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# MCB Focus

**Mauritius Inc.:**

**Engaging and partnering with Africa on its transformative journey**

April 2018



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## **The African conjuncture**

After posting a subdued trajectory in prior years, real GDP growth in Africa has, on average, firmed up last year. On another encouraging note, it is worth underscoring that the continent's short to medium-term growth prospects appear relatively promising, reflecting, amongst others, the projected relative increase in commodity prices and continued infrastructure advancements. Yet, considerable heterogeneity in economic paths is expected to subsist across countries in the region. On a broader level, there have lately been signs of Africa's socio-economic narrative and political paradigm shifting in a generally positive direction, with the continent perceived as a region of growing opportunity and promise. In addition to that and provided the reform impetus is sustained, African economies are anticipated to capitalise on favourable megatrends over the medium and long runs, notably those relating to rapid urbanisation, the advent of a young population and rising consumer spending in the wake of expanding middle classes.

That being said, while avenues for enhanced economic activities and business development prevail in Africa, due circumspection is warranted when moving in this direction for several reasons. Essentially, in spite of gaining momentum and whilst the balance of risks is mainly tilted to the downside, economic growth in Africa is foreseen to improve only gradually and modestly over the coming years, while the expansion in activity levels would remain mixed across countries given *inter alia* their inherent economic configurations, the magnitude and pace of their reform impetus and resource dependency levels. Moreover, African countries continue to be subject to key economic vulnerabilities that threaten to eventually exert adverse ramifications on real sectors if left unattended, notably those that pertain to public debt levels, the sufficiency of international reserves and trends characterising per capita income. Besides, it is worth underscoring that the generation of market development opportunities tends to be hindered by limitations characterising the quality and efficiency of the business environments and investment facilitation frameworks across African countries, while the sub-optimal adherence of economies to international norms, codes and standards warrants attention given the potentially adverse implications on global economic and financial integration endeavours. Furthermore, the ability of the African continent to sustain an appreciable growth path over the medium and longer terms is open to debate.

## **The positioning of Mauritius**

With a view to boosting economic growth in the wake of impending macroeconomic challenges that are notably attributable to the still delicate, albeit healing, global context and the persistence of local structural inefficiencies, decision time beckons for Mauritius to further improve its business environment and embrace the right policies, inclusive of wider structural reforms, that will also help to accelerate our graduation to the

high income country league, foster more meaningful job creation across sectors and enhance living standards. Towards this end, it is felt that efforts need to be continuously deployed by Mauritius to maintain and reinforce exchanges with its traditional trading partners. At the same time, in view of the appreciable overtures for trade and investment on the continent and given the relatively small size of the domestic market, the country should benefit if such moves are complemented by the deployment of increased energies that will help to expand our economic and market space by means of a further stretching of our regional reach. This can, noticeably, be achieved by a purposeful revamping of our Africa Strategy, which is all the more called for given the inadequacies that have, across several areas, been observed in respect of the magnitude and depth of the involvement of Mauritius on the African continent, in spite of progress made over time in this respect. Overall, while a diligent and prudent approach is warranted in view of the still-challenging business environment across Africa, Mauritius is called upon to adopt judiciously-calibrated policies and initiatives in order to encourage trade, foster increased foreign market diversification as well as boost investment and cross-border activities on the continent, alongside fostering partnerships with African stakeholders and creating relevant economic opportunities for Mauritius beyond the short run.

At a more granular level, the key desired economic orientations for underpinning our regional diversification endeavours are to: (i) establish a conducive macroeconomic environment; (ii) judiciously boost the quality of our regional alliances and market connectivity, notably to uplift trade in goods and, increasingly, in services; and (iii) strengthen the positioning of Mauritius as a credible regional economic platform, with emphasis on promoting our status as an International Financial Centre of repute and substance as well as our standing as a maritime, transportation and petroleum hub. To ensure that these moves work out well, some enablers that can matter can *inter alia* include the establishment of a proper institutional landscape, scaling up of the country's capacity in terms of know-how and expertise amidst increased, albeit thoughtful, openness to foreign talents and the marked upgrading of the value proposition of the Mauritian jurisdiction. Besides, alongside ensuring that OECD standards and requirements are met, it appears essential, especially in current times, that the country's tax regime remains conducive enough to preserve the competitive edge of our businesses on the regional and international fronts, especially those within the country's banking and financial services sector, given the latter's strategic prominence in the deployment of our Africa Strategy as well as its critical contribution in rebalancing the external position and foster the creation of high-value addition across the economy. Importantly, after considering that our low, simple and predictable tax regime has served the country well over the years – although some distortionary policy measures have been introduced of late – we should guard against any additional distortions thereto, as this situation could potentially lead to mixed signals and render the tax regime less efficient from a Pareto perspective. All in all, while moving forward in a cautious way, Mauritius Inc. is called upon to embrace the necessary moves and strategies towards engaging and partnering with Africa on its transformative journey, which would help to create win-win situations and generate sustainable socio-economic dividends for the nation at large.

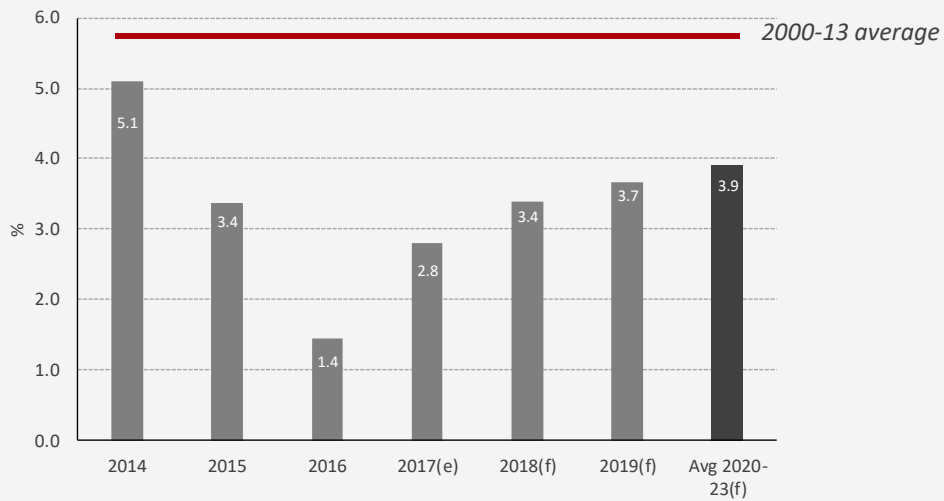
## THE STATE OF PLAY

In August 2012, the 51<sup>st</sup> edition of the MCB Focus (titled ‘Mauritius: Deepening and entrenching its reach in Africa’) cast light on the accelerating socio-economic pulse that the African continent was, at that time, witnessing as a whole. In other words, while highlighting that challenges prevailed at various levels and alongside acknowledging differences across countries, it was asserted that *“After decades of lagging behind the curve, sub-Saharan Africa has worked its way into taking the global centre stage with an economic landscape which has morphed from stagnation to new-found buoyancy in a broad swath of countries.”* Our observations mirrored various reports and economic assessments that laid suitable grounds for the formulation of an optimistic view of the continent’s prospects for the near and longer terms. Noticeably, in an article published in December 2011, The Economist magazine revisited its sentiment about the continent to ‘Africa rising’, as compared to the ‘Hopeless Continent’ theme that it found pertinent a decade earlier.

Since then, the continent has witnessed generally challenging times, particularly against a changing backdrop in which the global landscape had turned out to be less supportive than heretofore envisaged, with a key inhibiting factor relating to the significant drop in commodity prices. Encouragingly however, the African continent has, lately, been viewed in a particularly positive light in view of sustained signs of socio-economic advancement. In addition to factoring in a series of political transitions – particularly in Angola, South Africa and Zimbabwe – that augur well for an acceleration of socio-economic reforms, an affirmative viewpoint has gained momentum across the continent in recent periods, after several countries have witnessed appreciable inroads in terms of (i) the appeal of the business facilitation framework, notably in relation to the quality of economic and social infrastructures; (ii) the rule of law and protection of property rights; (iii) sectorial performances and consumer spending; and (iv) global economic integration. Of particular relevance, after the relatively sluggish performances exhibited over several years, growth in sub-Saharan Africa improved by a noticeable margin in 2017. As per the IMF, this trajectory is anticipated to firm up in 2018 and 2019, on the back mainly of a relative improvement in the still-challenging outlook for commodity exporters, before improving further over the medium term. This momentum is, amongst others, anticipated to be underpinned by progress in implementing structural and political reforms, which should notably enable the region to create more conducive business and investment environments, be better positioned to cope with external developments, and more persuasively integrate into the international economic and financial spheres. Specifically, observers expect sub-Saharan Africa’s improving business climate to be reinforced, in the periods ahead, by *inter alia* an enhanced governance set-up, the increased quality and strength of

Figure 1

Sub-Saharan Africa: Real GDP growth

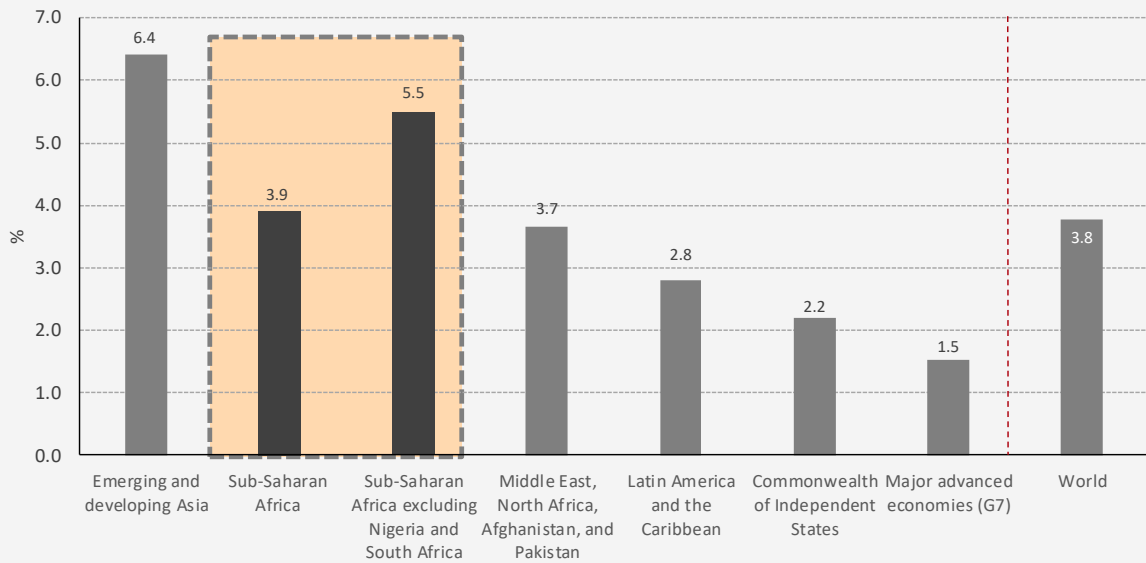


(e) estimates (f) forecasts

Source: IMF, World Economic Outlook Database, April 2018 & MCB Staff estimates

Figure 2

Comparison of average growth rates across regions (2019-2023)



Source: IMF, World Economic Outlook Database, April 2018 & MCB Staff estimates



institutions as well as continued headway in reinforcing production capabilities, diversifying economic bases and boosting competitiveness levels. Yet, while baseline predictions make for interesting reading, it is worth noting that the average growth forecasts for the short and medium terms would still largely undershoot levels that prevailed before the global financial crisis. Besides, the predicted growth path would not be uniform across countries and regions. All in all, Africa can be viewed as a rapidly expanding market that embodies interesting business opportunities for traders and investors, both from within and outside the continent, the more so given expected favourable medium and longer run dynamics which are likely to support economic performances and improve the attractiveness of the continent for trade, investment and doing business purposes. As such, it appears that there are persuasive grounds to shed any undue Afro-pessimism, but to, in lieu, embrace a rehabilitated mindset which contemplates the continent's perspectives with optimism. As regard Mauritius, the country has, over time, made noteworthy progress in widening and deepening its regionalisation endeavours, notably in terms of exports of goods and services to sub-Saharan African countries, partly helped by strategic and economic diplomacy initiatives. Nonetheless, whilst maintaining a diligent approach, it is still felt that additional efforts are essential to widen the scope and depth of our regional positioning to tap into the array of opportunities exhibited across African countries, thus diversifying our economic space and helping to achieve the country's socio-economic ambitions.

