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AFRICA'S TRADE: TRENDS, PROBLEMS AND POLICY ISSUES

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CHAPTER I

RECENT GENERAL DEVELOPMENTS

Salient features of Africa's trade

1. During the period 1960 to 1966, the total value (f.o.b.) of Africa's^{1/} external trade grew from \$11.5 billion to \$16.6 billion. In 1965 this represented approximately 47 per cent of the region's gross output, illustrating the heavy involvement in and dependence on world trade of the African region. These totals were made up of \$5.2 billion of exports and \$6.3 billion of imports in 1960 as against \$8.3 billion of exports and \$8.2 billion of imports in 1966. Thus during the period the region's exports had grown more rapidly than its imports.
2. On the whole, the overall growth of African exports during 1960-1966 was quite impressive, as compared with most other regions. Total world exports increased in that period at an average annual compound rate of 8.1 per cent, and total exports of developed market economies, centrally planned economies (in Europe), and developing countries, by respectively 8.7 per cent, 8.2 per cent and 6.0 per cent. African exports grew at a rate of 8.0 per cent, which was considerably higher than in the other developing regions (developing Asia - 6.0 per cent, Latin America - 5.2 per cent), and even in some of the developed areas (e.g. EFTA - 7.2 per cent, United States, and Australia and New Zealand - 6.6 per cent; the United Kingdom - 5.6 per cent, and the Republic of South Africa - 5.3 per cent). Indeed, only certain individual European centrally planned and market economies, Japan and certain developing countries registered a higher rate of growth in their exports than was the case for Africa. However, more detailed analysis throws a somewhat less optimistic light on this trend in African exports. In fact, it would appear that over the past few years there was a number of unusually favourable factors affecting Africa's overall export performance, and that to sustain the 8 per cent rate of growth in the future would be a

^{1/} In all cases the term "Africa" refers to the continent and its associated islands with the exclusion of the Republic of South Africa.

formidable undertaking. It may be noted at this point that the export performance of a large number of individual African countries was significantly below the overall average level.

3. Two major changes occurred during 1960-1966 as regards the structure of exports and their destination. First, Africa had by 1966 won a significant share of the world's booming trade in fuels. Exports of petroleum and petroleum products increased from around \$200 million to \$1.6 billion, making this the largest individual, as well as the fastest-growing, earner of foreign exchange for Africa. Secondly, the African region had found in the centrally planned economies a substantial trading partner, exports having risen to more than \$550 million by 1966. Owing to long- and medium-term credits, Africa's imports from these countries consistently exceeded exports during the period, and by 1966 the deficit amounted to some \$127 million, or 25 per cent of all the earnings by the region on its exports to the centrally planned economies.

4. As against these positive developments, Africa's trade during 1960-1966 continued to exhibit several unfavourable characteristics of a long standing. First of all, primary commodities still accounted for more than 90 per cent of total exports from the region, and continued to show substantial yearly fluctuations with familiar repercussions on the stability and the pace of development of individual African economies. At the same time, there was a decline in the share of the region in the world's trade in those raw materials and food items traditionally produced and exported by African countries. The surge in fuel exports helped the region to achieve a noticeable increase in its share of world trade in primary commodities as a whole. However, since African producers of food and raw materials are by and large different from producers of mineral fuels, the slow growth of exports of food and raw materials has seriously affected a number of African countries (which, moreover, are not in a position to diversify significantly the structure of their economies in the immediate future). Finally, the share of Africa's exports in world's trade in manufactures continued to be very

small, the rate of expansion in these products being much below that of the developed countries or even the other developing regions.

5. Since the economic structure of the region makes it necessary for African countries to depend upon external sources of supply for many of the products needed for development as well as to sustain current economic activities, the low rate of growth of imports (at around 3 per cent per annum during this period) reflected and partly determined a sluggish pace of general economic development (estimated at an annual compound rate of about 3.7 per cent) even though it contributed to an improvement in the balance of Africa's trade. Moreover, the demands of the debt service liabilities of African countries on the available foreign exchange increased very rapidly during this period, while the inflow of external capital assistance showed little tendency to rise.

6. There were indeed a few countries where imports did not go up in line with the increase in export earnings and foreign exchange reserves rose, owing to a transitional inability to absorb more imports, especially investment goods. This situation was evident in some mineral and petroleum exporting countries whose exports took a sudden upward turn. But as a rule it was the inability to expand export earnings which compelled many African countries to hold down imports.

Foreign trade dependence

7. It is clear that exports have a direct impact on the gross products of the African countries, and also certain indirect effects, through linkages with other sectors, on the general growth of their economies (indirect effects being, however, very difficult to quantify) - while an adequate volume of imports is equally essential for economic growth. While the degree of foreign trade dependence is often measured simply by the contribution of exports to GNP and by the ratio of imports to GNP, this approach does not cover the qualitative aspects. For example, imported goods could be of crucial significance for the economic growth in countries where the percentage share of imports in GNP is relatively small, and of secondary significance in economies importing relatively

more in proportion to the GNP or per head of population. Thus, it would appear that while certain countries place the emphasis on the import of large quantities of investment goods for accelerated economic growth, some others spend quite a high proportion of foreign exchange earnings on consumer goods of non-essential character.

TABLE I - 1

1/
Changes in GDP, imports and exports of Africa 1960-1966

Period	Percentage change in GDP	Percentage change in export volume	Percentage change in import value
1960-1961	1.4	4.3	1.7
1961-1962	2.8	3.7	-4.0
1962-1963	4.7	14.6	4.8
1963-1964	5.8	14.5	11.0
1964-1965	3.1	6.7	7.1
1965-1966	2.3	7.2	4.1

Source: UNLCA, United Nations Monthly Bulletin of Statistics, July 1967.

1/ GDP at constant 1960 prices.

8. In 1965, the share of exports in GNP^{1/} exceeded 75 per cent in the case of Libya and Zambia, and 50 per cent in that of Gabon, Liberia, Angola, Somalia and Mauritania. The corresponding shares ranged from 25 to 40 per cent for nine countries (Congo (Rep.), Ivory Coast, Sierra Leone, Uganda, Congo (Dem. Rep.), Algeria, Tanzania, Malawi and Mozambique). The bulk of African countries (eighteen) were within the 10 to 25 per cent range, and five countries (Mali, Dahomey, Upper Volta, Rwanda and Burundi) below 10 per cent. Since considerable exports from Mali, the Upper Volta and possibly some other countries in the last group were not recorded, it may be assumed that the majority of African countries (at least twenty-four) are within or close to the 10 to 25 per cent range (which, incidentally, is also typical of a large number of non-African countries).

1/ See Appendix Table I.

9. The degree of import dependence,^{1/} measured as a ratio of imports to GNP, was by and large more concentrated as compared with exports. In 1965 there was no African country in the above 75 per cent and below 10 per cent categories, and only four countries (Congo (Rep.), Liberia, Angola and Zambia) slightly exceeded the 50 per cent range. All the remaining countries were in the 25 to 50 per cent (sixteen) and 10 to 25 per cent (nineteen) categories.

10. Per capita exports and imports also vary significantly from country to country.^{1/} In 1965 per capita exports amounted to less than \$10 in eight African countries; between \$25 and 50 in seven countries; and between \$50 and 100 in five countries (the Congo (Rep.), Algeria, the Ivory Coast, Mauritania, Mauritius). Only in a few cases was the value of exports per capita was between \$100 and 500, namely in Rhodesia, Liberia, Zambia, Gabon and Libya. All the countries in the last group are not only obviously export-oriented, but also sparsely populated, which influences, not unnaturally, the per capita figures.

11. The per capita data for imports are by and large similar to those for exports. In 1965 six countries were in the first group (below \$10 per head); thirteen in the second (\$10-15); nine in the third (\$25-50); Tunisia, Ghana, the Ivory Coast, Algeria, Rhodesia, Congo (Rep.) and Zambia were in the \$50 to 100 range; and Liberia, Mauritius, Gabon and Libya in the \$100-200 category.

12. Although complete data for 1960 are not available, on the basis of existing information it appears that per capita trade figures were growing in most African countries in the recent period - in some cases slowly, in others rapidly, sometimes remarkably steadily but often with periodic fluctuations. Still the fact remains that despite an undoubted advance and despite a rather high dependence of the African economies on foreign trade, the level of foreign trade per head of population is relatively low in most countries under consideration when compared not only with developed economies, but also with a number of Asian and Latin American developing countries.

^{1/} See Appendix Table I.

Trade situation of individual countries

13. Africa's foreign trade is characterized by a variety of national situations (see Appendix Table II). A few countries, such as Algeria, Nigeria, the UAR, Libya and Morocco, exceed by far the individual shares of other African countries, accounting at least for \$400 million of exports and imports, and in two cases for over \$1 billion (Libyan exports and UAR imports in 1966). At the other end of the scale, more than a dozen African countries account for only less than \$50 million of exports and a similar amount of imports. The remainder constitutes the bulk of African countries, with a value of exports and imports ranging from \$50 to \$350 million.

14. In contrast with the heavy concentration of African trade as far as commodity composition of exports, and the direction of exports and sources of imports are concerned, trade is considerably dispersed in the sense of the participation of individual countries. Compared with developing Asia and Latin America, the number of small African exporting countries is by far more pronounced. This reflects in costs of conducting foreign trade and the efficiency of export promotion in foreign markets, and affects inter-governmental trade negotiations and agreements, the latter being sometimes relatively less favourable for smaller than for larger contracting parties.

15. The share of four leading African exporters (Libya, Nigeria, Algeria and the UAR) in total African exports was 38 per cent in 1966, whereas the corresponding figure for developing Asia (India, Iran, Hong Kong, Singapore) was 32 per cent and for Latin America (Venezuela, Brazil, Argentina, Mexico) 69 per cent. When the remaining values of exports are divided by the remaining countries, the average value of exports by residual country amounted to \$461 million in Asia, to \$245 million in Latin America, but only to \$137 million in Africa, or 29.7 per cent of Asia's and 55.9 per cent of Latin America's average, and the percentage share of each of the residual African countries in the total was significantly lower in comparison with the other developing regions.

16. Individual country exports during the period 1960-1966 were generally on an upward trend. The only two confirmed examples of a downward trend occurred in the case of Dahomey and Ghana, although the situation was stagnant or statistically not clarified in some other cases (Rwanda, Congo (Dem. Rep.), Sierra Leone, Reunion, Gambia and Guinea). An outstanding gain in exports was enjoyed by Libya (from \$11 million in 1960 to \$1,018 million in 1966), but substantial progress was also recorded in the exports of Mauritania, Ivory Coast, Togo, Upper Volta, Central African Republic, Zambia, Gabon and Liberia. All of those countries at least doubled the value of exports during the period under consideration. It should be noted, however, that most of these countries had very small exports in 1960 (Ivory Coast, Zambia and Liberia being the exceptions). Among countries of substantial weight in total African exports a considerable advance was experienced particularly by Nigeria (from \$475 million to \$788 million) again - as in the case of Libya - mainly due to the expansion of petroleum exports.

17. Over the period 1960 - 1965/1966 two African countries recorded a drop in exports, and three an almost stagnant situation, at least as far as the terminal years are concerned. In nine countries the average annual rate of export increase was below 5 per cent, in eight between 5 and 10 per cent, and in fourteen over 10 per cent, the latter including the exceptional gains in Libya and Mauritania, of over 100 per cent. Although some of these trends might seem to be quite favourable, it must be remembered firstly, that at least one-third of African economies registered a decline, stagnation or very slow advance in exports; secondly, that some of the more impressive examples of advance in exports were largely due to the low initial level of exports or to special circumstances; thirdly, that the deterioration in terms of trade allowed for drawing only a part of expected benefits from foreign exchange earnings.

18. On the import side, there was only one particular case of a downward tendency (Algeria until 1965), but at least six cases of a virtually stagnant situation (a change from minus 1 to plus 1 per cent), in real

terms this being tantamount to a decline in the volume of imports in view of generally rising prices of imports, especially of consumer and investment goods. In six countries imports grew at a rate of between 1 and 5 per cent a year, which could be considered as stagnant or even deteriorating in real terms. The group with annual import increases from 5 to 10 per cent included eleven countries, and that with gains of over 10 per cent twelve countries. It should also be noted that although the annual rates of export growth were higher for eighteen countries than in the case of imports and lower for also eighteen countries, the individual country gains in exports were much more impressive. Thus, for example, only six countries more than doubled their imports, while eight countries experienced an over twofold increase in exports.

19. The developments in the most recent years do not correspond entirely with the trends during 1960-1966. In 1965, eighteen out of forty-one African countries recorded a drop in value of exports, and twelve countries diminished their imports. In 1966 the situation was apparently more favourable in comparison with the previous year, as exports and imports declined in only nine out of thirty recorded cases.

20. Export and import fluctuations have been, of course, one of the salient features of Africa's foreign trade not only within the recent two years. What is equally important, as the fact of fluctuation itself, is the dimension of annual changes in export or import values in many individual cases. Thus, for example, in 1965 Mauritanian exports went up by 43.5 per cent, Liberian exports by 39.9 per cent, those of Rwanda by 25.0 per cent, of Nigeria by 24.8 per cent, of Malawi by 20.6 per cent, and of Niger by 19.0 per cent. At the same time exports of Burundi, Mauritius, the Central African Republic and Togo decreased by ten or more per cent. As a rule, at least in the immediate past, increases in export earnings were mostly due to an expansion in the volume of shipments, whereas declines were caused predominantly by price factors. Actually, if four years are taken into consideration (1960, 1964, 1965 and 1966), a steady progress in export earnings occurred

only in fourteen cases, as against twenty-five examples of fluctuations, ranging from relatively moderate to extremely acute ones. On the import side the situation was somewhat more stable: twenty countries recorded steady growth, and twenty others were subject to fluctuations. The difference between export and import data could be explained to some extent by the effect of net inflow of public and private capital as well as by invisible currency earnings, the latter being of considerable importance in a few individual cases.

Instability of export earnings

21. During the period under review supplies of most of the leading commodities in African exports, including the traditional agricultural products, have increased steadily. This trend has moreover been reinforced by the development of new sources of petroleum and mineral exports. But the region's earnings from exports have moved upwards very erratically: slow advances were followed by rapid progress, to be subsequently succeeded by only a moderate expansion.

TABLE I - 2

Annual percentage changes in exports of developing Africa

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66
World	4.3	3.7	14.6	14.5	6.7	7.2
Developed market economies	3.3	4.6	12.7	15.6	5.4	7.7
Centrally planned economies ^{a/}	-2.3	5.0	33.2	3.7	34.1	-1.8
Developing countries	5.2	-8.2	26.8	12.7	0.0	11.1

Source: United Nations Monthly Bulletin of Statistics, June 1966 and June 1967; IMF Direction of Trade, Annual 1960-64.

a/ Excluding Cuba and Yugoslavia.

22. The annual percentage changes in the value of Africa's exports were subject to substantial periodical fluctuations, during 1960-1966 by and large based on two-year cycles. Thus in 1961 and 1962 the increase in African exports was the slowest for all the years under consideration, accounting approximately for 4 per cent annually. In 1963 and 1964 the advance was most impressive (about 14.5 per cent of export growth on the previous year). Finally, in 1965 and 1966 the rate of export increase diminished by more than one-half, to around 7 per cent a year, though still exceeding the low 1961 and 1962 levels.
23. One of the main factors responsible for fluctuations in export earnings are changes in world market prices. These have been generally greater for developing Africa's exports than in the case of all developed or all developing economies. Mostly due to export price fluctuations, the terms of trade were also less favourable for developing Africa in recent years compared with the rest of the developing world as well as with developed economies.
24. Thus almost not a single African export commodity was immune from wide changes in prices between one year and the next throughout the whole period under consideration. These fluctuations have been particularly serious for the large number of one-, two- or three-commodity exporting African countries, which are not in a position to replace less remunerative export goods by new, more profitable items.
25. As can be seen from Table I - 3, the value of exports from developing Africa rose by nearly 60 per cent from 1960 to 1966, i.e. by more than the exports from all developing countries, but less than those from developed market economies, and a similar development took place in the case of the volume of exports. However, changes in export unit values were in the latest three years more favourable in the African case as compared with remaining developing regions, predominantly due to the structural changes in African exports (contribution of mineral fuels), as well as owing to price trends of certain other products, such as diamonds, phosphates and copper.

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25. As can be seen from Table I - 3, the value of exports from developing Africa rose by nearly 60 per cent from 1960 to 1966, i.e. by more than the exports from all developing countries, but less than those from developed market economies, and a similar development took place in the case of the volume of exports. However, changes in export unit values were in the latest three years more favourable in the African case as compared with remaining developing regions, predominantly due to the structural changes in African exports (contribution of mineral fuels), as well as owing to price trends of certain other products, such as diamonds, phosphates and copper.

TABLE I - 3

Export and import indices for developed market economies,
all developing regions and Africa, 1960-1966
(1960 = 100)

	Export index																	
	1961			1962			1963			1964			1965			1966		
	V	Q	UV	V	Q	UV	V	Q	UV	V	Q	UV	V	Q	UV	V	Q	UV
Developed market economies	106	105	101	111	110	101	121	119	102	137	133	103	150	144	104	165	156	106
Developing regions	101	104	97	106	112	95	115	119	97	126	125	99	133	135	99	142	140	101
Africa	102	108	95	105	112	94	118	120	97	137	136	100	147	142	100	159	154	103
	Import index																	
	1961			1962			1963			1964			1965			1966		
	V	Q	UV	V	Q	UV	V	Q	UV	V	Q	UV	V	Q	UV	V	Q	UV
Developed market economies	105	106	99	113	115	98	124	125	99	140	138	101	154	149	102	169	163	103
Developing regions	103	104	99	104	106	98	108	108	99	117	114	100	123	120	101	134	130	103
Africa	102	102	100	98	96	101	102	99	103	111	108	103	122	113	105	126	118	107

Note: V = Value; Q = Quantum; UV = Unit value.

Source: United Nations Monthly Bulletin of Statistics, October 1966, 1967.

26. On the import side the developments were somewhat different for a variety of reasons. As regards the value of imports, the relative increase was, in Africa, noticeably smaller than in the rest of the developing world, and by far inferior to that of developed economies; the discrepancies were even more pronounced when considering the import volumes. There is also a considerable difference if trends in African exports and imports are compared: the volume of the former increased by 54 per cent from 1960 to 1966, while the volume of the latter rose by only 18 per cent. The corresponding figures for developed market economies were 56 and 63 per cent and for all developing countries, 40 and 30 per cent. It follows that, over the period under consideration, one additional unit of exports

from the developed regions provided more than one additional import unit, whilst in the African case three additional export units were necessary in order to increase imports by one unit. This development was to a lesser extent due to export price trends as such than to a substantial increase in import prices which had a relatively more detrimental effect on Africa's terms of trade.

TABLE I - 4

Terms of trade of developed market economies, developing regions and Africa 1960-1966

Year	Developed market economies	Developing regions	Africa
1960	100	100	100
1961	102	98	95
1962	103	97	93
1963	103	98	94
1964	102	99	97
1965	102	98	95
1966	103	98	96

Source: United Nations Monthly Bulletin of Statistics, October 1966, 1967.

27. As a result of the difference between export and import price trends, the terms of trade of developing Africa deteriorated over the recent six years more than in the rest of developing countries. As compared with trends in developed market economies, the deterioration for Africa was even more pronounced, notwithstanding a slight recovery in 1966. Changes in terms of trade in 1961, 1962 and 1965 were definitely adverse for Africa while certain improvements were recorded in 1963, 1964 and 1966.

28. The export price trends of individual African economies can be illustrated from a few national examples in Table I - 5.

TABLE I - 5

Indices of export unit value for selected African countries,
1960-1966
(1958 = 100)

Country	1960	1961	1962	1963	1964	1965	1966
Morocco	108	114	109	118	123	128	...
Tanzania	110	106	107	123	125	114	...
Senegal	102	101	102	101	101	100	101
Tunisia	84	86	89	87	81	99	101
Kenya	104	99	96	100	101	100	...
Uganda	81	82	81	86	99	96	...
Mauritius	110	102	103	131	112	95	...
Madagascar	108	96	96	100	101	95	...
Togo	91	86	65	61	65	61	...

Source: United Nations Economic Commission for Africa.

29. There are considerable variations in the price trends for individual African countries according to the composition of their exports. In this respect throughout the recent period particularly adverse trends were experienced by Togo (cocoa beans and coffee), Ghana (cocoa beans), Cameroon (cocoa and coffee) and the Ivory Coast (coffee and cocoa beans). There were several cases of relative stability in export prices (e.g. Senegal and, to a certain extent, Kenya), a few examples of generally upward trends (Morocco, Mozambique, Sierra Leone) and a number of heavy annual fluctuations (e.g. Tanzania, on account of sisal, and Mauritius owing to sugar). Also certain special sales conditions and arrangements were also of additional importance in regard to prices, such as, for instance, certain price guarantees and tariff preferences for exports from some African countries to some of the Western European developed market economies.

Balance of trade

30. The overall improvement in the balance of trade of African countries between 1960-1965/66 is one of the salient features of Africa's external trade. A relatively large trade deficit, exceeding, until 1961, \$1 billion, has been gradually transformed into the favourable balance of trade in 1966 (see Appendix Table III).

31. However, the overall picture conceals the problems of balancing foreign trade met by most African countries. In 1960 the adverse balance of African foreign trade amounted to \$1,250 million. In 1965, it amounted to only \$200 million; thus there was an improvement of \$1,050 million. At the same time, the balance of trade of just two African countries, Algeria and Libya, was improved by \$1,465 million (Algeria, by \$830 million, and Libya, by \$635 million exclusively due to a very sharp increase in exports). Even if two striking cases of a worsening in the balance of trade are taken into account (the UAR with a trade deficit of \$329 million in 1965 as against \$99 million in 1960; and Congo (Dem. Rep.) with a decrease in the trade surplus from \$197 million in 1960 to \$10 million in 1965), the difference in the balance of trade of the four countries between 1960 and 1965 amounts to \$1,048 million, which exactly corresponds to the overall improvement in Africa's total balance of trade. In other words, the situation of the remaining thirty-seven African countries as regards their balance of trade was generally the same in both terminal years.

32. For most African countries the balance of trade was predominantly adverse during recent years. Only twelve out of forty-one countries had favourable balances in some of the years during the period under investigation. However, certain African countries, e.g. Algeria, Congo (Rep.), Mauritius, Senegal and Nigeria, experienced a pronounced improvement in their balance of trade in the past three years. Nevertheless, if several of the more fortunate countries, especially Libya, Zambia, Nigeria, Mauritania and Rhodesia, are excluded, the fact remains that the rest of Africa shows an almost constant deficit in the trade although, it should be mentioned that in certain specific situations the negative balances might be considered as rather useful economic factors if connected with substantial imports of investment goods.

33. The degree of import coverage by exports varied from country to country, ranging in 1960 from 6.5 per cent (Libya) to 188.3 per cent (Congo (Dem. Rep.)), in 1965 from 35.1 per cent (Reunion) to 287.0 per cent (Mauritania), and in 1966 from 36.1 per cent (Mali) to 251.4 per cent (Libya). During the period under consideration eighteen African countries improved their import/export coverage, and twenty-three recorded the opposite development. In 1960 nineteen (out of thirty-six) countries covered more than 75 per cent of their import value by exports; in 1965 the corresponding data amounted to twenty-three (out of forty-one recorded countries), and in 1966 to seventeen (out of thirty). Also, the number of countries covering less than fifty per cent of import values by exports was almost identical in both terminal years. The reasons for particularly unbalanced trade are numerous, in some cases being rather obvious (heavy imports of investment equipment in Libya in 1960), but usually more complex and interdependent (development plans requiring additional imports; external and internal market difficulties; foreign subsidies; unfavourable price trends; bad harvests; important invisible revenues or payments, etc.).

34. As far as balances of trade by geographical directions are concerned, various tendencies were observed between 1960 and 1966. The general upturn from an adverse to a favourable balance of trade occurred actually only due to the change in the balance of trade with Western European countries, in particular those belonging to the European Economic Community.

Algeria and Libya were mainly responsible for this development, as Libyan and Algerian shipments of petroleum were almost entirely absorbed by Western European markets, and the fall in Algerian imports concerned particularly trade with France.

35. Regarding the other regions, adverse changes in the balance of trade with the United States and the centrally planned economies were generally due to credits and grants offered to African countries, and there were also increased deficits with Japan and developing Asia. It should be realized, in this connexion, that these grants and credits were made

available to a rather limited number of recipients in Africa, and also that the Japanese export expansion was concentrated on a certain number of African countries.

Direction of exports

36. The concentration of African exports remains, despite certain modifications, a normal feature not only in terms of commodity composition but also by geographical direction. In the post-colonial period, proportions changed only slightly, although some more significant changes were recorded if individual trading partners rather than country groups are analysed. Due to various circumstances, partly beyond the control of African countries (e.g. the structure of production and exports and certain traditional commercial ties), developed market economies, and in particular the former colonial powers, maintained their predominance as customers and suppliers of developing Africa (see Table I-6 and I-7). Since these countries absorb the bulk of African shipments, trends in these markets are strongly reflected in the overall trends for African exports. During the whole period 1960-1966 around four-fifths of African exports were destined for developed market economies, particularly Western Europe. Whatever the detailed reasons, this situation points to the continuing need for special attention to be paid to these markets in African economic and commercial policies. The shares of the centrally planned and developing economies also remained virtually unchanged during this period.

37. Exports to centrally planned economies developed fast, taking into account the lack of traditional relations, although in an irregular way. In 1961, 1962 and 1966 some small declines in exports were recorded, and in 1964 a small increase. On the other hand, in 1963 and in 1965 exports increased very sharply (by respectively 33 and 34 per cent). It should be noted here that trade with Eastern European countries was more stable when compared to that with Asian centrally planned economies, particularly China. Generally speaking, these markets appear to be becoming increasingly more important for many African exports, but are still small compared with

TABLE I - 6

Direction of African exports, 1960-1966

	Value in million US\$				Shares			Indices		
	1960	1964	1965	1966	1960	1966	1965/1964	1966/1965	1966/1964	1966/1960
WORLD	5,240	7,280	7,770	8,330	100.0	100.0	107	107	107	159
Developed market economies	4,200	5,880	6,200	6,680	80.2	80.2	105	108	108	159
Centrally planned economies ^{a/}	370	425	570	560	7.1	6.7	134	98	98	151
Developing countries	610	920	920	1,020	11.6	12.2	100	111	111	167

Sources: United Nations, Monthly Bulletin of Statistics, June 1967; United Nations, Yearbook of International Trade Statistics, 1965.

a/ Excluding Cuba and Yugoslavia.

outlets in the developed market economies. African exports to all developing countries (including intra-African trade) experienced uneven growth. There was a moderate advance in 1961, a substantial decline in 1962, pronounced progress in 1963, continued improvement in 1964, no change in 1965 and a recovery in 1966.

38. Within the group of developed market economies the largest market for African exports is the EEC area, and among the EEC countries France still remains the largest customer for African exports, especially those exported by the former French colonies. The Federal Republic of Germany, Italy, Belgium and the Netherlands are also important markets for African products, in particular for those originating from non-associated countries. In 1965 the shares of the individual countries in total imports of the EEC from developing Africa were as follows: France - 42.4 per cent, the Federal Republic of Germany - 28.2 per cent, Italy - 12.0 per cent, Belgium-Luxembourg - 9.8 per cent, and the Netherlands - 7.6 per cent.

39. EFTA ranks as the second largest market though far behind the EEC countries, the bulk of African exports (more than three-quarters of the total) being exported to the United Kingdom. The share of African exports to the United States declined between 1960 and 1966, and accounted for less than 8 per cent in the past two years (as against nearly 10 per cent in 1960 and 1961). African exports to Japan increased steadily in recent years, both in absolute and relative terms, but were still at a relatively low level (2.5 per cent of total African exports), and well below African imports from Japan.

40. Among the centrally planned economies the largest outlets for African exports were found in Eastern Europe, particularly in the USSR. Finally, developing African countries were the most important market for African exports among all developing countries (7.6 per cent of exports to all countries in 1966, as against 4.1 per cent in the case of Asia and merely 0.6 per cent in that of Latin America), which points to the possibilities and, indeed, the need for increasing African exports to the other developing regions.

41. In value terms Africa's exports increased, from 1960 to 1966, in all main directions. Canada, Japan, Eastern European countries and developing Africa itself were the fastest growing markets for African exports during the whole 1960-1966 period. As regards the most recent years, there was in 1965 a particularly considerable expansion in the markets of the centrally planned economies and Africa, and, in 1966, in EEC countries, Japan, Canada, developing Asia and Latin America, whereas exports to the United Kingdom decreased and those to China dropped by nearly one-third in value.

42. The share of African exports in total world imports was rather stable throughout the seven-year period, ranging from 3.9 per cent (1962) to 4.2 per cent (1964-1965). On the other hand, the African share in world imports from all developing countries had gone up steadily, from 19.2 per cent in 1960 to 21.5 per cent in 1966, mostly due to the already mentioned expansion in petroleum exports.

43. Regarding major individual countries or country group markets, the African share in total imports increased, from 1960 to 1966, only in developing Africa, Eastern Europe, Canada, developing Asia and Japan, and remained unchanged in the United Kingdom, Australia and New Zealand, and in Latin America. However, Africa's share in total imports of the EEC and EFTA groups of countries went down. Whatever the direction of changes, Africa remains a marginal supplier in all the major international markets, its share not having exceeded even one-tenth of total imports of countries or country groups under consideration.

44. In comparison, the relative weight of Africa in imports from all developing countries was in several instances definitely more significant, and showed an increase between 1960 and 1965 in almost every case. This refers to developing Africa itself, the EEC, the United Kingdom, Eastern Europe and China (the respective shares were, in 1965, 48.8 per cent, 40.3 per cent, 30.6 per cent, 24.6 per cent and 15.8 per cent). As far as other countries or country groups are concerned, the African share was much lower (below 10 per cent in each case).

45. However, it should be noted that aggregate proportions comprise different degrees of national dependence on trade with various country groups, especially with the developed market economies, in the latter case ranging from less than fifty to more than ninety per cent of the total trade of individual African countries.

Sources of imports

46. A high degree of correlation between directions of exports and geographical sources of imports may be easily discovered when comparing African export and import statistics. As on the export side, the developed market economies are the principal sources of African imports although their share decreased somewhat between 1960 and 1966 (from almost 83 per cent in 1960 to slightly more than 76 per cent in 1966), with a corresponding increase in the shares of centrally planned economies and the other developing regions, from 12.8 per cent to 15.6 per cent, and from 4.4 per cent to 8.2 per cent. The growth of imports from the centrally planned economies was the most impressive (139 per cent), and shipments from developing countries also went up much faster than those from developed market economies (57 per cent against 18 per cent only). Still, the basic fact remains that more than three-quarters of African imports is still imported from traditional sources of supply, and that numerous individual African markets depend almost entirely on imports from a very limited number of developed market economies.

47. Western European countries are the major suppliers both to Africa as a whole and to almost all individual African countries. The share of the Western European area in total African imports accounted for about 55 per cent during the past few years. However, in comparison with the early sixties, this share decreased considerably, i.e. by almost ten points against 1961 and by approximately thirteen points against 1960 (35 per cent for the EEC as against 47 per cent in 1960 and nearly 17 per cent for EFTA in 1966 as compared with almost 20 per cent in 1960). Among Western European countries France, the United Kingdom and Italy are the largest suppliers to their former dependencies.

