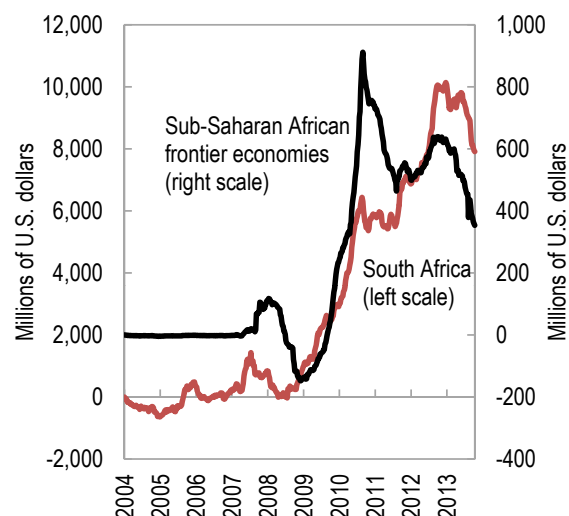
Source: Bloomberg, L.P.

economies, which contributed to the postponement of several sovereign bond issues totaling about US\$4 billion originally planned for end-2013.

Volatility was more pronounced in countries that had weak fiscal and external positions, suggesting investors discriminated depending on the soundness of policies and other fundamentals. Compared with emerging markets outside of the region, sub-Saharan Africa's emerging and frontier markets that showed higher fiscal and current account deficits were generally more affected (Figure 1.9). The South African rand fell about 13 percent against the U.S. dollar between May 2013 and June 2013 and maintained a downward trend in the context of persistent economic slack and current account deficits, and lackluster growth prospects. The Ghanaian cedi fell by about 15 percent during 2013 (and more rapidly after May), in line with concerns about low external reserves and the slower-than-expected fiscal adjustment. Fiscal concerns were also reflected in the depreciation of the Zambian kwacha (7 percent); the Rwandan franc depreciated by about 7 percent in the face of a current account deficit of about 7 percent of GDP. In Nigeria, the authorities were able to defend the naira by using reserves accumulated earlier, although the naira came under pressure in February 2014 because of policy uncertainty. Currencies weakened again in January 2014, following a renewed bout of volatility in global financial markets.

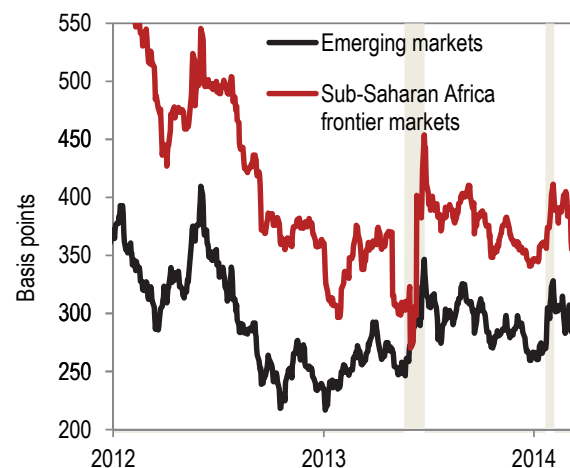
Figure 1.6. Sub-Saharan Africa: Equity Flows to Emerging Market and Frontier Economies

(Millions of U.S. dollars, cumulative since June 2004)



Source: EPFR Global database.

Figure 1.8. Emerging Market Spreads,¹ 2012–14

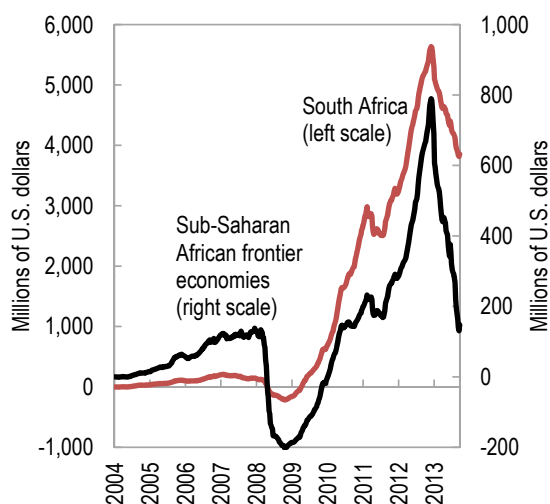


Source: Bloomberg, L.P.

¹The emerging market average includes the EMBIG spreads of Argentina, Brazil, Bulgaria, Chile, Colombia, Hungary, Malaysia, Mexico, Peru, Philippines, Poland, Russia, South Africa, Turkey, and Ukraine. Sub-Saharan Africa frontier markets includes the spreads of Angola, Nigeria, Rwanda, Senegal, Tanzania, and Zambia. Shaded areas correspond to Tantrum periods (May 21, 2013–June 24, 2013 and January 21–February 4, 2014).

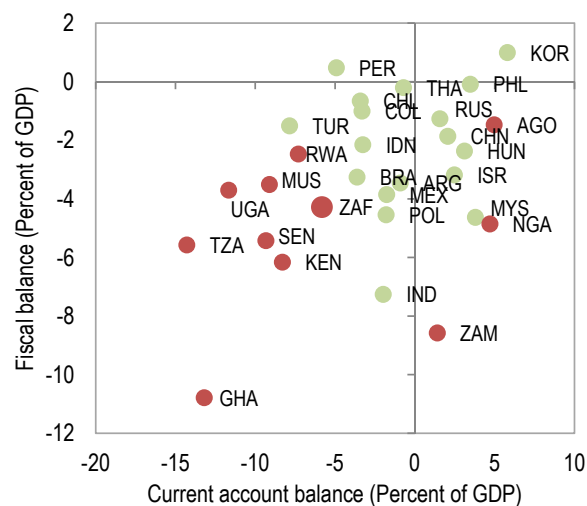
Figure 1.7. Sub-Saharan Africa: Bond Flows to Emerging Market and Frontier Economies

(Millions of U.S. dollars, cumulative since June 2004)



Source: EPFR Global database.

Figure 1.9. Sub-Saharan Africa: Current Account Balance and Fiscal Balance, 2013



Sources: Bloomberg, L.P.; and IMF, World Economic Outlook database.

Note: See page 64 for country name abbreviations.

Table 1.2. Sub-Saharan Africa: CPI Inflation
(Percent Change, End of Period)¹

	2004–08	2009	2010	2011	2012	2013	2014	2015
Sub-Saharan Africa (Total)	8.8	9.0	7.2	10.2	7.7	5.9	6.2	5.8
<i>Of which:</i>								
Oil-exporting countries	9.5	11.4	10.3	9.2	9.9	6.4	6.5	6.2
Middle-income countries ¹	7.2	7.0	4.3	6.4	6.0	6.0	6.6	5.8
<i>Of which:</i> South Africa	6.4	6.3	3.5	6.1	5.7	5.4	6.3	5.6
Low-income countries ¹	10.1	7.1	7.4	18.9	8.5	5.8	6.1	5.5
Fragile states	11.3	15.4	8.0	9.3	4.7	2.6	3.2	4.1
<i>Memorandum item:</i>								
World	4.1	3.2	4.2	4.7	3.8	3.3	3.7	3.5

Source: IMF, World Economic Outlook database.

¹Excluding fragile states.

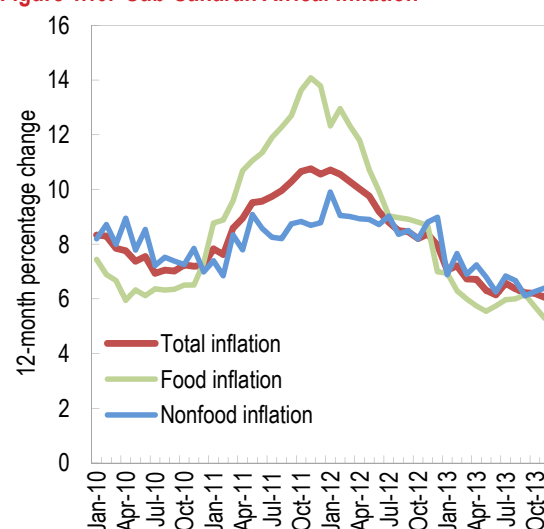
Renewed bouts of currency depreciation, extended to middle-income countries, could in some cases reignite inflation pressures, which generally eased in 2013 amid favorable conditions, such as prudent monetary policies, good harvests, and more stable international food and fuel prices (Table 1.2; Figure 1.10). Aside from this risk, in 2014, moderate food prices and prudent monetary policies (supported, in a number of countries,⁴ by reformed monetary frameworks that focus more sharply on market signals) should facilitate further declines in inflation. Consumer prices for the region are projected to reach annual increases of 6.2 percent in 2014 and 5.8 percent in 2015, but the pass-through to domestic prices of potential currency depreciations may result in renewed upward pressures on prices (for example, in Malawi). Additional pressures could also arise from delayed effects of recent and planned wage increases (Tanzania), from abundant liquidity or rapidly rising private sector credit (Mozambique), or in countries still in the process of consolidating their public finances (Ghana, Zambia).

With the economic recovery gaining momentum, in December 2013 the United States Federal Reserve started “tapering” its exceptionally accommodative monetary policy and, over time, other advanced economies should follow suit. At the same time, some key emerging market countries could raise their policy rates to contain rising asset prices

(China) or capital flight. In this environment, the recent reversal of capital flows from most emerging and frontier markets is likely to continue for some time as investors find again a better risk-return combination in advanced markets. Low- and middle-income countries could also see a reduction in inflows of FDI (particularly from highly leveraged private sector companies) as a result of tightening monetary conditions in some emerging markets (including China).

Over the medium term, however, global interest rates are not likely to rise by a large amount, because some of the factors keeping rates down

Figure 1.10. Sub-Saharan Africa: Inflation



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

⁴ Including EAC members. see Box 1.1.

in the last several years should remain operative, as argued in Chapter 3 of the April 2014 *World Economic Outlook*. In particular, savings rates in emerging Asia should remain strong. Investment rates in much of Europe are likely to remain moderate, contributing to maintaining a global saving-investment balance consistent with real interest rates which would still be relatively moderate by long-term historical standards. On balance, and despite near-term volatility associated with advanced economies exiting unconventional monetary policies, for most countries in the region, the effects of these trends are likely to be moderate in the medium term, even if they pose new direct challenges for emerging and frontier markets.

PERSISTENT FISCAL DEFICITS: A MATTER OF CONCERN?

Most countries in the region were able to avoid procyclical fiscal policy for the first time in 2009, and some were even able to provide countercyclical stimulus thanks to fiscal strength built up over many years. This way, fiscal deficits widened in much of the region as growth fell, exerting a stabilizing influence during the crisis. Today, however, many countries continue to exhibit large fiscal deficits even though growth and revenue are back to (or near) precrisis levels. In most cases, this reflects policies favoring the much-needed expansion of capital expenditure while maintaining sustainable debt levels. In others, it reflects a recomposition of public expenditure away from investment that has resulted in further increases in public debt. These developments have raised concerns that some countries may be following policies that are less supportive of stability objectives while building undue fiscal vulnerabilities.

Fiscal countercyclicity for the first time in 2009

In a previous edition of this publication, fiscal policy in sub-Saharan Africa was analyzed through the lens of sustainability.⁵ One of the main findings

⁵ Chapter 2 of the April 2013 *Regional Economic Outlook: Sub-Saharan Africa—Strengthening Fiscal Policy Space*.

was that for the majority of countries in the region fiscal sustainability was not a major concern, as they were found not to be constrained by high debt levels.⁶ This section looks more closely at the evolution of the composition of public spending in the aftermath of the global crisis of 2008–09, as fiscal adjustment appears to be slow and uneven across the region.

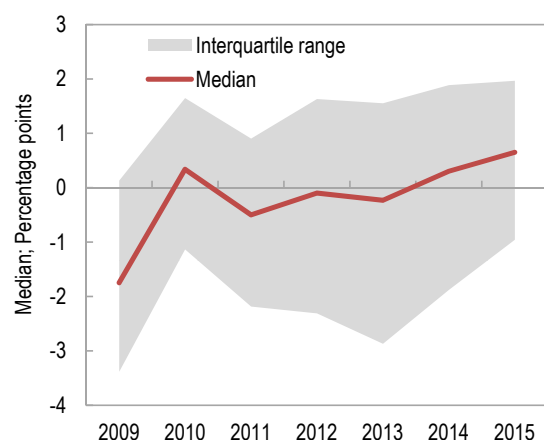
In 2009, for the first time, sub-Saharan Africa was able to use fiscal policy as a tool to mitigate the effects of the global downturn.⁷ With the exception of fragile states, most countries in the region saw a significant deceleration of economic activity at the onset of the crisis, with median real GDP growth for the region falling below its 2004–08 trends (“growth gap”) by about 2 percentage points (Figure 1.11). That same year, the fiscal position in many countries deteriorated markedly relative to precrisis years (Figure 1.12), reflecting their ability to sustain or even increase public expenditure in spite of lower revenue—with much needed capital and social spending generally protected during the downturn. Real revenue declines relative to 2004–08 averages (“revenue gap”) occurred in all country groups, but appeared most pronounced among middle-income and especially oil-exporting countries (Figure 1.13).

Sluggish and uneven fiscal consolidation in the aftermath of the crisis

In spite of the recovery in economic growth, region-wide deficits have remained broadly unchanged since 2010 (Figure 1.12), although there are considerable cross-country differences. Revenue

⁶ At the time, ten countries in the region were seen as facing (potential) fiscal sustainability issues in the event of needing additional financing of expanded budget deficits. Five of these countries were classified at high risk of debt distress (Burundi, Comoros, Democratic Republic of Congo, The Gambia, and São Tomé and Príncipe); three were classified at moderate risk of debt distress but experienced increases in debt-to-GDP ratios of at least 10 percentage points since end-2007 (Ghana, Malawi, and Mali); and Swaziland and South Africa were anticipated to see sharp increases in debt-to-GDP ratios (beyond 60 percent) by 2017.

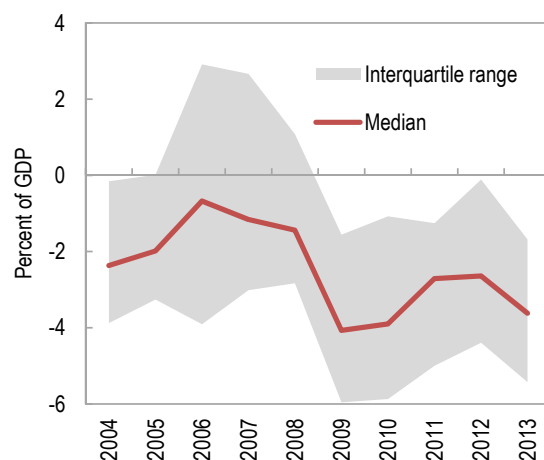
⁷ Chapter 2 of the April 2010 *Regional Economic Outlook: Sub-Saharan Africa—How Countercyclical and Pro-Poor Has Fiscal Policy Been During the Downturn?*

Figure 1.11. Sub-Saharan Africa: Real GDP Growth Gap, 2009–15

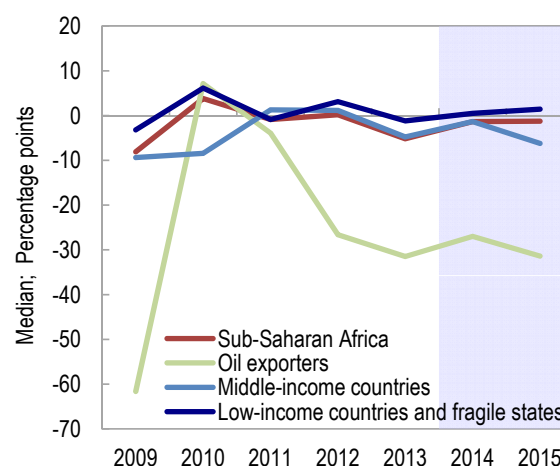
Source: IMF, World Economic Outlook database.

Note: Growth gap is defined as the difference between real GDP growth in a given year and 2004–08 average real GDP growth. Excludes South Sudan owing to data availability.

improved rapidly as economic activity picked up, reaching precrisis levels in 2013 (Figure 1.13), but sub-Saharan Africa's overall fiscal balance remained unchanged. In a few cases, there has been additional deterioration in government finances in recent years, accompanied by rapid increases in public debt in a number of countries. These developments have not affected public debt substantially at the regional level as debt indicators remain benign in most countries (Table 1.3), but the number of countries

Figure 1.12. Sub-Saharan Africa: Overall Fiscal Balance, 2004–13

Source: IMF, World Economic Outlook database.

Figure 1.13. Sub-Saharan Africa: Real Total Revenue Excluding Grants Growth Gap, 2009–15

Source: IMF, World Economic Outlook database.

Note: Real revenue gap is defined as the difference between real revenue growth in a given year and 2004–08 average real revenue growth.

with increasing debt-to-GDP ratios rose from 25 in 2010 to 31 in 2013 (Figure 1.14),⁸ with policies increasingly favoring current expenditure over investment in some cases.

Fiscal consolidation has taken place in some countries since 2010, in some cases achieved by reducing public investment. Fifteen countries in the region have been able to reduce primary spending in percent of GDP in 2010–13 (Figure 1.15).⁹ The largest reductions in government expenditure-to-GDP ratios have taken place in Chad among oil exporters; Botswana among middle-income countries; Sierra Leone in the low-income group;¹⁰ and Burundi and São Tomé and Príncipe among fragile

⁸ Debt-to-GDP ratios remain generally low at the regional level and are not a major source of concern from the point of view of fiscal sustainability for the majority of countries (Chapter 2 of the April 2013 *Regional Economic Outlook: Sub-Saharan Africa—Strengthening Policy Space*).

⁹ Nigeria and South Sudan are excluded because of data limitations. For Nigeria there is no disaggregated data for general government primary expenditure as shown in this chapter (government agencies—and their payrolls—are relatively large and their spending is not reflected in federal government expenditures). Cabo Verde is also excluded because some items of primary expenditures were reclassified in 2011, making the time comparison misleading.

¹⁰ The data for Uganda does not include two hydropower projects amounting to some 3.5 percent of GDP.

Table 1.3. Sub-Saharan Africa: Debt Indicators

	Debt risk index ¹	Public debt level (2013)	Changes in debt ²	External debt to official creditors level (2013)	Changes in external debt ²	Interest-payment-to-revenue ratio (2007)	Interest-payment-to-revenue ratio (2013)
	L M H D						
Sub-Saharan Africa (Total)	19, 18, 5, 2	34.2	4.6	10.2	-1.5	6.4%	7.7%
<i>Of which:</i>							
Oil-exporting countries	5, 1, 1, 0	21.5	3.5	6.1	-0.4	3.3%	5.1%
Middle-income countries	6, 5, 0, 0	45.0	16.6	6.6	2.9	8.4%	10.9%
Low-income countries	7, 7, 0, 0	36.7	3.3	21.9	2.7	6.2%	7.0%
Fragile states (HIPC) ³	1, 5, 4, 0	34.3	-53.3	16.9	-59.6	13.7%	6.1%
Fragile states (non-HIPC)	0, 0, 0, 2	69.7	2.1	44.3	-15.2	12.6%	5.1%

Sources: IMF, World Economic Outlook Database; and IMF staff estimates.

Note: HIPC = Heavily Indebted Poor Countries. Excludes South Sudan.

¹ Number of countries with low (L), moderate (M), high (H), and in debt distress (D) categories from debt sustainability analysis. The index for nine middle-income and oil-exporting countries is based on the recent Article IV staff reports and the staff's discretionary assessment. Excludes South Sudan (unrated).

² Changes from end-2007 to end-2013.

³ Countries that received debt relief under the HIPC Initiative and the Multilateral Debt Relief Initiative from end-2007 to end-2013.

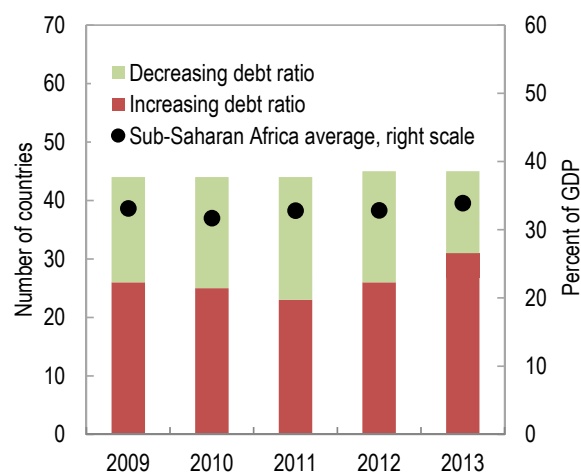
states.¹¹ Note, however, that, except for Burundi, Chad, and Uganda, these countries have cut back capital expenditure substantially.

In contrast, primary spending has increased in the other 27 countries. In most cases, this reflects higher capital expenditure, particularly among oil exporters (except Equatorial Guinea and Chad to a lesser extent). However, compensation of employees has increased notably in some countries, in many cases exceeding capital expenditure growth (Malawi, Mozambique, Namibia). In other countries (Madagascar, Malawi, Namibia, Zimbabwe), capital expenditure has in fact declined. Finally, other primary expenditures also rose rapidly in a number of countries, especially oil exporters and some middle-income countries (Namibia, Swaziland).¹² Worth noting is that revenue-to-GDP ratios increased in about half of the countries in sub-Saharan Africa in 2010–13 (Figure 1.16).

¹¹ The observed reduction in primary expenditure in Guinea-Bissau is most likely related to the political turmoil affecting that country during the period analyzed. A similar situation could explain expenditure reductions in the Central African Republic.

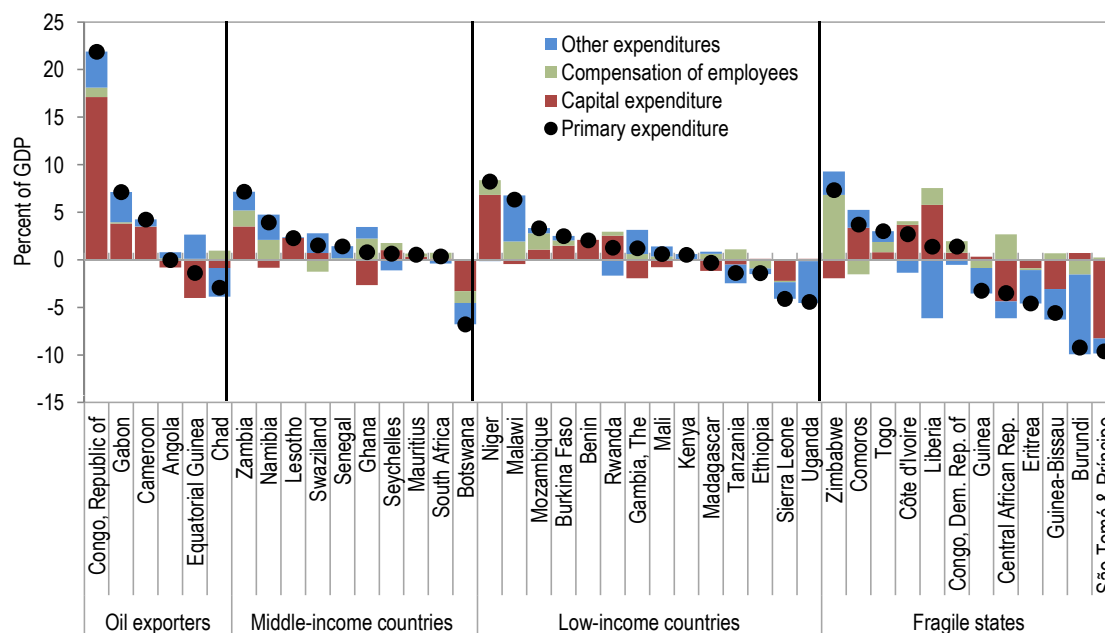
¹² Elections during 2010–13 were held in many sub-Saharan African countries, and a case could be made for the existence of a political business cycle. The literature on political business cycles is extensive (for a review, see Drazen, 2001). In the case of sub-Saharan African, Block (2002) finds evidence of a political business cycle in fiscal (and monetary) policy in a panel of 44 countries during 1980–95.

Some exceptions among oil exporters are Angola, where tax revenue has effectively declined, and Equatorial Guinea. A different picture is observed among middle-income countries, as in most cases revenue ratios have risen, in some reflecting strong tax revenue (Lesotho). Revenue-to-GDP ratios have declined particularly in Angola among oil exporters, and fragile states—notably the Central African Republic (reflecting political unrest in that country), Burundi, and São Tomé and Príncipe. In this group grants have declined in percent of GDP during the period.

Figure 1.14. Sub-Saharan Africa: Total Public Debt, 2009–13

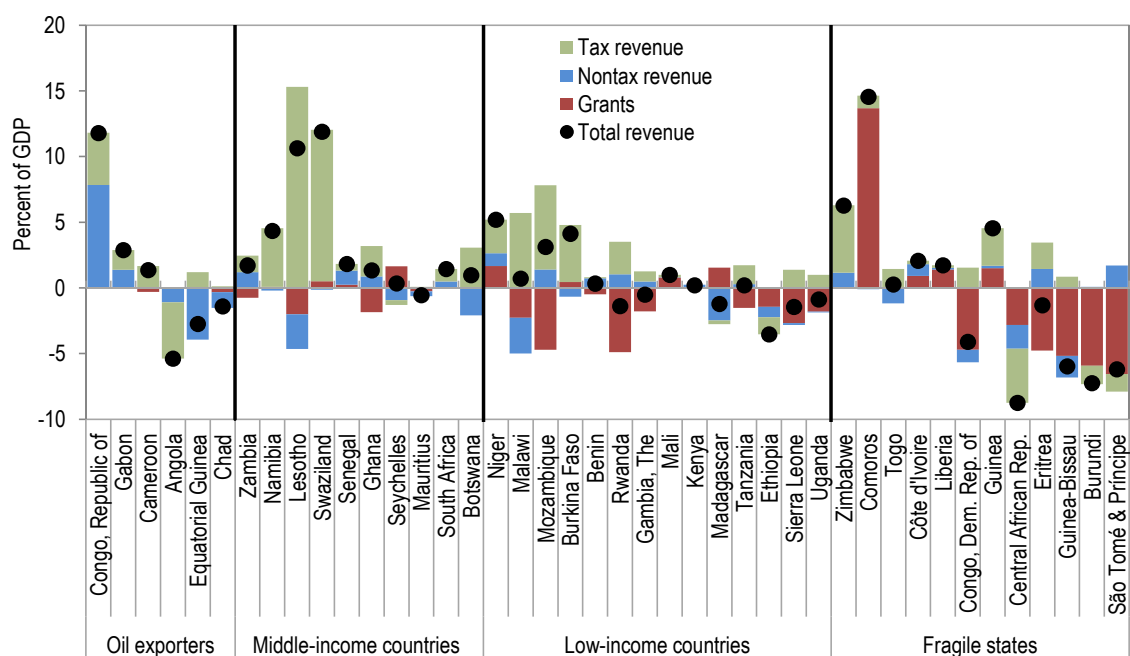
Source: IMF, World Economic Outlook database.

Note: Excludes South Sudan.

Figure 1.15. Sub-Saharan Africa: Change in Primary Expenditure Items, 2010–13

Source: IMF, World Economic Outlook database.

Note: Excludes Nigeria and South Sudan owing to data availability. Côte d'Ivoire is excluded because of a reclassification of primary expenditure in 2011. Cabo Verde is excluded because of a reclassification of primary expenditures in 2011. The data for Uganda does not include two hydropower projects amounting to some 3.5 percent of GDP.

Figure 1.16. Sub-Saharan Africa: Change in Total Revenue and Grants, 2010–13

Source: IMF, World Economic Outlook database.

Note: Excludes Nigeria and South Sudan owing to data availability. Côte d'Ivoire is excluded because of a reclassification of primary expenditure in 2011. Cabo Verde is excluded because of a reclassification of primary expenditures in 2011.

Growing fiscal imbalances in Ghana and Zambia

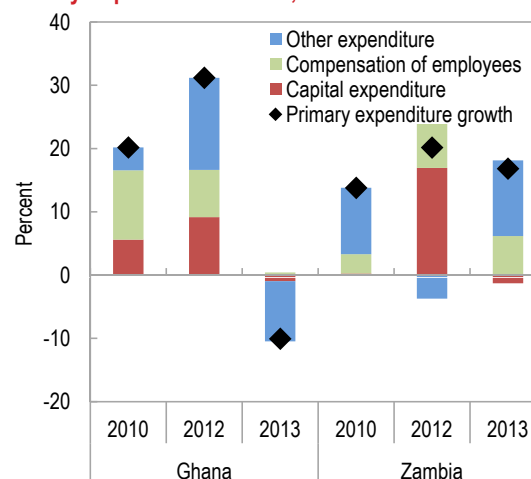
Countries that have depended on favorable international capital flows to finance expanded fiscal and/or current account deficits, such as Ghana and Zambia, are particularly vulnerable to the changing international environment. In Ghana, the increase in primary spending in 2010–13 resulted primarily from a rise in the payroll as a result of a new salary structure, as well as higher capital spending (Figure 1.17).¹³ Similarly, in Zambia, a significant loosening of fiscal policy took place in 2010–13, mainly as a result of overspending on recurrent items, primarily subsidies and wages, the latter of which rose by about 45 percent in 2013 (Figure 1.17). This has resulted in lower credit ratings by international agencies, and may have significant adverse implications for these countries' debt sustainability.

In sum: country-specific fiscal imbalances; less of a regional issue

The observed sluggishness in the fiscal adjustment in sub-Saharan Africa reflects a recomposition of public spending in some countries that could imply risks, but does not represent a major source of concern at the regional level. Most countries in sub-Saharan Africa have maintained policies favoring the much-needed expansion of capital expenditure in the aftermath of the crisis while maintaining debt-to-GDP ratios at sustainable levels. Others, where recent oil and gas discoveries promise to boost future revenue, may be able to accommodate larger fiscal deficits in the medium term without jeopardizing debt sustainability, provided appropriate institutional frameworks are established for transparent and rigorous management of this wealth. Notwithstanding this, a number of countries—especially Ghana and Zambia—have undertaken excessive fiscal expansions (some favoring current spending) partly financed by foreign borrowing, thereby increasing their vulnerability to sudden capital flow reversals. Indeed, debt-to-GDP

¹³ This came on top of a rise in recurrent spending by about 4 percent of GDP in 2011–12, which stemmed from an increase in the wage bill, energy subsidies, and other expenditures.

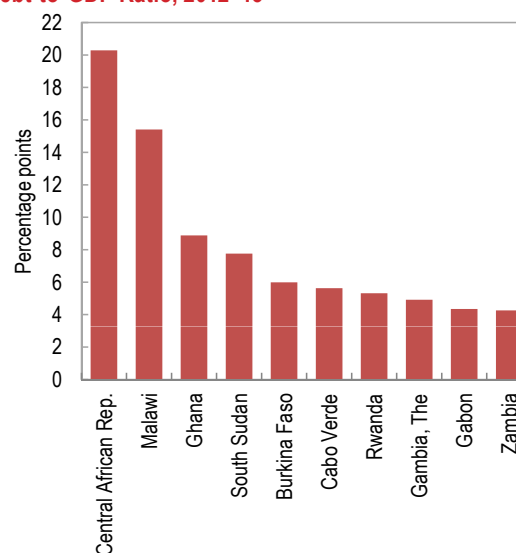
Figure 1.17. Ghana and Zambia: Contributions to Real Primary Expenditure Growth, 2010–13



Source: IMF, World Economic Outlook database.

ratios in most countries remain relatively low, suggesting these high levels of public expenditure—accompanied by a recomposition away from investment—is not a concern for the region as a whole. However, in many countries where fiscal policy has weakened, debt-to-GDP ratios have risen rapidly (Figure 1.18), and the risk of debt distress is increasing, the composition of primary spending should be revised, as otherwise fiscal policy might jeopardize longer-term public debt sustainability and macroeconomic stability.

Figure 1.18. Sub-Saharan Africa: Change in Total Public-Debt-to-GDP Ratio, 2012–13



Source: IMF, World Economic Outlook database.

NEAR-TERM OUTLOOK, DOWNSIDE RISKS, AND POLICY RECOMMENDATIONS

Near-term outlook

Growth in sub-Saharan Africa is projected to accelerate further, to about 5 ½ percent in 2014 and 2015, although concerns remain regarding how this growth could be made more inclusive. Several countries stand to reap the benefits of investments in transport and telecommunications, an expansion of production capacity (most notably in extractive industries and energy generation), and/or rebounds in agriculture. Investments in infrastructure and mining will continue to add to the domestic demand for goods and services, even if demand related to the public sector slows as several countries move toward fiscal consolidation. Overall, sub-Saharan Africa's growth rate should remain in the top 30 percent in the world (Figure 1.19). At the same time, poverty rates remain high throughout the region, amid widespread inequality, and many Millennium Development Goals are unlikely to be met by the target date of 2015 in several countries.

Growth is expected to accelerate in all country groups, especially fragile states and oil exporters:

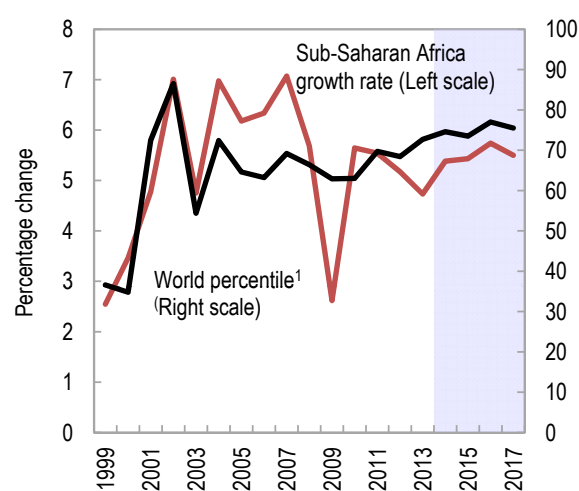
- In Nigeria, growth is expected to be broad based, rising to about 7 percent in 2014 and 2015, as major oil pipelines are repaired and non-oil output continues to expand, supported by recent reforms in the energy sector.
- Growth in middle-income countries is projected to increase by about 0.3 percentage points in 2014 and accelerate further in 2015, helped by sustained exports (especially to advanced economies), ongoing investments, and improved business confidence. Growth in South Africa is projected to improve modestly, supported by strengthening external demand but dragged by tightening global financial conditions and domestic monetary policies, soft commodity prices, tense industrial relations, and continuing supply bottlenecks, including in energy.
- Among low-income countries, growth is projected to accelerate markedly in fragile

states, on the assumption of greater stability in the Democratic Republic of the Congo and reflecting the improved domestic political and security situation in Mali. In other countries, growth is set to remain strong or accelerate with the help of massive investments in infrastructure (Ethiopia) and mining (Liberia, Mozambique, Uganda), improved transportation (Mozambique), and expanded productive capacity in the energy sector (Ethiopia, Tanzania) and mining (Democratic Republic of the Congo, Ghana, Mozambique, Niger, Sierra Leone).

As in 2013, investment will provide continued support to domestic demand. Total investment is projected to remain at 23.8 percent of GDP in 2014 and 2015, strengthening somewhat among low-income countries and fragile states, where it is expected to be supported by FDI in extractive industries and infrastructure. Besides FDI, public investment in infrastructure will expand (Côte d'Ivoire, Ethiopia), as will investment by domestic private enterprises partly financed with bank loans (Botswana).

Fiscal balances are expected to improve between 2013 and 2015 in most of the countries in the

Figure 1.19. Sub-Saharan Africa: Real GDP Growth, Rates and World Percentile



Source: IMF, World Economic Outlook database.

¹ Percentile of the weighted average growth rate in sub-Saharan Africa in the distribution on IMF member country growth rates.

region, as many of them are planning fiscal adjustments to rebuild buffers in anticipation of potential shocks (Botswana, Kenya, and Nigeria), to contain the rise in public debt (Senegal), or to bring their public finances to a more sustainable footing (Ghana, Zambia). This adjustment will be pursued primarily through expenditure restraint, although revenue mobilization will also play an important role in some cases (Guinea, Nigeria).

With robust growth, sustained public demand, and increasing investment, the average current account deficit for the region widened from 2.6 percent of GDP in 2012 to 3.5 percent of GDP in 2013. By 2015, despite the strengthening of the global recovery, current account balances in the region are expected to worsen further (Table 1.4). This would reflect an increase in imports in countries undertaking major investments, as well as lower exports from oil-exporting countries. Thus, the contribution of net exports to growth is expected to weaken further. Imports of goods and services are projected to increase in low-income countries that continue to expand their production capacity, such as the Democratic Republic of the Congo, Guinea, and Mozambique. At the same time, exports are projected to decline in percent of GDP in a large number of countries, partly reflecting a lower demand for commodities from emerging markets, but they are projected to increase in countries that have recently expanded their mining production capacity, such as Liberia, Mozambique, and Sierra Leone. Moreover, critical supply and infrastructure bottlenecks may prevent some

countries from taking full advantage of the increase in demand from advanced economies (for example, South Africa).

Downside risks

The risks to the outlook remain largely to the downside. Four main near-term risks could threaten the economic outlook for the region:

Home-grown risks are increasing...

1. ***Fiscal vulnerabilities have increased in a number of countries, notably in Ghana and Zambia.*** In both countries, spending has been growing at unsustainable levels. In Zambia civil servants' wages increased sharply in 2013. In Ghana, twin deficits (fiscal and current account) in the context of weak foreign reserves will make 2014 particularly challenging, and in some countries facing elections (for example, Malawi and Nigeria) policy uncertainty could rise amid intensifying spending pressures. Finally, in countries with high debt levels, such as Cabo Verde, The Gambia, and Seychelles, there is relatively limited room to maneuver in the face of shocks.
2. ***Deteriorating security situation.*** The sharp increase in political instability and the deteriorating security situation in the Central African Republic and South Sudan are causes for concern. Apart from their humanitarian impact, the conflicts in these two countries will lead to a sharp markdown in their growth prospects. The spillovers from these conflicts could significantly

Table 1.4. Sub-Saharan Africa: Other Macroeconomic Indicators

	2004–08	2009	2010	2011	2012	2013	2014	2015
				(Percent change)				
Inflation, end of period	8.8	9.0	7.2	10.2	7.7	5.9	6.2	5.8
				(Percent of GDP)				
Fiscal balance	1.9	0.3	-4.0	-1.3	-2.2	-4.2	-3.3	-3.0
Of which: Excluding oil exporters	-0.7	-1.7	-4.5	-3.9	-4.0	-4.4	-4.3	-4.0
Current account balance	0.7	-1.6	-1.0	-1.0	-2.7	-3.6	-3.6	-3.9
Of which: Excluding oil exporters	-5.0	-3.0	-4.3	-5.0	-7.7	-8.0	-7.8	-7.6
				(Months of imports)				
Reserves coverage	4.7	3.6	4.1	4.4	4.9	4.8	4.7	4.7

Source: IMF, World Economic Outlook database.

affect trade flows (for example, for Kenya and Uganda), and possibly increase security-related outlays in neighboring countries.

...and external risks deserve greater attention

3. ***Softening growth in emerging markets.*** This risk is particularly important for natural-resource exporters (including South Africa), which could suffer from weakening commodity prices and slowing demand, especially for low-value commodities. In addition, the expected rebalancing of growth sources in China, from consumption to investment, in the years to come will contribute to weakening the demand for investment-related commodities. Tightening financing conditions in China—a major source of new financing for governments and FDI for sub-Saharan Africa—are likely to increase borrowing costs and potentially affect FDI and FDI-related demand, especially in greenfield mining projects.
4. ***Monetary normalization and eventual tightening in the United States and other advanced economies.*** The reversal of capital flows as a result of tightening global monetary conditions is a source of downside risks for the region, especially for frontier market countries with weak fundamentals. The main channels of transmission include pressures on asset prices, interest rates, and especially exchange rates. These pressures, in turn, could strain some banks and financial systems, reduce domestic demand, and reignite inflation. The key transmission channels and potential implications are:
 - Increased borrowing costs and refinancing risk for governments. An exit of foreign investors would reduce liquidity in local bond markets, increasing borrowing costs. At the same time, tightening liquidity and a repricing of risk would increase both benchmark interest rates and spreads in international Eurobond markets, making it harder for frontier markets to carry out their existing bond issuance plans. The government interest bill would rise, and some governments (Ghana, Zambia) could

face increasing difficulties in refinancing maturing bonds and financing their deficits. Tighter financing conditions could thus precipitate sharper-than-planned fiscal adjustment and/or encourage an inflationary monetization of the deficit. Finally, depreciation risk could significantly increase governments' debt service costs.

- Tighter private sector funding conditions. Countries with comparatively developed financial markets with large participation by foreign investors, such as Kenya, Nigeria, and South Africa, may experience a correction in stock market valuations and corporate bond prices, with reverberations on other assets, such as real estate, which could be accentuated by tightening monetary policies.
- Financial sector strain. Banks lending in foreign currency could experience an increase in nonperforming loans if large currency depreciations reduce their borrowers' repayment capacity. In countries with more developed banking systems (Kenya, Nigeria, South Africa), banks could also suffer losses in domestic portfolio and real asset investments as well as increases in nonperforming loans on credit extended against such collateral.
- Renewed inflation concerns. The exchange rate pass-through on domestic prices could increase inflation, especially in the case of large or disorderly adjustments and in countries highly dependent on imports.

Policy recommendations

To address existing and emerging risks and challenges, policy prescriptions made in previous issues of this publication generally remain valid. Macroeconomic and financial policies should focus on preserving stability: for some countries, the focus will be on rebuilding any depleted policy buffers; for others, it will mean renewing efforts to keep inflation under control. The following are the main policy recommendations.

- ***Fiscal policy.*** Countries should generally increase their resilience to shocks, notably by boosting their revenue base and by avoiding excessive spending growth. Fast-growing countries in the region should take advantage of the growth momentum to strengthen their fiscal balances. Some countries with large external financing requirements may need to pursue consolidation even if growth weakens, while making determined efforts to safeguard social safety nets and growth-enhancing investment. Countries with large fiscal deficits or increasing debt levels (for example, Ghana and Zambia) should intensify their efforts to bring their public finances back to a sustainable footing, including by containing expenditure. Low-income countries should also boost revenue mobilization to address social and investment needs. In several countries, it is urgent to improve the efficiency of public expenditure and invest in greater energy supply and critical infrastructure. Oil-exporting countries, which are particularly vulnerable to price shocks, need to take advantage of still high oil prices to decisively reverse the deterioration of their fiscal balances.
- ***Monetary policy.*** In most countries, monetary policy should remain focused on consolidating gains on the inflation front. The appropriate monetary policy stance will depend on a country's specific macroeconomic conditions. Countries that have experienced a rapid expansion of private sector credit, especially to households, and countries where growth is robust and inflation persistently high and/or on the rise will benefit most from policy tightening. Where there is a concern that depreciating exchange rates could pose inflationary risks (Ghana, Malawi, and South Africa), policy might need to be tightened. The South African Reserve Bank already acted in January 2014 by increasing the repo rate by 50 basis points, and in February 2014, Ghana's central bank raised policy rates by 200 basis points. In the wake of expanding financial sectors and other ongoing structural changes, traditional policy frameworks based on quantitative monetary targets

have become inadequate in many countries. Monetary authorities in countries that have reached a higher degree of market development will need to strengthen the enabling environment for monetary policy. To maintain effective control on their policy objectives, the monetary authorities in these countries should reorient their policy frameworks toward more forward-looking and flexible goals and rely more on market-based instruments such as policy interest rates in their operational setting. This will require enhancing analytical, forecasting, and liquidity management skills to manage interest rates in a more forward-looking setting. Central banks will need to develop greater institutional capacity, operational independence, increase transparency, and enhance accountability of their operations.

- ***Addressing the effects of tightening global financial conditions.*** Emerging and frontier market countries should prepare to weather a tightening of global financial conditions by preserving their budget flexibility and, where vulnerabilities are critical, by tightening policies. Dealing with capital reversals that may become disruptive would require implementing a comprehensive set of policies—including monetary, fiscal, and exchange rate—focusing on addressing the underlying sources of vulnerabilities. Restrictions on capital flows may be a temporary part of a broad policy package designed to prevent a full-blown crisis, but cannot substitute for needed policy adjustments. Countries should be ready to adjust their financing plans in a scenario of reduced access to external funding, while allowing their exchange rates to be the first line of defense against sudden changes in capital flows. Where possible, consideration may be given to anticipating borrowing in periods when favorable conditions prevail. The optimal strategy will depend on the balance between the risk that the exchange rate pass-through could reignite inflation and the risk that a tightening of monetary policy under adverse conditions could add to instability and further reduce growth.

- ***Regional integration.*** Given the relatively low level of intraregional trade, countries in the region should renew their efforts to promote greater regional integration through lower tariff and nontariff barriers and by facilitating the movement of people, goods, and capital, drawing on the experience of the most advanced initiatives in the region, such as the East African Community (EAC), which recently signed a Monetary Union Protocol to establish a full monetary union within a decade (Box 1.1). The protocol appropriately emphasizes the need to prepare carefully in the years ahead to ensure a smooth transition toward, and functioning

of, the single currency, but the detailed institutional setting and operational frameworks will need to be spelled out further and the relevant regional institutions will require sufficient powers to properly oversee the process, monitor, enforce the convergence criteria, and conduct a unified monetary policy. As the recent experience in the Eurozone has shown, a properly designed banking union contributes to the stability of a monetary union. This requires supervision capacity, sound frameworks for bank resolution and cross-border coordination, accompanied by robust financial sector safety nets.

Box 1.1. The East African Community Monetary Union Protocol

The Monetary Union Protocol signed by the Heads of State of the East African Community (EAC) countries (Burundi, Kenya, Rwanda, Tanzania, Uganda) on November 30, 2013, in Kampala, Uganda, represents a major milestone in the EAC regional integration process. It outlines a 10-year roadmap toward monetary union for an economic community with a combined GDP of more than US\$100 billion and a population of 145 million.

Previous regional integration milestones following the EAC's establishment in 2000 include the signature of (i) a customs union protocol (2005) that entails the introduction of a common external tariff (CET) and the gradual elimination of internal tariffs; and (ii) a common market protocol (2010) allowing free movement of goods, persons, labor, services, and capital. The implementation of these initiatives is still far from complete. Although trade within the customs union is largely free of duty and the CET is widely applied, progress is ongoing to dismantle nontariff barriers and to complete the legal and administrative reforms needed to implement the freedoms of movement guaranteed by the common market protocol. To foster the free movement of EAC citizens, various initiatives are in the final design or early implementation stage: these seek to permit travel with national identity cards, reduce work permit fees, and introduce single tourist visas. National Implementation Committees, comprising concerned ministries and stakeholders, have been established in every partner state to expedite the implementation process.

The deepening of the integration process by the single currency is expected to result in a larger regional market with reduced transaction costs, greater economies of scale, increased competition, and enhanced attractiveness to foreign direct investment, thereby contributing to sustained strong economic growth, employment creation, and improved economic efficiency.

The Protocol sets out the process for the establishment of the East African Monetary Union (EAMU), as well as the legal and regulatory framework for the EAMU's operation, drawing on the experience of other monetary unions, including the European Monetary Union. The single currency is expected to be launched in 2024 with the countries meeting the convergence criteria.

Macroeconomic Convergence Criteria Under the EAC Monetary Protocol

Primary convergence criteria:

- Ceiling on headline inflation of 8 percent
- Ceiling on the fiscal deficit (including grants) of 3 percent of GDP
- Ceiling on gross public debt of 50 percent of GDP in net present value terms
- Floor on reserve coverage of 4.5 months of imports

Indicative criteria:

- Ceiling on core inflation of 5 percent
- Ceiling on the fiscal deficit excluding grants of 6 percent of GDP
- Floor on tax-to-GDP ratio of 25 percent

This box was prepared by Clara Mira.

Box 1.1. (concluded)

Table 1.1.1 provides an overview of the initial starting positions in terms of the convergence criteria. Some variables—namely, inflation and the public debt—are currently at or below the agreed ceilings for most member countries. Other variables—the fiscal balance ceiling and reserve coverage—will require further significant policy actions in the years ahead for the criteria to be met.

Table 1.1.1. East African Community: Convergence Criteria and Other Selected Economic Indicators

	Burundi	Kenya	Rwanda	Tanzania	Uganda	Ceiling/Floor
(2013 data unless otherwise indicated)						
Primary Convergence Criteria						
Headline inflation ¹	8.8	7.1	3.6	5.6	6.7	8
Fiscal balance including grants ²	-1.9	-5.8	-5.1	-5.5	-4.5	-3
Gross public debt (net present value terms) ²	29.8	33.8	23.2	32.0	23.3	50
Reserve coverage (months of imports)	3.5	3.9	4.4	3.7	3.7	4.5
Indicative Criteria						
Core inflation ¹	6.2	5.2	5.2	4.5	5.7	5
Fiscal balance excluding grants ²	-18.9	-7.3	-13.7	-8.9	-5.5	-6
Tax-to-GDP ratio	12.2	20.2	14.7	16.5	12.9	25
Macroeconomic Indicators						
Nominal GDP (billions of U.S. dollars)	2.7	45.5	7.4	30.4	21.4	
Per capita GDP (U.S. dollars)	305.3	1058.1	698.3	667.4	582.4	
Real GDP growth	4.5	5.6	5.0	7.0	6.0	
Population (millions)	9.0	44.4	10.6	45.6	36.8	
Gross public debt ²	31.3	48.5	29.4	43.3	33.9	

Sources: Country authorities; and IMF staff estimates.

¹ December 2013 (year over year).

² Percent of GDP.

Institutional Setting and Policy Harmonization

The East African Monetary Institute (EAMI) is expected to be established in 2015 as a precursor to an independent central bank, to direct preparatory work for the monetary union. The East African Central Bank (EACB) will be responsible for the joint monetary and exchange rate policies implemented from 2024 onward, within a system of national central banks acting as the EACB's operational arms. The EACB's primary objective will be to achieve and maintain price stability, with financial stability and economic growth and development as secondary objectives. The single exchange rate regime will be free floating.

EAC member countries have agreed to harmonize and coordinate their fiscal policies—a key element to reduce potential vulnerabilities to the monetary union. They are also expected to establish mechanisms to deal with exogenous shocks, including an early warning system and a stabilization facility to provide assistance to member states. An East African Surveillance, Compliance, and Enforcement Commission to monitor and enforce convergence will be created by 2018; monetary and exchange rate policies will be coordinated and harmonized from that point on. At the same time, an East African Statistics Bureau and an East African Financial Services Commission will also be established.

2. Fostering Durable and Inclusive Growth

INTRODUCTION

Over the last 20 or so years, many countries in sub-Saharan Africa have enjoyed robust and sustained economic growth. Sound economic policies, stronger institutions, and higher levels of public and private investment were behind this success. In most of these countries, sustained economic growth has translated into higher living standards, poverty reduction, and improved social indicators. But in some others, progress in these areas has fallen short of expectations, and the fruits of strong growth have sometimes accrued disproportionately to the better-off. This chapter looks at two areas in which economic policy efforts can help to make growth more inclusive. First, promote job creation, especially in household enterprises that operate in agriculture and services. The ongoing demographic transition in sub-Saharan Africa puts an additional premium on employment creation. Second, complement this effort by fostering financial inclusion and access to finance. Technological advances in mobile banking are opening up new possibilities to boost financial inclusion by reducing intermediation costs.

This chapter documents that per capita income growth in sub-Saharan Africa has been accompanied by better living conditions, as shown by improved human development indicators and lower poverty rates. True, progress has been uneven; but the overall trend is without a doubt favorable, and not limited to natural-resource exporters. In fact, some of the best performers are not resource-rich countries. A large number of people have moved out of poverty, and more individuals than ever before have access to basic education, health care, and clean water. Continued pursuit of sound macroeconomic policies, stronger institutions, debt relief, and, for

some countries, the end of armed conflicts, were all instrumental in this transformation.

Despite this progress, there is no scope for complacency. Poverty remains pervasive and living standards need to improve further. Moreover, for a small number of countries, living standards have in fact deteriorated. Thus, the chapter looks at factors that could explain the relative performance of sub-Saharan African countries, both in terms of their increase in per capita income and their achievements in poverty reduction. We find that a stable macroeconomic environment, better infrastructure, and rising agricultural productivity yield the most favorable effects. Although most countries in the region have improved their macroeconomic conditions and infrastructure, lack of economic diversification associated with low productivity gains have held back structural transformation, leaving most of the workforce still underemployed in agriculture and with insufficient employment creation in sectors of the economy with higher value added per worker.

To illustrate this point and its consequences for poverty reduction, we contrast the experiences of Mozambique and Vietnam. These two countries' growth performance has been similarly strong. But much larger agricultural productivity gains in Vietnam combined with the creation of higher-earning manufacturing jobs, compared with Mozambique, have helped to shift labor out of agriculture toward more productive sectors. In Mozambique, agricultural employment as a share of total employment has remained broadly unchanged. Not surprisingly, Vietnam succeeded in reducing poverty to a larger extent than Mozambique. In fact, most capital accumulation in Mozambique was concentrated in capital-intensive sectors, with certainly favorable effects on growth, but lower impacts on job opportunities and poverty reduction compared with Vietnam.

This chapter was prepared by Isabell Adenauer, Adrian Alter, Jorge Iván Canales-Kriljenko, Domenico Fanizza, Rodrigo Garcia-Verdu, Mumtaz Hussain, R. Armando Morales, and Alun Thomas, under the guidance of Michael Atingi-Ego. Research assistance was provided by Cleary Haines.

On the basis of this analysis and in light of the projected increase in the working-age population in sub-Saharan Africa, the chapter argues that, to make growth more inclusive, the overarching policy challenge is to create conditions for taking advantage of a possible demographic dividend. For this purpose, employment and entrepreneurial opportunities will have to be created at a faster pace. Improving infrastructure is also a necessary condition, albeit not sufficient, sustained and inclusive growth. Complementary policies discussed in this chapter are required for growth to achieve its potential and to contribute to poverty reduction. To this purpose, two key areas seem particularly important for policy:

- First, expanding job opportunities is essential for both further raising per capita GDP growth and reducing poverty. We show that household enterprises are the most likely source of jobs for the majority of the population in sub-Saharan Africa, at least over the short and medium term. Policies should focus on removing obstacles to investment in the service and agricultural sectors—where the bulk of household enterprises perform their activities. The resulting productivity gains would favor the structural transformation process that would shift labor out of agriculture.
- Second, financial inclusion can play a key role in improving welfare for the poor, and in removing financing obstacles to entrepreneurial activity. Here, the policy emphasis should be on creating an enabling environment to reduce transaction costs by exploiting new technologies, such as mobile and agent banking.

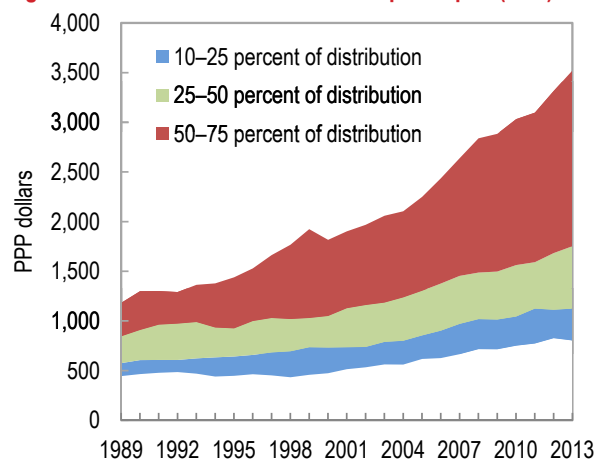
The next section focuses on the key features of the recent growth experience and on the main determinants of sub-Saharan African countries' relative performance both in terms of growth and standard welfare measures.