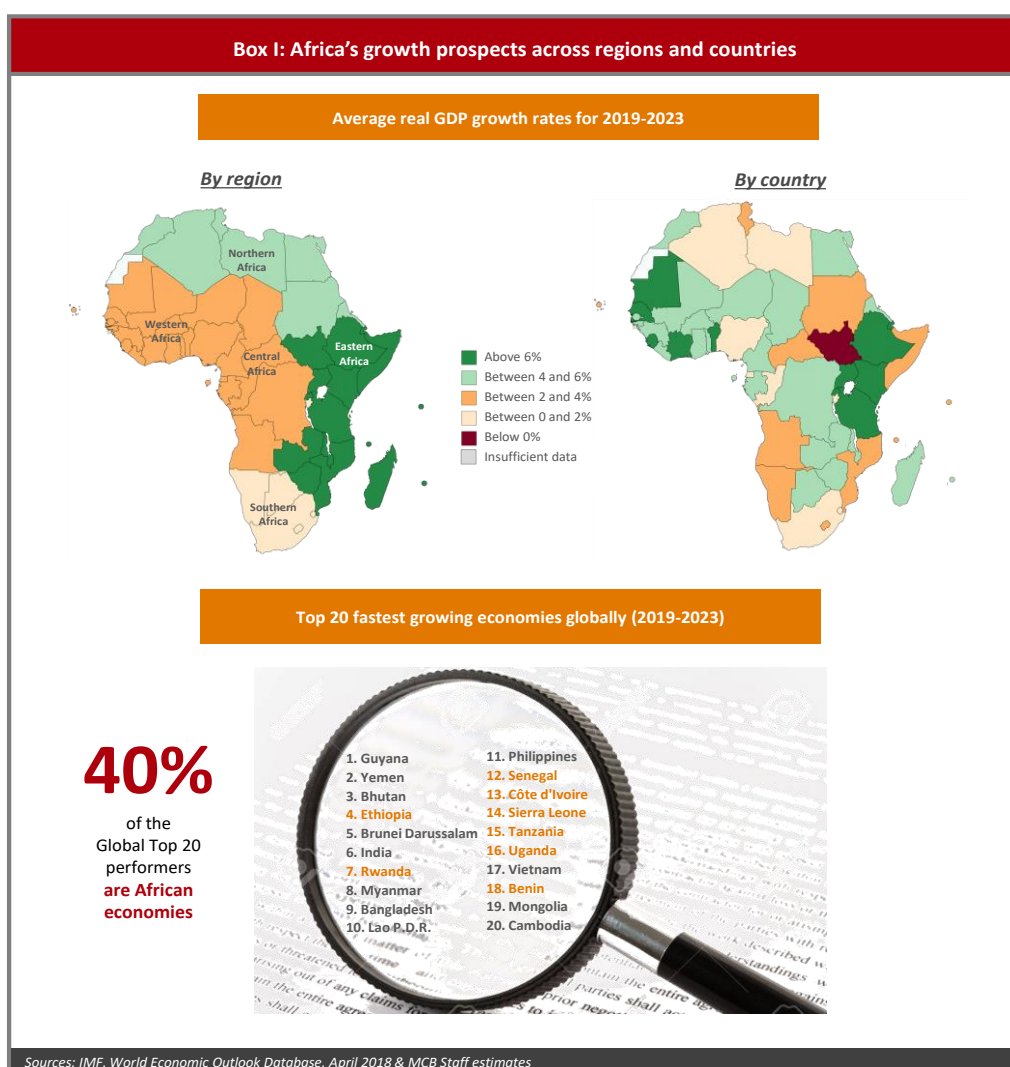
## **SCOPE OF THE REPORT**

In essence, alongside acknowledging the persistence of key challenges across countries and regions, the report seeks to put conspicuous light on the positive mood and appealing growth momentum that the African continent is currently exhibiting, with particular focus on sub-Saharan Africa. Against this backdrop, the report presses the case for Mauritius to further entrench its involvement and interaction with the continent's constituent countries with a view to capitalising more meaningfully on the various treasure troves of opportunities that abound. Specifically, the document starts off by taking stock of the continent's recent macroeconomic performance and underlying prospects for the periods ahead. It goes on to identify the key sources and avenues underpinning enhanced economic activity levels and stepping up business development undertakings across the continent before ascertaining the main strains and vulnerabilities that the latter continues to grapple with, in its quest to strengthen and perpetuate its socio-economic progress. In the end, the concluding section puts forward the underlying strategic orientations and intents that would prove influential in helping Mauritius to extend its regional involvement and fuel its growth aspirations.

Additionally, towards depicting a more detailed picture of African economies, a supplementary document, containing individual country factsheets for its 54 constituents, is enclosed alongside this document.

## OVERVIEW OF AFRICA'S GROWTH TRAJECTORY

After remaining tepid for several years before sliding to 2.1% in 2016, it is encouraging to note that growth across Africa has recovered lately to attain 3.4% on average in 2017. Looking ahead, while it is still expected to stand below levels prevailing before the global financial crisis, growth across the continent is forecast to gather further steam to attain 3.8% in 2018 and average 4.0% between 2019 to 2023. Yet, economic expansion rates displayed across countries and regions are likely to remain quite heterogeneous. On the positive side, a perceptible observation is that average growth prospects appear particularly appealing in the East African region. They essentially reflect envisioned sizeable infrastructure investment and FDI flows, growing demand linked to expanding middle classes, reinforced regional integration through regional blocs, as well as the potential exploitation of oil and gas discoveries in Uganda, Kenya, Tanzania, and Ethiopia. Similarly, economic growth performance is anticipated to remain appreciable in specific West African countries, notably Senegal and Côte D'Ivoire, partly underpinned by infrastructure investments.





## Box I: Africa's growth prospects across regions and countries (Cont'd)

As per African Development Bank

This year's edition of the African Economic Outlook, published by the African Development Bank, provides individual Economic Outlooks for Africa's five sub regions, with the key remarks highlighted in the following sections. It is worth noting that the economic growth figures outlined for the various sub regions cannot be strictly compared with those displayed elsewhere in this document, which are mainly sourced from the IMF.

### North Africa

Real GDP growth in 2017 was estimated at 4.9%, up from 3.3% in 2016, higher than the African average of 3.6% and second only to East Africa. This improved performance reflects the greater than expected production and export of oil by Libya, the appreciable performances in Morocco and Egypt due, respectively to improved agricultural productivity and positive effects of macroeconomic and structural reforms. Beyond, average growth is projected at 5.0% in 2018 and 4.6 percent in 2019, underpinned by the pickup in commodity prices, improved fiscal revenues and support from structural reforms.

### Southern Africa

Real GDP in the Southern African region is estimated to have picked up to an average of 1.6% for 2017, due to better weather conditions, which lifted agricultural output and hydroelectric power. Looking ahead, growth is projected to firm up to stand at 2.0% in 2018, and 2.4% in 2019, supported by prospects of increased investment in non-oil sectors such as electricity, construction and technology, in large infrastructure projects, and in mining, as well as a continued recovery of commodity prices.

### East Africa

East Africa, with thirteen countries, recorded the continent's best economic performance with a real GDP growth rate of 5.9% in 2017 – a rate much higher than the growth recorded by the other regions and above the continental average. The good performance of the East African sub region is stimulated by six countries: Ethiopia, Tanzania, Djibouti, Rwanda, Seychelles and Kenya. Moving forward, the outlook remains positive for 2018 and 2019, with growth expected to continue, reaching 5.9% in 2018 and 6.2% in 2019.

### West Africa

Economic growth in West Africa rebounded to 2.5% in 2017 after stagnating in 2016, driven mainly by an improvement in Nigeria. It is projected to increase to 3.6%, and in 2019 to 3.8%. The positive outlook for the region is premised on oil price recovery and oil production increases for Nigeria and Ghana as well as on strong agricultural performance.

### Central Africa

Economic growth in the region was sluggish from 2016 to 2017. Estimated average growth for the region in 2017 is 0.9%, barely up from 0.1% in 2016 and noticeably below the estimated African average. Low commodity prices accounted for much of the sluggishness of growth. Real GDP growth is projected to firm up considerably in coming years, to 2.4% in 2018 and 3.4% in 2019, driven mainly by increased infrastructure investment, resilient service sectors and a recovering agricultural sector, particularly in economies that depend less on extractive (oil and mining) sectors.

Source: African Economic Outlook 2018

## **ZOOMING ON SUB-SAHARAN AFRICA**

### Main insights

In sub-Saharan Africa, key economic indicators continue to exhibit mixed showings. On a favourable note, the region is witnessing a broad-based recovery in growth. Besides, headline inflation has gradually eased lately, owing notably to low commodity prices, monetary policy tightening and a higher degree of stability on the currency front. As per the IMF, inflation is projected to moderate slightly in 2018 and 2019, but is expected to remain in double digits in key large economies, reflecting the pass-through effects of currency depreciation and their impact on inflation expectations, supply factors, and assumed monetary policy accommodation to support fiscal policy. On the other hand, the fiscal and external sectors remain under pressure. Public debt levels have been rising across countries, with no major improvements foreseen in the near future. Debt servicing costs have become a burden, especially in oil-producing countries, while fiscal risks have also risen in the case of non-resource-intensive countries, mainly explained by security developments, budgetary slippages and relative declines in respect of the prices of most soft commodities.

### Economic growth

#### **Recent performance**

For several years till 2016, real GDP growth in sub-Saharan Africa has, on average, remained quite sluggish. It even reached its lowest level in over two decades to stand at 1.4% in 2016. This macroeconomic picture was, to a non-negligible extent, attributable to the ramifications of the sharp decline in international commodity prices on average, principally Brent oil which, after moving below the USD 100 per barrel mark as from 2014 underwent a further conspicuous decline thereafter to average around USD 43 in 2016. Compounding these external developments, several countries were subject to negative domestic shocks, including El-Niño related-droughts which impacted agricultural production in the eastern and southern parts of the region, cutbacks in hydro-electricity generation, especially in South Africa and Zambia, and a deterioration in security conditions, mainly in Nigeria, following militants' attacks on oil pipelines, and in South Sudan. Later on, partly aided by recovering commodity prices, improving agricultural conditions, improved domestic demand in the wake of easing inflationary pressures and the execution of structural reform measures, a prominent regional upswing kicked in, leading to growth in sub-Saharan Africa climbing up to 2.8% in 2017. On a cross-country level, the latter performance was largely attributable to the enhanced showing of the region's two powerhouses. In fact, though they remained confronted by lingering economic and politically-sourced vulnerabilities, Nigeria exited recession last year, while South Africa fared relatively better, after benefiting from enhanced agricultural production and an uplift in consumer confidence.

## Box II: Snapshot of sub-Saharan Africa's recent performance and outlook

### key economic indicators

	Unit	2015	2016	2017(e)	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)
<b>Real sector</b>										
GDP growth, constant prices	%	3.4	1.4	2.8	3.4	3.7	3.8	3.9	3.9	4.0
GDP, current prices	USD bn	1,520	1,419	1,531	1,652	1,788	1,954	2,134	2,340	2,569
GDP per capita, current prices	International dollar	3,870	3,873	3,947	4,068	4,200	4,333	4,472	4,606	4,753
Gross Investment	% GDP	21.8	19.8	20.2	20.5	21.1	21.3	21.5	21.3	20.9
Inflation, average consumer prices	%	7.0	11.3	11.0	9.5	8.9	8.6	7.9	7.6	7.5
<b>Fiscal sector</b>										
General government net lending/borrowing	% GDP	-4.5	-4.6	-5.0	-4.0	-3.9	-3.7	-3.6	-3.5	-3.3
Primary balance	% GDP	-2.7	-2.6	-2.7	-1.6	-1.4	-1.1	-1.1	-1.0	-0.9
General government gross debt	% GDP	38.9	44.0	45.9	48.1	47.6	46.7	45.9	44.9	43.7
<b>External sector</b>										
Volume of exports of goods and services	% change	4.0	-0.2	2.8	5.1	5.4	4.9	4.5	4.1	4.4
Volume of imports of goods and services	% change	1.2	-7.3	-0.2	7.9	5.0	5.7	4.9	5.6	4.4
Terms of trade of goods and services	% change	-14.2	-2.1	6.5	3.1	-2.2	-1.1	-0.5	0.5	0.2
Current account balance	% GDP	-6.0	-4.1	-2.6	-2.9	-3.1	-3.1	-3.2	-3.3	-3.2
<i>Memorandum item</i>										
World GDP growth	%	3.5	3.2	3.8	3.9	3.9	3.8	3.8	3.7	3.7
<b>Commodity prices</b>										
Oil	% change	-17.6	-1.5	6.8	5.6	0.5	-1.3	-0.7	0.0	0.2
Nonfuel (average based on world commodity export weights)	% change	-47.2	-15.7	23.3	18.0	-6.5	-4.6	-2.7	-1.0	0.1