TABLE I - 7

Direction of African imports f.o.b., 1960-1966

	Value in million US\$				Shares		Indices			
	1960	1964	1965	1966	1960	1966	1965/1964	1966/1965	1966/1965	1966/1960
WORLD	6,430	7,390	8,150	8,250	100.0	100.0	110	101	101	128
Developed market economies	5,330	5,690	6,220	6,280	82.9	76.1	109	101	101	118
Centrally planned economies ^{a/}	285	500	670	680	4.4	8.2	134	101	101	239
Developing countries	820	1,200	1,270	1,290	12.8	15.6	106	102	102	157

Sources: United Nations, Monthly Bulletin of Statistics, June 1967; United Nations, Yearbook of International Trade Statistics, 1965.

a/ Excluding Cuba and Yugoslavia.

48. The United States, Japan and the Republic of South Africa are the most important sellers to Africa among non-European developed market economies. The share of these countries in African imports increased between 1960 and 1966, with some fluctuations during this period (e.g. US imports in 1965 and Japanese imports in 1966). It has to be indicated in this connexion that the overall African import data cover, of course, a very diversified geographical composition of imports of individual countries, and that in particular purchases from South Africa are heavily concentrated in a few African markets. Imports from Eastern Europe grew rather steadily and their share in the total almost doubled, from 3.9 per cent to 7.4 per cent (excluding Yugoslavia).

49. Intra-African trade developed relatively slowly, due to many obstacles, such as parallel export structures, lack of adequate transport networks and other factors. The relative weight of imports from developing Asian countries increased noticeably in recent years (7.0 per cent in 1966 against 3.2 per cent in 1960), whereas the already very low share of Latin American suppliers declined in 1965 and further in 1966, thus becoming even more negligible than at the beginning of the period.

50. On balance, African imports are at present relatively less dependent than before on limited sources of supply, and the diversification continues in this respect. However, the proportions are still far from the possible optimum for many individual African countries.

51. The African import markets are, by contrast, generally marginal even for the principal trading partners, with very few exceptions. France belongs to the latter category, but even in this case African markets have become gradually less important (the share of developing Africa in French exports accounted for 16.2 per cent in 1965 as against 29.4 per cent in 1960). Africa is still also an important outlet for Portugal (26.6 per cent of total exports in 1965). Africa's share in United Kingdom exports was 7.5 per cent in 1965 (9.2 per cent in 1960), and in the case of Spain amounted to 5.4 per cent. For all the other individual Western European countries African markets absorbed less than 5 per cent

of total exports, and often even less than 1 per cent. For Western Europe as a whole the share declined from 8.3 per cent in 1960 to 5.2 per cent in 1966. A declining relative importance of African markets was recorded both in the EEC and in the EFTA countries, particularly in the former (9.9 per cent in 1960 as compared with 5.5 per cent in 1966).

52. By contrast, the relative weight of African countries in total exports of the United States increased since 1960, although it is still low (3.3 per cent in 1966, against 2.2 per cent in 1960, but 3.5 per cent in 1962). The African share in Japanese exports is higher, although it declined between 1960 and 1966 (from 7.3 per cent to 6.1 per cent). In fact, the significance of African markets increased considerably only for exports from the centrally planned economies, both Eastern Europe (from 1.9 per cent in 1960 to 5.6 per cent in 1966) and China (respectively 1.5 per cent and 3.1 per cent).

53. As regards the position in exports from all major world trading areas to all developing countries, the African share generally slightly declined between 1960-1965, with a notable exception for the US (an increase from 6.9 per cent in 1960 to 9.2 per cent in 1966). Developing Africa still constitutes a market for around one-third of Western European exports to all developing countries, but its share also decreased (32.4 per cent in 1966, as against 36.8 per cent in 1960). This was caused mainly by a sharp decline in the share of African imports for the EEC (from 43.8 per cent to 36.4 per cent), while Africa's share in EFTA's exports to all developing countries remained virtually unchanged at 27.2 per cent.

Structure of exports

54. In contrast with all developing countries taken together, Africa's share in world exports went up somewhat for the period 1960-1965. However, if exports of petroleum are excluded, Africa's share went down from 4.3 per cent to 3.7 per cent, that is relatively more than that of all developing

countries (see Appendix Table XII). Primary commodities^{1/} still represent the bulk of African exports; their combined share in total accounted for about 80 per cent in 1965, remaining virtually unchanged as compared with 1960, while, during the same period, the corresponding share of all developing countries decreased from 86.9 per cent to 82.5 per cent.^{2/}

55. The rankings of the three main component commodity groups in African exports were identical in 1960 and 1965, namely raw materials, followed by food, beverages and tobacco and fuels. This contrasts with the order of importance for all developing countries in 1965, that is fuels, food, beverages and tobacco and raw materials. There were some differences in the changes in shares of the various commodity groups in total exports as far as African and all developing countries are concerned during this period. The share of food, beverages and tobacco went down in both cases, but much more for Africa. The share of raw materials has also diminished in both cases, though somewhat more for Africa. Finally, the significance of fuels rose in both cases, Africa's progress being definitely more impressive. For the world as a whole, there were decreases between 1960 and 1965 for food, beverages, tobacco, raw materials and, very slightly, for fuels.

^{1/} SITC sections 0-4. This simplified definition is used only because of the availability of data on this basis enabling certain broad comparisons with other developing countries and the rest of the world. It must be kept in mind that this classification does not reflect accurately the division between primary commodities and semi-manufactured and manufactured products, as will be seen in Chapters II and III where more precise definitions are used. This analysis by SITC sections can be considered as only an approximate attempt to gauge changes in the structure of exports. In fact, Africa's dependence on exports of primary commodities is considerably greater than would appear from the simplified classification.

^{2/} For reasons of classification (explained in footnote 1/), the share of primary commodities in African exports appears to be lower than that for all developing countries.

56. Africa's indices of exports were the highest for fuels (754 in 1965 as against 100 in 1960), and the lowest for raw materials (111 per cent in 1965). Food, beverages and tobacco were nearer the lower end of the range (128 per cent), and manufactured goods nearer the upper end (155 per cent). African indices were, generally, below the world level (with the single exception of fuels), and only in two cases (fuels and raw materials) exceeded corresponding figures for all developing countries.

57. It was already stated that the relative weight of overall African exports in the world total is very small. This is also true as far as broad groups of commodities are concerned, but some quantitative differences should be indicated in this connexion, namely, that the share of African manufactures in world exports is particularly marginal^{1/} (1.3 per cent in 1965), whereas shares of foodstuffs, raw materials and fuels exceeded the relative weight of total African exports in world exports by at least twice.

58. It is particularly of interest to note that both in 1960 and 1965 the biggest competitors of African exports were not the developing, but the developed economies, at least as far as broad commodity groups are concerned. Only in exports of petroleum were developing countries the main world supplier, whereas only one-third of foodstuffs and raw materials exported in 1965 originated from developing countries, and this share was lower than in 1960. In world exports of manufactures the share of developing countries was, of course, absolutely marginal, despite having gained some ground over the five-year period.

59. The aggregate data already indicate a high level of African export dependence on primary commodities. As could be expected, the same is true in regard to most individual African countries. However, if certain singly processed products (e.g. unwrought metals, diamonds) are considered as primary commodities, then the dependence of African countries on primary commodities becomes much greater. The following table gives an idea of the dependence of African countries on major categories of primary commodities.

^{1/} Especially considering that under the definition of SITC sections 5-8, they comprise all unwrought metals in Section 6 as well as a substantial amount of probable re-exports in Section 7 and some in Section 8.

TABLE I - 8

The dependence of African countries on major export categories

One category countries (over 75 per cent of total exports)			Two category countries (over 75 per cent of total exports)			
Raw materials	Food	Fuels	Food Raw materials	Raw materials Food	Fuels Food	Raw materials Fuels
Botswana	Ethiopia	Libya	Angola	Senegal	Algeria	Nigeria
Chad	Madagascar		Burundi	Sudan		
Congo (DR)	Malawi		Cameroon	Tanzania		
Congo (Rep.)	Mauritius		Central	Togo		
Dahomey	Mozambique		African	Tunisia		
Gabon	Somalia		Republic			
Gambia			Ghana			
Guinea			Ivory Coast			
Lesotho			Kenya			
Liberia			Mali			
Mauritania			Morocco			
Niger			Rwanda			
Sierra Leone			Uganda			
Zambia			Upper Volta			

Source: United Nations Economic Commission for Africa (according to the latest available data, mainly 1965).

60. It can be seen that the most numerous group of countries is that exporting predominantly raw materials, both of agricultural and mineral origin. The group of countries relying predominantly on food and beverages is considerably smaller, but a combination of food and raw material exports is quite frequent. In the latter case the number of countries exporting food in larger quantities than raw materials is more than twice that of those where opposite proportions prevail. Only a few countries depend mainly on exports of mineral fuels.

61. It may be also mentioned at this point, in anticipation of a more detailed discussion in Chapter II, that most African countries rely predominantly on one, two or three export commodities, and that in some cases, the degree of dependence on one export item is strikingly high.

For example, in 1965 more than 99 per cent of Libyan exports consisted of petroleum, more than 97 per cent of Mauritanian exports of iron ore, more than 91 per cent of Zambian exports of coffee, more than 77 per cent of Chad's exports of cotton and 73 per cent of Burundi's exports of coffee, illustrating the extent of the narrowness of export specialization in some African countries.

62. The export growth of the various commodity groups was very uneven during 1960-1965. Among the most impressive, were increases in African exports of mineral fuels to developed market economies, of chemicals to developing countries and of food, beverages and tobacco, chemicals and of certain manufactured goods to centrally planned economies. If only the period 1964-1965 is taken into account, the fastest expansion was in exports of chemicals, manufactured goods and crude materials to centrally planned economies. On the other hand, no advance was achieved in 1965 in exports of mineral fuels to centrally planned economies, and of foodstuffs and crude materials to developing countries, the latter category having declined over the whole period 1960-1965.

63. There were pronounced differences in the commodity composition of African exports to each of the three main groups of countries. In exports to developed market economies crude materials occupied the leading position both in 1960 and 1965, followed by food, beverages and tobacco, but the shares of both categories (particularly of crude materials) of African exports to these countries fell in 1965, at the expense of mineral fuels which became the third leading category coming close to the relative weight of the other two groups.

64. As regards the centrally planned economies, mineral fuels are negligible, these being supplied almost exclusively from within that area. The main characteristic of African exports to centrally planned economies was the degree of dependence on crude materials (77 per cent of total exports in 1960 - but only 61.5 per cent in 1965), and the considerable increase in the share of food between 1960 and 1965. Food and beverages constitute the major category in African exports to all

developing countries, and their share appeared to be quite stable over the 1960-1965 period. By contrast, exports of crude materials fell both in absolute and relative terms, accounting for 23.5 per cent in 1965.

65. The developed market economies were throughout the period under consideration by far the largest outlet of African exports, their share varying from 77 to 95 per cent of the total in 1965. There was generally little change between 1960 and 1965 in the distribution of the various categories of products as between the three major country groups, with the notable exception of chemicals and machinery and transport equipment^{1/} in favour of all developing countries, and in food in favour of the centrally planned economies.

66. In terms of the significance of imports from Africa in total imports of the three country groups, in each case African exports were marginal, (from 2 to 5 per cent of the total). Africa's share was relatively highest in imports of developed market economies, followed by centrally planned economies and all developing countries. However, the proportions of African imports by individual commodity groups vary significantly within each of the three country groups. In 1965, in the case of developed market economies, imports from Africa were close to 10 per cent of total imports of food, crude materials and fuels, below 3 per cent of total imports of "other manufactures" and below 1 per cent for the rest. In the same year, imports from Africa exceeded 11 per cent of total crude material imports of centrally planned economies, and were below 4 per cent for foodstuffs and below 2 or 1 per cent for all the other commodity groups. The significance of African supplies in total imports of all developing regions ranged from 0.3 per cent to 7.5 per cent.

67. However, there were some changes in the shares of African exports in certain individual commodity groups. For instance, the African share increased during the period in all commodity groups exported to the centrally planned economies, and in most commodity groups in exports to

^{1/} Probably mainly re-exports within Africa.

all developing countries. However, as regards developed market economies the share of imports from Africa in the total went up only in the unique case of mineral fuels, thus indicating the relatively weak competitive position of Africa in its traditional major markets.

68. The relative weight of imports from developing Africa in total imports from all developing regions was, in 1965, the highest in the case of centrally planned economies (despite a certain decline in comparison with 1960) and accounted for 24.4 per cent of the total. The corresponding shares in imports of developed market economies and all developing countries were 23.7 per cent and 10.7 per cent.

69. The range of imports from Africa was, in 1965, from 11.7 per cent (foodstuffs) to 100 per cent (mineral fuels) of centrally planned economies' imports from all developing countries, as compared with 14.6 per cent (food) to 40 per cent ('other manufactured goods') in 1960. Corresponding data for developed market economies were from 14.8 per cent (machinery and transport equipment)^{1/} to 29.9 per cent (crude materials) in 1965, as against 3.8 per cent (mineral fuels) and 30 per cent ('other manufactured goods') in 1960. African shares in imports to all developing countries were noticeably lower both in 1960 and 1965, ranging from 3.1 per cent (mineral fuels) to 17.9 per cent (crude materials) in 1965.

70. The differences between individual countries and country areas were often very pronounced within each of the three major groups of countries. This refers, for instance, to the absolute level of imports from Africa, to the structure of these imports, and to the significance of African supplies in the total of corresponding imports (see Appendix Table XIV). Thus in the case of three major African export markets, the EEC, EFTA and the United States, it can be seen that African fuels and crude materials are of some significance in the EEC imports, and that African foodstuffs are of more importance in all food imports of the United States than of EFTA. Although the EEC remains the most

^{1/} Probably almost entirely re-exports.

important among these three markets for all major categories of African exports, there are some indications of a relatively faster-growing importance of EFTA and the United States in certain commodity groups, such as mineral fuels, food, chemicals and "other manufactured goods".

Composition of imports

71. The structure of African imports differs considerably from that of exports for obvious reasons. Due to its general economic backwardness, Africa has to import most industrial goods, such as machinery, transport, and other productive equipment, and most durable and non-durable consumer goods. On the other hand, the share of basic materials and mineral fuels in imports is relatively low. What is particularly striking, however, is the large share of foodstuffs in total imports, in spite of the predominantly agricultural character of the African economy. Generally narrow agricultural specialization and relatively low levels of productivity, as well as lack of adequate food-processing industries, are largely responsible for this phenomenon.

TABLE I - 9

Composition of African imports

(percentage shares)

Year	Total imports (0-9)	Food, beverages, tobacco (0+1)	Basic materials (2+4)	Mineral fuels (3)	Chemicals (5)	Machinery, transport equipment (7)	Other manu- factures (6+8)
1960	100.0	17.8	4.3	7.4	7.3	25.3	38.0
1961	100.0	18.7	4.1	8.2	6.9	27.2	32.1
1962	100.0	19.2	4.9	7.9	7.2	26.6	31.2
1963	100.0	17.5	4.3	6.9	7.2	30.6	31.0
1964	100.0	17.7	4.9	6.1	7.0	31.2	30.9
1965	100.0	16.5	4.5	5.6	7.5	34.3	30.0

Sources: United Nations, Monthly Bulletin of Statistics, March 1967.
United Nations Economic Commission for Africa.

72. Shares of food, raw materials, fuels and chemicals did not change significantly during the whole period under consideration apart from some annual fluctuations and short-term trends (e.g. the share of food-stuffs went down from 1962 to 1966, as well as the share of mineral fuels in the period 1961 through 1966). The major changes occurred in imports of industrial processed goods, namely the share of machinery and transport equipment went up at the expense of "other manufactures". This would indicate a basically sound tendency, although a relatively high share of consumer goods (passenger vehicles) in these totals should not be overlooked in this connexion.

73. Regarding individual African countries, a few observations seem to be of interest. In the period 1960-1965 (or 1964, in several cases where 1965 data are not available) twenty-seven out of thirty-two African countries have shown an increase in the share of machinery and other equipment (excluding transport equipment) in total imports. Only five countries (Mauritania, Senegal, Upper Volta, Dahomey and Kenya) experienced a reverse trend, which at least in the case of Mauritania was due to a heavy concentration of investments over a relatively short period.

74. The share of machinery and equipment (excluding transport equipment) in African imports was about 18 per cent in 1960 and around 20 per cent in 1965. Also the number of countries whose share exceeded the African average went up - from ten in 1960 to twelve in 1965 (out of twenty-two countries under consideration). In 1960 the share of the following countries was the lowest (below 14 per cent): Sierra Leone, Reunion, Dahomey, Morocco, Chad, Niger, Cameroon, and Mali, whereas the highest (over 25 per cent) was recorded in the cases of Congo (Rep.), the Federation of Rhodesia and Nyasaland, Libya, Liberia, Togo and particularly Mauritania (48.8 per cent of the total). In 1965 the number of countries importing machinery and equipment in relatively large quantities (over 25 per cent) was greater than in 1960, the following countries being recorded in this category: Libya, Liberia, Ghana, Tanzania, Togo, Tunisia, Congo (Rep.), Gabon and Mauritania. At the same time, only four countries remained

within the group below 14 per cent (Senegal, Upper Volta, Dahomey and Niger). It thus appears that over the recent years some improvement occurred in the structure of imports of a number of African economies in the direction of increased imports of investment goods. On the other hand, there can be no doubt that these improvements were generally considerably below the optimum level or fluctuated within a narrow range.

75. Since the production of most African countries is based predominantly on local materials, the share of imported materials was generally negligible, amounting in 1965 (or 1964) to around 2 per cent of total imports, in sixteen out of thirty-two countries. There were very few exceptions to this trend, such as in the case of Upper Volta (11.2 per cent), the UAR (10.6 per cent) and Morocco (9.8 per cent).

76. The share of food in total African imports decreased somewhat over the past six years, but the burden of such imports still weighs heavily on many national balances of payments. According to the latest available figures, the share of food in imports of eight out of thirty-two African countries exceeded 25 per cent, and in one case (Senegal) even 35 per cent. On the other hand, only three countries, i.e. Mauritania, Nigeria and Rhodesia recorded a relatively unimportant share of food in imports (below 10 per cent of the total).

APPENDIX TABLE 7

African Countries: Exports and Imports as Percentage of GNP and GNP Per Capita,

1965

	Exports			Imports		
	% to total in Africa	As % of GNP	Per capita \$	% to total in Africa	As % of GNP	Per capita \$
<u>NORTH AFRICA</u>	<u>31.4</u>	<u>24.6</u>	<u>38</u>	<u>28.5</u>	<u>25.0</u>	<u>39</u>
UAR	6.7	14.3	20.9	9.2	22.0	32.3
Morocco	4.8	19.5	33.1	4.4	20.5	34.7
Tunisia	1.3	14.6	26.1	2.4	29.8	53.3
Libya	8.8	84.8	498.1	3.2	34.0	200.0
Algeria	7.6	27.8	63.9	7.2	29.4	67.7
Sudan	2.2	15.7	14.8	2.1	16.6	15.8
<u>WEST AFRICA</u>	<u>20.9</u>	<u>17.5</u>	<u>19</u>	<u>20.7</u>	<u>19.4</u>	<u>22</u>
Nigeria	8.3	13.3	13.3	7.6	13.7	13.7
Ghana	3.2	16.8	38.8	4.4	25.8	59.7
Mali	0.2	5.5	3.5	0.4	14.7	9.6
Ivory Coast	3.1	36.9	72.9	2.3	31.6	62.4
Guinea	0.6	21.8	15.3	0.5	20.5	14.4
Senegal	1.4	22.1	37.6	1.6	28.4	48.2
Niger	0.3	14.0	7.8	0.4	21.3	11.9
Dahomey	0.1	8.7	6.1	0.3	21.1	14.8
Sierra Leone	1.0	32.8	40.9	1.1	40.3	49.1
Togo	0.3	19.9	16.9	0.4	33.1	28.1
Liberia	1.5	72.2	135.0	1.0	55.6	104.0
Mauritania	0.7	52.4	73.3	0.2	18.3	25.5
Gambia	0.1	23.1	18.0	0.1	30.8	24.0
Upper Volta	0.1	5.6	2.5	0.2	11.6	5.2
<u>EAST AFRICA</u>	<u>20.6</u>	<u>32.0</u>	<u>26</u>	<u>16.0</u>	<u>28.9</u>	<u>23</u>
Ethiopia	1.3	10.5	5.2	1.5	13.6	6.8
Tanzania	2.1	27.3	19.1	1.5	21.6	15.1
Kenya	1.6	17.8	16.0	2.5	30.4	27.4
Uganda	2.0	30.4	24.2	1.1	19.4	15.4
Madagascar	1.0	15.7	14.8	1.4	23.5	23.3
Rhodesia	5.1		107.8	3.3		78.3
Malawi	0.5	26.5	10.5	0.6	41.3	16.4
Zambia	5.9	92.4	144.8	2.9	51.2	81.9
Somalia	0.4	57.4	14.3	0.5	43.5	21.7
Mauritius	0.7		89.4	0.7		104.3
<u>CENTRAL AFRICA</u>	<u>7.6</u>	<u>26.7</u>	<u>21</u>	<u>6.8</u>	<u>26.9</u>	<u>21</u>
Congo (Dem. Rep.)	3.6	30.8	21.6	3.2	29.9	20.9
Cameroon	1.5	24.8	27.3	1.5	27.1	29.8
Chad	0.3	11.7	8.1	0.3	13.4	9.4
Rwanda	0.1	7.9	4.0	0.1	10.6	5.3
Burundi	0.1	7.1	3.6	0.2	13.6	6.8
Central Afr. Rep.	0.3	21.8	20.0	0.3	23.5	21.5
Congo (Rep.)	0.5	40.5	58.7	0.6	56.0	81.3
Gabon	1.1	74.4	192.0	0.6	48.1	124.0
<u>OTHER AFRICA</u>						
Angola	2.2	66.2	39.7	1.9	64.6	38.7
Mozambique ^{1/}	1.2	25.7	15.4	1.7	41.2	24.7
<u>SOUTH AFRICA</u>	<u>16.1</u>	<u>15.2</u>	<u>74</u>	<u>24.2</u>	<u>25.6</u>	<u>12.5</u>
Total	100.0	22.0	30	100.0	24.6	33

Source: Computed from basic data of the IBRD, the UN National Accounts Yearbooks and the UN Demographic Yearbook.

^{1/} Including Botswana, Lesotho and Swaziland.

APPENDIX TABLE II
Exports, imports and the balance of trade of African countries
1960, 1964, 1965 and 1966

	Exports			Imports			Balance of Trade					
	Value in million US\$ for			Value in million US\$ of			Value in million US\$			Import coverage by exports		
	1960	1964	1965	1966	1960	1964	1965	1966	1960	1964	1965	1966
	Per cent			Per cent			1960			1960		
Algeria	558	727	690	...	-5.1	...	4.3	...	-1.2	...	-11.6	...
Angola	124	204	221	...	-2.0	10.5	10.1	...	18.9	7.2	8.5	...
Burundi . . . . .	...	31	10	15	-67.7	5.0	...	...	-5.0	-10.5	...	...
Cameroon	97	122	139	...	13.9	...	7.5	...	14.3	...	12.3	...
CAR	14	29	26	31	-10.4	19.2	14.2	...	-6.7	25.0	9.8	...
Chad	13	27	27	24	0.0	-11.2	10.8	...	-11.4	3.2	4.2	...
Congo, Dem. Rep.	337	337	330	...	-2.1	...	-0.4	...	11.1	...	12.3	...
Congo, Rep.	18	47	47	43	0.0	-8.6	15.6	...	7.0	7.7	0.0	...
Dahomey	18	13	14	10	7.7	-28.6	-10.3	...	32	9.6	5.9	...
Ethiopia	82	105	116	112	10.4	-4.4	5.3	...	152	21.8	0.7	...
Gabon	47	90	96	100	6.7	4.2	13.4	...	66	10.7	6.5	...
Gambia	8	9	9	...	0.0	...	2.4	...	0.0	...	5.9	...
Ghana	294	292	291	244	-0.3	-16.2	-3.1	...	352	31.4	-21.4	...
Guinea	52	46	52	...	13.0	...	0.0	...	28.9	...	-0.4	...
Ivory Coast	151	302	277	310	-8.3	11.9	12.7	...	265	-0.4	11.8	...
Kenya	112	150	146	168	-2.7	15.1	7.0	...	315	16.4	26.5	...
Liberia	83	126	135	...	7.1	...	10.2	...	...	-6.3	8.5	...
Libya	11	709	797	1,018	12.4	12.8	112.6	...	405	9.6	26.6	...
Madagascar	75	92	92	98	0.0	6.5	4.6	...	142	2.2	2.9	...
Malawi . . . . .	...	34	41	...	20.6	...	...	...	...	42.2	...	...
Mali	6	17	16	13	-5.9	-18.7	13.8	...	36	16.2	-16.3	...
Mauritania	2	46	66	...	43.5	...	101.2	...	...	43.8	...	...
Mauritius	38	78	66	71	-15.4	7.6	11.0	...	70	-6.1	-9.1	...
Morocco	354	434	430	428	-0.9	-0.5	3.2	...	478	-1.1	6.0	...
Mozambique	73	106	108	...	1.9	...	8.1	...	...	16.9	...	...
Niger	13	21	25	...	19.0	...	14.0	...	...	11.8	...	...
Nigeria	475	602	751	788	24.8	4.9	8.8	...	718	8.3	-6.8	...
Reunion	36	37	34	39	-8.1	14.7	1.3	...	105	9.0	8.2	...
Rhodesia . . . . .	...	385	461	293	19.7	-34.4	...	...	236	10.6	-29.6	...
Rwanda . . . . .	...	12	15	22	25.0	47.0	...	...	36	75.0	71.0	...
Senegal	113	123	128	149	4.1	16.4	4.7	...	161	-4.7	-1.8	...
Sierra Leone	83	95	88	83	-7.4	-5.7	0.0	...	100	9.1	-7.4	...
Somalia	33	36	33	...	-8.3	...	7.5	...	...	-9.1	...	...
Sudan	182	196	196	205	0.0	4.6	2.0	...	217	-24.1	4.3	...
Tanzania	171	208	191	235	-8.2	23.0	5.1	...	180	12.7	19.2	...
Togo	15	30	27	36	-10.0	13.3	15.7	...	47	7.1	4.4	...
Tunisia	120	129	120	140	-7.0	16.7	2.6	...	250	0.4	2.0	...
UAR	568	539	604	605	12.1	0.2	1.1	...	667	953	933	...
Uganda	120	186	179	188	-5.8	5.0	7.8	...	1,015	-2.1	8.8	...
Upper Volta	4	12	12	16	0.0	31.3	26.0	...	38	-43.2	52.0	...
Zambia . . . . .	...	470	532	691	13.2	29.7	...	...	345	34.7	16.9	...

Source: ECA Statistical Bulletin for Africa, No.1 and No.2;
 United Nations Monthly Bulletin of Statistics, July 1967;
 IMF Direction of Trade, Annual 1961-1965;
 IMF International Financial Statistics, January 1967;
 Maroëres Tropicaux et Méditerranéens, 1967, various issues.

1/ Annual compound rate of change

APPENDIX TABLE III

Africa's Balance of Trade with Principal Markets, 1953-66
(in million U.S. dollars)

Period	World	US	Canada	Latin America	Western Europe				East-ern Europe	Japan	Developing Asia	China People's Rep.	Australia & New Zealand	Developing Africa	Rest of World
					Total	EEC	EFTA	UK							
1950	-1212	59	-3	-45	-684	-924	-127	-16	-60	-320	-30	6	2	0	-135
1959	-1087	-38	0	-44	-486	-445	-33	271	-17	-294	-50	16	-2	0	-162
1960	-1031	65	-6	-23	-763	-690	-69	35	-21	-215	-24	41	0	0	-133
1961	-1056	-37	0	-33	-412	-283	-40	53	-122	-244	-12	4	-4	0	-206
1962	-610	-285	-2	-41	225	240	-10	85	-50	-195	27	2	-7	0	-124
1963	-410	-225	17	-50	320	305	0	203	-772	-274	72	16	7	0	-221
1964	-110	-230	13	-96	710	630	60	120	-80	-320	-150	8	-2	0	-63
1965	-380	-180	2	-56	770	690	110	240	-195	-505	-260	51	-9	0	-38
1966	80	-280	42	-16	1,150	920	150	210	-138	-395	-235	11	-2	0	-65

Sources: UN Monthly Bulletin of Statistics, June 1963, 1965, 1967;
Yearbook of International Trade Statistics, 1962, 1963.

APPENDIX TABLE IV

Exports f.o.b. from Africa into Principal Markets, 1958-66
(US\$ million)

Period	World	US	Canada	Latin America	Western Europe				Eastern Europe ^{2/}	Japan	Developing Asia	China, People's Rep.	Austria, New Zealand	Developing Africa	Rest of World
					Total ^{1/}	EEC	OEFA	UK							
1958	4,568	395	14	19	3,220	1,778	1,002	836	179	54	138	43	13	334	159
1959	4,722	399	20	20	3,314	2,139	1,096	1,113	209	73	157	47	14	323	146
1960	5,239	515	21	41	3,515	2,316	1,160	947	225	78	222	71	20	358	173
1961	5,330	525	31	41	3,630	2,450	1,161	965	220	83	221	39	19	354	159
1962	5,550	460	22	38	3,900	2,645	1,150	950	295	75	267	41	20	360	166
1963	6,230	475	46	35	4,360	2,950	1,265	1,050	351	116	302	59	23	370	87
1964	7,280	610	50	44	5,240	3,330	1,380	1,110	360	165	315	66	33	590	147
1965	7,770	590	45	35	5,280	3,490	1,550	1,230	455	165	280	115	28	600	177
1966	8,330	640	79	48	5,620	3,630	1,540	1,190	480	205	340	79	28	630	181
Total Exports 1960-66	45,779	3,815	300	282	31,245	21,011	9,226	7,442	2,394	387	1,947	470	177	3,222	1,090

1/ Including Yugoslavia

2/ Excluding Yugoslavia

Sources: UN Monthly Bulletin of Statistics, June 1963, 1965, 1967

UN Yearbook of International Trade Statistics, 1962, 1963.

APPENDIX TABLE V
Exports F.O.B. from Africa into Principal Markets, 1955-1966
(Percentage Share)

Period	World	US	Canada	Latin America	Eastern Europe				Japan	Developing Asia	China, People's Rep.	Australia, New Zealand	Developing Africa	Rest of World
					Total	USSR	EUROPE	USA						
1958	100	5.6	0.3	0.4	70.5	38.9	21.9	18.3	3.9	1.2	0.9	0.3	7.3	3.5
1959	100	5.4	0.4	0.4	70.2	45.3	23.2	23.6	4.4	1.5	1.0	0.3	6.8	3.1
1960	100	9.0	0.4	0.8	67.0	44.2	22.1	18.1	4.3	1.5	1.4	0.4	6.8	3.3
1961	100	9.8	0.6	0.8	68.1	46.0	22.2	18.1	4.3	1.6	0.7	0.4	6.6	3.0
1962	100	8.3	0.5	0.7	70.3	47.7	20.7	17.1	5.3	1.4	0.7	0.4	6.5	3.0
1963	100	7.6	0.7	0.6	70.0	47.4	20.3	16.9	5.6	1.9	0.9	0.5	5.9	1.4
1964	100	6.4	0.7	0.7	67.9	45.7	18.9	17.7	4.9	2.3	0.9	0.5	7.6	2.0
1965	100	7.6	0.6	0.5	68.0	44.9	19.9	15.8	5.9	2.1	1.5	0.4	7.7	2.3
1966	100	7.7	0.9	0.6	67.5	46.0	18.5	14.2	5.8	2.5	0.9	0.3	7.6	2.2
Total exports 1960-66	100	8.3	0.7	0.6	68.3	45.9	20.2	16.2	5.2	1.9	1.0	0.4	7.0	2.4

Sources: UN Monthly Bulletin of Statistics, June 1963, 1965 and 1967.