RECENT GROWTH AND HUMAN DEVELOPMENT PERFORMANCE

Significant and widespread increases in per capita GDP in sub-Saharan African countries have helped improve human development indicators. Between 2000 and 2013, sub-Saharan African countries experienced an increase in the median per capita GDP of 75 percent. Also, most sub-Saharan African countries showed a marked improvement in human development, as measured by the human development indices (HDI) computed by the United Nations, especially those that were worse off at the beginning of the period (Figure 2.1, panels a and b).

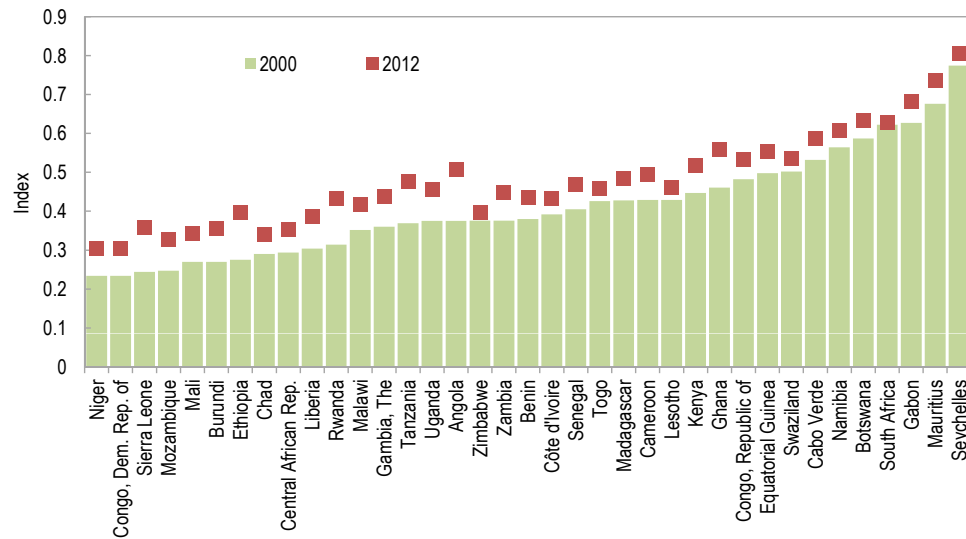
Human development indicators have generally evolved in line with changes in GDP per capita. Countries that have experienced the largest increases in income and human development include those rich in mineral resources, such as Angola, Ghana, and Mozambique, as well as countries that are not primarily commodity exporters, such as Ethiopia, Rwanda, and Tanzania (see Chapter 2 of the October 2013 *Regional Economic Outlook: Sub-Saharan Africa*). Countries with higher GDP per capita tend to have better human development indices, and growth in GDP per capita and improvements in human development have often been larger in some of the countries that have been lagging behind. Take, for example, the case

Figure 2.1a. Sub-Saharan Africa: GDP per Capita (PPP)



Source: IMF, World Economic Outlook database.

Note: PPP = purchasing power parity.

Figure 2.1b. Sub-Saharan Africa: Human Development Index

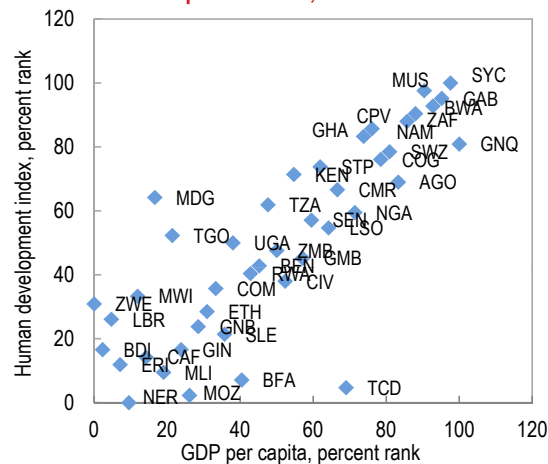
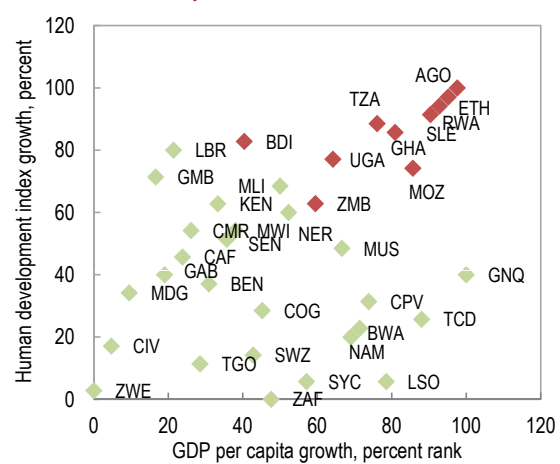
Source: United Nations Development Programme, *Human Development Report*.

of Mozambique, which has recorded one of the highest improvements, but remains one of the poorest countries on both counts (Figure 2.2, panels a and b).

Improvements in human development partly reflect advances in health and education. Primary enrollment and completion rates show remarkable progress, in line with developments in other developing countries. Infant and maternal mortality have declined substantially in the region and have

fallen faster than in other developing economies in the last decade (Figure 2.3). The prevalence of undernourishment has also declined significantly. Higher access to clean water and sanitation across the region has helped improve health indicators.

Despite the overall progress, per capita GDP growth in sub-Saharan Africa only kept pace with the rest of the world after 2000 except in the 10 fastest growing economies, which have started to

Figure 2.2a. Sub-Saharan Africa: GDP per Capita (PPP) and Human Development Index, 2012**Figure 2.2b. Sub-Saharan Africa: GDP per Capita (PPP) and Human Development Index Growth, 2000–12**

Sources: IMF, World Economic Outlook database; and United Nations Development Programme, *Human Development Report*.

Note: Percent rank in sub-Saharan Africa. A higher number indicates higher per capita income and better degree of human development. PPP = purchasing power parity. See page 64 for country name abbreviations.

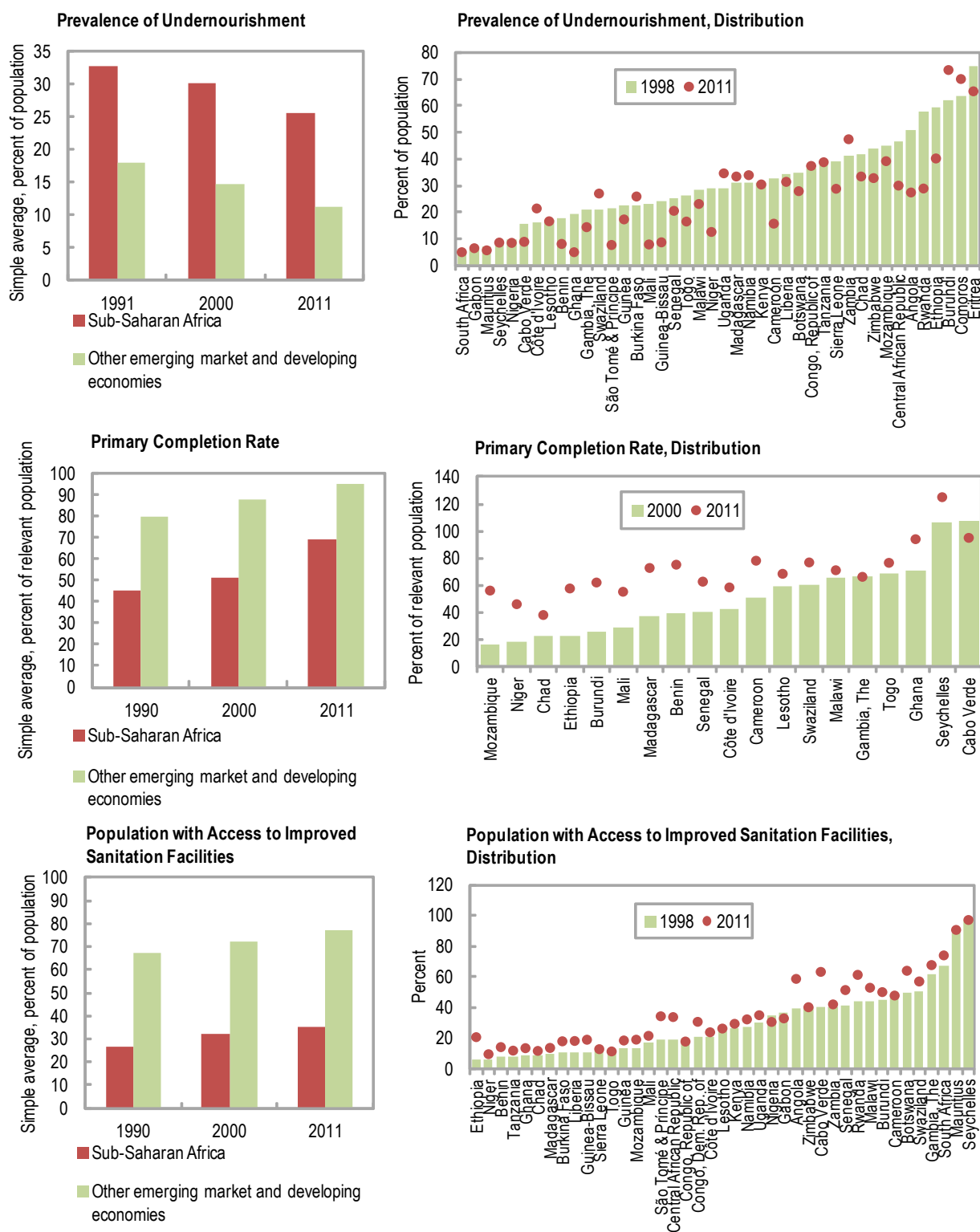
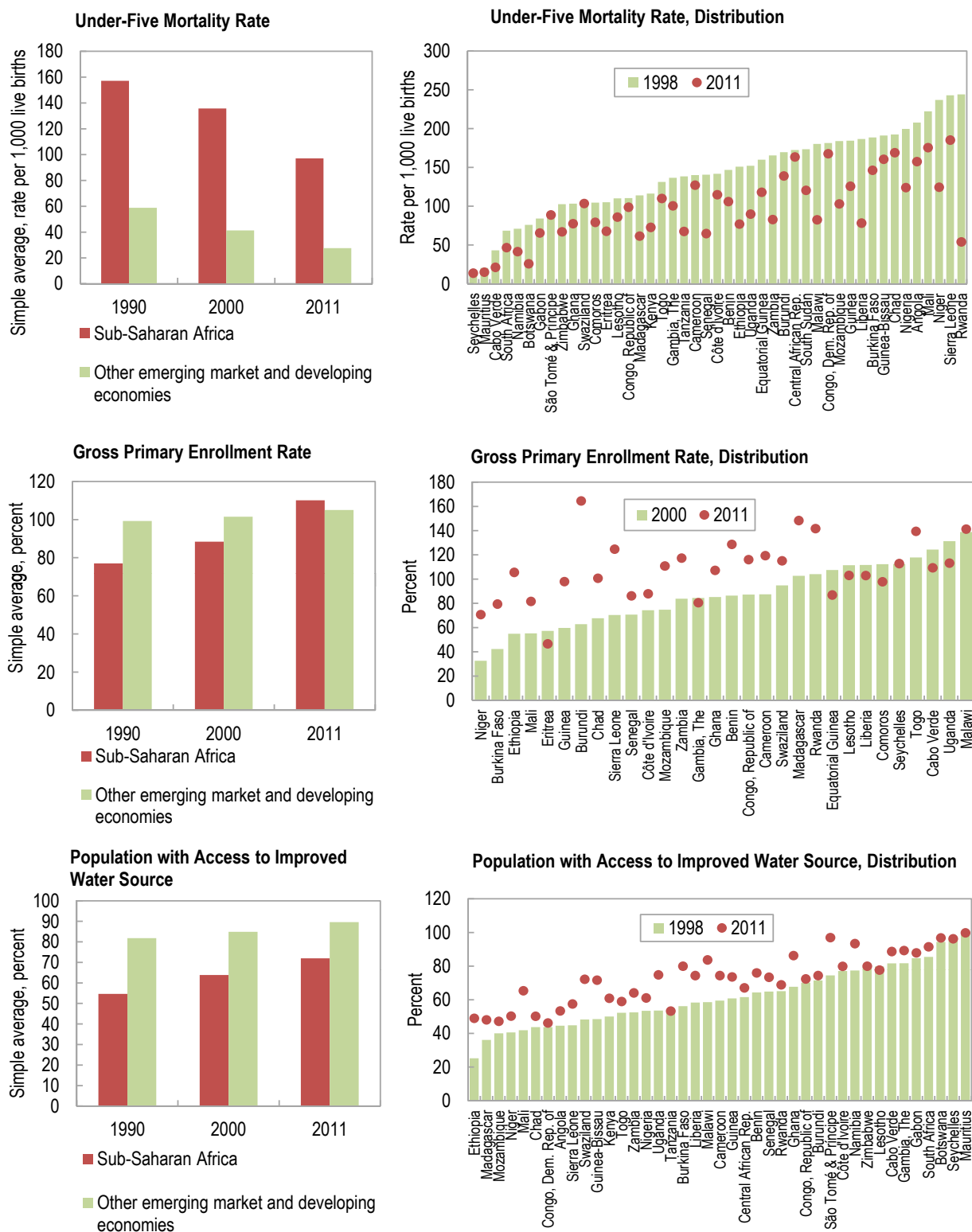
Figure 2.3. Sub-Saharan Africa: Human Development IndicatorsSource: World Bank, *World Development Indicators*.

Figure 2.3. (concluded)

Source: World Bank, *World Development Indicators*.

catch up (Figure 2.4). This partly reflects relatively high population growth (three out of four countries in sub-Saharan Africa made it to the top quartile in the distribution of the world's population growth rates (Figure 2.5). The region's growing young population reflects high fertility and declining infant mortality rates.

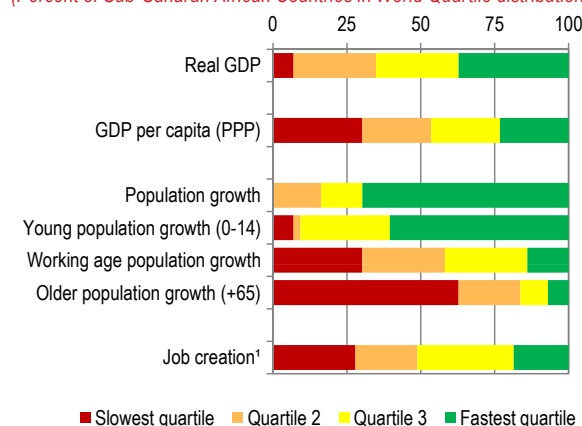
Also, the significant improvement in sub-Saharan Africa's HDI is lagging relative to the corresponding improvement worldwide (Figure 2.6). In fact, progress in achieving the Millennium Development Goals (MDGs) has been uneven, lagging behind other developing countries and slower than needed to reach the 2015 targets (see the October 2013 *Sub-Saharan Africa: Regional Economic Outlook*).

The role of macroeconomic policies

Better macroeconomic policies and political developments played a key role in sub-Saharan Africa's achievements, in particular in Angola, Burundi, Ethiopia, Ghana, Mozambique, Rwanda, Sierra Leone, Tanzania, Uganda, and Zambia—some of the better performing countries highlighted in Figure 2.2b. Most of these countries benefited from reductions in public debt burdens through the Heavily Indebted Poor Countries (HIPC) Initiative, which gave them fiscal space and facilitated macroeconomic stabilization. Eight of these 10 countries

Figure 2.5. Sub-Saharan Africa: Income and Demographic Indicators, 2000–13

(Percent of Sub-Saharan African Countries in World Quartile distribution)



Source: IMF, World Economic Outlook database.

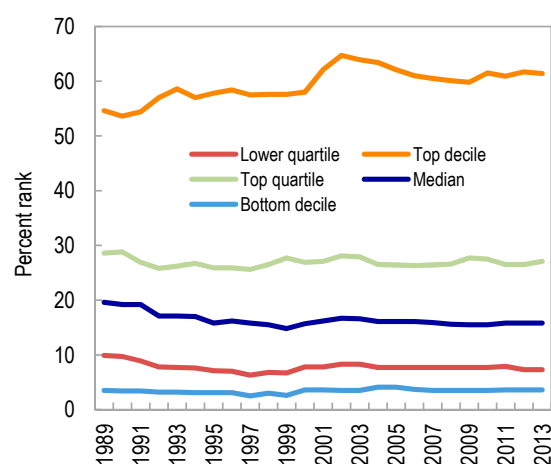
Note: The figure indicates that 37 percent of the 43 sub-Saharan African countries with available data fell in the top 25 percent of the world distribution of GDP growth rates between 2000 and 2013.

PPP = purchasing power parity.

¹Measured as the increase in the share of the population older than 15 years that is employed.

more than quadrupled their exports (out of the 14 sub-Saharan African countries that substantially increased their exports at constant U.S. dollar prices in the period). The region's exports benefited from expanding global trade, sharp terms-of-trade gains, and associated investments in export-oriented megaprojects. For five of these countries, recovery from macroeconomic disruptions and armed

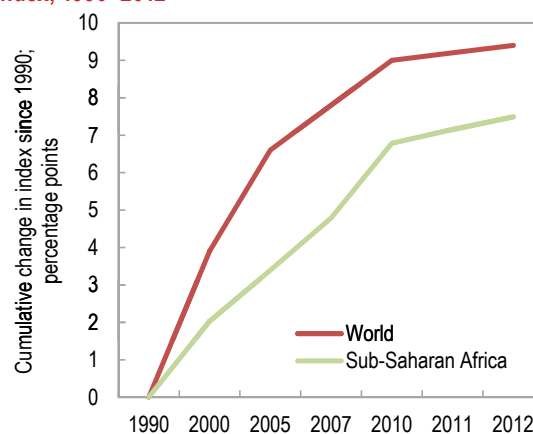
Figure 2.4. Sub-Saharan Africa: GDP per Capita (PPP)



Source: IMF, World Economic Outlook database.

Note: Each line computes the percent rank in the world distribution of GDP per capita on a constant purchasing power parity (PPP) basis of the lower quartile, median, and top quartile in sub-Saharan Africa.

Figure 2.6. Sub-Saharan Africa: Human Development Index, 1990–2012



Source: United Nations Development Programme, Human Development Report.

Note: Each line computes the cumulative difference in the percent rank since 1990.

conflicts in the preceding decade was an important factor in explaining their performance, which led to a turnaround in total factor productivity (TFP). Eight of these countries have significantly lowered inflation, six of them into single digits, and only three depend heavily on natural resources.

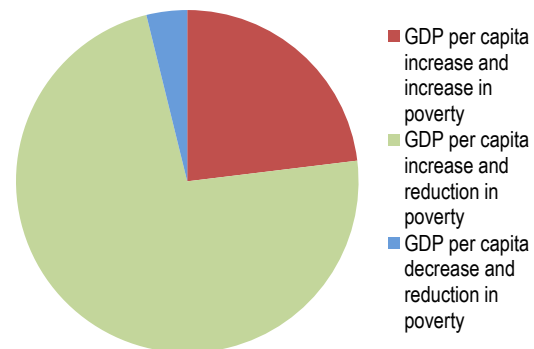
Policies widely accepted as the most appropriate to encourage growth in low-income countries (LICs) include integration with the global economy, infrastructure development, export diversification, higher school enrollment, access to financial services, formalized property rights, and improved government administration, among others (IMF, 2013d). Using a cross-section regression to assess the relative role of some of these factors in boosting GDP per capita in sub-Saharan Africa, we find that macroeconomic policies, investments in human and physical capital, and structural transformation of a country's economy that allows the creation of value beyond the agricultural sector all matter for a country's relative income performance. However, this requires overcoming structural barriers to improving competitiveness. Boosting labor market efficiency and financial market development could play supporting roles (Box 2.1).

Poverty reduction

Sub-Saharan Africa has reduced poverty significantly, but at about 45 percent, poverty remains high. The last two household surveys in each sub-Saharan African country with available data for the last 24 years show that GDP per capita rose in virtually all countries, and poverty fell in about three out of four of those countries (Figure 2.7). In the last decade, the consumption distribution profiles have improved with rising income, as illustrated in Figure 2.8, showing data from six recent household surveys in sub-Saharan African countries.

This chapter does not address the topic of inequality and growth, extensively discussed in Ostry, Berg, and Tsangarides (2014). Rather, the focus is on exploring how poverty rates relate to the factors that explain the relative income position of countries around the world to identify the main determinants of poverty in sub-Saharan Africa. The analysis

Figure 2.7. Sub-Saharan Africa: Changes in Poverty and GDP per Capita



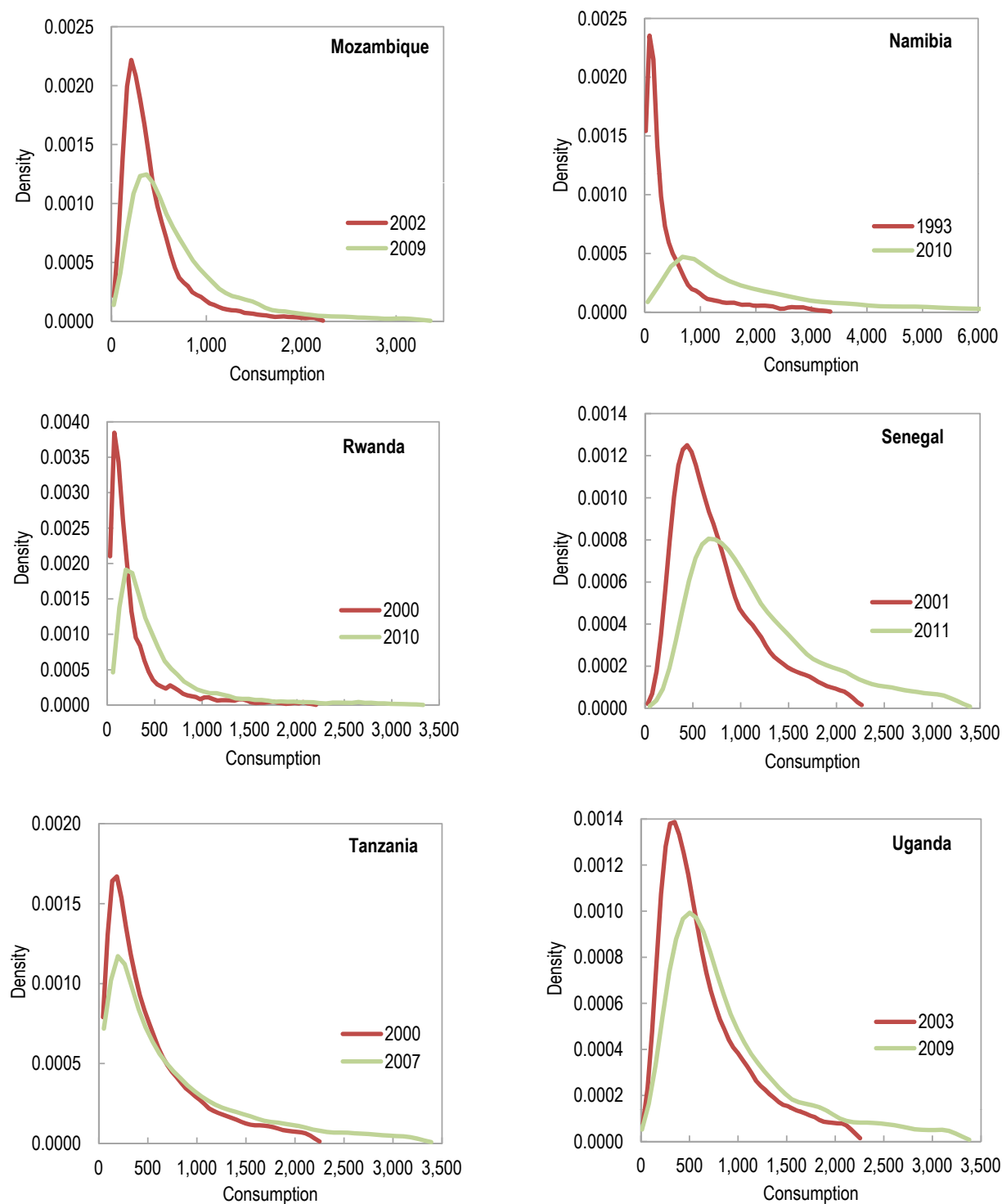
Sources: IMF, World Economic Outlook database; and World Bank, World Development Indicators.

Note: The figure shows change in the variables for the last two household surveys within the last 24 years. The sample consists of 26 observations for countries with available data. Poverty is measured as headcount of individuals earning more than \$1.25 a day (constant purchasing power parity terms) in percent of total population.

suggests that poverty is positively associated with poor infrastructure, a high share of agriculture in GDP, and high inflation, among others (Box 2.2). The infrastructure gap and the lack of economic diversification appear as the main systematic reasons behind the higher poverty in sub-Saharan Africa, partly offset by the lack of competition, presumably in goods that require low skills.

Structural transformation and inclusive growth

Fostering inclusive growth requires policies that favor both raising income (Box 2.1) and lowering poverty (Box 2.2). The analysis suggests that increasing productivity in sub-Saharan African economies would be an important component of this approach, including by (i) maintaining a stable macroeconomic environment, especially low and stable inflation; (ii) upgrading infrastructure; (iii) diversifying the structure of the economy through reforms that increase competitiveness and gradually reduce the share of agriculture in GDP; and (iv) fostering sound financial systems that safely deliver financial depth and inclusion. To face the significant shortages in infrastructure in sub-Saharan African countries, the challenge for policymakers is to create an appropriate environment to attract domestic and foreign investors.

Figure 2.8. Sub-Saharan Africa: Density Estimates of Population-Consumption Distribution

Sources: Country household surveys; and IMF staff calculations.

Note: The chart shows that a growing share of individuals in these countries consumed more than in the previous survey. The area under the distribution within a given range corresponds to the fraction of the population that consumes within that range.

Box 2.1. Policies that Matter for Increasing a Country's Per Capita Income Performance

How does a given country's per capita GDP compare with others around the world? The relative position of a country's per capita GDP (country's ranking) is closely associated with a wide array of macroeconomic and structural variables. Cross-section regressions indicate, for example, that a country's ranking in the distribution of GDP per capita improves when its ranking in the macroeconomic environment and in the provision of health improves, or when the share of the population living in rural areas or the share of agriculture in GDP declines (Table 2.1.1). Among macroeconomic variables, lower inflation, real exchange rate appreciation, and exchange rate volatility result in a lower ranking of GDP per capita. These two-variable relationships also show that a higher degree of financial market development and financial inclusion are good for growth, as is labor market efficiency and the available infrastructure in the economy. These relationships hold for the world and sub-Saharan Africa, although intensity varies.

Table 2.1.1. Cross-Section Regressions on Per Capita GDP

Variable	Source	Slope Sign	Slope on Sub-Saharan Africa Dummy	Total Sub-Saharan Africa Slope ¹	Sub-Saharan Africa Dummy Level	Adjusted R-squared
Structural variables						
Market size (rank)	WEFA	+	(3)		Yes (3)	0.41
Rural population, share (percent)	WDI	+	(12)		Yes (3)	0.69
Agricultural share in GDP (percent)	WDI	+	(14)	- (-6)	Yes (7)	0.77
Health and education (rank)	WEFA	+	(11)			0.71
Educational quality (rank)	WEFA	+	(6)	- (-2)	Yes (5)	0.53
Technological readiness (rank)	WEFA	+	(16)			0.82
Health (rank)	WEFA	+	(15)			0.80
Life expectancy (rank)	WEFA	-	(-13)	+	Yes (-6)	0.76
Labor market efficiency (rank)	WEFA	+	(6)		Yes (5)	0.51
Financial market development (rank)	WEFA	+	(6)		Yes (4)	0.54
Loan access, ease of (rank)	WEFA	+	(4)		Yes (2)	0.49
Financial inclusion (accounts per 1,000 adults)	CGAP	-	(-4)	- (-3)	Yes (6)	0.55
Institutional quality (rank)	WEFA	+	(9)		Yes (4)	0.65
Gini coefficient (percent)	WDI	+	(2)	- (-3)	Yes (5)	0.42
Policies						
Macroeconomic environment (rank)	WEFA	+	(4)		Yes (3)	0.47
Inflation (2000–13) (rank)	WEO	+	(8)	- (-3)	Yes (7)	0.52
Real exchange rate appreciation ² (rank)	INS	+	(3)		Yes (6)	0.37
Real exchange rate volatility ² (rank)	INS	+	(3)		Yes (6)	0.37
Other policy-related factors						
Infrastructure (rank)	WEFA	+	(15)			0.82
Infrastructure in electricity (rank)	WEFA	+	(17)			0.84
Infrastructure in transport (rank)	WEFA	+	(10)		Yes (3)	0.69
Infrastructure quality (rank)	WEFA	-	(-10)			0.67
Tariffs (percent)	WDI	+	(4)			0.59
Tariffs (percent)	WEFA	+	(7)			0.56
Competition (rank)	WEFA	+	(7)		Yes (5)	0.57
Competition, local (rank)	WEFA	+	(6)		Yes (4)	0.51
Market dominance (rank)	WEFA	+	(6)	- (-2)	Yes (5)	0.53

Sources: World Economic Forum, 2013–14 (WEFA); IMF, World Economic Outlook database (WEO), IMF, Information Notice System (INS); World Bank, Global Financial Inclusion database (CGAP); and World Bank, World Development Indicator (WDI).

Note: Cross-section regression by ordinary least squares over latest data available performed on ranks to focus on country's relative position. Per capita GDP (rank) = constant + (slope+sub-Saharan Africa dummy slope*sub-Saharan Africa dummy)*variable+sub-Saharan Africa dummy level coefficient* sub-Saharan Africa dummy)+ error. Signs shown only for significant variables; t-statistics shown in parentheses.

¹ Computed as adding the point estimates for the world slope adjusted for the sub-Saharan Africa slope premium or discount.

² The appreciation is measured between 2000 and 2013, and the volatility as the coefficient of variation of the real exchange rate between 2000 and 2012 with annual data.

This box was prepared by Jorge Iván Canales-Kriljenko.

Box 2.1. (concluded)

Alternatively, a multivariate regression shows that health (ranking), macroeconomic environment (ranking), share of population living in rural areas (percent), and share of agriculture in GDP (percent) improve relative performance. A fifth variable would be infrastructure (ranking), although it appears correlated with labor market efficiency (ranking) or financial market development (ranking) (Table 2.1.2).

Table 2.1.2. Sub-Saharan Africa: Multivariate Linear Regressions on GDP per Capita at Purchasing Power Parity (ranking)

	1	2	3	4
Full sample slopes				
Labor market efficiency (ranking)	0.0006 (3)			
Financial market development (ranking)		0.0006 (2)		
Infrastructure (ranking)			0.0022 (5)	
Health (ranking)	0.0039 (9)	0.0039 (9)	0.0029 (6)	0.0041 (10)
Share of population in rural areas (percent)	0.0024 (4)	0.0024 (4)	0.0023 (4)	0.0024 (4)
Share of agriculture in GDP (percent)	0.0062 (5)	0.0058 (5)	0.0046 (4)	0.0062 (5)
Macroeconomic environment	0.0005 (2)	0.0006 (2)		0.0008 (3)
Sub-Saharan Africa slope adjustment				
Labor market efficiency (ranking)				
Financial market development (ranking)				
Infrastructure (ranking)				
Health (ranking)			-0.0018 (-5)	
Share of population in rural areas (percent)				
Share of agriculture in GDP (percent)				
Macroeconomic environment	0.0012 (2)	0.0011 (2)	0.0015 (4)	0.0009 (2)
Sub-Saharan Africa dummy	-0.1897 (-3)	-0.1876 (-3)		-0.1811 (-3)
<i>Memorandum items:</i>				
Observations	98	98	98	98
Adjusted R-squared	0.9069	0.9058	0.9160	0.9015

Sources: World Bank, World Development Indicators; and IMF staff calculations.

Note: Regressions using ordinary least squares. Constant is not shown. t-statistics shown in parentheses.

These regressions do not imply causality, and have many caveats, but are consistent with the statement that macroeconomic policies matter for a country's relative income performance—that government investments in human and physical capital are worth undertaking, and that the structural transformation of an economy that allows it to create value beyond the agricultural sphere can improve people's standard of living, which would require overcoming structural barriers to improving competitiveness. Significant gaps with the rest of the world remain in the areas of education, health, the share of agriculture in GDP, financial inclusion, and infrastructure (Table 2.1.3).

Table 2.1.3. Sub-Saharan Africa: Development Gaps

	Total	Sub-Saharan Africa	Non-Sub-Saharan Africa
Per capita GDP (PPP, 2000)	14,784	4,259	18,485
Poverty (percent)	20	44	8
Macroeconomic environment (rank)	75	95	68
Primary education (rank)	74	112	62
Health (rank)	75	128	58
Rural (percent)	42	60	37
Agricultural share in GDP (percent)	13	25	9
Labor market efficiency (rank)	74	79	73
Financial market development (rank)	74	92	67
Financial inclusion (accounts per 1,000 adults)	1,218	316	1,536
Infrastructure (rank)	74	116	60

Sources: IMF, World Economic Outlook database; World Bank, World Development Indicator; World Economic Forum Global Competitiveness Report 2013–14; and World Bank, Global Financial Inclusion database.

Note: PPP = purchasing power parity.

Box 2.2. Structural Factors Affecting Poverty in Sub-Saharan Africa

Cross-section regressions suggest that poverty in sub-Saharan Africa has been higher in countries with a higher share of the population living in rural areas (percent), with less financial inclusion (access), worse infrastructure (ranking), lower tariffs, and lower technological readiness (ranking). Among the macroeconomic variables, higher inflation and real exchange rate volatility have been associated with higher poverty in the region. Given sparse data, the exercise uses the latest data available on poverty across countries with the latest available data on the other variables. The analysis suggests that these relationships only hold statistically for sub-Saharan Africa (Table 2.2.1).

Table 2.2.1. Sub-Saharan Africa: Cross-Section Regressions on Poverty Headcount

Variable	Source	Slope Sign	Slope on Sub-Saharan Africa Dummy	Total Sub-Saharan Africa Slope ¹	Sub-Saharan Africa Dummy Level	Adjusted R-squared
Structural variables						
Market size (rank)	WEFA					0.48
Rural population, share (percent)	WDI	+	(2)	+		0.58
Agricultural share in GDP (percent)	WDI				Yes (4)	0.62
Health and education (rank)	WEFA					0.51
Educational quality (rank)	WEFA					0.48
Technological readiness (rank)	WEFA	+	(4)	+		0.61
Health (rank)	WEFA	+	(2)	+		0.52
Life expectancy (rank)	WEFA					0.54
Labor market efficiency (rank)	WEFA				Yes (4)	0.47
Financial market development (rank)	WEFA				Yes (2)	0.48
Ease of loan access (rank)	WEFA					0.48
Financial inclusion (accounts per 1,000 adults)	CGAP	-	(-3)	-	Yes (7)	0.59
Institutional quality (rank)	WEFA					0.50
Gini coefficient (percent)	WDI				Yes (3)	0.49
Policies						
<i>Macroeconomic environment (rank)</i>						
Inflation (2000–13) (rank)	WEFA				Yes (4)	0.47
Inflation (2000–13) (rank)	WEO	+	(3)	+		0.56
Real exchange rate appreciation ² (rank)	INS				Yes (4)	0.49
Real exchange rate volatility ² (rank)	INS	+	(3)	+	Yes (3)	0.54
<i>Other policy-related factors</i>						
Infrastructure (rank)	WEFA	+	(3)	+		0.61
Infrastructure in electricity (rank)	WEFA	+	(3)	+		0.61
Infrastructure in transport (rank)	WEFA	+	(3)	+		0.57
Infrastructure quality (rank)	WEFA				Yes (3)	0.51
Tariffs (percent)	WDI	-	(-2)	-	Yes (5)	0.55
Tariffs (percent)	WEFA	-	(-2)	-	Yes (3)	0.48
Competition (rank)	WEFA				Yes (4)	0.47
Competition, local (rank)	WEFA				Yes (2)	0.47
Market dominance (rank)	WEFA				Yes (3)	0.47

Sources: World Economic Forum, 2013–14 (WEFA); IMF, World Economic Outlook database (WEO), IMF, Information Notice System (INS); World Bank, Global Financial Inclusion database (CGAP); and World Bank, World Development Indicators (WDI).

Note: Cross-section regression by ordinary least squares over latest data available performed on ranks to focus on country's relative position. Data for the poverty headcount of those earning below 1.25 dollars per day is the latest available. Poverty (percent) = constant + (slope+sub-Saharan Africa dummy slope*sub-Saharan Africa dummy)*variable+sub-Saharan Africa dummy level coefficient*sub-Saharan Africa dummy)+ error. Signs shown only for significant variables; t-statistics shown in parentheses.

¹ Computed as adding the point estimates for the world slope adjusted for the sub-Saharan Africa slope premium or discount.

² The appreciation is measured between 2000 and 2013, and the volatility as the coefficient of variation of the real exchange rate between 2000 and 2012 with annual data.

This box was prepared by Jorge Iván Canales-Kriljenko.

Box 2.2. (concluded)

In a multivariate regression that focuses on sub-Saharan Africa, poverty is positively associated with poor infrastructure, high share of agriculture in GDP, lower tariffs, low market dominance, and higher inflation. Similar to the regressions on GDP per capita, there seems to be some close association between financial market development and infrastructure. In contrast, labor market efficiency (as measured by the ranking from the world competitiveness indicators) does not seem to be significant when infrastructure is taken out of the regression (Table 2.2.2).

Table 2.2.2. Sub-Saharan Africa: Multivariate Linear Regressions on Poverty (ranking)

	1	2	3
Sub-Saharan Africa slope adjustment			
Labor market efficiency (ranking)	0.035 (1)		
Financial market development (ranking)		0.159 (3)	
Infrastructure (ranking)			0.390 (7)
Share of agriculture in GDP (percent)	0.594 (4)	0.497 (3)	0.347 (3)
Tariffs	-1.532 (-2)	-1.966 (-3)	-1.957 (-5)
Market dominance (rank)	-0.072 (-2)	-0.151 (-3)	-0.174 (-5)
Inflation level (rank)	13.127 (2)	20.962 (3)	14.814 (4)
Sub-Saharan Africa dummy	17.061 (2)	15.951 (2)	-6.039 (-1)
<i>Memorandum items:</i>			
Observations	43	43	43
Adjusted R-squared	0.742	0.795	0.891

Sources: IMF, World Economic Outlook database; and World Bank, World Development Indicators.

Note: Regressions using ordinary least squares, with slopes multiplied by the sub-Saharan African dummy. Constant is not shown. t-statistics shown in parentheses.

Although regressions do not imply causality, the poverty regressions are at least consistent with the view that policies that improve available infrastructure, diversify the economy, and maintain the purchasing value of domestic currency stable would tend to reduce poverty. Also, because lowering tariffs and increasing competition could cause social dislocations, particularly in the short run, explicit policies to protect the poor and increase their productivity would seem warranted. Interestingly, financial inclusion comes up as significant when inflation is excluded from the regression. This suggests that poor individuals may avoid saving or not afford to save in the financial system when the purchasing power of their savings is at stake.

The structural transformation of the economy required to increase total factor productivity significantly from its current low levels should at the same time (i) raise productivity in agriculture, where most of the population is employed (see the section on The Job Creation Challenge), including through amending the country's legal and institutional frameworks governing agricultural activities; and (ii) boost competitiveness to allow the creation of value beyond basic agriculture, helping to develop a more diversified economic structure. However, there may be a temporary social dislocation associated with a more open and diversifying economy.

Fiscal policy may also play an important role in promoting inclusive growth, in particular through creating fiscal space for investment in human and physical capital. Revenue collection in many sub-Saharan countries remains relatively weak, so the focus should be on broadening tax bases and strengthening administrative tax collection capacity. On the expenditure side, improving the progressivity of public spending through shifting away from general subsidies toward well-targeted expenditure, such as cash transfers, is important (IMF, 2014b).

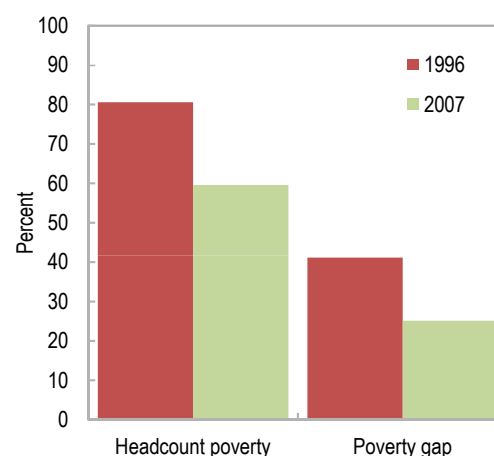
THE ROLE OF PRODUCTIVITY IN REDUCING POVERTY: THE EXPERIENCES OF MOZAMBIQUE AND VIETNAM

The experiences of Mozambique and Vietnam illustrate the importance of agricultural productivity gains and economic diversification for poverty reduction. Both countries are star performers that delivered remarkably similar growth in GDP per capita (adjusted for changes in purchasing power), but different results in poverty reduction. In the first five years after their growth takeoffs (1989 in Vietnam and 1992 in Mozambique), GDP per capita rose by 50 percent in both countries, although in Mozambique, the population grew much faster. The two countries endured protracted armed conflicts in the preceding years, transitioning from centrally planned socialist economies to market economies, and undertook important structural reforms. The years when the household

surveys were conducted do not fully coincide with the takeoff years, but they show significant differences between the two countries: in Mozambique, headcount poverty fell by 2.4 percent annually between 1996 and 2007, compared with a decline of 4.6 percent annually in Vietnam between 1992 and 2004 (Figures 2.9 and 2.10).

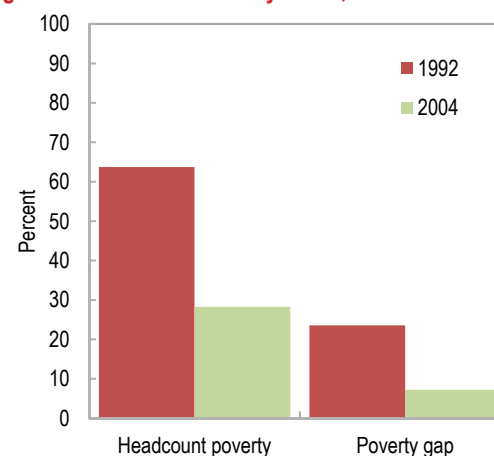
In the first five years after the takeoff, the share of agriculture declined by a similar magnitude in both countries: 12 percentage points in Vietnam and 11 percentage points in Mozambique, as a result of structural transformation. However, an important difference between the two countries was their relative ability to generate employment outside agriculture. The share of agricultural employment

Figure 2.9. Mozambique: Poverty Rates, 1996 and 2007



Source: World Bank, PovcalNet database.

Figure 2.10. Vietnam: Poverty Rates, 1992 and 2004

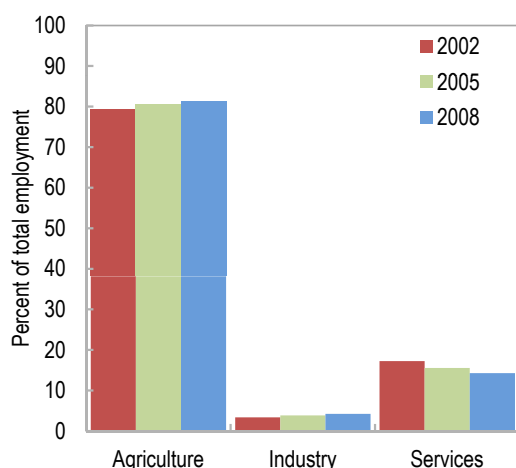


Source: World Bank, PovcalNet database.

remained almost constant in Mozambique in 2002–08, whereas in Vietnam, it declined by 10 percentage points in 2000–06, in line with improvements in agricultural productivity (Figures 2.11 and 2.12).

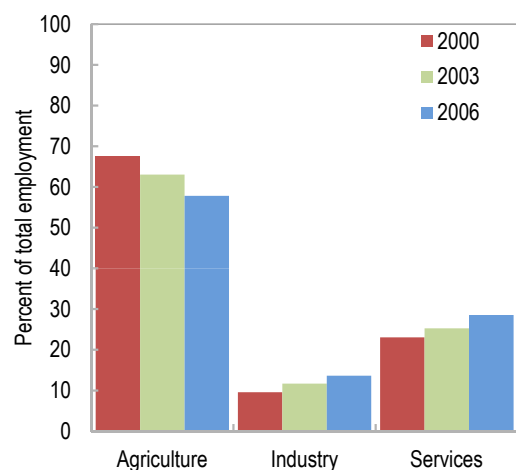
Vietnam was able to create more than two million jobs in the industrial sector, whereas the corresponding increase in Mozambique was about one-hundred and sixty thousand jobs, of which only about forty thousand were salaried. Vietnam was able to improve the productivity of a larger fraction of the population by shifting workers into more productive activities, whereas in Mozambique, agricultural productivity did not improve

Figure 2.11. Mozambique: Employment by Sector, 2002–08



Source: IMF staff estimates based on country household survey data.

Figure 2.12. Vietnam: Employment by Sector, 2000–06

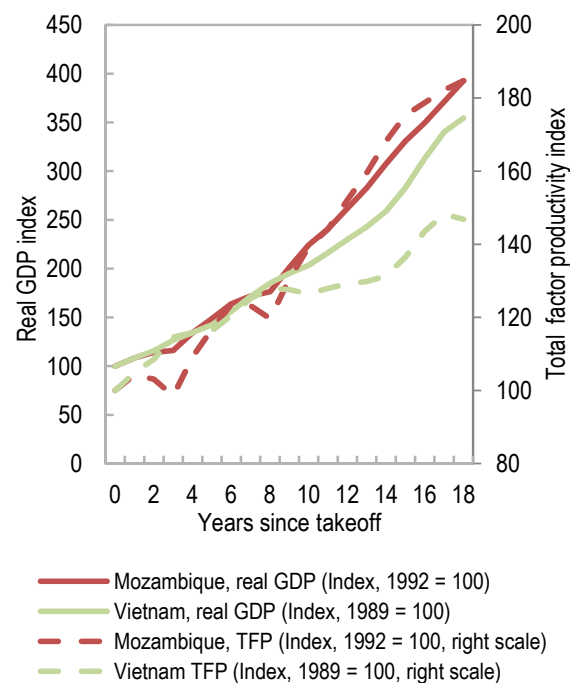


Source: IMF staff estimates based on country household survey data.

significantly in the period. In fact, unlike total factor productivity, agricultural productivity in Vietnam increased faster and lasted longer than in Mozambique, where it has remained flat in the last few years (Figures 2.13 and 2.14). In Vietnam, initial reforms focused on land use rights, privatization of collective assets, liberalization of prices, and streamlining of agricultural subsidies. These reforms were supported by a large, low-cost skilled labor force and proximity to major economies of the fastest growing region in the world. Foreign direct investment (FDI) from Asian countries accounted for almost 45 percent of cumulative FDI (IMF, 2014e).

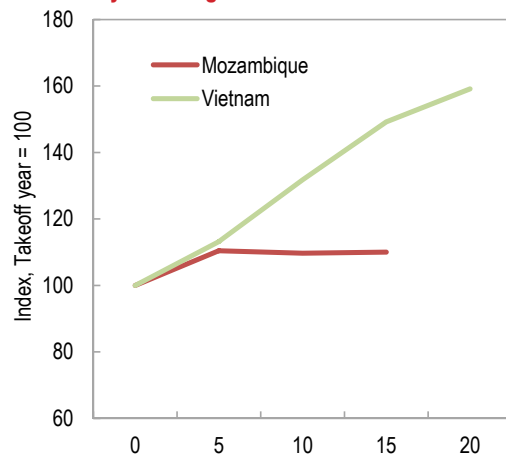
The experience of Mozambique shows that the accumulation of capital concentrated in sectors that generate little employment does not contribute significantly to poverty reduction. Large megaprojects in natural resource enclaves can still generate fast growth, but policies to make growth inclusive are still needed.

Figure 2.13. Mozambique and Vietnam: Real GDP and Total Factor Productivity



Source: IMF staff estimates based on data from the Penn World Tables, version 7.1.

Note: Index, takeoff year = 100. TFP = total factor productivity.

Figure 2.14. Mozambique and Vietnam: Total Factor Productivity in the Agricultural Sector

Source: IMF staff calculations based on estimates by U.S. Department of Agriculture Economic Research Service, International Agricultural Productivity data product.

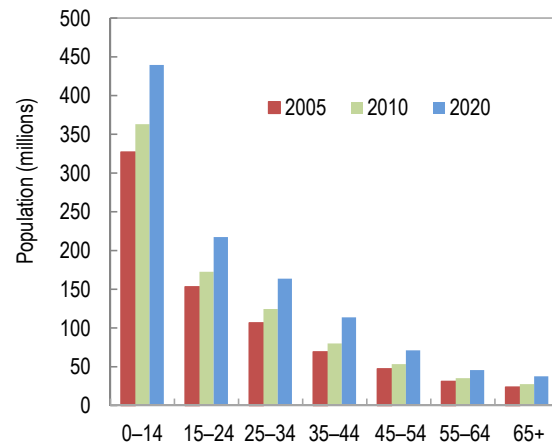
Note: Index, total factor productivity in agriculture = 100 in the year in which the growth takeoff began, $t = 0$.

THE JOB CREATION CHALLENGE

Sub-Saharan Africa needs to expand the availability and productivity of job opportunities for several reasons. First, most people in sub-Saharan Africa live from their labor income, and the number of poor in the region is still high. Second, the demographic dividend will result in a significant increase in the working age population. By 2020, more than half of sub-Saharan Africa's population will be below the age of 25, thereby creating massive employment and growth opportunities (Figure 2.15). Absorbing these individuals into productive activities that help reduce poverty rates in due course is crucial to avoiding social and political tensions that could derail much of the progress achieved thus far, particularly in a context of weak institutions.

As the comparison between Mozambique and Vietnam illustrates, a crucial challenge is to increase labor productivity for the largest possible share of the working age population.

Most of the sub-Saharan African population works in low-productivity agriculture and service activities using methods that do not benefit from economies of scale, partly reflecting low labor skills. Except for

Figure 2.15. Sub-Saharan Africa: Population by Age Group, 2005–20

Source: United Nations, World Population Prospects: The 2010 Revision.

middle-income countries, labor markets in sub-Saharan Africa are characterized by very low formal sector employment (about 10 percent of the labor force); very low unemployment rates (about 2–3 percent), and a large active population; leading to underemployment. Services are produced to a large extent in household enterprises.¹

In line with experience worldwide, including in sub-Saharan Africa, a shift of labor to other more productive sectors will gradually tend to reduce the share of agriculture in GDP. More processing of agricultural products, even if basic, would add value to the tasks of harvesting crops and farming animals, for example, by transforming agricultural products into meals at a restaurant or packaging and preserving food for export.

On the positive side, as employment opportunities are created elsewhere, underemployment in agriculture should be reduced. As less productive workers move out of the sector, value added (and earnings) per worker should rise even if there are no gains in productivity in agriculture. However, the experience of other countries, including Vietnam,

¹ Household enterprises mostly sell services and internationally and locally produced consumer goods (used clothing, household supplies, and food). They also transform agricultural goods into processed grain and other goods, and natural resources into charcoal, bricks, and iron works. Others pursue artisanal work.

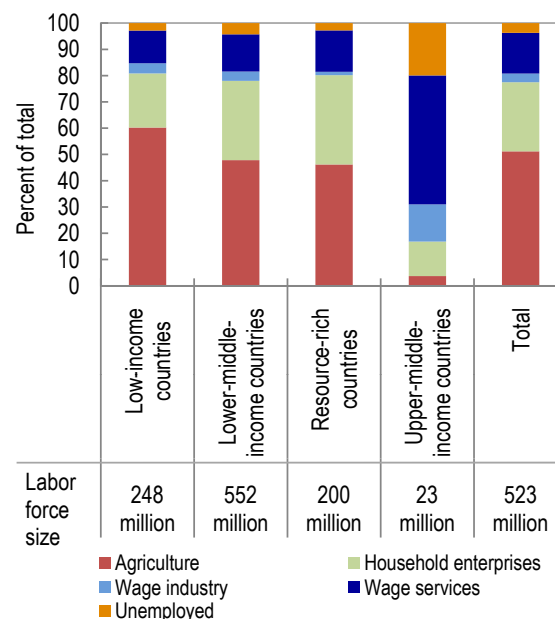
suggests that this process of higher productivity in agriculture is enhanced by gains in total factor productivity as the whole economy modernizes and diversifies. However, securing these gains usually implies a faster degree of urbanization to be able to move into higher-value-added activities, including manufacturing and exports of services. The latter would require further reforms that support a more business-friendly environment, such as reducing administrative burdens, simplifying regulations, and promoting competition, which may require investment to catalyze the ability of the country to incorporate the latest technologies. This approach could deliver sizable productivity gains that could generate sufficient employment opportunities to further reduce poverty and income inequality decisively. However, this also implies that country authorities need to invest more resources into urban infrastructure and improve their physical planning frameworks. Fiscal space needs to be generated to support the urbanization process to minimize the risks of social disruption and potential high welfare losses from a disorderly rural to urban transition.

At the same time, there is also significant scope for raising total factor productivity through improvements in agricultural productivity itself. Increasing agricultural productivity is also likely to deliver significant social dividends. Agriculture employs by far the most individuals in sub-Saharan Africa (Figure 2.16). Gains in agriculture are important because many workers will remain in the sector for a long time as agriculture is more labor intensive than other sectors, such as manufacturing and mining. In addition, the skills needed for agricultural activities are less specialized and require less training. Moreover, evidence from the region suggests that growth in agriculture in the last few decades has been among the most important contributors to poverty reduction in the region (Box 2.3). Growth in staple crops reduces poverty more decisively than growth in cash crops (IMF, 2013b).

Agricultural productivity in sub-Saharan Africa lags behind that of other countries, and this gap has widened over time (Figure 2.17). Most growth in sub-Saharan Africa has come from adding factors of production, such as land and labor, into the

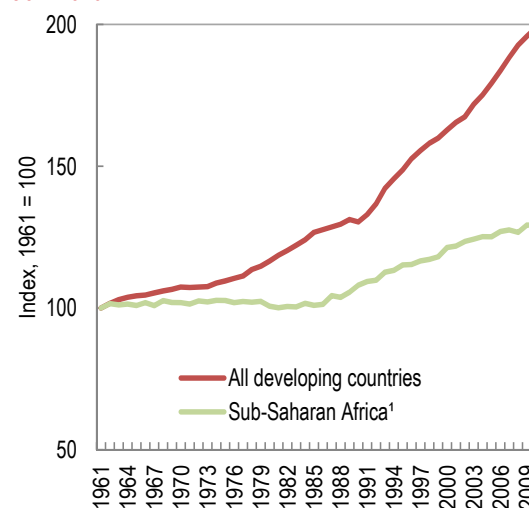
productive process. The continent combines a large area of uncultivated arable land with relatively low crop yields, and thus has enormous potential. In addition, the area under cultivation has increased in the region, unlike in the rest of the world, where it has declined because of growing urbanization.

Figure 2.16. Sub-Saharan Africa: Projected Distribution of Employment by Country Type and Sector, 2020



Sources: Country household surveys; IMF, African Department database; and IMF staff calculations.

Figure 2.17. Total Factor Productivity in Agriculture, 1961–2010



Source: U.S. Department of Agriculture, Economic Research Service.
¹ Excludes South Africa.

Box 2.3. Poverty Reduction and the Sectoral Composition of Growth

Progress with poverty reduction has been uneven across sub-Saharan African countries in the last two decades. In some fast-growing countries, the level of poverty has not decreased significantly, whereas the opposite is true in a country such as Ethiopia, which lifted almost one-fourth of its population out of poverty in 2000–10.