### Growth across country grouping

	2015	2016	2017(e)	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)
<b>Sub-Saharan Africa</b>	<b>3.4</b>	<b>1.4</b>	<b>2.8</b>	<b>3.4</b>	<b>3.7</b>	<b>3.8</b>	<b>3.9</b>	<b>3.9</b>	<b>4.0</b>
Oil-exporting countries	2.5	-1.6	0.5	2.0	2.1	2.4	2.5	2.6	2.6
<i>Nigeria</i>	2.7	-1.6	0.8	2.1	1.9	2.1	2.0	2.0	2.0
<i>Angola</i>	3.0	-0.8	0.7	2.2	2.4	3.6	4.2	4.7	4.9
Other resource-intensive countries	2.5	2.3	3.1	3.2	3.6	3.6	3.6	3.4	3.6
Non-resource-intensive countries	6.5	5.6	6.4	6.1	6.3	6.3	6.4	6.5	6.7
Middle-income countries	2.6	0.5	1.9	2.6	2.9	3.0	3.0	3.0	3.1
<i>South Africa</i>	1.3	0.6	1.3	1.5	1.7	1.8	1.8	1.8	1.8
Low-income countries	5.4	4.2	5.4	5.6	5.8	6.1	6.1	6.1	6.4

#### Notes

(i) *Oil-exporting countries*: Angola, Cameroon, Chad, Republic of Congo, Equatorial Guinea, Gabon, Nigeria, South Sudan

(ii) *Other resource-intensive countries*: Botswana, Burkina Faso, Central African Republic, Democratic Republic of the Congo, Ghana, Guinea, Liberia, Mali, Namibia, Niger, Sierra Leone, South Africa, Tanzania, Zambia, Zimbabwe

(iii) *Non-resource-intensive countries*: Benin, Burundi, Cabo Verde, Comoros, Côte d'Ivoire, Eritrea, Ethiopia, The Gambia, Guinea-Bissau, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Rwanda, São Tomé and Príncipe, Senegal, Seychelles, Swaziland, Togo, Uganda

(iv) For the current 2018 fiscal year, low-income economies are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of \$1,005 or less in 2016; middle-income economies are those with a GNI per capita between \$1,006 and \$12,235 (encompassing lower-middle and upper-middle income economies)

(v) *Middle-income countries*: Angola, Botswana, Cabo Verde, Cameroon, Republic of Congo, Côte d'Ivoire, Equatorial Guinea, Gabon, Ghana, Kenya, Lesotho, Mauritius, Namibia, Nigeria, São Tomé and Príncipe, Senegal, Seychelles, South Africa, Swaziland, Zambia

(vi) *Low-income countries*: Benin, Burkina Faso, Burundi, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Eritrea, Ethiopia, The Gambia, Guinea, Guinea-Bissau, Liberia, Madagascar, Malawi, Mali, Mozambique, Niger, Rwanda, Sierra Leone, South Sudan, Tanzania, Togo, Uganda, Zimbabwe

(e) estimates (f) forecasts

Sources: IMF World Economic Outlook database, April 2018 & MCB Staff estimates

That being said, the economic landscape in sub-Saharan Africa was still regarded as generally challenging last year. In fact, the persistence of inherent structural bottlenecks and economic vulnerabilities has, in different capacities, continued to impair the quality of business climates and growth patterns across several nations (see page 24 for more details). Against this backdrop, the growth momentum continued to diverge across countries. According to the World Bank’s Africa’s Pulse released in April 2018, *“GDP growth remained weak among oil exporters in the Central African Economic and Monetary Community (CEMAC), with activity still contracting in several countries—notably, Chad, the Republic of Congo, and Equatorial Guinea—as they continued to adjust to the impact of low oil revenues. Economic activity slowed more than expected in some countries, reflecting the effects of a contraction in the mining sector (for example, Botswana and Namibia) and tight liquidity conditions (for example, Kenya and Sierra Leone). Overall, growth accelerated in more countries than it slowed. Countries such as Angola, Ghana, and Guinea benefited from the recovery in oil and metals prices; favorable international capital market conditions supported growth in Côte d’Ivoire and Senegal; and improving agricultural production lifted growth in Rwanda and Uganda. Rising consumer spending, helped by declining food prices and recovering remittance flows, also supported the pick-up in economic activity (for example, The Gambia).”* From another standpoint, it is worth stressing that improved economic expansion levels in the region were, in several instances, not convincingly anchored on countries’ idiosyncratic capabilities. For instance, rising activity levels across some countries were predominantly explained by cyclical dynamics, including the recuperating global context, a relative recovery in commodity prices and favourable global financing conditions as well as one-off factors as per the IMF (particularly a recovery in oil production in Nigeria) and the easing of drought conditions in eastern and southern Africa. Besides, it is worth noting that, in some countries, growth continued to rely on high public sector spending, which triggered rising cost of debt and crowded out private sector investment.

### **Near-term prospects**

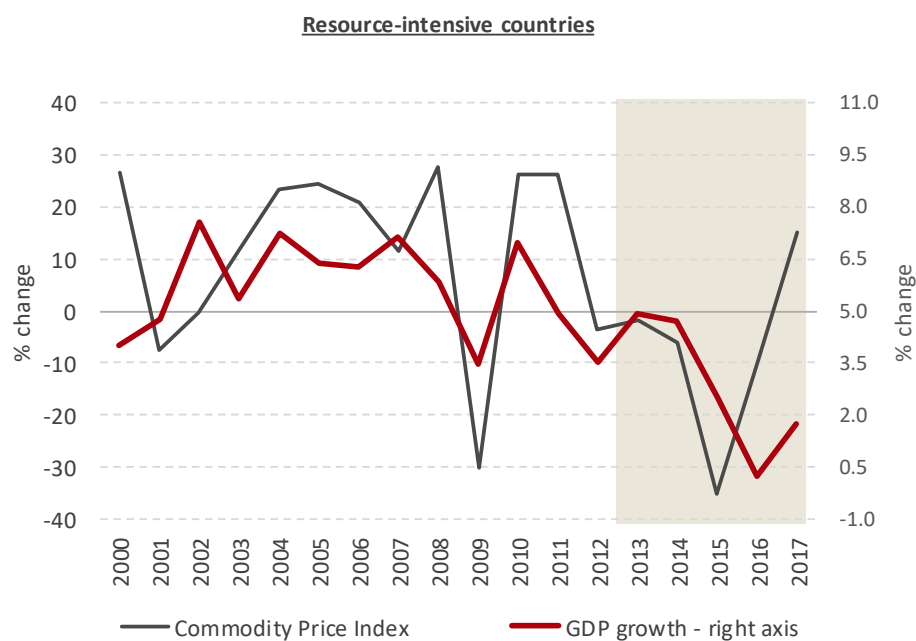
As per the IMF, growth in sub-Saharan Africa is anticipated to accelerate to 3.4% in 2018 and 3.7% in 2019, as the expected relative firming up of commodity prices contributes to enhance the outlook for the large commodity exporters. Of note, these forecasts represent upgrades of 10 and 20 basis points respectively as compared to IMF’s prior prognosis, principally explained by a relatively more optimistic outlook for South Africa. In fact, growth in the latter country is foreseen to strengthen to 1.5% in 2018 and stand at 1.7% in 2019 as business confidence firms up in the wake of the change in political leadership, even though prospects remain weighed down by structural bottlenecks. Growth is also likely to accelerate in Nigeria over the period under review, aided by improving oil prices and better-functioning forex markets. Moving on, the region’s growth is expected to edge up to average 3.9% for the period spanning 2020 to 2023. An even more favourable picture is depicted on excluding Nigeria and South Africa, with the region then expected to grow

by an average rate of 5.5% over the latter period. Overall, the region's short to medium term growth prospects are welcomed after several years of subdued activity patterns. However, the baseline prognosis calls for cautious investigation when assessing avenues to be tapped into for trade and investment expansion by operators in the region. In the first place, the region's short to medium term growth prospects are clouded by downside risks (see page 31) that could potentially derail the broadly positive picture instigated by the ongoing growth momentum. As highlighted by the World Bank, the strengthening of regional growth over the short and medium terms is predicated on the expectations that oil and metal prices will remain stable, robust expansion in global trade will continue, external financial market conditions will stay supportive, and Governments will implement reforms to tackle macroeconomic imbalances and boost investment. Furthermore, the envisioned economic expansion trajectory is still regarded as gradual and modest. In fact, a stronger rebound would be hampered by the fact that several economies are still facing key growth-inhibiting factors, with a notable feature relating to the persistent difficulties confronting larger economies to boost private investment and tackle endogenous challenges. As such, the regional forecasts for coming years would still linger below the levels depicted before the global financial crisis. It can, additionally, be noted that sizeable disparities would persist as regard the level of country performances. While the upturn in key resource-intensive countries would be restrained by the difficult adjustments in the wake of relatively subdued, albeit gradually improving oil prices, the still-modest demand for exports and the uncertain outcomes of planned fiscal consolidation initiatives, several non-resource intensive countries, including small and medium-sized ones, are, anticipated to grow at an appreciable pace, backed by better business environments, notably aided by continued infrastructure advancements.

### Box III: Significance of commodity prices for sub-Saharan Africa's growth

As highlighted in the latest African Economic Outlook published by the African Development Bank (AfDB), nationwide output and commodity prices tend to move in tandem across resource-intensive economies. As such, in the wake of the decline in commodity prices that occurred some years back, many resource-intensive nations had been confronted by heavily depleted buffers, thereby limiting their inherent ability to cushion themselves against external shocks.

#### Relationship between commodity prices and real GDP growth



#### Effect of a 1% increase in commodity prices on growth in Africa

For the purpose of assessing the significance of the impact of changes in commodity prices on the growth performance in a sample of 47 African economies, the AfDB had recourse to an autoregressive lags distributed (ARDL) model. As a key finding, it was observed that, in the short run, real GDP growth in Africa would increase by 0.20–0.36 percentage points if commodity prices increase by 1%.

#### Change in percentage points (real GDP growth)

	All commodities	Soft	Hard	Food	Energy	Metal	Agricultural raw materials
Short-run impact	0.21	0.20	0.26	0.36	0.27	0.27	0.37

Sources: African Development Bank, IMF & MCB Staff estimates



## OUTLINE

While acknowledging that countries display heterogeneous specificities and realities, the following sections provide an overview of factors and dynamics that are, in general, anticipated to shape up the inherent potential of Africa to create value across productive areas as well as generate opportunities for trade and investment over the short and longer runs. Basically, while Africa's socio-economic transformation remains a complex subject as challenges thereto subsist, the bottom-line observation is that the ongoing recovery in economic activity levels is relatively encouraging, especially at a conjuncture when political landscapes become less cumbersome, infrastructures are geared up and sectors respond to rising consumer demand.

## KEY OPPORTUNITIES AND AREAS FOR GROWTH

Prospects across selected areas

### Intra-African trade

While inadequacies have, thus far, persisted at different levels – notably with respect to the diversification of export markets and products as well as current levels of intra-continental trade – trade within Africa and the extent of its commercial relations with the rest of the world are presently deemed to be engaged onto a positive momentum. As per the African Development Bank (AfDB), *“The region has vast exploitable opportunities to integrate deeper into global value chains if it can transform, use more advanced technology and increase manufacturing value added. The starting point is for Africa to exploit its comparative advantage in natural resources in minerals and agriculture. These sectors should be used to drive the continent’s structural transformation and enhance manufacturing, employment, foreign direct investment, and the inflow of technology.”* Towards boosting trade patterns and unleashing faster industrialisation, one of the key channels according to McKinsey Global Institute relates to the continued deepening of regional integration initiatives, which will assist to improve Africa’s attractiveness to investors and help African-owned companies build scale. In fact, trade between African countries is, in particular, being viewed as holding the greatest potential for building sustainable economic development insofar as it should assist to (i) increase the scale and rate of mobility of persons, businesses, goods, services and capital across and within Africa; and (ii) create higher-wage jobs and unlock greater business opportunities. As a major development, on 21 May 2018, 44 African countries, including Mauritius, signed the Continental Free Trade Area Agreement (CFTA) in Rwanda, at the 10<sup>th</sup> extraordinary session of the African Union summit, completing the negotiations on the continent-wide free trade agreement that had begun in 2015. As per the United Nations Economic Commission for Africa (ECA), the CFTA is, in upon coming into operation, intended to cover a

market of 1.2 billion people, across all the 54 member States of the African Union, alongside positioning itself as the world's largest free trade area since the formation of the World Trade Organization. The CFTA will create a single continental market for goods and services, remove barriers to trade and allow for the free movement of business persons and investments, alongside paving the way for accelerating the future establishment of a Customs Union. According to the ECA, consolidating the African continent into one trade area provides great opportunities for trading enterprises, businesses and consumers across Africa and the chance to support sustainable development in the world's least developed region. It is estimated that the CFTA has the potential both to boost intra-African trade by around 52% by eliminating import duties and to double this trade if non-tariff barriers are also reduced. For its part, the World Economic Forum stressed that aligning the trade policies, regulations and institutions of the continent's countries would help to promote continental trade, thus triggering increased economies of scale and productive efficiency levels. A virtuous circle of increased intra-Africa trade could be instigated, which will eventually drive the structural transformation of economies as they move from low productivity to skills-intensive industrial and service activities. In other words, the single market will help to accelerate the manufacture and intra-African trade of value added products, thus moving from commodity-based economies and exports to economic diversification and high-value exports. In the end, such conditions would help boost economic growth, augment nationwide wealth and reduce poverty levels.