APPENDIX TABLE VI
Indices of African Exports f.o.b. into Principal Markets, 1960-66

Period	World	US	Canada	Latin America	Western Europe				Eastern Europe	Japan	China, People's Rep.	Developing Asia	Australia, New Zealand	Developing Africa	Rest of World
					Total	EEC	EEFTA	UK							
1960	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1961	102	102	148	100	103	106	102	102	101	106	55	100	95	99	92
1962	106	89	133	93	111	114	99	100	131	96	56	120	100	101	96
1963	119	92	219	85	124	127	109	111	156	149	83	136	145	103	53
1964	139	118	238	107	141	144	119	116	160	212	93	142	165	154	85
1965	148	115	214	85	150	151	134	130	202	212	162	136	140	168	102
1966	155	124	376	117	160	165	133	126	213	263	111	153	140	176	105

Sources: UN Monthly Bulletin of Statistics, June 1963, 1965, 1967

UN Yearbook of International Trade Statistics, 1962, 1963.

APPENDIX TABLE VII
Percentage share of Africa in Imports f.o.b. of Principal Markets from World and
Developing Countries
1960 - 1966

Period	Western Europe											
	World				United States				Canada			
	A	B	C	D	A	B	C	D	A	B	C	D
Period	Europe											
	Total				EEC				EFTA			
	A	B	C	D	A	B	C	D	A	B	C	D
Period	Latin America											
	Developing Asia				Developing Africa				Latin America			
	A	B	C	D	A	B	C	D	A	B	C	D
Period	Eastern Europe											
	Australia and New Zealand				China				Japan			
	A	B	C	D	A	B	C	D	A	B	C	D
Period	Total											
	A	B	C	D	A	B	C	D	A	B	C	D
	A	B	C	D	A	B	C	D	A	B	C	D
1960	127,510	27,340	4.1	19.2	14,700	5,940	3.5	8.7	5,320	500	0.4	4.2
1961	133,250	27,640	4.0	19.3	14,600	5,690	3.6	9.2	5,310	510	0.6	6.1
1962	140,860	28,910	3.9	19.2	15,810	5,780	2.9	7.9	5,550	640	0.5	4.4
1963	153,330	31,420	4.1	19.8	16,590	5,990	2.9	7.9	5,930	730	0.8	6.3
1964	172,200	34,670	4.2	21.0	18,300	6,400	3.3	9.5	6,840	700	0.7	7.1
1965	186,310	36,520	4.2	21.3	20,920	6,780	2.8	8.7	7,840	730	0.6	6.2
1966	203,200	38,750	4.1	21.5	24,610	7,330	2.6	8.7	9,060	760	0.9	10.4

Note: A = Total imports in mn. US\$

B = Imports from developing countries in mn. US\$

C = Africa's share in (A)

D = Africa's share in (B)

Source: UN Monthly Bulletin of Statistics, June 1963, 1965, 1967

IMF Direction of Trade Annual 1958-62, 1960-64.

APPENDIX TABLE VIII

Imports f.o.b. into Africa from Principal Markets 1958-66
(US\$ million)

Period	World	US	Canada	Latin America	Western Europe			Eastern Europe	Japan	Developing Asia	China, People's Republic	Australia, New Zealand	Developing Africa	Rest of World
					Total	EEC	EEFTA							
1958	5,780	336	17	64	3,904	2,702	1,129	852	239	374	168	11	334	296
1959	5,809	437	20	64	3,810	2,588	1,129	842	226	367	207	16	323	308
1960	6,270	450	27	64	4,278	2,956	1,225	912	246	293	198	20	358	306
1961	6,386	562	31	64	4,042	2,733	1,221	912	350	327	233	23	354	365
1962	6,160	745	30	79	3,675	2,405	1,160	865	345	270	240	27	360	350
1963	6,640	700	29	85	4,040	2,645	1,265	845	423	390	230	22	370	308
1964	7,390	844	37	140	4,130	2,700	1,320	930	440	485	465	35	550	216
1965	8,150	770	43	91	4,510	2,940	1,430	990	610	670	540	37	600	215
1966	8,250	920	37	64	4,470	2,910	1,390	980	610	600	575	30	630	246
Total Imports 1960-66	49,246	4987	234	587	29,145	19,289	9,011	6,434	3,035	3,035	2,481	194	3,222	2,000

1/ Including Yugoslavia

2/ Excluding Yugoslavia

Sources: UN Monthly Bulletin of Statistics, June 1963, 1965 and 1967,
UN Yearbook of International Trade Statistics, 1962, 1963.

APPENDIX TABLE IX

Imports f.o.b. into Africa from Principal Markets,
1958 - 1966

(Percentage shares)

Period	World	US	Canada	Latin America	Western Europe				Eastern Europe	Japan	Developing Asia		People's Rep. of China	Australia & New Zealand	Developing Africa		Rest of the World
					Total	EEC	EFTA	UK			Asia	China			Africa	World	
1958	100	5.8	0.3	1.1	67.5	46.7	19.5	14.7	4.1	6.5	2.9	0.6	0.2	5.8	5.1	5.1	
1959	100	7.5	0.3	1.1	65.6	44.6	19.4	14.5	3.9	6.3	3.6	0.5	0.3	5.6	5.3	5.3	
1960	100	7.2	0.4	1.0	68.2	47.1	19.5	14.5	3.9	4.7	3.2	0.5	0.3	5.7	4.9	4.9	
1961	100	8.8	0.5	1.0	63.3	42.8	19.1	14.3	5.5	5.1	3.6	0.5	0.4	5.5	5.7	5.7	
1962	100	12.1	0.5	1.3	59.7	39.4	18.8	14.0	5.6	4.4	3.9	0.6	0.4	5.8	5.7	5.7	
1963	100	10.5	0.5	1.3	60.8	39.8	19.1	14.1	6.4	5.9	3.5	0.6	0.3	5.6	4.6	4.6	
1964	100	11.4	0.5	1.8	55.9	36.5	17.9	12.7	6.0	6.6	6.3	0.8	0.5	7.4	2.8	2.8	
1965	100	9.4	0.5	1.1	55.3	36.1	17.5	12.1	7.5	8.2	6.6	0.8	0.5	7.4	2.6	2.6	
1966	100	11.2	0.4	0.8	54.2	35.3	16.8	11.9	7.4	7.3	7.0	0.8	0.4	7.6	3.0	3.0	
Total imports 1960-66																	
	100.0	10.1	0.5	1.2	59.2	39.2	18.3	13.1	6.1	6.2	5.0	0.7	0.4	6.5	4.1	4.1	

Source: UN Monthly Bulletin of Statistics, June 1963, 1965 and 1967.

APPENDIX TABLE X

Indices of African Imports from Principal Markets, f.o.b., 1960-1966

Period	World	US	Canada	Latin America	Western Europe				Eastern Europe	Japan	Developing Asia	China, People's Republic	Australia, New Zealand	Developing Africa	Rest of World
					Total	EEC	EEFTA	UK							
1960	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1961	102	125	115	100	94	92	100	100	142	112	118	117	115	99	119
1962	98	166	111	123	86	81	95	95	140	92	121	130	135	101	114
1963	106	156	107	133	94	89	103	93	172	133	116	143	110	103	101
1964	118	187	137	218	97	91	108	102	179	166	235	193	175	154	69
1965	130	171	159	142	105	99	117	109	248	229	273	213	185	168	70
1966	132	204	137	100	104	98	113	107	248	205	290	227	150	176	80

Source: UN Monthly Bulletin of Statistics, June 1963, 1965, 1967

UN Yearbook of International Trade Statistics, 1962, 1963

APPENDIX TABLE XI

Percentage share of Africa in Exports f.o.b. of
Principal Markets to World and all Developing countries
1960 - 1966

Period	World				United States				Canada				Total				Western Europe				EFTA				United Kingdom			
	A		B		A		B		A		B		A		B		A		B		A		B		A		B	
	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D
1960	127,510	28,530	4.9	21.9	20,380	6,510	2.2	6.9	5,550	425	0.5	6.4	51,240	11,630	8.3	36.8	29,730	6,750	9.9	43.8	18,220	4,530	6.7	27.0	9,950	3,350	9.2	27.2
1961	133,250	29,470	4.8	21.7	20,750	6,610	2.7	8.5	5,810	470	0.5	6.6	54,870	11,720	7.4	34.5	32,320	6,750	8.5	40.5	19,090	4,600	6.4	26.5	10,310	3,400	8.8	26.8
1962	140,860	29,600	4.4	20.8	21,420	6,970	3.5	10.7	5,930	420	0.5	7.1	57,950	10,970	6.3	33.5	34,200	6,170	7.0	40.8	20,030	4,370	5.8	26.5	10,620	3,160	8.1	27.4
1963	153,330	31,470	4.3	21.1	23,100	7,330	3.0	9.6	6,460	510	0.4	5.7	63,260	11,320	6.4	35.7	37,550	6,390	7.0	41.4	21,770	4,520	5.8	27.9	11,420	3,260	7.4	25.9
1964	172,200	35,270	4.3	21.0	26,280	8,870	3.2	9.5	7,680	610	0.5	6.1	71,180	12,050	5.8	34.3	42,560	6,870	6.3	39.3	24,050	4,700	5.5	28.0	12,360	3,340	7.5	27.8
1965	186,310	37,560	4.4	21.7	27,190	8,920	2.8	8.6	8,110	600	0.5	7.2	79,010	13,040	5.7	34.6	47,900	7,480	6.1	39.3	26,100	5,020	5.5	28.5	13,230	3,510	7.5	28.2
1966	203,200	40,790	4.1	20.2	30,010	9,980	3.3	9.2	9,550	730	0.4	5.1	86,360	13,810	5.2	32.4	52,680	7,990	5.5	36.4	28,000	5,110	5.0	27.2	14,120	3,510	6.9	27.9

Period	Eastern Europe				Japan				Developing Asia				China People's Rep- ublic				Australia and New Zealand				Developing Africa				Latin America			
	A		B		A		B		A		B		A		B		A		B		A		B		A		B	
	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D
1960	12,980	860	1.9	28.6	4,050	2,050	7.3	14.3	13,050	...	...	...	2,040	400	1.5	7.5	2,907	384	0.7	5.2	5,134	579	7.0	61.8	8,610	1,540	0.7	4.2
1961	14,120	1,390	2.4	25.2	4,240	2,220	7.7	14.7	13,390	...	...	...	1,520	360	2.3	9.7	3,170	424	0.7	5.4	5,195	577	6.7	61.2	8,670	1,500	0.7	4.2
1962	15,750	1,530	2.2	22.5	4,920	2,250	5.5	12.0	13,680	...	...	...	1,640	540	2.4	7.2	3,140	440	0.9	6.1	5,437	541	6.8	68.0	9,150	1,560	0.9	5.1
1963	16,980	1,840	2.5	23.0	5,450	2,550	7.2	15.3	14,540	...	...	...	1,680	640	2.6	6.7	3,700	500	0.8	5.6	6,124	578	4.8	51.0	9,730	1,700	0.9	5.0
1964	18,400	1,890	2.4	23.3	6,670	2,990	7.3	16.2	14,930	4,140	3.1	11.3	1,870	760	3.1	7.6	4,110	550	0.9	6.4	7,280	920	7.6	59.8	10,600	2,010	1.3	7.0
1965	19,710	2,090	3.1	29.2	8,450	3,640	7.9	18.4	15,800	4,290	3.4	12.6	2,000	840	3.2	7.6	3,970	600	0.9	6.2	7,770	920	7.7	65.2	11,060	2,130	0.8	4.3
1966	20,900	2,260	5.6	27.0	9,780	4,120	6.1	14.6	16,880	4,540	3.4	12.7	2,160	920	3.1	7.4	4,180	680	0.7	4.4	8,330	1,020	7.6	61.8	11,570	2,170	0.6	2.9

Notes: A= Total Exports in mn US\$

B= Exports to developing countries in mn US\$

C= Africa's share in (A)

D= Africa's share in (B)

Sources: UN Monthly Bulletin of Statistics, June, 1963, 1965 and 1967

IMF Direction of Trade - Annual 1958-62, 1960-64.

APPENDIX TABLE XII

Exports by commodity groups from the world, developing countries and developing Africa, 1960 and 1965

	SITC Section	Value in million US		Index 1960=100	Average annual percentage of growth	Share in total exports		Share in world exports	
		1960	1965			1960	1965	1960	1965
FOOD BEVERAGES & TOBACCO	0 and 1								
World	1	22,270	30,580	139	6.8	17.7	16.9	100.0	100.0
Developing countries		8,070	10,370	129	5.2	29.7	28.6	36.2	33.5
Developing Africa		1,758	2,250	128	5.1	35.0	29.5	7.9	7.3
RAW MATERIALS	2 and 4								
World		21,320	24,740	116	3.0	16.9	13.5	100.0	100.0
Developing countries		7,640	8,240	108	1.6	28.1	22.7	35.8	33.3
Developing Africa		2,155	2,350	111	2.1	42.9	31.3	10.1	9.7
FUELS	3								
World		12,650	17,900	142	9.2	10.0	9.8	100.0	100.0
Developing countries		7,650	11,300	148	8.2	28.1	31.1	60.5	63.0
Developing Africa		211	1,590	754	49.6	4.2	20.8	1.7	8.9
PRIMARY COMMODITIES	0-4								
World		56,240	73,620	131	5.6	44.7	40.2	100.0	100.0
Developing countries		23,360	29,910	128	5.1	85.9	82.5	41.5	40.6
Developing Africa		4,124	6,230	151	8.6	82.0	81.6	7.3	8.5
PRIMARY COMMODITIES EXCL. FUELS	0.1,2,4								
World		43,590	55,720	128	5.1	34.6	30.4	100.0	100.0
Developing countries		15,710	18,610	118	3.4	57.8	51.3	36.0	33.4
Developing Africa		3,913	4,640	119	3.5	77.8	60.8	9.0	8.3
MANUFACTURES	5-8								
World		69,710	109,620	157	9.4	55.3	59.8	100.0	100.0
Developing countries		3,840	6,350	165	10.5	14.1	17.5	5.5	5.8
Developing Africa		903	1,401	155	9.1	18.0	18.4	1.3	1.3
TOTAL EXPORTS EXCL. FUELS	0-2 4-8								
World		113,300	165,340	146	7.9	90.0	90.2	100.0	100.0
Developing countries		19,550	24,960	128	5.1	71.9	68.8	17.2	15.1
Developing Africa		4,816	6,041	125	4.6	95.8	79.2	4.3	3.7
TOTAL EXPORTS	0-8								
World		125,950	183,240	145	7.7	100.0	100.0	100.0	100.0
Developing countries		27,200	36,260	133	5.9	100.0	100.0	21.6	19.8
Developing Africa		5,027	7,631	152	8.7	100.0	100.0	4.0	4.2

Source: United Nations Monthly Bulletin of Statistics, March 1964 and March 1967; National trade Statistics.

APPENDIX TABLE XIII
Commodity Composition of Exports from Developing Africa, By Main Country and Commodity Groups, 1960 and 1965

SITC Section	1960				Million US\$	1965				Value Indices 1965			
	A	B	C	D		A	B	C	D	1960 = 100	1964 = 100		
DEVELOPED MARKET ECONOMIES													
Total exports	0-9	4106	100	80.5	5.0	20.8	6230	100.0	81.9	4.9	23.7	152	106
Food, beverages and tobacco	0+1	1459	35.5	83.0	9.5	23.4	1790	28.7	79.9	8.4	24.5	123	93
Crude materials, excluding fuel	2+4	1609	40.4	77.0	10.2	28.9	1850	29.7	77.4	9.7	29.9	112	105
Mineral fuels & related products	3	198	4.8	94.0	2.4	3.8	1460	23.4	94.5	11.5	17.4	737	125
Chemicals	5	32	0.8	76.0	0.7	18.3	49	0.8	54.4	0.6	20.4	153	111
Machinery & transport equipment	7	10	0.2	83.0	0.1	20.0	17	0.3	34.0	0.1	14.8	170	142
Other manufactured goods	6+8	701	17.1	83.0	3.2	30.0	1040	16.7	82.7	2.9	26.8	148	111
SOCIALIST ECONOMIES													
Total export	0-9	383	100	7.5	2.6	31.4	570	100.0	7.5	2.7	24.4	149	134
Food, beverages & tobacco	0+1	51	13.3	3.0	2.4	14.6	131	23.0	5.8	3.6	11.7	257	125
Crude mat., excl. fuel	2+4	296	77.3	14.0	10.6	38.2	351	61.4	14.6	11.2	35.7	118	135
Mineral fuels & related prod.	3	-	-	-	-	-	3	0.5	0.2	0.2	100.0	-	30
Chemicals	5	2	0.5	5.0	0.3	22.2	5	0.9	5.6	0.4	20.8	250	250
Machinery & transport equipment	7	-	-	-	-	-	-	-	-	-	-	-	-
Other manufactured goods	6+8	34	8.9	4.0	0.8	41.0	78	13.7	6.2	1.4	36.4	229	163
DEVELOPING COUNTRIES													
Total export	0-9	607	100	12.0	2.1	10.1	810	100.0	10.6	2.2	10.7	133	101
Food, beverages & tobacco	0+1	248	40.9	14.0	5.3	17.0	320	39.5	14.3	5.4	16.6	129	100
Crude mat., excl. fuel	2+4	200	32.9	9.0	9.3	18.2	190	23.5	7.9	7.5	17.9	95	86
Mineral fuels and related products	3	13	2.1	6.0	0.4	0.6	82	10.1	5.3	2.5	3.1	631	119
Chemicals	5	8	1.3	19.0	0.4	7.6	36	4.4	40.0	1.1	14.7	450	116
Machinery & transport equipment	7	2	0.3	17.0	0.0	1.5	33	4.1	66.0	0.3	12.0	1650	118
Other manufactured goods	6+8	114	18.8	13.0	1.4	12.7	140	17.3	11.1	1.4	10.5	123	108

A = Share of total exports from developing Africa to the country group.
B = Share of developing Africa's exports to the world, by SITC sections.
C = African share in imports of the country group from all sources.
D = African share in imports of the country group from all developing economies.

Source: UN Monthly Bulletin of Statistics, March 1964 and March 1967.
ECA Foreign Trade Statistics, 1960, Series B.
South Africa, Foreign Trade Statistics, 1964.

APPENDIX TABLE XIV
Commodity composition of exports from developing Africa to selected developed market economies
1961 and 1965

SITC Sec- tion	Export value US\$ mn.		Export value index 1961	Structure of exports		Share in total African exports of given category		African share in relevant total imports of the area	
	1961	1965		1961	1965	1961	1965	1961	1965
EEC									
Total exports	2,450	3,470	100	100.0	100.0	46.0	45.2	8.0	7.4
Food, beverages, tobacco	880	920	100	35.9	26.5	47.6	40.9	16.0	11.0
Crude materials									
ex. fuels	860	1,040	100	35.1	30.0	41.1	43.5	14.1	14.0
Mineral fuels	345	1,040	100	14.1	30.0	80.2	65.4	11.0	21.8
Chemicals	27	19	100	1.1	0.5	42.2	21.1	1.6	0.6
Machinery, trans- port equipment	6	6	100	0.2	0.2	28.6	11.8	0.1	0.1
Other manufac- tured goods	340	440	100	13.9	12.7	42.0	34.9	4.2	3.3
EFTA									
Total exports	1,180	1,560	100	100.0	100.0	22.1	20.3	5.3	5.3
Food, beverages, tobacco	330	365	100	28.0	23.4	17.8	16.2	6.8	6.4
Crude materials									
ex. fuels	485	430	100	41.1	27.6	23.2	18.0	9.1	10.8
Mineral fuels	40	325	100	3.4	20.8	9.3	20.4	1.9	11.7
Chemicals	8	13	100	0.7	0.8	12.5	14.4	0.7	0.7
Machinery, trans- port equipment	-	1	-	-	0.1	-	4.8	-	0.0
Other manufac- tured goods	275	425	100	23.3	27.2	34.0	33.7	4.8	5.1
UNITED STATES									
Total exports	445	600	100	100.0	100.0	8.3	7.8	3.1	2.8
Food, beverages, tobacco	260	350	100	58.4	58.3	14.1	15.6	7.7	9.0
Crude materials									
ex. fuels	145	160	100	32.6	26.7	6.9	6.7	5.1	5.1
Mineral fuels	5	50	100	1.1	8.3	1.2	3.1	0.3	2.4

APPENDIX TABLE XIV (Cont'd)

Commodity composition of exports from developing Africa to selected developed market economies
1961 and 1965

SITC Sec- tion	Export value US\$ mn.		Export value index		Structure of exports		Share in total African exports of given category		African share in relevant total imports of the area	
	1961	1965	1961	1965	1961	1965	1961	1965	1961	1965
UNITED STATES										
Chemicals	5	4	6	100	150	0.9	1.0	6.5	6.7	0.9
Machinery, trans- port equipment	7	-	-	-	-	-	-	-	-	-
Other manufac- tured goods	6+8	23	30	100	130	5.2	5.0	2.8	2.4	0.4

Source: UN Monthly Bulletin of Statistics, March 1967

CHAPTER II

EXPORTS OF PRIMARY COMMODITIES^{1/}

1. The most simple and compelling reason for paying special attention to primary commodity exports lies in the present importance of these commodities in the total exports and output of Africa - both for a large number of individual countries and, consequently, for developing Africa as a whole. In the longer run the main policy objective of the developing countries in Africa is to secure significant increase in productivity and incomes by means of economic transformation. As a result the main focus in a discussion of primary commodity trade must be on how it can contribute to the desired transformation. This Chapter is organized in four parts. The first examines the importance of primary commodities in the African economy and their role in economic development; the second considers the main market and commodity characteristics of primary exports; the third examines the post-Kennedy Round situation; and the fourth deals with the major policy considerations.

A. The importance of primary commodities in the African economy

2. Information on the ratio of primary exports to GDP in a number of African countries in 1965 is given in Table II - 1. From this it may be seen that primary products make a considerable direct contribution to GDP in all 23 countries for which data are available. Thus, in no country was the ratio of primary exports to GDP below 8 per cent; in 19 countries it was greater than 10 per cent; in 7 countries it was over 25 per cent; and in two countries - Libya and Zambia - it was more than 50 per cent.

^{1/} It is difficult to determine where exactly to draw the dividing lines between primary and other products. The United Nations Statistical Office and the UNCTAD have produced a joint paper - TD/B/C.2/3 - which, on the basis of definitions to be found in the Havana Charter and other considerations, attempts a classification of commodities into primary, semi-manufactured and manufactured products. The present Chapter broadly attempts to follow this classification. To preserve continuity with earlier ECA work, and to reflect some underlying doubts about the admittedly tentative UNCTAD classification, a number of items from the proposed lists of semi-manufactured and manufactured products have been added back to the primary category. These are wood, roughly shaped or worked (SITC No. 243); the unwrought metals included in SITC classes 681 to 687 (except 684); SITC No. 688; and precious stones (SITC No. 667), on the grounds that most such exports from Africa comprise uncut diamonds.

3. The impact of primary commodity exports on the general growth of the economy comprises a direct effect which can be measured by the **proportion of primary exports** in total output together with their growth rate, as well as indirect effects which depend partly on the linkages between the primary exports and other sectors of the economy, and partly on the impact of the growth of primary exports on the social structure, on the quality of the labour force and on the magnitude of induced social expenditure. It may, however, be doubted if an increase in African primary exports stimulates much growth beyond that resulting from their direct contribution to a higher domestic output. The backward and forward linkage effects of peasant agriculture and mining activities in developing Africa are generally weak. Expatriate remittances and consumption patterns lessen the impact of increased exports by the mining industries. And, historically, it may be judged that the rates of growth of national income associated with export expansion have not been impressive since income levels in Africa still remain very low after more than half a century of relatively rapid growth of exports of primary commodities.

4. In the present situation Africa's earnings from exports of primary products, and their impact on the economy, could be raised - perhaps very significantly - if the commodities were to undergo more processing before being exported. Arranging this is partly a question of domestic policy. It is also, however, to a large extent a matter of tariff policy in Africa's main markets - the developed market economies. As a rule the tariff structure in these economies is such that rates of duty vary directly with the degree of processing and therefore primary products have an easier passage into the developed market economies than the same commodities in more processed form. African countries have the difficult task of trying to maximize export earnings from primary commodities while, at the same time, attempting to diversify their economic structures and exports in the face of considerable obstacles in the main markets.

B. The main market and commodity characteristics of primary exports

5. A relatively small number of primary commodities account for a high proportion of total export earnings; the same commodities loom large in the export structure of many African countries; and at present these commodities are overwhelmingly exported to the developed market economies. Consequently a fairly accurate picture of the situation concerning African exports can be obtained by focussing attention on leading commodities and markets.

TABLE II - 1

Total and primary exports as proportion of GDP for
selected African countries, 1965

Country	Proportion of GDP represented by	
	Total exports %	Primary commodities ^{1/} %
Libya	66.6	60.0
Zambia	62.1	55.9
Gabon	46.6	41.9
Mauritius	34.2	30.8
Congo (Dem. Rep.) ^{2/}	30.4	27.4
Liberia ^{3/}	28.9	26.0
Uganda	28.7	25.8
Ivory Coast	27.6	24.8
Sierra Leone	24.2	21.8
Tanzania (Tanganyika)	24.2	21.8
Ghana	21.1	19.0
Central African Republic ^{2/}	19.2	17.3
Senegal	18.9	17.0
Morocco ^{3/}	16.5	14.9
Nigeria ^{3/}	16.4	14.8
Togo	16.3	13.8
Sudan	14.4	13.0
Kenya	14.3	12.9
Tunisia	12.5	11.3
Chad ^{3/}	10.8	9.7
Niger	10.4	9.4
UAR ^{2/}	11.3	9.0
Ethiopia ^{3/}	8.8	7.9

Source: United Nations, Monthly Bulletin of Statistics, October 1967.

^{1/} Taken as 90 per cent of total exports except in the case of the UAR, where a figure of 80 per cent was taken to allow for the higher share of manufactured goods in total exports.

^{2/} 1964.

^{3/} 1963.

Leading primary exports

6. Information on the leading twenty exports for the period from 1960 to 1965 is provided in Table II - 2. From there it may be seen that whereas total exports from developing Africa increased from \$5,300 million in 1960 to \$7,750 million in 1965, exports of the leading primary commodities rose from \$3,483 million to \$5,430 million over the same period; and that as a result of these respective changes, the share of the twenty primary commodities in total exports increased from 65.7 per cent in 1960 to 70.1 per cent in 1965. Changes in the exports of the commodities listed in Table II - 2 accounted for almost 80 per cent of the total increase of \$2,450 million in the export earnings of developing Africa between 1960 and 1965; and some 53 per cent of the total increase may be attributed to the rise in petroleum sales alone. It is thus evident that the spectacular expansion of crude petroleum shipments dominated the trends in the region's commodity trade. Petroleum exports accounted for less than 4 per cent of total African exports in 1960, but they grew at an annual average compound rate of almost 50 per cent between 1960 and 1965; and by the latter year petroleum exports were responsible for almost one-fifth of all export earnings.

7. The growth of petroleum exports reflected the marked expansion in the exploitation of African reserves mainly in response to rapidly rising European demand. However, the growth rate also reflected in part the relatively low initial level of output in 1960; and although there are indications that petroleum production in Africa will continue to increase, the magnitude of recent expansion has been such that future rates of growth will certainly be less spectacular than that recorded between 1960 and 1965.^{1/} Whatever the rates of growth of petroleum exports in the long run, those recorded in the recent past and those that can be expected in the immediate future are high enough to be thought very satisfactory on any criterion.

^{1/} It may be noted that - at a still substantial 21 per cent - the increase in 1965 was less than half of the annual average for the period 1960-1965.

TABLE II-2

Exports of twenty leading primary commodities from developing Africa, 1960-1965

(Values in US \$ million)

Commodity	SITC No.	1960			1961	1962	1963	1964	1965		Percentage Change		
		Value	% of Total Exports	Rank 1/					Value	% of Total Exports	Rank 1/	1964 - 1965	Average Annual 1960 - 1965
Crude Petroleum	331.0	200	3.8	5	388	655	902	1,229	1,489	19.2	1	21.1	19.3
Copper	682.	516	9.7	2	507	535	510	597	627	8.1	2	5.0	4.1
Raw Cotton	263.1	641	12.1	1	559	457	575	527	601	7.8	3	14.0	-1.4
Coffee Beans	071.1	361	6.8	4	369	394	448	615	534	6.9	4	-13.2	8.2
Cocoa Beans	072.2	393	7.4	3	383	383	394	422	418	5.4	5	-1.0	1.2
Groundnuts	221.1	179	3.4	6	202	208	212	210	210	2.7	6	0	3.2
Wood and Timber	242 & 243	149	2.8	7	166	150	175	222	207	2.7	7	-6.8	6.8
Iron Ore	281.3	99	1.9	8	123	110	166	187	198	2.6	8	5.8	14.9
Diamonds	275.1.1 & 667.2	141	2.7	13	95	92	122	174	178	2.3	9	2.3	4.7
Phosphates	271.3	109	2.1	9	130	121	135	138	156	2.0	10	13.0	7.4
Citrus Fruits	051.1 & 051.2	74	1.4	11	110	116	127	156	130	1.7	11	-16.7	12.0
Sugar	061.1	92	1.7	14	111	114	148	143	122	1.6	12	-14.7	5.9
Palm Nuts & Kernels	221.3	110	2.1	17	93	94	105	126	103	1.3	13	-18.3	-1.4
Groundnut Oil	421.4	63	1.2	10	83	74	87	88	89	1.1	14	2.3	7.1
Rubber	231.1	108	2.0	18	65	63	61	79	75	1.0	15	-5.1	-7.8
Sisal	265.4	78	1.5	15	70	81	122	113	72	0.9	16	-34.3	-1.6
Palm Oil	422.2	76	1.4	12	84	83	86	80	63	0.8	17	-21.3	-3.9
Manganese Ore	283.7	47	0.9	19	51	43	44	50	60	0.8	18	+20.0	5.1
Tea	074.1	40	0.8	16	77	59	65	62	50	0.6	19	-19.4	4.6
Tin	687.1	7	0.1	20	41	44	45	46	48	0.6	20	4.3	47.0
Total of Twenty Commodities		3,483	65.7	-	3,707	3,876	4,529	5,264	5,430	70.1	-	3.1	9.3
Total Exports		5,300	100.0	-	5,340	5,500	6,140	7,130	7,150	100.0	-	8.7	7.9

Source: ECA, Statistics and Demography Division

1/ According to value

8. It is more difficult to judge the adequacy of the rates of increase recorded by the other leading commodities between 1960 and 1965. One meaningful way of doing this is to relate export performance to the requirements of the United Nations Development Decade, the target of which is to raise incomes in the developing countries by 5 per cent per annum during the decade. Given the structure of the developing economies, a probable condition for attaining this target is that exports grow at least as quickly as the desired rate of increase in total income.