Why does growth benefit the poor much more markedly in some countries than in others? One explanation is differences in sectoral composition of growth. Ethiopia's growth surge has been mainly an agriculture and services story, but in other countries, growth has been mostly driven by extractive activities. Table 2.3.1 explores this idea further in the context of a panel of 35 sub-Saharan African countries and five three-year time periods from 1996 to 2010. Poverty is measured here by the \$1.25-a-day headcount index, using data from the World Bank's PovcalNet database. These data were supplemented with data from the IMF on sectoral real value added for agriculture, manufacturing, services, extractive activities (that is, mining plus manufacturing of petroleum and coal products), construction, and utilities.

Table 2.3.1 presents the results of assessing the poverty-reducing potential of the sectors in sub-Saharan Africa, examining them jointly in columns 1 and 2. Growth in all sectors (except utilities) has a significant and negative impact on poverty. The magnitude of this impact, however, varies widely from one sector to another. Agriculture seems to have by far the strongest bearing on poverty. According to our joint estimation, a 1 percent growth in agriculture pulls 0.41 percent of the population out of poverty. Then follow services: the same 1 percent growth reduces the proportion of poor people in the population by roughly 0.28 percent. Other sectors show a much lower elasticity of poverty to growth, as shown in column 2. These results hold if the Gini coefficient is included as a control variable.

Table 2.3.1. Sub-Saharan Africa: Relationship between Sectoral Growth and Poverty Reduction

Dependent variable: Poverty headcount Index	1	2
Agriculture	-0.410 ** (0.047)	-0.430 *** (0.000)
Services	-0.280 *** (0.000)	-0.200 *** (0.000)
Manufacturing	-0.130 (0.160)	-0.050 (0.250)
Extractive activities	-0.080 * (0.092)	-0.090 * (0.006)
Construction	-0.190 (0.123)	-0.080 (0.111)
Utilities	0.070 (0.533)	-0.040 (0.761)
Gini		0.250 *** (0.000)

Source: IMF staff calculations.

Note: P-values reported in parentheses; and ***, **, and * indicate significance at the 1 percent, 5 percent, and 10 percent levels, respectively. Estimates were obtained using the generalized method of moments.

This box was prepared by Isabell Adenauer and Samba Mbaye.

The overall lackluster performance in agricultural productivity reflects significant obstacles related to structural problems that are politically difficult to address decisively. Still, some sub-Saharan African countries, such as Ethiopia and Rwanda, have already increased their yield substantially. In other countries, however, agricultural productivity has stagnated. McKinsey (2010) estimates that shifting to higher-value crops and increasing crop yields, coupled with cultivating more land, could, over in the next two decades, increase growth in the value of the continent's agricultural production to a rate twice as fast compared to that experienced in the last decade.

Policies for creating job opportunities

Raising agricultural productivity and encouraging economic diversification into labor-intensive activities beyond agriculture requires investments in human and physical capital, both private and public. Given scarce resources, government efforts at reducing poverty need to be well targeted. Because household enterprises absorb most of the labor force in the region, a poverty reduction strategy should focus on nurturing them to grow into more productive firms.

Governments in the region can support household enterprises by providing the following:

- A business environment that does not overburden them with taxation or regulation. At the moment, household enterprises often pay taxes at a higher rate than large businesses, but receive little in return.
- Supplementary services such as security, sanitation, electricity, transport, and water supply, among others, that could be thought of as the business infrastructure of the economy.
- Technical training on job-relevant skills, including business and financial literacy skills to help improve human capital.
- Raising productivity in the agricultural sector through appropriate land reform, accompanied by improvements in physical infrastructure and increased crop yields. This could assist the

structural transformation process and generate widespread economic gains.

- Policies for financial inclusion that permit their access to financial services (including credit, banking services, and insurance products).

In most sub-Saharan African countries, financial systems are not well developed. On the one hand, private savings are relatively low, and there is limited coverage of social security and social safety nets to rely on during old age or when facing adverse shocks, respectively. On the other hand, as mentioned earlier, labor continues to be the single most important source of income for the vast majority of the region's population.² For more enterprises to grow and provide employment opportunities, more people should be willing to take risks. Constrained access to credit would limit the implementation of new projects, especially the most innovative that require a longer period of maturity. Access to savings, insurance, and other financial services is needed to smooth household and business cash flows. Field experiments show that giving individuals access to savings accounts increases savings, productive investment, consumption, investment in preventive health, productivity, and income (Demirgüç-Kunt, Beck, and Honohan, 2008). Finally, broader financial access would help allocate talent across occupations, encouraging entrepreneurs to use their skills to create productive job opportunities.

THE FINANCIAL INCLUSION CHALLENGE

Financial system deepening can help raise investment, spur innovation, facilitate technology transfer, and lead to a more efficient allocation of capital across sectors (Dabla-Norris and others, 2013). However, financial deepening may coexist with exclusion of large segments of the population from financial services. To illustrate the difference

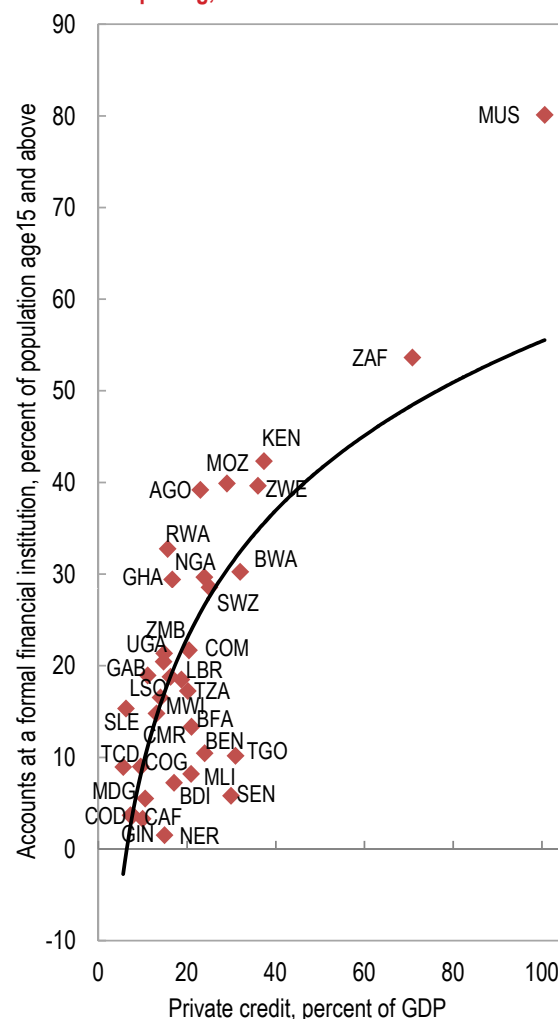
² Not surprisingly, public opinion surveys in sub-Saharan Africa consistently place jobs (or the lack thereof) among the most pressing concerns of the population. See, for example, the series of Afrobarometer opinion polls collected between 2002 and 2012. Jobs and income still outrank the next most pressing problem by almost 8 percentage points.

between financial deepening and financial inclusion, we plot financial deepening, measured by the ratio of credit to GDP, and financial inclusion, measured by the percent of the adult population holding an account in a formal institution. Figure 2.18 shows that, overall, once a critical level of access is reached, further progress with financial deepening may still help increase saving and investments needed for developing productive activities and generating employment. But for low-income economies, increasing financial deepening without raising financial access significantly will have less impact on the creation of job opportunities and the promotion of business activities that benefit the poor. This requires a proactive approach by policymakers to spur financial access at low levels of intermediation because high transaction costs may discourage financial institutions from granting access to low-income households.

The impact of financial access on human development and income is not easy to establish empirically because of reversed causality concerns. Using information from the World Bank Global Financial Inclusion database, we explore a possible correlation between these two variables to visualize the impact of policies facilitating higher financial access (Figure 2.19).³ We plot GDP-adjusted financial access performance by country against changes in human development indices between 2000 and 2011 and find a positive correlation for countries with an intermediate level of financial intermediation (credit-to-GDP ratio between 10 percent and 30 percent). This suggests that countries in the transition from a low to a high level of financial intermediation are those enjoying a faster increase in human development indices. In fact, many of the underperformers are countries with low financial intermediation. Likewise, many overperformers are countries that also show higher levels of financial intermediation.

³ We measure financial access performance for sub-Saharan African countries by the difference between the actual share of the adult population holding a bank account (actual financial access) and the level of financial access explained by their GDP per capita based on a simple ordinary least squares (OLS) regression.

Figure 2.18. Sub-Saharan Africa: Financial Access and Financial Deepening, 2011



Sources: IMF, African Department database; and World Bank, Global Financial Inclusion database.

Note: See page 64 for country name abbreviations.

The problem of financial intermediation is more pressing for the poor. Higher intermediation costs for the poor make financial access less elastic to changes in income for this group. The response of financial access to changes in GDP per capita is stronger for “rich” (top income quintile) than for “poor” (bottom income quintile) populations. The difference between rich and poor is even sharper when using the HDI, suggesting that other components of the HDI, such as life expectancy and educational attainment within a country, may also play an important role in explaining differences in the financial access response to changes in living

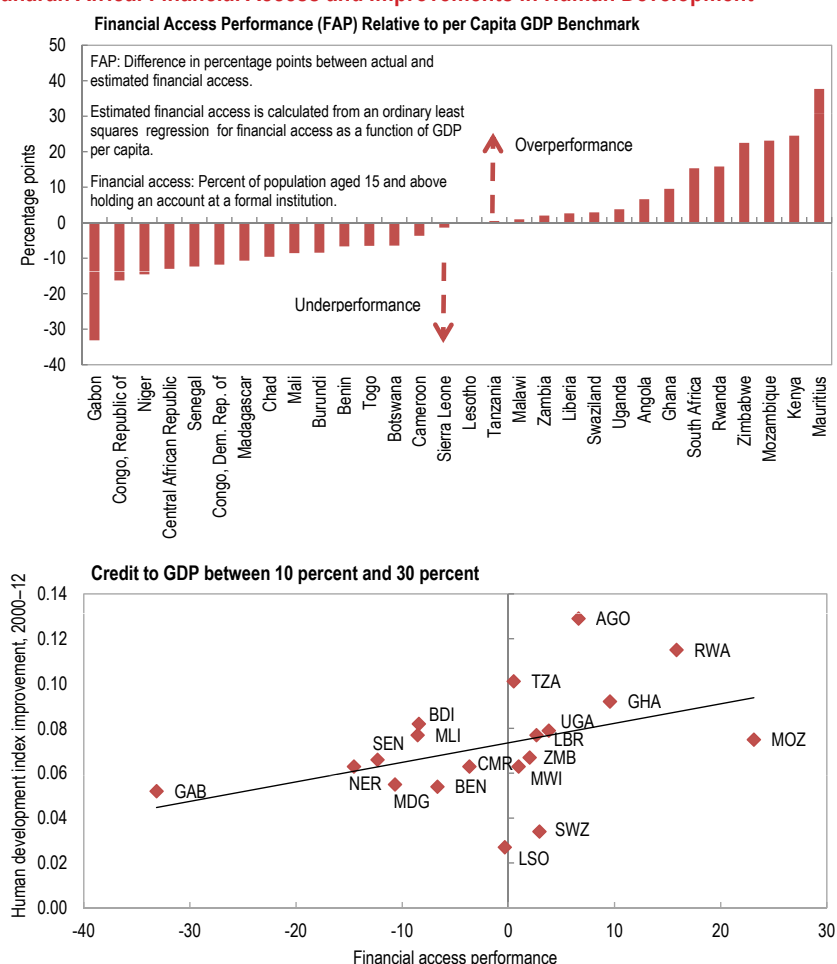
standards between the poor and the rich (Figures 2.20 and 2.21). For example, primary and secondary education are correlated with the ability to adapt new technologies, an increasingly important element of financial access in sub-Saharan Africa.

This evidence suggests that policies that help reduce intermediation costs may have a stronger potential to expand financial inclusion, especially for the poor, than measures that attempt to increase access to credit directly. For many years, financial inclusion policies in LICs, and in sub-Saharan African countries, have focused on providing larger access to credit to the poor, through special credit lines or specialized credit institutions, including state-owned banks and microfinance institutions. However, these policies have had mixed results

in terms of improving access to financial services, and have not reduced intermediation costs (World Bank, 2014).

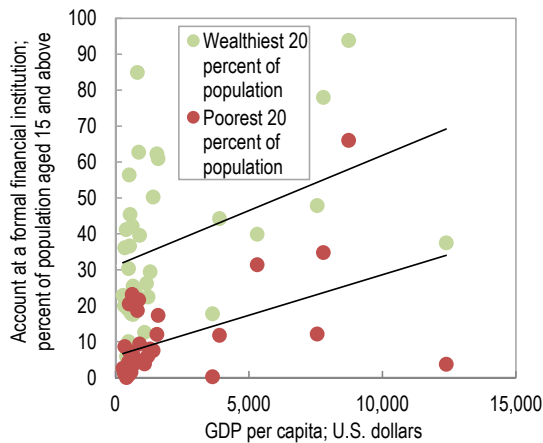
More recent evidence points at technological developments as successful drivers of reductions in intermediation costs, and new studies show that the impact of lower transaction costs on economic activity and welfare can be substantial. From the fast increase in the number and use of ATMs to the impressive growth of mobile money transfers, sub-Saharan African countries are experiencing a substantial transformation in the provision of financial services. In Kenya, mobile banking has become mainstream, and the model is being followed by other sub-Saharan African countries. There is room for exploiting the potential benefits from this

Figure 2.19. Sub-Saharan Africa: Financial Access and Improvements in Human Development



Sources: United Nations Development Programme, Human Development Report; and World Bank, Global Financial Inclusion database.
 Note: See page 64 for country name abbreviations.

Figure 2.20. Sub-Saharan Africa: Financial Access and GDP per Capita, 2011

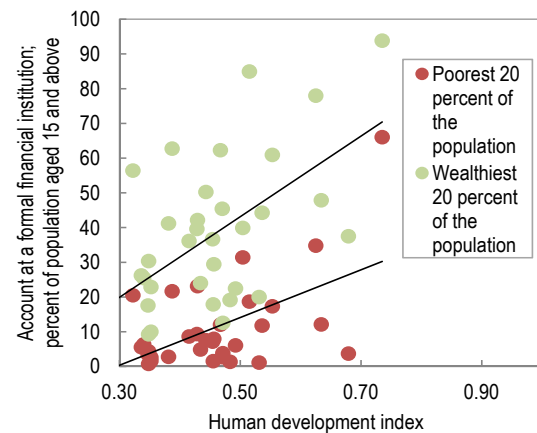


Sources: IMF, World Economic Outlook database; and World Bank, Global Financial Inclusion database.

innovation, with Angola and Kenya well ahead of other countries in the use of mobile phones for transactions other than transfers (Figure 2.22).

Recent research has tried to identify more fundamental issues behind Kenya's success. Using a regulatory index comprising regulations on e-contracting, consumer protection, interoperability, know-your-customer service, branchless banking, and e-money, Gutierrez and Singh (2013) find that the right balance in regulatory openness and

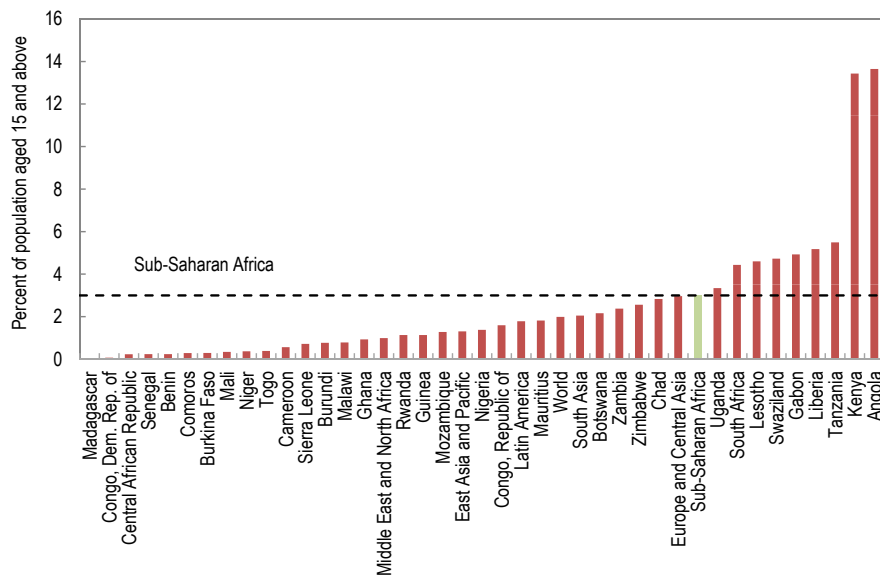
Figure 2.21. Sub-Saharan Africa: Financial Access and Human Development Index, 2011



Sources: United Nations Development Programme, Human Development Report; and World Bank, Global Financial Inclusion database.

certainly explain Kenya's success relative to a sample of 34 developing and emerging market economies. In countries moving faster to exploit mobile banking, new business models are contributing to improving financial inclusion and innovation. Other empirical evidence shows that mobile phones have the potential to benefit consumers' and producers' welfare and perhaps broader economic development (Aker and Mbiti, 2010).

Figure 2.22. Sub-Saharan Africa: Mobile Phones Used to Pay Bills, 2011



Source: World Bank, Global Financial Inclusion database.

Policies to foster financial inclusion

Enabling policies can go a long way in supporting financial inclusion, and show a huge potential to incorporate low-income segments of the population into formal financial systems. This includes being flexible in the adoption of innovative products. New products will normally constitute potential competition with established market players, who naturally will be opposed to their introduction and will lobby for additional safeguards before admitting new entrants to financial markets. In addition, the parallel introduction of different platforms can be mutually supportive. The interplay among bank agents, credit bureaus, and mobile banking allows the buildup of a track record for users of financial services from the lower-income segment of the population—which will eventually facilitate access to credit in a more sustainable way than through special programs.

Policies to support financial inclusion should include the following:

- Promoting competition and removing market imperfections, especially those introducing biases against access by the poor to financial services. Facilitating the use of bank agents—using post offices, supermarkets, grocery stores, and gasoline stations to represent banks outside of their branch network—will make financial services much more accessible to large segments of the population.
- Focusing improvements in financial and lending infrastructure in areas with higher impact on financial and transaction costs. For example, supporting borrower identification can go a long way in mitigating the reluctance of banks to absorb low-income customers. Also, supporting the information environment will contribute to higher competition and lower costs.
- Facilitating the operations of credit-reporting institutions allowing effective information that benefits low-scale bank customers. This requires an adequate legal framework that protects the

rights of consumers, mitigates information availability risks, and ensures equity and transparency among participants (Brown, Japelli, and Pagano, 2009).

- Balancing market-friendly actions, appropriate macroprudential oversight, and careful calibration of public policies should be a permanent effort. Policies to broaden financial access require a concomitant widening of the regulatory and supervisory perimeter to minimize regulatory arbitrage and financial system risks.

CONCLUSION

This chapter focused on identifying key policies that can help to create job opportunities and reduce poverty for the fast-growing population in sub-Saharan African countries, enabling them to continue and possibly enhance their recent favorable performance by making growth more inclusive. Maintaining sound macroeconomic policies and removing structural distortions remain necessary in sustaining economic expansion and supporting job creation. These need to be supplemented by significant improvements in infrastructure to lower the cost of doing business and increase output. This also means that sustainable capital accumulation will be necessary to supplement total factor productivity, which in the past decade has supported economic expansion. Improvements in agricultural productivity alongside structural transformation are essential for continued poverty reduction in sub-Saharan Africa—at least for the next few decades.

In addition, policies focused on fostering financial inclusion are crucial for expanding job opportunities in sub-Saharan African countries and LICs in general, as they increase the participation of the poor in economic activities. Policies that lower financial transaction costs—for example, by facilitating the creation of new business platforms based on technological improvements—and strengthen institutions, including those that promote financial stability, are shown here to have the potential to admit more of the low-income segments of the population into the financial system.

3. Improving Monetary Policy Frameworks

MONETARY POLICY LANDSCAPE IN SUB-SAHARAN AFRICA

With inflation declining to single digits in many sub-Saharan African countries since the early 2000s, central banks currently face a different set of challenges. In particular, as is the case in other countries, the relationship between money and inflation has become weaker in a low-inflation environment, as countries have opened their capital accounts, attracting capital inflows, and deepened their financial markets. As advanced economies exit from unconventional monetary policies that were designed to provide economic stimulus in the wake of the global financial crisis, their tightening of monetary policy will increase funding costs for frontier market economies and heighten the risk of reversal of capital flows as recently experienced by a number of emerging markets. Against this backdrop, this chapter considers the conduct of monetary policy and its recent evolution in a select group of countries in sub-Saharan Africa, including the key factors driving the changes and the challenges they pose, and how policymakers are responding to them. The downside risks and policy recommendations set out in this chapter underscore the need for vigilant and effective monetary policy to help mitigate the risks to macroeconomic and financial stability.

In this chapter “monetary policy framework” refers to the process through which central banks with a floating or managed floating exchange rate regime conduct monetary policy aimed at achieving macroeconomic policy objectives and react to shocks to mitigate their impact on the economy. The process encompasses setting the objectives and intermediate targets for monetary policy, analyzing

relevant developments, using instruments to achieve intermediate targets, and communicating about monetary policy.

Monetary policy frameworks in sub-Saharan Africa are reviewed against the backdrop of far-reaching changes in the global economic and financial landscape that are shaping the conceptual underpinnings, institutional arrangements, and implementation of monetary policy. The global financial crisis has challenged established underpinnings of monetary policy and provoked a reassessment of the objectives, decision rules, and tools of monetary policy. Monetary authorities around the world are pragmatically adapting monetary policy to achieve and maintain low inflation and robust economic growth, while promoting financial stability.

Until recently, central banks in sub-Saharan Africa relied mainly on controlling the money supply to achieve their inflation targets, but this link has now weakened substantially. In addition, despite the low inflation environment, monetary policy has become more challenging in the face of external shocks that frequently require policymakers to make trade-offs among inflation, growth, and exchange rate movements.

Implementation of monetary policy in sub-Saharan Africa has been complicated further by vulnerabilities to terms-of-trade shocks, ongoing financial deepening, and changes in exchange rate regimes. In addition, monetary policy implementation in the region is subject to a number of institutional and capacity constraints.¹ These include the lack of adequate and timely data to accurately measure inflation given the urban/rural divide in the consumption basket, the state of the economy, limited understanding of the transmission channels, weak accountability regarding policy objectives and

This chapter was prepared by Hamid Davoodi, Mumtaz Hussain, R. Armando Morales, Bozena Radzewicz-Bak, Juan Treviño, and Oral Williams under the guidance of S. Kal Wajid and Michael Atingi-Ego. Research assistance was provided by Cleary Haines and George Rooney.

¹Although these challenges are not unique to sub-Saharan African countries, they are relatively more pronounced, reflecting the differences in the region’s economic and trade structure.

transparency of policy decisions, and insufficient attention to communication strategies.

As elsewhere, the weaker relationship between the money supply and inflation and changing financial landscape are forcing central banks in sub-Saharan Africa to use more eclectic approaches. The transition is being helped by reduced recourse to central banks for financing budgets and greater exchange rate flexibility.² Thus, Ghana, South Africa, and more recently Uganda, have adopted a formal inflation-targeting regime, while other countries are deemphasizing the role of monetary aggregates and incorporating elements of the monetary policy practice of industrial and emerging market countries. This includes greater reliance on interest rates for the transmission of the monetary policy stance, improved liquidity management, and enhanced capacity for policy analysis, forecasting, and communication strategies.³

The analysis in this chapter suggests that as countries adopt a gradual approach toward more flexible and forward-looking monetary policy frameworks, they will need to strengthen policy formulation, operations, information flow, and communications to avoid engendering policy confusion and delaying action. Essentially, the appropriate policy framework lies along a continuum using money aggregates as an anchor at one extreme, hybrid frameworks with a significant role for inflation and the exchange rate (depending on a country's structural characteristics) in between, and formal inflation targeting at the other extreme. At the same time, monetary policy analysis could be improved in countries that do not have evolving monetary policy frameworks, as well as in those that are transitioning

toward more forward-looking frameworks, by considering the following factors:

- ***Reduce overreliance on monetary policy to achieve competing goals.*** Monetary policy should not be overburdened by multiple objectives that impede its effectiveness and may compromise central bank credibility. As suggested by empirical studies, pass-through from the policy rate to interbank rates tends to be weaker in countries pursuing multiple goals that can, in some instances, be conflicting.
- ***Improve data.*** The timeliness of high-frequency macroeconomic data is important for monitoring and evaluating developments in the economy and determining the appropriate policy response. IMF Article IV reports consistently evaluate the adequacy of data for surveillance and point to areas in need of improvement.
- ***Strengthen analytical capacity.*** Analytical models are an important part of the policy-maker's toolkit in gauging the transmission of monetary policy and forecasting the medium-term path for inflation. Technical assistance will be needed to strengthen analytical capacity aimed at bolstering processes that guide the implementation of monetary policy.
- ***Develop a communication strategy.*** Communicating the reasons for changes to the monetary policy stance or revisions to inflation projections is essential to building credibility with the public. Policy predictability enhances effectiveness in signaling central banks' preferences regarding price stability and, consequently, the effectiveness of anchoring the private sector's expectations regarding the future path for inflation. Similarly it is important for central banks to explain deviations from targets when they occur, and how they intend to correct policy misses.
- ***Augment the range of policy instruments.*** Price-based instruments, such as the policy rate, will gain increasing importance as a means of communicating the marginal cost of

² The breakdown in the relationship between money and inflation partly reflects changes in money velocity and multiplier. Money velocity is defined as the frequency at which one unit of currency is used to purchase domestically produced goods and services in a given time, measured by the ratio of GDP and broad money (M2). The money multiplier measures the amount of commercial bank money that can be created by a given unit of central bank money, measured as the ratio between broad money (M2) and base money (M0).

³ For a discussion see "Monetary Policy Issues in Sub-Saharan Africa," by Berg and others (2014).

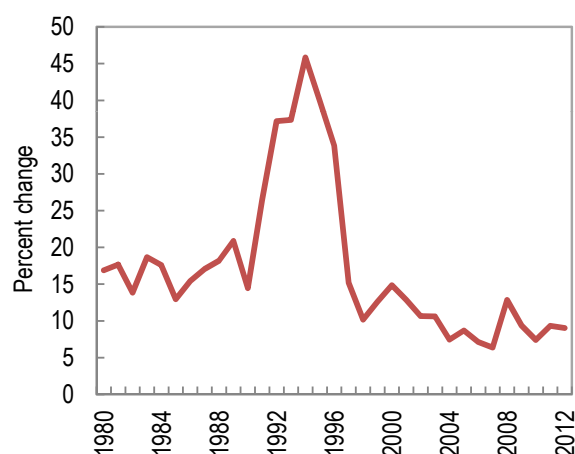
funds to the private sector. The development of money market instruments will enhance the effectiveness of the signaling effect of the policy rate. This will require reforms to improve the efficiency of money and foreign exchange markets along with supportive legal infrastructure governing the collateral and autonomy of the central bank.

- **Improve liquidity management.** Countries pursuing flexible money-targeting regimes will be challenged to manage short-term liquidity while attempting to stabilize and mitigate volatility in short-term money market interest rates, especially in the context of structural excess liquidity.
- **Stabilize the financial sector.** An adequately regulated and supervised financial system will contribute to better transmission of monetary policy signals. Weaknesses in commercial banks' balance sheets may prevent using monetary policy in a more decisive manner, given that such decisions may have detrimental effects on weaker banks.

SNAPSHOT OF MONETARY POLICY FRAMEWORKS IN SUB-SAHARAN AFRICA

Besides the close linkage to inflation, anchoring monetary policy in most sub-Saharan Africa countries to a monetary aggregate had the advantage of readily available monetary data and a disciplining effect on fiscal policy. In the 1990s, some of the underlying assumptions of a money-targeting framework became increasingly questionable, especially in advanced economies (Box 3.1). In particular, the view that the central bank had full control of the nominal money stock—and that the long-run relationship between money growth and nominal income growth was stable—was widely challenged. At the same time, exchange rate pegs also started to fall out of favor in the face of growing international capital flows and the high cost of potential currency crises.

Figure 3.1. Sub-Saharan Africa: Trends in Inflation, Average Consumer Price Index, 1980–2012



Source: IMF, World Economic Outlook database.

A dramatic decline in trend inflation has been a major factor in the way monetary policy is conducted in the region. In the 1990s, sub-Saharan African countries hung on to money- or exchange rate-based monetary policy regimes as inflation was still in double digits on average for most sub-Saharan African countries—except those belonging to the CFA franc zone—and closely controlling the money supply was seen as critical for bringing down inflation.⁴ However in the last decade, the region has seen a trend decline in inflation and its volatility (Figure 3.1), with diminished importance attached by policymakers to changes in the money supply. In money-targeting countries, inflation declined from 24 percent in 1989–2000 to 10 percent in 2001–12.⁵ In two of the three inflation-targeting countries (Ghana, South Africa, Uganda), inflation performance was mixed. In South Africa, inflation declined from 10 percent to 6 percent, in Ghana from 27 percent to 16 percent. At the same time, terms-of-trade shocks have tended to hamper the transition to disinflation in several sub-Saharan African countries (Box 3.2).

⁴ The CFA (African Financial Community) franc zone comprises two monetary unions pegged to the euro: the West African Economic and Monetary Union (WAEMU), comprising eight members, and the Economic and Monetary Community of Central Africa (CEMAC), comprising six members.

⁵ Excluding the Democratic Republic of the Congo, which experienced hyperinflation in 1993–95.

Box 3.1. Global Evolution of Monetary Policy Frameworks

The adoption of money targeting by many countries in the mid-1970s followed the collapse of the Bretton Woods system of fixed exchange rates in the early 1970s and a widespread increase in inflation. In the late 1970s and 1980s, many central banks around the world built their monetary policy frameworks around money targeting as an alternative to exchange rate pegs (Goodhart, 1989). Money targets had the advantage of counting on rapidly available information, and of being a useful tool to induce fiscal policy discipline.

In the early 1980s major industrialized countries began abandoning money targeting as unstable money demand, rapid financial innovation, disintermediation from the banking system, and deregulation of financial markets began to weaken the relationship between monetary aggregates and inflation; monetary targeting became increasingly unsatisfactory as a useful nominal anchor for monetary policy. This was followed by the collapse of exchange rate pegs of various kinds in industrial countries—accounting for two-thirds of monetary policy frameworks in 1989—culminating in the Exchange Rate Mechanism crisis in 1992 that helped spur the adoption of inflation targeting by some European countries followed by several emerging markets in the early 2000s. New Zealand was the first advanced economy to introduce inflation targeting in 1989.

By the end of 1990, global inflation was at its lowest since the breakdown of the Bretton Woods system. Many countries brought down inflation to 25-year lows and were in search of a framework to anchor inflation gains more effectively (Mahadeve and Sterne, 2000). Countries in the European Union made a historic shift toward a currency union, while other countries were pushed by currency crises toward greater exchange rate flexibility. Many advanced and emerging market countries have adopted inflation targeting since then, incorporating key elements of successful money-targeting regimes.

The first real challenge to the credibility of inflation-targeting regimes was the 2008 commodity-price shock and how to integrate financial stability in the inflation-targeting framework after the global financial crisis. Inflation targets were overshoot by most emerging market inflation-targeting countries, but inflation-targeting countries saw inflation rising by less than in other countries. Currency appreciation under flexible exchange rate regimes and a greater degree of central bank independence helped keep inflation in check (Habermeier and others, 2009). Some economists find that inflation targeting, like other regimes in place in advanced economies, did not pay enough attention to asset-price bubbles and their potential impact on financial stability before the crisis, meriting exploration of other monetary policy options (Frankel, 2012). However, many authors argue that inflation targeting will still be needed as “advanced economies work their way through today’s slow growth, rickety banks, and over indebted public sectors” (Reichlin and Baldwin, 2013, p. viii).

This box was prepared by R. Armando Morales.

Box 3.2. Monetary Policy and Terms-of-Trade Shocks in Sub-Saharan Africa

In recent years, terms-of-trade shocks (mainly reflecting food and fuel price shocks) have posed challenges to the conduct of monetary policy in sub-Saharan Africa (2007–08 and 2010–11; Figure 3.2.1):

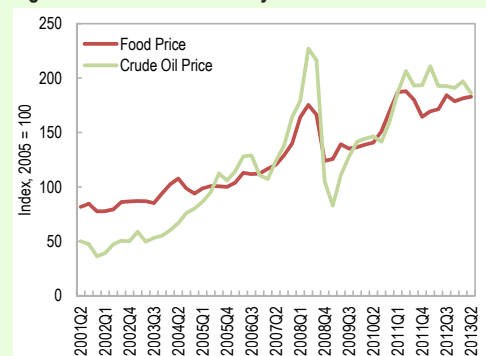
The 2007–08 Episode

In the 2007–08 episode, average inflation in sub-Saharan Africa increased from 9 to 15 percent, mainly because of an acceleration in food prices from 10 to 20 percent and in fuel prices from 12 to 19 percent. Inflationary pressures quickly abated because of the worsening of the global financial crisis, and interest rates remained low in most sub-Saharan African countries in anticipation of potential spillover effects from the global downturn on the region's economic activity. The policy advice during this episode focused on accommodating the first-round effects of these shocks.

The 2010–11 Episode

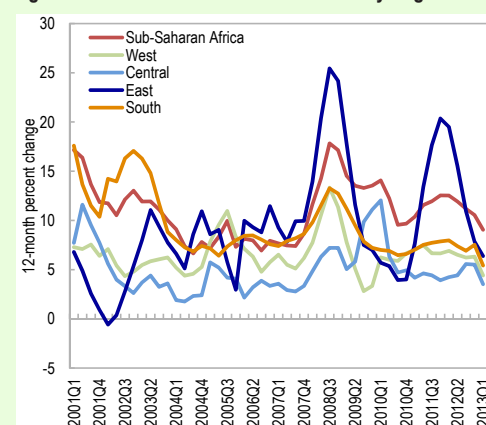
During the 2010–11 episode, the impact on inflation was more varied across the region (Figure 3.2.2). In countries with formal inflation targeting regimes (for example, South Africa), the inflation impact was largely confined to the first-round effects of higher import prices. In Ghana, another inflation-targeting country, inflation was little changed compared to the year before. However, the picture was very different in some fast-growing countries with floating exchange rate regimes that had kept interest rates low for a prolonged time. The terms-of-trade shock combined with strong credit growth led to significant inflationary pressures in these countries. In several cases, exchange rate depreciation compounded the inflationary impact (Kenya, Tanzania, Uganda). Inflation rates approached or exceeded 20 percent by the fourth quarter of 2011 in Burundi, Ethiopia, Kenya, Tanzania, and Uganda. Both countercyclical monetary and fiscal policy were pursued in a number of countries but at varying speeds in response to the shocks.

Figure 3.2.1. World Commodity Prices



Source: IMF, World Economic Outlook database.

Figure 3.2.2. Sub-Saharan Africa: Inflation by Region



Source: IMF, *International Financial Statistics*.

Note: Zimbabwe was excluded due to hyperinflation.

This box was prepared by Yibin Mu.

The approach to more flexible monetary policy frameworks varies across countries in sub-Saharan Africa. Key features of the monetary policy frameworks for 11 countries—for which information is readily available and that represent varied monetary and exchange rate regimes, per capita incomes, dependence on natural resources, and central bank institutional arrangements as of 2013—are shown in Table 3.1. All countries report the use of some form of policy rate, and all but one pay attention to the interbank rate as an operating target.⁶ Still, 8 out of 10 countries rely on broad money as an intermediate target, and the same number report a floating exchange rate regime.

A few specific observations are noteworthy in Table 3.1:

- Achieving and maintaining low inflation is the primary objective of monetary policy frameworks in most countries (Table 3.1) and in most cases the specific level or the horizon over which it is to be achieved is not defined. Some money-targeting countries also use a policy rate as a complement (Kenya, Nigeria). However, under this regime while money targets may not play a systematic role in monetary policy, the adoption of greater flexibility permits the use of target ranges for monetary aggregates.
- A similar set of monetary policy instruments is employed across all monetary policy frameworks, although the extent to which they are used varies across countries.
- Monetary policy committees are now becoming an integral part of the institutional arrangements (Angola, Kenya, Uganda, among others). This has increased the transparency and communication of monetary policy.

⁶ In some cases the policy rate is an announced rate and may not always signal the stance of monetary policy.

KEY DRIVERS OF THE EVOLUTION OF MONETARY POLICY FRAMEWORKS IN SUB-SAHARAN AFRICA

Weaker relationship between money and inflation

As inflation has stabilized, its relationship with broad money has shifted in the face of financial deepening and increased capital inflows. Although the relationship remains positive and significant, recently it has weakened considerably (Figure 3.2). In sub-Saharan African countries, the correlation between inflation and M2 has declined from 0.88 in 1989–2000 to 0.20 in 2001–12. This is consistent with the behavior observed in low-income countries as a whole: cross-section regressions show that the coefficient of money growth has declined from 0.64 in 1990–2002 to 0.29 in 2002–12 (IMF, 2014d). Also, the IMF study finds that the regression coefficient for money growth in high-inflation countries (inflation higher than 10 percent) is between 30 and 50 percent larger than for low-inflation countries.⁷ In addition, the positive correlation between changes in the velocity of money and inflation in sub-Saharan African countries is considerably lower, suggesting money demand is no longer influenced significantly by inflation developments.

Instability of money velocity and money multipliers

Since 2001, average velocity in sub-Saharan Africa has declined, largely because of the increased demand for money, reflecting the greater monetization of the economies and sensitivity to interest rates with the deepening of the financial sectors (Figure 3.3). At the country level, money velocity has declined even further in most money-targeting countries since 2007. Over a longer horizon, low-income countries show significant financial deepening between 1990–2010 (IMF, 2014d).

The evolution of money multipliers also reflects increased monetization and financial intermediation (Figure 3.4) accompanied by changes in

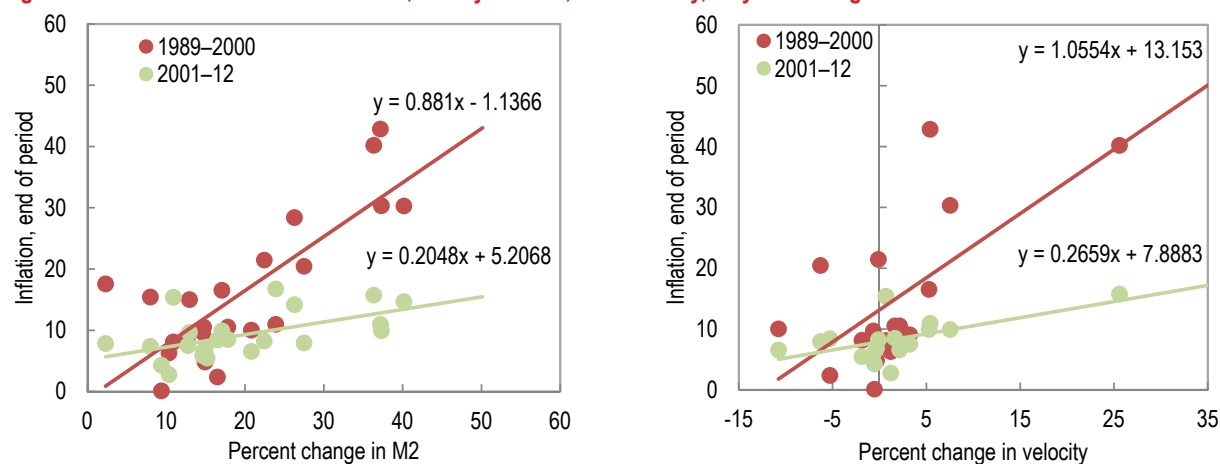
⁷ Consistent with De Grauwe and Polan, 2005; and Thornton, 2008.

Table 3.1. Sub-Saharan Africa: Key Features of Monetary Policy Frameworks, Selected Countries

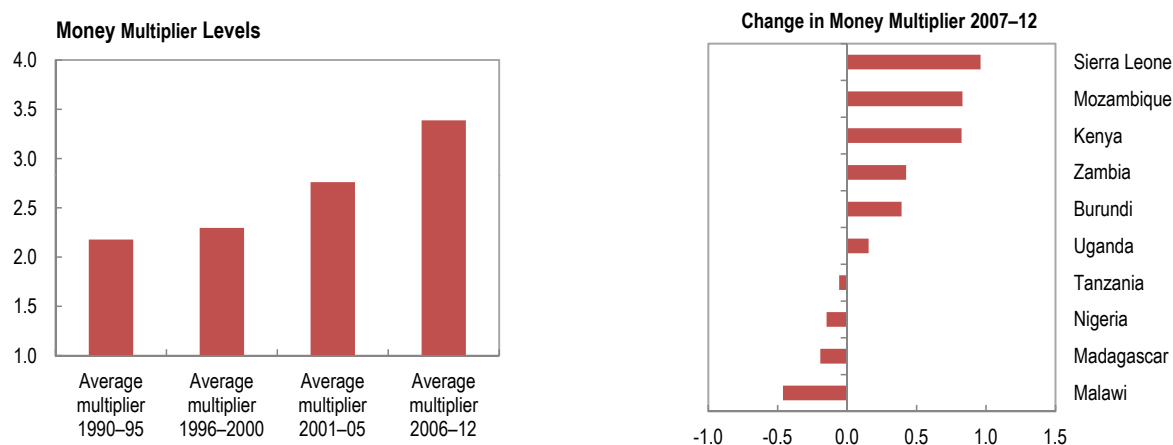
Country	Main Instruments	Operating Targets	Intermediate targets	Objectives	De Facto Monetary Regime	De Facto Rate Regime	Modalities of Communication
Angola	Open market operations Reserve requirement Foreign exchange sales Policy rate Standing facilities	Exchange rate	Broad money	Preservation of the value of national currency Price stability Single-digit inflation	Exchange rate anchor to the U.S. dollar	Stabilized arrangement	MPC in operation since 2012 MPS published infrequently
Ghana	Policy rate (prime rate) Open market operations Reserve requirement Foreign exchange purchase/sale	Interbank rate	Inflation forecast	Low inflation Inflation target of 8.5 ± 2 percent Employment Growth	Inflation targeting	Floating	MPC meets bimonthly; PR/PC Central bank accountable to the parliament and the wider public
Kenya	Policy rate (central bank rate) Open market operations Reserve requirements Standing facilities Foreign exchange purchase/sale	Interbank rate Reserve money Net domestic assets of central bank	Broad money	Low and stable inflation Inflation target of 5 ± 2.5 percent Growth Employment Financial stability	Hybrid inflation targeting lite	Floating	MPC meets bimonthly; PR/PC MPS published twice a year
Mauritius	Policy rate (key repo rate) Open market operations Standing facilities Reserve requirement	Interbank rate	Inflation forecast	Price stability Orderly and balanced development Exchange rate	Hybrid inflation targeting	Floating	MPC meets quarterly; PR Inflation report published twice per year
Mozambique	Open market operations Standing facilities Reserve requirement Policy rate	Reserve money	Broad money Credit to private sector	Price stability. Medium term inflation target of 5–6 percent Financial stability	Money targeting	Floating	MPC meets monthly; PR
Nigeria	Open market operations Standing facilities Policy rate Reserve requirement	Reserve money Interbank rate	Broad money	Price stability Financial stability Sustainable growth	Money targeting	Other managed arrangement	MPC meets bimonthly; PR/PC
Rwanda	Open market operations Policy rate (key repo rate) Reserve requirement Foreign exchange sales	Reserve money Interbank rate	Broad money	Price stability and low inflation Maintain a stable and competitive financial system without exclusion	Money targeting	Crawl-like arrangement	MPC meets quarterly; PR/PC MPS published twice a year
South Africa	Policy rate (repo rate) Standing facilities; repo Open market operations	Interbank rate	Inflation forecast	Achievement and maintenance of price stability Inflation target 3–6 percent	Inflation targeting	Floating	MPC meets bimonthly; PR/PC Central bank accountable to the parliament and the wider public
Tanzania	Open market operations Policy rate (central bank rate) Reserve requirement Foreign exchange sales	Reserve money Interbank rate	Broad money	Price stability Balanced and sustainable growth	Money targeting	Floating	MPC meets bimonthly; PR/PC MPS published twice a year
Uganda	Open market operations Policy rate (central bank rate) Foreign exchange purchase/sales Standing facilities; repo	Interbank rate	Inflation forecast	Low and stable inflation Inflation target of 5 percent over the medium term	Inflation targeting lite	Floating	MPC meets monthly; PR/PC MPS published monthly
Zambia	Open market operations Policy rate (central bank rate) Foreign exchange purchase/sales Reserve requirement	Reserve money Interbank rate	Broad money	Price stability Financial stability Balanced macroeconomic development	Money targeting	Floating	MPC meets monthly; PR/PC MPS published twice a year

Sources: IMF staff survey; Hammond (2012); and websites of central banks.

Note: PR= press release; PC= press conference; MPS= monetary policy statement; MPC=monetary policy committee.

Figure 3.2. Sub-Saharan Africa: Inflation, Money Growth, and Velocity, 12-year Average

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

Figure 3.3. Sub-Saharan Africa Money Targets: Evolution of Money Multipliers

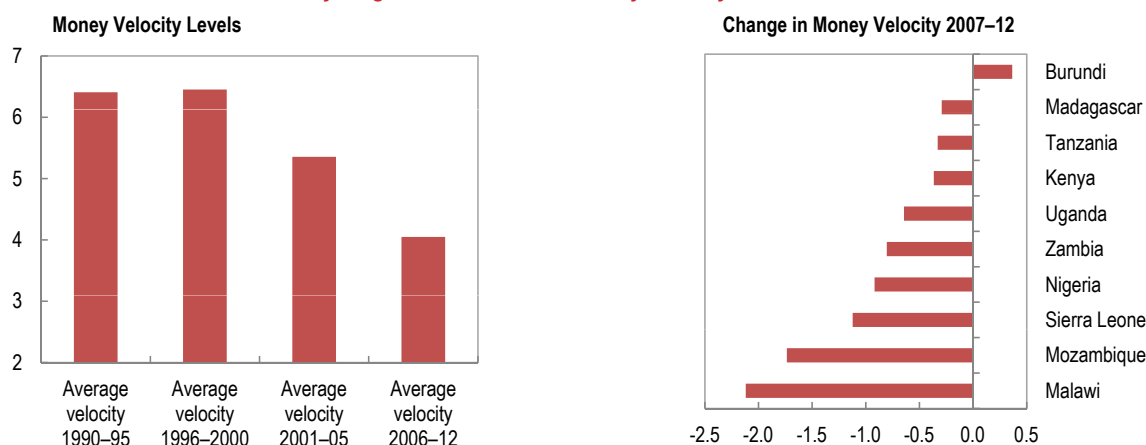
Sources: IMF, African Department database, *International Financial Statistics* and World Economic Outlook database.

transactions technologies and greater sensitivity to interest rates. Money multipliers have generally trended upward since 2001 for money-targeting countries, although there are variations across countries. Recent studies for member countries of the East African Community (EAC) find that money multipliers varied significantly in Kenya, Tanzania, and Uganda in the short run, but increased over time—consistent with financial deepening and greater demand for real money balances (Davoodi, Dixit, and Pintor, 2013). The variation of the multiplier likely reflects the effect of technological changes such as mobile banking on the use of currency, changes in reserve requirements, and the effect of interest rate movements on banks' willingness to hold reserves. In addition, changes in

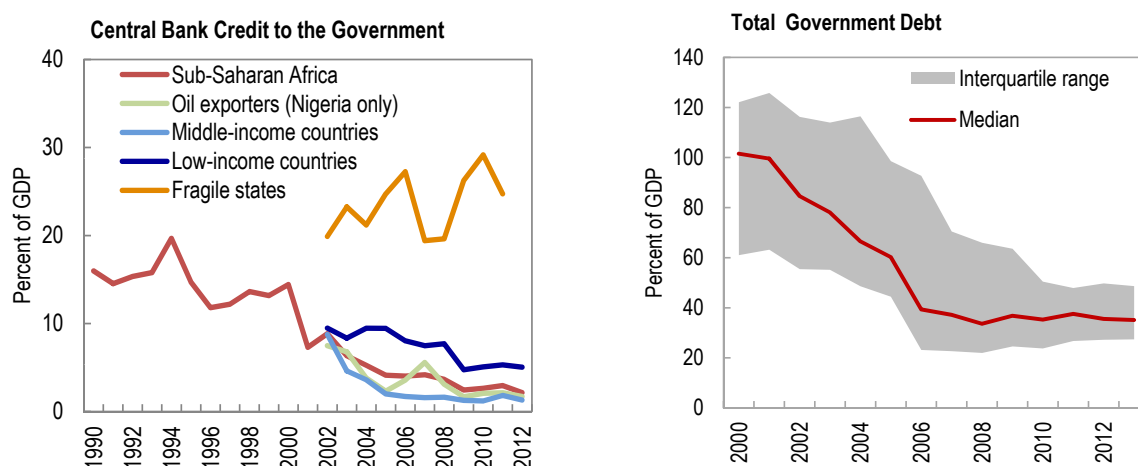
reserve money in sub-Saharan Africa countries have been erratic, being affected by variable capital flows, including aid inflows, consistent with findings for other low-income countries (Batini, Kuttner, and Laxton, 2005).

Reduced fiscal dominance

The burden of fiscal dominance has been greatly reduced in the region, increasing the scope for central bank independence (Figure 3.5). Central bank financing to the government has declined throughout the region, from an average of more than 12 percent of GDP between 1990 and 2000, to nearly 2 percent of GDP in 2012, in line with a reduction in overall government debt. Some variation, however, exists across country groupings.

Figure 3.4. Sub-Saharan Africa Money Targets: Evolution of Money Velocity

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

Figure 3.5. Sub-Saharan Africa: Evolution of Central Bank Credit to the Government and Government Debt

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

For example, central bank financing remains high among fragile economies, particularly in Eritrea, where it has averaged some 50 percent in the past five years. Conversely, the largest improvements have taken place among middle-income countries.

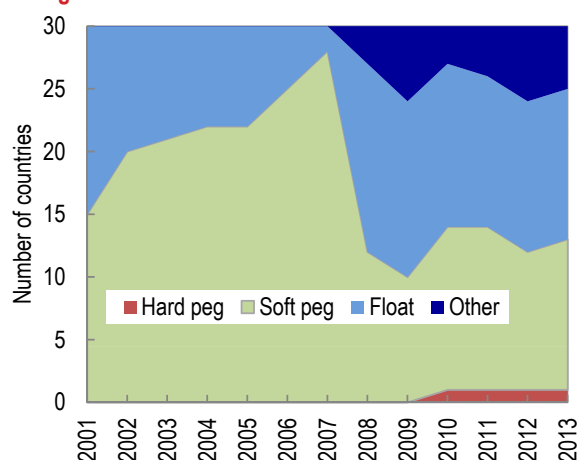
Higher exchange rate flexibility

The trend toward greater exchange rate flexibility in sub-Saharan African countries allowed room for a more independent monetary policy as the exchange rate was allowed to be a shock absorber (Figure 3.6). The number of soft-peg regimes has declined from 28 in 2007 to 11 in 2012 as many countries abandoned soft-peg regimes when the recent crisis

unfolded.⁸ This has allowed monetary authorities to pay greater attention to fighting inflation rather than preventing currency crises. Over time, this has resulted in a lower elasticity of prices to changes in the exchange rate, reflecting improvements in the independence of monetary policy.

The adoption of more flexible exchange rate regimes combined with easing of restrictions on the capital account in many countries has enhanced the role of interest rates in monetary policy, for example, in Ghana, Kenya, and Uganda. Overall, the correlation between policy interest rates and inflation has

⁸ In 2008, the IMF undertook a reclassification of soft-peg regimes.

Figure 3.6. Sub-Saharan Africa: Exchange Rate Arrangements

Sources: IMF, Annual Report on Exchange Arrangements and Exchange Restrictions database.

Notes: South Sudan is excluded due to data limitations. Countries that belong to CEMAC and WAEMU (14 countries) are also excluded. In 2008, 14 countries previously classified as managed floaters (soft peg) were reclassified as floaters.

strengthened, despite operational problems in the use of policy rates. This also reflects a shift toward a more intensive use of market-based instruments, such as open market operations, for the conduct of monetary policy by most sub-Saharan African countries. The correlation between policy rates and exchange rates has also increased slightly.

Higher exchange rate flexibility has made the use of market-based monetary instruments more intensive. Outright sales of government securities by central banks are used by 17 out of 25 reporting countries for monetary policy purposes, while 16 countries report the use of securities repos. By contrast, only 5 countries (Comoros, Eritrea, Namibia, Swaziland, Zambia) still report the use of some form of direct instrument (Table 3.2).

Changes in the financial landscape

Sub-Saharan African financial systems have seen significant deepening in the past decade, as reflected in the increase in credit to the private sector and commercial bank deposits (Figure 3.7). Given the relatively low level of financial development, this deepening should translate into potentially stronger monetary transmission, although interest rate spreads have not declined as observed in many

emerging market countries during this period. While the sensitivity of economic agents to changes in interest rates has likely increased, lending rates remain high and sluggish because of structural impediments that adversely affect the risk perceptions of lenders.

Objectives and targets

The evolution of monetary and financial systems and its impact on volatility of monetary aggregates has translated into weak adherence to reserve-money targets. In turn, these misses have been a poor guide to policy decisions. In fact, no statistical correlation has been found between reserve-money target deviations and inflation deviations (IMF, 2014d).

In light of this experience, the IMF has adapted its approach to monetary policy conditionality to provide flexibility to certain countries with IMF programs that are implementing more forward-looking monetary policy frameworks. The existing framework is being enhanced by introducing a monetary policy consultation clause for countries that have the capacity to adjust their policy settings in a flexible way to achieve their objectives (IMF, 2014d).