### **Economic sectors**

Whereas the business environments remain challenging at various levels, some appealing developments are taking place across economic sectors in Africa. To start with, the African agricultural sector holds promising potential as per the World Economic Forum, with output predicted to reach USD 1 trillion by 2030 as large tracts of uncultivated land, a youthful population and the emergence of 'techno-savvy' entrepreneurs help to lift production levels and transform economies. On another note, Africa has the potential to become 'the world's next great manufacturing center' as per the Harvard Business Review. In fact, China is expected to lose from 85-100 million low-cost, labour-intensive manufacturing jobs by 2030, with Africa standing to capture many of them. As per McKinsey Global Institute, Africa could nearly double its manufacturing output from USD 500 billion in 2015 to USD 930 billion in 2025, if Africa's manufacturers were to produce more to meet domestic demand from consumers and businesses and work with Governments to address factors hindering their ability to produce and export goods. Three-quarters of this growth would come from meeting intra-African demand and substituting imports of manufactured goods, which are much higher than in other emerging economies. The remaining one-quarter of the opportunity can come from accelerating growth in niche manufacturing exports. More generally, the organisation stressed that companies looking to grow across the continent should build a strong position across six specific sectors which are viewed as particularly promising, namely wholesale and retail, food and agri-processing, health care, financial services, light

manufacturing, and construction. In the latter respect, it is likely to benefit from a recovery in demand for materials and capital goods as construction booms in Africa's growing cities and the demand for machinery and unprocessed metals accelerate as the continent's manufacturing sector expands. On the services side, McKinsey Global Institute prominently affirmed that the continent's overall banking sector is the second-fastest-growing and second-most-profitable of any global region, with Africa's retail banking markets presenting huge opportunities for innovation and further growth. It added that, while facing up to key challenges, some banks are already tapping into the opportunities inherent therein, for example harnessing Africa's widespread mobile-phone coverage to create low-price offerings and innovative distribution models. Looking ahead, there is still much room for growth, especially given that Africa's retail banking penetration is only around 38% of GDP, which is half the global average for emerging markets. In the same light, as demand for services continues to increase as Africa's business sector grows in size and sophistication, the urge for corporate banking services is likely to be stepped up. From another angle, McKinsey Global Institute asserted that, while the African consumer story has generated most headlines, the relatively unsung but rapidly growing business-to-business (B2B) market is an even larger spender. Companies in Africa spent some USD 2.6 trillion in 2015, 40% of it taking place in Nigeria and South Africa. Africa's B2B spending is expected to increase to USD 3.5 trillion by 2025, with half of that total being spent on materials, 16% on capital goods and the remainder on a wide range of services including business and financial services, transportation, and telecommunications. For its part, The Brookings Institution, which is a non-profit public policy organization based in Washington, DC, affirmed that the sectors generating the most value in Africa by 2030 are projected to be food and beverages, education and transportation, and housing. It added that there will also be strong growth in consumer goods, hospitality and recreation, health care, financial services, and telecommunications. Much of this growth will depend on the African Union properly implementing its new Continental Free Trade Area, which would create a single market offering corporations many points of entry. Moreover, the CFTA is expected to increase the need for connectivity, thus leading to new opportunities for investment in infrastructure and sectors ranging from transportation and energy to information and communications technology (ICT) and water supplies.

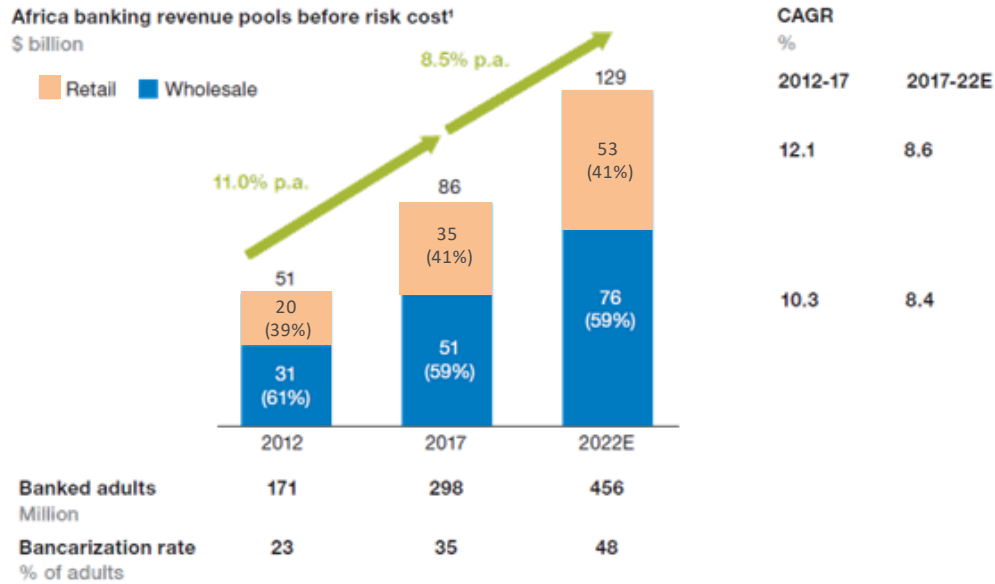
### **Investment**

On the back essentially of the likely strengthening demand for goods and services in the wake of higher consumer spending associated with growing middle classes and favourable population growth trends (see pages 19-22) as well as continued improvements in fiscal policies and regulatory and governance frameworks, avenues for a sustained increase in foreign direct investment by private operators across productive areas in Africa are deemed to be appreciable. Besides, the continent's infrastructure needs are judged to amount to USD 130– USD 170 billion a year as per latest estimates, with the financing gap featuring in the range of USD 68–USD 108 billion. As per the African Development Bank, *"Africa must industrialize to*

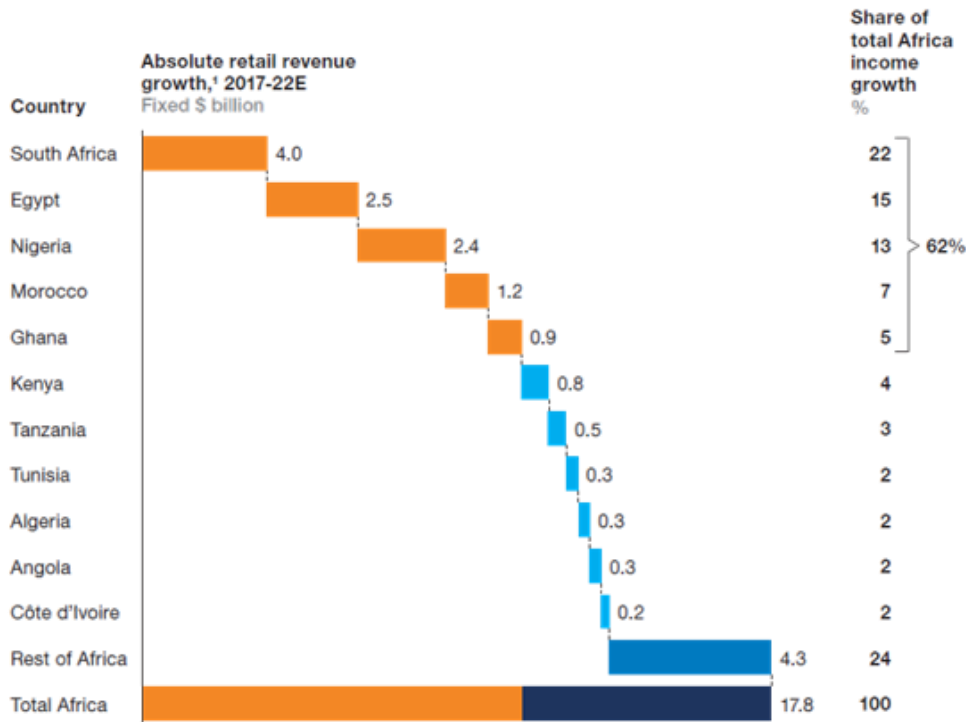
## Box IV: Zoom on Africa's banking potential

As per McKinsey Global Institute

Africa's banking revenue pools are projected to grow 8.5% per year until 2022, with similar growth rates in retail and wholesale



Africa's top five retail banking markets will account for 60% of growth up to 2022



Source: McKinsey Global Institute, *Roaring to Life: Growth and innovation in African retail banking*

*end poverty and to generate employment for the 12 million young people who join its labor force every year. One of the key factors retarding industrialization has been the insufficient stock of productive infrastructure in power, water, and transport services that would allow firms to thrive in industries with strong comparative advantages.”* Given that the urgent capacity-building needs in health, education, administrative capacity and security across countries and bearing in mind the pressing infrastructure-enhancing demands that the structural transformation of economies would, in all likelihood, entail in due course, such situations could give rise to a widened range of opportunities to attract private capital. As per some reports, a key source of financial resources could emanate from the elevated levels of savings in many advanced countries, which could eventually be channelled into financing profitable infrastructure projects in Africa. In fact, the continent is believed to be looking forward to increased private equity investment across quality assets and appealing sectors, after factoring in global liquidity conditions, increasing propensity of some nations, notably China, to explore business opportunities in emerging markets, interesting avenues for activity growth across economic sectors, and expectations of gradual increases in commodity prices.

## Overview and significance of megatrends

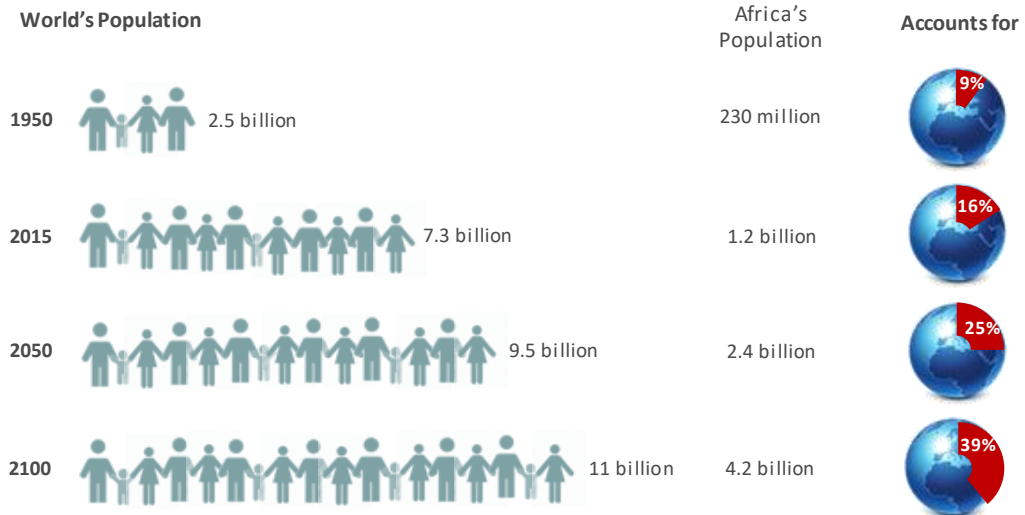
### **Demographic dividend**

French philosopher, Auguste Comte, once said: *“Demography is destiny”*. Indeed, the post-war baby boom have driven sustained growth in Europe and North America in the 1950s and 1960s. In the 70s, Asia benefited from a wave of similar population-driven gains. Africa is now believed to sit on the cusp of a similar transformation. As per United Nations, over half of the anticipated growth in global population by 2050 is expected to occur in Africa. In fact, total population in the continent would double to 2.5 billion in 2050 – i.e. some 3.5 million more people per month. By 2100, Africa would account for nearly 40% of the world population. In particular, Africa’s favourable demographics would be reflected by its notable contribution to the global supply of young workers over the decades ahead, the more so at a time when most of the advanced economies would face an ageing population. After factoring in declines in both mortality and fertility rates, the working-age population (15-64) in Africa is expected to grow from 0.9 billion in 2025 to attain 1.6 billion by 2050 and 2.9 billion by 2100, which will be larger than that of either China or India. Against this backdrop and unlike most other regions, Africa’s dependency ratio – that is the ratio of population 0-14 and 65+ per 100 inhabitants aged 15-64 – is set to follow a downward trend from 74.7% in 2025 to 61.5% in 2050 and 56.6% by 2100. Overall, a burgeoning young population is likely to provide a vast opportunity to further raise African prosperity. As highlighted in an IMF study entitled ‘Africa rising: Harnessing the demographic dividend’: *“A demographic transition characterized by an increase in the working age population provides a country with a window of opportunity, which if properly tapped can*