9. On this measure, apart from petroleum, the export values of nine leading commodities - coffee, wood, iron ore, phosphates, citrus fruits, sugar, groundnut oil, manganese ore and tin - grew at a satisfactory rate; and those of ten leading commodities - copper, cotton, cocoa, groundnuts, diamonds, palm nuts and kernels, rubber, sisal, palm oil and tea - did not. Among the faster-growing commodities, the export growth of iron ore and tin (for which very high rates of increase were recorded) and that of phosphates and manganese ore (for which rates of increase were more moderate) reflected in part the discovery and exploitation of new resources. Among the commodities which did not meet this test, exports of copper, groundnuts, diamonds and tea increased by between 3 and 5 per cent per annum and those of cocoa by just over one per cent. Exports of cotton, palm nuts and kernels, rubber, sisal and palm oil actually declined between 1960 and 1965.

10. It is apparent from Table II - 3 that the changes in foreign exchange earnings from the principal export commodities were with few exceptions due more to changes in the volume of exports than to movements of prices. The exceptions were tin ore, sisal and rubber, i.e. rather secondary export items for Africa as a whole, but of obvious importance to certain individual exporting countries. In all three cases export prices changed more than the volume of exports over the six-year period. However, only prices of tin ore went up (while the volume went down), whereas the unit values of the other two commodities declined, and the increases in volume did not quite make up for adverse

TABLE II - 3

Value, volume and average price changes for sele
for selected commodity exports from Africa,
1960-1965

Commodity	Percentage change 1960-1965		
	Export value	Export volume	Export unit value
Tin ore	- 33	- 61	+ 71.9
Citrus fruits	+ 97	+ 45	+ 35.8
Coffee	+ 46	+ 26	+ 15.9
Wood and timber	+ 39	+ 21	+ 14.8
Phosphates	+ 42	+ 36	+ 5.0
Copper	+ 21	+ 16	+ 4.5
Palm nuts and kernels	- 8	- 13	+ 4.3
Bananas	+ 7	+ 4	+ 2.1
Groundnuts	+ 29	+ 27	+ 1.6
Cotton	- 7	- 6	- 2.6
Groundnut oil	+ 37	+ 43	- 5.0
Industrial diamonds	+ 31	+ 37	- 6.2
Sisal	- 8	+ 4	- 11.2
Rubber	- 14	+ 3	- 16.1
Tea	+ 24	+ 49	- 16.1
Petroleum	+ 648	+ 850	- 21.3
Manganese ore	+ 29	+ 76	- 26.6
Cocoa	+ 5	+ 66	- 58.0

Sources: United Nations Economic Commission for Africa Statistics and Demography Division; FAO Trade Yearbook, 1966; FAO Cocoa Statistics, January 1967; FAO Cocoa Market Report, September 1967.

price trends. Among the eighteen commodities listed in Table II - 3, nine experienced unfavourable price trends between 1960 and 1965, while the opposite was true of remaining commodities, with great variations in the extent of price changes in both cases.

11. Five categories of combinations of price and volume changes can be distinguished within the group of commodities under consideration. First, there were those which enjoyed price, volume and value gains (citrus fruits, coffee, wood and timber, phosphates, copper, bananas and ground-nuts). Another category consists of commodities which experienced price gains, but with a diminished volume of exports and also export earnings (tin ore, palm nuts and kernels). Only one commodity (cotton) was characterized by decreases in price, volume and value. Two commodities (sisal and rubber) showed a decrease in prices and only a partly off-setting rise in the volume of shipments. Finally, a few commodities exhibited an adverse trend in prices combined with more than compensating increases in the volume of exports, which resulted in higher export earnings (cocoa beans, tea, manganese ore, industrial diamonds, ground-nut oil and petroleum), from a 5 per cent increase in cocoa earnings to a 648 per cent gain for petroleum.

12. In addition to the general comparison of price, volume and value trends, something can be also said about specific developments concerning certain individual commodities. Cocoa production between 1960 and 1965 increased significantly in developing Africa (and elsewhere), partly because of favourable price experience in the mid 1950's. Demand did not, however, grow at a similar rate and the consequent pressure on prices was very great. This pressure has subsequently eased. But the experience of 1960-1965 serves to underline the possible usefulness of commodity agreements in an imperfect world. It is very evident that had such an agreement been in force during the period 1960-1965, and had it stabilized prices nearer their 1960 than their 1965 levels, then African exports earnings from cocoa could have been much greater than they were.

13. Copper represents something of a special case. In the first place, the relatively slow growth in the value of copper earnings between 1960 and 1965 was due to special conditions in Congo (Kinshasa); and in the second place, the price experience of the period owed much to market organization. Between 1960 and 1963 there was a tendency - following the expansion of capacity which had taken place in the 1950's, as a result of the Korean War and the US stockpiling policy - for the supply of copper to exceed demand; and, in the circumstances, the major producers conducted price stabilizing operations on the London Metal Exchange. Demand subsequently began to press more keenly on supply and the price stabilizing operations were ended. In their place, Zambia and other major producers introduced - in late 1963 - a system of producers' prices which guaranteed supplies to their main customers at market prices. This system was maintained - with occasional upward adjustments in the fixed price - for the rest of the period under review, notwithstanding the fact that a wide margin opened up between the producer prices and those attaching to the marginal supplies which were marketed on the London Metal Exchange. Subsequent to 1965, Zambia and other major producers raised their prices in recognition of the continuing pressure of demand.

14. In volume terms, more than half of cotton exports from developing Africa originate in the UAR and the Sudan, both of which countries specialize in long staple cottons. The decline in the total volume of exports reflects to a large extent the fall in exports from those two countries. Their fall may, in turn, be explained in terms of a failure to expand production - which increased significantly in some other African countries and in other parts of the world - during this period when the growth in domestic demand for textile manufacturing had absorbed an increasing quantity of pure cotton. The decline in total volume was further aggravated by the fact that Congo (Kinshasa), which had been the third largest African exporter in 1960, had become a net importer of cotton in 1965. The downward pressure on the prices obtained for cotton exports was due to the fact that the increase in world output - partly due to increased yields and partly to increased acreage under cultivation - was faster than the growth of demand. Indeed, in a number of major markets in Western Europe consumption, because of the advance of man-made fibres, actually declined.

15. Exports of groundnut oil, in value terms, were among the faster-growing commodities, and exports of groundnuts just failed to be so. The relatively slower growth in earnings from exports of groundnuts was due, at least in part, to the increased local demand for crushing and was partially offset by increased exports of groundnut oil. Palm nuts and kernels are used mainly to provide oil for use in the manufacture of soap and margarine; and their main competition comes from coconut oil. In the period under review, the demand for coconut oil outstripped supply and the consequent pressure on the price of coconut oil was communicated to that of palm nuts and kernels in a situation in which the increase in the export supply of that commodity was constrained by two factors - the circumstances in Congo (Kinshasa) and the increasing demand from domestic soap manufacturers in most African countries which export palm nuts and kernels.

16. There were adequate supplies of phosphate rock, during the period under consideration, based on progressively increased output by all the major suppliers (both African and non-African). Prices were generally stable despite higher freight rates until 1963, rising continuously thereafter. This was in contrast to the situation prior to 1960, when five consecutive price cuts reduced producers' revenues by 20 per cent, and the subsequent period of price stability, despite increases in costs of production.

17. Diamond prices experienced a lengthy period of stability until the De Beers Group raised gem prices by 5 per cent in 1963 and again by 10 per cent in 1964 (De Beers Central Selling Organization sells around 80 per cent of world's production of rough diamonds), but world demand kept on growing steadily. However, prices of African industrial diamonds did not increase during 1960-1965 in step with enhanced world demand and prices of non-industrial diamonds from Africa also appear to have been below the average world level.

TABLE II - 4

Selected African commodities: Indices of export prices
(national examples)
1958 = 100

Commodity and exporting country	1960	1961	1962	1963	1964	1965	1966
Cocoa (Ghana)	69	54	50	53	57	44	57
Coffee (Uganda)	55	51	58	71	97	74	80
Tea (Kenya)	104	104	99	97	94	98	99
Oranges (Morocco)	90	...	...	123	104	117	97
Bananas (Africa)	85	93	91	96	94	...	...
Groundnuts (Nigeria)	131	124	116	113	120	133	136
Groundnut oil (Nigeria)	121	118	103	100	108	120	98
Palm nuts (Togo)	125	101	99	106	112	139	124
Palm oil (Nigeria)	103	108	102	101	108	118	103
Cotton long staple (UAR)	87	89	83	94	101	113	109
Cotton long-medium (UAR)	92	88	82	92	98	108	97
Cotton (Chad)	95	93	94	92	92	92	93
Sisal (Tanzania)	143	134	137	202	200	130	115
Rubber (Nigeria)	134	108	103	102	92	87	88
Hides & skins (Ethiopia)	108	98	102	102	99	102	135
Phosphates (Tunisia)	110	109	109	109	114	143	154
Iron ore (Tunisia)	83	83	83	83	88	94	90
Manganese ore (Morocco)	90	86	86	75	65	68	74
Copper (Uganda)	133	122	125	125	180	246	196
All exports (Africa) ^{1/}	94	90	89	92	95	94	98

Sources: IMF International Financial Statistics, November 1967; ECA Statistical Bulletin for Africa, No. 2, Part I.

^{1/} African continent and associated islands.

18. Table II - 4 provides an illustration, on the basis of certain national examples, of price fluctuations for a number of Africa's commodity exports. Most of the listed commodities have been subject to price fluctuations, with varying frequencies and degrees of amplitude. There were few exceptions, consisting of commodities which either experienced price stability in the first part of the period under consideration, followed by an upward trend (phosphates, and iron ore except for 1966), or those which showed an almost uninterrupted downward trend (e.g. rubber). Many of the remaining commodities were characterized by price falls or rises during two or three consecutive years, interspersed or followed by price movements in opposite directions (e.g. cocoa, coffee, palm nuts, long-staple and long-medium cotton, hides and skins).

19. Concerning the amplitude of price movements the most drastic declines took place in the case of sisal (1963/1966), copper (1965/1966), groundnut oil (1960/1963), palm oil (1965/1966), palm nuts (1960/1961), groundnuts (1960/1963), oranges (1963/1964 and 1965/1966), coffee (1964/1965) and cocoa (1960/1961). The ability of any individual country to cope with temporary price declines of major export commodities obviously varies from case to case, depending, inter alia, on the previous price levels, on the magnitude of the drop and its duration, and on the degree of price recovery achieved.

The country-commodity composition of leading primary exports

20. The fact that the twenty leading primary commodities account for a high proportion of total exports suggests that an examination of the data on such exports would reveal the main changes and developments in total primary exports.

21. From the figures in Table II - 5 it is possible to identify the major exporters of each commodity and to determine the importance of any commodity in the total export trade of the African countries which produce it. It is evident from the table that there is no necessary correlation between these two aspects of the commodity trade of the region. Thus, for example, although Togo is responsible for less than 2 per cent of cocoa

TABLE II - 5

Country participation in the export of twenty
leading primary commodities, 1965

Commodity	Countries significantly engaged in export ^{1/ 2/}
Petroleum	Libya (53, 99), Algeria (32, 69), Nigeria (13, 26), UAR (1, 3), Gabon (1, 14)
Copper	Zambia (76, 91), Congo (Kinshasa) (17, 32), Uganda (4, 13), Rhodesia (3, 4), Kenya (0.3, 2)
Cotton	UAR (56, 56), Sudan (15, 47), Uganda (8, 27), Nigeria (3, 2), Tanzania (6, 19), Mozambique (3, 18), Chad (4, 88), Cameroon (2, 7), Morocco (1, 1), Central African Republic (1, 19), Angola (0.5, 2)
Coffee	Ivory Coast (20, 38), Angola (17, 47), Uganda (16, 48), Ethiopia (14, 66), Kenya (7, 30), Madagascar (5, 32), Cameroon (6, 22), Tanzania (5, 14), Togo (1, 22), Central African Republic (0.7, 15), Rwanda (2, -), Burundi (1.3, -), Congo (Kinshasa) (3, 8), Sierra Leone (0.4, 0.6)
Cocoa	Ghana (46, 61), Nigeria (29, 16), Ivory Coast (11, 16), Cameroon (7, 22), Togo (2, 26)
Groundnuts	Nigeria (51, 14), Senegal (18, 29), Sudan (12, 13), Niger (6, 48), Malawi (2, 2), Gambia (3, 54), UAR (1, 0.3), Tanzania (1, 2), Portuguese Guinea (1, 50), Madagascar (1, 2)
Wood and timber	Ivory Coast (36, 27), Cameroon (5, 8), Nigeria (8, 2), Angola (1, 2), Gabon (16, 34), Ghana (17, 11), Congo (Brazzaville) (9, 38), Congo (Kinshasa) (2, 1), Tanzania (1, 1), Mozambique (3, 7)
Iron ore and concentrates	Liberia (49, 73), Algeria (6, 2), Sierra Leone (8, 20), Tunisia (3, 5), Morocco (4, 2), Guinea (2, -), Angola (3, 3), Mauritania (27, 94)
Diamonds	Sierra Leone (26, 62), Angola (17, 16), Congo (Kinshasa) (13, 7), Tanzania (11, 11), Ghana (11, 6), Congo (Brazzaville) (11, 43), Central African Republic (8, 54)
Phosphates	Morocco (70, 25), Tunisia (15, 20), Senegal (7, 9), Togo (6, 33), UAR (2, 0.5)

TABLE II - 5 (Cont'd)

Commodity	Countries significantly engaged in export ^{1/}
Citrus fruits	Algeria (46, 9), Tunisia (4, 4), Morocco (48, 14)
Sugar	Mauritius (50, 95), Reunion (22, 79), Mozambique (8, 9), Madagascar (4, 5), Morocco (2, 0.5), Angola (3.3, 2.0), UAR (1, 0.2)
Palm nuts and kernels	Nigeria (72, 10), Sierra Leone (8, 11), Dahomey (2, 14), Cameroon (3, 2), Ivory Coast (2, 1), Togo (2, 7), Liberia (2, 2), Angola (2, 1)
Groundnut oil	Senegal (60, 41), Nigeria (32, 4), Niger (2, 8), Mozambique (3, 3)
Rubber	Nigeria (41, 4), Liberia (39, 22), Congo (Kinshasa) (12, 3), Cameroon (7, 4)
Sisal	Tanzania (56, 23), Kenya (15, 8), Angola (14, 5), Mozambique (8, 6), Madagascar (7, 5)
Palm oil	Nigeria (60, 5), Congo (Kinshasa) (24, 5), Dahomey (5, 21), Angola (3, 1), Cameroon (5, 2)
Manganese ore	Ghana (22, 4), Morocco (17, 2), Congo (Kinshasa) (7, 1), UAR (3, 0.3), Zambia (2, 0.2), Ivory Coast (5, 1), Gabon (45, 28)
Tea	Kenya (34, 13), Malawi (22, 29), Mozambique (14, 7), Uganda (14, 4), Tanzania (8, 2), Congo (Kinshasa) (4, 1)
Tin	Nigeria (86, 6), Congo (Kinshasa) (10, 2), Rhodesia (4, 0.5)

1/ The measure of significance is exports of the individual commodities of at least \$1 million.

2/ The first figure in brackets denotes the share of the country in total African export of each commodity; the second figure denotes the share of the commodity in a country total export earnings.

export earnings, cocoa nevertheless provides 26 per cent of Togo's total exports by value. It may be noted however that the number of African countries which were significant exporters of each of these leading commodities ranged from 3 to 14; and that ten of the twenty commodities were each of substantial export interest to at least six countries.

22. Even more important than the country spread of the commodities, is the potential impact on the total export of different countries of changes in individual commodity markets. The changes between 1960 and 1965 in the weight of the twenty commodities in the exports of a number of countries are shown in Table II - 6. From these it is evident that, in both years, the twenty products figured prominently in the total exports of virtually all 33 countries listed. The share of these twenty commodities in total exports in 1965 was between 75 per cent and 100 per cent in 18 countries; between 50 and 75 per cent in 8 countries; between 25 and 50 per cent in 6 countries; and less than 25 per cent in only one country.

TABLE II - 6

Contribution of twenty leading primary exports to total export earnings of selected African countries, 1960 and 1965

	1960		1965	
	No. of leading commodities 1/	Proportion of total export earnings (%)	No. of leading commodities 1/	Proportion of total export earnings (%)
Libya	0	0	1	99.4
Liberia	3	91.6	3	96.9
Mauritius	1	89.7	1	95.3
Sierra Leone	4	92.8	4	94.4
Mauritania	0	0	1	93.9
Uganda	4	89.6	4	91.5
Zambia	1	2/	1	91.4
Nigeria	9	82.5	10	90.2
Togo	3	78.6	4	88.8
Chad	1	61.5	1	87.5
Ivory Coast	5	92.6	5	82.7
Ghana	4	86.6	4	82.5
Congo, Republic	1	61.1	2	80.9
Reunion	1	83.3	1	79.4
Algeria	3	41.2	3	79.1
Senegal	3	78.8	3	78.9
Angola	9	75.7	9	76.5
Gabon	2	79.1	3	76.2
Tanzania (Tanganyika)	7	71.1	7	71.5
Ethiopia	1	51.2	1	66.4

TABLE II - 6 (Cont'd)

	1960		1965	
	No. of leading commodities 1/	Proportion of total export earnings (%)	No. of leading commodities 1/	Proportion of total export earnings (%)
Cameroon	6	68.1	7	66.3
UAR	5	74.3	5	59.6
Sudan	2	59.3	2	59.6
Niger	2	61.5	2	56.0
Congo, Dem. Rep.	11	96.7	9	55.6
Gambia	1	85.7	1	53.8
Mozambique	5	64.4	5	48.3
Morocco	6	41.3	6	45.8
Madagascar	4	46.6	4	44.5
Malawi	2	2/	2	42.1
Central African Republic	2	64.3	2	34.6
Tunisia	3	22.5	3	29.2
Dahomey	1	56.3	1	14.3

Source: ECA Statistics and Demography Division.

- 1/ Number of the twenty leading commodities accounting for at least \$1 million in country exports.
- 2/ Country figures not available for 1960.

23. Since economic conditions and policies abroad are major determinants of the pace and pattern of African exports, a detailed examination of changes in Africa's foreign markets is an important part of any study of African exports. The essential fact is that African exports are still heavily concentrated and are marketed mainly in the developed market economies. In 1965 these economies accounted for at least 80 per cent of exports of primary commodities from developing Africa.^{1/} From this it

1/ For a more detailed discussion of the statistical characteristics of African exports, see document E/CN.14/WP.1/4, "The Relevance of UNCTAD to Africa's Trade Problems", Chapter III; and for a more detailed examination of the role of the first ten leading commodities in individual countries, see document E/CN.14/377, "A Survey of Economic Conditions in Africa, 1960-1964", pp. 381-386.

follows that any very marked rate of growth in primary commodity exports can only result from corresponding increases of imports on the part of the developed market economies.

Primary exports to the developed market economies

24. Table II - 7, which is based on supporting tables for the individual countries, shows three related sets of figures: the value of the combined imports of 17 commodities in 1961 and 1965 into the EEC, the EFTA countries and the US from all sources, from the developing African countries, from other developing countries, from the developed market economies and from the centrally planned economies; the market shares in 1961 and 1965 accruing to the various groups of countries; and the average annual rates of growth between 1961 and 1965 of imports into the developed market economies from the various sources.

25. A striking feature of Table II - 7 is that the rates of growth of imports from Africa between 1961 and 1965 were greater than those of imports from all sources for 13 of the commodities listed; was equal to the total rate of growth for one commodity; and were less than the total for 3 commodities. These relative changes necessarily meant that Africa's share of the total market for most of these commodities increased during the period. In this way, it may be noted that by dint of higher-than-average growth rates, Africa increased its share of the markets for coffee, cocoa, citrus fruits, rubber and petroleum while the share of the other developing regions fell. For sugar, tea and manganese ore it was both the developing countries as well as the centrally planned economies whose shares of the market dropped; for iron ore, sisal and tin it was the developing countries and the developed market economies; and for wood and phosphates the developed market economies only. Where African market shares diminished, the relatively slow growth of copper imports from Africa redounded to the benefit of other developing countries and the centrally planned economies; and of oilseeds and oil nuts to that of the developed market economies alone.

Imports of leading African primary commodities into selected developed economies¹ 1961 - 1965

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✓ The US, REC and SPTA.

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26. It is worth remembering that the commodities listed in Table II - 7 account for a high proportion of total African exports, and that trade with the countries covered by the table is responsible for most African trade in the selected products.^{1/} As far as the commodities listed in the table are concerned, the general condition must be that the export experience of the African region during this period has been generally favourable - particularly as the commodities for which the growth rates of these countries' imports from Africa were higher than average accounted, in 1965, for almost three-quarters of the value of all 17 commodities.^{2/}

27. Further implications may be drawn from the table by classifying the commodities listed in terms of both the total demand for them in the developed market economies and in terms of African supply. These joint criteria give rise to five categories which are described in Table II - 8, where the distribution of the 17 commodities by categories is shown together with the proportion of each category in relation to the total value of African exports of these commodities in 1965. As in the earlier discussion of leading exports, a growth rate of 5 per cent per annum is made the touchstone of whether a commodity is slow- or fast-growing. It should be noted that this criterion is different from that used in the initial discussion of Table II - 7. Then the measure of performance was that of the world as a whole; and Africa could be said to have done relatively well when it performed better than the rest of the world. As the examples of cocoa and rubber show, however, relatively good performance in this sense was not necessarily inconsistent even with an actual reduction in imports from Africa as long as imports from other sources of supply fell more sharply. In the present context relatively good performance is construed in terms of commodities or commodity groups

1/ Making a rough adjustment for the weight of c.i.f., it may be calculated that exports of the 17 commodities to the countries covered in the table were responsible for at least 65 per cent of African primary exports to all markets in 1965.

2/ Favourable here is still being used in the straightforward sense of better than world experience.

for which the rate of growth of imports was 5 per cent or more per annum; and the first use to which Table II - 8 may be put is to show that sales of commodities which by value represent more than three-quarters of Africa's exports of the selection of commodities considered here grew quite fast between 1961 and 1965.

28. Rapid increases in African exports of these commodities were associated with a variety of demand conditions in the developed market economies. Table II - 8 in fact distinguishes three different sets of circumstances under which African commodity exports were able to expand rapidly. Most of the commodities of main interest to Africa fall into category I and were therefore products for which demand in the industrialized market economies grew by more than 5 per cent per annum and for which the average annual rates of increase in purchases from Africa were even higher than those of demand. However, the aggregate changes in demand for African exports in the developed market economies were the outcome of some times sharply contrasted changes in the individual developed countries. For example, most citrus fruits from Africa are marketed in the EEC countries, and between 1961 and 1965 imports into these countries increased by \$44 million. In relative terms this represented an average annual increase of 9.2 per cent, compared with a corresponding increase of 10.7 per cent in 1966 imports of citrus fruits from all sources. Imports into the United Kingdom increased in the aggregate, but those from Africa actually declined during the period. Citrus fruits are not exported from Africa to the United States. Exports to the EFTA countries, other than the United Kingdom, however, increased at an annual compound rate of 48.1 per cent between 1961 and 1965, against an increase of 6.8 per cent per year for imports into these countries from all sources; and the absolute value of the African increase was \$4 million. The net result of all these changes was that imports from Africa into the developed market economies as a group increased by 9.0 per cent per annum between 1961 and 1965 - marginally higher than imports from all sources; and the African share of citrus fruit market in these countries increased from just below to just above 25 per cent.

TABLE II - 8

Classification of selected imports from Africa into leading developed market economies according to demand and supply rates of growth

Category	Commodities	Weight of category in 1965 value
I. Fast-growing demand with higher-than-average increase in African supply	Citrus fruits, wood and timber, iron ore, phosphates, petroleum and tin	50.1 ^{1/}
II. Fast-growing demand with fast-growing but lower-than-average increase in African supply	Copper	11.8
III. Fast-growing demand with slow-growing increase in African supply	Oilseeds and oil nuts, vegetable oils	10.2
IV. Slow-growing demand with fast-growing increase in African supply	Manganese ore, sugar, coffee	14.4
V. Slow-growing demand with slow-growing increase in African supply	Sisal, rubber, raw cotton, cocoa, tea	13.2

Source: Table II - 7.

^{1/} - 32.3 per cent without petroleum.

29. Among the other commodities in category I, only for petroleum and iron ore were the relative increases in imports from Africa into each of the different groups of developed market economies greater than imports from all other sources. Imports of African phosphates into the EEC countries - the dominant market - grew at the same rate as imports from other sources; and a higher-than-average rise in shipments to the United Kingdom was thus responsible for the inclusion of phosphates in category I. The increase in sales to the United Kingdom was also largely responsible for the favourable position of tin; and a somewhat better-than-average performance in sales to the EEC countries (again the principal buyers), explains the marginally higher rate of growth of wood imports from Africa as compared to similar imports from all sources.

30. As may be seen from Table II - 7, demand for copper in the developed market economies rose at the rapid rate of 10.3 per cent per annum between 1961 and 1965; imports from Africa on the other hand rose by 6.6 per cent. A rate of growth of almost 7 per cent per annum would not normally be a cause for complaint. In this instance, however, it is worth enquiring into the decline of the African share in the copper market - particularly given the importance of copper in African total exports. Normally the most important importers of African copper are the United Kingdom - mainly from Zambia; and Belgium - from Congo (Kinshasa). In the period under review, imports from Africa into both countries did increase - by 5 and 3 per cent per annum respectively. Imports from all sources, however, grew more rapidly - by 9 and 5 per cent respectively; and these contrasts largely explain why the rate of growth of copper imports from Africa was lower than that of imports from all sources.^{1/}

31. More serious in a way than the copper experience, were the developments in category III, affecting oilseeds, oil nuts and vegetable oils. In both cases, demand grew by more than 5 per cent per annum, but imports from Africa increased by less - by 1 per cent per annum in the case of

^{1/} The sluggish increase in imports into Belgium reflects, at least in part, the extra-economic difficulties of Congo (Kinshasa).

oilseeds and oil nuts and by 4.7 per cent in the case of vegetable oils. Most of the increased market for oilseeds and oil nuts was captured by developed market economies themselves; and the principal beneficiaries of the larger demand for vegetable oils were the centrally planned economies. These illustrate how African trading interests may be threatened by competition from more developed country groups.

32. More comfort may be drawn perhaps from the experience of commodities in category IV. In the face of slow-growing (and in one case mildly declining) demand, shipments of manganese ore, sugar and coffee from Africa increased at a rate sufficient to put them in the fast-growing class. Apart from the evident fact that high rates of shipments are more difficult to maintain in sluggish markets, it should be noted that the rapid increase in African sugar sales owed much to the United Kingdom market and the Commonwealth Sugar Agreement, and that the advances in coffee - which owed something to the development of soluble coffees and the technical advantages of robustas for this purpose - will be difficult to repeat within the framework of the International Coffee Agreement.

33. Category V represents commodities which - on the evidence of the period covered - are unequivocally cause for serious concern. The commodities in this category fall into two groups. The first group - sisal, rubber and raw cotton - comprises commodities which face serious competition from synthetics. An earlier United Nations estimate of the weight of such competition suggests that about one-third of the sisal exported from Africa, two-thirds of the raw cotton and all of the rubber have to compete with industrial substitutes^{1/}; and it is evident from Table II - 7 that this competition is cutting in African export earnings from the commodities concerned. The second group comprises cocoa and tea. The problems of cocoa have been discussed earlier; but it may be remarked here that both products are faced with low income elasticities of demand and a tendency to expanding production.

1/ Proceedings of the UNCTAD, Vol. III, Commodity Trade (E/CNCF.46/141).

34. Information available on imports into Japan is less comprehensive than that for the developed market economies covered by Table II - 7. It is, nevertheless, possible to identify certain trends and problems. Thus, Japanese imports from Africa of coffee, cocoa and iron ore all increased at significantly higher rates of growth than did similar imports from all sources. The increase in imports of cocoa and iron ore were particularly striking, and amounted to \$5 million and \$15 million respectively. Imports of oilseeds and oil nuts, on the other hand, grew by 4 per cent per annum between 1961 and 1965 as compared to a 14 per cent per annum increase in Japanese imports of these commodities from all sources. And although Japan's imports of wood from the world as a whole increased by 17 per cent per annum in this period, the corresponding imports from Africa actually declined - from \$1.2 million to \$767 thousand.

35. It is also possible to comment on products of significant export interest to Africa which are not covered by Table II - 7. It may be recalled from Table II - 2 that diamonds, which are included among the twenty leading commodities, grew at an apparent compound rate of 4.7 per cent between 1960 and 1965. Changes in marketing arrangements in Africa and particularly in the purchasing methods of the United States - which now buys a higher proportion of its total requirements directly from Africa to the detriment of intermediaries - obscure the trends in demand in particular markets.

36. The increase in the export of fresh and frozen fish from Africa to the EEC countries is worth mentioning. At \$12.9 million in 1965, such exports accounted for less than 0.1 per cent of total exports from Africa. They did, however, grow at an extremely high rate of well over 30 per cent per annum between 1960 and 1965; and this, together with the increasing exploitation of the African coast line by major fishing nations (especially Japan), suggests that, contrary to previously received notions, fish may represent a particularly promising African export - especially if the prevailing high tariffs in overseas markets were to be reduced. On a still smaller scale, and based again on recent trade with the EEC countries, similar remarks could be made concerning the export of chilled and frozen meat.

37. In contrast to these promising developments, mention might be made of the relatively marked decline in wheat exports. Such exports do not carry any great weight in African total exports, but are of significance to a number of North African countries. According to EEC statistics imports of wheat from Africa into member countries declined from \$10.9 million in 1960 to \$1.5 million in 1965. To some extent, the fall may be explained by rising domestic demand in the producing countries. To a further extent, however, it may also be explained by a worsening in conditions of access in the importing countries.

38. Tables II - 9 and II - 10 contain information on additional thirteen primary commodities not dealt with in Tables II - 5 and II - 7. There is some difference in treatment, the additional thirteen commodities being considered from the point of view of their position in the selected developed market economies in 1965 only; also as far as the African countries participating in the export of these commodities are concerned, only the share of these countries in total African exports of the commodities under consideration is shown (but not the contribution of these exports to each country's total export earnings). The value of total imports of these thirteen commodities by the selected developed market economies in 1965 ranged from \$82 million (rice) to \$1,773 million (meat). The share of Africa in these imports varied from 0.7 per cent (meat) to 17.8 per cent (lead ores). Exports of fish were already discussed in paragraph 36.

39. African exports of rice, which reached an average of nearly \$8 million during 1961-1963, declined to about \$6 million in 1965. Almost all such exports came from the UAR (91 per cent) and the Malagasy Republic (5.5 per cent), representing 7 per cent of total imports of rice by the selected developed market economies. It would appear that due to the increase in consumption within the region and competition from Asian producers and the United States, there is little likelihood of substantial increases in African exports in the next few years.