RESPONDING TO CHALLENGES

Constraints to policymaking

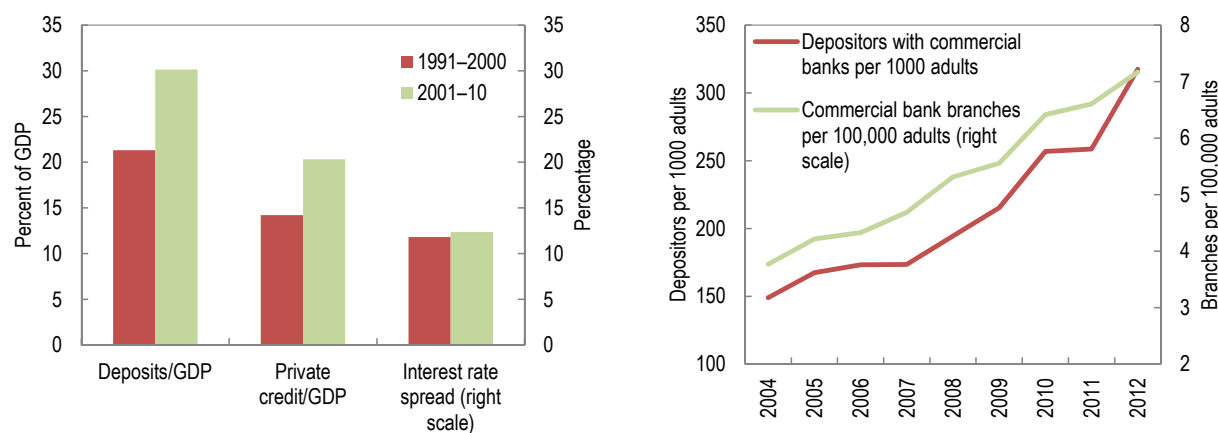
The exchange rate and monetary aggregate anchors have been important for achieving macroeconomic stability and lowering inflation in sub-Saharan Africa. However, as discussed above, ongoing structural changes in sub-Saharan African economies have underscored the limitations of strict adherence to money targeting and led to the quest for more “flexible” monetary policy frameworks. At the same time, the demands on policymakers in sub-Saharan African countries have increased. Monetary policy is part of the first line of defense against a variety of shocks, including volatile fuel and food prices, and lumpy capital flows. Apart from responding to these shocks, in some sub-Saharan African countries monetary policy is also burdened with

Table 3.2. Sub-Saharan Africa: Central Bank Monetary Policy Instruments, Selected Years

Country	Year	Direct Instruments			Standing Facilities			Government activities for monetary purposes			Open market operations										
		Interest rate controls	Credit ceilings	Directed credit	Specific lending requirements	Reserve requirements	Statutory liquidity requirements	Standing credit facility	Standing deposit facility	Other standing facilities	Sale of government securities	Transfer of government deposits	Outright sale/purchase of securities	Outright sale/purchase of foreign exchange	Reverse transactions-securities repo	Reverse transactions-foreign exchange swaps	Collateralized lending	Take deposits or sell central bank bills	Other OMO instruments	Same list of collaterals for OMOs and SFs	Ownership restriction of central bank bills
Angola	2010					X		X		X		X	X	X			X	X		X	X
Botswana	2013					X	X	X			X			X						X	X
Burundi	2013					X	X	X			X		X				X	X		X	
	2010					X					X										
Cabo Verde	2010					X	X	X	X		X	X	X				X	X		X	X
Comoros	2013	X				X	X	X	X		X										
	2010					X		X	X		X						X	X			
Eritrea	2010	X	X			X	X				X										
Ethiopia	2010					X	X	X			X	X		X	X						
Ghana	2010					X		X			X	X		X	X						X
Kenya	2013					X	X	X						X	X				X	X	
Lesotho	2013					X	X	X			X										
	2010					X	X	X	X		X				X					X	
Liberia	2013					X	X	X													
	2010		X		X	X	X	X						X							
Madagascar	2013					X		X			X	X		X	X		X	X		X	
Malawi	2010					X	X	X			X	X		X	X	X	X	X			
Mauritius	2013				X	X		X	X	X				X	X	X	X	X		X	
	2010					X		X						X	X	X	X				X
Mozambique	2010					X		X	X		X	X		X			X	X		X	X
Namibia	2013				X	X	X	X	X	X							X	X		X	X
	2010					X	X	X	X	X		X			X				X		X
Nigeria	2013					X	X	X	X					X	X	X	X	X	X	X	
	2010					X	X	X	X		X	X		X	X	X	X	X		X	
Rwanda	2013					X	X	X	X					X	X	X				X	X
	2010					X	X	X			X			X			X			X	
Seychelles	2010					X	X	X	X					X	X	X	X	X		X	
Sierra Leone	2013					X	X	X			X			X	X	X					
	2010					X	X	X			X	X		X	X		X			X	
South Africa	2013					X	X	X	X	X		X		X	X	X	X	X	X	X	
	2010					X	X	X	X	X		X		X		X	X	X		X	
Swaziland	2013	X			X	X	X	X	X			X					X	X		X	X
	2010	X	X			X	X	X	X		X	X		X		X	X	X		X	X
Tanzania	2010					X	X	X			X	X		X	X	X	X			X	
Uganda	2010					X	X	X	X					X	X	X	X			X	
Zambia	2013	X				X	X	X						X	X	X	X			X	
	2010		X		X	X	X	X	X			X		X	X	X	X	X		X	X

Source: IMF, Information System for Instruments of Monetary Policy (ISIMP) database.

Note: OMO = open market operations; SFs = standing facilities.

Figure 3.7. Sub-Saharan Africa: Financial Deepening Indicators

Sources: IMF, Financial Access Survey, and World Economic Outlook database.

other objectives that go beyond maintaining price stability, such as supporting higher credit growth or offsetting expansionary fiscal policy.

Central banks in sub-Saharan Africa also face a number of constraints that make the policymaking process more challenging. Limited operational and financial independence of the central banks in some countries and persistent structural excess liquidity reduce the scope for effective use of interest rates and market-based instruments for monetary policy implementation. Government cash-management problems, including in aid inflows, complicate the conduct of monetary policy. High levels of dollarization in a few countries, particularly large currency mismatches on banks' balance sheets, make policymakers more concerned about the impact of exchange rate swings on banks' balance sheets.

A number of practical and technical aspects also play a role: (i) in several cases, considerably limited information is available to policymakers regarding developments in the economy, particularly forward-looking indicators and surveys; (ii) uncertainty about functioning monetary transmission mechanisms, including transmission channels at play, leads to delays in policy responses; (iii) recognizing structural relationships and mechanisms in the economy is more difficult when the economy is undergoing structural changes; (iv) credibility of the monetary policy framework is still weak in countries with relatively short track records of meeting

objectives, compounded by the absence of accountability frameworks in some cases; and (v) countries with shallow financial markets lack the benefit of the “feedback loop” for the monetary policy stance, meaning that policymakers can distill little information from possible changes in market sentiment.

Thus, several sub-Saharan African central banks (for example, in Kenya, Mauritius, Seychelles, Tanzania, Uganda, and Zambia) are reviewing their frameworks to better understand factors influencing inflation. In particular, countries are reexamining the usefulness of strict adherence to monetary aggregates to anchor inflation expectations and signal the stance of monetary policy. On the one hand, allowing more flexibility in responding to liquidity shocks has become more important as countries in sub-Saharan Africa have opened and become more exposed to external influences. On the other hand, promoting financial deepening and market development requires relatively stable interest rates.

Transitioning toward market-based instruments

Some countries have explored the possibility of giving a greater role to short-term interest rates in guiding their monetary policy actions (for example, Kenya and Uganda). In particular, several countries have already moved to a combination of interest rate instruments with monetary aggregate targets, and they are working toward developing a set of forward-looking indicators. The need for such

indicators became particularly noticeable during large external shocks to the economy (for example, Zambia). Frequent misses of money reserve targets forced policymakers to look for alternative sources of information that would allow for better assessment of a quickly evolving macroeconomic environment. Although the transition to more “flexible” monetary policy frameworks is taking place in a number of countries across the region, the central banks’ approaches display some important differences (Box 3.3).

The choice of two operating targets—interest rate and reserve money or a price and a quantity—seems problematic, but such a flexible use of operating targets is possible if movements in monetary aggregates and interest rates send a consistent signal to market participants. Such consistency is typically assessed by the monetary policy committee and involves taking into consideration a broader array of information beyond monetary aggregates. Several central banks in the region have successfully introduced a policy rate and are using adjustments in the rate to signal their monetary policy stance (for example, Uganda, Kenya, Tanzania, Mauritius, and Zambia, among others).

It should be noted, however, that the role played by policy rates in the monetary frameworks differs across countries. In some countries (for example, Tanzania), the rate itself tends to play a less important role than in others (Kenya, Uganda). This shows partly that changes in the policy rate are thought to have a smaller impact on inflation and economic activity (because of a weaker transmission mechanism). The Bank of Tanzania is mindful of limitations on strict adherence to reserve-money targeting, and its implications for interest rate volatility and signaling of monetary policy stance. Thus, some preliminary work is underway on the design of a more forward-looking monetary policy framework, with more active use of the policy rate.

In countries where the use of policy rates is more ingrained (Uganda, Kenya), market participants tend to focus more on the policy interest rate announced by the monetary policy committees, and less on the money aggregates. Moreover,

setting the policy rate at the short end of the yield curve associated with central bank operations at short-term maturities (e.g., overnight or seven days) strengthens the signaling role, because it de-links monetary operations from longer-term interest rates (for example, 90-day securities). Such a change from a longer-term instrument to a shorter-term instrument has had a positive impact in Kenya in terms of strengthening policy signals.

Policymakers expect that short-term interest rates, which are being more effectively anchored by the policy rate, will replace reserve money or net domestic assets as the operating target over time, and the policy rate will be the primary monetary policy instrument, supported by proper liquidity management. Empirical studies indicate the interest rate channel can in turn become stronger and, if coupled with greater exchange rate flexibility, could help improve the monetary transmission mechanism, thereby providing a greater scope for independent monetary policy. Such effects through interest rate and exchange rate channels seem to be at play in East Africa as the framework for monetary policy was adapting more flexibly when inflation began soaring in late 2011 (Box 3.4).

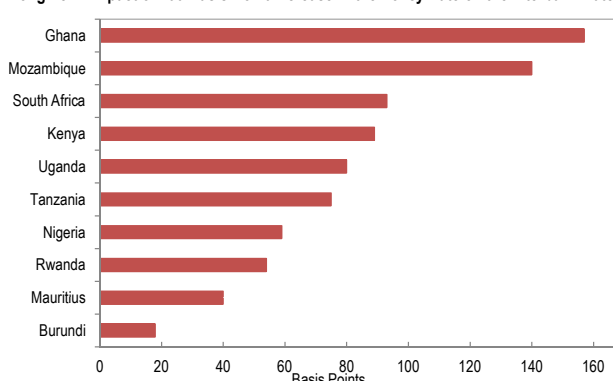
A study by Mishra and Montiel (2012), illustrated important differences in the monetary policy transmission among various regimes.⁹ The main findings are as follows (Figure 3.8):

- In countries with a full-fledged inflation-targeting regime (Ghana, South Africa) or some form of inflation-targeting lite (Uganda), or where money targeting is applied flexibly (Mozambique), interbank rates responded strongly and positively to changes in policy rates.
- In countries pursuing some type of inflation-targeting regime or flexible money targeting, the policy rate also had a larger impact on

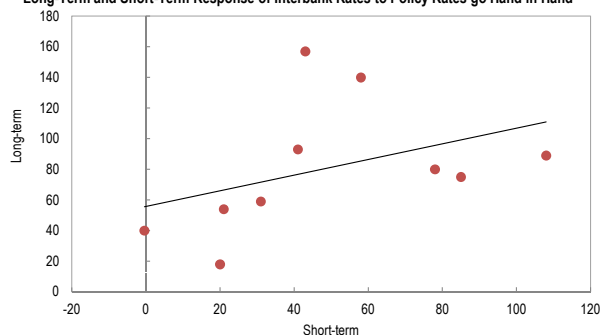
⁹ The study examined how changes in the policy rate are passed through to interbank rates and commercial banks’ lending rates for 10 countries representing a variety of monetary policy frameworks and shows important differences for different types of regimes (strict money targeting, flexible money targeting, inflation-targeting lite, hybrid inflation targeting, full-fledged inflation targeting).

Figure 3.8. Sub-Saharan Africa: Impact of Changes in Policy Rates on Other Interest Rates-Experience of Selected Countries, 2003–13**Response of Changes in the Interbank Rate to Changes in the Policy Rate**

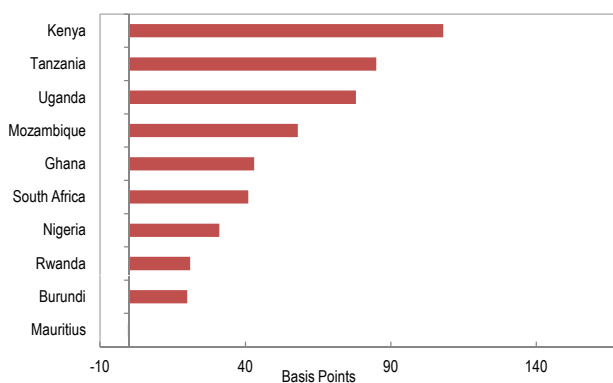
	Contemporaneous Correlation	Short-term	Long-term	R-squared	De Facto Monetary Policy Framework
South Africa	0.67	0.41	0.93	0.83	Flexible IT
Ghana	0.34	0.43	1.57	0.39	IT
Kenya	0.42	1.08	0.89	0.41	Hybrid IT lite
Uganda	0.30	0.78	0.80	0.28	IT lite
Mozambique	0.52	0.58	1.40	0.54	Flexible MT
Mauritius	-0.01	0.00	0.40	0.05	Hybrid IT
Nigeria	0.12	0.31	0.59	0.37	MT
Tanzania	0.37	0.85	0.75	0.34	Flexible MT
Rwanda	0.07	0.21	0.54	0.08	Flexible MT
Burundi	0.23	0.20	0.18	0.06	MT
Memorandum item:					
Advanced economies	0.28	0.82	0.95	0.32	Mostly IT and Other
Emerging markets	0.31	0.72	0.59	0.93	Mostly IT and Other
Low-income countries	0.22	0.29	0.4	0.31	Mostly MT and Exchange rate Anchor

Long-Term Impact of 100-Basis-Point Increase in the Policy Rate on the Interbank Rate**Response of Changes in the Lending Rate to Changes in the Policy Rate**

	Contemporaneous Correlation	Short-term	Long-term	R-squared	De Facto Monetary Policy Framework
South Africa	0.98	0.92	0.96	0.95	Flexible IT
Ghana	0.21	0.21	0.65	0.10	IT
Kenya	0.34	0.14	0.38	0.36	Hybrid IT lite
Mozambique	0.29	0.33	0.18	0.10	Flexible MT
Uganda	0.20	0.05	0.18	0.18	IT lite

Long-Term and Short-Term Response of Interbank Rates to Policy Rates go Hand in Hand**Response of Changes in the Lending Rate to Changes in the Interbank Rate**

	Contemporaneous Correlation	Short-term	Long-term	R-squared	De Facto Monetary Policy Framework
South Africa	0.72	1.50	0.98	0.82	Flexible IT
Kenya	0.28	0.08	0.23	0.32	Hybrid IT lite
Mozambique	0.25	0.14	0.12	0.07	Flexible MT
Uganda	0.08	0.05	0.17	0.09	IT lite
Memorandum item:					
Advanced economies	0.33	0.19	0.35	0.41	Mostly IT and Other
Emerging markets	0.35	0.38	0.61	0.65	Mostly IT and Other
Low-income countries	0.18	0.09	0.29	0.16	Mostly MT and Exchange rate Anchor

Short-term Impact of 100-Basis-Point Increase in the Policy Rate on the Interbank Rate

Sources: IMF, African Department database; and *International Financial Statistics*; Mishra and Montiel (2012); and IMF staff calculations.

Note: The correlations are calculated by estimating the equation $\Delta y_t = \beta_0 + \beta_1 \Delta y_{t-1} + \beta_2 \Delta y_{t-2} + \beta_3 \Delta x_t + \beta_4 \Delta x_{t-1} + \beta_5 \Delta x_{t-2} + \epsilon_t$ where y is the interbank rate (lending rate) and x is the policy rate (interbank rate) and in the final panel bottom right y is the lending rate and x is the policy rate. The long-term effect is calculated as $(\beta_3 + \beta_4 + \beta_5) / (1 - \beta_1 - \beta_2)$ and the short-term effect is given by β_3 . The sample period is from 2003 to early 2013 at monthly frequency.

IT = inflation targeting; MT = money targeting.

lending rates, and banks reacted faster to changes in costs of funding. This was particularly the case for Ghana, Kenya, Mozambique, South Africa, and Uganda.

- In countries with a “hybrid” monetary policy framework (Mauritius), the interest rate pass-through from the policy rate to the interbank rate appeared to be weak. This is largely due to excess liquidity in the system, which the central bank is reluctant to absorb because of profitability concerns. As a result, the interbank rates remain well below the policy rate, and the latter does not serve as a very effective anchor.

Introducing a policy rate, which serves as an anchor for short-term interest rates, can be accompanied by an interest rate corridor, with the intention of steering short-term rates toward the middle of the corridor. In this setting, the policy rate becomes the lowest rate for liquidity injection operations and the highest rate for liquidity absorption operations. A number of countries in the region have successfully launched such corridors (Cabo Verde, Lesotho, Mauritius, Mozambique, Namibia, Rwanda, South Africa, Uganda, Zambia, among others). This, however, requires more active liquidity management, with availability of both repo and reverse repo operations.

It is worth noting that introducing a corridor around the policy rate is not limited to countries with an inflation-targeting regime or a flexible money-targeting framework. For example in Cabo Verde, where the exchange rate remains an anchor for monetary policy, establishing a corridor around the policy rate was aimed at improving the monetary transmission mechanism, enhancing liquidity management, and activating the interbank money market. In other countries that struggle with excess domestic liquidity, the corridor usually helps to limit the volatility of short-term interest rates, and create demand for the central bank’s eligible collateral.

While deciding on the width of the corridor, the central banks typically balance different objectives, namely: (i) developing an active interbank market, which would be incentivized by a broad corridor;

or (ii) reducing volatility in the overnight interbank interest rates by bringing them closer to the policy rate (narrow corridor). Too much recourse to the central bank facilities indicates the interbank market is not playing its role, and the central bank should widen the corridor. Conversely, particularly volatile interbank interest rates, with no recourse to the central bank overnight facilities, indicate that the central bank should consider narrowing its corridor. For example, the Bank of Zambia, in attempting to develop an active interbank market, initially established a wide corridor of 400 basis points.

Managing short-term liquidity

In countries with flexible money-targeting frameworks, short-term liquidity management aims at stabilizing short-term money market interest rates (Kenya, Zambia). Fine-tuning operations are conducted at a given interest rate, compared to achieving a volume target in the strict reserve-money-targeting framework. Some countries impose a limit on the total amount of liquidity auctioned, based on their assessment of liquidity conditions (Cabo Verde, Seychelles, Tanzania, Uganda).

This puts a premium on the quality of the central bank’s liquidity forecast, although the accuracy of the forecast is also important for all monetary regimes. Errors in the daily forecast are likely to be reflected in the deviations in money market interest rates from the policy rate. High volatility in money market rates and persistent, large deviations can undermine the signaling role of the policy rate.

Timely and better-quality data

Central banks in the region have also responded to lack of timely and reliable high-frequency statistics for making monetary policy decisions. This has enabled them to make their money-targeting regimes more flexible and forward looking. In some cases, it has facilitated transitioning away from money-targeting regimes, or strengthened their current inflation-targeting frameworks. The central banks of Ghana, Rwanda, South Africa, and Uganda are among the central banks in the region that have taken a lead in this area while supplementing these efforts with regular surveys

of inflation expectations and economic conditions between banks and the private sector. These surveys and high-frequency indicators of coincident and leading economic indicators have become essential ingredients of the monetary policy committee decision-making process.

Despite challenges, central banks seem to be better positioned now to start implementing monetary policy in a forward-looking manner based on a thorough assessment of the economic outlook, underpinned by analysis of a broad group of indicators (movements in market interest rates, monetary aggregates, credit to the private sector, fiscal stance, exchange rate, capital flows, output gap, and external developments). However, this in turn requires a supporting institutional infrastructure and adequate analytical capacity for modeling.

HOW TO MAKE MONETARY POLICY IN SUB-SAHARAN AFRICAN COUNTRIES MORE EFFECTIVE

As underscored earlier in the chapter, the relationship between money and inflation has weakened over time in a number of developing countries. This reflects in part greater international capital mobility and financial innovations that give rise to instability in velocity and money multipliers and questions whether money targets remain effective components of monetary policy frameworks. Consequently many developing countries have increasingly adopted more flexible monetary policy frameworks, underpinned by forward-looking policies. Specifically, between 2003 and 2011 about 40 percent of emerging markets and 20 percent of low-income countries have moved away from strict money targeting (IMF, 2014d). In sub-Saharan Africa, countries including Uganda, Kenya, and others are already moving away from strict money targeting, in addition to the two earlier sub-Saharan Africa inflation targeters (Ghana and South Africa).

The adoption of a forward-looking framework requires capacity building among central banks to strengthen their institutional frameworks. A number of pillars are critical to this endeavor,

including improving the functioning of money and foreign exchange markets to enhance the transmission of monetary policy signals to markets. Central banks also need to develop a number of instruments to manage excess liquidity in the financial system while balancing the market's demand for money and mitigating the emergence of inflationary pressures. Flexibility in daily liquidity management would depend on the stages of money market development. Where money markets are shallow, greater flexibility in short-term liquidity management may be desirable because money market rates may not reflect changes in daily liquidity conditions. In countries with fairly developed money markets where interest rates are responsive to market developments, short-term liquidity management should be geared toward stabilizing money market rates.

Complementary to these reforms of monetary policy operations is development of analytical tools for forecasting inflation and analyzing the transmission of monetary policy. Understanding the channels through which monetary policy affects inflation will clarify the trade-offs between price and output stability. The IMF has provided training to a number of central banks in sub-Saharan Africa in monetary policy analysis, the development of inflation forecasting models, and a broad range of issues related to monetary and foreign exchange policies, central bank governance, reserve management, and the development of financial market infrastructure. However, more needs to be done because strengthening institutional capacity takes time.

Sub-Saharan African central banks' capacity for monetary policymaking depends critically on the timely availability of high-frequency macroeconomic data. Although many countries have reliable series on monthly inflation and interest and exchange rates, few have developed high-frequency indicators of real activity. Many countries have only annual GDP series. This shortcoming highlights the need for high-frequency indicators covering a broad spectrum of domestic and external sectors critical to evaluating the state of the economy throughout the business cycle. Timely policy intervention is crucial to mitigating the adverse impact of macroeconomic

imbalances. This lesson was forcefully brought to the fore by the responses of a number of sub-Saharan African frontier markets in managing surges in capital inflows that were driven by both cyclical and structural factors (see the October 2013 *Regional Economic Outlook: Sub-Saharan Africa*).

A key pillar in the transition toward more forward-looking monetary policy frameworks comprises increased reliance on the central banks' policy interest rates. The use of price-based instruments to communicate the marginal cost of funds to the market would provide greater clarity and transparency in signaling the policy stance. Along the continuum of countries headed for this transition, the Bank of Uganda has adopted a policy rate as the instrument by which it would achieve a low and stable inflation objective.

Given that macroeconomic policies are the primary tools to correct for macroeconomic imbalances, countries that move toward more forward-looking monetary policy frameworks will need to achieve greater coordination of fiscal and monetary policies. This would encompass greater political commitment at the highest level to fiscal discipline over time to build policy credibility by signaling to the public that the central bank has the full backing of the government to pursue its mandated primary objective of price stability. Equally important are communications to the public regarding current and future inflation and greater clarity on why targets were missed so as to shape inflation expectations and to strengthen the central bank's credibility.

Removal of the impediments to financial sector deepening augurs well for improving the effectiveness of the monetary transmission mechanism. A major concern of central banks during the transition is whether banks can safely respond to monetary policy signals without endangering financial sector stability. A key lesson from the Great Recession is that financial stability is as important as the pursuit of price stability. Central banks must reform their banking systems through adoption of a risk-based approach to banking supervision, recapitalization

of weaker banks, better provisioning and correct reporting, and recognition of nonperforming loans.

CONCLUSION

With the changing monetary policy landscape, reflecting in part greater integration with the global economy and financial deepening, a number of sub-Saharan African countries have begun to augment their monetary policy frameworks with forward-looking elements. This trend has gained impetus with the sustained decline in inflation and an apparent weaker relationship between monetary aggregates and inflation. However, the path toward more effective monetary policy requires a number of reforms that makes capacity strengthening among central banks necessary.

The way forward will require development of a tool kit that includes instruments to manage excess liquidity, high-frequency data to assess macroeconomic conditions and to guide timely policy intervention, and analytical models for forecasting inflation that are underpinned by a clear understanding of the monetary transmission process. A clear communications strategy that conveys the rationale for the policy stance and subsequent changes will augur well for anchoring inflation expectations and fostering policy credibility over time.

Finally these developments will also have implications for IMF programs with sub-Saharan African countries in their assessment of the stance of monetary policy. Increasingly, the focus of the evaluation of monetary policy will shift to a deeper assessment of monetary conditions that explain the evolution of monetary aggregates and inflation. Not all countries will be able to move toward this framework on account of underdeveloped financial markets, fiscal dominance, and limited institutional capacity. In such cases these countries are better advised to continue with money-targeting regimes.

Box 3.3. Adapting Monetary Policy Frameworks to Challenges

Uganda: After experiencing large volatility in short-term interest rates in the aftermath of the reversal of the carry trade in late 2008, the Bank of Uganda adopted a more flexible approach to the implementation of the reserve-money program in 2009. Flexibility was achieved through a separation of operations into two components: a structural program for liquidity management set monthly on the reserve-money target and a fine-tuning of liquidity operations with a daily to weekly horizon, which focused on stabilizing money market rates. Later, in July 2011, the Bank of Uganda announced a transition to inflation targeting lite and introduced a central bank policy rate to guide interbank rates toward the middle of the interest rate corridor set by standing facilities.

The Bank of Uganda achieves its inflation objective through taking into account developments in a broad range of macroeconomic variables, including inflation, interest rates, and exchange rates. Because focusing on monetary targets alone has been increasingly insufficient, the Bank of Uganda also considers high-frequency indicators of economic activity. Introduction of the central bank rate has facilitated and contributed to enhancing monetary policy signaling.

Kenya: In the last few years Kenya has faced two large shocks from international food prices, which were quickly translated into domestic inflation. Monetary policy was also challenged by the inability to accommodate expansion in domestic demand. As a response to unstable money demand and weakening correlation between money growth and inflation, the Central Bank of Kenya decided to move gradually toward an inflation-targeting framework, with inflation becoming the overriding objective of the monetary policy.

The medium-term inflation target was set at 5 percent, with a range of ± 2.5 percent. The Central Bank of Kenya introduced the central bank rate, and since 2012 monetary policy incorporates policy analysis and a forecasting model to support monetary policy committee decisions. The central bank rate is based on monetary policy operations and is expected to guide movements in short-term interest rates. The Central Bank of Kenya conducts regular open market operations to ensure stability in the interbank market and short-term interest rates. The monetary policy stance is signaled by changes in the central bank rate. To ensure that future sustainability is not derailed by excessive expansion in credit to the government, the growth in net domestic assets is subject to a limit. The reserve-money target is not binding in Kenya; therefore, the operational framework for monetary policy implementation provides room for judgment calls. This means that policy can be adjusted without revisions to the reserve-money target. Judgment calls are based on market information and guided by inflation forecasts.

Zambia: Highly dependent on copper exports, Zambia's economy experienced large deterioration in terms of trade and sharp outflow of foreign investors from the domestic government securities market during the global financial crisis. Domestic banks decisively curbed their lending to the private sector and sharply increased demand for liquid assets. Reallocation of assets in the banking sector, together with a slowdown in the growth of broad money, contributed to a decrease in the money multiplier. The buildup of liquidity, which mirrored increased risk aversion in domestic banks rather than growing inflationary pressure, sent the wrong signal on the monetary policy stance. This heightened the need to enhance the monetary policy framework by developing a broader set of forward-looking indicators, allowing for better assessment of quickly changing macroeconomic conditions during large external shocks to the economy. Missing the money reserve targets at that time underscored the need to develop a more "flexible" monetary policy framework.

To improve the signals of monetary policy stance the Bank of Zambia introduced a policy rate in April 2012. The intention was to replace reserve money with a policy rate as the main monetary policy tool. The policy rate was initially set at 9 percent. Simultaneously, the Bank of Zambia introduced a 400 basis point band for the interbank rates, as part of its strategy to activate the interbank money market and encourage banks' liquidity management. These actions increased emphasis on stabilizing short-term interest rates and expanding the forward-looking aspect of monetary policy to stabilize inflation. The changes in monetary policy implementation are expected to lead to a transition to a full-fledged inflation-targeting regime in the future.

This box was prepared by Bozena Radzewicz-Bak.

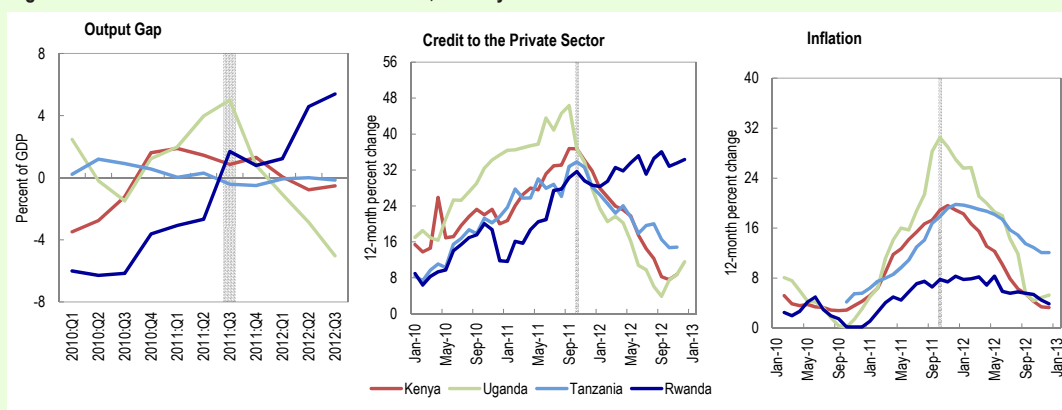
Box 3.4. The Monetary Transmission Mechanism in the Tropics: A Narrative Approach

Many central banks in sub-Saharan Africa are looking to modernize their frameworks to make monetary policy more forward looking to promote macroeconomic stability, financial development, and, ultimately, economic growth. However, how the monetary transmission mechanism operates in low-income countries is not well understood. Evidence analyzed through statistical techniques conveys a sense of monetary policy “pessimism,” because the results typically do not find significant effects of policy on relevant macro variables. However, such analysis is often constrained by ambiguous identification techniques and noisy and scarce data (Mishra and Montiel, 2012). Thus, a case study approach can be more insightful.

In October 2011, in the face of high and rising inflation, the central banks of four east African countries—Kenya, Rwanda, Tanzania, and Uganda (EAC4 for short)—decided to tighten monetary policy in a coordinated manner. While the tightening took place in response to economic events—a commodity price shock, vigorous economic activity, balance of payments pressures, and accommodative policy—it was both unexpected and unusual in its magnitude. It therefore serves as a useful event to learn about the transmission mechanism, especially given variations across countries in terms of the regime in place and the extent of the tightening (Davoodi, Dixit, and Pinto 2013).

A review of the developments in EAC4 indicates a robust transmission mechanism. After a large policy-induced rise in the short-term interest rate, lending and other interest rates rose, the exchange rate appreciated, output fell, nominal credit growth slowed, and inflation declined (Figure 3.4.1). This narrative is corroborated by model-based analysis, both in terms of the initial inflation surge and the role of policy in stabilizing inflation (Benes and others, 2013). The case of Rwanda is instructive, where tighter monetary policy throughout 2011 and a stable exchange rate kept inflation from taking off.

Figure 3.4.1. East Africa: Selected Macro Variables, January 2010–13



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

The policy regime is critical to the nature of the transmission, regardless of the structure of the financial system. The clearest transmission occurred in Uganda, where the financial system is not as developed as in Kenya but where the inflation-targeting lite regime is simpler and more transparent. In Kenya, which has the most advanced financial sector in the region, an incipient tightening earlier in the year was unsuccessful. Transmission was effective once the Kenyan authorities explicitly signaled the monetary policy stance with their policy rate and described their intentions in terms of their inflation objective. In other cases, such as Tanzania, which conducts monetary policy under a de jure monetary-targeting regime, and Rwanda, which has a de facto exchange rate peg, the transmission to lending interest rates is less evident.

This box was prepared by Andrew Berg, Luisa Charry, and Rafael Portillo based on Berg and others (2013).

Statistical Appendix

Unless otherwise noted, data and projections presented in this *Regional Economic Outlook* are IMF staff estimates as of March 24, 2014, consistent with the projections underlying the April 2014 *World Economic Outlook*.

The data and projections cover 45 sub-Saharan African countries in the IMF's African Department. Data definitions follow established international statistical methodologies to the extent possible. However, in some cases, data limitations limit comparability across countries.

Country Groupings

As in previous *Regional Economic Outlooks*, countries are aggregated into four nonoverlapping groups: oil exporters, middle-income, low-income, and fragile countries (see statistical tables). The membership of these groups reflects the most recent data on per capita gross national income (averaged over three years) and the 2011 International Development Association Resource Allocation Index (IRAI).

- The eight oil exporters are countries where net oil exports make up 30 percent or more of total exports. Except for Angola, Nigeria, and South Sudan, they belong to the Central African Economic and Monetary Community (CEMAC). Oil exporters are classified as such even if they would otherwise qualify for another group.
- The 11 middle-income countries not classified as oil exporters or fragile countries had average per capita gross national income in the years 2010–12 of more than US\$1,021.66 (World Bank using the Atlas method).
- The 14 low-income countries not classified as oil exporters or fragile countries had average per capita gross national income in the years 2010–12 equal to or lower than \$1,021.66

(World Bank, Atlas method) and IRAI scores higher than 3.2.

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

The membership of sub-Saharan Africa (SSA) countries in the major regional cooperation bodies is shown on page 66: CFA franc zone, comprising the West African Economic and Monetary Union (WAEMU) and CEMAC; the Common Market for Eastern and Southern Africa (COMESA); the East Africa Community (EAC-5); the Economic Community of West African States (ECOWAS); the Southern African Development Community (SADC); and the Southern Africa Customs Union (SACU). EAC-5 aggregates include data for Rwanda and Burundi, which joined the group only in 2007.

Methods of Aggregation

In Tables SA1–SA3, SA6, SA7, SA13, SA15, and SA22–SA23, country group composites are calculated as the arithmetic average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the World Economic Outlook (WEO) database.

In Tables SA8–SA12, SA16–SA20, and SA23–SA26, country group composites are calculated as the arithmetic average of data for individual countries, weighted by GDP in U.S. dollars at market exchange rates as a share of total group GDP.

In Tables SA4–SA5 and SA14, country group composites are calculated as the geometric average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the WEO database.

Sub-Saharan Africa: Member Countries of Regional Groupings

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

List of Country Abbreviations

References for Figures 1.9, 2.2a, 2.2b, 2.18, and 2.19.

AGO	Angola	GAB	Gabon	PER	Peru
ARG	Argentina	GMB	Gambia, The	PHL	Philippines
BEN	Benin	GHA	Ghana	POL	Poland
BWA	Botswana	GIN	Guinea	RUS	Russia
BRA	Brazil	GNB	Guinea-Bissau	RWA	Rwanda
BFA	Burkina Faso	HUN	Hungary	STP	São Tomé and Príncipe
BDI	Burundi	IND	India	SEN	Senegal
CMR	Cameroon	IDN	Indonesia	SYC	Seychelles
CPV	Cabo Verde	ISR	Israel	SLE	Sierra Leone
CAF	Central African Republic	KEN	Kenya	ZAF	South Africa
TCD	Chad	LSO	Lesotho	SSD	South Sudan
CHL	Chile	LBR	Liberia	SWZ	Swaziland
CHN	China	MDG	Madagascar	TZA	Tanzania
CIV	Côte d'Ivoire	MWI	Malawi	THA	Thailand
COD	Congo, Dem. Rep. of	MLI	Mali	TGO	Togo
COG	Congo, Republic of	MUS	Mauritius	TUR	Turkey
COL	Colombia	MOZ	Mozambique	UGA	Uganda
COM	Comoros	MYS	Malaysia	ZMB	Zambia
GNQ	Equatorial Guinea	NAM	Namibia	ZWE	Zimbabwe
ERI	Eritrea	NER	Niger		
ETH	Ethiopia	NGA	Nigeria		

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Tables SA1–SA3, SA6–SA18, SA20, SA24–SA26

Sources: IMF, African Department database, March 24, 2014; and IMF, World Economic Outlook (WEO) database, March 24, 2014.

¹ Excluding fragile countries.

² Fiscal year data.

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

⁴ Excluding South Sudan.

Tables SA4–SA5

Sources: IMF, African Department database, March 24, 2014; and IMF, World Economic Outlook (WEO) database, March 24, 2014.

¹ Excluding fragile countries.

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

³ Excluding South Sudan.

Table SA19

Sources: IMF, African Department database, March 24, 2014; and IMF, World Economic Outlook (WEO) database, March 24, 2014.

¹ Including grants.

² Excluding fragile countries.

³ Fiscal year data.

⁴ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

⁵ Excluding South Sudan.

Table SA21

Sources: IMF, African Department database, March 24, 2014; and IMF, World Economic Outlook (WEO) database, March 24, 2014.

¹ Excluding fragile countries.

² Prior to 2010, the development component of SACU receipts was recorded under the capital account. Beginning in 2010, official grants data reflect the full amount of SACU transfers.

³ Fiscal year data.

⁴ In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

⁵ Excluding South Sudan.

Tables SA22–SA23

Sources: IMF, African Department database, March 24, 2014; and IMF, World Economic Outlook (WEO) database, March 24, 2014.

¹ An increase indicates appreciation.

² Excluding fragile countries.

³ Excluding South Sudan.

Note: ... denotes data not available.

Table SA1. Real GDP Growth
(Percent)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	8.4	7.3	7.5	9.2	7.2	4.8	6.7	6.1	5.2	5.7	6.6	6.5
Excluding Nigeria	10.7	10.3	9.5	12.6	8.9	1.6	4.8	3.9	3.0	4.8	5.7	5.7
Angola	17.8	20.6	20.7	22.6	13.8	2.4	3.4	3.9	5.2	4.1	5.3	5.5
Cameroon	3.1	2.3	3.2	2.8	3.6	1.9	3.3	4.1	4.6	4.6	4.8	5.1
Chad	9.7	7.9	0.6	3.3	3.1	4.2	13.6	0.1	8.9	3.6	10.8	7.3
Congo, Rep. of	4.3	7.8	6.2	-1.6	5.6	7.5	8.7	3.4	3.8	4.5	8.1	5.8
Equatorial Guinea	14.9	9.7	1.3	13.1	12.3	-8.1	-1.3	5.0	3.2	-4.9	-2.4	-8.3
Gabon	1.3	-0.8	-1.9	6.3	1.7	-2.3	6.2	6.9	5.5	5.9	5.7	6.3
Nigeria	7.0	5.4	6.2	7.0	6.0	7.0	8.0	7.4	6.6	6.3	7.1	7.0
South Sudan	...	...	...	...	...	...	...	...	-47.6	24.4	7.1	17.6
Middle-income countries¹	5.1	5.1	5.6	5.8	4.1	-0.8	4.1	4.9	3.4	2.7	3.0	3.3
Excluding South Africa	5.6	4.7	5.8	6.4	5.6	1.5	6.7	8.5	5.8	4.7	4.7	5.1
Botswana	5.6	4.6	8.0	8.7	3.9	-7.8	8.6	6.1	4.2	3.9	4.1	4.4
Cabo Verde	7.1	5.8	9.1	9.2	6.7	-1.3	1.5	4.0	1.0	0.5	3.0	3.5
Ghana	6.5	6.0	6.1	6.5	8.4	4.0	8.0	15.0	7.9	5.4	4.8	5.4
Lesotho	4.0	2.9	4.1	4.9	5.1	4.5	5.6	4.3	6.0	5.8	5.6	5.5
Mauritius	4.3	1.5	4.5	5.9	5.5	3.0	4.1	3.8	3.3	3.1	3.7	4.0
Namibia	6.1	2.5	7.1	5.4	3.4	-1.1	6.3	5.7	5.0	4.3	4.3	4.5
Senegal	4.5	5.6	2.5	4.9	3.7	2.4	4.3	2.1	3.5	4.0	4.6	4.8
Seychelles	4.8	9.0	9.4	10.4	-2.1	-1.1	5.9	7.9	2.8	3.6	3.7	3.8
South Africa	4.9	5.3	5.6	5.5	3.6	-1.5	3.1	3.6	2.5	1.9	2.3	2.7
Swaziland	2.9	2.5	3.3	3.5	2.4	1.2	1.9	-0.6	1.9	2.8	2.1	2.1
Zambia	5.8	5.3	6.2	6.2	5.7	6.4	7.6	6.8	7.2	6.0	7.3	7.1
Low-income and Fragile states	6.2	6.5	6.1	6.6	6.2	4.7	6.5	5.8	6.5	6.6	6.9	6.9
Low-income excluding Fragile states	7.3	7.9	7.2	7.7	7.4	5.1	7.0	6.5	6.2	6.8	6.9	6.8
Benin	3.9	2.9	3.8	4.6	5.0	2.7	2.6	3.3	5.4	5.6	5.5	5.2
Burkina Faso	5.9	8.7	6.3	4.1	5.8	3.0	8.4	5.0	9.0	6.8	6.0	7.0
Ethiopia ²	11.8	12.6	11.5	11.8	11.2	10.0	10.6	11.4	8.5	9.7	7.5	7.5
Gambia, The	3.3	-0.9	1.1	3.6	5.7	6.4	6.5	-4.3	5.3	6.3	7.4	7.0
Kenya	5.2	5.9	6.3	7.0	1.5	2.7	5.8	4.4	4.6	5.6	6.3	6.3
Madagascar	5.8	4.8	5.4	6.5	7.2	-3.5	0.1	1.5	2.5	2.4	3.0	4.0
Malawi	5.6	2.6	2.1	9.5	8.3	9.0	6.5	4.3	1.9	5.0	6.1	6.5
Mali	4.6	6.1	5.3	4.3	5.0	4.5	5.8	2.7	0.0	1.7	6.5	5.0
Mozambique	7.8	8.4	8.7	7.3	6.8	6.3	7.1	7.3	7.2	7.1	8.3	7.9
Niger	5.2	8.4	5.8	3.2	9.6	-0.7	8.4	2.3	11.1	3.6	6.5	5.9
Rwanda	9.0	9.4	9.2	7.6	11.2	6.2	7.2	8.2	8.0	5.0	7.5	7.5
Sierra Leone	5.7	4.5	4.2	8.0	5.2	3.2	5.3	6.0	15.2	16.3	13.9	10.8
Tanzania	7.3	7.4	6.7	7.1	7.4	6.0	7.0	6.4	6.9	7.0	7.2	7.0
Uganda	8.3	10.0	7.0	8.1	10.4	4.1	6.2	6.2	2.8	6.0	6.4	6.8
Fragile states	2.7	2.7	2.5	3.1	2.5	3.3	4.8	3.3	7.5	6.0	7.1	7.1
Burundi	4.4	4.4	5.4	3.4	4.9	3.8	5.1	4.2	4.0	4.5	4.7	4.8
Central African Rep.	3.3	2.5	4.8	4.6	2.1	1.7	3.0	3.3	4.1	-36.0	1.5	5.3
Comoros	1.3	4.2	1.2	0.5	1.0	1.8	2.1	2.2	3.0	3.5	4.0	4.0
Congo, Dem. Rep. of	6.1	6.1	5.3	6.3	6.2	2.9	7.1	6.9	7.2	8.5	8.7	8.5
Côte d'Ivoire	1.6	1.9	0.7	1.6	2.3	3.7	2.4	-4.7	9.8	8.1	8.2	7.7
Eritrea	-1.1	2.6	-1.0	1.4	-9.8	3.9	2.2	8.7	7.0	1.3	2.3	1.9
Guinea	2.9	3.0	2.5	1.8	4.9	-0.3	1.9	3.9	3.8	2.5	4.5	5.0
Guinea-Bissau	3.1	4.3	2.1	3.2	3.2	3.0	3.5	5.3	-1.5	0.3	3.0	3.9
Liberia	7.5	5.9	8.4	12.9	6.0	5.1	6.1	7.9	8.3	8.0	7.0	8.7
São Tomé & Príncipe	6.0	1.6	12.6	2.0	9.1	4.0	4.5	4.9	4.0	4.0	5.0	5.5
Togo	2.4	1.2	4.1	2.3	2.4	3.5	4.1	4.8	5.9	5.6	6.0	6.0
Zimbabwe ³	-7.5	-7.7	-3.6	-3.3	-16.4	8.2	11.4	11.9	10.6	3.0	4.2	4.5
Sub-Saharan Africa	6.4	6.2	6.3	7.1	5.7	2.6	5.6	5.5	4.9	4.9	5.4	5.5
Median	5.2	5.0	5.3	5.5	5.2	3.1	5.8	4.6	5.0	4.5	5.6	5.5
Excluding Nigeria and South Africa	7.2	7.1	6.9	8.1	6.8	3.3	6.1	5.9	5.5	5.8	6.2	6.3
Oil-importing countries	5.5	5.7	5.8	6.1	5.0	1.5	5.1	5.3	4.7	4.4	4.8	5.0
Excluding South Africa	6.0	6.1	6.0	6.5	6.1	3.9	6.6	6.5	6.3	6.1	6.3	6.4
CFA franc zone	4.6	4.5	2.7	4.0	4.5	1.9	5.3	2.6	5.9	4.2	6.1	5.4
WAEMU	3.7	4.7	3.3	3.4	4.4	3.0	4.8	1.2	6.6	5.5	6.4	6.2
CEMAC	5.5	4.3	2.0	4.5	4.6	0.9	5.9	3.9	5.3	2.9	5.8	4.6
EAC-5	6.8	7.5	6.8	7.2	6.2	4.4	6.4	5.7	5.2	6.1	6.6	6.7
ECOWAS	6.1	5.2	5.4	6.0	5.8	5.5	7.1	6.8	6.8	6.1	6.7	6.7
SADC	6.4	6.5	7.1	7.7	5.3	0.1	4.1	4.3	3.8	3.3	3.9	4.2
SACU	5.0	5.1	5.7	5.7	3.6	-1.7	3.5	3.7	2.6	2.1	2.5	2.8
COMESA (SSA members)	6.8	6.9	6.7	7.6	6.4	5.0	7.0	7.0	5.8	6.6	6.5	6.7
MDRI countries	6.6	6.9	6.3	6.5	7.4	4.8	6.9	7.3	6.4	6.3	6.6	6.6
Countries with conventional exchange rate pegs	4.6	4.3	2.9	4.0	4.2	1.8	5.2	2.8	5.8	4.2	5.8	5.3
Countries without conventional exchange rate pegs	6.9	6.7	7.1	7.7	6.1	2.7	5.7	6.0	5.0	4.8	5.3	5.5
Sub-Saharan Africa⁴	6.4	6.2	6.3	7.1	5.7	2.6	5.6	5.5	5.2	4.7	5.4	5.4

Sources and footnotes on page 66.

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	10.7	8.0	11.8	12.8	9.9	7.3	8.0	8.4	7.0	7.2	6.2	7.0
Excluding Nigeria	12.1	9.4	15.3	16.8	11.5	5.9	7.2	7.8	5.9	6.1	4.9	6.2
Angola	18.0	14.1	27.6	24.4	15.0	8.1	7.6	9.5	5.6	5.8	6.4	6.7
Cameroon	3.7	3.2	2.9	3.6	4.0	2.8	4.1	4.6	4.6	4.6	4.7	4.9
Chad	6.3	11.0	3.2	6.9	8.4	6.4	17.3	0.2	11.6	5.0	6.5	5.1
Congo, Rep. of	5.7	5.4	5.9	6.6	5.4	3.9	6.5	7.4	9.7	9.8	7.5	7.2
Equatorial Guinea	29.9	22.8	29.8	40.5	28.2	11.4	0.7	9.9	0.3	2.9	-0.4	-4.8
Gabon	3.2	0.1	2.6	8.7	3.2	-1.8	6.1	12.2	10.4	9.1	7.1	8.9
Nigeria	9.8	7.0	9.6	10.1	8.9	8.3	8.5	8.8	7.7	7.9	7.0	7.5
South Sudan	...	...	...	...	...	...	...	...	-6.4	7.4	-12.8	11.9
Middle-income countries¹	5.1	5.1	5.6	5.8	4.1	-0.8	4.1	4.3	3.4	2.5	3.0	3.3
Excluding South Africa	5.6	4.7	5.8	6.4	5.6	1.5	6.7	6.4	5.7	4.1	4.6	5.0
Botswana	5.6	4.6	8.0	8.7	3.9	-7.8	8.6	6.1	4.2	3.9	4.1	4.4
Cabo Verde	7.1	5.8	9.1	9.2	6.7	-1.3	1.5	4.0	1.0	0.5	3.0	3.5
Ghana	6.5	6.0	6.1	6.5	8.4	4.0	8.0	9.4	7.8	3.9	4.5	5.2
Lesotho	4.0	2.9	4.1	4.9	5.1	4.5	5.6	4.3	6.0	5.8	5.6	5.5
Mauritius	4.3	1.5	4.5	5.9	5.5	3.0	4.1	3.8	3.3	3.1	3.7	4.0
Namibia	6.1	2.5	7.1	5.4	3.4	-1.1	6.3	5.7	5.0	4.3	4.3	4.5
Senegal	4.5	5.6	2.5	4.9	3.7	2.4	4.3	2.1	3.5	4.0	4.6	4.8
Seychelles	4.8	9.0	9.4	10.4	-2.1	-1.1	5.9	7.9	2.8	3.6	3.7	3.8
South Africa	4.9	5.3	5.6	5.5	3.6	-1.5	3.1	3.6	2.5	1.9	2.3	2.7
Swaziland	2.9	2.5	3.3	3.5	2.4	1.2	1.9	-0.6	1.9	2.8	2.1	2.1
Zambia	5.8	5.3	6.2	6.2	5.7	6.4	7.6	6.8	7.2	6.0	7.3	7.1
Low-income and Fragile states	6.2	6.3	6.0	6.6	6.2	4.7	6.6	5.8	6.3	6.6	6.9	6.9
Low-income excluding Fragile states	7.3	7.9	7.2	7.7	7.3	5.1	7.0	6.5	6.0	6.8	6.9	6.8
Benin	3.9	2.9	3.8	4.6	5.0	2.7	2.6	3.3	5.4	5.6	5.5	5.2
Burkina Faso	5.9	8.7	6.3	4.1	5.8	3.0	8.4	5.0	9.0	6.8	6.0	7.0
Ethiopia ²	11.8	12.6	11.5	11.8	11.2	10.0	10.6	11.4	8.5	9.7	7.5	7.5
Gambia, The	3.3	-0.9	1.1	3.6	5.7	6.4	6.5	-4.3	5.3	6.3	7.4	7.0
Kenya	5.2	5.9	6.3	7.0	1.5	2.7	5.8	4.4	4.6	5.6	6.3	6.3
Madagascar	5.7	4.6	5.0	6.2	7.1	-4.1	0.4	1.8	1.9	2.6	3.8	4.0
Malawi	5.6	2.6	2.1	9.5	8.3	9.0	6.5	4.3	1.9	5.0	6.1	6.5
Mali	4.6	6.1	5.3	4.3	5.0	4.5	5.8	2.7	0.0	1.7	6.5	5.0
Mozambique	7.8	8.4	8.7	7.3	6.8	6.3	7.1	7.3	7.2	7.1	8.3	7.9
Niger	5.2	8.4	5.8	3.2	9.6	-0.7	8.4	2.3	3.8	1.6	5.8	6.0
Rwanda	9.0	9.4	9.2	7.6	11.2	6.2	7.2	8.2	8.0	5.0	7.5	7.5
Sierra Leone	5.7	4.5	4.2	8.0	5.2	3.2	5.3	6.0	15.2	16.3	13.9	10.8
Tanzania	7.3	7.4	6.7	7.1	7.4	6.0	7.0	6.4	6.9	7.0	7.2	7.0
Uganda	8.3	10.0	7.0	8.1	10.4	4.1	6.2	6.2	2.8	6.0	6.4	6.8
Fragile states	2.6	1.9	2.4	3.4	2.6	3.2	5.0	3.2	7.6	6.0	7.1	7.2
Burundi	4.4	4.4	5.4	3.4	4.9	3.8	5.1	4.2	4.0	4.5	4.7	4.8
Central African Rep.	3.3	2.5	4.8	4.6	2.1	1.7	3.0	3.3	4.1	-36.0	1.5	5.3
Comoros	1.3	4.2	1.2	0.5	1.0	1.8	2.1	2.2	3.0	3.5	4.0	4.0
Congo, Dem. Rep. of	5.9	4.3	5.4	6.6	6.3	2.8	7.2	6.9	7.2	8.6	8.7	8.8
Côte d'Ivoire	1.5	1.3	0.0	2.1	2.5	3.7	2.9	-4.9	10.0	8.1	8.2	7.6
Eritrea	-1.1	2.6	-1.0	1.4	-9.8	3.9	2.2	8.7	7.0	1.3	2.3	1.9
Guinea	2.9	3.0	2.5	1.8	4.9	-0.3	1.9	3.9	3.8	2.5	4.5	5.0
Guinea-Bissau	3.1	4.3	2.1	3.2	3.2	3.0	3.5	5.3	-1.5	0.3	3.0	3.9
Liberia	7.5	5.9	8.4	12.9	6.0	5.1	6.1	7.9	8.3	8.0	7.0	8.7
São Tomé & Príncipe	6.0	1.6	12.6	2.0	9.1	4.0	4.5	4.9	4.0	4.0	5.0	5.5
Togo	2.4	1.2	4.1	2.3	2.4	3.5	4.1	4.8	5.9	5.6	6.0	6.0
Zimbabwe ³	-7.5	-7.7	-3.6	-3.3	-16.4	8.2	11.4	11.9	10.6	3.0	4.2	4.5
Sub-Saharan Africa	7.2	6.3	7.7	8.2	6.6	3.4	6.1	6.1	5.5	5.3	5.3	5.7
Median	5.4	4.6	5.4	6.0	5.3	3.6	5.9	5.0	5.0	5.0	5.6	5.5
Excluding Nigeria and South Africa	7.5	6.8	8.2	9.2	7.5	4.4	6.8	6.4	6.1	6.0	6.0	6.4
Oil-importing countries	5.5	5.6	5.8	6.1	5.0	1.5	5.1	5.0	4.6	4.3	4.8	5.0
Excluding South Africa	6.0	5.9	5.9	6.6	6.1	3.9	6.6	5.9	6.2	6.0	6.3	6.4
CFA franc zone	5.7	5.6	4.9	7.1	6.3	3.4	5.8	3.7	6.6	5.4	5.8	5.7
WAEMU	3.7	4.5	3.1	3.6	4.4	2.9	4.9	1.1	6.0	5.4	6.3	6.2
CEMAC	7.8	6.7	6.8	10.7	8.3	3.8	6.8	6.3	7.1	5.4	5.3	5.2
EAC-5	6.8	7.5	6.8	7.2	6.2	4.4	6.4	5.7	5.2	6.1	6.6	6.7
ECOWAS	7.7	6.1	7.4	8.0	7.6	6.4	7.4	7.1	7.4	6.9	6.6	7.0
SADC	6.5	5.8	7.8	7.9	5.5	0.8	4.6	5.0	3.8	3.6	4.1	4.4
SACU	5.0	5.1	5.7	5.7	3.6	-1.7	3.5	3.7	2.6	2.1	2.5	2.8
COMESA (SSA members)	6.7	6.7	6.7	7.6	6.4	5.0	7.0	7.0	5.8	6.7	6.6	6.7
MDRI countries	6.7	6.8	6.3	6.8	7.4	4.8	6.9	6.8	6.4	6.3	6.5	6.6
Countries with conventional exchange rate pegs	5.6	5.3	4.9	6.8	5.9	3.1	5.7	3.8	6.4	5.2	5.6	5.5
Countries without conventional exchange rate pegs	7.6	6.7	8.3	8.6	6.8	3.5	6.1	6.5	5.3	5.3	5.4	5.7
Sub-Saharan Africa⁴	7.2	6.3	7.7	8.2	6.6	3.4	6.1	6.1	5.5	5.3	5.4	5.7

Sources and footnotes on page 66.