## Box V: Africa's demographic dividend

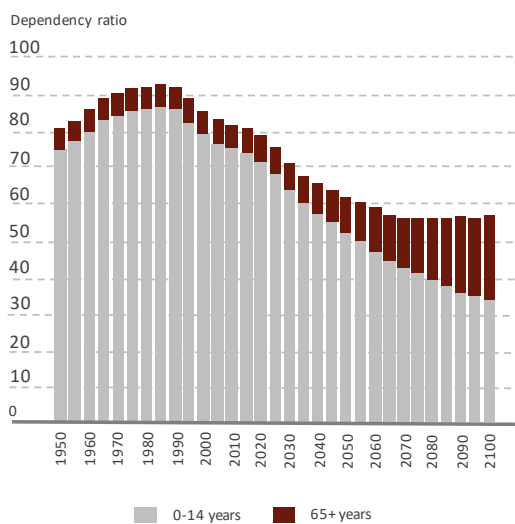
### World population forecast with Africa's percentage share

**By the end of the century, nearly 40% of people will be African**

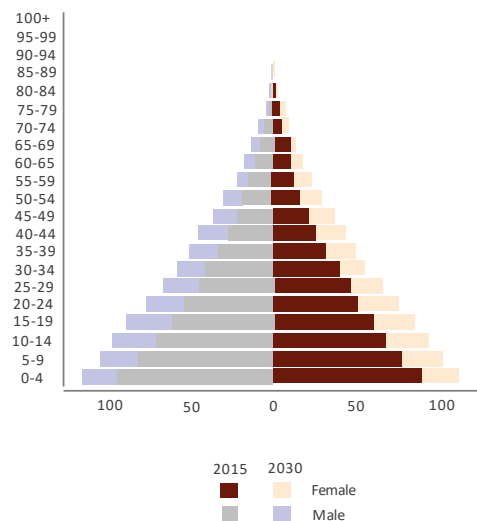


### Africa's demographic transition is underway

**Composition of total dependency ratio  
(child and old-age) in Africa, 1950-2100**



**Population by age and sex in Africa,  
2015 and 2030 (in millions)**



Source: United Nations



*generate a demographic dividend from higher growth. Indeed, this occurred in several countries in Asia and helped define the Asian Miracle. While African demographic transitions exhibit significant differences, in part reflecting past episodes of famine and war, the continent's transition has important economic ramifications that can help define its economic potential and contribute to its emergence as a global player".* Yet, as per a report by McKinsey Global Institute entitled 'Lions on the move II: Realising the potential of African's economies', the challenge for Africa would be to ensure that its economies continue to create sufficient jobs for the many millions of young people entering the workforce and help develop their skills. In addition to better governance and strong leadership, higher level of investment in human capital is deemed critical to harnessing the demographic dividend linked to an increasing young population. It might be worth reminding ourselves that the African Union had officially designated 2017 as the year of '*Harnessing the Demographic Dividend through Investment in Youth*'.

### **Urbanisation**

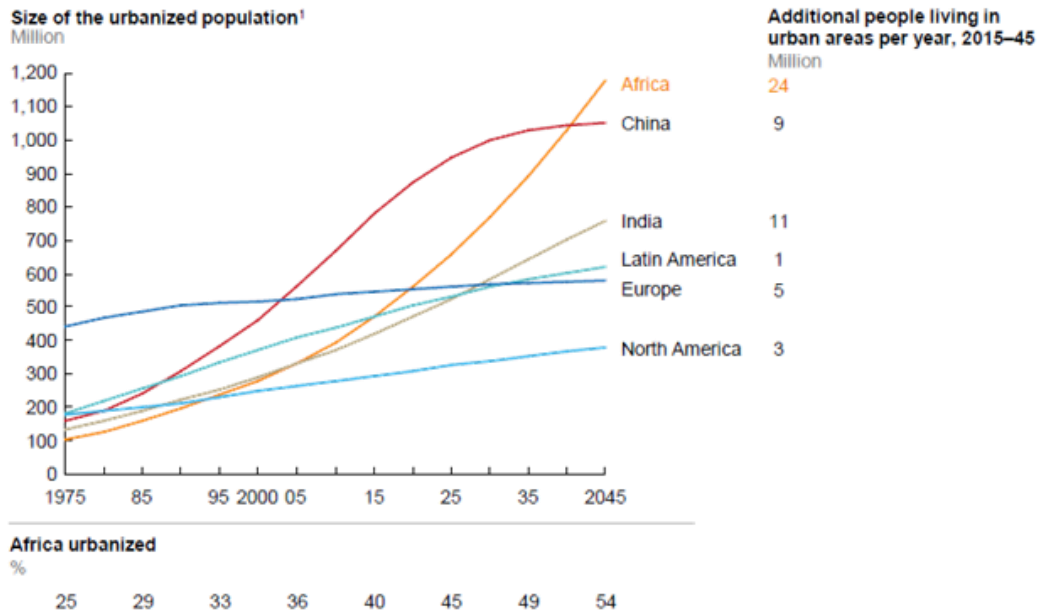
From another angle, Africa is anticipated to display the world's fastest urbanisation rate in the years to come. As per the United Nations, the proportion of the population of the African continent living in cities will grow from the estimated 40.4% in 2015 to reach 45% by 2025, and exceed 50% by 2050. As per McKinsey Global Institute, over the decade ending 2025, an additional 187 million Africans will live in cities – equivalent to ten cities the size of Cairo – Africa's largest metropolitan area. Between 2015 and 2045, an average of 24 million additional people are projected to live in African cities each year, compared to 11 million in India and 9 million in China (with both countries having begun urbanising earlier than Africa). Particularly, urbanisation is foreseen to yield a notable impact on economic growth as higher productivity levels associated herewith translate into higher incomes, while cities offer enhanced access to infrastructure, education and new markets, thus paving the way for a more rapid growth in spending by households and businesses. Besides, cities tend to support the emergence of business clusters that stimulate productivity, innovation and the creation of new enterprises. As highlighted in McKinsey Global Institute, "*Urbanization has a strong correlation with the rate of real GDP growth, because productivity in cities is more than double that in the countryside: Africa's urban GDP per person was \$8,200 in 2015, compared with \$3,300 in rural areas. Higher productivity translates into higher incomes, and cities offer better access to infrastructure, education, and new markets, resulting in more rapid growth in consumption by households and businesses.*" Overall, towards reaping the fruits of urbanisation, the continent's leaders and companies would need to ensure that a conducive environment is in place to cope with the needs of a fast-growing urban population, whilst guarding against potential negative ramifications that may be felt notably on agriculture and the likely loss of arable land to make way for infrastructure and economic development initiatives. In this respect, the McKinsey Global Institute report, further stressed that in order to ensure a healthy urbanisation, "*Africa's policy makers and urban managers need to prepare for this expansion, investing ahead of the curve to ensure that*

infrastructure and services meet rising demand, and planning in a concerted way to avoid the pitfalls of unmanaged urbanization and ensure that urban growth translates into sustainable economic development.”

**Box VI: Zoom on Africa’s urbanisation**

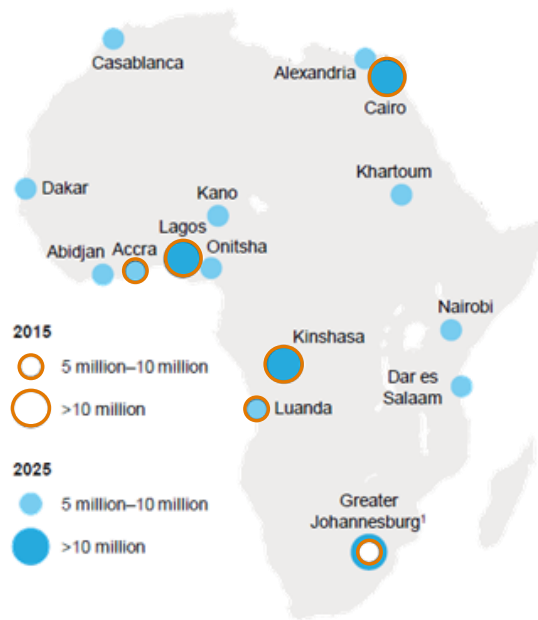
As per Mckinsey Global Institute

**Africa is urbanizing faster than any other region; its cities are expected to gain 24 million people each year until 2045**

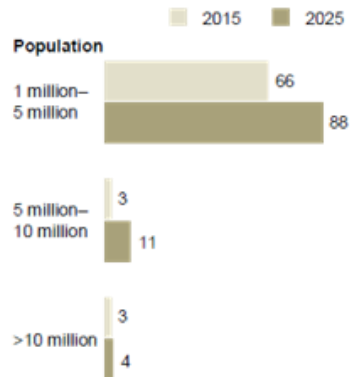


**By 2025, Africa will have 15 large cities with more than five million inhabitants each, as around 190 million more people live in urban areas**

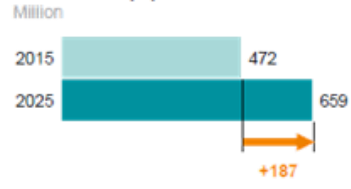
African cities with more than 5 million people each



Number of African cities



African urban population



Source: McKinsey Global Institute, *Lions on the move II: Realising the potential of Africa’s economies*

## Other megatrends

Whilst large disparities subsist regarding its exact definition and notably the specific income brackets covered, the overriding consensus is that the African middle class is set to rise over the periods ahead, on the back *inter alia* of the anticipated rise in youth population, the urbanisation drive and economic growth. The African Development Bank expects the middle class on the continent to continue to grow from 355 million (34% of Africa's population) in 2010 to reach 1.1 billion (42% of the population) in 2060. Against this backdrop, increased opportunities for businesses on the continent and a rise in consumption patterns are expected to be instigated, as African people earn higher disposable incomes. Indeed, as per McKinsey Global Institute, household consumption is expected to grow at 3.8% a year to 2025 to reach USD 2.1 trillion, driven mainly by East Africa, Egypt, and Nigeria. The expected notable rise in capita spending has implications for patterns of consumption. Basic items such as food and beverages are expected to account for the largest share of consumption growth in the period to 2025, but discretionary categories including financial services, recreation-related activities, housing and health care are projected to be the fastest growing. Another megatrend could – as emphasised by the World Economic Forum – be reflected by a 'rise of the individual' in Africa on the back of advances in global education, health and technology. Notably, socio-economic advances would be accelerated as citizens convey increasingly pressing demands for transparency and participation in Government and public decision-making. Moreover, whilst regional integration and infrastructure development will certainly remain critical drivers of inclusive growth in the continent, accelerating technological change holds huge potential for consumers and businesses. McKinsey Global Institute stressed that the accelerating scope, scale, and economic impact of technology is a major transformative force around the world. The impact could be greater in Africa than in any other region because the continent is in the relatively early stages of adoption of the Internet as well as digital technologies, which offer fast processing power and unprecedented connectivity, while the recourse to big data can lead to new business models and improving business operations. Indeed, faster penetration of the Internet and mobile phones offers Africa a huge opportunity to enhance growth and productivity. Africa's penetration of smartphones is expected to reach 50% by 2020, from only 18% in 2015. As per research by McKinsey Global Institute, if Africa's businesses and governments harness the full economic potential of the internet, it could add USD 300 billion to the continent's GDP by 2025. This trend is already transforming a number of sectors, including banking, retail, power, health care, and education. Another megatrend that is likely to open windows of opportunities for Africa relates to the expected higher level of interconnectedness in the global economy, provided countries strengthen their linkages with the rest of the world, notably across value chains. Indeed, Africa stands to benefit from being increasingly integrated on the worldwide economic scale, which would imply that they would be ever more specialised in specific activities and stages of value chains rather than in industries. Trade in global value chains would, therefore, involve extensive flows of intermediate goods and services, thus potentially acting as a powerful driver of growth and productivity.