40. Exports of bananas are very important to Somalia (main African exporter with almost 40 per cent of the total). The other leading African exporters are the Ivory Coast (27.4 per cent) and Cameroon (18.5 per cent).

TABLE II-9
Imports of thirteen selected Africa primary commodities ^{1/} into selected developed market economies ^{2/}, 1965

Commodity	3ITC No	Value of imports (US\$ 000)					Market shares (in percentage)				
		Imports from all sources	Imports from developing Africa	Imports from other developing countries	Imports from developed market economies	Imports from centrally-planned economies	All sources	Developing Africa	Other developing countries	Developed market economies	Centrally-planned economies
Meat, fresh, chilled, frozen	011	1,773.0	11.8	300.0	1,364.8	95.2	100.0	0.7	16.9	77.0	5.4
Fish fresh, simply preserved	031	604.8	12.9	21.6	552.7	8.3	100.0	2.1	3.6	91.4	1.4
Rice	042	82.1	5.7	25.4	48.6	2.2	100.0	6.9	30.9	59.2	2.7
Bananas	051.3	517.6	73.8	430.3	13.4	-	100.0	14.3	83.1	2.6	-
Vegetables	054	1,004.7	106.1	105.4	716.9	76.3	100.0	10.6	10.5	71.4	7.5
Spices	075	98.2	17.1	61.7	14.2	5.2	100.0	17.4	62.8	14.5	5.3
Tobacco, raw	121	788.7	118.7	131.8	512.4	25.4	100.0	15.1	16.7	65.0	3.2
Hides and skins	211	488.6	49.7	88.9	322.9	26.4	100.0	10.2	18.2	60.1	5.5
Bauxite	283.3	184.4	6.7	156.0	21.4	0.2	100.0	3.6	84.6	11.6	...
Lead ores	283.4	110.0	19.6	23.1	64.4	2.7	100.0	17.8	21.0	58.5	2.5
Zinc ores	283.5	165.4	19.3	37.8	107.9	0.2	100.0	11.7	22.9	65.2	...
Lead, alloys unwrought	685.1	244.1	7.8	46.1	178.6	11.8	100.0	3.2	18.8	73.2	4.8
Zinc alloys unwrought	686.1	225.3	10.7	15.6	159.9	39.1	100.0	4.7	6.9	71.0	17.4

Source: United Nations, Commodity Trade Statistics, 1965

^{1/} See also Table II-7

^{2/} The US, EEC and EFTA

Imports from Africa amounted to over 14 per cent of total imports of bananas into the selected developed market economies. The leading importing markets were the EEC, especially Italy (for Somali bananas) and France (for Franc zone bananas). However, African imports continued to be negligible in the Federal Republic of Germany (the second largest importing country in the world for this commodity), due to the regime of free tariff quotas enabling this country to satisfy most of its requirements from Latin America.

41. Africa's share of selected developed market economies, imports of vegetables was 10.6 per cent in 1965, slightly above that of the other developing regions. African exports came mainly from the UAR, Morocco and the Malagasy Republic. Exports of spices and of hides and skins from Africa amounted to respectively over 17 per cent and 10 per cent of total imports of these commodities by the developed market economies. The main African exporting countries are listed in Table II - 10. As regards tobacco, it was already mentioned that it could have been included in the list of the leading African primary commodities in Table II - 7, but that it was excluded for special reasons. In any event, it would appear that in 1965 Rhodesian exports (accounting for 83 per cent of total African exports of tobacco) increased considerably over 1964.

42. Africa plays a fairly significant role in imports of certain minerals by the developed market economies, with an almost 18 per cent share in the case of lead and 12 per cent for zinc. These commodities are characterized by their concentration in a few exporting countries (see Table II - 10). As regards bauxite, it would appear that some increase in both the volume of shipments and the number of exporting countries can be expected in view of the recent exploitation of new deposits, although a certain amount of the new production may become destined for further processing connected with the development of hydroelectric projects.

TABLE II - 10

Country participation in the export of thirteen
selected primary commodities, 1965^{1/2/}

Commodity	Countries engaged in export
Meat	Rhodesia (50.0), Madagascar (16.5), Ethiopia (8.3), Kenya (8.3), Angola (4.3), Uganda (2.6), Chad (2.1), Tunisia (1.7), Upper Volta (1.1), Mali (1.0), Niger (0.9), Cameroon (0.7), Sudan (0.3), Zambia (0.2)
Rice	UAR (91.0), Madagascar (5.5), Morocco (1.1), Angola (0.4)
Bananas	Somalia (39.4), Ivory Coast (27.4), Cameroon (18.5), Guinea (5.3), Ethiopia (3.7), Madagascar (2.2), Mozambique (1.4), Sudan (1.0), Congo (Kinshasa) (0.2), Ghana (0.2), Nigeria (0.2), UAR (0.2)
Vegetables	Morocco (36.8), UAR (27.5), Madagascar (4.5), Algeria (2.4), Tanzania (2.4), Sudan (1.9), Angola (1.8), Kenya (1.8), Niger (1.8), Rhodesia (1.0), Upper Volta (0.6), Ethiopia (0.2), Mozambique (0.2), Tunisia (0.2), Mali (0.1), Zambia (0.1), Uganda (0.1)
Spices	Madagascar (28.8), Morocco (22.9), Tunisia (21.3), Uganda (3.5), Kenya (2.1), Nigeria (1.3), Cameroon (0.7), Tanzania (0.5), Togo (0.4)
Tobacco	Rhodesia (82.8), Zambia (4.2), Madagascar (2.2), Angola (0.9), Tanzania (0.8), Cameroon (0.5), Central African Republic (0.1), Congo (Kinshasa) (0.1), Ivory Coast (0.1), Libya (0.1), Tunisia (0.1), Uganda (0.1)
Hides and skins	Nigeria (21.4), Ethiopia (20.5), Kenya (10.7), Tanzania (9.2), Uganda (7.6), Sudan (7.2), Rhodesia (5.3), Madagascar (3.1), Libya (2.3), Tunisia (2.2), Upper Volta (2.2), Cameroon (1.4), Niger (1.4), Mozambique (1.2), Chad (1.1), Senegal (1.1), Angola (0.7), UAR (0.7), Central African Republic (0.4), Ivory Coast (0.2), Morocco (0.1)
Bauxite	Ghana (100.0)
Lead ore	Morocco (98.7), Nigeria (1.3)
Zinc ore	Morocco (54.9), Congo (Kinshasa) (43.7)
Lead, unwrought	Zambia (39.7), Tunisia (38.2), Morocco (22.1)
Zinc	Congo (Kinshasa) (54.6), Zambia (45.4)

Sources: United Nations, Yearbook of International Trade Statistics, 1965;

1/ See also Table II - 5.

2/ The figure in brackets denotes the share of the country in total African exports of each commodity.

Developments in world markets

43. In recent years, the pattern of demand in the developed areas has been shifting away from the traditional primary commodities under the impact of important technological and scientific changes. Outstanding among them has been the continuing development of new types of synthetic materials for specific end-uses. The principal advances have been made in man-made fibres, both cellulosic and the newer non-cellulosic types, which have made considerable inroads into the traditional apparel uses of cotton and wool in the developed countries; synthetic rubber, which has now by far surpassed the natural product in world elastomer consumption; and plastic materials of constantly increasing variety, which compete with a wide range of natural materials in a wide range of industrial processes. Over the decade from 1953-1955 to 1963-1965, the consumption of all man-made fibres in the developed market economies more than doubled, while consumption of synthetic rubber rose by over two-and-a-half times, and of plastic materials by over three times.

44. The rise in the proportion of man-made fibres in total apparel fibre consumption is a general indication of the degree to which cotton and wool have been displaced by these newer fibres. In terms of total weight, the relative importance of man-made fibres grew from 26 per cent in 1953-1955 to 30 per cent in 1959-1961, but the substitution process appears to have speeded up during the first half of the Development Decade, the proportion for 1963-1965 having risen to 39 per cent. A better indicator of substitution than weight can be obtained by expressing the consumption of each fibre in terms of value at constant prices; on this basis, the rate of substitution against the natural fibres has been greater than would appear from the crude weight comparison, with nearly 60 per cent of the volume of apparel fibre consumption in the developed market economies in 1963-1965 consisting of synthetic products.

45. The rate of growth in consumption of synthetic rubber, which had been as high as 12 per cent a year in the latter part of the 1950s, was fully maintained in the first half of the Development Decade - which is unusual for a relatively new technological development. Synthetic rubber

accounted for as much as two-fifths of all rubber consumption in 1953-1955 (it had already made great strides during and immediately after the war), yet by 1963-1965 there had been a further substantial relative substitution though, in absolute terms, natural rubber consumption in the developed market economies was still increasing (but by only about 3 per cent a year). The prospect is for a further extension of the area of substitution against natural rubber with the recent development of new stereo types of synthetic rubber.

46. Plastic materials substitute against a wide range of other materials including non-ferrous metals, rubber, steel, timber, leather, jute, hard fibres and paper. The rapid expansion of plastics output has been associated with the high growth rate in the petro-chemical industries of the developed countries, since natural gas, petroleum and cellulose provide a major chemical basis for a wide range of plastic materials. The rate of growth in consumption in the first half of the Development Decade (11 per cent a year), though somewhat below that from 1954 to 1960 (over 14 per cent a year), was still far in excess of that of any of the natural materials with which plastics compete.

47. The second major development affecting the position of the traditional commodity exports of the developing countries has been the expansion of output of competing natural products within the developed areas. The outstanding example has been the increase in beet sugar production in the United States and Western Europe since 1961, though production in the USSR also showed a notable increase. This growth in relatively high-cost beet production was made possible by the extensive systems of agricultural protection in the developed countries. In the developed market economies, the share of domestic production in total consumption of sugar fell slightly between 1953-1955 and 1957-1961 (from 63 to 60 per cent), but by 1963-1965 the proportion had risen to 73 per cent. Had the domestic component of consumption remained at the 1957-1961 proportion, the scope for additional imports from the developing countries would have amounted to an average of three million tons a year in the period 1963-1965, representing one-quarter of the actual sugar exports of the developing countries to all destinations in that period.

48. The rise in the proportion of consumption of oils and fats supplied by domestic sources in the developed areas has been relatively small, and can be attributed only in part to protection against imports. In larger part, the expansion in domestic output reflects the growing availabilities of animal fats as a by-product of the increasing output of the livestock industries of North America and Western Europe, and also the great expansion of relatively low-cost soya bean production in the United States. The high proportion (over 80 per cent) of raw cotton consumption met by domestic output in the developed market economies results essentially from the price-support policies of the United States. In tobacco, the developed countries are dependent to only a marginal extent on imports from developing countries, though the latter account for about 40 per cent of world tobacco exports. United States production, which accounts for by far the greater part of output in the developed market economies, is also supported by domestic farm price policies aiming to maintain remunerative prices for producers.

49. Though it is not possible to estimate with any degree of accuracy the net effect which protectionist policies in the developed countries have had in retarding the rate of growth in the primary commodity exports of the developing countries, it would appear that the effect has probably been substantial, particularly in temperate-zone agricultural products (e.g. sugar, fats and oils and cotton); and that, in this respect, the relative position of African and other developing countries in the markets of the developed countries tended to deteriorate, on balance, in the first half of the Development Decade.

50. Thus, within the developed market economies - the main consumers of commodity exports of the African and other developing regions - the first half of the Development Decade has witnessed a continuation both of structural economic changes arising out of the process of economic growth (in particular, the further development of synthetic materials), and of government policies which, apparently, resulted in an increase rather than a diminution of protection for several temperate-zone agricultural products. Both these developments had significant effects on the growth rate of exports from African and other developing countries.

51. Within African and other developing countries themselves, two particular features of the situation during the first half of the Development Decade call for special mention. First, the largely unorganized and small-scale nature of production of a great number of primary commodities, together with the lag in supply response to changing market conditions so characteristic of tree crops such as coffee, have led to a continuation of substantial price instability in many commodity markets. Indeed, the application of new technological advances, since the beginning of this Decade, to improved cultivation techniques and yields of a number of primary commodities has had the perverse result of inducing an increase in unsold stocks or of contributing to a decline in prices. The expansion in the agricultural export surplus of African and other developing countries has, to this extent, contributed to the weakness of many agricultural prices over the first half of the Development Decade.

52. Second, the rate of diversification of the export sectors of the developing countries, particularly diversification away from commodities already in chronic surplus - let alone those likely to come into that category in the future - has been relatively insignificant. For the majority of African and other developing countries, the degree of export specialization in primary commodities in 1965 was much the same as a decade earlier, although with some notable exceptions. Unfortunately, many of the smaller African countries, in particular, have not had sufficiently wide resource endowments nor existing alternative employment possibilities to enable an appreciable switch in the structure of production to be made where this might have been appropriate in the changing conditions of world markets. This difficulty in altering the existing pattern of resources allocation and of employment possibilities indicates, in some cases, also, the existence of certain structural rigidities in the economies of these countries, as well as an insufficiency of both domestic and external financial resources to support viable diversification programmes.

Exports of primary products to the centrally planned economies

53. Some discussion of the structure of primary commodity exports to the centrally planned economies can be found in Chapter I (paras. 64 and 67). Suffice it to mention, at this point, that, as with the developed market economies, the imports of primary commodities defined as comprising SITC sections 0 to 4 inclusive by the centrally planned economies from Africa dominate the total of African imports. Also, although total exports to the centrally planned economies from Africa grew at a somewhat lower rate than those to the developed market economies between 1960 and 1965, exports of food, beverages and tobacco and of crude materials, excluding fuels, registered relative gains; and the increase in exports of food, beverages and tobacco was particularly marked.

Exports to developing countries

54. If African agricultural potential - for example, in wheat - were to be fully developed, it is possible that the other developing regions of the world could become relatively important customers for African primary exports. At present the other developing regions probably rank about equal with the centrally planned economies as outlets for African exports, which are slightly less concentrated on primary products than exports to the other two country groups. Among the SITC sections which are being taken to constitute primary products for present purposes, the rate of expansion of mineral fuel exports to developing countries was almost as marked as that of exports to the developed market economies; exports of food, beverages and tobacco increased slightly faster than those to the developed market economies but considerably less fast than those to the centrally planned economies; and exports of crude materials, excluding fuels, declined.

C. Tariff and non-tariff barriers to African exports of primary commodities

55. Chapter III contains some general discussion of the post-Kennedy Round situation, and comprehensive tables showing pre- and post-Kennedy Round tariffs and non-tariff restrictions on selected African primary commodities imported into the EEC countries, the United Kingdom, the United States and Japan - as well as detailed textual commentary - can be found in the paper on Tariff and other obstacles facing selected products of export interest to Africa after the Kennedy Round. It may be sufficient therefore, at this point, to summarize and make a general evaluation of the post-Kennedy Round situation (without going into the question of the extent of reductions made) regarding some of the leading African primary commodities discussed in this Chapter, in terms of their imports in 1965.

56. Where a range of tariffs applies to one product, only those rates which appear to be relevant to Africa are shown whenever this is ascertainable. The preferential arrangements in the EEC and the United Kingdom are taken into account. Since as of 1 July 1968 all imports into the EEC from the Associated African and Malagasy States (AAMS) - and probably also from Algeria - will enter duty-free, the value of imports from these countries is taken to belong in this category. In the case of Morocco and Tunisia, imports from these countries generally enjoy privileged treatment in the French market (and are taken to belong in the duty-free category), but not in the other EEC countries. However, the implications of the common agricultural policy of the EEC (not explicitly taken into account here), have to be kept in mind in connexion with the following analysis.

TARIFFS^{1/} AND NON-TARIFF RESTRICTIONS

	<u>EEC</u>	<u>UK</u>	<u>US</u>	<u>Japan</u>
I. <u>Agricultural commodities</u>				
(a) <u>Foodstuffs or mainly edible</u>				
Coffee	13	5-10 4s.8d - 14s/cwt	0	0
Cocoa	5.4	0	0	0
Groundnuts	0	10	32.8 Q	0-20 GQ
Oranges	15-20	5-7	16.7	20-40 Q
Sugar	80 GQ(B,G)L(I)	10.7	10.1-12.3 Q	52-76 GQ
Bananas	20 GQ(I)	12.6	0	70
Palm oil	0-14 Q(G)	10	0	8
Tea	9-11.5	0	0	0-35 GQ
Groundnut oil	10-20 Q(G)	15	4 4 /1b Q	20 GQ
(b) <u>Raw materials</u>				
Raw cotton	0	0	8.1	0
Sisal	0	0-8	0-5	0
Hides and skins	0	0	0	0
<u>Total agricultural commodities</u>				
II. <u>Petroleum</u>	0 Q(F)	3s.3d/gal	4.5 Q	13

	<u>EEC</u>	<u>UK</u>	<u>US</u>	<u>Japan</u>
III. <u>Minerals</u>				
Copper	0	0-5	2.8(0) ^{2/}	2.5-8.5
Iron ore	0	0	0	0
Natural phosphates	0	0	0	0
Tin and alloys	0	0	0	0
Bauxite	0	0	0	0
IV. <u>Forest products</u>				
Wood in rough or roughly squared	0	0	0	0

1/ Generally ad valorem, in a few cases specific.

2/ Duty suspended until 30 June 1968.

IMPORTS, ¹/1965
(mill.US\$)

	<u>EEC</u>				<u>UK</u>		<u>US</u>		<u>Japan</u>	
	<u>Morocco-</u>		<u>Common-</u>		<u>Others</u>		<u>Others</u>		<u>Others</u>	
	AAMS	Algeria	Tunisia	Others	wealth	Others	F	D	F	D
	F	F	F	D	F	D	F	D	F	D
I. <u>Agricultural commodities</u>										
(a) <u>Foodstuffs or mainly edible</u>										
Coffee	135.7				84.5	24.3	5.5	245.6	4.5	
Cocoa	82.7				75.7	37.4	1.1	83.5	10.6	
Groundnuts	60.7			74.5	13.8		1.2		1.8 ^{2/}	
Oranges		31.8	51.1	22.6	0.1	0.2		3.4		
Sugar	34.6		0.1	0.3	2.0	62.3		0.3	4.0	
Bananas	70.9				6.1	0.3		1.2		
Palm oil	40.3					16.0			0.3	
Tea	0.2				2.9	2.5	8.2		6.6	
Groundnut oil	9.4				4.8	22.2				
(b) <u>Raw materials</u>										
Raw cotton	27.8	0.3	0.2	94.6	5.9	22.2			7.1	34.6
Sisal	4.4		0.5	26.6	15.0				3.6 ^{2/}	3.0
Hides & skins	6.5	4.5	0.1 0.1	18.5	6.2	2.7		8.9		0.2
II. <u>Petroleum</u>	19.7	396.7	35.1	737.5	131.7		215.2	51.2		
III. <u>Minerals</u>										
Copper	193.1			175.3	196.6	2.4 ^{2/}	1.7 ^{2/}	1.9 ^{2/}		62.7
Iron ore	49.6	13.6	1.6 7.9	128.3	5.9	55.0		22.1	15.1	
Natural phosphates	17.0	0.8	37.1 43.5			19.4		0.4	12.5	
Tin & alloys	5.1			5.0	22.3			7.7		
Bauxite				2.9	3.8					

	<u>BEC</u>				<u>UK</u>			<u>US</u>		<u>Japan</u>	
	AAMS	Algeria	Morocco- Tunisia	Others	Common- wealth	Others					
	F	F	F	D	F	F	D	F	D	F	D
IV. <u>Forest products</u>											
Wood in rough or roughly squared	154.1			34.1	10.8	7.3		1.4		0.7	

1/ F = Free; D = Dutiable. Only values of at least \$0.1 million are shown

2/ The allocation between free and dutiable is estimated.

Recapitulation	<u>EEC</u>		<u>UK</u>		<u>US</u>		<u>Japan</u>	
	F	D	F	D	F	D	F	D
I. <u>Agricultural commodities</u>								
(a) <u>Foodstuffs</u>								
Imports	592.0	199.1	211.4	11.6	336.0	3.9	16.9	
Free as % of total	74.8		94.8		98.9		100.0	
Dutiable as % of total		25.2		5.2		1.1		
(b) <u>Raw materials</u>								
Imports	183.9		52.0		8.8	10.7	37.8	
Free as % of total	100.0		100.0		45.1		100.0	
Dutiable as % of total						54.9		
II. <u>Petroleum</u>								
Imports	1,189.0		131.7	215.2		51.2		
Free as % of total	100.0		38.0					
Dutiable as % of total				62.0		100.0		
III. <u>Minerals</u>								
Imports	681.0		305.4	1.7	32.1		27.6	62.7
Free as % of total	100.0		99.4		100.0		30.6	
Dutiable as % of total				0.6				69.4
IV. <u>Forest products</u>								
Imports	188.2		18.0		1.4		0.7	
Free as % of total	100.0		100.0		100.0		100.0	
<u>All imports listed</u>								
Total	2,834.1	199.1	718.5	228.5	378.3	65.8	83.0	62.7
Free as % of total	93.4		75.9		85.2		57.0	
Dutiable as % of total		6.6		24.1		14.8		43.0

57. The following main observations can be made on the basis of the preceding summary presentation of tariffs and non-tariff restrictions on certain leading African primary commodities in the main developed market economy countries.

58. Among the commodities under consideration, tariffs are nil on all the minerals, except copper, and on wood in the rough and hides and skins in all four markets. Tariffs are also nil in most of these markets for cotton and sisal. There are duties on petroleum in all four markets except the EEC, and non-tariff restrictions in France and the United States. Thus, generally speaking, duties on raw materials - both of mineral and agricultural origin - are mostly non-existent or, where applicable, rather moderate. But in the case of foodstuffs tariffs are much more prevalent and, in some cases, very high (especially for sugar), and non-tariff restrictions are significant.

59. In terms of the value of imports of the listed commodities in 1965 into the four main markets, 93.4 per cent of such imports into the EEC belong to the duty-free category, and the corresponding proportions are 75.9 per cent for the United Kingdom, 85.2 per cent for the United States and 57.0 per cent for Japan. However, a few significant deviations from these averages can be observed with respect to the component commodity groups. Thus, duty-free entry into the EEC is only 75 per cent in the case of foodstuffs; only 45 per cent for agricultural raw materials imported by the United States; only 38 per cent for petroleum imports into the United Kingdom; and only 31 per cent for minerals in the case of Japan. Consequently, while generally speaking, tariffs on African exports of primary commodities to the main developed market economies are considerably lower than on exports of semi-manufactured and manufactured products from the region (see Chapter III, paras. 67 and 68) and very often nil, they still constitute a considerable obstacle to market penetration particularly for certain foodstuffs in some of these markets. Also, for foodstuffs, non-tariff restrictions are prevalent and, in some cases, may well be an even greater obstacle to African exports than are some of the tariffs.

D. Policy consideration

60. Much of the discussion of African primary commodity exports has, with good reason, been focussed on trade with developed market economies. It has been seen that in general terms African exports of primary commodities to these economies have fared reasonably well in the first part of the Development Decade; although it has been recognized that changes in this period have been determined by many factors, not all of which may be expected to continue to operate in the future. However, even if the evidence of earlier pages were to be taken completely at its face value, there would still be no grounds for complacency; and it would still be necessary to recognize that determined policy action is required if African primary exports are to play their full part in African economic development.

61. As was indicated earlier, Africa's primary commodity exports as they are at present constituted can only impart a relatively weak impetus to general economic growth. A basic policy problem in Africa is therefore to diversify the export structure. And for this purpose it is necessary that the developed market economies should modify their tariff structures in such a way as to make this diversification, by means of further processing of presently available commodities, easier than it is now. In the absence of such an option towards increasing their export earnings there is some temptation, within existing climatic conditions and resource endowments, for developing African countries to invest ever more resources for increasing the volume of their existing primary commodity exports as to attempt to diversify simply by expanding their range of primary products. If such a policy is followed without discrimination or restraint it can only lead to the disorganization of the markets for these commodities through over-supply, since the capacity of the African region to increase production is very great in relation to the rate of increase of world demand for so many of them. Indeed, there is some evidence that this happened in African and other developing countries between 1960 and 1965. It is, of course, easy to understand the

wish of individual developing countries to expand their export earnings by the most evident means available. And in the present disorganized state of the international commodity trade some countries will be forced to pursue a beggar-my-neighbour policy. Besides the door must be left open for new producers to take over portions of the commodity trade where they possess marked natural and other cost advantages in relation to existing producers.

62. Such expansion, however, is not without its problems. From the point of view of the individual country it adds to the export list products with no greater automatic impact on other domestic activities than those already on the list. From the point of view of the developing countries at large, it often - as in the case of cocoa, coffee and cotton - simply adds to the supply of products which are already confronting difficult demand conditions. In the circumstances, two things may be urged: that, once again, the developed countries should do everything they can to maximize the export earnings of the developing countries within their present export structure; and that a coherent and co-ordinated policy of export diversification for the developing countries as a whole is an urgent necessity.

63. The fact that African exports - partly for fortuitous reasons and partly because of genuine competitiveness - have done quite well between 1960 and 1965, should not be construed as suggesting that they could not or need not have been higher. Apart from tropical products like coffee and cocoa, and a few minerals such as manganese and tin, exports from developing Africa have to compete not only with the exports from other developing countries, but also with products from the developed market economies and the centrally planned economies. Many African primary commodities are faced with non-tariff barriers of one sort and another in their main markets; some - such as cocoa - are the subject of fiscal taxes in consuming countries; and some - such as citrus fruits, tea, groundnuts, groundnut oil, crude petroleum, diamonds and palm oil - are subject to varying rates of tariff duty, even after the Kennedy Round.

Even though it is not possible to measure the precise effect of the removal of the relevant tariffs, non-tariff barriers, fiscal taxes and sheltered competition on African export earnings, it can be surmized from the available facts that it would certainly not be negligible.

64. It may therefore be urged that the developed market economies should be invited to agree to a time-table and mechanism for the dismantlement of all these impediments to African exports. In issuing this invitation it may reasonably be pointed out that the developed countries, as a matter of considered policy, provide substantial amounts of foreign aid to the developing countries. Whatever may be said of the magnitude of such aid, its avowed purpose is to promote economic growth in the developing countries. There would therefore seem to be something inconsistent about providing aid for development on the one hand and condoning the continued existence of other, perhaps more serious, barriers to development on the other.

65. One particularly troublesome form of competition for some African products is that afforded by synthetic materials. It has already been seen that rubber, cotton and sisal are thus affected; vegetable oils are also affected to some extent by competition from synthetic detergents. Even if it were desirable it would probably not be possible to police or even try to deter technological progress. To some extent the adverse effects for Africa may be offset by increased promotional campaigns and by domestic efforts to increase the quality and lower the price of the relevant products. In some cases it may prove possible to move the factors of production now engaged in producing the threatened commodities into alternative lines of production. Where this is so, a strong case may be made for international assistance since, in the absence of such assistance, the developing African countries with a strong interest in the commodities in question would be being asked to bear unaided the costs of structural transformation in the international economy. No African, or other developing country's economy can sustain such a burden, least of all when its foreign exchange earnings are under pressure from the competition of synthetics.

66. As regards those commodities produced in substantial amounts in both developed and developing countries (e.g. sugar, vegetable oils), the fundamental problem derives from the protectionist policies in the developed countries. Some additional difficulties may be also caused by inadequate supply in the exporting countries; the emergence of low-cost production of identical products in some developed countries, or by the replacement of the traditional exports of the developing countries by natural substitutes produced in the developed countries. Any policies of reducing the degree of protection afforded to domestic producers in the developed countries have always come up against a tremendous amount of resistance. However, African and other developing countries must keep on insisting that at least the reduction of protection - if not its complete elimination which it is perhaps unrealistic to hope for immediately - is the real test of the developed countries' intentions of bridging the gap between them and the poorer countries and of their professed interest in a more rational international division of labour. The reduction of protection especially for the most uncompetitive producers, or at least a commitment not to increase it, on selected commodities of vital importance to African and other developing countries, could be a start in this direction. (A prime example of a largely heavily subsidized sector is beet-sugar production). Clearly, market-sharing arrangements would be a preferable solution. The costs of structural re-adjustments in the developed countries would certainly not be prohibitive, considering that only a relatively small number of primary commodities would be involved (mainly sugar, cotton, vegetable oils and oilseeds and certain minerals).

67. Considering the terminal data of 1960 and 1965 African exports moved generally upwards. In the period, however, export prices and earnings were liable to fluctuation. It may be wondered, however, if cross section statistical studies are the appropriate techniques for handling this question. What, after all, is important is the rate of growth of developing countries individually and not whether there is any correlation between the degree of export instability and the rates of growth when they are considered collectively. If, therefore, individual countries

might have grown more rapidly in the absence of instability than they did in the face of it, then there would still be reason to presume that export instability presents a serious problem for the developing countries.

68. In a perfect - or at least politically more flexible - world the stabilization of African export earnings might be subsumed in some grand policy design accepted by developed and developing countries alike. In the world as it is the developing countries have been forced to place much of their hopes in commodity agreements even where these are recognized as being imperfect instruments.^{1/} Much progress has been made in defining the objectives of commodity agreements; and it is now recognized that these should be to induce a stability in an upward trend of export earnings which is related to movements in import prices. Such objectives are difficult to achieve and in practice there is still some tendency for attention to be focussed on stabilizing prices within a specified range.

69. There can be no doubt that in appropriate conditions - the most important of which is an inelastic demand for the commodities in question over the relevant price range - that commodity agreements can result in higher export earnings than would accrue in their absence. For instance, on the evidence so far available, there is widespread agreement that the International Coffee Agreement has helped developing coffee exporters taken as a group. There is hope that an international cocoa agreement will soon be obtained and that it will do for the cocoa exporters what the Coffee Agreement has done for the coffee exporters. It has to be recognized, however, that even apart from questions of political will, the number of commodity agreements likely to be negotiated is small. It follows from this that many African countries may have to have recourse to requesting - on appropriate and favourable terms - considerably increased amounts of aid in order to enable them successfully to transform their economies.

^{1/} For a more extensive discussion of commodity agreements see The African Approach to the Second UNCTAD Conference (E/CN.14/WP.1/12/Add.1).

70. A dominant theme of this Chapter has been the concentration of African exports in the developed market economies. It was noted that, for example, the share of the centrally planned economies in African exports is at present less than 8 per cent. Although, given this relatively low initial weight, it would require really enormous increases in exports to these countries to make any significant impact on the overall trends in the trade of the region, it is still important to consider the prospects for increasing African exports to the centrally planned economies. As incomes rise in these countries it is to be hoped that the demand for many African products will rise correspondingly. It may be recognized that countries which operate a central planning mechanism are in a particularly favourable position deliberately to increase imports from Africa should they wish to do so. Obviously any such increase should be on terms at least as favourable to the African countries as they could obtain by selling their products in their present main markets. Nor should the centrally planned economies insist on rigid barter agreements which might result in African countries being forced to buy goods from them on less favourable terms than could be obtained elsewhere. If all of this means that the centrally planned economies need to increase the trade flows among themselves and between them and the developed market economies in order to be able to trade with Africa on acceptable terms, then of course the African countries should support them in this provided only that such trade expansion is organized on rational economic lines.