Table SA3. Real Per Capita GDP Growth
(Percent)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	5.6	4.4	4.6	6.3	4.4	2.1	3.9	3.3	2.4	2.9	3.7	3.7
Excluding Nigeria	7.7	7.2	6.6	9.6	6.2	-1.0	2.0	1.2	0.3	2.0	2.9	2.9
Angola	14.6	17.2	17.4	19.3	10.9	-0.2	0.4	0.9	2.1	1.0	2.2	2.5
Cameroon	0.3	-0.5	0.4	0.0	0.8	-0.9	0.8	1.6	2.0	2.1	2.2	2.5
Chad	7.0	5.3	-1.8	0.8	0.5	1.7	10.8	-2.4	6.2	1.1	8.1	4.7
Congo, Rep. of	1.4	4.7	3.2	-4.4	2.6	4.4	5.7	0.5	0.9	2.3	5.8	3.5
Equatorial Guinea	11.6	6.5	-1.7	9.9	9.1	-10.6	-4.0	2.1	0.4	-7.5	-5.1	-10.7
Gabon	-1.0	-3.2	-4.3	3.7	0.3	-3.7	4.7	5.4	4.0	4.4	4.2	4.8
Nigeria	4.2	2.6	3.4	4.1	3.1	4.1	5.1	4.5	3.7	3.4	4.3	4.2
South Sudan	...	...	...	...	...	...	...	...	-50.0	18.7	2.4	12.5
Middle-income countries¹	3.5	3.6	4.1	4.3	2.6	-2.2	2.5	3.3	1.8	1.1	1.4	1.8
Excluding South Africa	3.6	2.7	3.7	4.7	3.5	-0.5	4.6	6.4	3.6	2.6	2.6	2.9
Botswana	4.2	3.3	6.5	7.2	2.5	-9.1	7.2	4.9	3.0	2.7	2.9	3.2
Cabo Verde	6.4	4.7	8.4	8.8	6.4	-1.5	1.1	3.3	0.2	-0.7	1.8	2.3
Ghana	3.8	3.4	3.5	3.8	5.7	1.4	5.3	12.1	5.2	2.8	2.2	2.8
Lesotho	3.9	2.7	4.7	4.6	4.8	4.2	5.3	4.0	5.7	5.5	5.3	5.2
Mauritius	3.6	0.6	3.7	4.9	5.2	2.3	3.6	3.4	2.7	2.6	3.2	3.5
Namibia	4.3	0.7	5.2	3.5	1.5	-2.9	5.4	4.8	4.2	3.5	3.4	3.6
Senegal	1.7	2.8	-0.3	2.1	0.9	-0.4	1.3	-0.8	0.5	1.1	1.6	1.8
Seychelles	3.7	8.5	7.1	9.9	-4.3	-1.5	3.0	6.7	1.6	2.4	2.5	2.6
South Africa	3.5	3.9	4.2	4.2	2.3	-2.8	1.8	2.2	1.1	0.5	1.0	1.3
Swaziland	4.1	1.5	2.0	13.5	1.3	0.1	0.8	-1.8	0.7	1.6	0.8	0.9
Zambia	3.0	2.6	3.4	3.3	2.7	3.3	4.4	3.6	3.9	2.7	3.9	3.7
Low-income and Fragile states	3.4	3.8	3.2	3.7	3.4	2.0	3.8	3.0	3.7	3.8	4.1	4.1
Low-income excluding Fragile states	4.5	5.1	4.3	4.8	4.5	2.4	4.3	3.7	3.5	4.0	4.1	4.1
Benin	0.6	-0.4	0.5	1.5	1.9	-0.3	-0.3	0.5	2.6	2.9	2.8	2.6
Burkina Faso	2.8	5.4	3.2	1.2	2.2	0.2	5.6	1.7	5.7	4.9	3.6	4.6
Ethiopia ²	9.2	10.0	9.0	9.3	8.8	7.7	8.2	9.0	6.0	7.2	4.9	5.2
Gambia, The	0.4	-3.8	-1.7	0.8	2.8	3.6	3.7	-6.9	2.4	3.5	4.5	4.1
Kenya	2.4	3.1	3.5	4.2	-1.1	0.0	3.0	1.6	1.8	2.8	3.5	3.5
Madagascar	2.8	1.8	2.4	3.5	4.2	-6.2	-2.6	-2.1	0.0	-0.1	0.6	1.5
Malawi	3.0	0.5	-0.8	6.5	5.4	6.0	3.6	1.4	-1.0	2.0	3.1	3.5
Mali	1.4	2.9	2.0	1.1	1.8	1.3	2.7	-0.4	-3.0	-1.3	3.2	1.8
Mozambique	4.9	5.4	5.8	4.5	4.1	3.6	4.4	4.6	4.6	4.5	5.8	5.4
Niger	1.8	5.2	2.2	-0.4	5.9	-4.1	5.1	-0.8	7.7	0.4	3.3	2.7
Rwanda	7.0	7.5	7.3	5.4	8.9	4.0	5.0	6.0	5.7	2.8	5.3	5.3
Sierra Leone	2.4	0.6	1.1	5.3	3.0	1.2	3.3	3.9	13.0	13.9	11.5	9.3
Tanzania	4.7	5.1	3.8	4.3	4.7	3.4	4.4	3.9	4.4	3.8	4.1	3.9
Uganda	4.8	6.5	3.6	4.6	6.9	0.8	2.8	2.8	-0.5	2.6	3.0	3.4
Fragile states	-0.1	0.1	-0.2	0.4	-0.2	0.5	2.0	0.4	4.5	3.1	4.2	4.2
Burundi	2.3	2.3	3.3	1.4	2.4	1.4	2.6	1.7	1.6	2.0	2.3	2.3
Central African Rep.	1.5	0.7	2.9	2.7	0.1	-0.2	1.1	1.3	2.1	-37.3	-0.5	3.3
Comoros	-0.7	2.1	-0.8	-1.6	-1.1	-0.3	0.0	0.1	0.8	1.4	1.8	1.8
Congo, Dem. Rep. of	3.0	3.0	2.3	3.2	3.1	-0.1	4.0	3.8	4.0	5.3	5.5	5.4
Côte d'Ivoire	-1.7	-0.8	-2.2	-1.4	-0.7	0.7	-0.5	-7.5	6.6	4.9	5.0	4.5
Eritrea	-4.7	-1.4	-4.5	-2.0	-12.7	0.6	-1.1	5.2	3.6	-1.9	-1.0	-1.3
Guinea	0.8	1.0	0.4	-0.4	2.6	-2.7	-0.6	1.4	1.3	0.0	1.9	2.4
Guinea-Bissau	1.1	2.3	0.1	1.1	1.1	0.9	1.3	3.2	-3.5	-1.8	0.9	1.7
Liberia	3.6	3.0	4.2	7.8	0.8	0.8	1.8	5.1	5.6	5.2	4.3	6.0
São Tomé & Príncipe	3.9	-0.4	10.5	0.0	7.0	2.1	2.6	3.1	-7.5	1.9	2.9	3.5
Togo	-0.2	-1.4	1.5	-0.2	-0.1	0.9	1.4	2.1	3.2	2.9	3.3	3.3
Zimbabwe ³	-8.2	-8.5	-5.0	-3.6	-17.0	7.2	10.4	9.1	7.8	1.8	3.1	3.3
Sub-Saharan Africa	4.1	3.9	4.0	4.8	3.4	0.4	3.3	3.2	2.5	2.5	3.0	3.1
Median	3.0	2.7	3.0	3.5	2.5	0.8	3.0	2.5	2.6	2.6	3.1	3.4
Excluding Nigeria and South Africa	4.5	4.4	4.1	5.4	4.2	0.7	3.5	3.2	2.8	3.1	3.5	3.6
Oil-importing countries	3.4	3.7	3.7	4.1	2.9	-0.5	3.0	3.2	2.6	2.3	2.6	2.8
Excluding South Africa	3.4	3.5	3.3	4.0	3.4	1.3	4.0	3.9	3.7	3.5	3.7	3.8
CFA franc zone	1.7	1.6	-0.2	1.1	1.7	-0.8	2.6	-0.1	3.2	1.7	3.4	2.8
WAEMU	0.6	1.7	0.3	0.4	1.3	0.0	1.8	-1.8	3.5	2.7	3.4	3.3
CEMAC	2.8	1.5	-0.7	1.8	2.1	-1.6	3.4	1.5	2.8	0.6	3.4	2.3
EAC-5	4.0	4.7	3.9	4.3	3.3	1.6	3.5	3.0	2.4	3.1	3.7	3.7
ECOWAS	3.2	2.4	2.6	3.2	3.0	2.7	4.2	3.9	3.9	3.3	3.9	3.9
SADC	4.6	4.7	5.3	5.9	3.5	-1.6	2.3	2.4	1.9	1.4	2.0	2.3
SACU	3.5	3.8	4.3	4.4	2.3	-3.0	2.1	2.4	1.3	0.8	1.2	1.5
COMESA (SSA members)	4.2	4.3	4.1	5.2	3.8	2.4	4.4	4.3	3.2	4.0	3.9	4.1
MDRI countries	3.8	4.1	3.5	3.7	4.5	2.1	4.1	4.5	3.6	3.6	3.8	3.8
Countries with conventional exchange rate pegs	1.9	1.6	0.2	1.6	1.5	-0.8	2.7	0.3	3.2	1.8	3.3	2.8
Countries without conventional exchange rate pegs	4.6	4.5	4.8	5.5	3.8	0.6	3.4	3.7	2.7	2.5	3.0	3.1
Sub-Saharan Africa⁴	4.1	3.9	4.0	4.8	3.4	0.4	3.3	3.2	2.8	2.4	3.0	3.1

Sources and footnotes on page 66.

Table SA4. Consumer Prices*(Annual average, percent change)*

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	10.6	14.6	8.0	5.3	10.5	11.0	11.3	9.6	10.7	7.0	6.6	6.3
Excluding Nigeria	8.9	9.6	7.7	5.0	8.9	8.8	7.4	7.5	8.2	4.8	5.6	5.2
Angola	20.9	23.0	13.3	12.2	12.5	13.7	14.5	13.5	10.3	8.8	7.7	7.7
Cameroon	2.7	2.0	4.9	1.1	5.3	3.0	1.3	2.9	2.4	2.1	2.5	2.5
Chad	1.5	3.7	7.7	-7.4	8.3	10.1	-2.1	1.9	7.7	0.2	2.4	3.0
Congo, Rep. of	3.9	2.5	4.7	2.6	6.0	4.3	5.0	1.8	5.0	4.6	2.4	2.4
Equatorial Guinea	4.4	5.6	4.5	2.8	4.7	5.7	5.3	4.8	3.4	3.2	3.9	3.7
Gabon	0.9	1.2	-1.4	-1.0	5.3	1.9	1.4	1.3	2.7	0.5	5.6	2.5
Nigeria	11.6	17.9	8.2	5.4	11.6	12.5	13.7	10.8	12.2	8.5	7.3	7.0
South Sudan	...	...	...	...	...	...	...	...	45.1	0.0	11.2	9.0
Middle-income countries¹	6.5	4.7	5.5	7.4	11.8	8.1	5.0	5.6	6.0	6.2	6.4	5.9
Excluding South Africa	9.3	9.1	8.1	8.4	12.6	11.0	7.1	7.2	6.8	7.3	7.5	6.7
Botswana	9.4	8.6	11.6	7.1	12.6	8.1	6.9	8.5	7.5	5.8	3.8	3.4
Cabo Verde	2.9	0.4	4.8	4.4	6.8	1.0	2.1	4.5	2.5	1.5	1.7	2.0
Ghana	13.0	15.1	10.2	10.7	16.5	20.6	11.7	8.7	9.2	11.7	13.0	11.1
Lesotho	6.7	3.4	6.1	8.0	10.7	7.4	3.6	5.0	6.2	5.3	4.7	4.6
Mauritius	7.4	4.8	8.9	8.8	9.7	2.5	2.9	6.5	3.9	3.5	3.8	4.5
Namibia	5.7	2.3	5.1	6.7	10.4	8.8	4.5	5.0	6.5	6.2	5.9	5.7
Senegal	3.2	1.7	2.1	5.9	5.8	-1.7	1.2	3.4	1.4	0.8	1.4	1.7
Seychelles	6.2	0.6	-1.9	-8.6	37.0	31.7	-2.4	2.6	7.1	4.3	3.5	3.3
South Africa	5.6	3.4	4.7	7.1	11.5	7.1	4.3	5.0	5.7	5.8	6.0	5.6
Swaziland	6.2	1.8	5.2	8.1	12.7	7.4	4.5	6.1	8.9	5.6	5.5	5.2
Zambia	13.7	18.3	9.0	10.7	12.4	13.4	8.5	8.7	6.6	7.0	7.0	6.0
Low-income and Fragile states	9.5	8.4	8.9	5.5	17.8	10.3	6.8	14.5	11.0	5.7	5.2	5.3
Low-income excluding Fragile states	9.5	8.6	8.0	7.6	17.4	8.7	5.8	15.7	13.0	6.4	5.7	5.6
Benin	3.7	5.4	3.8	1.3	7.4	0.9	2.2	2.7	6.7	1.0	1.7	2.8
Burkina Faso	3.8	6.4	2.4	-0.2	10.7	2.6	-0.6	2.8	3.8	2.0	2.0	2.0
Ethiopia	18.0	11.7	13.6	17.2	44.4	8.5	8.1	33.2	24.1	8.0	6.2	7.8
Gambia, The	6.2	5.0	2.1	5.4	4.5	4.6	5.0	4.8	4.6	5.2	5.3	5.0
Kenya	8.3	7.8	6.0	4.3	15.1	10.6	4.3	14.0	9.4	5.7	6.6	5.5
Madagascar	12.5	18.4	10.8	10.4	9.2	9.0	9.3	10.0	5.8	5.8	6.2	6.0
Malawi	11.5	15.4	13.9	8.0	8.7	8.4	7.4	7.6	21.3	27.7	15.1	6.9
Mali	3.1	6.4	1.5	1.5	9.1	2.2	1.3	3.1	5.3	-0.6	3.9	2.5
Mozambique	10.2	6.4	13.2	8.2	10.3	3.3	12.7	10.4	2.1	4.2	5.6	5.6
Niger	3.9	7.8	0.1	0.1	11.3	4.3	-2.8	2.9	0.5	2.3	2.5	2.1
Rwanda	10.9	9.1	8.8	9.1	15.4	10.3	2.3	5.7	6.3	4.2	4.1	4.8
Sierra Leone	12.5	12.0	9.5	11.6	14.8	9.2	17.8	18.5	13.8	9.8	7.8	6.7
Tanzania	6.6	4.4	7.3	7.0	10.3	12.1	7.2	12.7	16.0	7.9	5.2	5.0
Uganda	7.5	8.6	7.2	6.1	12.0	13.1	4.0	18.7	14.0	5.4	6.3	6.3
Fragile states	9.5	7.9	11.6	-0.8	18.9	16.1	10.2	10.4	4.1	3.3	3.2	4.1
Burundi	12.5	1.2	9.1	14.4	26.0	4.6	4.1	14.9	12.0	8.8	5.9	6.0
Central African Rep.	3.5	2.9	6.7	0.9	9.3	3.5	1.5	1.2	5.9	6.6	4.5	4.2
Comoros	4.0	3.0	3.4	4.5	4.8	4.8	3.9	6.8	6.3	2.3	3.2	3.2
Congo, Dem. Rep. of	14.7	21.4	13.2	16.7	18.0	46.2	23.5	15.5	2.1	0.8	2.4	4.1
Côte d'Ivoire	3.2	3.9	2.5	1.9	6.3	1.0	1.4	4.9	1.3	2.6	1.2	2.5
Eritrea	16.4	12.5	15.1	9.3	19.9	33.0	12.7	13.3	12.3	12.3	12.3	12.3
Guinea	25.0	31.4	34.7	22.9	18.4	4.7	15.5	21.4	15.2	12.0	10.2	8.5
Guinea-Bissau	4.0	3.2	0.7	4.6	10.4	-1.6	1.1	5.1	2.1	0.6	2.5	2.0
Liberia	9.8	6.9	9.5	11.4	17.5	7.4	7.3	8.5	6.8	7.6	8.1	7.5
São Tomé & Príncipe	20.8	17.2	23.1	18.6	32.0	17.0	13.3	14.3	10.6	8.1	6.6	4.9
Togo	3.8	6.8	2.2	0.9	8.7	3.7	1.4	3.6	2.6	2.0	3.0	2.7
Zimbabwe ²	39.9	-31.5	33.0	-72.7	157.0	6.2	3.0	3.5	3.7	1.6	1.5	1.7
Sub-Saharan Africa	8.5	8.7	7.2	6.2	13.0	9.7	7.5	9.4	9.0	6.3	6.1	5.9
<i>Median</i>	6.6	6.0	6.9	6.4	10.7	7.3	4.3	5.9	6.3	5.2	5.2	4.8
Excluding Nigeria and South Africa	9.3	8.9	8.4	6.0	14.4	10.1	7.0	11.3	9.4	5.8	5.7	5.6
Oil-importing countries	7.7	6.2	6.8	6.7	14.2	9.0	5.7	9.3	8.1	6.0	5.9	5.6
Excluding South Africa	9.4	8.6	8.7	6.3	16.4	10.5	6.8	12.5	9.9	6.1	5.8	5.7
CFA franc zone	3.0	3.7	3.1	0.8	6.9	2.9	1.2	3.0	3.4	1.7	2.6	2.5
WAEMU	3.4	4.7	2.2	2.0	7.9	1.2	0.7	3.6	2.8	1.5	1.9	2.3
CEMAC	2.5	2.7	4.1	-0.4	5.9	4.5	1.7	2.5	3.9	1.9	3.3	2.7
EAC-5	7.8	6.8	6.9	6.1	13.1	11.5	5.0	14.1	12.5	6.3	5.9	5.5
ECOWAS	9.9	14.2	7.4	5.6	11.4	10.4	10.5	9.2	9.8	7.4	6.8	6.5
SADC	7.8	6.2	7.1	6.8	12.5	9.8	6.9	7.5	7.0	6.2	5.9	5.6
SACU	5.8	3.6	5.0	7.1	11.6	7.2	4.4	5.2	5.8	5.8	5.8	5.5
COMESA (SSA members)	11.6	9.7	10.4	6.3	22.4	13.4	7.7	17.5	12.4	6.3	5.9	6.1
MDRI countries	9.3	9.3	8.1	8.3	15.4	10.9	7.2	12.5	10.2	6.1	5.8	5.7
Countries with conventional exchange rate pegs	3.4	3.7	3.5	1.5	7.4	3.6	1.6	3.4	3.8	2.2	3.0	2.8
Countries without conventional exchange rate pegs	9.6	10.2	7.8	8.0	13.7	10.9	8.7	10.6	9.8	7.2	6.7	6.4
Sub-Saharan Africa³	8.5	8.7	7.2	6.2	13.0	9.7	7.5	9.4	8.8	6.4	6.1	5.9

Sources and footnotes on page 66.

Table SA5. Consumer Prices
(End of period, percent change)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	9.5	10.0	7.6	6.4	12.9	11.4	10.3	9.2	9.9	6.4	6.5	6.2
Excluding Nigeria	8.2	7.5	6.1	6.1	9.7	7.7	8.0	7.5	6.5	4.0	5.6	4.9
Angola	17.3	18.5	12.2	11.8	13.2	14.0	15.3	11.4	9.0	7.7	8.0	7.5
Cameroon	3.1	3.5	2.4	3.4	5.3	0.9	2.6	2.7	2.5	1.7	2.5	2.5
Chad	3.2	-3.4	-0.9	1.7	9.7	4.7	-2.2	10.8	2.1	0.9	3.2	3.0
Congo, Rep. of	4.4	3.1	8.1	-1.7	11.4	2.5	5.4	1.8	7.5	2.1	2.7	2.3
Equatorial Guinea	4.3	3.2	3.8	3.7	5.5	5.0	5.4	4.9	2.6	4.9	3.7	3.4
Gabon	1.1	1.1	-0.7	-0.2	5.6	0.9	0.7	2.3	2.2	3.3	2.5	2.5
Nigeria	10.4	11.6	8.5	6.6	15.1	13.9	11.7	10.3	12.0	7.9	7.0	7.0
South Sudan	...	...	...	...	...	...	...	...	25.2	-8.8	14.2	5.0
Middle-income countries¹	7.2	5.0	6.4	9.1	10.9	7.0	4.3	6.4	6.0	6.0	6.6	5.8
Excluding South Africa	9.8	9.4	8.4	9.6	13.5	9.1	6.7	7.2	6.6	7.7	7.2	6.2
Botswana	9.9	11.3	8.5	8.1	13.7	5.8	7.4	9.2	7.4	4.1	3.5	3.3
Cabo Verde	3.5	1.8	5.8	3.4	6.7	-0.4	3.4	3.6	4.1	0.1	2.0	2.0
Ghana	13.7	14.8	10.9	12.7	18.1	20.2	8.6	8.6	8.8	13.5	12.3	9.8
Lesotho	7.2	3.5	6.4	10.5	10.6	4.5	3.1	7.7	5.1	4.6	4.6	4.6
Mauritius	7.3	3.8	11.6	8.6	6.8	1.5	6.1	4.9	3.2	3.5	4.5	5.0
Namibia	6.4	3.5	6.0	7.1	10.9	7.0	3.1	7.2	6.4	6.0	5.8	5.7
Senegal	3.5	1.4	3.9	6.2	4.3	-3.4	4.3	2.7	1.1	1.2	1.7	1.7
Seychelles	16.5	-1.6	0.2	16.7	63.3	-2.6	0.4	5.5	5.8	3.4	3.5	3.2
South Africa	6.4	3.6	5.8	9.0	10.1	6.3	3.5	6.1	5.7	5.4	6.3	5.6
Swaziland	7.7	7.6	4.8	9.8	12.9	4.5	4.5	7.8	8.3	4.4	5.6	5.2
Zambia	13.4	15.9	8.2	8.9	16.6	9.9	7.9	7.2	7.3	7.1	6.5	5.5
Low-income and Fragile states	10.4	8.2	9.8	7.8	17.5	9.0	7.5	16.7	7.6	5.1	5.4	5.2
Low-income excluding Fragile states	10.1	7.1	9.3	8.1	17.6	7.1	7.4	18.9	8.5	5.8	6.1	5.5
Benin	4.1	3.7	5.3	0.3	8.4	-0.5	4.0	1.8	6.8	-1.8	4.0	2.8
Burkina Faso	4.1	4.5	1.5	2.3	11.6	-0.3	-0.3	5.1	1.6	2.0	2.0	2.0
Ethiopia	19.3	12.3	18.5	18.4	39.2	7.1	14.6	35.9	14.9	7.7	7.0	8.0
Gambia, The	5.2	4.8	0.4	6.0	6.8	2.7	5.8	4.4	4.9	5.6	5.0	5.0
Kenya	9.0	4.9	7.3	5.6	15.5	8.0	5.8	18.9	3.2	7.1	6.6	5.1
Madagascar	13.6	11.5	10.8	8.2	10.1	8.0	10.2	7.5	5.8	6.3	6.5	6.0
Malawi	11.6	16.6	10.1	7.5	9.9	7.6	6.3	9.8	34.6	20.1	9.7	5.8
Mali	3.7	3.4	3.6	2.6	7.4	1.7	1.9	5.3	2.4	0.0	8.1	3.3
Mozambique	9.2	11.1	9.4	10.3	6.2	4.2	16.6	5.5	2.2	3.0	6.0	5.6
Niger	5.3	4.2	0.4	4.7	13.6	-3.1	1.4	1.4	0.7	1.1	2.6	1.2
Rwanda	11.4	5.6	12.1	6.6	22.3	5.7	0.2	8.3	3.9	3.6	4.5	5.0
Sierra Leone	12.4	13.1	8.3	13.8	12.2	10.8	18.4	16.9	12.0	8.5	7.5	6.0
Tanzania	7.1	5.0	6.7	6.4	13.5	12.2	5.6	19.8	12.1	5.6	5.0	5.0
Uganda	8.4	3.7	10.9	5.2	14.3	11.0	3.1	27.0	5.3	5.6	7.0	5.6
Fragile states	11.3	11.7	11.6	6.8	17.2	15.4	8.0	9.3	4.7	2.6	3.2	4.1
Burundi	12.5	1.2	9.1	14.4	26.0	4.6	4.1	14.9	12.0	8.8	5.9	6.0
Central African Rep.	4.7	2.2	7.1	-0.2	14.5	-1.2	2.3	4.3	5.9	5.9	3.9	2.3
Comoros	4.4	7.2	1.7	2.2	7.4	2.2	6.6	7.0	1.0	3.2	3.2	3.2
Congo, Dem. Rep. of	17.2	21.3	18.2	10.0	27.6	53.4	9.8	15.4	2.7	1.0	3.7	4.5
Côte d'Ivoire	3.9	2.5	2.0	1.5	9.0	-1.7	5.1	2.0	3.4	0.4	0.0	2.5
Eritrea	17.5	18.5	9.0	12.6	30.2	22.2	14.2	12.3	12.3	12.3	12.3	12.3
Guinea	24.6	29.7	39.1	12.8	13.5	7.9	20.8	19.0	12.8	11.0	8.5	7.8
Guinea-Bissau	4.6	-1.0	3.2	9.3	8.7	-6.4	5.7	3.4	1.6	1.7	2.8	2.0
Liberia	9.5	7.0	11.9	11.7	9.4	9.7	6.6	11.4	7.7	8.5	7.9	7.0
São Tomé & Príncipe	21.9	17.2	24.6	27.6	24.8	16.1	12.9	11.9	10.4	7.1	6.0	4.0
Togo	4.9	5.5	1.5	3.4	10.3	0.6	3.8	1.5	2.9	2.2	2.8	2.7
Zimbabwe ²	...	...	...	...	...	-7.7	3.2	4.9	2.9	0.3	2.0	2.0
Sub-Saharan Africa	8.8	7.4	7.7	7.9	13.3	9.0	7.2	10.2	7.7	5.9	6.2	5.8
Median	7.3	4.8	7.1	7.1	11.4	4.7	5.4	7.2	5.7	4.4	5.0	5.0
Excluding Nigeria and South Africa	9.7	8.3	8.6	7.7	14.6	8.7	7.5	12.4	7.1	5.3	5.8	5.3
Oil-importing countries	8.4	6.2	7.7	8.6	13.5	7.8	5.7	10.6	6.7	5.6	6.1	5.5
Excluding South Africa	10.2	8.5	9.4	8.3	16.4	9.0	7.3	14.1	7.3	5.8	5.9	5.5
CFA franc zone	3.5	2.4	2.5	2.3	7.9	0.4	2.6	3.6	2.9	1.5	2.6	2.5
WAEMU	4.0	3.0	2.7	2.9	8.7	-1.3	3.2	3.0	2.6	0.7	2.4	2.3
CEMAC	3.0	1.7	2.2	1.7	7.0	2.2	2.0	4.2	3.1	2.3	2.8	2.7
EAC-5	8.5	4.6	8.2	6.0	15.2	9.8	4.6	20.2	6.8	6.1	6.0	5.2
ECOWAS	9.4	10.0	7.8	6.5	13.8	10.7	9.6	8.7	9.5	7.0	6.6	6.3
SADC	8.4	6.6	7.4	9.1	11.6	9.1	6.0	8.2	6.7	5.5	6.1	5.6
SACU	6.6	4.0	5.9	8.9	10.3	6.3	3.7	6.3	5.8	5.3	6.1	5.5
COMESA (SSA members)	12.9	9.8	12.2	9.9	21.6	11.7	8.2	20.1	8.2	6.3	6.2	6.0
MDRI countries	10.0	8.6	9.2	8.3	16.5	9.9	7.2	14.0	7.8	5.7	6.0	5.5
Countries with conventional exchange rate pegs	4.0	2.8	2.9	3.0	8.4	1.2	2.9	4.0	3.3	1.9	3.0	2.8
Countries without conventional exchange rate pegs	9.8	8.4	8.7	8.9	14.3	10.6	8.0	11.4	8.5	6.8	6.8	6.3
Sub-Saharan Africa³	8.8	7.4	7.7	7.9	13.3	9.0	7.2	10.2	7.7	6.0	6.2	5.8

Sources and footnotes on page 66.

Table SA6. Total Investment
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	22.7	21.4	22.5	24.4	21.9	28.8	24.7	21.9	22.2	23.5	23.1	22.9
Excluding Nigeria	20.7	20.1	21.0	19.7	20.0	24.0	22.8	20.8	21.9	21.6	22.3	21.6
Angola	12.8	8.8	15.4	13.5	16.2	15.2	14.4	12.9	14.4	13.3	14.6	14.2
Cameroon	16.8	16.8	14.3	15.0	17.5	16.3	16.4	19.1	19.6	20.6	20.3	20.5
Chad	22.6	20.7	22.2	22.3	21.9	30.2	34.5	28.5	30.5	26.5	28.9	28.4
Congo, Rep. of	20.9	20.2	21.6	21.8	18.3	22.5	20.5	25.3	26.0	33.5	34.6	27.9
Equatorial Guinea	60.8	73.5	59.4	51.7	42.3	81.6	71.4	60.3	54.4	58.4	53.0	54.6
Gabon	24.7	23.1	25.6	26.3	23.0	32.5	30.0	31.1	30.1	30.6	29.9	29.8
Nigeria	24.0	22.2	23.5	27.6	23.3	31.8	25.9	22.5	22.4	24.6	23.6	23.6
South Sudan	...	...	...	...	...	...	...	10.2	12.3	11.2	17.7	20.0
Middle-income countries¹	21.1	19.4	20.6	22.3	23.6	20.8	20.9	21.0	22.5	22.4	22.5	22.7
Excluding South Africa	24.5	24.0	23.4	25.5	26.1	24.6	26.2	26.3	30.9	30.4	30.2	30.3
Botswana	29.9	27.1	25.9	30.8	34.4	37.9	35.4	38.7	39.3	39.1	37.8	36.7
Cabo Verde	36.7	32.1	34.1	41.3	40.4	36.5	37.7	37.2	37.6	36.5	37.2	37.4
Ghana	22.8	23.8	21.7	22.9	23.0	23.8	27.1	23.5	34.0	33.4	33.1	34.1
Lesotho	25.5	23.5	23.7	25.9	27.9	29.0	29.0	33.6	35.4	33.0	34.6	36.3
Mauritius	25.6	22.7	26.7	26.9	27.3	21.3	23.6	26.0	24.8	23.2	23.2	23.4
Namibia	22.0	19.7	22.3	23.7	25.4	22.3	21.1	20.0	23.4	24.7	26.6	25.7
Senegal	26.3	24.5	24.7	29.3	31.3	22.4	22.9	27.3	27.8	26.8	26.1	25.0
Seychelles	28.6	35.7	30.4	29.0	26.9	27.3	36.6	35.0	38.0	36.4	34.6	32.0
South Africa	19.9	18.0	19.7	21.2	22.7	19.5	19.1	19.1	19.4	19.4	19.4	19.6
Swaziland	12.4	17.8	15.6	14.8	6.8	3.1	9.7	7.7	8.1	10.0	11.9	11.3
Zambia	22.7	23.7	22.1	22.0	20.9	21.0	22.6	25.0	26.4	25.5	25.8	25.8
Low-income and Fragile states	20.0	19.2	19.6	20.3	21.7	20.6	22.6	24.2	26.4	25.4	26.1	26.2
Low-income excluding Fragile states	22.0	21.2	21.8	22.4	23.7	23.0	25.0	27.0	28.8	27.4	28.0	27.3
Benin	18.3	16.4	17.2	20.1	18.4	20.9	17.6	18.7	17.6	25.6	19.5	19.5
Burkina Faso	18.5	20.3	17.1	18.9	20.1	18.0	18.0	15.6	22.8	22.6	17.1	20.0
Ethiopia ²	22.7	22.4	23.9	20.8	21.2	21.5	23.6	27.2	34.6	28.3	30.0	27.0
Gambia, The	20.9	22.0	24.3	19.1	15.0	19.6	21.4	19.2	23.1	18.0	21.1	21.4
Kenya	18.0	16.9	17.9	19.0	19.2	19.9	19.8	20.5	20.1	20.5	20.6	20.6
Madagascar	28.8	23.8	25.0	28.3	41.0	34.1	28.7	25.8	23.7	25.2	27.1	27.0
Malawi	23.7	22.7	25.7	26.5	25.7	25.6	26.0	15.3	16.9	20.4	21.2	22.4
Mali	27.7	26.6	24.6	26.7	32.8	25.5	33.2	24.0	16.0	18.2	22.9	24.4
Mozambique	17.2	17.7	17.0	15.3	17.6	14.9	21.3	39.1	53.8	48.7	51.7	53.0
Niger	23.2	23.1	23.6	22.9	32.1	32.1	45.3	43.9	37.4	34.2	40.8	36.5
Rwanda	20.6	20.8	19.3	20.2	22.8	22.3	21.7	22.2	22.2	23.0	25.3	25.0
Sierra Leone	10.0	11.2	9.9	9.5	9.6	9.2	31.1	42.1	26.6	14.8	16.0	16.4
Tanzania	26.9	25.1	27.6	29.6	29.8	29.0	32.0	36.7	34.6	34.2	32.8	31.6
Uganda	21.5	21.6	20.7	23.0	20.4	22.0	23.1	25.0	25.2	26.4	27.5	27.2
Fragile states	13.2	13.0	12.1	13.4	14.7	12.5	14.5	14.1	17.6	18.2	18.9	22.2
Burundi	18.1	17.8	18.1	18.4	18.8	19.0	19.2	19.3	19.5	19.6	19.6	19.7
Central African Rep.	10.1	9.9	10.2	10.7	12.7	13.2	14.3	12.2	15.0	8.7	11.6	16.4
Comoros	10.7	9.3	9.6	11.2	14.3	12.4	15.4	14.9	16.8	19.7	21.0	21.6
Congo, Dem. Rep. of	14.3	12.5	12.0	17.3	17.9	14.2	18.2	16.5	20.3	21.1	21.4	22.5
Côte d'Ivoire	9.7	9.7	9.3	8.7	10.1	8.9	9.0	8.2	13.7	17.2	19.3	19.7
Eritrea	15.9	20.3	13.7	12.7	12.7	9.3	9.3	10.0	9.5	8.8	8.0	7.8
Guinea	17.8	19.5	17.2	14.2	17.5	11.4	10.6	14.6	25.6	19.1	15.1	45.9
Guinea-Bissau	8.2	6.6	6.4	11.7	8.7	10.1	9.8	10.1	7.5	5.5	7.0	7.0
Liberia	...	...	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	50.4	79.3	39.6	53.5	29.5	48.6	48.4	49.7	46.9	41.9	40.3	40.2
Togo	15.9	16.3	16.8	14.7	17.3	18.0	18.9	18.6	19.1	18.8	21.1	21.9
Zimbabwe ³	...	...	...	...	...	15.1	23.9	22.4	14.2	14.0	15.0	14.1
Sub-Saharan Africa	21.3	20.0	20.9	22.5	22.5	23.4	22.7	22.2	23.5	23.7	23.8	23.8
Median	21.2	20.8	21.6	21.5	21.1	21.3	22.6	22.5	23.2	23.1	23.0	24.0
Excluding Nigeria and South Africa	21.1	20.4	20.7	21.2	22.1	22.3	23.4	23.7	26.1	25.5	25.9	25.8
Oil-importing countries	20.6	19.3	20.2	21.5	22.8	20.7	21.6	22.4	24.2	23.8	24.1	24.3
Excluding South Africa	21.2	20.5	20.6	21.8	22.9	21.7	23.6	24.8	27.6	26.7	27.1	27.2
CFA franc zone	22.0	22.1	20.9	21.6	22.2	24.8	25.1	24.4	24.7	25.9	25.7	25.3
WAEMU	18.6	18.1	17.5	19.0	21.5	18.5	20.5	19.7	20.7	22.3	22.4	22.6
CEMAC	25.4	26.2	24.4	24.2	22.9	31.3	29.7	29.0	28.7	29.6	29.2	28.1
EAC-5	21.8	20.8	21.7	23.3	23.1	23.5	24.6	26.9	26.2	26.6	26.6	26.1
ECOWAS	22.3	21.2	21.6	24.6	22.6	27.3	24.6	22.1	23.6	24.9	24.2	24.9
SADC	20.2	18.2	20.0	21.3	22.9	20.3	20.5	21.0	21.9	21.7	22.0	22.1
SACU	20.4	18.5	20.0	21.7	23.2	20.3	19.9	20.1	20.5	20.5	20.6	20.7
COMESA (SSA members)	20.7	19.9	20.4	21.2	21.8	20.7	22.0	22.9	25.1	23.9	24.8	24.1
MDRI countries	21.6	21.0	20.8	21.9	23.1	22.0	24.2	25.6	28.7	27.8	28.3	27.7
Countries with conventional exchange rate pegs	21.8	22.0	20.9	21.6	22.1	24.1	24.5	23.8	24.3	25.4	25.5	25.1
Countries without conventional exchange rate pegs	21.2	19.6	20.9	22.6	22.6	23.3	22.3	22.0	23.5	23.5	23.5	23.6
Sub-Saharan Africa⁴	21.3	20.0	20.9	22.5	22.5	23.4	22.7	22.3	23.6	23.7	23.8	23.8

Sources and footnotes on page 66.

Table SA7. Gross National Savings
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	33.9	29.2	43.6	39.3	33.6	31.2	29.4	26.9	27.9	26.8	26.1	24.9
Excluding Nigeria	27.4	26.3	35.4	32.1	28.3	17.6	25.6	28.2	24.3	22.7	22.2	20.3
Angola	28.3	27.0	41.0	33.4	26.5	5.3	22.5	25.5	23.6	18.2	16.8	13.8
Cameroon	15.8	13.4	15.9	16.4	16.3	13.0	13.4	16.2	15.6	16.2	16.8	16.9
Chad	17.2	21.7	26.8	30.5	25.6	21.1	25.5	22.8	22.2	18.3	22.9	22.0
Congo, Rep. of	19.8	23.9	25.2	15.3	17.8	16.5	24.3	31.1	24.7	32.3	36.6	28.0
Equatorial Guinea	52.5	40.0	76.3	67.6	54.6	74.0	61.9	59.7	49.9	46.4	42.8	43.7
Gabon	41.3	43.5	39.7	41.2	46.3	40.1	38.8	44.3	44.2	41.3	36.8	34.3
Nigeria	38.0	31.0	48.8	44.1	37.3	40.0	31.7	26.1	30.1	29.3	28.5	27.7
South Sudan	...	...	...	...	...	...	...	...	-15.4	13.4	15.4	22.2
Middle-income countries¹	16.5	16.4	16.4	16.7	16.4	16.3	17.6	18.6	17.0	16.1	16.9	17.3
Excluding South Africa	22.2	22.6	22.8	24.2	19.2	18.8	19.0	23.6	24.7	22.8	24.1	24.9
Botswana	40.7	42.4	44.3	47.8	34.7	27.6	29.9	38.5	34.5	38.7	38.3	37.0
Cabo Verde	27.2	29.0	29.2	28.4	26.6	21.9	25.3	20.9	26.5	34.6	27.2	27.2
Ghana	14.7	16.8	13.4	14.2	11.0	18.4	16.4	25.4	26.2	20.2	22.9	26.4
Lesotho	45.1	36.4	50.0	47.8	51.3	37.9	24.3	24.9	31.2	31.7	33.9	30.9
Mauritius	19.3	17.7	17.6	21.5	17.2	13.9	13.3	12.7	17.1	14.1	14.5	15.0
Namibia	29.5	24.4	36.1	32.9	28.1	21.2	19.3	16.4	20.8	20.1	21.6	18.8
Senegal	16.1	15.6	15.5	17.6	17.2	15.7	18.5	19.4	17.4	17.5	18.6	18.3
Seychelles	9.8	13.1	14.3	10.2	-0.3	4.9	14.3	8.4	13.2	18.7	20.1	18.8
South Africa	14.7	14.5	14.4	14.3	15.5	15.5	17.1	16.8	14.2	13.5	14.1	14.2
Swaziland	8.9	13.9	8.9	12.7	-0.8	-10.0	-0.2	-0.8	12.1	15.5	13.8	10.1
Zambia	22.7	23.7	22.1	22.0	20.9	21.0	22.6	25.0	26.4	25.5	25.8	25.8
Low-income and Fragile states	14.6	14.0	14.2	15.2	13.9	13.7	15.6	15.4	15.1	14.8	15.5	15.6
Low-income excluding Fragile states	15.9	15.5	15.4	16.6	15.1	15.4	17.4	17.1	17.0	16.4	16.8	16.6
Benin	11.0	9.9	12.2	9.9	10.3	11.9	8.9	10.9	9.7	11.1	10.3	12.3
Burkina Faso	8.1	8.7	7.6	10.6	8.6	13.3	15.8	14.5	22.0	15.4	9.8	11.7
Ethiopia ²	21.2	20.1	18.3	23.7	19.3	19.0	20.7	27.3	28.1	22.2	24.6	20.9
Gambia, The	12.4	11.6	17.4	10.8	2.7	7.3	5.4	3.7	6.1	1.8	6.9	6.6
Kenya	15.1	15.5	15.7	15.1	12.7	14.4	12.4	9.4	9.6	12.2	11.0	12.8
Madagascar	15.7	12.1	15.1	15.6	20.4	13.0	19.0	18.9	15.3	19.2	23.0	22.7
Malawi	15.1	10.7	14.4	27.4	16.0	20.7	24.7	9.4	12.5	16.9	18.4	20.1
Mali	20.2	18.5	20.9	20.3	20.6	18.2	20.6	18.0	12.7	14.9	16.2	18.7
Mozambique	4.9	0.5	8.4	4.4	4.7	2.7	9.6	14.7	8.2	6.8	8.9	9.8
Niger	14.1	14.2	15.0	14.7	19.2	7.7	25.5	21.6	22.0	17.0	19.0	18.8
Rwanda	18.9	21.9	15.0	18.0	17.9	15.0	16.2	14.9	10.8	15.7	13.7	14.7
Sierra Leone	4.6	5.9	5.7	5.3	0.7	2.8	11.4	-2.8	-10.1	0.7	6.6	8.8
Tanzania	17.8	18.3	16.8	15.6	19.2	19.9	24.1	19.5	19.2	19.9	18.8	18.8
Uganda	16.6	19.0	16.5	17.5	11.7	14.7	12.0	12.5	14.7	14.7	15.0	15.0
Fragile states	10.3	9.4	10.1	10.6	9.5	8.1	9.4	9.6	8.0	9.1	10.6	11.8
Burundi	12.2	15.1	-1.5	14.6	19.0	21.7	7.8	6.4	2.7	-3.2	-1.5	-1.3
Central African Rep.	4.6	3.3	7.2	4.5	2.8	4.0	4.1	4.6	9.4	-1.7	-2.3	3.0
Comoros	3.6	1.9	3.6	5.4	2.1	4.6	9.7	5.5	13.0	13.6	9.5	10.6
Congo, Dem. Rep. of	9.6	4.4	9.8	16.6	7.3	6.5	13.3	10.5	12.3	11.2	13.4	15.1
Côte d'Ivoire	11.1	10.0	12.1	8.5	12.5	16.5	11.4	21.1	12.4	16.0	17.0	17.7
Eritrea	12.7	20.8	10.2	6.4	7.2	1.7	3.7	10.8	12.2	8.9	7.8	5.9
Guinea	11.8	18.5	12.6	2.6	7.0	2.9	-0.9	-5.8	-7.3	-1.0	-3.0	-2.1
Guinea-Bissau	5.3	4.5	0.8	8.3	3.9	3.4	1.3	9.0	1.0	-3.2	2.5	2.5
Liberia	...	...	...	...	...	...	...	...	...	...	...	...
São Tomé & Príncipe	20.5	55.4	5.1	21.6	-5.5	24.9	25.4	23.0	26.4	21.5	25.1	26.3
Togo	8.0	8.2	9.0	6.0	10.5	11.3	12.6	9.6	7.3	6.8	10.2	12.1
Zimbabwe ³	...	...	...	...	...	-24.5	0.2	-18.2	-8.9	-5.7	-3.3	-3.0
Sub-Saharan Africa	21.5	19.8	24.4	23.5	21.3	20.5	21.0	20.6	20.2	19.4	19.7	19.5
Median	15.4	16.2	15.1	15.6	16.2	14.7	16.2	16.3	14.5	15.9	16.5	17.3
Excluding Nigeria and South Africa	19.4	18.8	21.2	21.4	18.7	15.7	18.8	20.4	19.3	18.4	18.8	18.5
Oil-importing countries	15.8	15.5	15.5	16.1	15.4	15.2	16.8	17.3	16.2	15.6	16.3	16.5
Excluding South Africa	16.7	16.4	16.5	17.7	15.3	15.0	16.5	17.6	17.6	16.9	17.7	17.9
CFA franc zone	19.5	18.7	22.0	21.4	21.5	21.1	21.5	23.8	21.4	20.8	20.9	20.5
WAEMU	12.7	12.0	13.1	12.5	13.9	14.4	15.4	17.5	15.1	14.9	14.9	16.0
CEMAC	26.2	25.3	31.0	30.3	29.1	27.9	27.7	30.0	27.6	27.0	27.2	25.3
EAC-5	16.4	17.6	15.7	16.0	15.0	16.5	16.3	13.7	13.9	15.2	14.4	15.1
ECOWAS	28.4	24.2	35.0	32.0	27.8	30.5	25.5	23.2	25.3	24.2	24.1	24.3
SADC	17.4	16.4	18.5	18.4	17.6	14.0	18.3	18.0	16.4	15.6	16.0	15.8
SACU	16.5	16.2	16.5	16.6	16.8	16.1	17.6	17.7	15.5	15.2	15.7	15.7
COMESA (SSA members)	16.6	16.0	15.5	18.6	14.7	13.8	15.5	15.6	16.9	16.1	17.1	16.7
MDRI countries	15.5	15.0	15.0	16.5	14.7	15.2	17.4	19.0	18.9	17.4	18.6	18.6
Countries with conventional exchange rate pegs	19.9	19.1	22.5	21.9	21.5	20.3	20.7	22.7	21.2	20.8	20.8	20.2
Countries without conventional exchange rate pegs	21.9	19.9	24.7	23.9	21.3	20.8	21.1	20.3	20.4	19.4	19.6	19.4
Sub-Saharan Africa⁴	21.5	19.8	24.4	23.5	21.3	20.5	21.0	20.5	20.4	19.5	19.7	19.4

Sources and footnotes on page 66.

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	7.5	11.2	11.9	3.7	4.8	-7.2	-3.1	3.2	0.7	-3.7	-1.8	-1.5
Excluding Nigeria	7.4	8.6	16.4	6.6	2.8	-4.4	2.4	5.9	1.6	-2.2	-1.8	-1.4
Angola	4.6	9.4	11.8	4.7	-4.5	-7.4	3.4	8.7	5.1	-1.5	-2.0	-2.6
Cameroon	8.5	3.6	32.8	4.7	2.2	-0.1	-1.1	-2.7	-1.7	-4.2	-3.8	-4.1
Chad	1.2	-0.1	2.2	2.5	3.6	-9.2	-4.2	2.4	0.5	-2.4	0.3	0.9
Congo, Rep. of	13.5	14.6	16.6	9.4	23.4	4.8	16.1	16.5	6.4	6.7	8.3	10.3
Equatorial Guinea	20.4	21.9	27.2	22.0	18.7	-10.4	-6.4	1.1	-9.8	-7.8	-6.4	-3.7
Gabon	8.4	7.8	8.3	8.0	10.9	6.8	2.7	2.4	1.5	-1.7	-2.3	-3.3
Nigeria	7.6	13.0	8.9	1.6	6.3	-9.4	-6.7	0.9	0.0	-4.9	-1.8	-1.7
South Sudan	...	...	...	...	...	...	...	4.4	-16.3	-8.6	-3.8	6.7
Middle-income countries¹	-0.2	-0.4	1.3	0.8	-1.4	-5.0	-5.3	-4.1	-4.6	-4.9	-4.5	-4.5
Excluding South Africa	-0.9	-0.5	3.2	-1.1	-3.9	-5.4	-6.4	-4.6	-5.5	-6.6	-4.8	-4.5
Botswana	4.5	10.2	13.0	5.5	-7.5	-13.5	-7.5	-0.1	0.2	0.2	1.9	2.2
Cabo Verde	-3.3	-6.0	-5.1	-0.9	-0.6	-5.9	-10.7	-7.7	-9.8	-7.7	-9.0	-8.2
Ghana	-4.9	-2.8	-4.7	-5.4	-7.0	-9.4	-6.5	-12.1	-10.8	-7.5	-7.3	-7.3
Lesotho	9.0	4.4	13.9	10.7	8.6	-3.9	-5.0	-10.6	5.0	3.0	1.7	2.1
Mauritius	-3.9	-4.7	-4.4	-3.3	-2.8	-3.6	-3.2	-3.2	-1.8	-3.5	-3.0	-3.0
Namibia	1.9	-0.5	2.9	5.9	4.2	-0.1	-4.6	-6.6	-1.3	-4.7	-2.0	-2.8
Senegal	-3.8	-2.8	-5.4	-3.8	-4.7	-4.9	-5.2	-6.3	-5.6	-5.4	-4.9	-3.9
Seychelles	-2.5	-0.3	-6.1	-9.5	5.5	2.8	-0.8	2.5	2.2	1.2	1.5	2.0
South Africa	0.0	-0.3	0.7	1.3	-0.5	-4.9	-4.9	-4.0	-4.3	-4.3	-4.4	-4.5
Swaziland	1.5	-1.9	9.3	2.5	1.8	-3.3	-10.8	-4.6	4.0	-0.7	-1.8	-4.7
Zambia	2.5	-2.8	20.2	-1.3	-0.8	-2.5	-3.0	-2.2	-3.9	-8.6	-8.0	-6.9
Low-income and Fragile states	-1.8	-2.9	0.7	-2.0	-2.4	-3.4	-3.0	-3.4	-3.0	-3.8	-3.9	-3.4
Low-income excluding Fragile states	-1.6	-2.7	2.0	-2.3	-2.7	-3.7	-3.7	-3.5	-3.3	-4.2	-4.5	-3.8
Benin	-0.7	-2.3	-0.2	0.3	-0.1	-3.3	-0.4	-1.4	-0.3	-2.1	-1.4	-1.3
Burkina Faso	-1.0	-5.5	16.1	-6.7	-4.3	-5.3	-4.6	-2.4	-3.2	-3.0	-3.9	-3.7
Ethiopia ²	-3.5	-4.2	-3.9	-3.6	-2.9	-0.9	-1.3	-1.6	-1.2	-3.4	-3.0	-2.7
Gambia, The	-3.2	-5.9	-5.1	0.4	-1.3	-2.7	-5.4	-4.7	-4.4	-8.2	-4.3	-2.5
Kenya	-2.4	-1.9	-2.7	-3.1	-4.1	-5.3	-5.4	-5.0	-6.2	-6.2	-5.5	-5.2
Madagascar	-2.6	-3.0	-0.5	-2.7	-1.9	-2.5	-0.9	-1.7	-1.3	-1.5	-2.1	-2.5
Malawi	-3.2	-2.5	0.7	-3.5	-4.5	-4.4	2.6	-5.2	-2.6	-6.7	-2.6	-3.1
Mali	4.0	-3.1	31.3	-3.2	-2.2	-4.2	-2.9	-4.1	-1.1	-2.7	-5.7	-3.1
Mozambique	-3.3	-2.8	-4.1	-2.9	-2.5	-5.5	-4.3	-5.1	-4.0	-4.6	-12.4	-8.1
Niger	7.1	-2.0	40.3	-1.0	1.5	-5.3	-2.4	-1.5	-1.2	-5.6	-2.6	-2.1
Rwanda	0.2	0.9	0.2	-1.8	0.9	0.3	0.4	-1.9	-1.7	-2.5	-3.1	-2.5
Sierra Leone	2.2	-1.9	-1.6	20.1	-3.5	-2.3	-5.0	-4.6	-5.2	-2.2	-4.0	-3.7
Tanzania	-3.3	-4.0	-4.5	-1.9	-2.6	-6.0	-6.5	-5.0	-5.1	-5.6	-5.1	-4.5
Uganda	-0.9	-0.2	-0.8	-1.1	-2.7	-2.3	-6.7	-3.1	-3.5	-3.7	-2.9	-2.6
Fragile states	-2.2	-3.2	-2.1	-1.4	-1.7	-2.7	-1.3	-3.4	-2.1	-2.6	-2.5	-2.1
Burundi	-2.7	-3.6	-1.0	-2.5	-2.7	-5.1	-3.6	-3.9	-3.7	-1.9	-1.6	-1.9
Central African Rep.	0.5	-4.6	9.1	1.2	-1.0	-0.1	-1.4	-2.4	0.0	-6.3	-8.9	1.3
Comoros	-1.7	0.1	-2.6	-2.0	-2.5	0.6	7.0	1.4	3.6	18.2	-1.5	-1.3
Congo, Dem. Rep. of	-2.1	-2.6	-2.2	-2.3	-1.6	-1.6	3.7	-1.2	0.5	-1.7	-2.1	-1.6
Côte d'Ivoire	-1.1	-1.5	-1.5	-0.5	-0.4	-1.5	-2.0	-5.7	-3.4	-2.5	-2.2	-2.8
Eritrea	-17.9	-22.2	-14.1	-15.7	-21.1	-14.7	-16.0	-16.2	-13.5	-12.5	-11.6	-12.1
Guinea	-2.2	-1.6	-3.1	0.3	-1.3	-7.1	-14.0	-1.3	-3.3	-5.3	-2.8	-0.4
Guinea-Bissau	-8.1	-7.6	-11.2	-10.6	-2.4	1.7	-2.1	-2.1	-2.8	-2.6	-1.4	-1.8
Liberia	-0.4	0.0	4.8	3.1	-10.1	-10.2	-5.7	-3.1	-1.7	-5.3	-4.5	-5.4
São Tomé & Príncipe	26.4	27.2	-12.7	125.4	14.2	-18.4	-11.0	-12.0	-10.8	-7.5	-7.1	-6.0
Togo	-1.4	-2.4	-2.8	-1.9	-0.9	-3.8	-2.1	-3.4	-6.6	-5.3	-4.4	-3.8
Zimbabwe ³	-3.5	-6.4	-2.5	-3.0	-2.1	-2.1	0.7	-1.3	-0.6	-0.1	0.0	0.9
Sub-Saharan Africa	1.9	2.5	4.6	1.2	0.8	-5.4	-4.0	-1.3	-2.2	-4.2	-3.3	-3.0
Median	-0.9	-2.0	-0.7	-1.0	-1.4	-3.8	-3.9	-2.7	-1.8	-3.7	-3.0	-2.8
Excluding Nigeria and South Africa	1.1	0.7	5.8	0.9	-0.9	-4.1	-2.0	-0.4	-1.9	-3.8	-3.4	-2.9
Oil-importing countries	-0.7	-1.2	1.1	-0.2	-1.7	-4.4	-4.5	-3.9	-4.0	-4.4	-4.3	-4.0
Excluding South Africa	-1.5	-2.2	1.5	-1.7	-2.8	-4.0	-4.1	-3.8	-3.7	-4.6	-4.2	-3.6
CFA franc zone	4.8	2.6	13.6	3.2	4.7	-2.2	-0.9	-0.5	-2.0	-2.9	-2.5	-1.9
WAEMU	-0.4	-2.6	6.9	-2.3	-1.8	-3.5	-2.9	-4.2	-3.1	-3.4	-3.4	-3.0
CEMAC	9.8	7.8	19.8	8.4	10.4	-0.9	1.2	2.9	-0.9	-2.4	-1.5	-0.8
EAC-5	-2.2	-2.1	-2.6	-2.2	-3.0	-4.4	-5.5	-4.3	-4.9	-5.1	-4.6	-4.2
ECOWAS	4.1	6.9	6.8	0.2	2.9	-7.6	-6.3	-1.1	-2.0	-5.2	-2.7	-2.4
SADC	0.2	0.1	2.3	1.3	-1.5	-5.1	-3.3	-1.8	-2.0	-3.6	-3.8	-3.8
SACU	0.3	0.0	1.4	1.6	-0.5	-5.0	-5.1	-4.0	-3.9	-4.0	-4.0	-4.1
COMESA (SSA members)	-2.1	-3.0	0.1	-2.7	-2.6	-2.8	-2.4	-2.9	-2.6	-4.0	-3.7	-3.4
MDRI countries	0.0	-1.4	6.1	-1.3	-1.3	-3.0	-2.5	-2.5	-3.4	-4.5	-4.2	-3.5
Countries with conventional exchange rate pegs	4.3	2.0	12.2	3.4	4.4	-2.3	-1.7	-1.4	-2.0	-3.1	-2.6	-2.2
Countries without conventional exchange rate pegs	1.4	2.7	3.2	0.8	0.0	-6.0	-4.5	-1.4	-2.2	-4.4	-3.5	-3.3
Sub-Saharan Africa⁴	1.9	2.5	4.6	1.2	0.8	-5.4	-4.0	-1.4	-2.1	-4.1	-3.3	-3.1