## **UNDERLYING WEAKNESSES AND CHALLENGES**

### Quality of the business climate

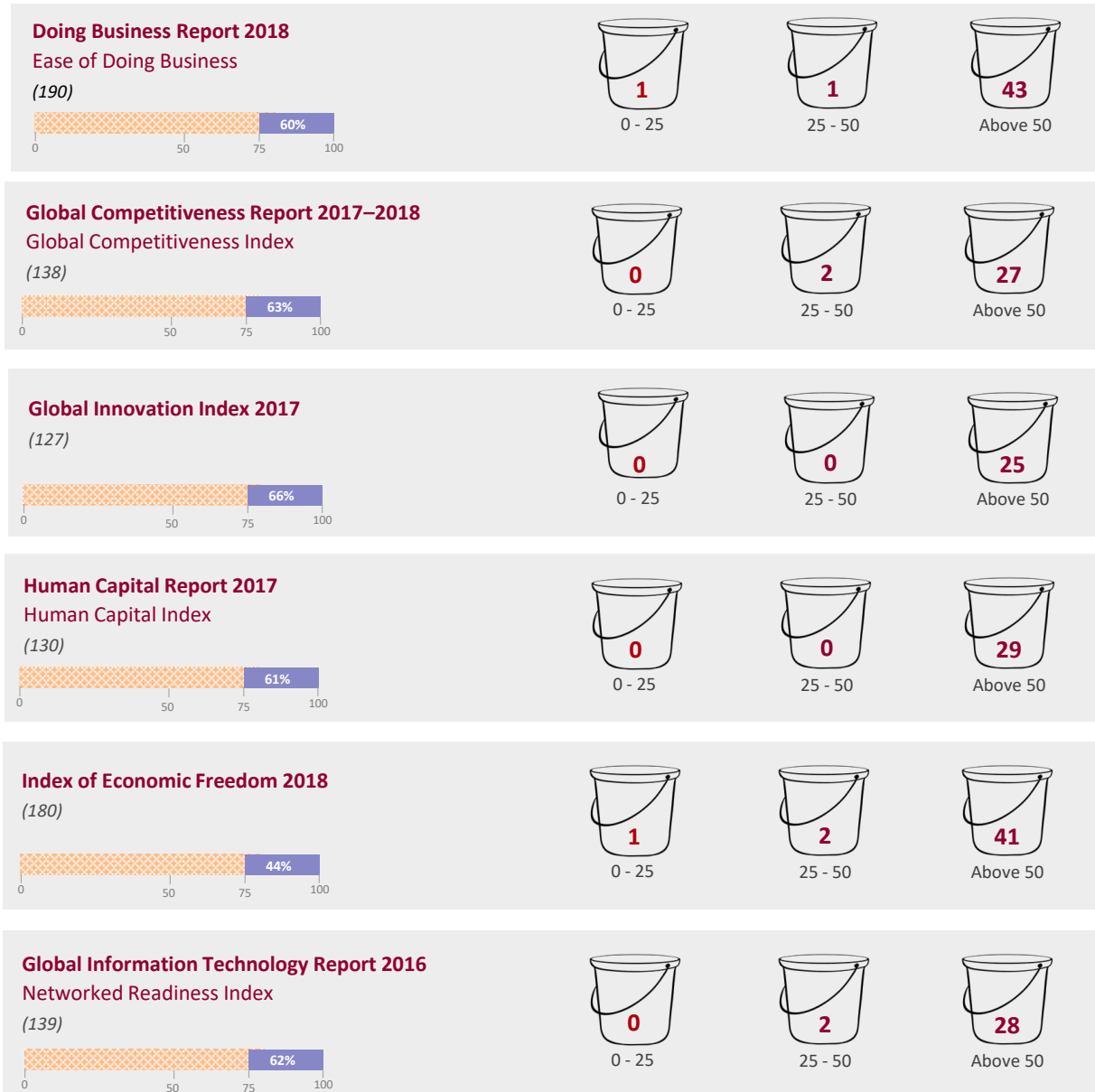
As a key area warranting attention and notwithstanding reform measures put in place, African countries are, in several instances, plagued by inadequacies characterising the quality and efficiency of their business environments and investment facilitation frameworks. Such a situation has played a non-negligible role in hampering the efficiency of productive activities and impeding the smooth conduct of local business activity. Against this backdrop, concerns have subsisted as regard the adverse impact that impaired productivity and the external competitiveness levels exhibited by countries could have on the development of manufacturing and services sectors as well as on related endeavours to attract foreign investment. The main supply-side inefficiencies include the following: (i) low-quality physical infrastructures, notably in terms of electricity grids and transportation networks, that tend to exert upward pressures on business costs and, in some ways, hold back the structural transformation of economies away from underperforming and low-productivity sectors; (ii) structural and technical barriers to trade and investment, notably relating to trade facilitation, customs modernisation, standards harmonisation, regulatory coherence and transparency, impediments to the efficient operation of supply chains in the region, which amongst others tend to hamper intra-African trade; and (iii) limited connectivity to other African and global markets. Furthermore, the quality of the business sentiment as well as the evolution of capital investments and social spending are tributary to several other factors and channels. Notably, while apprehensions relating to terrorist conflicts remain on the cards, the political environment remains under scrutiny, with voters of around 18 countries expected to go to the polls this year. Besides, relevant political conditions remain fragile in countries such as Central African Republic, Burundi, Nigeria and Somalia. On other fronts, whereas comforting strides have been made to redress the matter, several countries continue to be confronted by inadequacies in terms of (i) political participation and fair electoral processes; (ii) combating of corruption; (iii) the nurturing of strong, accountable and democratic institutions that protect universal rights and duly support nationwide activities; and (iv) accountability and transparency of governance rules that promote rule of law, strengthen checks on executive power and facilitate management of public finances. Moreover, several African nations have to deal with delicate social indicators, with high poverty levels and the limited capacity of communities to address health, sanitary and education issues remaining issues for consideration. Also, the management of climatic hazards is a key focus area in some countries.

## Box VII: Key challenges confronting the business climate in Africa

### Global rankings of sub-Saharan African economies

The relatively poor showing of African economies across various international indices, as depicted in the illustrations below, testify, in some respects, to the still sub-optimal nature of the business environment across the continent.

Number of African countries ranked within each ranking bucket



#### Notes:

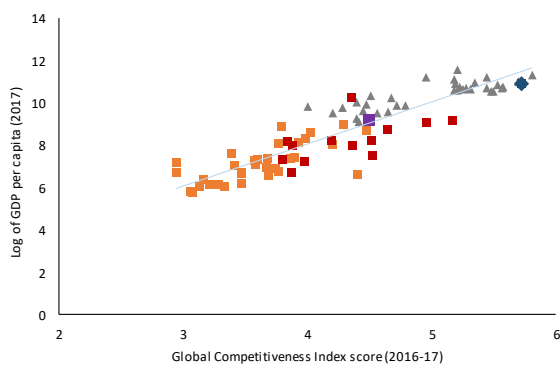
- (i) Numbers in brackets refer to the total number of countries covered by the Index/Report
- (ii) Percentages in purple rectangle represent the share of SSA countries ranked in the last quartile of the rankings (i.e. bottom 25%)
- (iii) The sum of the buckets correspond to the total number of SSA countries that are covered across the different indices. Of note, only the Doing Business Report covers all 45 SSA economies

Sources: The World Bank Doing Business Report, World Economic Forum – Global Competitiveness Report, Human Capital Report, Global Information Technology Report, Heritage Foundation – Index of Economic Freedom, Johnson Cornell University – The Global Innovation Index & MCB Staff estimates

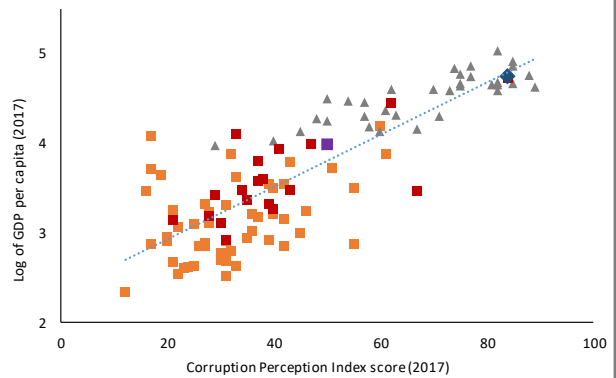
## Box VII: Key challenges confronting the business climate in Africa (Cont'd)

The illustrations below demonstrate the correlation between the key tenets of the business environment and growth-related indicators. For this exercise, focus has been laid on the African, OECD, emerging and developing Asia economies, while Mauritius and Singapore are included in the group of countries considered for the sake of comprehensive benchmarking. Notably, it can be noted that the restrained growth-related indicators in Africa are, to a non-negligible extent, shaped up by the quality of the business climate.

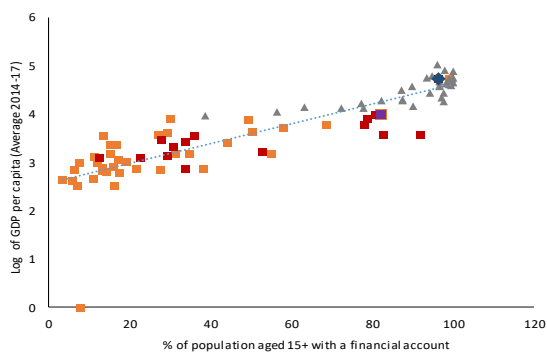
### Global Competitiveness Index and GDP per capita



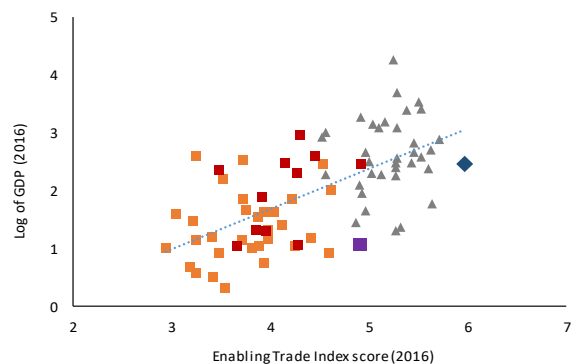
### Corruption Perception Index and GDP per capita



### Financial inclusion and GDP per capita



### Enabling Trade Index and GDP



■ Africa ▲ OECD ■ Emerging and developing Asia ■ Mauritius ◆ Singapore

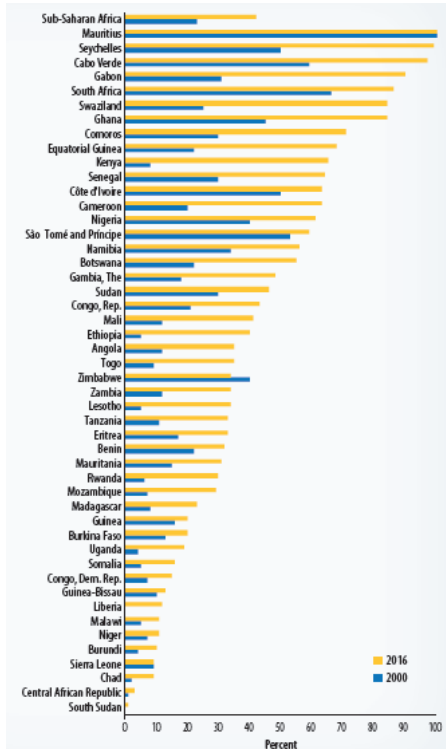
Sources: IMF, Transparency International, World Economic Forum, World Bank & MCB Staff estimates



## Box VIII: Current state of electrification in sub-Saharan Africa

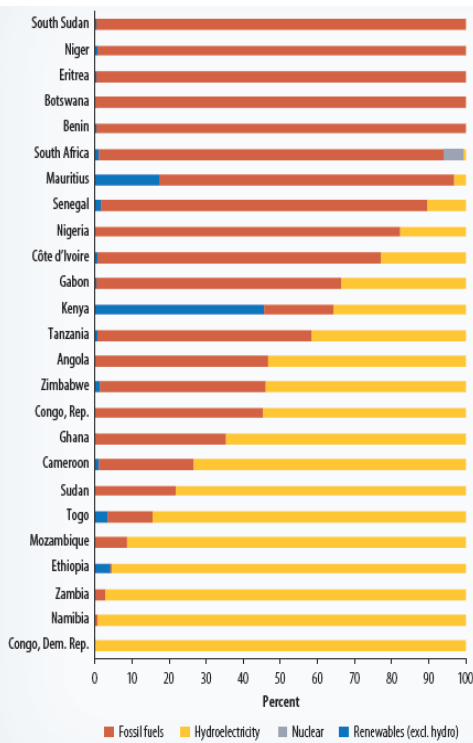
As per World Bank

### Electricity access



- In some countries, such as Gabon, Swaziland, and Kenya, the pace of electrification has been rapid, with access rates increasing by more than 50 percent between 2000 and 2016. In contrast, electrification has lagged population growth in Zimbabwe, so that electrification rates declined.
- Overall, the household electrification rate in Sub-Saharan Africa is the lowest in the world, averaging 42 percent in 2016. There are also huge gaps in electricity access between rural and urban households in Sub-Saharan Africa.
- Access rates among urban households are about 71 percent, compared with 22 percent among rural households.
- In South Sudan, the Central African Republic, Chad, and Sierra Leone, less than 10 percent of the population has access to electricity.
- Ghana, Swaziland, South Africa, Gabon, Cabo Verde, Seychelles, and Mauritius have access rates of more than 80 percent.