71. In the last resort the economic development of Africa will depend on the efforts of the African countries. This is as it should be. The economic development of Africa, however, is of concern to the world at large, since economic growth in Africa not only enhances the lot of the African people but also the prosperity of the international economy. Excluding South Africa, Africa after all comprises almost 300 million people. Thus every \$10 increase in African annual per capita income increases the continent's purchasing power by \$3,000 million. Much of

this additional purchasing power would, it is hoped, be deployed in Africa on African goods and services. For as far ahead, however, as may be seen a significant part of the increased purchasing power would undoubtedly redound to the benefit of the countries providing Africa with imported goods. It is therefore not unreasonable for the African countries to expect such changes in international economic policy as would facilitate their trade and thereby their general economic development.

CHAPTER III

EXPORTS OF SEMI-MANUFACTURED AND MANUFACTURED PRODUCTS

A. General trends in world trade in semi-manufactured and manufactured products

1. Before proceeding with specific analysis of the trends in African exports of semi-manufactured and manufactured products, it might be useful to begin with a brief description of world trends in trade in these products and to establish its main characteristics, as a frame of reference and background to subsequent discussion. The general trends which are dealt with cover the period between 1955 and 1965, indicating where possible developments between 1960 and 1965 which is the period covered in the discussion of African exports of semi-manufactured and manufactured products.

World trade^{1/} in semi-manufactured and manufactured products^{2/}

2. World trade in semi-manufactured and manufactured products expanded between 1955 and 1965 at an average annual rate of 9.2 per cent to \$109.6 billion. This rate of growth was higher than that for primary commodities (4.8 per cent) and total world trade (7.2 per cent). Consequently, the share of semi-manufactured and manufactured products in total world trade went up from 49.2 per cent in 1955 to 58.9 per cent in 1965.

3. Exports of semi-manufactures and manufactures from developed market economies^{3/} increased at an average annual rate of 9.0 per cent, accounting in 1965 for 82.1 per cent of world trade in these products (as compared with 83.2 per cent in 1955). In terms of total exports of developed market economies, the share of their exports of semi-manufactures and manufactures

1/ On an export (f.o.b.) basis.

2/ Semi-manufactures and manufactures are defined as SITC sections 5-8.

3/ United States, Canada, Western Europe, Australia, New Zealand, South Africa and Japan (United Nations Statistics - Economic Class 1), including intra-trade.

rose from 63.6 per cent in 1955 to 70.3 per cent in 1965. For the centrally planned economies^{1/}, the comparative figures were: an average annual growth rate of 11.1 per cent; an increase in the share of world trade in these products from 10.2 per cent to 12.1 per cent; and an increase in the share of these countries' total exports from 49.0 per cent to 61.1 per cent. In the case of the developing countries^{2/}, the export of semi-manufactures and manufactures grew at 7.7 per cent (as compared with 4.4 per cent for total exports) and their share in these countries' total exports rose from 12.8 per cent to 17.4 per cent. Nevertheless, the share of exports of semi-manufactures and manufactures from the developing countries in world trade in these products declined from 6.6 per cent in 1955 to 5.8 per cent in 1965. Trade^{3/} in semi-manufactured products^{4/} among developed market economies^{5/}

4. As well as dominating world exports of semi-manufactures and manufactures, the developed market economies are the largest market for these products. In 1965, they imported \$76.7 billion of these products from all sources, of which 86.0 per cent was supplied by themselves (as compared with 81.1 per cent in 1955 and 87.2 per cent in 1960). The EEC countries (38.4 per cent), United States (16.1 per cent), United Kingdom (3.9 per cent) and Japan (2.5 per cent) accounted together for two-thirds of the trade in semi-manufactures and manufactures among the developed market economies.

1/ Eastern Europe, China (Mainland), Mongolia, North Korea and North Vietnam (United Nations Statistics - Economic Class III), including intra-trade.

2/ All countries in Asia, Africa and Latin America, except Japan, South Africa and centrally planned economies (United Nations Statistics - Economic Class II), including intra-trade.

3/ Trade data are on import (c.i.f.) basis (except for United States and Canada).

4/ Semi-manufactures and manufactures are defined as SITC sections plus SITC groups 012, 013, 032, 046, 047, 052, 053, 055, 062, 073, 091, 099, 111, 112, 243, 251, 266, 267, 332, 351 and 431.

5/ The developed market economies are defined as United States, Canada, EEC countries, EFTA countries (including Finland), Australia, New Zealand and Japan.

5. Eight categories of products accounted for over four-fifths of this intra-trade in 1965. Machinery and transport equipment represented 36.1 per cent of the total (27.0 per cent in 1955) and chemicals 10.1 per cent (8.6 per cent). The shares of the remaining six categories - wood products, textiles (including clothing), iron and steel, non-ferrous metals, processed agricultural products and petroleum products - ranged in 1965 from 9.4 per cent to 2.0 per cent and remained unchanged or even declined in comparison with 1955. A more detailed examination reveals that the increase in the share of machinery and transport equipment was mainly due to an expansion in the range of products traded and the appearance of new products. In chemical products the most substantial increase occurred in synthetics (e.g. plastic materials). Similarly in textiles, marked increases were shown in products with an artificial or synthetic base. In the wood products category, the largest increases took place in pulp, paper and paperboard, veneers and plywood, and furniture. Among the base metals, copper and aluminium showed marked gains. But processed agricultural products experienced a relatively modest increase between 1955 and 1965, and the share of this category in the total trade of semi-manufactures and manufactures among the developed market economies declined from 5.9 per cent to 4.5 per cent. However, products based on fruit, vegetables, fish and meat fared much better than the processed agricultural products category as a whole.

6. In summary, the developed market economies are by far their own best customers for semi-manufactures and manufactures. The products of the industrial sectors in which intra-trade has assumed the greatest importance are those in which technological progress has been most pronounced, reflecting the growing industrial diversification and specialization in trade among the developed market economy countries.

Imports of semi-manufactured and manufactured products^{1/} by all developed market economies^{2/} from all developing countries^{3/}

7. Since 1955 imports of semi-manufactured and manufactured products into developed market economies from the developing countries doubled in value to \$7.0 billion.^{4/} However, the share of semi-manufactured and manufactured products from developing countries in total imports of these products by the developed market economies declined from 12.3 per cent in 1955 to 10.4 per cent in 1960 to 9.1 per cent in 1965. Five developed market economy countries accounted for 77.5 per cent of this total, namely United States (36.7 per cent), United Kingdom (17.0 per cent), Federal Republic of Germany (10.3 per cent), France (7.3 per cent) and Japan (6.1 per cent). All EEC countries (27.1 per cent), United States, United Kingdom and Japan together accounted for 86.9 per cent of the total. In recent years^{5/}, Japan, United States and Federal Republic of Germany, in that order, showed the highest rates of growth of imports of semi-manufactures and manufactures from developing countries, and United Kingdom and France the lowest.

8. As far as the main exporters among the developing countries are concerned, in 1965 fifteen leading suppliers accounted for almost two-thirds of total imports of semi-manufactures and manufactures by developed market economies from all developing countries. Congo (Kinshasa) and Algeria were the only African countries on the list. If semi-manufactures and manufactures are adjusted for unwrought base metals, petroleum products and ships and boats (which are mainly re-exports), then the total in 1965 becomes \$3.6 billion (instead of \$7.0 billion). On this comparison, in

1/ SITC groups 042, 043, 032, 046, 047, 048, 052, 053, 055, 062, 073, 091, 099, 111, 112, 122, 243, 251, 266, 267, 332, 351, 431 and SITC section 5-8, but excluding SITC group 667 (due to lack of comparable statistical data before 1965).

2/ United States, Canada, EEC countries, EFTA countries (including Finland), Australia, New Zealand, Japan.

3/ The rest of the world excluding centrally planned economies (but including Yugoslavia).

4/ Including SITC group 667 such imports amounted to \$7,380 million.

5/ 1961-1965.

1965 twenty-five developing countries represented 86 per cent of this total, among which there were only five African countries - Algeria, Morocco, the UAR, Guinea and Cameroon. The expansion of exports of semi-manufactures from developing into developed market economy countries during 1955-1965 was confined to a small number of countries: mainly Hong Kong, followed by China (Taiwan), Yugoslavia, Israel, a number of Latin American countries and the Republic of Korea, but Algeria and Congo (Kinshasa) were among those countries whose shares of developing countries' imports fell in recent years.^{1/} Excluding unwrought base metals, petroleum products and ships and boats, declines in the relative shares of total imports of semi-manufactures and manufactures into developed market economies from developing countries were experienced in recent years by all African countries but one (Guinea) on that list of products.

9. In 1965, twenty leading products^{2/} imported by all developed market economies from all developing countries in substantial amounts (over \$50 million), accounted for 82.1 per cent of the total value of semi-manufactured and manufactured products originating in the latter countries (\$4.2 billion out of \$5.1 billion). Excluding petroleum products, the proportion becomes 72.8 per cent of the total (\$2.4 billion out of \$3.3 billion). The products in question are listed below (ranked by value in 1965), showing the value of their imports into all developed market economies in 1965 and their average annual rates of growth during the periods 1955-1960, 1960-1965 and 1955-1965. It can be noted that while some of the products on that list involve a higher degree of processing than just a simple transformation of natural resources, most of them would appear to be produced by labour-intensive industries not requiring considerable capital investment.

1/ 1961-1965.

2/ See UNCTAD document TD/B/C.2/47, Table III-4.

Rank	SITC No	Description of product	Value 1965 mil.US\$	Average annual growth rate		
				1955- 1960	1960- 1965	1955- 1965
1	332	Petroleum products	1,739	n.a.	n.a.	7.7
2	841	Clothing [⌘]	432	40.4	18.2	28.8
3	653	Fabrics (non-cotton)	252	n.a.	n.a.	9.5
4	112	Alcoholic beverages	200	n.a.	n.a.	-2.1
5	652	Cotton fabrics [⌘]	194	31.6	6.7	18.5
6	053	Fruit, preserved, and fruit preparations	154	13.5	10.0	11.7
7	013	Meat, prepared or preserved	143	n.a.	n.a.	3.7
8	657	Floor coverings [⌘]	138	15.1	14.0	14.5
9	631	Veneers and plywood [⌘]	118	17.0	25.1	21.0
10	611	Leather	97	n.a.	n.a.	5.4
11	656	Textile products, n.e.s. [⌘]	91	29.1	8.2	18.2
12	899	Manufactured articles, n.e.s. [⌘]	91	21.7	17.9	19.7
13	513	Inorganic chemicals [⌘]	86	-1.6	25.1	10.9
14	055	Vegetables, prepared or preserved	78	n.a.	n.a.	10.7
15	671	Pig iron, etc.	65	n.a.	n.a.	n.a.
16	894	Perambulators, toys and games ^{⌘⌘}	65	24.6	33.9	29.0
17	032	Fish, prepared and preserved	62	n.a.	n.a.	9.1
18	688/9	Miscellaneous non-ferrous metals	56	n.a.	n.a.	3.9
19	651	Textile yarn and thread [⌘]	56	14.6	9.9	12.2
20	551	Essential oils	53	n.a.	n.a.	4.0
	851	Footwear ^{⌘⌘⌘}	43	14.6	10.5	12.5

⌘ 1955-1965 growth rate above 10.8 per cent, and value of at least \$50 million in 1965 and at least \$10 million in 1955.

⌘⌘ 1955-1965 growth rate above 10.8 per cent, and value of at least \$50 million in 1955, but less than \$10 million in 1955.

⌘⌘⌘ 1955-1965 growth rate above 10.8 per cent, and value of at least \$10 million in 1955.

10. Among the twenty products itemized above, petroleum products accounted for by far the largest proportion of the total, namely 41.7 per cent, followed by textiles (27.9 per cent) and processed agricultural products (16.5 per cent). In terms of these products' proportion of imports into developed market economies from all sources, the most substantial increases occurred between 1955 and 1965 in the shares of perambulators, toys and games, veneers and plywood, cotton fabrics, clothing, miscellaneous manufactured articles and miscellaneous textile articles.

11. Between 1955 and 1966, the median average annual rate of growth for all imports of semi-manufactures and manufactures from all developing countries into all developed market economies was 10.8 per cent, and it can be seen that ten of the twenty leading products listed above experienced a rate of growth above the median. All of the twenty leading products on that list had a value of at least \$50 million in 1965; with the exception of perambulators, toys and games, they also had a value of at least \$10 million in 1955. If a value of at least \$10 million in 1955 is to be considered as a criterion of a well-established or (in that sense) traditional export, then nineteen out of the twenty leading products listed above can be considered as traditional imports from all developing countries into all developed market economies, and ten of these as fast-growing traditional imports. To these ten products can be also added one other product, footwear, which is the only one among the remaining imports (outside the twenty leading products) which both had a value of over \$10 million in 1955 and experienced a rate of growth above 10.8 per cent, thus completing the list of the fast-growing traditional exports. Perambulators, toys and games, which both had a value of less than \$10 million in 1955 and grew above the median rate, can be considered as being among the new fast-growing developing countries' imports into all developed market economies.

12. Twenty-five products among the remaining semi-manufactured and manufactured imports from all developing countries into all developed market economies had both values of less than \$10 million in 1955 and experienced average annual rates of growth above 10.8 per cent between 1955 and 1965, and can be therefore considered as fast-growing new exports. These are

listed below (ranked according to growth rate 1955-1965), showing the value of their imports into all developed market economies in 1965, and their average annual rates of growth during the periods 1955-1960, 1960-1965 and 1955-1965.

Rank	SITC No	Description of product	Value 1965 mil.US\$	Average annual growth rate		
				1955- 1960	1960- 1965	1955- 1965
				%		
1	684	Aluminium	26.8	110.0	5.5	48.9
2	891	Sound recorders and repro- ducers, musical instru- ments, etc.	3.6	78.1	14.9	43.2
3	864	Watches and clocks	1.8	-	-	33.5
4	251	Pulp and waste paper	16.5	13.8	50.9	31.1
5	812	Sanitary, plumbing, heating & lighting fixtures and fittings	14.1	40.6	20.7	30.2
6	831	Travel goods, suitcases, etc.	24.3	6.5	56.1	29.0
7	665	Glassware	5.1	39.3	19.4	29.0
8	894	Perambulators, toys, games, etc.	64.6	24.6	33.9	29.0
9	861	Scientific, medical, optical, measuring and controlling instruments	10.8	38.0	19.1	28.2
10	099	Food preparations n.e.s.	6.6	26.9	28.3	27.6
11	612	Worked leather	4.1	33.6	19.3	26.2
12	561	Fertilizers	28.1	29.2	18.7	23.9
13	897	Jewellery and goldsmiths' and silversmiths' wares	13.1	23.1	22.2	22.7
14	663	Mineral manufactures n.e.s.	5.4	22.4	19.7	21.0
15	664	Glass	3.2	14.9	26.2	20.5
16	666	Pottery	2.2	8.4	29.7	18.6
17	892	Printed matter	7.7	20.8	16.4	18.6
18	821	Furniture	30.8	23.2	13.7	18.4
19	632	Wood manufactures	18.3	24.1	12.8	18.3

Rank	SITC No	Description of product	Value 1965 mil.US\$	Average annual growth rate		
				1955- 1960	1960- 1965	1955- 1965
				%		
20	654	Tulle, lace, embroidery, etc.	4.7	-11.1	56.2	18.0
21	541	Medicinal and pharmaceutical products	39.3	8.2	26.8	17.1
22	629	Articles of rubber n.e.s.	3.7	10.2	23.3	16.5
23	67	Iron and steel ^{a/}	95.6	9.9	23.5	16.5
24	661	Lime, cement, etc.	10.5	14.9	18.0	16.4
25	69	Manufactures of metal n.e.s.	33.9	20.8	10.5	15.5
26	521	Crude chemicals from coal, petroleum and gas	2.6	55.9	-16.7	14.0

^{a/} The statistical data available for the period 1955-1960 do not permit more detailed analysis of the trends for the various products covered by SITC division 67: "Iron and steel". These products have been nevertheless classified as new export products, although division 67 as a whole had already reached a total value considerably over \$10 million by 1955.

13. It can be seen that for a number of these products the average annual growth rates were very high, in eight cases exceeding the highest rate of growth achieved among the fast-growing traditional products. For some of the new products (e.g. aluminium), most of the growth occurred during 1955-1960 (as was also the case for most of the traditional products). For other, and fewer, new products (e.g. travel goods), most of the growth took place during 1960-1965. In a few cases growth was more or less evenly distributed over the two periods.

14. In general, and particularly in view of the incidence of the slowing down of the rates of growth during 1960-1965, the findings in respect of the new products have to be treated with guarded optimism. It can be, nevertheless, observed that seven of the fifteen new products with the highest growth rates had by 1965 already gone considerably over the \$10 million mark. It should be also noted that total imports by the developed market economies from all sources of the fifteen fastest-growing new

products amounted to \$7.4 billion in 1965, representing nearly 10 per cent of these countries' total imports of semi-manufactured and manufactured products. The developing countries supplied only 3 per cent of this total, thus indicating considerable scope for export expansion on their part. Also, it is of importance that among the new products there is a certain number of products of highly capital-intensive industries (e.g. aluminium, iron and steel, pulp, fertilizer, glass, chemical and pharmaceutical industries).

15. To sum up, most of the imports of semi-manufactures and manufactures by the developed market economies from the developing countries (over four-fifths) still consist of products traditionally bought from these countries, involving a relatively simple technology of manufacturing, and characterized by a high labour component. However, over the period 1955-1965 a certain diversification took place in the exports of developing countries, some of the new products having displayed very high rates of growth, and a number of these products being produced by capital-intensive manufacturing processes. However, the share of these products in the developed market economies' imports from all sources is still quite small. Considering this factor, as well as the marked concentration of these exports, both by main markets and countries of origin, there would appear to be considerable scope for expansion of particularly the new semi-manufactured and manufactured exports from developing countries. This, of course, raises a host of questions and pre-conditions, including improvement in conditions of access to markets and in particular, the scope for and possibilities of industrialization in many of the developing countries, which is a matter of particularly serious importance to Africa.

B. Imports of semi-manufactured and manufactured products^{1/} from Africa into selected developed market economy countries^{2/}

16. The discussion in Part B of this Chapter is centred on the twenty leading (in 1965) African imports of semi-manufactured and manufactured products into the main developed market economy countries. In addition, some consideration will also be given to certain other African imports of such products into these countries. The twenty leading products accounted in 1965 for almost 87 per cent of total imports of semi-manufactures and manufactures from Africa into the selected developed market economy countries. This represented a considerably greater degree of concentration than in the case of imports of the twenty leading products into all developed market economies from all developing countries (82 per cent in 1965). If certain adjustments^{3/} are made to the total imports of African semi-manufactures and manufactures into the selected developed market economies (to take account of probable re-exports), then the leading twenty products may have represented in 1965 as much as 90 per cent of the total. Imports of all African semi-manufactures and manufactures can be estimated to amount to about 8 per cent of total African imports into the selected developed market economies in 1965.

17. Since imports of African semi-manufactures and manufactures into only the main market economy countries, and not all developed market economies, are considered, it may be of interest to establish the difference in the country coverage. Taking as a yardstick the available data for 1963, in that year imports of the twenty leading African semi-manufactures and

^{1/} SITC sections 5-8, minus all unwrought or mainly unwrought metals (681, 682.1, 683.1, 685.1, 686.1, and 688) and precious stones (667), except aluminium (684) which is included. Also included are certain SITC items from sections 0-4 and 9 (012, 013, 032, 046, 047, 048, 052, 053, 055, 062, 071.3, 072.2, 072.3, 073, 091, 099, 111, 112, 122, 231.2, 231.3, 231.4, 244.0(2), 251, 266, 267, 331.0(2), 332, 341.2, 351, 431, 951.0, 961.0). It should be noted that in actual fact breakdowns for Africa are not available for a number of some of the smaller items from statistics of the importing countries which have been mainly used in this Chapter.

^{2/} EEC, Japan, United Kingdom and United States.

^{3/} Excluding SITC section 7 and part of SITC section 8.

manufactures into the EEC countries, the United Kingdom, the United States and Japan amounted to 93.3 per cent of those into all the developed market economies. For eleven of these products the difference came to less than 7 per cent and for four of them to not more than 10 per cent. Significant differences occurred in only five cases: inorganic chemicals (only 56.3 per cent of which went to the main markets); floor coverings (61.4 per cent); textile yarn and thread (68.1 per cent); cocoa preparations (75.5 per cent); and pulp and waste paper (86.3 per cent).

Twenty leading African semi-manufactured and manufactured products^{1/}

18. A comparison of the twenty leading African semi-manufactured and manufactured products with the list of the twenty products from all developing countries in terms of the main product groups, shows that the twenty leading products from all developing countries were in 1965 dominated by petroleum products (41.7 per cent of the total), followed by textiles (27.9 per cent), processed agricultural products (including leather) (18.8 per cent), miscellaneous manufactured articles (3.7 per cent), metals (2.9 per cent), forest products (2.8 per cent) and chemicals (2.1 per cent). The African twenty leading products were in 1965 dominated by alcoholic beverages (34.9 per cent), and processed agricultural products (including leather) as a whole were the leading product group (62.0 per cent), followed by metals (17.3 per cent), petroleum products (7.9 per cent), forest products (7.4 per cent), textiles (3.5 per cent), and chemicals (2.0 per cent).

19. In terms of the individual products, 14 of them were on both lists. Not on the list of the twenty African leading products, however, were certain textiles (clothing, non-cotton fabrics and miscellaneous manufactured products), perambulators, toys and games and other miscellaneous manufactured articles, most of which (with also the addition of footwear), were among the fast-growing traditional imports by all developed market economies from all developing countries (and for some of which, especially clothing,^{2/} African exports were extremely low).

^{1/} See Table III-1.

^{2/} Although imports of clothing from Africa grew at an average annual rate of 60 per cent during 1960-1965.

20. The twenty leading African products will be considered from the point of view of their growth over the period 1960-1965, as compared with the growth of the same products from all developing countries and all sources. Similarly, the comparative market shares will be considered in terms of Africa's share of imports into the selected developed market economies from all sources, as against the proportion of imports of the same products from all developing countries; which, in turn, will enable a determination of Africa's participation in the imports of these products from all developing countries.

21. Three of the leading eighteen African semi-manufactured and manufactured products (excluding pig iron and inorganic chemicals due to lack of comparative data for 1960) actually experienced a fall between 1960 and 1965, namely alcoholic beverages, cotton fabrics and paper and paperboard. The value of alcoholic beverages, mostly imported by France, declined by over 40 per cent (from \$211 million to \$138 million for Algeria, and from \$19 million to \$0.8 million for Tunisia - but for Morocco there was an increase from \$12 million to \$22.5 million). Since Africa accounts for the **bulk** of imports of alcoholic beverages from all developing countries, imports from the latter also fell; however, imports of this product into the selected developed market economies from all sources went up during 1960-1965. In the case of cotton fabrics, exported from Africa almost entirely by the UAR, imports from all developing countries (of which Africa supplies a very small part) rose at an average annual rate of 5.4 per cent which, in fact, was higher than that for imports from all sources. For paper and paperboard, of which Africa supplies the bulk of imports from all developing countries into the selected developed market economies, there was a decline for both Africa and all developing countries, but imports from all sources went up.

22. It may be recalled that in the analysis of imports of semi-manufactures and manufactures from all developing countries into all developed market economies, the median average annual rate of growth of 10.8 per cent during 1955 and 1965 was taken as a dividing point between fast- and slow-growing

products. For the fast-growing traditional products, the lowest average annual rate during 1960-1965 was 6.7 per cent. This figure may now be taken as a benchmark to evaluate the performance of the eighteen leading African products, as compared with the same products imported by the selected developed market economies from all developing countries and from all sources.

23. On this comparison, eleven out of the eighteen leading African products experienced fast rates of growth between 1960 and 1965. Outstanding among them were petroleum products, with a rate of 82.6 per cent, as compared with 8.3 per cent for total imports from all developing countries, the latter growing faster than the same imports from all sources. This extremely high rate of increase of African petroleum products is clearly explained by the smallness of exports in 1960, and is associated with the spectacular growth of the petroleum industry in Africa in recent years. These exports, nevertheless, still amounted in 1965 to only a fraction of similar exports from all developing countries. Imports of floor coverings went up at an average annual rate of 35.7 per cent. This was a much higher rate of growth than that for all developing countries; the latter, however, was less than half of that for imports from all sources. As a result, the developing countries' share of total imports of floor coverings into the selected developed market economies declined from 48.2 per cent in 1960 to 32.5 per cent in 1965. Africa's share of this total, even though it more than doubled, was still fractional in 1965. India and Afghanistan were the major suppliers of floor coverings among the developing countries.

24. Cocoa preparations and pulp and waste paper both experienced a rate of growth of 34.7 per cent. In the case of cocoa, comparative 1960 data are not available for imports from all developing countries and all sources, and all that can be said is that in 1965 imports from Africa accounted for about two-thirds of all imports from the developing countries. All developing countries supplied only about one-third of imports of cocoa preparations from all sources, which is explained by a large

amount of processing of raw cocoa in a few of the selected developed market economies. Imports of pulp and waste paper grew at a rate higher than that for imports from all developing countries and from all sources. Africa was a major supplier among the developing countries, but with a fractional share of total imports from all sources.

25. Imports of preserved vegetables grew at a rate of 14.9 per cent, which was higher than that for all the developing countries and from all sources. Their share of imports from all developing countries increased somewhat but was still only just over one-fifth of 29.7 per cent. China (Taiwan) was by far the largest supplier among the developing countries, followed by Thailand. Imports of veneers and plywood rose at a rate of 11.3 per cent, less than half of that for all developing countries, but much higher than that for imports from all sources. The share of all developing countries in imports of veneers and plywood from all sources into selected developed market economies rose sharply from 9.7 per cent in 1960 to 21.7 per cent in 1965. However, Africa's share of imports from all developing countries was only about one-fifth in 1965. Among the major suppliers, spectacular increases were registered by Philippines, China (Taiwan), Republic of Korea and Latin American countries.

26. Imports of preserved fruit went up at a rate of 9.6 per cent, about the same as that for all developing countries, and higher than that for all sources. The share of all developing countries of selected developed market economies' imports from all sources went up to 30.5 per cent in 1965, but Africa's share of imports from all developing countries was only less than one-sixth. China (Taiwan) was the major supplier among the developing countries, followed by Israel and Mexico. In canned meat, Africa's rate of growth at 9.2 per cent exceeded that for all developing countries which, however, was lower than that for imports from all sources. As a result, the share of all developing countries declined from 25.3 per cent to 23.5 per cent. Africa's share of imports from all sources improved but was only one-fifth of imports from all developing countries. Argentina, Brazil, Uruguay and Paraguay were the major suppliers among developing countries.

27. For leather, the rate of growth was 9.0 per cent, higher than for all developing countries, which in turn exceeded that for imports from all sources. The share of all developing countries rose slightly to 29.6 per cent, but Africa's was only about one-fifteenth of that figure. India was the major supplier among developing countries. Imports of miscellaneous non-ferrous metals went up at a rate of 7.7 per cent, lower than that for all developing countries and all sources. Africa supplied the bulk of imports into selected developed market economies from all developing countries. For processed animal and vegetable oils and fats and waxes, the rate of growth was 6.7 per cent, higher than that for imports from all sources, while imports from all developing countries declined. As a result of these divergent trends, the share of all developing countries fell from 41.6 per cent to 24.6 per cent. Africa's share of imports from all sources rose somewhat, but was in 1965 only approaching one-fifth of imports from all developing countries.

28. To sum up the developments over 1960-1965 in the eleven fast-growing products among the eighteen leading exports of African semi-manufactures and manufactures to the main developed economy markets, it can be seen that in the majority of cases they grew at rates higher than those for all developing countries. (It may be recalled that in the case of the fast-growing traditional exports from all developing countries during 1955-1965 less of the growth occurred between 1960-1965 than 1955-1960). However, this encouraging trend must be tempered by the observation that in 1965 only two of the eighteen leading African products accounted for the bulk of selected developed market economies' imports from all developing countries, and that in the majority of cases this share was still very low. Although it must not be lost from sight that among the seven slow-growing leading African products, Africa was in 1965 a major supplier among developing countries of alcoholic beverages and aluminium, and a substantial supplier of canned fish and essential oils.

29. Which of the leading African exports of semi-manufactured and manufactured products can be considered as traditional and which as new (on the analogy of the discussion in para. 11)? If a minimum value of, say,

\$2 million in 1960 is adopted as the criterion for an established export, then (apart from pig iron and inorganic chemicals for which comparable 1960 data are not available) petroleum products, pulp and waste paper, and floor coverings may be considered as new products - all fast-growing. On the other hand, five products - all above the \$2 million mark in 1960 - namely wheat meal and flour (\$13.6 million), dried fruit (\$7.8 million), manufactured fertilizers (\$4.3 million), medicinal and pharmaceutical preparations (\$2.7 million) and meal and flour of cereals (\$2.5 million), either disappeared from the list of the leading products in 1965 or (with the exception of fertilizers) declined in value below the \$2 million mark.

30. However, when all twenty leading African exports of semi-manufactures and manufactures are taken together, their total share of imports of these products from all sources into selected developed market economies was only 3.7 per cent in 1965, as compared with 21.5 per cent for all developing countries. Thus Africa's share of imports from all developing countries in 1965 amounted to as little as one-sixth.

31. Since 1960 data are not available for imports of pig iron and inorganic chemicals from Africa, all developing countries and all sources, and for cocoa preparations for the latter two groups of countries, one can only take seventeen of the leading African products for a comparison of 1960-1965 trends with these two groups of countries. On this basis, it can be seen that the developments for Africa were anything but favourable. First, the total of the seventeen leading products slightly declined between 1960 and 1965, as compared with rates of growth of over 6 per cent in the imports of these products into selected developed market economies from all developing countries and all sources. Secondly, Africa's share of such imports from all developing countries fell from over one-fifth in 1960 to 16 per cent in 1965.

32. These developments for the seventeen leading African semi-manufactured and manufactured products contrasted with those for total African imports into the selected developed market economies, which grew at a rate of 11.1

per cent, which was considerably higher than that for total imports from all developing countries and also surpassed that for imports from all sources. Consequently, the share of total African imports into the selected developed market economies in relation to total imports from all sources went up from 5.9 per cent in 1960 to 6.7 per cent in 1965, with a corresponding increase in Africa's share of total imports from all developing countries. If this trend is compared with the proportion of the leading African seventeen semi-manufactures and manufactures in total African imports into the selected developed market economies, it can be observed that this proportion declined from 11.9 per cent in 1960, to 7.9 per cent in 1963 to 6.7 per cent in 1965. It would appear that this apparent lessening of the concentration of leading African semi-manufactures and manufactures mainly reflects the growth of primary commodities in total African exports during 1960-1965 rather than any appreciable degree of diversification of Africa's exports of semi-manufactures and manufactures in this period.

33. However, if alcoholic beverages are excluded from the seventeen leading African semi-manufactures and manufactures, the rate of growth, at 9.3 per cent, then exceeded in 1965 that for all developing countries and all sources, although Africa's share of selected developed market economies' imports from all developing countries was only just over one-tenth. But, if petroleum products are excluded from the seventeen leading African semi-manufactures and manufactures (but including alcoholic beverages), Africa's rate of growth again declined, as compared with increases for all developing countries and all sources, but, in this case, Africa's share of imports from all developing countries amounted to almost one-third.