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	6.9	11.0	9.7	3.6	4.7	-7.3	-3.2	3.0	0.5	-3.9	-2.0	-1.7
Excluding Nigeria	5.9	8.1	10.8	6.3	2.5	-4.8	2.2	5.5	1.1	-2.7	-2.3	-1.9
Angola	4.4	9.1	11.8	4.6	-4.5	-7.4	3.4	8.7	5.1	-1.5	-2.0	-2.6
Cameroon	2.3	3.0	4.4	3.5	1.3	-0.9	-1.8	-3.2	-2.1	-4.5	-4.1	-4.4
Chad	-0.7	-3.0	0.6	1.3	2.4	-11.9	-5.5	0.8	-2.1	-3.4	-1.9	-0.9
Congo, Rep. of	13.2	14.5	16.5	9.0	22.7	4.5	16.0	15.9	6.3	6.7	7.9	10.0
Equatorial Guinea	20.4	21.9	27.2	22.0	18.7	-10.4	-6.4	1.1	-9.8	-7.8	-6.4	-3.7
Gabon	8.3	7.7	8.3	8.0	10.9	6.8	2.7	2.4	1.5	-1.7	-2.3	-3.3
Nigeria	7.6	13.0	8.9	1.6	6.3	-9.4	-6.7	0.9	0.0	-4.9	-1.8	-1.7
South Sudan	...	...	...	...	...	...	...	1.5	-23.0	-14.0	-9.6	1.1
Middle-income countries¹	-0.8	-0.8	0.1	0.2	-1.9	-5.6	-5.6	-4.5	-4.9	-5.2	-4.9	-4.8
Excluding South Africa	-3.7	-2.5	-2.2	-3.5	-6.1	-7.7	-8.1	-6.0	-7.0	-7.5	-6.1	-5.7
Botswana	3.8	10.0	12.2	4.7	-8.3	-14.5	-7.8	-0.7	0.1	-0.1	1.5	1.8
Cabo Verde	-9.0	-11.9	-10.4	-5.5	-5.4	-11.0	-17.0	-10.6	-11.6	-10.0	-11.9	-10.0
Ghana	-8.3	-6.1	-8.1	-9.1	-11.2	-10.0	-11.7	-8.5	-13.7	-11.3	-8.8	-8.7
Lesotho	7.3	2.4	13.0	9.1	6.5	-6.9	-12.3	-18.4	-3.6	-2.3	-2.4	-1.7
Mauritius	-4.2	-4.9	-4.6	-3.4	-3.4	-5.2	-3.9	-3.9	-2.5	-3.9	-3.6	-3.4
Namibia	1.8	-0.6	2.9	5.8	4.1	-0.4	-4.7	-6.7	-1.4	-4.8	-2.1	-2.8
Senegal	-5.8	-4.4	-6.9	-6.4	-7.0	-7.9	-7.7	-8.5	-8.5	-8.2	-7.7	-6.6
Seychelles	-3.6	-0.5	-7.4	-9.8	2.0	-1.2	-1.7	0.1	-2.4	-1.3	-1.1	0.3
South Africa	0.0	-0.3	0.7	1.3	-0.5	-4.9	-4.9	-4.0	-4.3	-4.3	-4.4	-4.5
Swaziland	0.9	-2.9	8.5	2.3	1.6	-4.0	-10.8	-4.6	4.0	-1.2	-3.9	-5.5
Zambia	-6.8	-8.4	-6.3	-5.8	-4.9	-5.4	-4.8	-2.9	-6.0	-9.6	-9.5	-8.2
Low-income and Fragile states	-6.5	-6.9	-6.6	-6.1	-6.1	-7.2	-6.9	-6.8	-5.8	-6.5	-6.8	-6.0
Low-income excluding Fragile states	-7.3	-7.6	-7.5	-7.3	-6.9	-7.5	-7.5	-6.9	-6.2	-6.9	-7.2	-6.2
Benin	-3.0	-4.4	-2.5	-2.7	-1.8	-6.5	-1.9	-4.0	-2.3	-3.1	-3.6	-3.3
Burkina Faso	-10.5	-10.1	-11.7	-13.2	-8.2	-11.2	-9.1	-7.6	-8.2	-7.9	-8.7	-7.5
Ethiopia ²	-7.7	-8.5	-7.5	-8.1	-7.0	-5.3	-4.6	-4.9	-2.9	-5.2	-4.5	-4.3
Gambia, The	-4.7	-7.1	-6.1	-0.5	-2.5	-6.9	-9.4	-9.9	-13.4	-10.4	-9.7	-8.0
Kenya	-3.6	-3.2	-3.8	-4.2	-5.2	-6.1	-6.2	-5.6	-6.7	-6.9	-6.2	-5.9
Madagascar	-9.5	-10.5	-10.3	-7.0	-6.2	-3.7	-0.9	-1.7	-2.2	-3.1	-4.5	-3.3
Malawi	-15.6	-13.1	-15.5	-17.4	-16.6	-13.7	-10.1	-10.1	-15.3	-17.0	-14.1	-14.8
Mali	-6.9	-7.1	-7.6	-7.9	-5.6	-8.8	-5.8	-7.9	-1.4	-6.3	-9.9	-7.1
Mozambique	-11.3	-8.8	-12.0	-12.2	-11.9	-15.0	-13.3	-12.9	-9.4	-8.9	-16.1	-11.3
Niger	-7.6	-9.5	-6.8	-8.1	-4.4	-9.7	-7.0	-5.2	-7.5	-11.8	-8.3	-7.1
Rwanda	-10.0	-10.8	-9.6	-10.7	-9.9	-11.4	-13.1	-12.7	-11.1	-11.1	-11.6	-9.9
Sierra Leone	-7.5	-9.3	-7.7	-4.6	-7.0	-8.4	-10.3	-10.1	-9.0	-4.9	-6.6	-6.3
Tanzania	-8.9	-10.0	-9.7	-7.9	-8.5	-10.9	-11.2	-9.7	-8.7	-8.7	-8.4	-7.8
Uganda	-5.9	-6.2	-5.3	-4.7	-5.4	-5.0	-9.6	-5.1	-5.7	-4.9	-4.5	-3.8
Fragile states	-4.5	-5.5	-4.6	-3.4	-4.1	-5.4	-5.5	-6.6	-5.1	-5.5	-5.6	-5.2
Burundi	-18.7	-11.9	-13.9	-25.5	-27.7	-24.0	-26.3	-24.5	-20.5	-18.7	-15.7	-16.1
Central African Rep.	-5.5	-8.7	-4.4	-2.9	-5.8	-5.4	-7.0	-4.9	-4.9	-9.0	-11.8	-2.3
Comoros	-7.8	-4.2	-7.6	-9.7	-13.0	-9.1	-7.8	-6.0	-6.0	-10.3	-10.6	-9.9
Congo, Dem. Rep. of	-4.9	-6.7	-6.3	-3.7	-3.2	-6.2	-5.4	-6.8	-4.7	-6.0	-5.5	-5.7
Côte d'Ivoire	-2.1	-2.6	-2.2	-1.0	-2.1	-2.0	-2.5	-6.1	-4.1	-3.9	-4.7	-5.0
Eritrea	-24.8	-31.5	-18.2	-18.8	-24.0	-17.3	-21.3	-19.4	-14.7	-13.0	-12.0	-12.5
Guinea	-3.2	-2.3	-4.6	-0.5	-1.8	-7.5	-14.4	-4.7	-6.0	-7.2	-8.1	-3.4
Guinea-Bissau	-17.0	-14.3	-17.5	-18.8	-16.9	-14.1	-11.8	-9.7	-9.2	-7.1	-7.6	-8.3
Liberia	-0.7	0.0	4.7	2.9	-10.7	-12.6	-7.5	-4.7	-4.2	-8.5	-8.4	-8.4
São Tomé & Príncipe	-15.0	10.8	-28.4	-0.4	-14.7	-33.0	-30.8	-30.2	-28.2	-20.8	-22.5	-21.7
Togo	-2.7	-3.6	-4.2	-3.6	-2.3	-5.3	-4.2	-6.5	-8.2	-7.3	-8.0	-7.4
Zimbabwe ³	-3.5	-6.4	-2.5	-3.0	-2.1	-2.6	0.7	-1.3	-0.6	-0.1	0.0	0.9
Sub-Saharan Africa	0.4	1.3	1.8	0.0	-0.3	-6.6	-5.0	-2.2	-3.1	-5.0	-4.2	-3.9
Median	-4.8	-4.7	-5.7	-3.6	-5.0	-7.4	-7.0	-5.2	-5.7	-6.9	-6.6	-5.5
Excluding Nigeria and South Africa	-2.2	-1.9	-0.5	-1.7	-3.2	-6.6	-4.3	-2.3	-3.7	-5.4	-5.2	-4.6
Oil-importing countries	-2.7	-2.7	-2.0	-1.9	-3.5	-6.2	-6.1	-5.2	-5.3	-5.7	-5.7	-5.3
Excluding South Africa	-5.6	-5.5	-5.2	-5.3	-6.1	-7.3	-7.3	-6.6	-6.2	-6.8	-6.6	-5.9
CFA franc zone	1.3	1.0	2.3	1.4	3.0	-4.2	-2.3	-1.9	-3.4	-4.5	-4.4	-3.7
WAEMU	-5.1	-5.2	-5.5	-5.3	-4.6	-6.5	-5.2	-6.8	-5.4	-6.3	-6.8	-6.0
CEMAC	7.2	7.0	9.6	7.7	9.8	-1.7	0.6	2.4	-1.6	-2.7	-2.1	-1.3
EAC-5	-6.3	-6.5	-6.3	-6.2	-6.9	-8.0	-9.4	-7.7	-7.7	-7.6	-7.1	-6.5
ECOWAS	2.6	5.8	3.7	-1.1	2.0	-8.7	-7.1	-1.9	-2.8	-5.9	-3.7	-3.3
SADC	-0.8	-0.7	0.8	0.5	-2.4	-6.0	-4.1	-2.4	-2.7	-4.2	-4.5	-4.4
SACU	0.2	0.0	1.3	1.6	-0.6	-5.1	-5.1	-4.1	-3.9	-4.1	-4.1	-4.2
COMESA (SSA members)	-6.2	-6.9	-5.9	-5.9	-5.8	-6.1	-6.1	-5.5	-5.1	-6.2	-5.8	-5.4
MDRI countries	-5.7	-5.6	-5.5	-5.8	-5.1	-7.1	-6.4	-5.8	-6.3	-7.0	-6.8	-6.0
Countries with conventional exchange rate pegs	0.9	0.3	2.2	1.5	2.7	-4.3	-3.2	-2.9	-3.4	-4.6	-4.5	-3.9
Countries without conventional exchange rate pegs	0.3	1.7	1.8	-0.3	-1.0	-7.1	-5.4	-2.2	-2.9	-5.0	-4.2	-4.0
Sub-Saharan Africa⁴	0.4	1.3	1.8	0.0	-0.3	-6.6	-5.0	-2.3	-3.0	-4.9	-4.2	-4.0

Sources and footnotes on page 66.

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	33.6	34.5	34.7	31.1	36.1	23.6	26.1	33.6	30.6	24.9	27.3	27.0
Excluding Nigeria	34.9	31.8	38.4	37.0	41.4	30.8	35.2	38.1	37.2	32.5	34.1	33.4
Angola	45.5	43.9	50.2	45.8	50.9	34.5	43.5	48.8	45.9	38.1	39.3	37.2
Cameroon	18.2	17.6	19.0	19.1	20.0	17.6	16.8	18.2	18.3	18.4	19.5	19.2
Chad	14.1	8.5	14.6	18.5	21.3	12.3	18.9	23.2	20.9	17.9	18.5	19.7
Congo, Rep. of	39.6	38.6	44.3	38.9	46.4	29.1	37.5	42.0	42.5	49.3	47.6	43.0
Equatorial Guinea	42.6	38.7	49.8	47.2	44.2	53.5	37.5	38.4	38.0	34.7	33.4	38.5
Gabon	28.1	28.0	28.7	27.3	29.6	29.7	25.4	28.0	29.0	28.3	27.2	26.5
Nigeria	32.6	36.3	32.3	26.9	32.0	17.8	20.0	29.9	25.3	18.9	22.1	22.3
South Sudan	...	...	...	...	...	...	...	21.7	11.9	13.3	32.0	42.5
Middle-income countries¹	26.9	25.9	27.8	28.3	27.8	26.6	26.1	26.8	27.3	27.4	27.7	27.6
Excluding South Africa	23.3	23.6	24.0	23.4	22.4	21.8	21.2	23.2	24.0	23.3	24.4	24.0
Botswana	41.3	43.3	44.5	40.5	38.6	36.4	32.1	35.9	35.8	33.1	33.3	33.1
Cabo Verde	22.7	21.7	23.0	24.0	24.3	21.9	21.7	22.7	21.0	21.1	22.4	22.7
Ghana	13.6	13.5	13.7	13.8	13.2	13.4	14.4	17.1	17.5	17.5	19.5	19.5
Lesotho	57.0	50.2	63.3	59.2	62.7	59.9	44.7	44.6	57.5	57.4	57.9	55.9
Mauritius	19.4	19.4	18.9	19.4	20.5	21.2	21.2	20.7	20.8	21.0	21.2	20.4
Namibia	28.2	26.2	28.4	30.3	30.9	31.0	28.0	29.4	32.5	32.3	33.8	31.0
Senegal	19.5	19.2	19.7	21.1	19.2	18.6	19.3	20.2	20.4	20.9	20.8	21.0
Seychelles	36.5	39.2	39.7	31.7	31.4	32.9	34.2	35.3	34.4	32.9	31.3	31.4
South Africa	28.0	26.5	28.9	29.7	29.6	28.1	27.5	27.9	28.3	28.9	29.0	28.9
Swaziland	34.4	30.8	38.6	35.4	37.4	33.4	24.2	25.3	36.4	35.5	35.1	32.6
Zambia	18.1	17.6	17.2	18.4	18.9	16.0	17.8	20.9	21.0	20.2	20.2	20.5
Low-income and Fragile states	14.8	14.5	14.8	15.2	15.3	15.4	17.0	17.4	17.9	17.9	18.0	18.5
Low-income excluding Fragile states	15.5	15.1	15.6	16.0	15.8	15.8	17.1	17.3	17.5	17.8	17.7	18.3
Benin	18.2	16.9	16.9	20.8	19.6	18.5	18.6	17.6	18.8	19.4	18.7	18.7
Burkina Faso	13.1	12.7	12.9	13.6	12.9	13.7	15.3	16.1	17.8	19.0	18.5	18.9
Ethiopia ²	14.2	14.8	15.0	12.8	12.1	12.1	14.2	13.7	14.0	12.1	11.5	11.9
Gambia, The	15.9	14.6	16.4	17.4	16.3	16.2	14.9	16.1	16.4	16.1	17.5	17.6
Kenya	21.3	21.0	20.8	21.7	21.7	21.8	23.8	23.2	23.2	24.0	24.6	24.5
Madagascar	11.4	10.9	11.2	11.7	11.2	10.4	12.2	12.3	10.6	9.4	9.6	11.3
Malawi	21.0	21.5	20.7	21.3	22.5	24.0	27.5	25.0	26.0	30.5	28.5	28.7
Mali	16.9	17.5	17.3	16.6	15.5	17.1	17.2	17.0	17.1	17.4	16.8	17.4
Mozambique	14.8	14.1	15.0	15.9	15.9	17.6	19.6	20.8	23.3	27.4	23.7	24.4
Niger	13.7	10.6	13.0	15.1	18.3	14.3	13.6	14.2	15.9	17.1	18.3	19.0
Rwanda	12.8	12.5	12.1	12.4	14.8	12.7	13.1	13.9	15.2	16.6	17.5	18.9
Sierra Leone	8.8	8.7	8.9	8.3	9.2	9.1	9.9	11.5	11.4	11.1	10.6	11.4
Tanzania	13.7	12.2	13.6	15.2	16.0	16.1	16.3	17.3	17.5	18.0	19.0	19.5
Uganda	12.1	11.8	12.2	12.4	12.3	12.1	12.5	14.8	13.4	13.4	13.9	14.5
Fragile states	13.4	13.2	13.0	13.3	14.1	14.6	16.8	17.6	19.0	18.3	18.6	18.9
Burundi	13.9	14.2	13.6	13.5	13.4	13.9	14.5	15.3	14.5	13.2	13.2	13.3
Central African Rep.	9.4	8.3	9.6	10.3	10.4	10.8	11.6	10.8	11.5	5.7	6.4	18.9
Comoros	14.1	15.7	13.6	12.7	13.1	13.9	14.3	16.1	19.3	15.2	15.2	15.7
Congo, Dem. Rep. of	8.3	6.9	7.9	9.0	11.5	10.3	12.1	12.4	14.9	12.7	13.7	13.8
Côte d'Ivoire	18.2	17.0	18.4	19.2	18.9	18.9	19.2	19.9	20.2	20.3	19.7	19.7
Eritrea	22.3	25.9	23.0	21.2	18.2	13.3	13.3	14.2	16.0	16.8	16.9	16.2
Guinea	14.1	14.5	14.4	14.3	15.6	16.2	15.3	16.8	20.1	18.4	19.7	20.7
Guinea-Bissau	9.0	9.2	10.2	8.0	9.2	9.0	10.8	11.5	10.8	10.0	10.5	10.5
Liberia	15.2	11.5	15.2	18.7	18.9	20.7	25.0	24.4	26.2	25.4	24.3	24.7
São Tomé & Príncipe	28.7	55.1	18.2	38.6	16.5	16.6	18.2	18.8	16.1	18.6	16.6	17.0
Togo	16.4	15.7	17.0	16.8	15.6	15.9	18.4	17.3	18.2	18.7	19.1	19.7
Zimbabwe ³	6.2	12.2	7.3	2.9	2.3	11.4	23.3	26.7	28.0	29.6	30.3	30.2
Sub-Saharan Africa	26.4	25.9	27.3	26.4	28.2	22.8	24.1	27.4	26.4	24.1	25.0	24.9
Median	17.5	17.0	17.1	18.6	18.6	16.9	18.5	19.9	20.1	18.9	19.7	19.7
Excluding Nigeria and South Africa	22.7	21.2	23.8	23.8	25.6	21.4	23.6	25.9	25.6	23.8	24.4	24.2
Oil-importing countries	23.0	22.4	23.7	23.9	23.1	22.4	23.1	23.7	23.8	23.6	23.6	23.6
Excluding South Africa	17.5	17.3	17.7	17.7	17.5	17.2	18.3	19.2	19.7	19.5	19.7	19.9
CFA franc zone	21.8	20.2	23.0	23.1	24.4	21.4	21.6	23.5	23.7	23.6	23.0	23.0
WAEMU	17.2	16.3	17.2	18.2	17.6	17.3	17.8	18.1	18.8	19.3	19.0	19.3
CEMAC	26.2	24.0	28.4	27.7	30.5	25.8	25.3	28.2	28.1	27.6	27.0	26.9
EAC-5	16.4	15.7	16.3	17.2	17.4	17.3	18.2	18.8	18.7	19.3	20.0	20.4
ECOWAS	26.3	28.2	26.6	23.3	26.6	17.2	18.9	25.7	23.0	18.8	21.1	21.3
SADC	28.0	26.2	29.0	29.5	30.9	27.0	28.1	29.8	30.0	28.8	29.1	28.6
SACU	28.7	27.3	29.7	30.3	30.3	28.7	27.7	28.3	28.9	29.4	29.6	29.4
COMESA (SSA members)	15.9	15.8	15.8	15.6	15.9	15.5	17.6	18.1	18.4	17.8	18.1	18.4
MDRI countries	15.6	15.0	15.9	16.0	16.7	15.2	16.6	17.8	18.0	18.0	18.2	18.4
Countries with conventional exchange rate pegs	22.9	21.3	24.2	24.3	25.3	22.5	22.3	24.0	24.8	24.5	24.1	23.8
Countries without conventional exchange rate pegs	27.4	27.1	28.2	27.1	29.0	23.0	24.5	28.1	26.8	24.1	25.1	24.9
Sub-Saharan Africa⁴	26.4	25.9	27.3	26.4	28.2	22.8	24.1	27.4	26.5	24.2	25.0	24.8

Sources and footnotes on page 66.

Table SA11. Government Expenditure
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	26.7	23.5	25.0	27.6	31.4	30.9	29.3	30.6	30.1	28.8	29.3	28.7
Excluding Nigeria	29.0	23.7	27.6	30.7	38.9	35.6	33.0	32.6	36.1	35.2	36.4	35.2
Angola	41.1	34.7	38.4	41.2	55.4	41.9	40.0	40.2	40.8	39.6	41.3	39.8
Cameroon	15.9	14.6	14.6	15.6	18.6	18.5	18.6	21.4	20.4	22.9	23.6	23.6
Chad	14.9	11.6	14.0	17.1	18.9	24.2	24.4	22.4	23.0	21.3	20.4	20.5
Congo, Rep. of	26.4	24.2	27.8	29.9	23.6	24.7	21.4	26.1	36.2	42.6	39.7	33.0
Equatorial Guinea	22.2	16.7	22.6	25.2	25.5	63.8	43.9	37.3	47.8	42.6	39.8	42.2
Gabon	19.8	20.3	20.3	19.3	18.7	22.8	22.8	25.7	27.4	30.0	29.5	29.8
Nigeria	25.0	23.3	23.3	25.3	25.7	27.2	26.8	29.0	25.3	23.8	23.9	23.9
South Sudan	...	...	...	...	...	...	...	20.2	34.9	27.3	41.6	41.4
Middle-income countries¹	27.8	26.7	27.7	28.1	29.7	32.2	31.7	31.3	32.2	32.5	32.6	32.4
Excluding South Africa	27.0	26.1	26.2	26.9	28.5	29.6	29.4	29.2	31.0	30.8	30.5	29.7
Botswana	37.5	33.4	32.3	35.8	46.9	50.9	39.9	36.5	35.7	33.2	31.8	31.2
Cabo Verde	31.7	33.5	33.3	29.5	29.6	32.8	38.7	33.3	32.6	31.0	34.3	32.8
Ghana	21.8	19.5	21.8	22.9	24.4	23.4	26.1	25.6	31.2	28.8	28.3	28.2
Lesotho	49.8	47.8	50.3	50.1	56.2	66.8	57.0	63.1	61.1	59.6	60.3	57.6
Mauritius	23.7	24.4	23.5	22.8	23.8	26.3	25.1	24.6	23.3	24.9	24.8	23.8
Namibia	26.3	26.8	25.5	24.6	26.8	31.3	32.7	36.2	34.0	37.1	35.9	33.8
Senegal	25.3	23.6	26.6	27.5	26.3	26.5	27.0	28.6	28.9	29.1	28.6	27.6
Seychelles	40.0	39.7	47.1	41.5	29.4	34.1	35.9	35.2	36.8	34.3	32.4	31.0
South Africa	28.0	26.9	28.2	28.4	30.1	33.0	32.4	31.9	32.6	33.2	33.4	33.4
Swaziland	33.5	33.6	30.1	33.1	35.8	37.3	35.0	30.0	32.4	36.7	39.0	38.1
Zambia	24.8	26.1	23.5	24.3	23.8	21.3	22.6	23.9	27.1	29.9	29.7	28.7
Low-income and Fragile states	21.3	21.4	21.3	21.3	21.5	22.6	24.0	24.2	23.8	24.4	24.8	24.4
Low-income excluding Fragile states	22.9	22.7	23.1	23.3	22.8	23.7	24.6	24.2	23.7	24.6	24.9	24.5
Benin	21.2	21.3	19.4	23.4	21.4	25.0	20.4	21.6	21.0	22.4	22.2	22.0
Burkina Faso	23.6	22.7	24.6	26.8	21.1	24.9	24.4	23.6	25.9	26.9	27.2	26.4
Ethiopia ²	21.9	23.3	22.5	20.9	19.1	17.4	18.8	18.5	16.9	17.3	16.1	16.2
Gambia, The	20.5	21.7	22.6	17.9	18.8	23.1	24.3	26.0	29.8	26.5	27.2	25.6
Kenya	24.8	24.2	24.6	25.9	26.9	28.0	30.0	28.8	29.9	30.9	30.8	30.3
Madagascar	20.9	21.4	21.5	18.7	17.4	14.1	13.1	14.0	12.8	12.5	14.1	14.6
Malawi	36.5	34.6	36.3	38.7	39.1	37.7	37.6	35.0	41.2	47.5	42.6	43.5
Mali	23.8	24.6	24.9	24.5	21.2	25.9	23.0	24.9	18.5	23.7	26.7	24.5
Mozambique	26.1	22.9	27.0	28.1	27.8	32.6	32.9	33.7	32.6	36.3	39.8	35.7
Niger	21.3	20.2	19.7	23.2	22.6	23.9	20.6	19.4	23.4	29.0	26.5	26.1
Rwanda	22.8	23.4	21.7	23.1	24.7	24.1	26.2	26.7	26.3	27.7	29.1	28.8
Sierra Leone	16.4	18.0	16.6	13.0	16.2	17.5	20.2	21.6	20.4	16.0	17.2	17.7
Tanzania	22.6	22.2	23.2	23.1	24.5	27.0	27.5	26.9	26.3	26.8	27.4	27.3
Uganda	18.0	18.0	17.5	17.1	17.7	17.1	22.2	19.9	19.1	18.3	18.4	18.3
Fragile states	17.9	18.7	17.6	16.7	18.2	20.0	22.3	24.2	24.1	23.8	24.3	24.1
Burundi	32.6	26.2	27.6	39.0	41.2	38.0	40.8	39.8	35.1	31.9	29.0	29.4
Central African Rep.	14.9	17.0	14.0	13.2	16.2	16.2	18.6	15.7	16.3	14.7	18.2	21.2
Comoros	21.9	19.9	21.2	22.3	26.0	23.0	22.1	22.1	25.3	25.5	25.8	25.6
Congo, Dem. Rep. of	13.1	13.6	14.2	12.7	14.7	16.5	17.5	19.1	19.6	18.7	19.3	19.5
Côte d'Ivoire	20.3	19.6	20.6	20.2	21.0	21.0	21.7	25.9	24.2	24.2	24.4	24.7
Eritrea	47.1	57.5	41.2	39.9	42.1	30.6	34.6	33.6	30.7	29.8	29.0	28.7
Guinea	17.2	16.9	19.0	14.8	17.5	23.7	29.7	21.5	26.1	25.6	27.8	24.2
Guinea-Bissau	26.1	23.5	27.7	26.8	26.1	23.2	22.5	21.2	20.0	17.0	18.1	18.8
Liberia	15.9	11.5	10.5	15.8	29.5	33.3	32.5	29.1	30.4	33.8	32.7	33.1
São Tomé & Príncipe	43.7	44.3	46.5	39.0	31.2	49.6	49.1	49.0	44.4	39.4	39.1	38.7
Togo	19.1	19.3	21.2	20.4	17.9	21.2	22.5	23.8	26.4	26.0	27.1	27.0
Zimbabwe ³	9.7	18.7	9.8	5.9	4.3	14.0	22.6	27.9	28.6	29.6	30.3	29.3
Sub-Saharan Africa	26.1	24.6	25.5	26.4	28.5	29.4	29.2	29.6	29.5	29.1	29.3	28.8
Median	23.2	23.1	23.3	23.8	24.4	25.0	25.6	26.0	27.4	28.8	28.6	28.2
Excluding Nigeria and South Africa	25.0	23.1	24.2	25.4	28.8	27.9	27.9	28.2	29.3	29.2	29.6	28.8
Oil-importing countries	25.6	25.1	25.7	25.8	26.6	28.6	29.1	28.9	29.1	29.3	29.3	28.9
Excluding South Africa	23.1	22.8	22.9	23.0	23.6	24.5	25.6	25.8	25.9	26.2	26.3	25.8
CFA franc zone	20.5	19.2	20.6	21.7	21.4	25.6	23.9	25.4	27.1	28.0	27.5	26.7
WAEMU	22.2	21.6	22.6	23.5	22.1	23.8	23.0	24.9	24.2	25.6	25.8	25.3
CEMAC	18.9	16.9	18.7	20.0	20.7	27.6	24.7	25.9	29.7	30.3	29.1	28.2
EAC-5	22.8	22.3	22.6	23.4	24.3	25.3	27.6	26.5	26.5	26.9	27.1	27.0
ECOWAS	23.8	22.4	22.9	24.4	24.6	25.9	26.0	27.6	25.7	24.7	24.7	24.6
SADC	28.8	26.9	28.2	29.0	33.3	33.0	32.3	32.2	32.7	33.0	33.6	33.0
SACU	28.5	27.3	28.4	28.7	30.8	33.8	32.8	32.3	32.9	33.5	33.7	33.6
COMESA (SSA members)	22.1	22.6	21.7	21.4	21.7	21.7	23.7	23.6	23.5	24.0	23.9	23.8
MDRI countries	21.3	20.7	21.4	21.8	21.8	22.2	23.0	23.6	24.3	25.0	25.0	24.4
Countries with conventional exchange rate pegs	22.0	21.0	21.9	22.8	22.5	26.8	25.5	26.9	28.2	29.2	28.7	27.8
Countries without conventional exchange rate pegs	27.0	25.4	26.4	27.3	29.9	30.1	29.9	30.2	29.7	29.1	29.3	28.9
Sub-Saharan Africa⁴	26.1	24.6	25.5	26.4	28.5	29.4	29.2	29.7	29.4	29.1	29.2	28.7

Sources and footnotes on page 66.

Table SA12. Government Debt
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	29.2	35.7	17.9	18.0	17.8	25.1	21.0	20.7	21.1	21.3	22.3	23.0
Excluding Nigeria	37.6	46.3	27.4	25.3	25.9	37.4	29.4	24.9	24.5	23.7	25.3	26.3
Angola	34.7	44.8	21.6	21.4	31.6	49.9	39.8	33.7	29.3	26.6	29.2	30.9
Cameroon	30.1	51.5	15.9	12.0	9.5	10.6	12.1	13.8	16.1	18.6	21.6	24.4
Chad	24.8	25.6	26.2	22.2	20.0	23.1	25.6	31.1	28.0	30.2	23.7	21.5
Congo, Rep. of	114.4	108.3	98.8	98.0	68.1	61.6	22.9	35.1	35.8	30.8	30.4	29.1
Equatorial Guinea	2.4	2.9	1.6	1.0	0.6	7.2	10.8	7.8	9.9	8.8	6.7	5.7
Gabon	40.2	48.1	38.1	39.5	16.7	23.3	20.2	17.3	18.5	22.9	22.6	24.2
Nigeria	23.5	28.6	11.8	12.8	11.6	15.2	15.5	17.2	18.4	19.4	20.0	20.5
South Sudan	...	...	...	...	...	...	...	0.0	5.0	12.7	16.1	10.2
Middle-income countries¹	31.4	34.0	30.4	28.4	27.5	31.7	35.1	38.1	41.5	45.0	47.1	49.1
Excluding South Africa	32.6	37.0	28.1	28.7	28.3	32.1	34.6	35.7	39.7	44.4	46.5	47.6
Botswana	8.0	7.4	6.0	8.2	7.6	17.8	19.4	19.4	18.1	15.9	14.1	12.5
Cabo Verde	74.0	85.3	77.7	65.0	58.2	64.6	73.0	77.8	89.4	95.0	104.1	109.9
Ghana	39.3	48.2	26.2	31.0	33.6	36.2	46.3	43.7	51.2	60.1	66.5	69.2
Lesotho	57.4	60.3	62.6	58.2	50.4	37.2	34.9	37.8	39.5	39.6	38.9	36.7
Mauritius	49.5	53.5	51.0	47.3	44.0	52.1	52.0	52.1	51.5	53.8	53.4	53.0
Namibia	22.8	26.0	23.8	19.1	17.7	16.1	15.7	22.9	24.4	26.6	27.4	28.9
Senegal	32.5	45.7	21.8	23.5	23.9	34.0	35.5	40.5	43.4	45.9	47.4	48.1
Seychelles	143.3	144.1	135.1	144.0	130.0	123.5	80.8	72.0	76.2	62.0	59.7	55.1
South Africa	31.1	33.2	31.0	28.3	27.2	31.6	35.3	38.8	42.1	45.2	47.3	49.6
Swaziland	16.5	15.8	16.0	17.6	15.6	11.8	16.0	17.4	18.2	18.8	26.9	29.8
Zambia	24.3	19.4	29.8	26.7	23.5	24.6	23.6	25.4	30.9	35.1	39.3	41.7
Low-income and Fragile states	63.6	75.0	58.7	50.4	48.8	46.4	42.3	43.4	37.0	37.4	38.1	38.4
Low-income excluding Fragile states	48.3	64.6	40.0	33.1	32.9	33.4	36.4	36.2	35.1	36.3	37.4	38.0
Benin	26.8	40.6	12.5	21.2	26.9	27.3	30.2	31.9	29.2	29.8	29.5	29.0
Burkina Faso	32.6	44.1	22.6	25.4	25.2	28.6	29.3	29.7	27.3	33.3	32.1	33.9
Ethiopia ²	58.1	76.7	39.4	37.2	30.8	25.3	27.9	26.2	21.2	22.2	23.5	24.2
Gambia, The	107.3	136.0	140.6	60.9	63.9	62.6	69.6	77.3	77.2	82.1	80.0	75.0
Kenya	51.6	53.6	50.5	45.0	48.9	49.7	55.1	52.6	50.5	50.4	51.1	50.6
Madagascar	52.1	82.1	31.0	28.8	27.8	31.8	32.1	31.5	29.7	27.7	29.7	30.0
Malawi	79.4	141.2	36.4	35.4	44.6	43.4	37.4	41.8	53.5	68.9	49.2	43.7
Mali	32.7	53.1	20.4	21.1	22.6	24.7	28.7	29.1	29.4	31.5	31.3	32.6
Mozambique	57.9	81.0	53.6	41.9	42.1	45.6	45.8	39.6	41.9	43.3	47.0	50.0
Niger	43.1	66.3	27.1	25.1	21.1	27.7	23.9	27.4	35.2	33.8	42.6	40.2
Rwanda	47.3	70.7	26.6	27.0	21.3	22.9	23.1	23.9	24.1	29.4	28.8	28.9
Sierra Leone	94.0	130.9	103.1	42.2	42.4	48.1	46.8	44.9	37.1	32.6	31.9	31.8
Tanzania	42.5	56.0	42.6	28.4	29.2	32.6	37.1	40.2	40.4	41.0	42.0	42.2
Uganda	38.8	52.8	35.5	21.9	21.4	21.4	26.8	29.3	31.1	33.9	36.0	38.1
Fragile states	97.5	95.9	98.2	89.1	87.3	78.8	56.4	60.1	41.5	40.0	39.9	39.3
Burundi	136.1	137.0	130.3	134.0	106.7	26.1	40.3	36.4	35.4	31.7	30.3	29.0
Central African Rep.	93.3	108.8	94.7	79.1	80.2	36.8	32.3	32.6	30.5	50.8	56.6	50.1
Comoros	65.1	67.5	65.7	61.8	57.5	53.5	50.3	46.1	42.5	19.0	18.4	17.0
Congo, Dem. Rep. of	96.6	88.9	100.0	83.4	87.0	89.8	27.1	23.3	21.0	21.6	23.4	23.7
Côte d'Ivoire	79.7	83.9	81.4	76.0	73.3	67.7	68.4	98.3	49.2	43.2	40.4	39.9
Eritrea	156.0	156.2	151.6	156.7	174.9	144.6	143.8	133.0	125.8	126.0	124.6	126.7
Guinea	117.9	150.2	137.1	92.4	90.2	89.3	99.6	77.8	35.4	37.8	38.4	36.0
Guinea-Bissau	201.3	227.3	208.7	178.6	167.5	157.9	54.0	49.7	58.5	61.0	58.3	53.1
Liberia	554.1	650.2	599.6	486.7	308.9	175.0	33.6	29.8	27.3	28.2	30.9	33.0
São Tomé & Príncipe	211.6	300.3	265.9	104.1	60.0	69.2	78.1	73.3	84.2	85.3	81.5	79.8
Togo	93.4	81.7	90.7	107.2	88.5	73.4	47.3	44.0	45.2	43.3	43.6	42.3
Zimbabwe ³	51.0	38.8	45.1	50.5	69.4	68.3	63.2	52.1	55.2	54.7	54.0	52.8
Sub-Saharan Africa	37.4	43.5	32.3	29.6	28.6	33.1	31.7	32.8	32.8	33.9	35.0	36.0
Median	51.3	63.3	41.0	38.3	37.9	36.5	35.1	35.1	35.4	33.8	36.0	36.0
Excluding Nigeria and South Africa	49.0	58.7	42.7	37.9	36.9	40.9	36.7	35.3	33.3	34.2	35.4	36.2
Oil-importing countries	41.7	46.7	39.3	35.7	35.4	37.3	37.5	39.9	39.8	41.9	43.3	44.4
Excluding South Africa	53.9	63.2	49.0	43.6	42.6	42.4	39.9	41.0	37.8	39.4	40.4	40.8
CFA franc zone	47.0	56.8	40.3	38.4	32.4	34.4	30.6	35.7	29.4	30.2	30.2	30.8
WAEMU	53.9	64.8	47.2	46.8	45.1	45.3	43.8	53.7	39.3	38.9	38.8	38.8
CEMAC	40.6	49.0	33.8	30.7	21.2	22.7	17.8	19.8	20.6	21.9	21.7	22.6
EAC-5	47.9	57.1	45.7	36.4	36.8	36.2	41.3	41.5	41.2	42.4	43.4	43.8
ECOWAS	36.7	45.5	26.2	25.7	23.7	27.3	26.1	29.0	26.8	28.4	28.7	29.3
SADC	35.2	38.9	33.4	30.0	31.3	37.4	35.5	36.7	37.9	39.0	40.8	42.3
SACU	30.0	32.0	29.9	27.4	26.2	30.5	34.0	37.5	40.5	43.2	45.1	47.2
COMESA (SSA members)	57.4	64.2	51.5	45.7	44.9	43.8	38.2	36.7	35.7	36.8	38.0	38.5
MDRI countries	54.0	67.7	45.5	39.7	36.9	36.1	31.2	31.9	32.8	35.1	36.5	37.3
Countries with conventional exchange rate pegs	46.4	55.4	40.7	38.5	33.1	34.7	31.3	36.3	31.2	32.2	32.4	33.3
Countries without conventional exchange rate pegs	35.4	41.1	30.5	27.7	27.3	32.4	31.5	32.5	33.2	34.2	35.4	36.6
Sub-Saharan Africa⁴	37.4	43.5	32.3	29.6	28.6	33.1	31.7	33.3	33.1	34.1	35.1	36.2

Sources and footnotes on page 66.

Table SA13. Broad Money
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	22.2	16.8	19.9	24.3	32.1	38.0	31.2	31.9	33.9	32.9	33.0	34.8
Excluding Nigeria	18.1	15.2	17.2	18.8	24.2	30.4	27.5	26.9	27.9	29.3	32.5	34.6
Angola	22.2	17.5	20.5	22.2	33.2	42.5	36.0	37.4	35.2	37.7	42.5	46.2
Cameroon	19.3	17.9	18.3	20.8	21.7	23.5	24.6	25.2	23.8	24.7	24.6	24.6
Chad	9.0	7.2	9.8	9.7	10.9	11.1	11.5	12.1	11.9	12.8	12.1	12.0
Congo, Rep. of	16.0	14.0	16.4	17.7	18.3	22.5	23.8	28.0	33.0	34.1	36.0	37.2
Equatorial Guinea	8.2	7.5	7.4	9.0	8.3	16.8	17.3	14.4	20.1	22.9	25.8	28.5
Gabon	16.7	16.3	17.7	17.5	16.2	20.5	19.3	19.8	22.3	23.7	24.5	25.9
Nigeria	24.8	17.9	21.5	27.9	37.5	42.9	33.5	35.2	37.7	35.1	33.2	35.0
South Sudan	...	...	...	...	...	...	...	8.8	21.8	16.0	...	...
Middle-income countries¹	66.8	62.0	67.1	72.3	74.5	71.5	69.1	67.8	66.8	65.8	65.7	65.7
Excluding South Africa	39.1	36.6	38.2	40.0	42.9	43.7	43.9	42.7	43.3	43.4	43.7	44.3
Botswana	46.5	44.4	41.6	48.0	51.7	53.5	46.6	43.4	46.9	47.0	47.5	48.5
Cabo Verde	75.1	74.9	78.6	77.6	75.6	77.5	80.1	78.5	80.2	86.1	86.7	86.0
Ghana	22.8	19.3	22.6	24.8	26.9	28.0	29.9	30.4	30.9	31.1	31.6	32.5
Lesotho	33.6	29.6	35.8	35.9	36.9	39.5	41.0	37.4	33.8	30.5	37.4	31.1
Mauritius	98.5	99.0	97.2	98.1	100.0	99.5	100.5	98.9	100.5	99.8	100.0	100.0
Namibia	43.9	37.6	41.7	40.0	63.4	65.9	65.7	62.5	62.5	62.5	62.5	62.5
Senegal	34.7	33.8	35.8	36.5	33.5	36.8	39.7	39.8	40.4	40.6	40.8	40.8
Seychelles	84.6	96.8	89.8	67.0	65.4	55.5	62.1	57.1	48.8	54.6	54.6	54.6
South Africa	75.7	70.1	76.3	82.7	84.8	80.9	77.9	76.9	75.6	74.4	74.4	74.4
Swaziland	22.4	21.1	21.7	24.5	24.4	28.8	29.2	30.6	30.5	30.3	30.5	30.8
Zambia	21.4	18.0	21.5	22.5	23.4	21.4	23.1	23.4	24.2	25.7	26.8	28.1
Low-income and Fragile states	25.7	24.4	25.8	26.7	26.4	27.2	30.1	30.8	29.9	30.4	31.2	31.1
Low-income excluding Fragile states	28.4	27.4	28.7	29.5	28.8	29.2	32.0	32.6	32.0	32.6	33.7	33.6
Benin	33.2	30.1	32.7	35.9	41.1	41.7	44.5	45.8	44.7	49.1	53.6	58.2
Burkina Faso	24.0	21.4	22.3	25.9	25.1	28.1	29.6	30.4	30.9	32.7	34.6	36.7
Ethiopia ²	35.2	38.4	36.4	33.4	28.4	25.3	27.5	28.6	25.6	26.3	28.6	29.1
Gambia, The	39.0	34.5	42.2	41.6	45.7	48.7	49.9	55.7	54.6	56.0	57.1	57.9
Kenya	41.0	39.4	40.3	42.4	42.8	44.2	49.8	49.7	50.2	52.5	54.2	49.9
Madagascar	19.7	18.0	19.2	20.4	19.7	20.9	20.9	22.5	22.0	22.6	22.9	23.2
Malawi	20.4	20.0	18.4	20.5	23.2	24.4	28.5	35.7	36.6	37.0	34.4	34.4
Mali	28.8	29.6	29.1	29.7	26.2	28.1	27.7	29.6	32.2	33.3	34.2	35.1
Mozambique	19.7	18.4	19.5	20.6	22.4	27.2	27.1	29.0	32.5	34.8	36.2	36.9
Niger	15.6	14.0	15.2	17.3	16.5	18.5	20.3	20.2	23.5	24.7	24.2	24.7
Rwanda	16.8	15.2	16.7	18.4	18.1	17.7	18.8	20.5	20.4	20.6	20.8	21.0
Sierra Leone	16.7	15.9	16.1	17.6	19.2	22.6	23.5	23.2	22.0	20.0	19.4	19.4
Tanzania	26.4	22.2	28.8	29.7	30.1	31.1	34.1	34.7	32.8	31.5	31.8	32.1
Uganda	18.4	17.3	18.0	18.9	20.5	20.1	25.5	23.0	22.8	21.4	21.3	21.6
Fragile states	17.4	15.9	17.3	18.0	18.5	20.5	23.3	24.3	22.7	22.5	22.4	22.4
Burundi	22.3	21.3	23.0	22.5	23.2	24.3	25.3	22.5	20.6	20.6	20.6	20.6
Central African Rep.	16.2	18.2	16.1	14.6	15.5	16.8	20.1	19.9	19.4	19.0	19.8	20.7
Comoros	25.6	23.3	26.0	27.2	28.5	30.4	34.1	34.9	38.3	36.6	37.0	37.3
Congo, Dem. Rep. of	6.6	4.7	6.4	7.6	9.3	10.2	10.6	11.0	11.6	11.6	11.8	12.4
Côte d'Ivoire	11.7	10.7	11.0	13.2	12.4	14.9	17.0	19.9	16.6	16.4	16.6	16.8
Eritrea	130.2	129.3	123.9	127.7	141.3	121.6	123.2	114.7	110.4	114.8	116.3	117.1
Guinea	20.2	19.0	21.5	19.6	22.7	26.9	38.2	33.6	28.9	29.9	28.9	27.9
Guinea-Bissau	19.4	17.3	18.2	21.6	24.4	24.4	30.1	37.6	38.7	39.8	40.5	41.4
Liberia	19.5	16.9	19.3	21.0	25.2	31.4	35.2	41.7	36.5	35.3	33.9	33.1
São Tomé & Príncipe	34.2	33.2	32.9	39.1	38.8	35.5	38.0	35.7	37.5	38.7	37.8	38.1
Togo	33.4	28.1	33.4	38.0	37.5	41.3	45.6	46.9	45.3	44.5	44.9	45.1
Zimbabwe ³	10.8	8.7	15.2	8.8	5.3	16.9	24.7	28.3	29.6	29.3	29.4	29.8
Sub-Saharan Africa	41.5	37.8	41.1	44.7	47.7	48.1	45.5	45.2	45.1	44.2	44.3	44.7
Median	22.4	19.7	21.6	23.5	25.1	28.0	29.8	30.6	32.5	32.7	33.5	33.8
Excluding Nigeria and South Africa	26.5	24.7	26.2	27.3	29.1	31.2	32.1	32.1	32.1	32.7	34.0	34.5
Oil-importing countries	50.4	47.1	50.7	54.1	55.1	53.1	52.6	52.1	50.9	50.2	50.2	49.9
Excluding South Africa	29.3	27.7	29.1	30.2	30.8	31.5	33.7	34.0	33.5	33.8	34.4	34.5
CFA franc zone	19.3	18.0	19.2	20.8	20.5	23.4	24.7	25.8	26.2	27.3	28.0	28.9
WEMU	23.6	22.0	23.3	25.6	24.7	27.1	29.2	30.9	30.5	31.3	32.2	33.1
CEMAC	15.1	14.0	15.0	16.1	16.3	19.6	20.1	20.7	21.9	23.2	23.8	24.4
EAC-5	29.3	27.1	29.7	31.1	31.4	32.0	36.3	35.8	35.2	35.3	35.9	34.6
ECOWAS	24.4	19.3	22.3	27.0	33.0	37.4	32.4	33.9	35.3	33.8	32.8	34.2
SADC	57.8	53.7	58.1	61.9	64.6	63.3	60.6	60.1	58.8	58.1	58.4	58.7
SACU	72.7	67.3	73.0	79.1	81.8	78.4	75.3	74.1	73.0	71.9	71.9	71.9
COMESA (SSA members)	32.1	31.6	31.9	32.1	31.4	30.9	33.7	33.8	33.1	33.4	34.2	33.7
MDRI countries	23.3	21.8	23.5	24.6	24.6	25.4	27.4	28.2	27.9	28.2	29.0	29.6
Countries with conventional exchange rate pegs	22.8	21.3	22.6	24.1	24.9	27.5	28.7	29.5	29.8	30.8	31.4	32.1
Countries without conventional exchange rate pegs	45.5	41.4	45.0	48.9	52.3	52.2	48.8	48.7	48.2	47.0	46.7	47.1
Sub-Saharan Africa⁴	41.5	37.8	41.1	44.7	47.7	48.1	45.5	45.6	45.2	44.4	44.3	44.7

Sources and footnotes on page 66.

Table SA14. Broad Money Growth
(Percent)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	36.2	22.6	46.3	38.4	56.1	15.6	9.8	18.8	14.6	4.4	9.8	14.2
Excluding Nigeria	35.3	33.7	36.3	29.3	53.5	13.3	14.7	24.6	11.8	10.4	14.8	11.6
Angola	64.5	59.7	59.6	49.3	104.1	21.5	7.1	34.0	6.0	14.3	22.5	17.6
Cameroon	10.5	4.2	9.3	18.6	13.4	6.9	11.3	10.6	1.4	10.8	6.9	6.9
Chad	23.4	32.0	49.9	5.7	26.4	-4.6	25.3	14.2	13.4	8.1	9.2	8.6
Congo, Rep. of	28.7	36.3	47.9	6.9	36.4	5.0	38.9	34.5	21.1	0.7	9.4	7.7
Equatorial Guinea	30.7	34.7	14.1	40.4	30.7	29.9	33.5	7.7	57.8	4.2	9.1	-4.1
Gabon	14.2	26.0	17.4	7.2	8.8	2.2	19.2	26.5	15.7	11.5	10.0	8.7
Nigeria	37.2	16.2	53.1	44.8	57.9	17.1	6.9	15.4	16.4	0.9	7.1	15.6
South Sudan	...	...	...	...	...	...	...	...	37.6	-1.6	...	...
Middle-income countries¹	19.5	18.0	23.2	23.8	18.0	4.4	10.3	10.5	8.1	8.4	10.1	10.1
Excluding South Africa	21.5	10.5	25.1	24.5	28.5	12.8	20.7	16.7	16.2	14.5	14.4	14.5
Botswana	17.4	14.4	9.0	31.2	21.7	-1.3	12.4	4.3	13.3	16.3	10.0	9.5
Cabo Verde	12.5	15.8	18.0	10.8	7.6	3.5	5.4	4.6	6.3	11.2	5.4	4.6
Ghana	31.3	14.3	38.8	35.9	41.3	25.9	34.6	32.2	24.3	19.1	20.4	20.6
Lesotho	16.8	9.1	35.3	16.4	19.7	17.7	14.5	1.6	-1.2	1.6	6.7	21.3
Mauritius	13.0	6.6	9.5	15.3	14.6	2.4	6.9	6.4	8.2	5.8	7.8	8.5
Namibia	30.4	9.7	29.6	10.2	86.3	7.0	7.5	7.7	17.1	10.7	10.5	10.5
Senegal	9.5	7.4	12.7	12.7	1.7	10.9	14.1	6.7	6.8	4.9	7.5	7.3
Seychelles	7.9	1.7	3.0	-8.0	29.0	7.0	13.5	4.5	-0.6	22.0	8.3	7.2
South Africa	18.9	20.5	22.5	23.6	14.8	1.8	6.9	8.3	5.2	6.2	8.5	8.4
Swaziland	15.7	9.7	25.1	21.5	15.4	26.8	7.9	5.5	10.0	9.6	8.5	8.5
Zambia	25.6	3.3	44.0	25.3	23.2	7.7	29.9	21.7	17.9	20.8	19.9	18.8
Low-income and Fragile states	19.1	12.6	24.1	20.7	20.3	23.0	24.8	21.4	15.9	14.5	16.3	13.7
Low-income excluding Fragile states	17.7	14.5	21.7	20.8	20.2	18.0	23.2	22.0	18.5	16.1	17.9	13.9
Benin	15.6	21.8	16.5	17.6	28.8	6.2	11.6	9.1	9.0	17.3	17.1	17.0
Burkina Faso	6.9	-3.9	10.0	23.8	11.7	18.2	19.1	13.8	15.9	13.7	13.5	15.5
Ethiopia ²	18.0	19.6	17.4	19.7	22.9	19.9	24.3	39.2	30.3	24.1	26.6	18.6
Gambia, The	16.5	13.1	26.2	6.7	18.4	19.4	13.7	11.0	7.8	15.1	15.0	13.5
Kenya	14.9	9.2	17.0	19.1	15.9	16.0	21.6	19.1	14.1	18.0	18.3	5.4
Madagascar	17.1	4.6	24.9	24.2	12.6	10.5	8.6	18.2	6.0	11.9	10.6	11.9
Malawi	27.1	16.2	19.5	34.4	33.2	23.9	33.9	35.7	22.9	35.1	14.9	13.9
Mali	5.6	11.7	8.8	9.3	0.5	16.0	9.0	15.3	15.2	6.0	12.0	10.0
Mozambique	22.2	22.7	26.0	21.6	26.0	34.6	17.6	23.9	25.6	21.0	19.0	15.6
Niger	15.7	6.6	16.2	23.0	12.2	18.3	22.0	6.2	31.2	11.8	8.0	10.9
Rwanda	23.0	16.7	31.3	30.8	24.1	13.0	16.9	26.8	14.0	11.1	15.1	14.1
Sierra Leone	24.5	32.8	18.7	26.1	26.1	31.3	28.5	22.6	22.5	14.8	17.8	16.5
Tanzania	24.8	19.6	45.4	20.5	19.8	17.7	25.4	18.2	12.5	11.6	15.1	15.1
Uganda	19.1	17.2	16.9	22.0	30.8	16.6	41.5	10.5	14.9	5.1	13.8	14.8
Fragile states	23.7	7.2	31.6	20.4	20.8	41.3	30.6	19.1	7.2	9.1	11.0	12.9
Burundi	21.1	18.7	17.0	9.5	34.2	19.8	19.4	6.1	10.9	16.7	13.2	11.7
Central African Rep.	7.9	16.5	-4.2	-3.6	16.5	13.7	25.9	4.3	4.2	-32.9	11.0	15.6
Comoros	8.1	7.4	15.0	11.0	11.5	13.3	19.4	9.6	16.0	1.9	8.5	8.3
Congo, Dem. Rep. of	52.5	24.2	60.4	49.5	55.7	50.4	30.8	23.2	21.1	11.1	12.3	17.7
Côte d'Ivoire	12.0	1.7	8.6	25.2	3.8	24.4	19.3	17.2	-7.6	9.7	11.9	10.7
Eritrea	11.2	10.7	5.7	12.1	15.9	15.7	15.6	14.6	14.1	15.8	14.2	12.8
Guinea	35.5	37.2	59.4	4.7	39.0	25.9	74.4	9.4	1.0	13.2	8.0	9.5
Guinea-Bissau	25.7	20.3	5.3	30.2	28.6	4.4	29.6	37.8	-5.3	2.2	6.3	7.4
Liberia	33.5	28.2	27.9	35.6	39.5	30.2	27.4	41.4	-1.4	7.8	6.2	10.3
São Tomé & Príncipe	29.8	45.1	27.9	38.1	36.8	8.2	25.1	10.4	20.3	16.9	11.0	11.4
Togo	15.7	2.3	22.7	19.7	15.6	16.2	16.3	15.9	8.9	5.8	9.5	9.2
Zimbabwe ³	1.4	-47.9	61.3	-44.4	-48.0	340.0	68.6	33.1	19.1	2.8	5.2	7.6
Sub-Saharan Africa	24.3	17.9	30.2	27.4	29.8	13.0	14.0	16.2	12.5	8.7	11.8	12.6
Median	17.7	16.0	19.1	20.1	22.3	16.1	19.3	14.4	14.0	11.1	10.6	10.8
Excluding Nigeria and South Africa	23.4	16.9	27.2	23.6	29.8	18.4	21.4	21.2	14.9	13.5	15.6	13.4
Oil-importing countries	19.3	15.8	23.5	22.6	18.9	11.8	16.2	15.0	11.4	11.1	12.8	11.8
Excluding South Africa	19.8	12.0	24.4	21.7	22.5	20.2	23.7	20.1	16.0	14.5	15.8	13.9
CFA franc zone	14.1	13.0	16.5	17.0	13.7	11.6	19.0	14.6	11.0	8.6	10.0	9.1
WAEMU	10.8	5.7	11.6	19.3	8.2	16.6	16.3	12.7	7.2	9.7	11.4	11.4
CEMAC	17.6	20.7	21.6	14.6	19.6	6.7	21.8	16.5	14.9	7.4	8.6	6.8
EAC-5	19.5	14.9	26.1	20.6	21.5	16.6	26.9	16.9	13.7	12.3	15.8	11.5
ECOWAS	29.2	14.0	39.8	36.0	41.7	18.2	13.0	16.7	14.9	5.1	9.6	15.1
SADC	24.1	20.6	28.7	25.9	26.1	9.7	10.9	13.7	8.2	9.4	11.6	11.3
SACU	19.0	19.7	22.1	23.5	16.5	2.1	7.3	8.0	5.9	6.8	8.6	8.6
COMESA (SSA members)	20.2	11.0	24.5	21.2	22.7	22.6	25.3	23.3	18.8	16.1	17.5	13.8
MDRI countries	21.1	14.6	26.2	23.4	24.4	19.0	24.3	22.2	17.7	14.3	16.0	15.1
Countries with conventional exchange rate pegs	14.8	12.7	17.3	16.6	16.8	11.8	18.0	13.8	11.1	8.7	10.0	9.3
Countries without conventional exchange rate pegs	26.6	19.7	32.8	30.2	33.0	12.5	13.1	16.6	12.5	8.8	12.2	13.2
Sub-Saharan Africa⁴	24.3	17.9	30.2	27.4	29.8	13.0	14.0	16.2	12.4	8.8	11.8	12.6

Sources and footnotes on page 66.

