



Africa Fact Sheet

Main Economic Indicators

This fact sheet provides a snapshot of key economic indicators in Africa since 2005. It includes statistics and analysis for GDP, the structure of African economies, foreign trade, foreign direct investment, official development assistance, external debt and remittances.

Gross Domestic Product

From 5.5% of annual GDP growth between 2005 and 2008, Africa's economies grew only 2.4% in 2009. However, the UN projects a healthier growth rate of 4.7% in 2010, signaling a relatively rapid recovery from the crisis. On a country level, Africa boasts some of the world's biggest growth success stories. Over the last ten years, no fewer than six of the world's ten fastest-growing economies were in Sub-Saharan Africa.

GDP in Africa

	2005	2006	2007	2008	2009	2010*
GDP per Capita (<i>in 2005 US\$</i>)	1 057	1 094	1 132	1 161	1 162	1 189
Annual GDP Growth (<i>% change</i>)	5.4	5.9	5.8	5.0	2.4	4.7
GDP, Share of World (%)	2.1	2.2	2.2	2.3	2.4	2.4

Source: Based on UNDESA World Economic Situation and Prospects 2010

*Projections

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United Nations
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NEPAD-OECD AFRICA INVESTMENT INITIATIVE



Structure of African Economies

African economies rely heavily on agriculture; for Sub-Saharan Africa, the agriculture sector's share in GDP was 12.7% in 2009, and provided employment to more than 60% of the labor force. Globally, agriculture's share in GDP is only 3.2%. On the other hand, the contribution of manufacturing to African countries' GDP is smaller than the global average. Growth of informal activities and rapid urbanization is responsible for the sizeable share of the services sector, which can therefore not be interpreted as a maturing of African economies.

Sectoral share of GD in Sub-Saharan Africa,

	2005	2006	2007	2008	2009
Agriculture	16.9	16.4	15.4	12.4	12.7
Industry (incl. Mining and Manufacturing)	31.4	31.9	32.4	32.5	30.6
<i>Manufacturing</i>	13.1	12.6	14.0	13.6	12.9
Services	51.7	51.8	52.3	55.1	56.6

Source: Based on World Bank World Development Indicators 2010 Database

Foreign Trade

Africa remains marginalised in global trade. In 2009, it accounted for only 3% of world merchandise exports, corresponding roughly to its share in global GDP. At the same time, African trade is more outward-oriented than in any other continent – only around 12% of its total merchandise trade is directed to intra-regional trade.

Trade indicators in Africa

	2005	2006	2007	2008	2009
Merchandise Exports (<i>US\$ billions</i>)	309	362	424	555	374
Merchandise Imports (<i>US\$ billions</i>)	252	291	368	481	405
Exports, Share of World Total (%)	3.0	3.0	3.1	3.5	3.0
Imports, Share of World Total (%)	2.4	2.4	2.6	3.0	3.3
Share of Intra-regional Trade (%)	11.3	11.1	11.1	11.2	12.0

Source: Based on UNCTAD Handbook of Statistics 2010

Foreign Direct Investment

Over the past two decades Foreign Direct Investment (FDI) has become a vital source of funding and economic development for the African continent, increasing from approximately US\$6 billion in 1995 to US\$72.2 billion in 2008. However, FDI remained concentrated in resource extraction. The global financial and economic crisis also dampened global investment flows into Africa. After the record high of 2008, the continent saw its FDI inflows fall to US\$58.6 billion in 2009. This marked the end of six years of consecutive increases in FDI flows to Africa. Total investment as a percentage of GDP has remained stable in Africa in recent years: it slightly increased in relative terms, from 19.1% in 2005 to 21.6% of GDP in 2008.

Foreign Direct Investment in Africa

	2005	2006	2007	2008	2009
Inward FDI (US\$ billions)	38.2	55.4	63.1	72.2	58.6
FDI, Share of World Total (%)	3.9	3.8	3.0	4.1	5.3
Total Investment, Share of GDP (%)	19.1	20.2	21.9	21.6	-

Source: Based on UNCTADStat Website, December 2010

Official Development Assistance

Official Development Assistance (ODA) to Africa has increased markedly in recent years. Expressed in current prices, in 2006 Africa received US\$44 billion in ODA, spurred by massive debt relief efforts. ODA fell to US\$39.3 billion in 2007, but reached a new record high of an estimated US\$47.6 billion in 2009. Despite that increase, ODA to Africa is falling short of the targets set. Since 2004, Africa has received between 32 and 35% of the total increase in ODA, well below the 50% increase committed to at the 2005 G8 Summit in Gleneagles. The top five bilateral donors to Africa in 2009 were the United States, France, the United Kingdom, Germany, and the Netherlands.

ODA net bilateral disbursements by major donors to Africa (US\$ billions)

	2005	2006	2007	2008	2009*
All Donors	35.7	44.0	39.3	43.9	47.6
of which: OECD DAC Members	24.6	31.5	24.6	27.3	28.2
of which: United States	4.4	5.8	5.0	7.2	7.7
France	4.6	5.2	3.6	3.4	4.1
United Kingdom	3.8	5.5	2.5	2.6	2.8
Germany	2.7	3.5	2.4	2.7	2.1
Netherlands	1.4	1.3	1.7	1.5	1.2

Source: OECD QWIDS International Development Statistics, December 2010

* Preliminary Data

Debt

In 2009, with an external debt of around \$300 billion, African countries spent about 16% of the continent's export earnings on servicing their external debt. This is significantly less than during the height of the African debt crisis in the 1990s, when debt service at times exceeded 40% of export earnings, and the reduction is largely due to multilateral and bilateral debt relief initiatives such as the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI).

External Debt in Africa

	2005	2006	2007	2008	2009
Total External Debt (US\$ billions)	291.0	252.9	283.3	286.8	300.6
Total External Debt (% GDP)	34.7	26.3	25.6	22.4	25.4
Total External Debt/Exports (%)	92.7	68.5	64.8	53.4	80.3
Debt Service/Exports (%)	21.1	23.8	13.6	12.1	15.9

Source: IMF World Economic Outlook Database October 2009

Remittances

In recent years, remittances have gained in importance as a source of financing for development in Africa. According to World Bank data, total remittances to Sub-Saharan Africa reached US\$21.4 billion in 2008. Due to the financial and economic crisis, remittances slightly decreased to US\$20.6 billion in 2009. Remittances also flow out of African countries, yet this outflow is heavily concentrated in a few countries, most notably South Africa and oil exporters such as Libya and Angola.

Remittances in Sub-Saharan Africa (SSA) (US\$ billions)

	2005	2006	2007	2008	2009
Inflows to SSA	9.3	12.7	18.6	21.4	20.6
Outflows SSA countries	3.2	3.4	4.0	4.0	3.3
Outflows of South Africa	1.1	1.1	1.2	1.1	1.2
Outflows of Libya	0.9	0.9	0.8	1.0	...
Outflows of Angola	0.2	0.4	0.6	0.7	...

Source: Based on World Bank Migration and Remittances Factbook 2011