Other African semi-manufactured and manufactured products

34. It now remains to compare the African performance in those new products (plus footwear) which have been identified as fast-growing semi-manufactures and manufactures imported from all developing countries by all developed market economies. Aluminium and pulp and waste paper are

the only African leading products which are also on the list of these fast-growing exports. For aluminium it was found that it grew at a slower rate than for all developing countries. For pulp and waste, the opposite was the case.

35. As regards the remaining fast-growing new semi-manufactured and manufactured imports from all developing countries into all developed market economies (see the list on pages 87 & 88) Africa's performance^{1/} was not particularly impressive.^{2/} Time and space preclude a detailed examination of the situation in these products. Suffice it to note, however, that for most of these products - sound recorders, etc., watches and clocks, sanitary, plumbing, heating and lighting fixtures, glass and glassware, perambulators, toys and games, jewellery, etc., miscellaneous mineral manufactures, pottery, wood manufactures, tulle, lace, etc., miscellaneous rubber articles, lime, cement, etc., crude chemicals from coal, petroleum and gas, and footwear - imports from Africa were either non-existent in 1965 or below the \$0.5 million mark. In five cases - travel goods, printed matter, miscellaneous food preparations, medicinal and pharmaceutical products, worked leather - imports from Africa ranged between \$0.5 million and \$1.0 million in 1965, and Africa's shares in such imports from all developing countries were generally low. In only three cases - miscellaneous metal manufactures, measuring instruments, etc.^{3/}, manufactured fertilizers - did imports from Africa range between \$1.0 million and \$2.2 million, with also unimpressive shares of total imports from developing countries.

^{1/} Evaluated on the basis of comparative figures for imports into the selected developed market economies.

^{2/} It should be noted, however, that outside the list of leading African exports of semi-manufactures and manufactures and apart from those fast-growing products in the exports of all developing countries, a few other new and fast-growing products can be found, such as worked copper, lead and zinc alloys and miscellaneous chemical materials. Mention should be also made of exports of coffee extracts which did not exist in 1960.

^{3/} Probably mostly re-exports.

36. Imports of leading African semi-manufactures and manufactures by the EEC countries, United Kingdom, United States and Japan can be estimated to amount to about 93 per cent of such imports into all developed countries. The leading twenty products accounted in 1965 for between 87 and 90 per cent of total imports of manufactures and semi-manufactures into the selected developed market economies, and total imports of semi-manufactures and manufactures from Africa were estimated to represent about 8 per cent of all African imports into the selected developed market economies. It thus follows that total imports of African semi-manufactures and manufactures into all developed market economy countries can be estimated to represent about 8.5 per cent of all imports from Africa into these countries in 1965, and on an export basis may have amounted to about \$530 million.

37. Based on the experience of the exports of African semi-manufactures and manufactures to the EEC countries, United Kingdom, United States and Japan, it is clear that the leading products heavily predominate in total exports of semi-manufactures and manufactures to developed market economy countries. They appear to consist, to a somewhat larger extent than the leading imports from all developing countries, of relatively simply processed manufactures, and although more than half of them have grown at high rates of growth over the period 1960-1965, most of them still had a relatively low participation in the same imports from all developing countries in 1965. This situation was particularly pronounced for the new, fast-growing exports from other developing regions.

Developments in imports of Africa's leading semi-manufactured and manufactured products by the selected market economy countries^{1/}

38. In 1965, France was the single largest outlet for Africa's twenty leading semi-manufactures and manufactures, with nearly three-fifths of the total (57.8 per cent), followed by United Kingdom (13.6 per cent), United States (7.4 per cent), Belgium-Luxembourg (7.1 per cent), Federal

^{1/} See Table III-2.

Republic of Germany (5.7 per cent), Japan (3.9 per cent), Italy 2.4 per cent) and the Netherlands (2.1 per cent). The EEC countries together were responsible for 75.1 per cent of the total. This was a significantly different distribution of markets than that for all developing countries in their exports to all developed market economies in 1965 (see para. 7).

39. For eighteen leading African semi-manufactured and manufactured products (since 1960 data are not available for pig iron and inorganic chemicals), between 1960 and 1965 the share of France declined from 76.6 per cent to 60.6 per cent, but that of the United Kingdom rose from 6.5 per cent to 13.8 per cent. There were also increases for all the remaining countries: Belgium-Luxembourg (4.6 per cent to 7.5 per cent), United States (5.9 per cent to 6.8 per cent), Federal Republic of Germany (3.0 per cent to 5.1 per cent), Italy (1.4 per cent to 2.5 per cent), the Netherlands (1.1 per cent to 2.2 per cent), and Japan (1.0 per cent to 1.6 per cent). The decline in the share of France is almost entirely explained by the sharp fall in imports of alcoholic beverages by this country. (This emerges quite clearly from a comparison of sixteen leading products excluding alcoholic beverages). In the case of the United States and particularly Japan, the relatively low shares in the total when only eighteen products are considered, is explained by the relative importance of inorganic chemicals in US imports and by the predominance of pig iron in Japanese imports. It will be recalled that in the case of imports by all developed market economies of semi-manufactures and manufactures from all developing countries, it was found that during 1961-1965 Japan, the United States and the Federal Republic of Germany had the highest rates of growth, while the United Kingdom and France had the lowest, and that the United States, in particular, showed the greatest degree of diversification in imports of these products. Judging by Africa's case, there would appear to be, a priori, considerable scope for increasing exports to these fast-growing outlets among the developed market economies.

40. As regards the participation of the individual selected developed market economies in imports of the twenty leading African semi-manufactured and manufactured products, it has been already mentioned that France

imported virtually all of the alcoholic beverages. France also took the greatest proportion of petroleum products, aluminium, preserved fish, preserved fruit, essential oils, preserved vegetables, paper and paper-board, and, in 1965, was the second ranking outlet for leather. The Federal Republic of Germany led in imports of textile yarn and thread, and in floor coverings, and was in 1965 the second ranking outlet for inorganic chemicals, but lost the lead in preserved vegetables. Belgium-Luxembourg predominated in imports of miscellaneous non-ferrous metals. The Netherlands lost in 1965 the lead in petroleum products.

41. Among the non-EEC countries, the United Kingdom predominated in imports of veneers and plywood, canned meat, pulp and waste paper and leather. The United States led in imports of inorganic chemicals and of cotton fabrics, and Japan took the bulk of pig iron.

42. In terms of the individual countries' participation in the eighteen leading African semi-manufactures and manufactures imported by them in both 1960 and 1965, France took 17 products in 1965 (as compared with 18 in 1960), as did the United Kingdom (as against 13 in 1960). The Federal Republic of Germany, the Netherlands and Italy each imported 16 products in 1965 (compared with respectively 10, 9 and 4 in 1960), and Belgium-Luxembourg took 15 products (as against 6 in 1960). The number of products imported by the United States increased from 12 to 14 in 1965, and Japan's participation rose from 7 to 10 products. These overall increases in the number of products imported by all the individual main markets reflected net gains except in three cases, namely Japan, which increased its participation in 5 products but ceased to import 2 other products; the United States (respectively 3 and 1); and France, which ceased to import one product.

43. From the point of view of the individual leading products in 1965 (1960 figures shown in brackets), those products imported by all eight countries were canned fruit (4), preserved vegetables (4), pulp and paper waste (4), leather (2), floor coverings (4), and processed animal and vegetable oils and fats and waxes (5). Imported by seven countries were

miscellaneous non-ferrous metals (5), petroleum products (5), veneers and plywood (5), canned fish (4), essential oils (5) and cotton fabrics (7). Imported by six countries were alcoholic beverages (3), textile yarn and thread (5), and paper and paperboard (5). Cocoa preparations were imported by five countries (4 in 1960), and aluminium and canned meat by four countries (respectively 5 and 3 in 1960). This general improvement in the participation of the importing countries between 1960 and 1965, while indicating a general widening of markets among the selected developed countries, has to be qualified, however, by the observation that in most cases the values of the new imports appearing in 1965 were rather small (\$0.5 million being taken as a minimum significant value).

44. Starting with those products which in 1965 were imported by all eight countries, it can be seen that, for canned fruit, in only one new country - the Netherlands - did imports reach the nearly \$0.5 million. In the case of preserved vegetables, only new imports into Italy approached this figure. For pulp and waste paper, Italy and the Federal Republic of Germany took new imports at respectively \$1.0 million and \$0.6 million. For leather, out of six new countries only the Federal Republic of Germany imported as much as \$0.6 million. But there were no significant new markets for floor coverings, or for processed animal and vegetable oils, etc., miscellaneous non-ferrous metals, veneers and plywood, essential oils, cotton fabrics, alcoholic beverages and textile yarn and thread, paper and paperboard, and aluminium gained no new markets at all. For canned fish, only new imports into Belgium-Luxembourg approached \$0.5 million. In the case of canned meat, the Federal Republic of Germany provided a new market at \$1.2 million, and for cocoa preparations there were new imports into Japan at \$2.7 million. Petroleum products acquired three new significant markets - the United Kingdom (\$8.1 million), the Federal Republic of Germany (\$2.3 million) and, to a much lesser extent, Belgium-Luxembourg (\$0.8 million) - but lost a small market in the United States.

45. To summarize, the main markets for the leading African exports of semi-manufactures and manufactures are characterized by a large degree of concentration in a few countries for most of these products. There has been a considerable expansion in the participation of these countries in the number of the leading products imported by them between 1960 and 1965. However, in only a few cases did the new markets provide significant outlets for the additional products taken.

African exporting countries^{1/} of leading semi-manufactured and manufactured products^{2/}

46. There were thirty African countries or areas involved in the export^{3/} of the leading twenty African semi-manufactured and manufactured products to the selected developed market economies in 1965, of which six were in North Africa, eight in West Africa, four in Central Africa, and ten in East Africa. However, the degree of participation by these countries in the export of these products was rather uneven. Morocco exported 14 of the leading African semi-manufactures and manufactures, followed by Tunisia and the UAR (10 each); Algeria (9); Nigeria, Kenya, Malagasy Republic and Rhodesia (7 each); Senegal and Tanzania (4 each); Libya, the Sudan, Cameroon, Congo (Democratic Republic), Ethiopia and Zambia (3 each); Guinea, Equatorial Customs Union, Reunion, Somalia and Spanish AOC (2 each); and Liberia, Togo, Upper Volta, Malawi and British AOC (1 each). Thus no African country or area exported all of the twenty leading African semi-manufactured and manufactured products. The maximum exported by any one country was 14 products, and twenty-seven countries or areas exported less than 10 of these products, of which twenty-one exported 5 products or less.

1/ According to the country classification in OECD, Foreign Trade, by Commodity, Series C, thus including independent African countries, dependent territories and areas such as Equatorial Customs Union, British AOC and Spanish AOC.

2/ See Table III-3.

3/ Taken as imports into the selected developed market economies.

47. As regards the country or area participation by individual products, essential oils and animal and vegetable oils, etc. were exported by the largest number of countries (14). Reunion and the Malagasy Republic accounted for nearly half of total exports of essential oils. Angola and Tanzania exported almost half of the total value of processed animal and vegetable oils, etc. Petroleum products were exported by 11 countries, led by Algeria with over half of the total. Preserved fish, fruit and vegetables were each exported by 10 countries. In the case of fish, Morocco supplied over two-thirds of the total. For fruit, Morocco and the Ivory Coast were responsible for the bulk of exports, followed by Kenya. In the case of vegetables, Morocco and Algeria accounted for over two-thirds of exports.

48. Veneers and plywood were exported by 9 countries, led by the Equatorial Customs Union^{1/} with over two-fifths of the total. Pulp and waste paper was exported by 8 countries, Morocco supplying over two-fifths of the total and Angola and Tunisia about one-quarter each. Canned meat and leather were each exported by 7 countries. In the case of canned meat, Tanzania supplied one-third and Rhodesia and the Malagasy Republic over one-fifth each. For leather, Nigeria contributed over half of total exports of this product and Morocco over one-third. Five countries participated in the export of alcoholic beverages, pig iron and floor coverings. Algeria predominated in the export of alcoholic beverages. For pig iron, Rhodesia supplied most of the exports. In the case of floor coverings, Algeria contributed two-fifths and Morocco over one-third of the total.

49. Inorganic chemicals and paper and paperboard were each exported by 4 countries. Guinea accounted for virtually all of the exports of inorganic chemicals. In the case of paper and paperboard, Algeria supplied well over two-thirds of exports and Morocco almost all of the remainder.

^{1/} Congo (Brazzaville) and Gabon.

Miscellaneous non-ferrous metals and cocoa preparations^{1/} were each exported by three countries. Congo (Democratic Republic) supplied most of the exports of miscellaneous non-ferrous metals. In the case of cocoa preparations, Ghana contributed half of the total, followed by Cameroon and the Ivory Coast with respectively over one-quarter and one-fifth. Cotton fabrics were exported by two countries, the UAR accounting for most of the total. Finally aluminium^{1/} and textile yarn and thread were each exported by only one country, respectively Cameroon and the UAR.

50. Concerning the country participation in the exports of the twenty leading semi-manufactures and manufactures, the following observations can be made. First, most of the products with the largest number of participating countries consisted, in 1965, mainly of edible processed agricultural products (with the exception of cocoa products and alcoholic beverages) and of certain other relatively simply processed products of agriculture. Some of the forest products were also exported by a fairly large number of countries, but to a lesser extent than agricultural products. The metals among the leading twenty semi-manufactures and manufactures were generally exported by a small number of countries, and the same was true of textiles. Secondly, even despite the relatively high degree of country participation in the export of some of the leading products, what stands out is the high degree of concentration in the importance of a few individual countries in the export of most of these products.

51. Regarding the shares of the individual thirty countries or areas in the total of exports of the twenty leading semi-manufactures and manufactures to the selected developed economies, it has to be realized that these proportions are affected by a number of factors, namely the number of products in the exports of which each country participated in 1965, the relative weights of each country in the export of the various products, as well as the weight of each product in the total of the twenty leading.

^{1/} There were also some other unspecified exports, which explains that the country share total does not add up to 100.

For instance, a country may participate in the largest number of exports of individual products, yet most of these may be low-ranking in value among the twenty leading, or the country may have low shares of the exports of these products, or both, and therefore enjoy a relatively low share of total exports. On the other hand, a country may participate in a relatively small number of exports of high-ranking individual products and account for large shares of each or most of them, and will therefore enjoy a relatively high share of total exports. These various factors were reflected in the country shares of the total value of the leading twenty products. In 1965 Algeria had by far the highest share of 36.3 per cent^{1/} among the thirty participating countries, followed by Morocco (14.0 per cent), Congo (Democratic Republic) (9.6 per cent), Cameroon (5.7 per cent), and the UAR (5 per cent). The remaining twenty-five countries has shares of less than 5 per cent, and twelve among them of less than 1.0 per cent. It is clear, therefore, that most of the thirty countries involved in exporting the twenty leading semi-manufactures and manufactures to the selected market economies had individually a relatively small overall participation in terms of the absolute amounts involved. In sub-regional terms, the five countries in North Africa together accounted for 57.3 per cent of total exports of the twenty leading semi-manufactures and manufactures. The four countries or areas in Central Africa were second in importance, with an 18.3 per cent share of the total. The ten countries in East Africa contributed 12.7 per cent, followed by the seven countries in West Africa with 11.2 per cent of the total.

52. In terms of the importance of the twenty leading exports of semi-manufactured and manufactured products in total exports of the thirty countries or areas in 1965, for a number of countries the proportion of the twenty leading products in their total exports to the selected market economies was higher than the share of these products in total African

^{1/} This share being strongly influenced by Algeria's heavy predominance in the export of alcoholic beverages.

exports to these countries (7.4 per cent), namely Guinea (40.8), Algeria (27.3), Cameroon (17.5), Morocco (16.8), Reunion (15.9), the UAR (13.8), Congo (Kinshasa) (11.3), Spanish AOC (9.8), Rhodesia (9.6), Kenya and the Malagasy Republic (9.3 per cent each), and Ghana (8.2 per cent). However, the high degree of product concentration for many of these countries has to be kept in mind when drawing conclusions from these figures.

Exports of African semi-manufactured and manufactured products into the centrally planned economies

53. Exports of semi-manufactured and manufactured products from developing countries to centrally planned economies rose from a negligible amount in 1955 to \$558 million in 1965. Between 1961 and 1965, the share of these products in total exports from developing countries to centrally planned economies (which more than quadrupled during 1955-1965) rose from 8 per cent to over 19 per cent. Nevertheless, the absolute level of exports of semi-manufactures and manufactures from developing countries to centrally planned economies is still relatively small compared with those to developed market economies.

54. Detailed statistical information on exports of semi-manufactures and manufactures from developing countries to centrally planned economies is not readily available, with regard to both the individual products exported and the countries of origin. It is known, however, that in 1964 three developing countries were responsible for over 90 per cent of such exports. Yugoslavia was the main supplier in 1964, accounting for over 60 per cent of total exports of semi-manufactures and manufactures from the developing countries to centrally planned economies. Nearly half of these exports consisted of machinery and transport equipment. India was responsible for over one-fourth of the total, consisting mainly of jute manufactures, cotton piece goods, footwear and coin manufactures.

55. The UAR was in 1964 the third ranking supplier with about one-tenth (\$34 million) of total exports of semi-manufactured and manufactured exports from all developing countries into the centrally planned economies. If this proportion were also applicable in 1965, then exports of these products from the UAR would have risen to about \$60 million.

Cotton goods have constituted the bulk of UAR's exports to the centrally planned economies. However, a number of newly produced products were also exported from the UAR to these countries in recent years, such as processed foods, chemicals, gasoline, fuel oil, artificial fibres and yarn, medicaments, footwear, and certain other consumer goods, for some of which the centrally planned economies are the largest export markets. As a result, the share of semi-manufactures and manufactures in total exports of the UAR to these countries is estimated to have reached 20 per cent in 1965.

56. Exports of textile yarn and fabrics from all African countries (presumably mostly from the UAR) to the centrally planned economies went up sixfold between 1961 and 1965, as compared with a two-and-a-half gain in total exports of these products. Consequently, the share of exports of textile yarn and fabrics from Africa to the centrally planned economies in total exports of these products increased from 18.8 per cent in 1961 to 45.6 per cent in 1965. It should also be noted that the share of textile yarn and fabrics in relation to the combined total of African exports of these products and of textile fibres, went up by much more (fivefold) for centrally planned economies than for developed market economies (where it only doubled), the respective proportions amounting to respectively 21.8 per cent and 8.3 per cent.

57. It should be noted that some trade agreements and particularly arrangements on industrial co-operation between African countries and centrally planned economies, involving imports of products made in plants set up with technical and financial assistance by the latter countries have contributed to the increase in African exports of semi-manufactures and manufactures to these countries. These arrangements are likely to play an increasingly important role in the future.

African exports of semi-manufactured and manufactured products to developing countries

58. In 1965, total trade among developing countries amounted to \$7.9 billion, with an increase of 35 per cent over 1955. Trade in semi-manufactures and manufactures among developing countries rose from \$925 million in 1955 to \$1.8 billion in 1965, and the share of these products in their total trade went up from 15.8 per cent to 22.3 per cent. At the same time, resulting from a larger increase in their total exports of semi-manufactures and manufactures than that in their intra-trade in these products, the share of this intra-trade as a proportion of developing countries' total exports of these products went down from 49.6 per cent in 1955 to 36 per cent in 1965. This trade is concentrated on a limited range of products, mainly textiles and other light manufactures. It should be noted, in this connexion, that in 1965 only 13.7 per cent of Africa's total imports of textile yarn and fabrics from all developing countries came from within the region, while in the case of Asia this proportion amounted to 95.7 per cent and for Latin America it was 32.8 per cent (from 9.6 per cent in 1961).

59. The relatively higher growth of exports of semi-manufactured and manufactured products from the developing countries to the world than among themselves reflects a number of obvious factors. Among the main reasons for this trend are undoubtedly the similar patterns of industrialization and import-substitution in developing countries, a relative lack of established commercial contacts and, in some cases, the large distances which separate these developing countries. The efforts on the part of the developing countries to increase their exports to particularly developed market economies in order to obtain necessary foreign exchange for the expansion of imports from them, also play a considerable role in this trend.

60. Intra-regional trade accounts for the bulk of the total trade among developing countries. In 1965, Asia accounted for almost three-fifths of the total trade in semi-manufactured and manufactured products among the developing countries, followed by Africa with over two-fifths and

Latin America with one-fifth. Out of Asia's total exports of these products to the developing countries, 75 per cent was exported within the Asian region, and the respective proportions were 85.5 per cent for Africa and 94.0 per cent for Latin America. Between 1955 and 1965, there was some decline in the relative importance of exports of semi-manufactures and manufactures within Asia and Africa in relation to their total exports of such products to all developing countries, but an opposite tendency asserted itself in Latin America where the relative importance of exports to the region, already very high in 1955 increased to an even greater proportion in 1965. In 1965, Africa's total exports of semi-manufactured and manufactured products to the other developing regions appear to have amounted to about \$65 million.

C. Barriers to Africa's exports of semi-manufactured and manufactured products

61. It is clear, and has now been generally recognized, that the establishment of better conditions of access in the markets of the developed part of the world for exports of manufactures and semi-manufactures from developing countries would make a powerful contribution to the closing of their trade gap and to their economic development. This is of particular importance to Africa, whose present share of the developed countries' imports of manufactures and semi-manufactures is exceedingly low. Improved conditions of access for Africa's exports of these products would help to overcome the handicap of generally inadequate national markets and the disadvantages of inward-looking economic development based on import substitution, enabling industrialization on a more rational, export-oriented basis.

62. In addition to such unfavourable factors as the incidence of effective - as distinct from nominal - tariff rates, and tariff escalation according to the degree of processing (discussed in the paper on Tariff and other obstacles facing selected products of export interest to Africa after the Kennedy Round) another most important element of the tariff structure of the developed market economy countries relates to its preferential aspects, especially in respect of the two Western European economic groupings. Two considerations are involved in this connexion. In the first place, the developed partners in these groupings extend to each other preferential tariff and quota treatment. The duties on intra-EEC trade are to be abolished and a common tariff on imports from third countries put into full effect by 1 July 1968, while EFTA already eliminated virtually all tariffs and quotas on intra-area trade in industrial products at the end of 1966. Thus, in addition to the creation of new competitive advantages consequent upon the process of internal trade liberalization (and of economic integration in the EEC), the developed partners also continue enjoying tariff protection over a wider economic area in favour of their now presumably generally more

efficient industries. To that extent particularly the developing countries outside these groupings have had cause for serious concern. Secondly, preferential treatment has been extended to those developing countries associated with these groupings, or by particular countries within them. All this is of concern to developing Africa, in several ways. On the one hand, it would appear that generally speaking the preferential treatment granted by the EEC to its African associates and by the United Kingdom to the African members of the Commonwealth has favoured some of their processed exports competing with similar products from other sources, and has in certain cases led to the establishment of export-oriented industries.

63. On the other hand, any evaluation of the benefits of preferential treatment granted to African countries must take into account the effect of the reciprocal preferences which they extend to their developed partners, in particular with regard to the much-debated question of the relation of these reciprocal preferences to the prospects of economic integration among African countries. There is also the question of the competitive position of those African countries who do not benefit from either the EEC or Commonwealth preferences. Certain African countries, some of whom may have been influenced by the possibility of the United Kingdom's accession to the EEC (and by the desire to enter the EEC Association before 1969), have been induced to also seek the conclusion of special preferential agreements with the EEC. An association agreement was signed with Nigeria in July 1966, the latter having agreed to depart from its policy of tariff non-discrimination in favour of some EEC products in exchange for EEC preferences (and has been also able to keep its Commonwealth preferences). Negotiations have been also proceeding on a similar association between the EEC and the three East African countries (Kenya, Tanzania and Uganda) as well as the three Maghreb countries (Algeria, Morocco and Tunisia), in both cases on the basis of some reciprocal preferences on the part of the African countries concerned. The motivation of those countries who wish to counteract a threat to their

privileged position in traditional markets or who desire to strengthen their position in such markets through preferential treatment for their exports, is perfectly understandable. Equally understandable is the position of countries which are unwilling to renounce existing preferences without making sure that any new world-wide arrangements would provide them with at least equivalent advantages. Difficult as it is to resolve this particular problem, any proliferation of special preferential arrangements in favour of additional selected African or other developing countries can only militate against the successful negotiation of a general preferential system in favour of all developing countries.

64. An examination of the results of the Kennedy Round for the EEC countries, the United Kingdom, the United States and Japan shows that as far as semi-manufactures and manufactures are concerned, generally speaking the deepest cuts were made in those products of most interest to the developed countries, such as chemicals, machinery and transport equipment and miscellaneous manufactured products. Lesser, but fairly substantial cuts were made in textiles and iron and steel. As regards the former category, however, there still remains a striking degree of tariff escalation from the raw-material stage of textile fibres through semi-finished textiles and up to clothing. This pattern of escalation differs markedly from that in products starting from ores, through semi-finished iron, steel and non-ferrous metals, to such finished products of metallic origin as non-electrical and electrical equipment, automobiles and other transport equipment and precision instruments, which are mainly of interest to industrial countries and generally involve advanced technological processes.

65. For products of interest to developing countries, tariffs on petroleum products and non-ferrous metals have been generally low before the Kennedy Round. Duties on alcoholic beverages were cut relatively little, as were those on most processed foodstuffs, oils and fats, and clothing and other textile goods. In addition a number of oils and fats were faced with non-tariff barriers, and textiles and clothing meet quota restrictions under

the Long-Term Cotton Textile Agreement. Thus the average rates on the products which were affected by high rates of duty before the Kennedy Round, are even more conspicuously above overall average rates now. It would also appear that in the iron and steel and chemicals categories, products of interest to developing countries generally obtained considerably smaller reductions than those products predominantly of interest to the developed countries. It should also be added that in the tariffs of the major developed economy markets, the pre-Kennedy Round average effective rates on products of interest to the developing countries were higher than the average effective rates on other products. Moreover, the Kennedy reductions in effective tariffs on the products of interest to developing countries were smaller than those on other products. The discrepancy in effective rates between the two types of products is therefore even more pronounced after the Kennedy Round than before.

66. Comprehensive tables showing the pre- and post-Kennedy Round tariffs and non-tariff restrictions on selected African semi-manufactured and manufactured products imported into the EEC countries, the United Kingdom, the United States and Japan - as well as detailed textual commentary - can be found in the paper on Tariffs and other obstacles facing selected products of export interest to Africa after the Kennedy Round. It will be sufficient, therefore, at this point, to summarize and make a general evaluation of the post-Kennedy Round situation (without going into the question of the extent of reductions made) on some of those leading African semi-manufactures and manufactures discussed in Part B of this Chapter, in terms of their imports in 1965.

67. Where a range of tariffs applies to one product, only those rates which appear to be relevant to Africa are shown whenever this is ascertainable. The preferential arrangements in the EEC and the United Kingdom are taken into account. Since as of 1 July 1968 all imports into the EEC from the Associated African and Malagasy States (AAMS) - and possibly also from Algeria - will enter duty-free, the value of imports from these countries is taken to belong in this category. In the case of Morocco and

Tunisia, imports from these countries generally enjoy privileged treatment in the French market (and are taken to belong in the duty-free category), but not in the other EEC countries.

TARIFFS^{a/} AND NON-TARIFF RESTRICTIONS

Processed agricultural products

Alcoholic beverages

No tariff data are available, but it is believed that duties are generally very high. Imports from Africa are taken almost entirely by France, and are registered by means of annual quota arrangements.

	<u>EEC</u>	<u>UK</u>	<u>US</u>	<u>Japan</u>
Fish	20 - 25 R(F)	8 - 10	1.25 - 12.5	10 - 20 GQ
Meat	0 - 26	10 - 15	0.3 - 7.5	10 - 25
Fruit	0 ^{b/} 50 GQ(G); R(F)	0 - 18 GQ	2.7 - 49.9	17 - 45 GQ
Vegetables	18 - 24	5 - 15	8.5	17.5 - 35
Cocoa preparations	16 ^{b/} 25	0	0 - 5	5 - 10 GQ
Leather	3 - 9	8 - 16	4 - 9	7.5 - 20 GQ
<u>Metals</u>				
Aluminium	9(5) ^{c/}	0 - 5	0.3 - 3.1	9
Pig iron	0 - 4	0 - 8	0 - ^{d/}	5
<u>Petroleum products</u>				
Petroleum oils	5 - 7	3s.3d/gal.	4.5	7.5 - 22
<u>Forest products</u>				
Plywood	13	10 - 15	20	15
Pulp	0 - 3(0) ^{e/}	0	0	0 - 5
Paper	10 - 12	10 - 15	3.1 - 9.2	10 - 15

	<u>EEC</u>	<u>UK</u>	<u>US</u>	<u>Japan</u>
<u>Textiles</u> ^{f/}				
Floor coverings	24	17.5 - 20	11	15
Cotton yarn	4 - 8	7.5 - 13	3.4 - 14.5	3.5 - 10.5
Cotton fabrics	14 - 15	17.5 GQ	5.9 - 18.1	7 - 17.5
<u>Chemicals</u>				
Inorganic chemicals ^{g/}				
(Aluminium oxide)	5.5	8	4	7.5 - 10

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- a/ Generally ad valorem, in a few cases specific.
- b/ Conditional on right to revert to base rate if market "disrupted".
- c/ Reduced rate under tariff quota of 130,000 metric tons.
- d/ 28 cents/ton + additional duties.
- e/ For soda, sulphate and sulphite wood pulp there is a global quota of 1,935,000 metric tons.
- f/ Imports of cotton textiles are regulated on a quota basis under the Long-Term Cotton Textile Agreement. The UAR is the only African country party to the Agreement.
- g/ Consisting almost entirely of aluminium oxide.

IMPORTS^{a/}, 1965
(in millions of US\$)

	<u>EEC</u>				<u>UK</u>		<u>US</u>		<u>Japan</u>	
	AAMS	Algeria	Morocco- Tunisia	Others	Common- wealth	Others				
	F	F	F D	F D	F	F D	F D	F D	F D	F D
<u>Processed agricultural products</u>										
Alcoholic beverages	2.3	138.2	22.5 0.8	.	.	.	.	.	.	.
Fish	5.7	0.2	11.3 5.2					1.2		
Meat ^{b/}	3.0			1.0 0.9	16.0					
Fruit ^{c/}	6.9	1.1	8.7 0.4	0.3 0.2	2.9					
Vegetables	1.3	4.0	6.1 0.6	0.6	0.5	1.4	0.2			
Cocoa pre- parations	6.3			1.7	6.2	0.4 2.6	0.5		2.7	
Leather	0.5		2.3	0.8	3.5		0.2			
<u>Metals</u>										
Aluminium	15.4						5.7			
Pig iron ^{d/}				0.7	2.5		0.5		10.7	
<u>Petroleum products</u>										
Petroleum oils		17.2	1.4	8.2	2.2	5.9			2.0	
<u>Forest products</u>										
Plywood	3.9			0.4	6.3	3.3	0.5			
Pulp			2.5	1.9	0.2 4.1		0.2			
Paper		3.3	0.9							
<u>Textiles</u>										
Floor cover.	0.5	1.9	0.5 1.4	0.1			0.3			
Cotton yarn			0.2	6.6		0.2				
Cotton fabrics				1.5		0.4	2.5			
<u>Chemicals</u>										
Inorganic chem.				5.0			4.3			

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- a/ F = Free; D = Dutiable. Only values of at least \$0.1 million are shown.
 - b/ The allocation of the value of imports into EEC for "others" between free and dutiable is estimated.
 - c/ The allocation of imports into EEC for Morocco-Tunisia and "others" between free and dutiable is estimated.
 - d/ The allocation of imports into the EEC from "others", and into the USA between free and dutiable is estimated.