Table SA15. Claims on Nonfinancial Private Sector
(Percent change)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	42.4	29.4	34.3	66.2	56.8	25.8	4.3	11.0	12.7	11.6
Excluding Nigeria	36.3	29.8	39.7	38.8	50.2	31.4	21.5	24.3	21.8	14.5
Angola	72.4	55.2	98.2	76.2	65.7	59.5	25.0	30.4	24.2	10.9
Cameroon	8.2	10.9	3.2	5.9	19.6	9.1	8.2	28.3	2.6	14.9
Chad	17.3	21.9	-3.5	15.5	43.0	21.0	30.2	24.4	32.1	11.6
Congo, Rep. of	26.6	5.6	9.0	8.2	83.4	30.4	49.3	42.3	44.3	17.0
Equatorial Guinea	50.1	46.8	34.4	40.3	106.7	13.8	30.6	30.7	-13.6	4.6
Gabon	10.0	14.5	22.5	18.0	6.0	-7.9	1.9	42.0	24.1	20.4
Nigeria	47.1	29.1	31.0	87.3	61.5	22.2	-5.2	3.0	7.4	9.9
South Sudan	...	...	...	...	...	...	...	-34.0	114.6	52.9
Middle-income countries¹	20.2	19.2	25.4	24.8	15.1	4.3	6.6	10.0	12.9	9.8
Excluding South Africa	28.3	26.2	25.5	33.9	32.3	8.4	16.3	22.6	23.1	18.4
Botswana	21.2	8.8	20.7	25.7	26.6	10.3	11.1	21.8	21.9	13.4
Cabo Verde	20.4	9.1	29.6	26.8	26.8	11.8	9.0	13.3	-0.4	1.8
Ghana	44.1	48.0	42.5	59.1	47.4	15.4	25.7	29.0	32.9	29.0
Lesotho	30.7	50.8	15.9	32.0	23.6	27.1	18.0	22.5	-18.4	22.5
Mauritius	15.4	8.8	9.7	19.6	27.0	0.5	12.5	12.3	17.4	17.0
Namibia	16.9	20.1	9.6	13.5	11.8	10.0	11.1	9.3	16.9	10.7
Senegal	13.1	24.6	4.0	10.7	17.1	3.8	10.1	19.0	10.0	6.0
Seychelles	21.9	7.6	1.6	34.5	48.5	-9.2	23.6	5.2	8.5	7.0
South Africa	17.8	17.0	25.4	22.0	10.0	3.0	3.3	5.7	9.3	6.7
Swaziland	21.4	26.4	22.5	22.0	6.6	13.1	-0.5	26.0	-1.7	20.2
Zambia	43.2	17.7	52.3	45.4	50.3	-5.7	15.4	28.2	37.0	12.6
Low-income and Fragile states	25.4	17.4	29.2	22.5	38.5	18.8	23.6	24.0	19.1	14.8
Low-income excluding Fragile states	24.8	20.5	27.8	23.5	36.6	14.8	23.2	24.5	19.6	13.2
Benin	16.4	17.6	11.3	24.6	20.1	11.9	8.5	11.5	9.4	10.6
Burkina Faso	14.4	24.4	14.1	0.8	20.8	1.7	14.7	23.5	24.1	24.5
Ethiopia ²	24.9	31.4	28.1	27.2	33.9	11.1	28.9	25.8	38.8	10.7
Gambia, The	13.2	16.2	26.8	15.4	20.3	10.3	14.8	8.8	4.3	20.5
Kenya	19.9	9.3	14.3	22.6	28.6	13.9	20.3	30.9	10.4	17.5
Madagascar	24.8	25.1	17.0	17.5	29.5	6.5	11.2	7.1	4.8	14.9
Malawi	41.2	41.8	54.1	27.1	44.2	39.5	52.4	20.5	25.4	14.4
Mali	7.2	-6.6	19.4	7.5	8.6	11.0	13.5	24.1	4.8	12.1
Mozambique	27.5	46.9	32.6	16.6	45.9	58.6	18.3	19.4	16.0	17.5
Niger	26.1	20.0	31.7	20.2	36.8	18.4	11.7	16.0	24.2	6.6
Rwanda	30.2	21.8	23.7	21.0	73.6	5.7	9.9	27.6	35.0	10.6
Sierra Leone	35.5	17.8	18.5	39.4	56.8	45.4	31.5	21.8	-6.9	11.7
Tanzania	36.6	23.6	62.1	36.4	44.6	9.6	20.0	27.2	18.2	14.4
Uganda	27.5	11.7	24.6	25.8	57.1	17.3	41.8	28.3	11.8	6.2
Fragile states	27.8	9.0	33.4	19.2	45.0	33.3	25.1	22.2	17.3	20.5
Burundi	8.4	-1.6	17.0	12.1	13.4	25.5	30.2	39.3	12.4	10.3
Central African Rep.	8.9	-2.4	5.8	7.1	13.0	-0.8	41.5	17.6	33.8	-36.8
Comoros	11.4	30.5	0.5	13.6	27.3	44.1	25.9	8.9	22.4	12.6
Congo, Dem. Rep. of	91.1	58.3	76.4	72.8	142.7	41.1	19.0	16.7	25.6	26.5
Côte d'Ivoire	9.3	1.0	8.6	19.2	11.3	10.8	8.7	0.4	12.2	22.9
Eritrea	6.3	13.8	4.6	-13.1	11.2	1.2	2.4	4.1	7.1	5.1
Guinea	19.2	47.1	37.3	-1.6	4.1	15.8	43.8	93.4	-3.2	32.2
Guinea-Bissau	50.9	49.7	87.8	60.4	71.5	24.9	58.2	46.7	27.2	9.4
Liberia	36.0	20.6	41.7	39.2	44.1	31.5	40.1	32.4	11.2	27.2
São Tomé & Príncipe	53.5	81.9	45.0	33.9	22.8	39.3	35.8	15.4	11.0	-3.3
Togo	8.4	12.0	0.6	29.9	-4.6	21.3	21.6	41.1	18.9	14.8
Zimbabwe ³	5.8	-73.8	56.1	-66.0	41.1	388.2	143.3	62.8	30.0	7.6
Sub-Saharan Africa	28.1	21.7	29.2	35.9	33.8	15.0	10.3	14.1	14.6	11.9
Median	21.3	20.0	22.5	22.0	27.9	13.4	18.7	22.5	16.0	12.6
Excluding Nigeria and South Africa	28.6	22.0	30.9	28.7	40.2	19.7	21.6	23.8	20.6	15.4
Oil-importing countries	22.2	18.5	26.9	23.8	24.0	10.1	13.4	15.7	15.5	12.0
Excluding South Africa	26.2	19.7	28.2	25.4	36.8	16.0	21.6	23.6	20.1	15.7
CFA franc zone	14.4	14.0	11.1	14.6	26.3	9.9	15.4	23.4	14.4	14.3
WAEMU	12.7	11.6	12.3	14.7	16.2	9.4	11.9	15.3	14.0	15.3
CEMAC	16.2	16.5	9.9	14.4	37.2	10.4	19.1	31.9	14.8	13.2
EAC-5	26.8	14.6	30.8	27.1	42.2	13.0	24.5	29.0	14.9	13.1
ECOWAS	36.4	26.4	27.4	60.6	46.4	18.5	2.8	9.8	11.1	13.6
SADC	26.5	20.6	35.3	28.5	25.2	13.9	10.4	12.8	14.0	10.0
SACU	18.0	17.0	24.6	22.0	10.8	3.7	3.9	6.8	9.8	7.4
COMESA (SSA members)	28.9	16.7	29.1	24.7	46.0	17.9	25.8	24.7	22.6	13.8
MDRI countries	29.0	25.5	30.2	28.1	42.7	15.4	22.4	24.8	22.1	15.2
Countries with conventional exchange rate pegs	14.7	15.0	11.3	14.5	24.8	10.2	14.7	22.3	13.5	14.1
Countries without conventional exchange rate pegs	31.4	24.6	32.9	41.7	35.5	15.2	9.1	13.2	14.2	11.2
Sub-Saharan Africa⁴	28.1	21.7	29.2	35.9	33.8	15.0	10.3	14.8	14.2	11.6

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	52.1	54.1	51.6	51.5	53.8	42.3	43.8	49.6	46.5	43.1	41.4	38.6
Excluding Nigeria	65.6	66.7	67.8	67.0	68.8	51.9	57.5	62.3	58.1	54.0	53.2	50.0
Angola	79.2	86.0	79.8	76.4	78.1	55.0	61.4	65.4	63.5	58.9	55.7	51.6
Cameroon	27.7	24.5	29.3	31.0	31.1	23.5	25.5	29.5	29.2	28.2	28.5	27.7
Chad	45.7	48.0	47.6	44.5	42.7	35.4	37.9	40.7	36.8	32.5	35.3	35.4
Congo, Rep. of	79.1	84.5	87.4	78.5	71.8	70.5	82.9	83.9	81.0	71.4	70.7	68.7
Equatorial Guinea	103.4	103.9	106.5	103.6	96.2	91.2	88.9	91.0	92.9	88.4	86.7	83.5
Gabon	58.4	57.9	56.2	58.7	63.7	52.5	53.5	56.8	57.5	55.4	51.7	47.8
Nigeria	42.7	45.8	41.1	40.4	42.3	34.6	34.8	39.0	37.3	34.6	32.5	30.0
South Sudan	...	...	...	...	...	...	...	69.1	10.2	24.8	52.0	57.7
Middle-income countries¹	31.9	29.6	32.0	33.2	35.9	29.3	30.5	33.1	33.0	33.9	34.7	34.2
Excluding South Africa	38.2	38.1	39.0	39.0	36.1	35.7	37.7	41.6	42.5	41.5	43.4	43.8
Botswana	51.0	53.1	52.3	55.0	45.0	36.3	35.8	45.4	43.6	43.4	43.1	41.1
Cabo Verde	36.1	33.7	40.4	37.7	39.6	33.3	38.4	42.3	43.5	44.2	45.0	46.4
Ghana	23.8	22.5	24.2	24.3	24.8	29.5	29.3	37.7	41.6	36.3	41.8	42.8
Lesotho	53.3	49.4	53.9	53.3	54.3	45.6	43.1	45.6	44.9	42.0	42.5	42.1
Mauritius	55.6	58.0	59.6	56.7	51.1	47.0	50.9	51.8	52.9	52.4	52.1	53.0
Namibia	38.2	34.1	39.9	39.9	42.2	42.4	42.4	40.2	35.9	39.2	37.6	38.2
Senegal	26.3	27.0	25.6	25.5	26.1	24.3	24.9	26.2	26.8	27.7	26.8	26.6
Seychelles	82.5	78.3	84.4	82.6	93.3	100.3	86.7	88.2	82.6	72.8	73.5	73.6
South Africa	30.2	27.4	30.0	31.5	35.9	27.3	28.4	30.6	29.9	31.1	31.4	30.5
Swaziland	71.3	74.3	66.0	72.0	59.4	58.8	53.0	55.7	56.1	57.7	53.3	52.1
Zambia	37.9	35.1	39.0	41.4	35.9	35.6	47.7	47.0	47.7	50.3	52.7	53.8
Low-income and Fragile states	25.7	25.1	26.0	26.8	26.2	23.8	28.2	30.5	28.1	27.1	26.8	26.8
Low-income excluding Fragile states	21.3	21.0	21.9	21.8	21.3	19.6	22.7	24.6	24.2	22.8	22.2	22.1
Benin	14.9	12.5	13.3	17.0	17.8	16.5	19.1	12.5	14.8	17.3	16.5	16.3
Burkina Faso	10.6	9.8	11.4	10.6	9.9	12.6	21.0	27.0	30.3	25.5	23.0	22.0
Ethiopia ²	13.7	15.2	14.0	12.9	11.6	10.6	13.8	17.0	14.0	12.4	13.1	13.6
Gambia, The	30.6	32.8	33.8	28.9	23.5	25.3	23.5	28.9	28.7	35.3	35.7	35.8
Kenya	27.0	28.5	26.6	25.9	27.2	24.1	27.9	28.9	27.1	23.0	20.9	19.6
Madagascar	29.3	26.9	29.9	30.5	26.6	22.4	24.1	26.2	27.5	28.4	28.8	30.2
Malawi	21.8	20.2	19.3	24.5	24.4	20.9	25.2	25.1	32.6	39.3	39.9	41.2
Mali	27.1	24.5	29.9	27.4	29.2	23.7	26.0	26.2	32.1	28.1	24.4	23.5
Mozambique	33.7	31.7	38.4	35.4	32.3	27.7	31.2	30.8	33.3	34.0	34.6	35.9
Niger	17.7	16.8	16.4	17.8	19.3	20.3	22.4	20.9	24.3	23.3	22.2	20.6
Rwanda	12.5	12.6	11.2	11.2	14.6	11.0	11.3	14.1	14.3	16.4	17.5	17.0
Sierra Leone	16.0	17.7	16.8	15.2	13.4	13.2	16.4	18.6	29.0	37.8	40.5	39.2
Tanzania	22.6	21.3	24.2	25.5	24.0	25.3	27.9	31.5	28.7	26.5	25.6	25.3
Uganda	16.0	15.4	15.6	17.5	18.4	20.0	19.8	23.3	22.6	22.9	22.1	22.5
Fragile states	35.1	33.2	34.6	37.9	38.2	34.2	41.3	44.2	37.6	37.5	38.3	38.5
Burundi	7.8	8.2	7.3	7.3	9.5	6.7	8.9	9.5	8.7	5.2	5.4	5.5
Central African Rep.	13.2	12.8	14.3	14.1	11.0	9.5	10.6	12.1	11.8	9.0	8.6	8.7
Comoros	14.8	14.1	14.9	15.3	14.5	14.5	15.7	16.2	14.9	15.6	15.8	16.1
Congo, Dem. Rep. of	27.6	20.2	21.1	39.9	37.3	27.4	43.6	45.5	34.1	35.7	38.8	39.6
Côte d'Ivoire	49.8	51.1	52.7	47.8	48.8	51.0	54.2	57.7	52.8	51.5	50.4	50.0
Eritrea	5.8	6.2	6.9	5.8	4.4	4.5	4.8	14.4	19.1	17.3	19.4	17.0
Guinea	32.7	34.8	40.6	28.8	34.7	27.8	29.1	31.6	29.8	23.6	21.4	20.3
Guinea-Bissau	16.2	17.3	14.8	17.3	15.9	15.5	16.5	26.5	17.3	18.2	19.3	19.1
Liberia	57.4	50.9	65.9	58.4	57.9	40.7	42.2	46.4	46.8	46.2	43.0	48.7
São Tomé & Príncipe	11.5	12.9	11.9	9.4	9.5	10.0	12.1	11.8	13.0	11.1	10.3	10.1
Togo	38.3	40.1	38.2	39.2	35.5	36.7	40.2	40.7	39.6	39.6	39.0	39.3
Zimbabwe ³	27.5	25.1	27.5	29.1	31.0	27.6	37.5	43.5	34.9	34.7	35.4	35.4
Sub-Saharan Africa	37.0	35.8	37.1	38.1	40.6	32.3	34.7	38.7	36.9	35.8	35.3	33.9
Median	28.5	27.2	29.9	29.8	31.0	27.4	28.7	31.5	32.1	34.0	35.3	35.4
Excluding Nigeria and South Africa	40.1	39.2	41.2	42.0	42.7	34.7	39.3	44.1	41.0	38.7	38.4	37.2
Oil-importing countries	29.8	28.2	30.1	31.0	32.3	27.2	29.7	32.3	31.2	31.2	31.3	30.9
Excluding South Africa	29.5	29.2	30.1	30.5	29.2	27.1	31.1	34.0	32.4	31.2	31.3	31.2
CFA franc zone	43.2	42.7	45.1	44.0	45.0	38.7	43.0	46.2	45.9	42.8	41.2	39.2
WAEMU	31.4	31.5	32.5	30.7	31.1	30.9	33.9	35.0	35.3	34.3	32.9	32.4
CEMAC	54.4	53.6	56.9	56.4	57.4	47.1	51.9	56.1	55.5	51.0	49.4	46.3
EAC-5	22.1	22.1	22.2	22.7	23.1	22.3	24.5	26.8	25.2	23.1	21.9	21.4
ECOWAS	37.8	39.4	37.5	36.3	37.9	32.9	33.9	37.8	37.2	34.7	33.4	31.7
SADC	36.9	33.6	36.8	39.4	43.4	32.9	35.4	38.4	37.7	38.2	38.1	37.0
SACU	31.7	29.1	31.6	33.1	36.7	28.4	29.4	31.7	30.9	32.2	32.4	31.5
COMESA (SSA members)	27.5	26.9	27.0	29.3	27.4	23.7	29.9	32.3	29.0	28.2	28.4	28.5
MDRI countries	25.9	24.4	26.8	27.9	26.9	24.3	29.3	32.5	31.4	30.0	30.6	30.7
Countries with conventional exchange rate pegs	43.1	42.3	44.8	43.9	44.7	38.8	42.6	45.4	44.8	42.3	40.7	38.9
Countries without conventional exchange rate pegs	35.8	34.6	35.7	37.0	39.9	31.1	33.2	36.8	35.8	34.8	34.1	32.7
Sub-Saharan Africa⁴	37.0	35.8	37.1	38.1	40.6	32.3	34.7	38.2	37.1	35.9	35.2	33.7

Sources and footnotes on page 66.

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	34.3	33.7	31.2	33.9	37.5	39.2	35.4	38.3	35.5	34.8	34.4	33.5
Excluding Nigeria	42.9	41.9	40.9	42.4	46.0	51.5	44.2	42.1	43.1	42.2	43.0	42.1
Angola	49.1	53.6	39.0	43.5	51.2	55.4	42.9	42.2	42.1	43.5	43.5	42.6
Cameroon	28.3	26.4	27.7	29.5	33.1	28.3	28.9	32.2	32.2	31.9	31.4	30.7
Chad	43.2	37.9	48.8	41.3	40.8	47.9	49.1	48.0	47.0	41.9	42.3	42.1
Congo, Rep. of	52.6	49.9	50.1	53.5	58.4	57.0	57.4	56.8	55.7	55.5	52.5	50.4
Equatorial Guinea	63.8	51.8	81.5	70.0	50.4	94.4	80.6	69.4	65.3	68.5	64.5	68.7
Gabon	27.4	25.3	27.6	28.4	26.9	35.0	31.5	30.1	31.7	32.8	31.8	31.3
Nigeria	28.4	28.2	24.9	27.9	30.9	29.3	29.5	35.0	29.4	29.1	28.0	27.1
South Sudan	...	...	...	...	...	...	...	28.9	43.5	21.1	47.5	46.1
Middle-income countries¹	35.3	31.5	35.2	37.4	42.0	32.9	32.2	35.3	37.6	39.3	39.7	38.6
Excluding South Africa	47.3	45.7	45.1	48.5	51.0	48.5	47.8	52.2	55.3	53.8	55.0	53.6
Botswana	40.3	34.8	33.2	43.3	49.9	52.4	45.6	52.4	59.8	53.8	52.6	51.1
Cabo Verde	64.8	59.3	65.1	68.4	68.4	63.5	66.9	73.9	65.2	56.8	63.6	64.5
Ghana	40.0	38.0	40.6	40.7	44.0	42.6	43.5	50.3	54.4	50.9	54.1	51.6
Lesotho	120.5	121.4	118.9	117.2	115.8	113.4	109.5	107.7	109.8	104.9	100.9	101.0
Mauritius	64.2	63.8	70.5	66.6	65.3	57.5	63.1	65.6	65.9	64.8	65.9	64.5
Namibia	40.8	37.2	37.5	40.8	50.4	55.5	50.7	49.6	48.1	54.5	53.9	52.6
Senegal	45.1	42.4	43.1	47.8	52.4	41.2	40.2	44.5	49.0	48.4	45.6	44.5
Seychelles	97.2	100.0	100.5	91.8	112.1	117.0	108.0	108.5	103.9	85.3	84.3	81.7
South Africa	32.0	27.9	32.5	34.2	38.9	28.2	27.7	30.2	31.8	34.0	34.0	33.0
Swaziland	81.9	88.9	77.6	82.6	73.8	74.1	67.4	71.2	69.3	65.9	66.2	64.0
Zambia	37.2	36.7	30.1	39.2	37.3	31.8	34.5	39.3	44.5	47.5	50.4	50.6
Low-income and Fragile states	36.1	34.9	36.3	37.6	39.9	37.4	41.7	44.5	44.2	42.6	41.9	41.0
Low-income excluding Fragile states	34.2	33.1	34.9	35.3	37.4	34.8	38.5	41.9	42.5	40.6	39.7	38.3
Benin	27.2	23.4	23.9	32.6	31.1	29.8	31.1	24.5	27.3	36.4	29.5	27.8
Burkina Faso	25.5	25.3	25.3	24.8	26.3	23.3	28.4	33.6	36.0	36.7	34.0	33.9
Ethiopia ²	33.1	35.8	36.9	32.4	31.4	29.0	33.3	32.1	32.1	28.6	28.5	29.2
Gambia, The	45.5	49.6	47.2	42.1	39.9	41.7	42.1	47.2	50.9	55.2	54.0	54.6
Kenya	36.7	36.0	36.3	37.0	41.2	36.9	42.0	47.6	44.0	39.1	37.7	34.6
Madagascar	45.9	41.5	42.1	46.5	50.9	46.1	37.6	37.3	39.2	35.8	35.5	36.9
Malawi	44.3	46.3	44.8	40.3	48.9	39.0	44.9	39.8	53.7	59.2	59.5	61.7
Mali	37.9	34.8	36.8	37.8	46.1	34.5	43.0	36.1	37.9	48.3	47.6	37.2
Mozambique	44.9	43.9	47.2	45.2	46.4	45.1	48.9	60.5	84.5	85.0	82.7	83.5
Niger	31.3	31.1	29.5	30.4	36.1	46.9	49.3	47.8	42.7	42.2	44.4	38.6
Rwanda	25.9	24.7	25.1	25.3	29.7	29.0	29.2	34.4	34.8	33.5	36.5	32.7
Sierra Leone	24.6	27.4	24.1	22.2	23.7	23.4	42.3	70.7	67.8	51.7	46.2	42.8
Tanzania	33.2	30.2	36.2	39.3	37.2	38.0	40.1	48.0	45.4	41.5	40.2	38.7
Uganda	26.9	23.5	27.1	29.0	32.4	31.6	35.9	40.8	35.8	35.8	35.9	36.0
Fragile states	40.2	38.5	39.3	42.7	45.8	43.8	49.1	50.7	48.4	47.6	47.3	48.0
Burundi	34.3	31.9	45.2	32.8	36.2	28.2	43.4	41.0	43.4	41.0	37.9	36.8
Central African Rep.	22.1	21.0	22.1	23.5	23.4	21.5	24.6	22.4	21.6	24.6	26.4	25.9
Comoros	39.5	35.8	38.6	41.3	49.0	47.7	49.9	50.2	53.9	53.1	53.3	51.7
Congo, Dem. Rep. of	32.5	27.1	25.1	42.0	46.4	37.4	49.1	50.3	40.0	41.6	40.6	39.2
Côte d'Ivoire	41.7	43.6	42.4	41.9	41.2	39.0	45.9	37.9	47.6	48.4	49.5	49.7
Eritrea	41.6	54.9	38.4	28.8	26.1	23.4	23.3	23.2	22.8	22.1	23.9	22.4
Guinea	36.0	35.1	42.6	36.4	40.1	30.8	36.5	53.8	61.0	43.5	39.5	67.6
Guinea-Bissau	28.4	26.5	30.1	31.0	29.9	32.1	31.9	34.7	31.6	33.2	31.9	30.8
Liberia	199.3	176.6	236.9	187.3	202.4	142.1	140.5	138.8	123.3	110.6	113.6	93.3
São Tomé & Príncipe	56.9	48.1	64.0	57.9	61.9	52.3	59.9	59.2	52.9	47.6	44.2	42.8
Togo	56.6	58.7	56.2	58.1	52.0	52.3	56.9	61.1	61.4	62.2	62.4	61.8
Zimbabwe ³	36.8	31.8	35.8	35.7	50.9	76.1	61.8	77.7	60.8	59.5	58.4	56.9
Sub-Saharan Africa	35.0	32.9	34.1	36.2	39.8	36.2	35.4	38.3	38.3	38.4	38.2	37.3
Median	39.8	36.3	38.5	40.5	42.6	40.1	43.2	47.6	47.0	47.5	45.6	42.8
Excluding Nigeria and South Africa	40.5	39.2	39.6	41.4	44.2	43.8	43.8	45.3	46.0	44.6	44.6	43.6
Oil-importing countries	35.6	32.5	35.5	37.5	41.2	34.6	35.4	38.3	40.0	40.7	40.6	39.7
Excluding South Africa	39.6	38.2	39.1	41.0	43.2	40.4	43.6	47.0	47.5	45.8	45.4	44.3
CFA franc zone	38.5	36.1	39.8	40.1	40.5	41.5	43.3	41.8	43.5	44.4	43.0	41.6
WAEMU	38.4	37.9	37.6	39.4	41.2	37.2	41.5	38.9	43.1	45.6	44.6	42.5
CEMAC	38.6	34.4	41.9	40.7	39.8	46.1	45.1	44.3	43.8	43.2	41.4	40.6
EAC-5	32.8	30.8	33.9	35.1	37.3	35.3	39.3	45.1	42.0	38.8	38.0	36.0
ECOWAS	32.8	32.5	30.4	32.6	35.2	33.2	34.1	38.6	36.1	35.6	34.6	33.7
SADC	36.2	32.8	35.1	38.2	43.5	37.3	34.7	37.4	39.0	40.8	41.0	40.2
SACU	33.5	29.4	33.5	35.6	40.5	30.7	29.9	32.3	34.1	36.1	36.2	35.1
COMESA (SSA members)	38.5	37.7	37.6	39.8	42.2	38.9	42.6	45.8	42.6	40.7	40.6	39.6
MDRI countries	36.3	34.4	35.8	38.3	40.6	36.6	40.1	43.5	44.2	43.4	42.9	41.7
Countries with conventional exchange rate pegs	40.9	39.0	41.8	42.2	42.6	43.9	45.3	43.9	45.0	45.8	44.6	43.2
Countries without conventional exchange rate pegs	33.8	31.6	32.6	35.1	39.1	34.2	33.3	37.0	36.8	37.0	36.6	35.8
Sub-Saharan Africa⁴	35.0	32.9	34.1	36.2	39.8	36.2	35.4	38.4	38.3	38.6	38.1	37.2

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Table SA18. Trade Balance on Goods
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	29.3	31.0	30.3	30.0	30.8	17.1	20.3	23.5	23.2	19.9	17.8	15.5
Excluding Nigeria	38.9	41.1	39.8	40.5	42.1	19.8	31.1	36.6	32.1	28.5	26.6	23.7
Angola	51.8	55.8	55.3	53.3	52.8	24.2	40.1	45.2	43.6	37.6	33.2	28.8
Cameroon	1.9	0.3	3.7	3.4	1.9	-1.5	-0.9	-2.3	-1.1	-1.8	-1.1	-1.3
Chad	25.7	32.1	25.9	21.1	18.4	4.8	8.0	10.9	7.4	6.1	9.4	9.7
Congo, Rep. of	49.1	56.2	58.9	49.1	37.9	37.9	50.7	49.0	44.5	33.6	34.8	35.4
Equatorial Guinea	57.4	72.2	37.0	48.3	59.2	17.8	27.8	39.3	44.8	37.8	39.6	33.4
Gabon	41.2	42.3	37.9	40.5	47.7	30.1	32.6	36.8	35.8	33.1	30.4	27.3
Nigeria	22.7	24.3	24.2	22.6	22.1	15.0	13.2	12.5	16.1	13.2	11.2	9.4
South Sudan	...	...	...	...	...	...	...	46.8	-27.5	9.8	14.7	22.5
Middle-income countries¹	-2.8	-1.7	-2.6	-3.5	-4.7	-2.4	-0.3	-0.7	-3.7	-4.2	-4.0	-3.5
Excluding South Africa	-8.8	-7.7	-6.1	-9.5	-13.7	-10.7	-7.8	-8.3	-11.3	-9.7	-9.4	-7.9
Botswana	9.6	16.0	17.2	10.6	-3.0	-11.9	-6.7	-4.8	-13.0	-7.5	-6.7	-7.1
Cabo Verde	-38.5	-32.0	-37.4	-43.7	-42.5	-39.5	-40.8	-45.4	-39.9	-32.5	-37.2	-38.3
Ghana	-14.9	-14.6	-15.6	-15.7	-17.5	-8.6	-9.2	-7.9	-10.4	-9.0	-7.3	-3.9
Lesotho	-44.3	-47.7	-43.0	-43.0	-41.3	-47.9	-48.2	-45.0	-48.8	-48.1	-44.3	-44.7
Mauritius	-15.2	-12.3	-16.2	-18.0	-20.6	-17.5	-19.5	-20.9	-21.5	-19.0	-20.6	-19.0
Namibia	-3.3	-3.7	1.2	-2.0	-7.7	-13.8	-8.0	-9.6	-12.5	-15.5	-16.8	-15.2
Senegal	-18.4	-15.1	-17.1	-22.1	-25.4	-15.8	-14.8	-17.4	-21.0	-19.8	-18.0	-16.9
Seychelles	-32.1	-36.3	-31.6	-29.4	-41.7	-37.6	-39.3	-40.8	-41.6	-30.4	-32.0	-30.8
South Africa	-1.0	-0.1	-1.7	-1.8	-1.6	0.1	1.9	1.6	-1.3	-2.2	-2.0	-1.8
Swaziland	-4.8	-10.0	-8.5	-8.9	-0.3	-3.8	-3.9	-1.1	2.0	7.2	3.0	3.3
Zambia	4.7	1.2	12.2	7.8	2.8	7.1	16.7	11.5	7.0	6.6	6.4	7.2
Low-income and Fragile states	-7.8	-7.3	-7.8	-8.2	-10.7	-10.8	-10.6	-11.0	-12.4	-12.3	-11.7	-11.5
Low-income excluding Fragile states	-12.3	-11.5	-12.5	-13.1	-15.3	-14.1	-15.0	-15.8	-16.1	-15.7	-15.4	-14.7
Benin	-11.7	-9.3	-11.3	-14.4	-13.7	-11.4	-11.0	-7.1	-12.3	-18.4	-12.1	-10.4
Burkina Faso	-9.5	-10.2	-8.4	-8.9	-10.7	-5.8	-1.5	0.4	1.6	-4.0	-4.2	-5.0
Ethiopia ²	-20.9	-22.8	-23.9	-20.4	-20.3	-19.7	-21.3	-17.5	-18.5	-17.4	-17.0	-17.4
Gambia, The	-21.3	-22.8	-21.1	-21.5	-23.0	-22.4	-22.5	-24.7	-28.9	-29.1	-27.6	-28.7
Kenya	-14.1	-11.4	-14.5	-15.7	-18.5	-16.3	-19.5	-24.5	-23.0	-21.7	-21.9	-19.7
Madagascar	-13.1	-11.5	-9.9	-13.6	-20.2	-19.5	-12.4	-9.6	-9.2	-4.6	-3.4	-2.1
Malawi	-15.9	-18.6	-18.9	-9.9	-18.2	-12.6	-13.8	-11.2	-15.3	-13.6	-13.6	-14.4
Mali	-4.8	-4.6	-1.0	-4.7	-9.8	-4.9	-9.7	-3.1	1.1	-3.3	-6.3	-6.6
Mozambique	-6.4	-7.6	-3.7	-4.9	-10.0	-12.8	-12.3	-17.9	-28.3	-30.1	-26.4	-26.8
Niger	-6.9	-8.7	-6.6	-5.9	-8.1	-14.8	-14.2	-14.4	-6.5	-7.7	-11.2	-8.7
Rwanda	-10.1	-8.8	-9.6	-10.8	-13.0	-14.5	-13.5	-17.3	-19.4	-16.1	-17.4	-14.7
Sierra Leone	-6.5	-9.0	-5.0	-4.4	-7.8	-7.6	-20.1	-42.5	-16.3	-2.7	1.2	2.8
Tanzania	-12.2	-9.8	-13.7	-16.1	-14.6	-13.4	-12.9	-17.1	-17.8	-17.1	-16.9	-16.0
Uganda	-8.9	-7.3	-9.3	-8.7	-11.2	-9.1	-12.9	-13.6	-11.2	-10.4	-10.7	-10.3
Fragile states	1.8	0.9	2.1	2.7	0.4	-2.5	-0.2	0.2	-3.4	-3.7	-2.7	-3.5
Burundi	-16.4	-15.1	-24.9	-15.1	-16.1	-14.5	-30.2	-27.3	-29.9	-30.1	-27.5	-26.6
Central African Rep.	-4.0	-3.5	-3.1	-4.3	-7.5	-7.4	-8.3	-5.2	-4.8	-7.5	-10.0	-10.2
Comoros	-22.9	-20.8	-21.7	-24.0	-31.5	-28.2	-28.8	-28.6	-33.4	-31.9	-32.2	-31.0
Congo, Dem. Rep. of	0.3	-3.4	-0.8	5.4	-0.7	-3.5	3.8	2.7	-0.2	-0.2	3.5	5.2
Côte d'Ivoire	15.2	14.6	17.5	12.9	14.2	18.5	14.7	24.2	14.2	10.1	9.0	7.6
Eritrea	-33.9	-44.2	-29.2	-24.2	-22.0	-19.9	-19.6	-10.3	-4.6	-5.5	-5.0	-5.8
Guinea	3.3	6.3	5.5	-1.7	2.1	2.6	-0.7	-12.5	-18.3	-12.7	-12.3	-38.0
Guinea-Bissau	-6.2	-2.9	-9.1	-8.7	-9.1	-10.2	-8.4	-1.2	-7.5	-8.2	-5.9	-4.9
Liberia	-40.3	-29.5	-45.8	-32.3	-52.5	-36.5	-35.9	-40.5	-33.9	-30.4	-41.0	-22.1
São Tomé & Príncipe	-36.5	-28.2	-38.1	-40.2	-46.0	-37.9	-42.4	-42.2	-37.3	-33.7	-31.2	-29.4
Togo	-15.0	-15.1	-15.1	-16.1	-14.0	-13.0	-14.3	-17.8	-18.0	-19.0	-19.8	-19.4
Zimbabwe ³	-7.3	-5.3	-6.6	-4.5	-16.4	-41.0	-19.5	-28.0	-21.1	-20.1	-18.5	-17.1
Sub-Saharan Africa	6.6	6.7	7.1	7.0	7.7	2.1	4.8	6.1	4.3	3.2	2.6	1.9
Median	-8.1	-8.9	-8.8	-8.8	-11.0	-12.3	-12.3	-10.3	-12.5	-9.0	-10.7	-10.2
Excluding Nigeria and South Africa	5.7	5.6	6.5	6.7	6.7	-1.4	3.0	6.4	2.8	1.7	1.2	0.4
Oil-importing countries	-4.5	-3.4	-4.3	-5.1	-6.9	-5.6	-3.7	-4.1	-6.9	-7.5	-7.3	-7.0
Excluding South Africa	-8.1	-7.4	-7.3	-8.6	-11.6	-10.8	-9.7	-10.1	-12.1	-11.5	-11.1	-10.5
CFA franc zone	13.0	14.8	13.4	11.8	13.2	6.1	8.9	13.0	11.4	7.3	7.0	5.7
WAEMU	-2.3	-1.6	-0.5	-4.1	-5.3	-1.2	-2.4	1.1	-1.6	-4.6	-4.6	-4.5
CEMAC	27.7	31.0	26.5	26.8	29.5	13.8	19.8	23.4	23.1	18.7	18.6	16.4
EAC-5	-12.2	-10.0	-13.2	-14.0	-15.4	-13.8	-16.0	-19.6	-18.9	-17.8	-18.0	-16.6
ECOWAS	12.0	12.7	13.9	11.7	11.2	7.7	7.0	6.7	8.5	6.3	5.3	4.1
SADC	3.9	3.1	4.0	5.0	6.0	0.8	5.2	6.0	3.9	3.0	2.5	2.0
SACU	-1.0	0.0	-1.2	-1.7	-2.0	-1.0	0.9	0.8	-2.3	-3.0	-2.9	-2.7
COMESA (SSA members)	-10.6	-10.8	-10.4	-9.9	-13.4	-14.1	-11.8	-12.8	-13.3	-12.1	-11.7	-10.7
MDRI countries	-6.7	-6.7	-5.5	-6.6	-9.3	-8.2	-6.1	-6.3	-8.3	-8.7	-7.9	-7.0
Countries with conventional exchange rate pegs	9.7	10.9	10.2	8.7	10.2	3.1	5.7	9.4	7.9	4.5	4.2	3.1
Countries without conventional exchange rate pegs	6.1	6.0	6.7	6.8	7.3	2.4	4.9	5.1	4.3	3.1	2.4	1.6
Sub-Saharan Africa⁴	6.6	6.7	7.1	7.0	7.7	2.1	4.8	5.5	4.6	3.1	2.5	1.7

Sources and footnotes on page 66.

Table SA19. External Current Account¹
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	11.9	8.6	21.4	15.2	11.8	1.5	5.0	5.9	5.8	3.4	2.9	1.8
Excluding Nigeria	8.7	8.3	15.4	13.3	8.9	-6.9	3.7	8.7	3.4	1.8	0.3	-1.2
Angola	15.6	18.2	25.6	19.9	10.3	-9.9	8.1	12.6	9.2	5.0	2.2	-0.4
Cameroon	-1.0	-3.4	1.6	1.4	-1.2	-3.3	-3.0	-2.9	-4.0	-4.4	-3.5	-3.6
Chad	0.5	1.0	4.6	8.2	3.7	-9.2	-9.0	-5.6	-8.3	-8.1	-6.0	-6.4
Congo, Rep. of	-2.9	0.4	2.8	-6.5	-0.5	-6.0	3.8	5.8	-1.3	-1.2	2.0	0.1
Equatorial Guinea	2.4	-7.4	16.9	15.9	12.2	-7.5	-9.6	-0.6	-4.6	-12.0	-10.2	-10.9
Gabon	16.6	20.4	14.1	15.3	23.4	7.5	8.7	13.2	14.0	10.6	6.9	4.5
Nigeria	14.1	8.7	25.3	16.5	14.0	8.2	5.8	3.5	7.7	4.7	4.9	4.0
South Sudan	...	...	...	...	...	...	...	18.4	-27.7	2.2	-2.3	2.2
Middle-income countries²	-4.7	-3.1	-4.2	-6.0	-7.4	-4.2	-2.6	-3.1	-5.5	-6.1	-5.4	-5.2
Excluding South Africa	-2.9	-1.8	-0.2	-2.7	-7.9	-4.8	-4.8	-5.9	-6.5	-6.8	-5.5	-4.8
Botswana	11.0	16.3	19.2	15.1	0.4	-10.2	-5.4	-0.2	-4.9	-0.4	0.4	0.2
Cabo Verde	-9.5	-3.1	-4.8	-12.9	-13.7	-14.6	-12.4	-16.3	-11.2	-1.9	-10.0	-10.1
Ghana	-8.1	-7.0	-8.2	-8.7	-11.9	-5.4	-8.6	-9.1	-12.2	-13.2	-10.6	-7.8
Lesotho	19.6	12.9	26.3	24.6	23.4	8.9	-4.7	-8.6	-4.2	-1.3	-0.8	-5.4
Mauritius	-6.3	-5.0	-9.1	-5.4	-10.1	-7.4	-10.3	-13.3	-7.9	-9.1	-8.7	-8.4
Namibia	7.5	4.7	13.8	9.1	2.8	-1.1	-1.8	-3.5	-2.6	-4.6	-5.1	-6.9
Senegal	-10.1	-8.9	-9.2	-11.6	-14.1	-6.7	-4.4	-7.9	-10.3	-9.3	-7.5	-6.6
Seychelles	-18.8	-22.7	-16.1	-18.8	-27.2	-22.4	-22.3	-26.6	-24.8	-17.7	-14.5	-13.2
South Africa	-5.2	-3.5	-5.3	-7.0	-7.2	-4.0	-2.0	-2.3	-5.2	-5.8	-5.4	-5.3
Swaziland	-3.5	-4.0	-6.7	-2.1	-7.7	-13.1	-10.0	-8.6	4.1	5.5	1.9	-1.2
Zambia	-6.6	-8.5	-0.4	-6.5	-7.1	4.6	7.4	3.7	3.8	1.2	0.9	1.1
Low-income and Fragile states	-5.6	-5.6	-5.0	-5.4	-8.4	-7.8	-7.6	-8.6	-11.5	-10.9	-11.0	-10.8
Low-income excluding Fragile states	-6.5	-6.2	-6.2	-6.5	-9.2	-8.2	-8.2	-10.2	-12.2	-11.3	-11.6	-11.0
Benin	-7.3	-6.5	-4.9	-10.2	-8.1	-8.9	-8.7	-7.8	-7.9	-14.5	-9.2	-7.2
Burkina Faso	-10.4	-11.6	-9.5	-8.3	-11.5	-4.7	-2.2	-1.2	-0.8	-7.2	-7.3	-8.4
Ethiopia ³	-5.4	-6.3	-9.2	-4.5	-5.7	-5.1	-4.1	-0.7	-6.5	-6.1	-5.4	-6.0
Gambia, The	-8.5	-10.3	-6.9	-8.3	-12.3	-12.3	-16.0	-15.6	-17.0	-17.0	-14.3	-14.9
Kenya	-3.0	-1.5	-2.3	-4.0	-6.5	-5.5	-7.3	-11.2	-10.4	-8.3	-9.6	-7.8
Madagascar	-8.0	-4.9	-3.8	-8.9	-17.8	-19.5	-8.8	-5.6	-6.2	-4.6	-1.9	-2.2
Malawi	-8.6	-11.9	-11.3	1.0	-9.7	-4.8	-1.3	-5.8	-4.0	-3.4	-2.2	-2.2
Mali	-7.6	-8.1	-3.7	-6.3	-12.2	-7.3	-12.6	-6.0	-3.3	-3.3	-6.7	-5.7
Mozambique	-12.3	-17.2	-8.6	-10.9	-12.9	-12.2	-11.7	-24.4	-45.6	-41.9	-42.8	-43.2
Niger	-9.2	-8.9	-8.6	-8.2	-12.9	-24.4	-19.8	-22.3	-15.4	-17.2	-21.8	-17.7
Rwanda	-1.7	1.0	-4.3	-2.2	-4.9	-7.3	-5.4	-7.2	-11.4	-7.3	-11.5	-10.3
Sierra Leone	-5.4	-5.2	-4.2	-4.2	-8.9	-6.3	-19.7	-44.9	-36.7	-14.2	-9.4	-7.6
Tanzania	-7.9	-6.6	-9.6	-11.0	-10.2	-9.8	-9.3	-14.5	-15.9	-14.3	-13.9	-12.9
Uganda	-4.9	-2.5	-4.2	-5.5	-8.7	-7.3	-11.1	-12.5	-10.5	-11.7	-12.6	-12.1
Fragile states	-3.7	-4.4	-2.5	-3.0	-6.6	-6.6	-6.2	-5.1	-10.0	-9.9	-9.4	-10.4
Burundi	-7.8	-4.9	-21.5	-5.4	-1.0	1.7	-12.2	-13.6	-17.3	-23.2	-21.5	-21.3
Central African Rep.	-5.5	-6.6	-3.0	-6.2	-10.0	-9.2	-10.2	-7.6	-5.6	-10.4	-13.9	-13.4
Comoros	-7.2	-7.4	-6.0	-5.8	-12.1	-7.8	-5.7	-9.4	-3.8	-6.1	-11.5	-11.1
Congo, Dem. Rep. of	-4.7	-8.1	-2.3	-0.7	-10.6	-7.8	-4.9	-5.9	-8.0	-9.9	-7.9	-7.2
Côte d'Ivoire	1.3	0.2	2.8	-0.2	2.3	7.6	2.5	12.9	-1.3	-1.2	-2.2	-2.0
Eritrea	-3.1	0.3	-3.6	-6.1	-5.5	-7.6	-5.6	0.6	2.3	0.3	0.2	-1.2
Guinea	-6.1	-1.0	-4.6	-11.6	-10.6	-8.6	-11.5	-20.5	-33.0	-20.1	-18.0	-48.1
Guinea-Bissau	-2.9	-2.1	-5.6	-3.4	-4.9	-6.6	-8.6	-1.2	-6.5	-8.7	-4.6	-4.4
Liberia	-21.0	-2.8	-18.2	-12.1	-54.8	-28.5	-37.4	-34.0	-31.9	-31.4	-48.3	-30.7
São Tomé & Príncipe	-29.8	-23.9	-34.5	-31.9	-35.0	-23.7	-23.0	-26.6	-20.5	-20.3	-15.3	-13.9
Togo	-8.8	-9.9	-8.4	-8.7	-6.8	-6.6	-6.3	-9.1	-11.8	-12.0	-10.9	-9.8
Zimbabwe ⁴	-8.6	-8.1	-6.5	-5.4	-16.7	-39.6	-20.3	-28.8	-20.1	-19.7	-18.3	-17.1
Sub-Saharan Africa	0.7	-0.2	4.1	1.4	-0.2	-3.2	-1.0	-1.0	-2.7	-3.6	-3.6	-3.9
Median	-5.8	-5.0	-4.7	-5.7	-8.4	-7.4	-8.6	-7.6	-7.9	-8.1	-7.9	-7.2
Excluding Nigeria and South Africa	-0.7	-1.0	2.0	1.0	-2.4	-6.9	-3.5	-1.9	-5.5	-5.9	-6.3	-6.7
Oil-importing countries	-5.0	-3.9	-4.5	-5.8	-7.8	-5.6	-4.3	-5.0	-7.7	-8.0	-7.8	-7.6
Excluding South Africa	-4.8	-4.4	-3.5	-4.6	-8.3	-7.0	-6.7	-7.8	-10.0	-9.7	-9.5	-9.2
CFA franc zone	-0.9	-1.8	1.7	0.3	0.3	-3.4	-3.2	0.3	-3.0	-4.8	-4.7	-4.7
WAEMU	-5.4	-5.6	-3.9	-6.1	-6.9	-3.5	-4.8	-1.5	-5.5	-6.9	-7.2	-6.4
CEMAC	3.3	1.9	6.9	6.3	6.8	-3.3	-1.6	1.8	-0.7	-2.7	-2.2	-3.0
EAC-5	-4.8	-3.2	-5.3	-6.1	-7.8	-7.1	-8.7	-12.2	-12.2	-11.1	-11.9	-10.6
ECOWAS	6.7	3.1	14.7	8.1	6.1	3.2	1.5	0.2	1.8	-0.3	0.2	-0.3
SADC	-2.4	-1.9	-1.0	-2.3	-4.5	-6.4	-1.5	-1.6	-4.1	-5.1	-5.3	-5.8
SACU	-4.1	-2.4	-3.7	-5.5	-6.4	-4.2	-2.2	-2.4	-5.1	-5.4	-5.0	-5.1
COMESA (SSA members)	-5.3	-5.2	-4.9	-4.4	-8.7	-8.0	-6.3	-7.7	-7.7	-7.7	-7.6	-7.2
MDRI countries	-6.5	-6.7	-5.4	-6.2	-9.0	-7.0	-6.1	-7.3	-9.9	-10.2	-9.5	-8.9
Countries with conventional exchange rate pegs	-0.3	-1.3	2.4	0.8	0.3	-3.5	-3.4	-0.5	-2.8	-4.5	-4.5	-4.8
Countries without conventional exchange rate pegs	1.0	0.1	4.5	1.6	-0.2	-2.7	-0.4	-1.1	-2.2	-3.3	-3.2	-3.7
Sub-Saharan Africa⁵	0.7	-0.2	4.1	1.4	-0.2	-3.2	-1.0	-1.2	-2.5	-3.6	-3.6	-4.0

Sources and footnotes on page 66.

Table SA20. Net Foreign Direct Investment
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	3.7	4.5	3.0	2.4	2.9	4.2	1.3	1.8	1.2	1.5	1.8	2.3
Excluding Nigeria	3.4	3.0	2.8	1.4	2.3	4.3	-0.2	0.0	0.1	0.6	1.4	2.7
Angola	-0.4	-5.4	-0.5	-3.0	-1.1	2.9	-5.5	-4.9	-3.8	-2.5	-1.4	0.4
Cameroon	1.9	1.9	2.0	2.1	1.5	2.0	1.9	2.0	3.0	3.0	2.7	2.5
Chad	4.5	16.0	-3.7	-3.7	4.5	4.0	2.9	2.3	2.7	4.0	5.1	4.6
Congo, Rep. of	15.9	8.4	24.5	25.9	21.2	20.2	18.2	21.1	16.4	13.9	12.6	12.9
Equatorial Guinea	15.7	27.0	6.4	4.8	3.0	4.0	6.7	3.6	3.5	3.8	4.3	5.1
Gabon	3.7	-0.1	3.2	6.1	4.9	4.8	3.4	3.7	3.8	4.3	3.7	3.2
Nigeria	4.0	5.4	3.1	3.1	3.4	4.2	2.2	3.3	2.1	2.2	2.1	2.0
South Sudan	...	...	...	...	...	...	...	-0.2	-0.7	-2.4	1.7	9.6
Middle-income countries¹	1.7	2.3	-0.9	2.1	4.8	3.0	1.8	2.1	1.8	2.0	2.1	2.2
Excluding South Africa	3.9	2.1	3.9	5.2	5.6	5.6	4.7	5.3	6.0	5.4	5.1	4.9
Botswana	4.2	2.2	4.3	4.1	5.5	1.2	-0.1	2.8	2.1	2.1	2.0	1.8
Cabo Verde	9.4	6.9	8.9	12.6	11.7	7.0	6.7	5.6	3.3	1.9	2.6	3.1
Ghana	2.9	0.8	3.1	3.5	6.3	11.2	7.9	8.3	8.1	7.3	7.5	7.5
Lesotho	2.5	1.7	1.9	3.1	2.2	3.5	1.2	0.4	0.4	0.3	0.3	0.3
Mauritius	1.6	-0.1	1.4	3.6	3.4	2.5	3.1	1.6	3.6	2.2	2.2	2.4
Namibia	6.0	5.0	5.0	8.3	8.1	5.9	7.1	6.3	3.0	8.3	8.6	6.6
Senegal	1.6	0.6	2.2	2.4	2.0	2.0	2.0	2.0	2.1	2.2	2.2	2.2
Seychelles	11.7	8.5	13.6	15.3	17.3	19.2	15.8	10.2	13.3	9.8	9.5	9.3
South Africa	1.1	2.3	-2.2	1.2	4.5	2.2	1.0	1.1	0.4	0.7	1.0	1.2
Swaziland	2.1	-0.9	4.1	0.5	3.8	1.9	3.4	2.6	2.5	2.2	1.8	1.6
Zambia	7.1	5.3	5.8	11.5	6.4	3.3	3.9	5.8	11.8	7.3	5.7	5.7
Low-income and Fragile states	2.9	2.3	2.7	4.0	3.5	3.6	3.8	5.1	5.8	5.6	5.0	5.6
Low-income excluding Fragile states	2.8	2.2	2.7	3.9	3.3	4.0	4.0	5.8	6.4	6.1	5.3	5.4
Benin	2.3	1.2	1.2	4.7	2.6	1.6	3.0	1.4	1.6	9.0	4.8	2.4
Burkina Faso	1.6	0.6	0.6	5.1	1.3	1.1	0.4	0.4	0.4	0.4	0.4	0.4
Ethiopia ²	2.1	1.2	2.4	2.5	3.1	2.8	3.3	4.0	2.5	2.4	2.8	3.0
Gambia, The	9.7	9.8	11.3	10.1	7.3	8.1	8.9	6.7	6.8	6.7	7.6	8.0
Kenya	1.5	1.0	2.2	3.6	0.2	0.2	0.5	0.9	0.6	2.2	2.3	2.2
Madagascar	3.7	1.7	4.0	4.7	6.9	8.2	4.0	9.6	6.2	5.4	4.7	4.7
Malawi	2.2	1.0	0.9	2.5	5.0	1.1	2.9	1.1	1.5	2.4	2.8	3.0
Mali	2.0	2.7	1.2	2.3	2.1	8.4	4.2	5.2	3.7	3.6	3.7	3.6
Mozambique	3.8	1.6	2.1	5.3	5.9	8.9	14.0	20.7	36.5	36.0	27.1	23.9
Niger	2.3	1.0	1.4	2.8	5.8	13.6	17.5	16.5	12.6	10.1	4.9	11.3
Rwanda	1.2	0.4	1.0	2.2	2.2	2.3	0.8	1.7	2.2	2.2	3.5	3.3
Sierra Leone	3.9	5.5	3.1	4.5	2.3	3.0	13.7	38.7	32.9	12.9	5.8	5.5
Tanzania	4.2	4.8	4.1	4.2	4.9	4.9	4.4	5.4	6.0	6.0	6.3	6.7
Uganda	4.7	3.8	5.9	5.8	4.5	5.1	3.2	4.9	7.9	4.3	5.0	6.0
Fragile states	3.1	2.6	2.7	4.1	4.2	2.8	3.2	3.7	4.3	4.4	4.2	6.3
Burundi	0.1	0.1	0.0	0.0	0.2	0.0	0.0	0.1	0.0	2.5	2.4	2.3
Central African Rep.	3.3	2.4	2.4	3.3	5.9	2.1	3.1	1.7	3.3	0.0	0.5	2.2
Comoros	0.6	0.1	0.2	1.7	0.9	2.6	1.5	3.8	1.7	2.6	2.6	2.6
Congo, Dem. Rep. of	7.1	6.3	6.0	9.5	9.5	6.6	7.3	7.0	7.9	7.4	6.9	7.4
Côte d'Ivoire	1.9	1.9	1.8	2.2	1.9	1.7	1.4	1.1	1.8	3.0	2.9	2.9
Eritrea	1.4	0.1	1.3	0.5	2.8	4.9	4.3	1.5	1.3	1.3	1.2	1.1
Guinea	-2.2	-3.3	-2.0	1.4	-3.6	-4.2	-5.6	1.0	4.8	1.9	1.7	31.8
Guinea-Bissau	1.9	1.4	3.0	2.7	0.7	2.1	3.3	2.6	0.7	0.7	0.5	0.5
Liberia	5.8	0.4	0.8	2.9	25.1	13.5	22.1	19.9	14.2	16.9	17.3	13.8
São Tomé & Príncipe	19.2	0.9	25.9	22.8	43.1	7.8	25.1	12.8	8.4	9.1	7.0	7.1
Togo	3.1	4.3	4.2	2.0	1.3	0.4	1.5	1.7	1.6	1.7	2.5	2.5
Zimbabwe ³	0.7	1.3	0.6	0.9	0.7	1.3	1.3	3.4	2.8	2.6	2.4	2.4
Sub-Saharan Africa	2.5	2.9	1.2	2.6	3.8	3.6	2.0	2.6	2.5	2.7	2.7	3.1
Median	2.7	1.7	2.3	3.2	3.6	3.2	3.2	3.3	3.0	2.6	2.8	3.1
Excluding Nigeria and South Africa	3.2	2.5	3.0	3.5	3.5	4.2	2.7	3.3	3.9	3.9	3.8	4.6
Oil-importing countries	2.1	2.3	0.3	2.8	4.3	3.3	2.5	3.1	3.3	3.5	3.3	3.7
Excluding South Africa	3.2	2.3	3.1	4.4	4.1	4.2	4.1	5.2	5.9	5.6	5.0	5.4
CFA franc zone	4.2	4.8	3.6	4.4	4.2	4.6	4.5	4.5	4.1	4.4	3.9	4.0
WAEMU	2.0	1.6	1.7	2.9	2.2	3.4	3.2	3.1	2.8	3.6	2.9	3.2
CEMAC	6.4	8.0	5.4	5.8	5.9	5.8	5.8	5.8	5.3	5.1	5.0	4.9
EAC-5	2.9	2.7	3.4	4.1	2.6	2.7	2.2	3.1	3.8	3.8	4.1	4.3
ECOWAS	3.3	3.9	2.8	3.1	3.4	4.6	3.0	4.1	3.3	3.2	2.8	3.2
SADC	1.6	1.9	-0.6	1.8	3.9	3.0	1.0	1.4	1.7	2.1	2.3	2.7
SACU	1.4	2.3	-1.7	1.5	4.6	2.3	1.2	1.3	0.6	1.0	1.3	1.4
COMESA (SSA members)	3.4	2.3	3.5	5.0	4.1	3.2	3.2	4.0	4.5	3.9	3.8	4.0
MDRI countries	4.0	2.8	4.2	5.4	5.4	5.7	5.6	6.9	7.7	6.8	6.0	6.1
Countries with conventional exchange rate pegs	4.3	4.6	3.7	4.6	4.5	4.6	4.7	4.5	3.9	4.5	4.1	4.0
Countries without conventional exchange rate pegs	2.2	2.6	0.7	2.3	3.7	3.4	1.6	2.3	2.3	2.4	2.5	2.9
Sub-Saharan Africa⁴	2.5	2.9	1.2	2.6	3.8	3.6	2.0	2.6	2.5	2.7	2.7	3.1

Sources and footnotes on page 66.