### Sources of electricity generation



- Fossil fuels are the main source of electricity generation throughout Sub-Saharan Africa, accounting for 64 percent of total electricity output in 2014; renewables (including hydro) accounted for the remaining 36 percent.
- Hydroelectricity is dominant in some countries, such as the Democratic Republic of Congo, Namibia, Zambia, and Ethiopia. In South Africa, 82 percent of generation capacity is coal based (Trimble et al. 2016). For other countries shown in the figure, the shares of hydroelectricity and fossil fuel generation (gas, diesel, and heavy fuel oil) are about 47 and 48 percent on average, respectively.
- The heavy reliance on fossil fuels implies that the electricity sector is susceptible to fluctuations in international fuel prices.
- Last, but not least, non-hydro renewables constitute just 5 percent of installed capacity.

Source: World Bank Africa's Pulse, April 2018

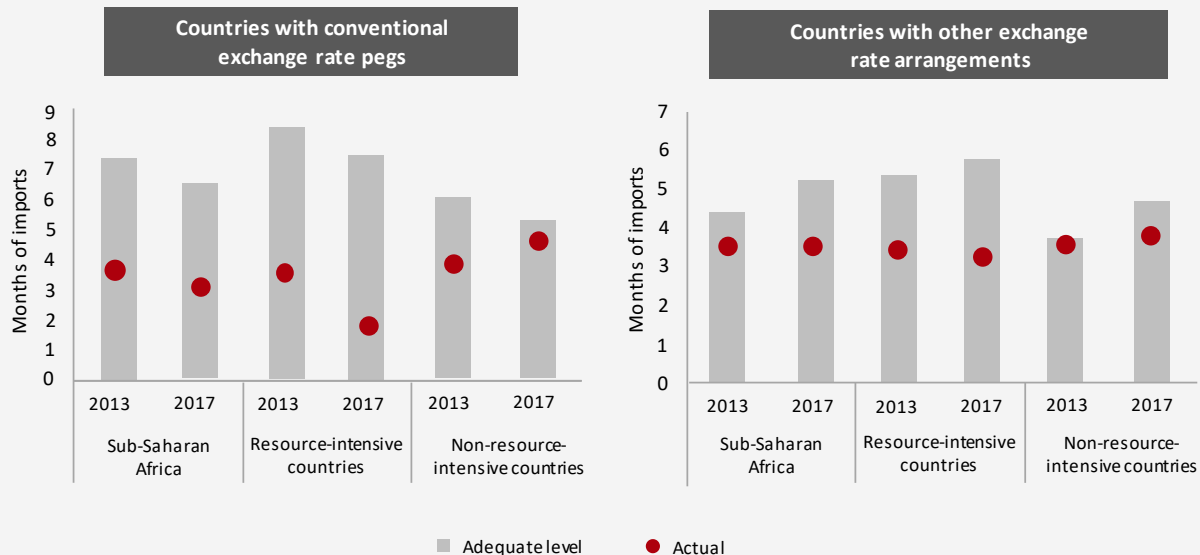
Several African countries remain pressurised by economic vulnerabilities, which threaten to provoke adverse ramifications on real sectors if left unaddressed. As per the World Bank, in spite of the growth recovery, the sub-Saharan African region has, in view of observed demographic patterns, remained characterised by negative per capita income growth in both 2016 and 2017. Such trends can be viewed with some apprehension to the extent that they *per se* tend to adversely impact the quality of living standards and consumption patterns. For 2018, growth in income per head is anticipated to turn into a positive zone, but would stay below its long-term average and be insufficient to reduce overall poverty levels across countries. For its part, the IMF highlighted that, reflecting the restrained performance of several commodity exporters, per capita growth in sub-Saharan Africa would fall short of or barely exceed that in advanced economies over the next few years, thereby potentially impacting moves to rekindle activity levels on a sustainable basis.

Furthermore, as highlighted by the IMF, public debt, which has been a key source of financing in the sub-Saharan African region lately, has risen by a notable margin since 2013. In particular, rising debt levels have been prompted by the slowdown in economic growth rates observed across countries in the wake of the collapse in commodity prices, widening fiscal deficits and sizeable currency depreciations in some cases. In addition, several countries faced up to below-the-line operations as per the IMF, including the build-up of arrears and operations on special accounts for public enterprises. Illustratively, the median level of public sector debt in the region is estimated to have stood at close to 50% of GDP in 2017, up from an average of about 34% some four years ago, with some economies running the risk of being engulfed into the low-income trap as external debt levels move up to unsustainable levels. Notably, debt inclinations are viewed as worrisome in specific countries such as Mozambique, Angola, Ghana, Nigeria and Zambia, with the situation seen as quite fragile in Kenya and South Africa. As for the IMF, it has, in its latest debt sustainability assessment for low-income countries, listed 5 African countries as being in debt distress (i.e. economies already experiencing difficulties in serving their debts, as evidenced for instance by existence of arrears), while 11 others are perceived as being characterised by a high risk of debt distress (generally one or more indicative assessment thresholds are breached under the baseline scenario, even though countries involved do not currently face repayment difficulties). Overall, while current levels are viewed as fairly manageable by international standards, rising debt metrics warrant inspection as they threaten to constrain the generation of resources for financing infrastructure-upgrading expenditures as well as curtail the ability to tap into international capital markets as a result of potential adverse repercussions on the credit worthiness of countries. In other respects, specific concerns have been formulated lately by Fitch Ratings regarding debt dynamics in sub-Saharan Africa. While acknowledging that sovereign debt levels are stabilising following their recent sharp increase, the agency argued that the growing use of the international capital markets may

increase refinancing risk as the amount of international debt coming due rises in a context of generally weak public finance management. Besides, it added that borrowing in foreign currency in international markets also exposes sovereigns to FX refinancing risk and a potentially higher debt service to GDP burden in the event of local currency depreciation. On a different note, it is worth highlighting that key economic difficulties faced by countries – including the reduction in export earnings in the wake of the sharp decline in commodity prices – have, in recent years, contributed to a relative depletion of foreign exchange reserves and fiscal buffers in some African countries. In fact, in its Regional Economic Outlook released in October last, the IMF stressed that *“While current accounts have improved and exchange market pressures eased somewhat, international reserves are below adequacy levels in many countries.”* Basically, whereas international reserves in sub-Saharan African countries averaged 4.8 months of imports in 2017, which is above the traditional three-month import benchmark, half of the region’s economies have displayed less than three months of imports’ worth of reserves. In some countries, international reserves have lingered at critically low levels, notably in the case of Democratic Republic of the Congo and Zimbabwe, with around 0.5 month of imports’ worth of reserves in each case. Such circumstances have, in some respects, contributed to impede the ability of central banks to effectively manage their currencies against potential shocks.

**Figure 3**

**Level of international reserves**

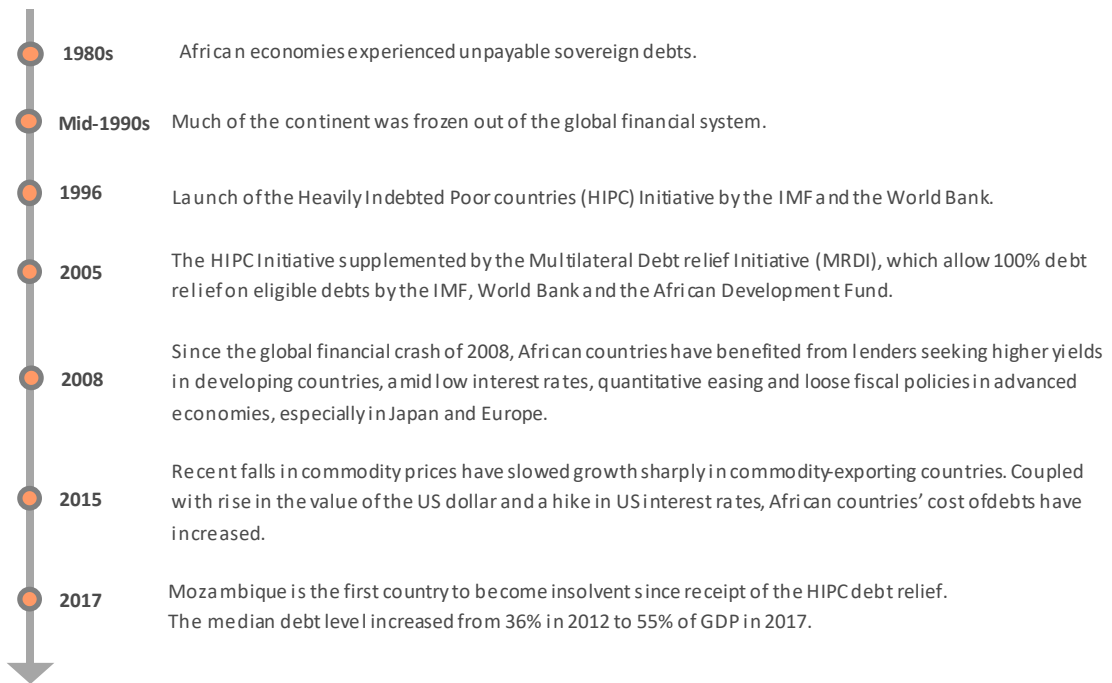


*Note: The adequate level of reserves is calculated as the simple average of the country-specific estimate for each member of the group. The adequate level of reserves is higher for countries that are vulnerable to terms-of-trade shocks, have weak fiscal position, and low institutional capacity as measured by the World Bank Country Policy and Institutional Assessment index.*

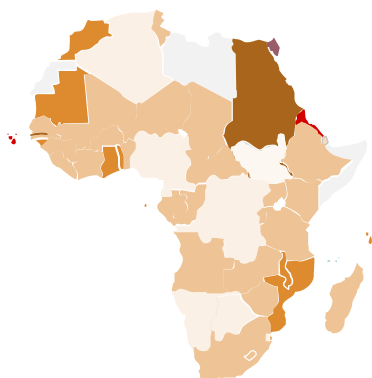
Source: IMF Regional Economic Outlook, October 2017

## Box IX: Shedding light on Africa's debt problem

As highlighted in a recent article by the Economist magazine, two decades ago, much of sub-Saharan Africa was frozen out of the global financial system. Countries such as Ghana (with a public debt of more than 120% of GDP) and Mozambique (more than 200% of GDP), could not cover interest payments on existing loans, never mind service new ones. The IMF responded with the introduction of the Heavily Indebted Poor countries (HIPC) Initiative which wiped out the debt burdens of some 30 African countries. With new loans and better policies, many of these countries turned their economies around. However, slower economic growth in response to lower commodity prices, coupled with the strengthening of the greenback and rising global interest rates lately, have left African nations with significantly less revenue to service the rising debt amounts. The timeline below summarises the history of the African continent with respect to debt levels since the debt crisis in the 1980s.

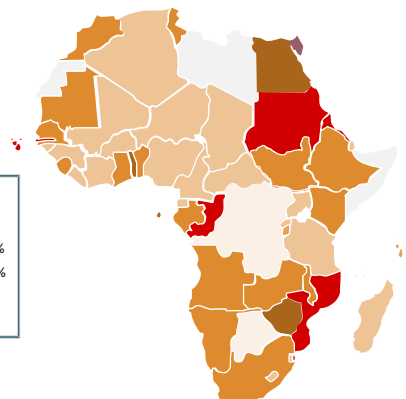


Gross government debt as % of GDP (2013)

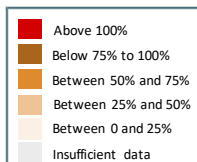


15 countries with debt-to-GDP ratio of greater than 50%  
Average debt-to-GDP ratio of 42%

Gross government debt as % of GDP (2018)



29 countries with debt-to-GDP ratio of greater than 50%  
Average debt-to-GDP ratio of 60%



Sources: The Economist, Financial Times, The Guardian, African Business Magazine, IMF World Economic Outlook Database, April 2018, various press articles & MCB Staff estimates

### **Risks to the baseline near-term growth outlook**

While the intrinsic macroeconomic foundations for growth have strengthened in sub-Saharan Africa, they continue to be anchored on fragile grounds. This is particularly the case in view of the persistence of local structural bottlenecks, which tend to hinder the level of resistance to external shocks and the ability to spur domestic activities. Against this backdrop, the key downside risks to the region's baseline growth scenario for the years to come are portrayed below, based on latest assessment by the IMF and World Bank, while light is also shed on upside risks that can act as positive tailwinds to growth. Overall, the balance of risks to the short to medium term growth prospects in sub-Saharan Africa is mainly tilted to the downside.