Recapitulation	<u>EEC</u>		<u>UK</u>		<u>US</u>		<u>Japan</u>	
	F	D	F	D	F	D	F	D
<u>Processed agricultural products</u>								
Imports	221.9	11.6	29.4	1.5	2.6	2.1		2.7
Free as % of total	95.0		95.1		55.1			
Dutiable as % of total		5.0		4.9		44.9		100.0
<u>Metals</u>								
Imports	15.4	0.7	2.5			6.1		10.7
Free as % of total	95.4		100.0					
Dutiable as % of total		4.6				100.0		100.0
<u>Petroleum products</u>								
Imports	17.2	4.7	2.2	5.9				2.0
Free as % of total	64.0		27.1					
Dutiable as % of total		36.0		72.9				100.0
<u>Forest products</u>								
Imports	12.5	0.5	10.6	3.1	0.2	0.5		
Free as % of total	96.4		76.1		21.2			
Dutiable as % of total		3.6		23.9				
<u>Textiles</u>								
Imports	2.9	9.8		0.6		2.9		
Free as % of total	22.9							
Dutiable as % of total		77.1		100.0		100.0		
<u>Chemicals</u>								
Imports		5.0				4.3		
Free as % of total	1.2							
Dutiable as % of total		98.8				100.0		
<u>All imports listed</u>								
Total	269.9	37.3	44.7	11.4	2.8	15.9		15.5
Free as % of total	87.9		79.7		14.8		0.1	
Dutiable as % of total		12.1		20.3		85.2		99.9

68. The following main conclusions emerge from the above summary presentation of tariffs and non-tariff restrictions on certain leading African semi-manufactures and manufactures in the main developed market economy countries (apart from preferential arrangements in the EEC and the United Kingdom). Tariffs are generally the highest and non-tariff restrictions most widely in force for processed agricultural products,^{1/} which account for about half of all African exports of semi-manufactured and manufactured products and affect some twenty African countries. Tariffs are lowest on metals and pulp. When comparing the tariffs on pulp with those on plywood and paper, the tariff escalation according to the degree of processing within the forest products category is quite clear. As regards individual markets, Japanese tariffs appear to be the highest.

69. The products surveyed above represent 84.7 per cent of the value of the twenty leading African semi-manufactures and manufactures imported into the EEC, the United Kingdom, the United States and Japan in 1965, or over two-thirds of all imports of African semi-manufactures and manufactures into these countries in that year. In the case of the EEC, 88 per cent of the value of the listed products belong in the duty-free category. In the case of the United Kingdom, 78 per cent of imports of the listed products enjoy duty-free entry. In the United States, only 15 per cent of imports enter duty-free, and virtually all of the imports into Japan are dutiable. (However, it can be observed that there are interesting differences for some of the component product groups, especially for metals and chemicals). Thus, for a relatively small but not unimportant proportion of imports, the non-associated and non-Commonwealth countries must still face certain tariff barriers in the EEC and the UK markets. In the United States, and particularly Japan, most of imports of semi-manufactures and manufactures from all African countries face, sometimes considerable,

^{1/} However, regarding that part of the total which comes from the AAMS, it is not as yet quite clear how the EEC regime designed to protect its food-processing industries will affect exports from these countries (especially processed fruit).

tariff barriers. Consequently, while the Kennedy Round has undoubtedly achieved some results, African countries must press for the establishment of a general preferential system or, if this attempt should fail at the second session of UNCTAD, for a new round of negotiations with the developed countries aimed at the removal of particularly those tariffs which affect Africa's most vital exports of semi-manufactured and manufactured products.

70. While a number of high tariffs on the leading African exports of semi-manufactures and manufactures still exist and should be lowered or entirely removed as soon as possible, there are many products faced with relatively low tariffs where quantitative and other non-tariff restrictions determine the amount of imports into the developed countries. Generally speaking, quantitative and other non-tariff restrictions may be considered as increasingly becoming a relatively more important obstacle to imports from African and other developing countries than tariff barriers alone. Quantitative restrictions are applied in most developed countries to a greater or lesser extent on certain products of substantial interest to the developing countries, in particular France, the Federal Republic of Germany and Japan. Furthermore, in some developed countries the restrictions are applied on a discriminatory basis, not only as between developed and developing countries, but as between developing countries themselves.

71. Adherence by the developed countries to standstill arrangements, combined with notification of existing restrictions and agreed procedures for their progressive removal within fixed periods, and periodic reviews of progress made should be one of the fields of action in and supervision by UNCTAD. There is also the problem of the so-called "voluntary restrictions" which have to be dealt with. Another aspect of the removal of non-tariff restrictions concerns adjustment assistance in the developed countries to industries affected by increased imports of certain semi-manufactures and manufactures. African countries should press for the introduction of the necessary adjustment assistance measures in the developed countries as a means of ensuring a more rational and equitable international division of labour.

A general system of preferences for developing countries

72. The broad features and various specific elements of a general preferential system for the imports of semi-manufactures and manufactures from developing into developed countries have been exhaustively dealt with in the various committees and groups established for that purpose in UNCTAD, such as the Special Committee on Preferences, the Group on Preferences at its two sessions and recent Trade and Development Boards, and need not be further discussed here. It remains to be re-stated that the case for a general system of preferences can be seen as deriving directly from the case for better access and, in harmony with the general trends towards liberalization of world trade, as simply giving priority to the special and urgent needs of the developing countries. Moreover, a general preferential system does not involve any more favourable treatment for developing countries that is already accorded to members of common markets or free trade areas.

73. The establishment of a preferential system for all developing countries would not only help to overcome the generally disadvantageous effects on their exports of the formation of regional groupings among developed countries; but it would also prevent the proliferation of preferential arrangements between some developed and developing countries, which threatens to create rival economic blocs and spheres of influence in the world. The existence of a general preferential system would tend to attract increased foreign investment into the developing countries and, by means of raising their level of industrialization and economic development, also facilitate regional economic co-operation among these countries. However, it should be noted that even if such a system were established, it would have to be joined with other favourable trade policy measures in order effectively to stimulate the required export expansion. For instance, if a general preferential system were accompanied by the maintenance, or especially an increase, in the existing quantitative or other non-tariff restrictions, or by an increase in freight rates and handling charges or trade margins - the effectiveness of such a system could be completely

vitiated. It has to be also kept in mind that a general preferential system, even if accompanied by an actual reduction or elimination of all other trade barriers, would still not be a guarantee of increased trade, but would merely create greatly increased trade opportunities for developing countries of which they would have to take maximum advantage, especially as regards the competitiveness of their exports in the markets of the developed part of the world.

74. A few remarks can be made regarding some of the specific elements of a general system of preferences. All countries seem to be agreed on the necessity of some kind of escape clause for the developed countries. However, it should be stressed, in this connexion, that should an escape clause be incorporated in the system, the developing countries must be given safeguards against indiscriminate invocation of it by the developed countries, through provision of certain laid-down criteria, such as the fixing of a minimum volume of imports to be maintained on a preferential basis, procedures for prior approval of the use of the escape clause by UNCTAD, or, at least, if the escape clause is to be invoked unilaterally, prompt consultation and review procedures within UNCTAD. Also guarded against must be possible attempts by developed countries to exclude certain sensitive items from the list of products covered by the system. As regards the definition of semi-manufactures and manufactures originating in the developing countries according to the degree of processing undergone in these countries, consideration may be given to adopting more liberal criteria in the case of the less developed among the developing countries to stimulate establishment of export-oriented industries. Finally, the duration of the system must be long enough to enable especially the less-developed countries to take full advantage of it.

75. African countries have already decided to subscribe to and support a general system of preferences for imports of semi-manufactures and manufactures from developing countries into the developed countries,^{1/}

^{1/} See the African Declaration of Algiers.

which would include certain special measures to take account of differences in the degree of development among developing countries both within the system itself and outside it, though specific commitments of financial and technical assistance in the establishment of export-oriented industries, export promotion, and assistance in regional integration efforts. Without calling this position into question, it is still permissible to ask what are the likely benefits of the preferential system for Africa. Judging by the survey of trends in African exports of semi-manufactures and manufactures, and being aware of Africa's relatively low degree of development, the answer must be that the short-run benefits are not likely to be considerable, except perhaps for the few relatively more industrialized countries.

76. For, in order to benefit from the preferential system, it will be necessary for Africa, first to compete with the domestic producers in the developed countries on price (and quality) in those products exported by African countries and also produced in developed countries; second, to be able to maintain prices below the margin of protection afforded by preferences in cases where such African products compete with exports from those developed countries which have to surmount tariffs in other developed countries; third, to compete successfully with similar products exported by other developing countries. Not to speak of the fact, that for many products already exported by other developing regions to the developed countries, no industries as yet exist in most African countries. Which leads to two main conclusions. First, the expansion of export-oriented industries in Africa is a matter of primary importance, whether they are to serve the markets of the developed countries, the other developing countries, or both; this will require a massive infusion of financial and technical assistance from the developed world. Second, the expansion of intra-African trade in semi-manufactures and manufactures, in the framework of sub-regional economic co-operation, is a matter of at least equal importance. Hence a considerable amount of assistance is also needed in order to ensure the successful functioning of the sub-regional economic groupings in Africa.

D. Promotion of exports of semi-manufactures and manufactures from Africa into developed countries

77. In addition to the existence of various tariff and non-tariff barriers in the developed countries which affect the exports of manufactures and semi-manufactures from African countries, another obstacle to the expansion and diversification of such exports lies in various difficulties connected with their marketing in the developed countries. One of the difficulties relates to inadequate business contacts between African suppliers and the prospective customers in the developing countries (apart from certain traditional business ties). Such contacts, either with the direct customers, with import merchants, or appropriate government departments and agencies, as well as continued market surveys and research, are absolutely necessary to identify the potential buyers and to ascertain the requirements of the various markets as regards technical standards, quality, design, packaging, prices, credit terms, etc. Another complementary line of approach lies through international and/or national trade promotion centres, and the establishment of special focal or contact points which would, inter alia, be especially concerned with providing technical assistance to African exporters in the marketing of their products (e.g. as regards meeting quality standards, or participation in trade fairs), as well as providing guidance to, and promoting collaboration with, industrial entrepreneurs regarding industrial co-operation with, or joint enterprises, in African countries.

78. The setting up of new export-oriented industries in Africa in products with the best market potential in the developed countries requires both continued market research to identify such products, as well as, on the supply side, sound industrial planning and the necessary technical know-how and capital investment. Regarding the latter, increased assistance is required from the developed countries in providing their own technical personnel and in the extension of training facilities for African personnel, and in the encouragement of public and private investment, particularly through the means of joint ventures, in new export-oriented industries in African countries. To this end, the policies of

African countries themselves with regard to the promotion of such industries are of undeniable importance.^{1/} In this connexion attention may be drawn to the proposal of the Executive Secretary of ECA for the creation of industrial information and promotion centres in Africa.^{2/}

79. Recently, increased efforts have been made both bilaterally and multilaterally in the fields of trade information and training in techniques of export promotion. At a special meeting of the Executive Secretaries of the regional economic commissions in January 1967, the decision was taken for a co-ordination of activities and resources by the Department of Economic and Social Affairs, the regional economic commissions, UNCTAD, UNIDO and UNDE under a joint United Nations export promotion programme. It would appear that there is some scope for co-ordination of the efforts of the various international, and perhaps even national, organizations and agencies concerned with promotion of the developing countries' exports, along with an intensification of such efforts. In this connexion, a joint UNCTAD-GATT International Trade Centre has been proposed. At a national level in the developed countries, government and especially private agencies involved in these efforts could also usefully help influence public opinion and public policies to ensure the fullest understanding and implementation of the principle of a new international division of labour, with the consequent adjustment in the patterns and structure of industrial production between the developed and developing - including African - countries.

1/ See the report of Joint UNCTAD/UNIDO Meeting of Experts to discuss United Nations technical assistance in the field of government policies for the promotion of exports of manufactures and semi-manufactures from developing countries (TD/B/C.2/43).

2/ See Executive Secretary's Report on the Conference of Industrialists and Financiers (E/CN.14/392), held in Addis Ababa in January 1967.

Imports of Twenty Listed African^{1/} Semi-manufactured and Manufactured Products into Selected Developed Countries^{2/}, 1960, 1963 and 1965
(Thousands U.S. \$ c.i.f.)

SITC Rev. 2	Description of Product	Value of Imports of Listed Products into Selected Deve- loped Countries ^{2/} from Africa		Rank Total 1965	Item Share of Listed Products Total 1965	Value of Imports of Listed Products into Selected Developed Countries ^{2/} from all Developed Countries ^{2/}		Value of Imports of Listed Products into Selected Developed Countries ^{2/} from all Developed Countries ^{2/}		Share of Total Imports of Listed Products into Selected Developed Coun- tries ^{2/} from		Av. Annual Growth Rate 1960-1965	
		1960	1963			1960	1963			Africa 1960	All Deve- loped Countries 1960	Africa 1965	All Deve- loped Countries 1965
		5/	5/			5/	5/						
11	Alcoholic beverages	277,972	166,669	163,515	1	34.1	288,175	129,060	797,369	35.1	16.5	36.4	19.2
689	Misc. non-ferrous base metals employed in metallurgy	31,613	33,387	45,713	2	9.7	35,516	54,364	137,130	23.1	22.9	25.9	27.2
332	Petroleum products	1,684	21,130	36,913	3	7.9	947,606	1,413,751	1,788,948	0.1	1.5	53.0	58.7
032	Fish, in airtight con- tainers, n.e.s. and fish preparations, whether or not in airtight containers (incl. crustacea and molluscs)	22,790	29,546	24,042	4	5.1	30,284	53,076	248,582	9.2	7.5	12.2	16.6
631	Veneers, plywood boards, "improved" or reconstru- cted wood & other wood, sorted, n.e.s.	12,587	17,042	21,481	5	4.6	32,919	102,485	338,222	3.7	4.6	9.7	21.7
684	Aluminium	18,680	21,973	21,040	6	4.5	18,821	22,837	515,779	3.6	2.6	3.6	2.9
013	Meat in airtight contain- ers, n.e.s. and meat preparations, whether or not in airtight con- tainers	13,451	21,075	20,905	7	4.5	98,648	111,879	385,967	3.4	4.4	25.3	23.5
053	Fruit, preserved and fruit preparations	13,101	18,416	20,662	8	4.4	84,933	134,346	310,376	4.2	4.7	27.4	30.5
072.2	Cocoa powder, unsweetened	4,545	12,545	20,287	9	4.3	n.a.	31,042	n.a.	n.a.	n.a.	36.4	n.a.
072.3	Cocoa butter & cocoa paste	13,516	12,762	15,731	10	3.3	35,688	49,063	111,828	12.1	8.7	31.9	27.1
551	Essential oils, perfume and flavour materials	7,305	17,287	14,794	11	3.2	41,512	71,760	143,539	5.1	6.1	28.9	29.7
055	Vegetables, roots and tubers, preserved or pre- pared, n.e.s., whether or not in airtight con- tainers	n.a.	11,968	14,414	12	3.1	n.a.	54,063	n.a.	n.a.	n.a.	12.7	n.a.
671	Fig in n. spiegelstein, sponge iron, iron and steel borders and shot and ferro-alloys	n.a.	13,854	9,333	13	2.0	n.a.	43,643	n.a.	n.a.	n.a.	11.4	n.a.
513	Inorganic chemicals: ele- ments, oxides & halogen salts	1,936	4,287	8,797	14	1.9	4,087	1,051	1,068,946	0.2	0.6	0.4	1.0
251	Pulp and waste paper												

^{1/} Excluding South Africa.

^{2/} Excl. Japan, U.K., U.S.

^{3/} U.S. c.i.f.

- = Not applicable.

n.a. = Not available.

TABLE III-1 (continued)
Imports of Twenty Leading African^{1/} Semi-manufactured and Manufactured Products into Selected Developed Countries^{2/}, 1960, 1963 and 1965 (continued)
(Phonetic U.S. & c.i.f. 3/)

SITC No.	Description of Product	Value of Imports of Listed Products into Selected Developed Countries ^{2/} from Africa			Rank 1965	Item Share of Listed Products Total 1965 %	Value of Imports of Listed Products into Selected Developed Countries ^{2/} from all Developing Countries ^{4/}		Value of Imports of Listed Products into Selected Developed Countries ^{2/} from all Developed Countries ^{5/}		Share of Total Imports of Listed Products into Selected Developed Countries ^{2/} from			Av. Annual Growth Rate 1960-1965	
		1960	1963	1965			1960	1965	1960	1965	Africa 1960	Developed 1960	All dev. 1960		
		5/	5/	5/			5/	5/	5/	5/	1965	1965	1965	1965	1965
611	Leather	4,753	4,631	7,297	15	1.6	68,817	89,733	244,512	303,589	2.2	1.9	28.1	29.6	9.0
651	Textile yarn & thread	6,358	7,468	7,023	16	1.5	27,597	37,184	472,481	779,847	1.3	0.9	5.8	4.8	2.1
657	Floor coverings, tapes, tries, etc.	1,026	2,557	4,747	17	1.0	76,953	107,543	159,786	331,360	0.6	1.4	48.2	32.5	35.7
652	Cotton fabrics, woven (not including marlow or special fabrics)	9,268	6,576	4,667	18	1.0	108,564	140,872	426,190	490,332	2.2	1.0	25.4	28.7	-8.5
641	Paper and paperboard	7,482	6,514	4,319	19	0.9	8,137	7,050	342,345	1,947,407	0.6	0.2	0.6	0.4	-7.3
431	Animal & vegetable oils & fats, processed, and waxes of animal or vegetable origin	2,212	2,919	3,050	20	0.7	21,795	16,406	52,411	66,739	4.2	4.6	41.6	24.6	6.7
Grand total, 20 leading products		-	432,601	469,130		100.0	-	2,756,520	-	12,847,820	-	3.7	-	21.5	-
Total value of imports into selected developed countries		3,750,313	4,959,908	6,140,078			19,067,848	25,969,535	63,111,000	94,664,266	5.9	6.7	30.2	27.4	11.1
20 leading products as % of total value of imports into selected developed countries		-	8.7	7.4			-	10.6	-	13.6	-	-	-	-	-
Total 18 leading products (excl. 671 and 513)		450,274	406,779	445,383			-	2,648,814	-	11,959,675	-	3.7	-	22.1	-0.2
18 leading products as % of total value of imports into selected developed countries		12.0	8.2	7.0			-	10.2	-	12.6	-	-	-	-	-
Total 17 leading products (excl. 671, 513 & 072)		445,729	394,234	425,096			1,920,082	2,617,772	8,545,387	11,874,284	5.2	3.6	22.6	22.0	-1.0
17 leading products as % of total value of imports into selected developed countries		11.9	7.9	6.7			10.1	10.1	13.5	12.5	-	-	-	-	-
Total 16 leading products (excl. 671, 513, 072 and 112)		167,857	227,565	261,181			1,641,907	2,427,712	7,733,018	10,882,480	2.2	2.4	21.2	22.3	9.3
16 leading products (excl. 671, 513, 072 & 112) as % of total value of imports into selected developed countries		4.5	4.6	4.1			8.6	9.3	12.3	11.5	-	-	-	-	-
Total 16 leading products (excl. 671, 513, 072 & 332)		444,045	373,104	388,181			982,476	1,204,021	6,756,439	9,467,533	6.6	4.1	14.5	12.7	-2.5
16 leading products (excl. 671, 513, 072 and 332) as % of total value of imports into selected developed countries		11.8	7.5	6.1			5.2	4.6	10.7	10.0	-	-	-	-	-

TABLE III-2
Imports of Twenty Leading African^{1/} Semi-manufactured and Manufactured Products
into Selected Developed Countries^{2/} by Individual Markets, 1960-1965
(Thousand U.S. \$ o.i.f.d.)

SITC No.	Belg.-Lux.				Netherlands				Fed. Rep. of Germany				France				Italy				Total EEC			
	Value		%		Value		%		Value		%		Value		%		Value		%		Value		%	
	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965
112	542	339	0.2	0.2	..	14	..	1,260	0.5	0.8	276,027	162,271	99.3	99.0	..	..	277,872	163,885	100.0	100.0	277,872	163,885	100.0	100.0
689	15,442	28,745	48.8	62.9	..	2,252	1	1,303	1	..	369	368	1.2	0.8	..	..	15,811	29,139	50.0	63.7	15,811	29,139	50.0	63.7
332	760	411	2.1	1.7	905	2,231	53.7	2,252	6.1	6.1	139	17,073	8.3	46.3	119	4,539	1,163	26,855	69.1	72.8	1,163	26,855	69.1	72.8
032	411	52	1.7	0.2	236	1,106	4.1	1,988	8.7	10.1	16,349	16,980	71.7	70.6	3,945	2,795	22,282	22,848	97.7	95.0	22,282	22,848	97.7	95.0
631	52	1,266	16.8	6.0	246	101	1.3	802	2,499	7.0	11.6	2,435	3,178	14.8	..	5	3,843	6,840	30.5	31.8	3,843	6,840	30.5	31.8
684	3,133	218	1.1	0.5	475	362	2,299	8.0	1,190	5.7	7.3	13,916	14,023	74.5	66.6	1,914	17,295	15,390	92.6	73.1	17,295	15,390	92.6	73.1
013	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
053	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
072.2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
072.3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
551	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
055	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
671	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
513	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
251	473	534	24.4	6.1	268	1,000	13.8	621	7.1	8.2	376	1,233	19.4	14.0	1,016	1,016	1,117	4,404	57.7	50.1	1,117	4,404	57.7	50.1
611	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
651	600	350	9.4	5.0	200	7	0.1	4,183	6,210	88.4	8.2	3,345	2,958	70.4	40.5	23	3,345	3,585	70.4	49.1	3,345	3,585	70.4	49.1
657	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
652	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
641	332	438	4.4	10.1	380	105	5.1	188	58	2.2	1.3	5,981	3,645	79.9	84.4	197	2,351	1,504	25.4	32.2	2,351	1,504	25.4	32.2
431	68	..	..	..	244	..	..	267	383	12.1	12.6	642	634	29.0	20.8	30	909	4,274	91.7	99.0	909	4,274	91.7	99.0
Grand Total	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
20 leading	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Products	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
18 leading	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Products	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
17 leading	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Products (ex.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
671, 513 & 112)	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

Sources: OECD, Foreign Trade by Commodity, Series C, 1960 and 1965; United Nations, Commodity Trade Statistics, Series D, 1960 and 1965; The Institute of Asian Economic Affairs, Asian Trade Statistics, Import, 1961.

1/ Excluding South Afr. ea.
2/ EC, Japan, U.K., U.S.
3/ 1961 for Japan.
4/ U.S. f.c.b.

.. = Insignificant (less than 0.1).
- = Not applicable.
n.a. = Not available

(continued)

TABLE III-2(continued)
Imports of Twenty Leading African¹ Semi-manufactured and Manufactured Products
into Selected Developed Countries² by Individual Markets, 1960/ 1965
(Thousand U.S. \$ b.i.f.)³ (continued)

SITC No.	U.K.				U.S.				Japan				GRAND TOTAL			
	Value		%		Value		%		Value		%		Value		%	
	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965	1960	1965
112		30	..	..									277,872	163,915	100.0	100.0
689	3,034	4,467	9.6	9.8	8,731	9,812	27.6	21.5	4,042	2,295	12.8	5.0	31,618	45,713	100.0	100.0
332		8,100	21.9	..	504	1,183	29.9	4.9	17	1,958	1.0	5.3	1,684	36,913	100.0	100.0
032		11	..	..	516	1,183	2.3	4.9					22,798	24,042	100.0	100.0
631	6,098	11,304	48.4	52.6	2,646	3,337	21.0	15.5					12,587	21,481	100.0	100.0
684					1,383	5,650	7.4	26.9	2				18,680	21,040	100.0	100.0
013	9,860	15,992	73.3	76.5									13,451	20,905	100.0	100.0
053	1,691	2,929	12.9	14.2	505	88	3.9	0.4	1				13,101	20,662	100.0	100.0
072.2) 072.3)	1,746	6,577	38.4	32.4	1,639	3,063	36.1	15.1	2,684			13.2	4,545	20,287	100.0	100.0
551	870	948	6.4	6.0	3,135	2,739	23.2	17.4	166	53	1.2	0.3	13,518	15,731	100.0	100.0
055	805	1,907	10.9	12.9	189	189	1.3	1.3	52		0.4	0.4	7,385	14,794	100.0	100.0
671	n.a.	2,476	17.2	..	n.a.	465	3.2	..	n.a.	10,734	74.5	..	n.a.	14,414	100.0	100.0
513	n.a.				n.a.	4,264	45.7	..	n.a.	42	0.5	..	n.a.	9,333	100.0	100.0
251	819	4,231	42.3	48.1	147	147	1.7	..	15		0.2	..	1,936	8,797	100.0	100.0
611	1,408	3,494	29.6	47.9	215	215	2.9	..	3		..	..	4,753	7,297	100.0	100.0
651	456	190	7.2	2.7	956	44	15.0	0.6					6,358	7,023	100.0	100.0
657		17	0.4	..	291	260	28.4	5.5	1	2	0.1	..	1,026	4,747	100.0	100.0
652	985	617	10.6	13.2	5,923	2,546	63.9	54.6	9		0.1	..	9,260	4,667	100.0	100.0
641	621	45	8.3	1.0									7,482	4,319	100.0	100.0
431	662	617	29.9	20.2	527	832	23.8	27.3	114	242	5.2	7.9	2,212	3,050	100.0	100.0
Group Total 20 Leading Products	-	63,952	13.6	..	-	34,834	7.4	..	-	18,081	3.9	..	-	469,130	100.0	100.0
18 Leading Products (ex. 671 & 513)	29,055	61,476	6.5	13.8	26,756	30,105	5.9	6.8	4,351	7,305	1.0	1.6	450,274	445,383	100.0	100.0
17 Leading Products (ex. 671, 513 & 112)	29,055	61,446	16.9	21.8	26,756	30,105	15.5	10.7	4,351	7,305	2.5	2.6	172,402	281,468	100.0	100.0

TABLE III-3 (continued)
Imports of Twenty Leading African Semi-Manufactured and Manufactured Products
into Selected Developed Countries by Country of Origin, 1965
(Thousands US \$ v.i.f. 2/)

	SITC 551			SITC 055			SITC 671			SITC 513			SITC 251			SITC 611			SITC 651			SITC 657			SITC 652		
	A4	B	C	A4	B	C	A4	B	C	A4	B	C	A4	B	C	A4	B	C	A4	B	C	A4	B	C	A4	B	C
NORTH AFRICA																											
Algeria	1241	7.9	0.2	4045	27.5	0.6																1890	39.8	0.3			
Libya																											
Morocco	2114	13.4	0.5	6593	44.6	1.7	27	0.2	..	63	0.7	..	47	0.5	..	2515	34.5	0.6				1633	34.4	0.4			
Sudan																											
Tunisia	975	6.2	0.9	581	3.9	0.5							2182	24.8	2.0	1	..	..				615	13.0	0.6			
United Arab Rep.	1982	12.6	1.2	1761	11.9	1.0				87	0.5	0.1				6	0.1	..	7023	100.0	4.1	115	2.4	0.1	4465	95.7	2.6
EAST AFRICA																											
Chad	138	0.9	0.1																								
Guinea	573	3.6	2.4																								
Ivory Coast	238	1.5	0.1							9141	97.9	38.4															
Liberia																											
Nigeria																											
Senegal																											
Togo																											
Upper Volta	36	0.2	1.7																								
CENTRAL AFRICA																											
Angola																											
Cameroon																											
Congo Rep.																											
Eq. Cust. Union																											
SOUTH AFRICA																											
Ethiopia																											
Kenya	129	0.8	0.1	231	1.6	0.2																					
Malagasy Rep.	3376	21.5	3.8	1094	7.4	1.2																					
Malawi																											
Mozambique																											
Reunion	4178	26.6	10.8																								
Rwanda	57	0.4	..	173	1.2	0.1																					
Senegal																											
Tanzania																											
Zambia	553	3.5	0.5																								
OTHER AFRICA																											
British AOC	141	0.9	0.2																								
Spanish AOC																											
TOTAL	15731	100.0		14794	100.0	-	14414	100.0	-	9333	100.0	-	8797	100.0	-	7297	100.0	-	7023	100.0	-	4747	100.0	-	4667	100.0	-

(continued)

Imports of Twenty Leading African Semi-Manufactured and Manufactured Products
into Selected Developed Countries by Country of Origin, 1965
(Thousand US \$ o.i.f.)

	SITC 641			SITC 431			Total country values - all items listed	Total country exports	Total item share in country exports	Country share in total value - all items listed	
	A/	B	C	A/	B	C					
NORTH AFRICA											
Algeria	3176	73.5	0.4	69	2.3	..	170775	721132	23.7	36.3	
Libya							788	898274	0.1	0.2	
For acc	1070	24.8	0.3	304	10.0	0.1	65092	390231	16.8	14.0	
Sudan				71	2.3	0.1	379	112560	0.3	0.1	
Tunisia	27	0.6		86	2.3	0.1	7767	111756	6.9	1.7	
United Arab Rep.				72	2.4	..	23382	165631	13.8	5.0	
WEST AFRICA											
Ghana							15083	182037	8.2	3.2	
Guinea							9714	23810	40.8	2.1	
Ivory Coast							13035	278568	4.7	2.8	
Liberia							241	211009	0.1	0.1	
Nigeria				44	1.4	..	9023	628094	1.4	1.9	
Senegal							5122	132528	3.9	1.1	
Togo							105	31972	0.3	..	
Upper Volta							36	2176	1.7	..	
CENTRAL AFRICA											
Angola				730	23.9	0.6	4150	116260	3.6	0.9	
Cameroon							26863	153197	17.5	5.7	
Congo Dem. Rep.							45136	339805	11.3	9.6	
Eq. Cust. Union				154	5.0	0.1	9647	134193	0.1	2.1	
EAST AFRICA											
Ethiopia				452	14.8	0.5	1169	93632	1.1	0.2	
Kenya				103	3.4	0.1	9667	104494	9.3	2.1	
Malagasy Rep.				194	6.4	0.2	8183	88032	9.3	1.7	
Malawi							256	24036	1.1	0.1	
Mozambique				53	1.7	0.1	2277	41756	5.4	0.5	
Reunion							6155	38644	15.9	1.3	
Rhodesia							18073	187692	9.6	3.9	
Senegal	46	1.1	..				1014	27192	3.7	0.2	
Tanzania				680	22.3	0.6	8168	110004	7.4	1.7	
Zambia				32	1.2	..	4579	421216	1.1	1.0	
OTHER AFRICA											
British ACC							141	64482	0.2	..	
Spanish ACC							2351	23984	9.8	0.5	
TOTAL	4319	100.0		3050	100.0		469130	5974403	7.9	100.0	