Table SA21. Official Grants
(Percent of GDP)

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	0.4	0.2	0.5	0.4	0.6	0.7	0.5	0.5	0.5	0.1	0.1	0.1
Excluding Nigeria	0.4	0.6	0.3	0.4	0.3	0.4	0.2	0.2	0.2	0.2	0.3	0.2
Angola	0.1	0.5	0.1	0.0	-0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0
Cameroon	1.1	0.9	1.2	1.8	1.6	1.9	1.6	1.3	1.2	1.1	1.1	1.0
Chad	1.3	1.6	0.8	0.8	0.8	0.8	0.4	0.3	0.9	1.4	1.2	0.9
Congo, Rep. of	0.2	0.0	0.0	0.3	0.6	0.2	0.0	0.4	0.1	0.0	0.3	0.2
Equatorial Guinea	0.1	0.3	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Gabon	-0.2	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nigeria	0.4	-0.1	0.7	0.5	0.8	0.9	0.6	0.7	0.7	0.0	0.0	0.0
South Sudan	...	...	...	...	...	...	...	...	...	...	...	...
Middle-income countries¹	0.1	-0.2	0.0	0.2	0.2	0.1	0.3	0.3	0.3	0.3	0.5	0.4
Excluding South Africa	3.9	3.4	4.0	4.4	4.1	4.2	3.8	3.2	4.6	4.1	4.4	3.8
Botswana	8.1	6.4	7.8	10.2	10.9	8.4	8.5	7.1	11.6	11.3	11.1	11.3
Cabo Verde	4.7	4.2	4.0	4.5	5.8	5.1	6.3	3.7	3.3	3.0	1.6	1.6
Ghana	0.9	0.8	0.7	0.8	0.8	1.1	0.6	0.6	0.6	0.2	0.4	0.1
Lesotho	33.0	27.3	37.4	37.2	37.0	35.1	24.7	20.4	30.6	32.0	30.9	29.2
Mauritius	0.3	0.2	0.2	0.2	0.9	1.1	0.6	0.8	0.9	0.4	0.6	0.4
Namibia	10.8	8.9	11.6	11.1	12.5	13.2	10.8	8.8	12.2	13.8	14.5	10.5
Senegal	0.7	0.2	0.6	1.0	0.5	0.4	0.5	0.9	0.9	0.6	0.6	0.4
Seychelles	1.6	1.5	1.1	1.4	3.7	5.3	2.7	2.7	4.8	2.8	3.2	1.9
South Africa	-1.0	-1.1	-1.1	-1.0	-1.1	-1.1	-0.7	-0.6	-1.2	-1.1	-0.9	-0.9
Swaziland ²	5.0	5.1	5.1	5.5	3.2	3.8	9.8	10.8	24.1	21.2	20.4	17.8
Zambia	1.9	1.8	1.9	2.6	2.2	2.4	1.5	0.8	0.9	0.5	1.1	0.8
Low-income and Fragile states	3.8	3.5	4.0	3.8	3.8	4.0	4.0	3.3	2.8	3.1	3.0	2.4
Low-income excluding Fragile states	3.4	3.4	3.4	3.3	3.2	3.3	3.9	3.3	2.7	2.8	2.7	2.2
Benin	2.8	2.1	3.1	2.8	3.0	3.9	3.0	3.0	3.4	3.1	2.3	2.7
Burkina Faso	3.4	3.3	3.0	4.3	3.4	4.4	3.8	4.2	3.6	2.9	2.8	2.7
Ethiopia ³	5.7	6.1	5.8	6.2	5.0	4.9	6.5	5.9	4.2	3.1	3.6	3.5
Gambia, The	1.2	1.2	1.0	0.1	0.4	1.3	0.0	0.0	2.4	0.0	0.8	0.8
Kenya	0.2	0.0	0.2	0.1	0.6	1.0	0.7	0.5	0.5	0.0	0.0	0.0
Madagascar	1.5	1.4	1.3	0.6	0.8	0.1	0.0	0.7	0.3	0.3	0.3	0.3
Malawi	10.4	9.0	11.2	13.8	11.1	9.4	15.7	6.4	14.1	13.0	13.7	14.0
Mali	2.0	2.1	2.7	1.8	1.2	1.9	2.1	1.6	0.5	14.0	13.3	5.1
Mozambique	6.4	5.7	6.3	6.3	7.7	6.8	7.4	6.5	6.3	6.4	6.1	5.5
Niger	2.6	3.3	2.3	2.2	2.2	0.7	5.5	2.6	3.0	2.2	1.2	1.5
Rwanda	10.6	12.3	8.0	9.7	9.5	9.9	11.6	11.8	7.6	8.7	6.8	4.8
Sierra Leone	4.1	5.2	4.0	2.7	3.1	3.4	6.3	3.8	1.8	1.1	1.1	1.1
Tanzania	3.5	3.7	3.3	3.4	3.3	3.1	3.0	2.8	2.0	1.5	1.1	1.0
Uganda	2.8	3.1	3.9	1.5	1.1	1.4	1.5	0.7	0.4	0.3	0.3	0.3
Fragile states	4.6	3.6	5.2	5.1	5.2	5.8	4.1	3.5	3.0	3.8	3.7	3.1
Burundi	17.2	19.8	15.7	15.6	20.5	15.4	17.3	11.8	12.9	8.0	6.7	5.9
Central African Rep.	3.9	2.1	5.3	3.5	3.4	3.6	3.7	2.2	3.1	3.3	2.1	2.1
Comoros	0.7	-0.5	1.1	2.0	1.0	2.2	8.9	0.0	0.0	2.8	-1.0	-1.3
Congo, Dem. Rep. of	3.8	2.3	4.8	4.5	4.4	5.8	3.9	3.3	2.9	5.2	4.6	4.0
Côte d'Ivoire	0.5	-0.1	-0.2	1.3	1.4	2.6	0.7	0.1	0.1	1.6	2.2	1.9
Eritrea	6.9	9.3	4.1	3.1	2.8	2.6	5.2	3.2	1.2	0.5	0.4	0.4
Guinea	0.1	0.0	0.1	0.2	0.4	0.0	0.0	2.2	1.0	0.4	1.7	0.4
Guinea-Bissau	5.8	4.0	7.1	5.1	6.4	8.0	3.5	3.5	3.8	2.6	3.9	1.9
Liberia	129.4	139.3	151.7	117.1	100.0	81.0	75.8	63.5	51.9	43.7	35.3	25.6
São Tomé & Príncipe	15.7	13.6	15.8	13.7	17.6	19.2	23.5	19.8	18.4	14.0	16.2	16.5
Togo	1.3	1.2	1.4	1.7	1.4	1.5	2.0	2.3	1.8	2.0	3.6	3.6
Zimbabwe ⁴	4.1	1.2	5.3	4.9	8.1	8.0	2.4	2.2	1.6	1.6	1.5	1.5
Sub-Saharan Africa	1.0	0.7	1.0	1.1	1.2	1.3	1.1	1.0	0.9	0.9	1.0	0.8
Median	2.7	2.1	2.8	2.4	2.5	2.6	2.9	2.3	1.8	1.8	1.6	1.5
Excluding Nigeria and South Africa	2.8	2.7	2.9	2.9	2.7	3.0	2.8	2.3	2.3	2.4	2.4	2.0
Oil-importing countries	1.3	0.9	1.3	1.4	1.6	1.6	1.5	1.3	1.2	1.5	1.6	1.3
Excluding South Africa	3.8	3.5	4.0	4.0	3.9	4.1	3.9	3.3	3.4	3.4	3.4	2.8
CFA franc zone	1.1	0.9	1.0	1.4	1.2	1.6	1.3	1.0	1.0	2.0	2.0	1.4
WAEMU	1.5	1.2	1.3	1.9	1.7	2.3	1.9	1.6	1.5	3.4	3.4	2.3
CEMAC	0.7	0.6	0.6	0.8	0.8	0.9	0.6	0.5	0.5	0.6	0.6	0.5
EAC-5	2.7	2.9	2.7	2.2	2.5	2.7	2.7	2.4	1.7	1.3	1.0	0.8
ECOWAS	1.2	0.9	1.4	1.3	1.4	1.6	1.2	1.2	1.1	0.9	1.0	0.7
SADC	0.5	0.2	0.6	0.7	0.8	0.8	0.7	0.6	0.6	0.8	0.9	0.8
SACU	-0.1	-0.4	-0.1	0.0	0.0	-0.1	0.2	0.2	0.1	0.3	0.5	0.4
COMESA (SSA members)	3.2	2.9	3.5	3.4	3.3	3.7	3.7	3.0	2.8	2.5	2.5	2.2
MDRI countries	3.6	3.5	3.8	3.7	3.4	3.6	3.7	3.0	2.7	2.8	2.8	2.3
Countries with conventional exchange rate pegs	2.3	2.0	2.3	2.6	2.3	2.8	2.6	2.1	2.6	3.4	3.4	2.6
Countries without conventional exchange rate pegs	0.7	0.4	0.7	0.7	0.9	0.9	0.9	0.8	0.6	0.5	0.5	0.5
Sub-Saharan Africa⁵	1.0	0.7	1.0	1.1	1.2	1.3	1.1	1.0	0.9	0.9	1.0	0.8

Sources and footnotes on page 66.

Table SA22. Real Effective Exchange Rates¹*(Annual average; index, 2000 = 100)*

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	129.7	123.7	132.7	133.4	146.3	144.6	148.8	150.8	165.3	181.4
Excluding Nigeria	135.5	125.9	135.9	142.0	152.7	164.4	155.9	157.5	163.6	172.2
Angola	179.1	153.3	182.4	200.1	221.4	249.3	235.0	243.1	268.4	287.6
Cameroon	110.1	107.4	109.0	110.1	113.4	115.9	108.6	108.6	104.1	107.0
Chad	119.1	119.7	125.4	113.6	122.7	134.1	124.0	115.2	120.2	124.3
Congo, Rep. of	118.4	114.9	116.9	119.1	124.8	128.8	124.9	124.1	122.3	129.1
Equatorial Guinea	153.6	147.5	149.6	156.9	170.3	176.0	177.7	187.9	185.4	199.2
Gabon	106.1	105.9	102.1	107.0	110.7	111.5	107.3	105.8	103.4	105.4
Nigeria	126.8	122.9	131.4	128.8	143.0	133.9	144.9	147.2	166.7	187.3
South Sudan	...	...	...	...	...	...	...	...	...	...
Middle-income countries²	101.4	106.9	104.5	99.0	90.8	96.2	108.4	106.3	101.0	92.8
Excluding South Africa	106.6	106.6	109.6	106.6	106.9	104.3	109.6	107.6	103.9	102.3
Botswana	98.6	104.5	98.7	90.4	90.0	101.2	109.7	108.9	105.0	100.4
Cabo Verde	100.3	96.7	98.2	100.8	105.2	105.6	102.1	104.7	101.6	104.6
Ghana	108.9	108.8	114.5	113.7	108.2	99.6	106.2	100.9	94.4	94.4
Lesotho	92.8	96.8	94.6	93.4	84.9	90.4	102.9	103.5	97.4	87.2
Mauritius	89.0	86.8	85.0	85.3	96.1	91.7	94.6	100.4	101.8	101.7
Namibia	105.0	111.5	107.4	101.5	92.9	102.5	114.6	112.8	108.2	90.7
Senegal	107.2	104.3	103.5	108.5	112.9	110.2	103.4	104.5	100.5	102.7
Seychelles	81.5	92.2	87.0	69.6	64.4	60.1	62.8	58.1	57.5	67.8
South Africa	100.1	107.2	103.1	96.9	86.2	94.0	108.6	106.3	100.5	89.9
Swaziland	107.3	110.6	108.1	105.6	100.3	105.5	113.8	113.9	114.0	107.3
Zambia	149.1	130.5	170.6	157.2	181.0	155.4	164.4	160.1	165.3	171.5
Low-income and Fragile states	96.1	93.4	94.3	96.9	105.2	104.8	98.4	98.4	107.0	110.7
Low-income excluding Fragile states	94.4	91.7	93.1	95.1	104.1	103.0	96.4	96.3	106.2	109.5
Benin	119.4	118.0	117.9	118.9	124.1	123.2	115.1	114.4	112.3	113.9
Burkina Faso	111.7	111.4	109.6	108.5	117.6	120.3	110.3	112.2	111.4	113.6
Ethiopia	100.0	91.2	97.8	101.4	124.7	115.0	98.3	103.3	122.5	124.3
Gambia, The	56.2	54.4	54.1	58.9	62.4	56.6	54.9	50.8	49.4	45.5
Kenya	120.6	115.2	123.8	126.9	133.1	133.1	129.3	123.7	139.9	142.8
Madagascar	91.1	84.2	84.5	98.4	108.7	107.0	106.3	111.9	111.3	116.5
Malawi	71.1	72.6	70.7	69.0	71.2	78.0	73.4	71.0	58.0	49.5
Mali	109.6	109.1	108.1	108.6	115.8	117.4	111.2	111.6	112.2	112.6
Mozambique	84.5	83.9	82.7	81.7	90.9	84.9	72.1	86.3	91.1	90.7
Niger	111.3	112.1	108.5	108.5	118.6	118.1	110.1	110.0	104.1	107.8
Rwanda	76.8	74.5	78.9	78.8	82.7	90.4	86.6	83.8	85.3	82.1
Sierra Leone	72.2	69.1	72.1	72.8	77.8	78.9	76.2	76.6	89.3	96.5
Tanzania	68.5	70.3	65.6	64.9	69.4	71.8	67.9	63.4	73.8	79.4
Uganda	89.6	88.7	88.7	91.4	94.3	93.5	98.8	94.3	110.6	125.8
Fragile states	103.2	100.4	99.0	105.1	109.0	112.4	107.6	108.2	108.3	113.6
Burundi	69.9	71.0	74.1	69.1	71.4	78.5	80.4	79.9	82.1	82.0
Central African Rep.	112.4	107.4	111.7	113.0	121.8	124.2	118.4	117.3	117.5	118.2
Comoros	120.0	117.5	118.0	121.7	122.8	122.5	115.3	115.6	110.1	113.5
Congo, Dem. Rep. of	...	...	...	...	...	...	...	...	...	...
Côte d'Ivoire	117.2	115.7	114.7	116.8	122.4	122.1	115.2	117.5	112.7	117.8
Eritrea	107.1	103.4	114.7	113.0	121.3	164.8	182.4	186.5	203.8	218.5
Guinea	72.9	65.0	57.1	81.4	79.0	81.9	75.9	73.3	81.5	91.9
Guinea-Bissau	112.4	109.9	109.1	112.5	121.1	118.9	115.3	117.7	114.9	117.2
Liberia	85.1	84.3	87.6	83.1	86.6	91.4	92.8	92.7	101.1	99.9
São Tomé & Príncipe	94.1	92.5	93.0	92.6	104.9	117.4	114.2	127.6	133.9	146.0
Togo	112.2	112.1	110.2	110.8	116.9	118.7	111.4	112.2	107.7	110.0
Zimbabwe	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	107.4	107.5	109.2	107.7	109.3	111.4	116.0	115.6	119.7	120.8
Median	106.6	106.6	105.4	106.3	109.7	110.9	109.1	109.4	107.9	107.6
Excluding Nigeria and South Africa	106.9	103.3	106.5	108.7	115.8	117.2	113.0	112.9	118.3	121.6
Oil-importing countries	99.3	101.7	100.6	98.3	96.1	99.4	104.1	102.9	103.3	99.7
Excluding South Africa	99.0	97.0	98.4	99.6	105.7	104.6	101.4	100.9	106.0	108.2
CFA franc zone	114.1	112.5	112.5	113.6	119.8	121.7	115.0	115.1	112.6	116.1
WAEMU	113.1	111.9	110.7	112.3	118.9	118.8	111.3	112.5	109.3	112.2
CEMAC	115.2	113.1	114.4	115.0	120.8	124.8	119.0	117.8	116.1	120.3
EAC-5	91.0	90.0	90.9	91.9	96.5	98.2	96.5	91.7	104.6	110.9
ECOWAS	117.7	114.9	119.8	119.5	128.6	122.4	127.4	128.1	137.2	148.9
SADC	102.0	105.3	104.1	100.7	95.9	103.2	111.8	110.9	109.5	103.3
SACU	100.1	107.1	102.9	96.7	86.7	94.6	108.7	106.6	101.0	90.5
COMESA (SSA members)	101.5	96.5	101.9	104.1	114.9	112.1	107.8	107.8	119.1	122.2
MDRI countries	97.4	95.0	96.8	98.0	105.1	103.0	98.2	98.0	102.6	105.5
Countries with conventional exchange rate pegs	112.9	111.9	111.7	112.3	117.1	120.1	115.3	115.3	112.9	114.8
Countries without conventional exchange rate pegs	106.1	106.5	108.5	106.6	107.7	109.6	115.9	115.5	120.8	121.7
Sub-Saharan Africa³	107.4	107.5	109.2	107.7	109.3	111.4	116.0	115.6	119.7	120.8

Sources and footnotes on page 66.

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries	58.6	57.6	58.8	57.9	60.1	54.4	51.6	49.1	49.9	50.8
Excluding Nigeria	47.1	45.3	46.7	47.6	48.9	49.1	44.3	43.4	43.2	43.8
Angola	8.8	8.2	8.9	8.9	9.2	9.2	7.7	7.3	7.5	7.5
Cameroon	110.6	108.7	108.1	111.5	114.2	115.3	110.2	111.6	108.1	111.9
Chad	114.8	113.0	113.0	115.8	119.0	120.1	116.6	117.9	115.1	117.4
Congo, Rep. of	117.5	115.1	115.0	118.1	122.5	121.5	115.5	116.8	113.4	117.8
Equatorial Guinea	122.9	119.4	119.1	124.6	131.8	130.1	124.3	126.7	120.4	123.6
Gabon	109.1	107.6	107.6	109.9	112.0	111.2	107.4	107.7	105.0	108.2
Nigeria	67.7	67.5	68.6	65.9	68.9	58.3	57.1	53.4	54.9	55.9
South Sudan	...	...	...	...	...	...	...	...	...	...
Middle-income countries²	80.1	87.9	83.4	75.7	64.8	63.9	70.4	67.6	62.2	55.2
Excluding South Africa	69.2	72.6	71.0	65.8	61.7	55.1	55.9	53.3	49.7	47.2
Botswana	78.1	87.6	76.3	67.6	62.3	64.9	67.9	64.7	59.7	55.2
Cabo Verde	108.5	107.5	107.2	108.5	110.1	110.2	106.7	108.4	105.7	109.6
Ghana	45.2	48.3	47.3	43.7	37.5	29.4	29.1	26.4	23.4	21.5
Lesotho	99.2	108.0	102.5	96.7	83.2	82.8	92.9	91.8	83.4	72.6
Mauritius	74.2	76.5	71.0	67.7	72.8	68.5	70.7	73.1	73.5	72.7
Namibia	86.3	94.1	89.2	82.2	72.3	74.8	82.7	80.6	75.0	67.0
Senegal	112.0	109.8	110.0	112.4	116.2	116.7	111.4	112.9	110.3	114.9
Seychelles	80.2	92.5	91.7	72.3	52.1	36.5	40.0	37.4	35.5	41.0
South Africa	84.1	93.4	87.9	79.2	65.8	67.1	76.0	73.3	67.1	57.9
Swaziland	91.4	96.6	93.1	88.1	79.7	80.7	86.1	84.7	81.0	75.1
Zambia	65.8	60.6	75.3	65.1	70.8	54.9	55.1	52.3	52.2	52.1
Low-income and Fragile states	78.8	80.2	77.6	77.2	76.3	72.1	65.5	59.9	60.3	60.0
Low-income excluding Fragile states	77.1	78.6	76.6	75.6	74.8	69.9	63.1	57.2	57.8	57.2
Benin	116.4	114.4	113.3	117.5	120.2	118.3	111.8	113.1	107.4	111.4
Burkina Faso	119.8	115.8	116.4	121.1	128.0	134.5	130.1	135.6	135.3	143.8
Ethiopia	78.7	83.0	82.0	75.5	68.1	58.7	48.0	39.3	39.0	37.7
Gambia, The	40.7	39.1	39.3	42.3	45.3	39.7	37.7	34.6	33.2	29.6
Kenya	93.3	90.9	95.6	97.9	94.3	89.0	86.9	77.3	84.0	84.7
Madagascar	58.9	57.5	53.5	58.3	61.6	56.0	52.2	51.9	49.9	49.9
Malawi	40.0	42.6	37.8	35.9	36.6	38.3	34.7	32.8	23.5	16.1
Mali	113.0	110.7	111.2	113.9	117.3	117.9	113.5	114.9	112.7	116.8
Mozambique	53.6	57.2	51.3	48.6	51.9	48.2	37.4	42.0	45.2	44.5
Niger	115.4	113.1	112.7	116.2	120.3	121.4	115.7	116.8	113.5	118.2
Rwanda	61.1	62.4	63.2	60.2	58.6	60.5	59.4	57.8	58.5	56.7
Sierra Leone	55.6	57.0	55.8	52.1	50.6	47.6	39.9	35.1	36.9	37.2
Tanzania	59.2	62.6	56.5	54.5	56.5	53.4	48.8	42.7	44.2	45.3
Uganda	82.3	83.9	81.1	82.0	81.1	72.6	67.1	57.2	59.4	59.2
Fragile states	85.9	86.9	81.5	84.2	82.9	83.3	78.2	75.8	74.1	76.2
Burundi	55.9	57.6	61.0	54.9	49.4	51.0	51.4	49.4	45.1	43.4
Central African Rep.	108.4	106.3	106.3	109.4	112.2	111.3	106.6	107.5	104.3	108.0
Comoros	115.4	111.7	113.0	116.9	121.0	121.0	115.8	119.3	115.9	121.8
Congo, Dem. Rep. of	...	...	...	...	...	...	...	...	...	...
Côte d'Ivoire	114.9	113.0	112.3	115.4	118.9	118.9	113.1	113.7	110.6	115.3
Eritrea	48.8	51.6	51.3	48.7	47.2	49.5	50.4	49.7	51.8	52.5
Guinea	39.7	41.7	28.0	33.3	28.6	28.7	23.7	19.5	19.4	20.0
Guinea-Bissau	117.0	115.6	115.4	117.7	120.0	120.0	115.9	116.4	113.8	117.1
Liberia	56.4	60.8	59.2	51.7	47.6	47.5	45.9	43.6	45.8	42.9
São Tomé & Príncipe	52.7	61.3	51.5	44.6	39.6	38.4	33.6	33.9	33.1	34.1
Togo	120.6	118.4	117.6	121.5	125.4	126.0	120.3	122.3	118.6	123.1
Zimbabwe	...	...	...	...	...	...	...	...	...	...
Sub-Saharan Africa	72.4	75.3	73.6	70.2	66.4	62.9	62.6	59.2	57.7	55.4
Median	83.2	91.7	88.5	80.6	72.5	70.6	73.4	73.2	70.3	63.1
Excluding Nigeria and South Africa	67.9	68.6	67.6	66.7	66.0	62.6	58.1	54.5	53.8	53.3
Oil-importing countries	79.6	85.0	81.3	76.3	69.0	66.9	68.3	64.3	61.4	57.1
Excluding South Africa	76.0	78.0	75.7	73.8	71.9	66.9	62.6	58.0	57.1	56.0
CFA franc zone	114.3	112.0	111.8	115.1	118.9	119.4	114.3	115.8	112.7	116.9
WAEMU	115.3	113.0	112.8	116.2	120.1	121.1	115.8	117.5	114.7	119.7
CEMAC	113.0	111.0	110.7	114.0	117.5	117.5	112.8	114.0	110.5	113.9
EAC-5	75.9	77.1	75.6	75.2	74.5	70.0	66.2	58.5	61.2	61.7
ECOWAS	73.1	73.4	73.2	71.6	72.6	63.8	61.9	58.6	58.5	59.1
SADC	65.9	71.0	67.7	62.5	55.8	55.8	53.3	55.9	52.9	47.9
SACU	83.9	93.2	87.4	78.8	65.9	67.3	75.9	73.2	67.1	58.2
COMESA (SSA members)	75.4	76.5	76.8	74.6	72.3	65.6	60.5	53.9	54.1	52.6
MDRI countries	75.8	77.4	75.8	74.0	72.9	67.1	61.6	57.3	55.9	55.1
Countries with conventional exchange rate pegs	110.1	109.1	108.4	110.5	112.5	113.2	109.7	110.8	107.5	110.1
Countries without conventional exchange rate pegs	66.1	69.4	67.5	63.5	59.3	55.5	55.5	51.8	50.6	47.9
Sub-Saharan Africa³	72.4	75.3	73.6	70.2	66.4	62.9	62.6	59.2	57.7	55.4

Sources and footnotes on page 66.

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	15.4	20.1	7.2	6.5	4.7	5.2	5.4	5.3	5.6	6.1	6.7	7.3
Excluding Nigeria	20.1	25.7	15.2	12.2	8.1	8.8	10.1	9.3	9.8	10.5	11.6	12.8
Angola	14.5	15.9	7.9	6.5	5.8	8.3	8.7	7.5	7.3	7.3	9.4	11.1
Cameroon	18.0	33.4	5.6	5.3	5.1	5.5	6.5	7.3	9.4	11.6	12.8	13.9
Chad	23.0	24.4	24.3	20.4	15.6	18.4	20.1	21.8	21.4	24.0	18.4	16.1
Congo, Rep. of	59.0	62.3	64.0	55.7	33.1	10.9	18.0	17.5	19.5	22.0	22.1	22.1
Equatorial Guinea	2.8	3.5	1.6	1.0	0.6	7.2	10.8	7.8	9.9	8.8	6.7	5.7
Gabon	28.1	34.5	29.2	24.5	8.3	10.0	9.6	9.0	10.7	12.6	14.3	17.6
Nigeria	12.3	16.4	2.1	2.4	2.1	2.3	2.2	2.3	2.5	2.9	3.2	3.4
South Sudan	...	...	...	...	...	...	...	...	...	...	...	...
Middle-income countries¹	5.2	6.6	3.5	3.7	3.9	4.8	4.6	4.9	5.7	6.6	7.1	7.1
Excluding South Africa	17.6	25.1	9.2	10.8	10.2	15.1	14.4	14.9	17.2	18.6	20.5	20.4
Botswana	3.5	4.0	3.5	2.9	2.1	15.9	12.4	13.5	14.2	11.2	11.1	9.3
Cabo Verde	44.8	45.7	47.3	42.1	35.8	45.0	49.4	50.7	64.8	69.6	71.6	70.6
Ghana	24.0	36.5	10.7	14.5	14.1	19.4	19.4	19.7	22.6	25.6	32.3	33.8
Lesotho	49.2	52.2	53.5	41.7	41.0	39.8	33.3	30.6	31.9	36.9	36.2	35.7
Mauritius	6.6	7.3	6.8	6.0	5.5	7.4	8.4	8.4	8.9	10.3	12.2	12.4
Namibia	4.7	4.4	4.5	5.1	4.3	4.9	4.4	6.2	8.2	8.0	8.6	8.4
Senegal	14.4	22.3	9.2	8.6	8.7	12.6	13.5	13.8	15.8	16.7	16.9	16.5
Seychelles	29.1	35.3	22.2	24.8	30.3	28.3	22.4	23.0	22.9	19.7	20.7	20.4
South Africa	2.0	2.0	1.9	1.8	1.9	1.8	1.9	2.0	2.1	2.3	2.3	2.2
Swaziland	...	...	...	...	...	...	...	...	...	...	...	...
Zambia	39.2	57.5	5.0	10.3	8.6	12.3	10.8	10.9	13.8	14.9	14.7	14.4
Low-income and Fragile states	47.9	59.3	44.9	36.1	31.7	31.3	26.3	26.0	21.6	21.8	22.2	22.2
Low-income excluding Fragile states	34.3	48.4	28.0	19.2	18.5	20.8	23.0	23.4	21.3	21.9	22.9	23.1
Benin	22.2	37.2	11.6	12.7	15.6	16.2	18.1	16.9	16.9	19.0	18.2	17.8
Burkina Faso	29.5	38.6	20.9	23.3	20.9	25.6	26.2	23.3	23.7	25.0	25.9	27.5
Ethiopia ²	36.6	48.5	39.9	11.3	11.1	13.0	18.3	22.2	17.9	18.7	21.1	22.5
Gambia, The	84.4	111.9	115.9	42.3	37.9	43.2	42.2	44.6	45.7	50.0	47.8	45.6
Kenya	26.8	29.3	25.9	22.8	22.4	24.5	25.9	26.4	20.2	20.1	18.9	17.5
Madagascar	41.6	66.5	22.6	21.0	19.7	25.2	24.7	22.4	22.2	19.8	19.2	18.3
Malawi	53.8	107.2	16.9	15.8	16.6	15.9	16.0	16.2	23.0	26.2	24.8	23.7
Mali	31.1	48.5	19.9	18.1	20.5	22.1	26.7	23.2	26.0	26.6	28.3	29.4
Mozambique	54.2	70.7	45.5	40.8	36.6	39.9	40.3	33.9	33.3	36.3	39.1	40.5
Niger	31.2	51.6	15.8	15.9	13.9	19.6	16.9	15.5	17.7	18.6	29.5	28.6
Rwanda	36.8	58.3	15.6	15.3	14.4	14.0	13.8	15.8	14.5	20.2	21.5	23.4
Sierra Leone	71.4	106.4	82.9	24.5	24.2	28.2	30.4	32.5	25.9	22.3	21.8	22.0
Tanzania	33.0	43.6	31.0	18.5	19.1	22.2	24.7	26.9	24.6	23.1	21.8	20.8
Uganda	27.5	43.6	14.8	12.0	11.1	13.8	15.8	16.4	16.6	18.8	21.4	24.1
Fragile states	77.0	81.2	80.6	74.0	63.6	57.5	34.1	32.0	22.2	21.7	20.7	19.7
Burundi	119.8	130.4	115.2	108.2	94.2	21.2	22.4	20.1	19.4	18.8	18.0	17.1
Central African Rep.	66.7	76.1	70.7	54.6	50.6	16.7	20.0	21.6	24.3	35.7	34.4	31.9
Comoros	73.0	70.7	70.1	75.0	68.5	50.7	47.8	43.9	40.4	16.8	15.5	14.2
Congo, Dem. Rep. of	85.9	94.2	82.8	76.9	69.4	71.9	13.5	12.1	10.5	10.9	12.3	12.7
Côte d'Ivoire	54.7	55.4	59.2	53.7	43.6	40.6	39.0	40.9	20.8	19.5	15.8	12.9
Eritrea	58.9	62.5	58.0	58.0	61.9	49.1	45.8	35.8	29.1	25.6	23.0	23.1
Guinea	91.4	110.1	109.8	78.0	69.3	69.6	64.0	62.7	23.2	23.6	23.7	23.5
Guinea-Bissau	164.6	179.2	176.8	149.0	122.7	127.8	24.0	22.2	28.2	28.2	26.5	25.6
Liberia	516.9	608.9	561.1	454.9	280.1	148.9	10.9	10.8	10.5	12.9	17.6	21.4
São Tomé & Príncipe	211.6	300.3	265.9	104.1	60.0	69.2	78.1	73.3	77.9	80.3	77.5	76.4
Togo	76.1	72.7	82.6	86.5	56.0	55.1	17.2	14.7	18.5	18.7	19.1	20.4
Zimbabwe ³	56.6	47.8	54.2	59.8	72.3	66.5	62.3	52.9	48.8	49.3	49.0	48.1
Sub-Saharan Africa	17.6	22.2	13.6	11.7	10.6	11.6	9.6	9.5	9.4	10.2	10.9	11.2
Median	36.8	48.5	25.9	22.8	20.5	21.2	19.4	20.1	20.2	19.7	20.7	20.8
Excluding Nigeria and South Africa	33.3	42.6	28.4	23.3	19.5	21.3	18.8	18.1	16.9	17.6	18.5	19.0
Oil-importing countries	19.1	23.0	16.7	14.5	14.3	14.9	11.9	11.9	11.6	12.8	13.6	13.7
Excluding South Africa	38.7	48.9	33.9	28.4	25.4	26.9	22.7	22.6	20.3	20.9	21.8	21.7
CFA franc zone	32.0	39.8	28.7	25.6	19.2	19.5	19.0	18.1	16.7	17.8	17.7	17.7
WAEMU	38.7	46.7	35.2	32.9	27.9	28.9	26.2	25.3	20.3	20.6	20.6	19.9
CEMAC	25.6	32.9	22.5	18.8	11.6	9.6	12.0	11.7	13.5	15.1	14.8	15.5
EAC-5	31.5	40.7	26.5	20.7	20.0	20.7	22.5	23.5	20.2	20.7	20.4	20.1
ECOWAS	23.6	31.0	14.8	13.7	11.3	12.9	10.2	10.3	9.0	9.7	10.2	10.3
SADC	11.3	13.5	9.2	8.4	8.7	9.8	7.1	6.9	7.4	8.0	8.7	9.0
SACU	2.4	2.4	2.3	2.1	2.2	2.6	2.6	2.7	2.9	3.1	3.1	2.9
COMESA (SSA members)	40.7	52.0	34.0	27.9	25.6	26.6	20.8	20.7	18.7	19.2	19.9	20.1
MDRI countries	40.7	55.3	32.4	26.2	22.6	22.7	18.4	18.5	18.9	20.2	21.8	22.4
Countries with conventional exchange rate pegs	31.1	38.2	28.3	25.2	19.4	19.7	19.0	18.2	17.1	18.1	18.1	18.1
Countries without conventional exchange rate pegs	14.5	18.5	10.2	8.7	8.3	9.4	7.4	7.5	7.5	8.3	9.1	9.5
Sub-Saharan Africa⁴	17.6	22.2	13.6	11.7	10.6	11.6	9.6	9.5	9.4	10.2	10.9	11.2

Sources and footnotes on page 66.

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	129.0	123.8	132.1	136.2	149.4	119.5	134.8	152.2	157.3	155.7	155.8	151.7
Excluding Nigeria	133.1	125.3	136.2	144.7	160.3	120.7	144.0	172.3	182.5	178.1	175.9	169.8
Angola	142.7	130.2	146.7	158.1	180.8	129.0	150.6	185.5	199.8	194.2	190.3	182.6
Cameroon	116.8	112.3	126.2	125.4	126.1	107.2	124.6	137.7	158.9	150.9	151.3	148.2
Chad	150.8	137.2	148.0	159.8	208.6	164.2	206.2	243.7	258.4	259.1	266.6	258.2
Congo, Rep. of	125.9	131.3	131.4	143.2	109.2	110.9	148.0	149.5	146.2	144.7	140.1	146.2
Equatorial Guinea	138.3	143.5	128.8	133.7	170.4	112.2	142.5	176.4	181.5	179.3	175.1	160.7
Gabon	131.6	116.7	132.0	143.9	170.5	123.2	145.3	183.5	167.6	167.6	167.7	160.9
Nigeria	126.9	123.3	130.1	131.2	142.8	120.8	131.4	142.2	144.2	144.2	145.7	142.8
South Sudan	...	...	...	...	...	...	...	...	...	...	...	...
Middle-income countries¹	113.0	108.0	114.7	117.0	119.0	124.6	136.1	135.5	128.5	125.4	123.3	121.8
Excluding South Africa	100.9	96.3	103.9	102.1	103.2	100.3	104.9	98.0	93.3	91.2	89.7	88.1
Botswana	90.6	94.1	94.1	87.3	83.6	86.2	87.2	87.3	100.3	106.4	107.0	108.3
Cabo Verde	123.3	132.1	140.2	81.9	146.1	121.9	129.7	137.6	134.0	128.5	133.2	137.3
Ghana	79.6	85.1	77.5	74.3	67.5	67.4	60.4	44.8	41.5	39.0	38.7	36.8
Lesotho	64.8	64.4	63.7	62.3	59.9	53.7	50.1	49.0	51.2	49.3	48.2	47.0
Mauritius	98.7	96.7	94.7	104.7	96.7	96.5	93.8	90.6	86.4	87.7	81.7	82.9
Namibia	106.8	104.3	109.1	112.8	111.8	119.2	142.3	154.0	136.6	127.7	116.1	110.3
Senegal	105.7	97.1	104.4	96.4	130.8	125.0	125.0	119.0	119.5	124.7	129.5	131.1
Seychelles	82.5	84.7	80.7	79.6	73.6	81.2	75.7	70.9	70.5	70.7	71.6	72.6
South Africa	116.3	111.1	117.6	121.1	123.5	132.1	145.9	147.8	140.0	136.5	134.2	132.8
Swaziland	102.8	89.4	98.9	105.8	119.8	109.7	111.2	122.3	116.1	110.9	106.3	110.9
Zambia	184.8	138.5	215.7	228.4	203.9	169.7	232.3	242.4	209.6	202.7	200.9	196.3
Low-income and Fragile states	102.6	93.5	100.3	107.4	110.6	107.2	117.9	133.1	129.3	122.3	118.3	117.2
Low-income excluding Fragile states	83.2	77.2	80.9	86.0	91.0	87.1	96.0	103.9	101.7	95.9	90.1	88.5
Benin	156.2	97.5	159.5	215.1	192.8	293.1	374.8	400.1	276.0	240.4	231.2	226.4
Burkina Faso	63.4	59.2	56.1	61.5	70.2	56.0	39.9	34.7	35.1	38.2	35.7	37.9
Ethiopia ²	45.3	42.9	42.9	43.5	51.6	33.2	41.6	57.8	56.2	46.2	40.9	36.2
Gambia, The	102.8	96.9	111.8	89.6	75.0	76.2	65.0	58.0	56.0	66.2	71.7	70.8
Kenya	83.9	84.0	86.6	83.8	78.4	96.4	112.8	110.0	109.2	108.0	99.3	101.4
Madagascar	142.1	104.7	108.0	190.8	205.2	152.5	143.7	145.1	155.7	176.0	176.3	176.8
Malawi	36.0	37.2	32.7	31.5	31.9	38.3	41.6	42.5	36.3	35.5	35.5	36.7
Mali	156.5	129.2	160.0	152.6	209.0	180.3	218.7	272.5	285.4	254.3	254.9	257.4
Mozambique	112.4	106.5	120.3	121.9	112.0	106.9	119.4	122.4	116.0	105.3	102.1	101.5
Niger	121.1	105.7	109.1	132.4	156.6	163.6	162.5	204.9	222.6	195.3	164.0	168.0
Rwanda	94.4	89.3	91.9	109.5	95.6	108.4	125.8	125.7	119.0	135.1	138.7	149.9
Sierra Leone	103.7	109.1	102.5	102.1	100.8	98.2	104.9	104.1	109.4	107.7	103.1	95.5
Tanzania	54.7	51.4	50.8	54.9	59.5	65.3	68.7	69.5	69.4	66.4	63.7	63.4
Uganda	81.0	80.6	79.5	77.4	84.6	86.9	84.0	87.4	84.0	79.9	78.8	78.8
Fragile states	138.0	121.6	136.9	148.6	143.7	144.1	157.4	193.9	185.0	176.4	182.6	185.2
Burundi	116.1	139.0	113.5	105.2	111.6	111.2	168.7	153.5	121.9	100.5	98.1	100.8
Central African Rep.	61.0	68.3	63.2	57.4	46.9	61.9	61.9	62.8	65.0	61.0	51.2	52.8
Comoros	106.4	102.0	96.2	79.8	59.7	92.5	97.4	125.7	137.1	108.7	116.5	122.7
Congo, Dem. Rep. of	652.1	441.1	686.4	856.4	743.1	596.8	716.8	632.2	559.2	518.5	570.9	586.4
Côte d'Ivoire	92.4	84.6	89.5	92.9	100.6	109.9	114.1	131.7	126.0	126.3	132.3	136.2
Eritrea	57.9	87.0	65.7	46.1	28.5	22.9	23.6	201.7	309.4	267.9	248.5	228.4
Guinea	45.7	45.2	34.2	39.3	31.2	31.9	29.0	20.1	19.8	18.5	18.6	18.3
Guinea-Bissau	82.3	94.4	67.5	78.8	66.6	66.7	79.5	112.4	79.3	61.9	64.3	62.3
Liberia	127.7	107.8	147.2	149.2	132.9	118.3	180.7	200.7	142.1	154.6	145.6	137.9
São Tomé & Príncipe	48.6	64.7	53.9	41.4	29.3	33.5	36.4	31.0	51.4	46.5	43.3	46.8
Togo	69.1	74.9	58.3	59.9	69.9	68.5	71.2	72.6	71.9	69.3	66.4	64.7
Zimbabwe ³	80.7	79.0	76.9	79.5	84.4	99.7	103.2	102.8	102.1	98.7	97.2	97.6
Sub-Saharan Africa	116.1	109.9	117.2	121.2	127.7	121.3	134.1	143.9	141.8	138.0	136.1	133.8
Median	103.2	97.0	100.7	99.2	100.7	107.1	113.5	124.1	119.2	109.8	111.6	110.6
Excluding Nigeria and South Africa	111.0	103.1	111.2	116.8	123.0	111.6	124.7	138.7	138.1	132.8	129.6	127.2
Oil-importing countries	109.5	103.0	109.8	113.8	116.4	118.3	129.5	134.5	128.8	124.1	121.1	119.8
Excluding South Africa	102.1	94.3	101.4	105.8	108.4	105.2	113.9	121.6	117.5	112.2	109.0	107.8
CFA franc zone	113.6	105.4	113.5	118.7	131.7	122.3	137.8	154.8	155.6	152.4	151.3	151.0
WAEMU	103.6	90.8	100.3	105.3	122.9	126.1	130.2	141.4	137.4	134.4	133.3	135.9
CEMAC	122.4	119.2	125.5	130.8	139.2	113.7	138.7	159.6	165.4	162.1	161.1	157.2
EAC-5	73.7	72.6	72.8	73.7	73.8	83.2	90.8	90.7	88.8	86.8	82.7	83.7
ECOWAS	114.5	110.0	115.3	116.6	126.8	116.4	123.4	128.9	128.3	126.9	127.4	125.6
SADC	123.4	114.5	124.7	131.5	135.5	134.1	149.4	155.9	151.6	147.6	145.4	143.5
SACU	114.4	109.6	115.7	118.8	120.9	128.7	141.9	144.0	137.1	133.9	131.4	130.0
COMESA (SSA members)	123.9	110.9	124.7	133.8	133.0	121.5	139.3	160.8	154.4	145.9	140.5	138.1
MDRI countries	114.8	104.1	115.4	122.7	125.2	114.5	126.9	130.0	125.7	118.5	115.7	113.4
Countries with conventional exchange rate pegs	111.2	104.3	111.5	115.3	127.3	118.9	133.6	163.1	164.1	159.7	157.5	156.6
Countries without conventional exchange rate pegs	118.0	111.8	119.2	123.4	128.6	122.2	135.0	141.4	138.8	135.1	133.2	130.6
Sub-Saharan Africa⁴	116.1	109.9	117.2	121.2	127.7	121.3	134.1	143.9	141.8	138.0	136.1	133.8

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

	2004-08	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Oil-exporting countries	7.2	6.6	8.1	7.1	9.6	6.5	4.8	5.5	6.6	6.4	6.2	6.2
Excluding Nigeria	3.4	2.4	3.9	3.6	5.5	4.9	4.8	5.5	6.4	5.8	5.9	5.9
Angola	3.1	2.4	3.9	3.1	5.1	4.6	5.4	7.1	7.6	7.0	6.9	6.9
Cameroon	3.7	2.3	3.4	4.4	5.9	6.8	5.3	4.7	4.5	4.1	3.8	3.5
Chad	2.0	0.7	2.1	2.7	3.6	1.4	1.3	1.9	2.5	1.7	1.5	1.9
Congo, Rep. of	4.0	2.3	4.9	3.7	8.5	6.6	6.5	8.9	8.7	7.8	9.8	11.6
Equatorial Guinea	4.8	3.8	5.2	5.9	6.0	4.2	2.6	3.4	4.9	5.1	4.9	4.0
Gabon	3.5	2.8	3.8	3.5	5.5	5.2	3.7	4.6	4.5	5.6	5.4	5.2
Nigeria	9.8	9.4	10.8	9.5	12.7	7.9	4.8	5.4	6.7	6.8	6.5	6.4
South Sudan	...	...	...	...	...	...	...	...	5.3	2.1	2.3	3.6
Middle-income countries¹	3.6	3.2	3.3	3.7	4.7	4.5	3.9	4.2	4.4	4.4	4.2	4.2
Excluding South Africa	5.3	5.7	4.9	5.0	5.1	5.4	4.4	4.3	4.3	4.0	3.9	4.0
Botswana	20.8	22.4	20.3	21.0	20.6	16.6	11.8	11.2	11.5	11.5	11.1	10.7
Cabo Verde	3.1	2.6	2.9	3.6	4.0	4.3	3.3	3.5	4.1	3.9	4.1	3.9
Ghana	2.4	2.5	2.5	1.9	1.9	2.9	2.9	3.0	2.9	2.4	1.8	1.9
Lesotho	4.8	3.6	4.2	6.5	6.0	5.9	4.9	4.2	5.2	5.6	5.9	5.8
Mauritius	3.7	3.4	2.9	3.4	4.1	4.3	4.0	4.1	4.4	4.8	4.9	5.1
Namibia	2.0	1.3	1.5	2.4	3.2	4.4	3.2	3.4	3.1	3.2	3.7	4.3
Senegal	3.5	3.5	3.0	2.8	3.6	4.9	3.8	3.4	3.4	3.5	3.3	3.2
Seychelles	0.8	0.7	1.4	0.5	0.8	2.2	2.6	2.9	3.1	4.1	4.2	4.1
South Africa	3.1	2.6	2.8	3.3	4.6	4.2	3.8	4.2	4.4	4.5	4.4	4.2
Swaziland	2.5	1.3	1.8	4.2	3.8	4.4	3.2	2.7	3.7	4.0	4.4	4.6
Zambia	2.2	2.1	1.9	2.4	3.2	4.1	3.3	3.0	3.4	2.6	2.5	2.6
Low-income and Fragile states	3.2	3.0	2.9	3.1	3.1	3.7	3.4	3.1	2.9	2.8	2.9	3.0
Low-income excluding Fragile states	3.9	3.8	3.5	3.7	3.6	4.1	3.6	3.3	3.2	3.1	3.2	3.3
Benin	7.0	7.0	6.1	7.0	7.7	7.2	8.0	5.2	2.8	3.1	3.2	3.2
Burkina Faso	4.9	3.6	4.0	5.6	5.7	6.0	3.6	2.9	2.7	1.6	1.0	0.1
Ethiopia ²	2.2	2.3	1.7	1.9	1.1	2.2	2.5	2.7	2.0	2.0	2.1	2.0
Gambia, The	3.9	3.8	4.3	4.5	3.7	6.6	5.7	5.8	6.0	5.2	5.2	5.4
Kenya	2.9	2.6	2.9	3.2	3.1	3.4	3.2	2.9	3.9	4.1	4.2	4.4
Madagascar	2.5	2.5	2.0	2.1	3.0	4.2	3.8	4.0	3.6	2.6	2.8	3.0
Malawi	1.3	1.4	1.1	1.2	1.5	0.7	1.6	1.1	1.2	1.8	3.0	3.8
Mali	4.3	4.5	4.3	3.2	4.1	4.7	4.2	4.2	3.0	2.6	2.9	2.8
Mozambique	4.0	3.7	3.8	3.8	4.2	5.4	3.4	2.5	2.6	2.6	2.6	2.7
Niger	3.2	2.8	3.4	3.6	3.3	2.8	3.0	2.8	3.9	3.8	4.2	3.8
Rwanda	5.4	6.2	5.6	4.7	4.7	5.4	4.5	5.1	4.1	4.4	3.7	4.0
Sierra Leone	4.3	4.5	4.6	4.4	4.6	4.5	2.4	2.1	2.3	2.4	2.5	2.7
Tanzania	4.8	4.7	4.1	4.5	4.2	4.5	4.1	3.5	3.6	3.8	3.8	4.0
Uganda	5.7	5.4	5.5	5.8	5.3	5.8	4.4	4.1	4.6	4.3	4.2	4.3
Fragile states	1.7	1.5	1.6	1.7	1.9	2.7	2.8	2.6	2.2	2.1	2.3	2.3
Burundi	3.6	2.1	3.5	3.6	6.4	4.4	4.1	3.2	3.3	3.5	3.3	3.1
Central African Rep.	4.2	5.2	3.8	2.1	3.4	5.2	4.4	4.0	5.0	4.8	4.4	4.8
Comoros	6.4	6.6	5.8	5.4	5.3	6.6	5.7	5.8	6.7	5.6	5.7	5.6
Congo, Dem. Rep. of	0.4	0.4	0.3	0.2	0.1	1.2	1.3	1.4	1.5	1.5	1.7	1.8
Côte d'Ivoire	2.8	2.2	2.6	3.1	3.1	3.7	4.8	4.4	3.4	3.2	3.4	3.2
Eritrea	1.0	0.7	0.8	1.1	1.6	2.2	2.3	2.0	3.4	3.4	3.7	3.6
Guinea	0.5	0.9	0.0	0.1	0.0	0.9	1.1	3.0	2.8	2.9	1.5	1.6
Guinea-Bissau	5.3	5.5	4.6	5.3	5.6	7.6	5.6	10.2	7.0	7.7	7.3	6.9
Liberia	0.5	0.2	0.5	0.7	1.2	2.5	2.6	2.9	2.8	2.5	2.9	3.0
São Tomé & Príncipe	4.8	3.7	4.9	4.2	7.2	6.6	3.9	4.5	4.2	4.0	4.0	4.1
Togo	3.2	1.9	3.1	3.2	4.2	4.7	3.7	3.9	2.0	2.0	1.9	1.6
Zimbabwe ³	0.6	0.5	0.8	0.6	0.1	1.7	1.0	1.0	0.9	0.9	0.9	1.0
Sub-Saharan Africa	4.7	4.2	4.8	4.7	6.2	5.0	4.1	4.4	4.9	4.8	4.7	4.7
<i>Median</i>	3.5	2.6	3.4	3.4	4.1	4.4	3.7	3.5	3.6	3.8	3.7	3.8
Excluding Nigeria and South Africa	3.8	3.4	3.6	3.7	4.3	4.4	4.0	4.2	4.4	4.1	4.1	4.1
Oil-importing countries	3.4	3.2	3.2	3.5	4.1	4.2	3.7	3.8	3.9	3.7	3.7	3.6
Excluding South Africa	3.8	3.8	3.5	3.7	3.7	4.2	3.7	3.5	3.3	3.2	3.2	3.2
CFA franc zone	3.8	2.9	3.6	4.0	5.1	5.0	4.3	4.4	4.1	3.9	3.9	3.8
WAEMU	3.8	3.4	3.5	3.8	4.2	4.7	4.5	4.0	3.2	3.0	3.0	2.7
CEMAC	3.7	2.5	3.8	4.1	5.9	5.3	4.1	4.7	5.0	4.8	4.8	4.9
EAC-5	4.2	4.1	3.9	4.2	4.1	4.4	3.8	3.5	4.0	4.0	4.0	4.2
ECOWAS	7.4	6.9	8.1	7.3	9.5	6.4	4.5	4.8	5.4	5.4	5.2	5.1
SADC	3.5	3.1	3.2	3.6	4.6	4.4	4.0	4.5	4.8	4.7	4.6	4.6
SACU	3.7	3.3	3.4	4.0	5.1	4.6	4.0	4.4	4.6	4.7	4.6	4.5
COMESA (SSA members)	2.6	2.4	2.3	2.6	2.6	3.2	2.9	2.8	3.0	2.9	3.0	3.1
MDRI countries	3.4	3.1	3.1	3.2	3.7	4.2	3.7	3.6	3.3	3.0	3.1	3.1
Countries with conventional exchange rate pegs	3.6	2.8	3.4	3.9	4.9	4.9	4.2	4.2	4.1	3.9	3.9	3.8
Countries without conventional exchange rate pegs	5.0	4.5	5.1	5.0	6.6	5.0	4.1	4.6	5.1	5.0	4.9	4.9
Sub-Saharan Africa⁴	4.7	4.2	4.8	4.7	6.2	5.0	4.1	4.5	4.9	4.8	4.7	4.7

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