#### **Downside risks to growth**

- A quicker and sharper-than-anticipated tightening of global monetary conditions – triggered, for example, by a reassessment in financial markets of the pace of monetary policy normalisation in the United States or other major economies – could lead to a reversal in capital flows to the region and discourage sovereign bond issuance, which has become a key financing strategy for governments. If sustained, increases in global interest rates could further reduce the ability of governments in the region to access foreign bond markets, while increasing foreign debt servicing cost burdens
- A sharper-than-expected adjustment in China, as a result of the rebalancing of its economy, could have adverse ramifications on African commodity exporters, notably through lower commodity prices
- Policy uncertainty and delays in implementing policy adjustments could reduce fiscal space for pro-growth expenditures and adversely impact the external sector; a protracted period of heightened political uncertainty in the larger economies could lead to a failure in undertaking intended policy adjustments in a timely manner, thus hurting consumer and investor confidence
- A further deterioration in debt levels, notably externally-sourced, arising from the lack of sound forward-looking budget management, could potentially result in economic instability
- Climatic variations in rainfall (droughts and floods) could yield an important impact on growth of countries having high dependence on rain-fed agriculture and weather-sensitive activities
- Socio-political conflicts and worsening security conditions, notably amidst terrorist operations, could weigh heavily on economic activity in the region, especially in fragile countries
- The worsening of trade wars on the global scene could have ripple effects on African countries

### Upside risks to growth

- Stronger-than-expected activity in the United States, euro area and East Asia could push regional growth above the baseline, through higher exports and increased investment flows, notably in mining and infrastructure
- A stronger US dollar against the euro would imply depreciation of currencies that are pegged to the euro, fostering price competitiveness in the West African Economic and Monetary Union and the Central African Economic and Monetary Community. Given that most commodities are quoted in dollars, this would also mean higher proceeds in domestic currencies for commodity exporters
- A strengthening of regional ties would foster trade integration and the tapping of economies of scale and scope, as the sharing of technology and production practices allows for market diversification and the leveraging of each country's comparative advantages

### Sustaining growth over the medium to longer term

As the situation stands, while inroads have been achieved in enhancing the intrinsic ability of nations to tap into value creation avenues, there are still interrogations as to whether the underlying macroeconomic foundations of African countries are sound and solid enough in order to trigger decades of sustained and rapid economic growth. This observation had led to a questioning of the time that the ongoing economic recovery process will last and as to whether Africa could actually end up being the next driver of global growth, after shifting from the current cyclical upturn to decisive economic progress. Actually, a cautious approach is being propounded to assess African economies' potential over the medium to long run on the back of key dynamics that threaten to restrain productivity gains and act as a brake on initiatives identified for achieving notable socio-economic advancement on a sustainable mode. Some main areas that could weigh in the balance are as follows: (i) idiosyncratic challenges, including those relating to social conditions and remoteness from trading partners; (ii) the dependence of economies on commodity exports – especially when compared to emerging markets elsewhere – with exports being concentrated across a limited range of economic sectors; (iii) the integration of economies into regional and global markets, with apprehensions notably pertaining to the extensiveness and diversification of markets for exports of goods and services (e.g. trade with other African countries remains quite low); (iv) difficulties faced by the manufacturing and service industries to be innovative and competitive enough in the global market place, on account notably of insufficient research and development undertakings and low reliance on cutting-edge technology; (v) the pace of the structural transformation process, whereby several economies struggle to move workers and other resources from low-productivity sectors to higher-productivity industries; (vi) the prevalence of subdued national savings and investment rates, which could hinder the ability of countries to successfully jump-start economic development initiatives; and (vii) availability of adequately skilled human resources to



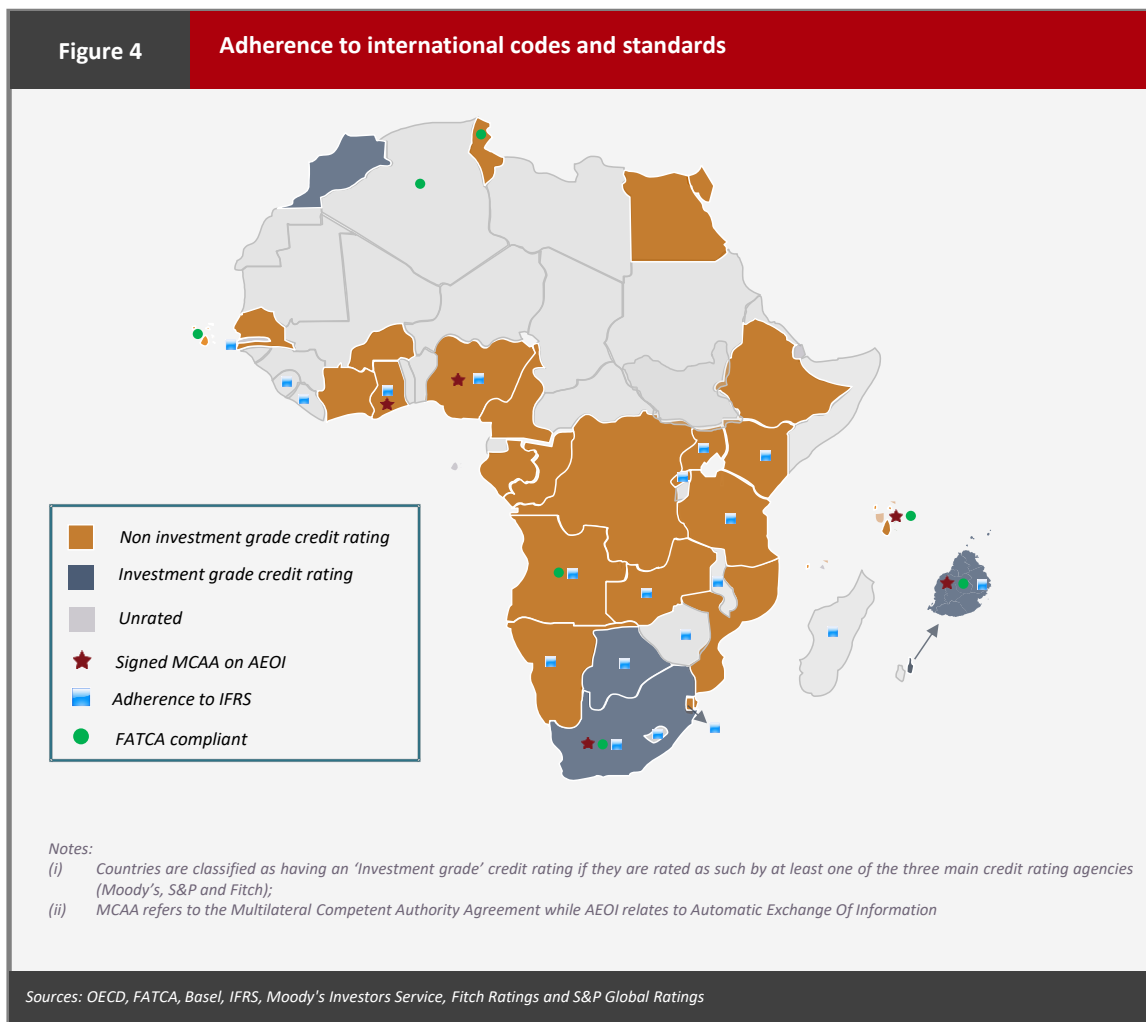
assist in creating large hubs and crafting appealing opportunities for investors. At another level, in its Global Economic Prospects report of January 2018, the World Bank highlighted the risk that the region's potential real GDP growth pattern could slow down from the 3.3% achieved in the past five years to 3.2% in the decade ending 2027. It stressed that, in the absence of broad-based structural reforms to promote economic resilience as well as spur influential productivity improvements, labour force and capital accumulation could stagnate, thus impacting the region's potential growth. This would imply that prospects for robust poverty reduction could be diminished on the back of modest increases in per capita incomes.

#### Adherence to international norms, codes and standards

From another angle, while prominent moves are being initiated on the global front towards ensconcing financial system integration and ensuring strict compliance to international norms, codes and standards, the African continent appears to be finding it somewhat difficult to keep pace with ongoing developments. This matter warrants attention insofar as it threatens to impair efforts to integrate Africa into the global economic and financial systems, hamper the appeal of the continent as a reliable investment destination as well as limit the business opportunities that African nations could leverage globally. Currently, around 50% of African countries have sovereign credit ratings. In this category of countries, it can be noted that Morocco is assigned an 'investment-grade' rating by both Fitch Ratings and Standard and Poor's, with the latter also allocating such a grade to Botswana. For its part, Moody's Investors Service rates 3 African countries as 'investment grade', namely Botswana, Mauritius and South Africa. In respect of the latter, it is worth noting that both Fitch Ratings and Standard and Poor's had downgraded the country to 'non-investment grade' status during the previous year, on the back of concerns over fiscal and growth outcomes. Of note, the 'Investment grade' status entails that the sovereign is judged by a rating agency as being likely enough to meet its financial obligations in full and on time, i.e. it has a relatively low risk of default. Furthermore, a noticeable feature of the African region is that only 20 African jurisdictions presently adhere to the International Financial Reporting Standard (IFRS), although a further 17 countries are expected to adopt IFRS as from 1<sup>st</sup> January 2019. Another key area in which Africa is lagging behind relates to the implementation of Basel standards. Notwithstanding progress achieved by countries in terms of financial reporting, regulation and supervision, South Africa remains the only country in Africa to have fully adopted Basel III. Besides, 3 countries (Kenya, Morocco and Mauritius) have implemented parts of Basel III, relating mainly to capital adequacy and liquidity, while 29 countries are still operating under Basel I. At another level, insufficient adherence has been observed to international standards on exchange of information, as prescribed by international organisations and the United States.

Some key observations are as follows:

- Only 7 African jurisdictions have made commitments regarding compliance to the US Foreign Account Tax Compliance Act (FATCA), that primarily aims to prevent tax evasion by US taxpayers by using non-US financial institutions and offshore investment instruments
- Out of the 114 jurisdictions signatory to the OECD Convention on Mutual Administrative Assistance in Tax Matters, which aims to facilitate the entering into bilateral tax information exchange agreements between state parties, only 13 are African
- Only 5 out of the 97 signatories to the OECD Multilateral Competent Authority Agreement (MCAA) are African countries. Of note, the Agreement provides a standardised and efficient mechanism to facilitate the automatic exchange of information in accordance with the Standard for Automatic Exchange of Financial Information in Tax Matters
- Only 19 African economies are members of the inclusive framework to tackle Base Erosion Profit Shifting which refers to tax planning strategies used by multinational companies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations where there is little or no economic activity



## OVERVIEW AND UNDERPINNINGS OF OUR REGIONAL FOOTPRINT

### General strategies and enablers

While private operators from the primary, secondary and tertiary sectors have taken distinctive actions to tap into Africa's potential, the country's regional positioning has, to a non-negligible magnitude, been supported by dedicated initiatives undertaken by the authorities over the years, even though the related outcomes have, so far, been mixed, notably as regard the diversification of our markets for the exports of goods, while limited inroads have been realised with respect to trade in services across areas. In addition to helping improve the business facilitation climate and the competitiveness of Mauritius, the authorities have embraced an Africa Strategy so as to spearhead exchanges with the continent. Various policies have been propounded to encourage trade, foster increased foreign market diversification as well as boost investment and cross-border activities on the continent, alongside fostering partnerships with African stakeholders and creating relevant economic opportunities for Mauritius. In the same light, dedicated efforts have been deployed to promote Mauritius as a competitive and credible regional platform for trade, investment and doing business, with a key focus area relating to the positioning of Mauritius as an International Financial Centre of repute and substance, in close collaboration with Government bodies and private companies.

Among moves undertaken, Mauritius has anchored and capitalised on its membership in regional blocs, while fostering active participation in various regional initiatives and projects aimed at promoting collaborative activities and boosting economic undertakings in numerous fields. Moreover, it is interesting to note that the Government has, over time, set out to provide the enabling environment to uphold export market development and encourage outward foreign direct investment on the African continent. This was backed by (i) the nurturing of strategic market development and economic diplomacy initiatives; and (ii) the establishment of a strengthened institutional set-up – with relevant entities forging meaningful business relationships with African counterparts, including Investment Promotion Agencies – to accelerate regional integration as well increase intra-African trade and cross border investments. Further, economic stakeholders operating in Mauritius have, over time, leveraged bilateral agreements forged with African countries across fields of activity, while the Government has secured the establishment of Joint Commissions with selected countries (e.g. Madagascar, Ghana, Comoros and Seychelles) with a view to setting up appropriate mechanisms for promoting trade and investment in various sectors through the removal of trade barriers, the sharing of technology, the improvement of the business environment and the formulation of necessary structures for the design and execution of common projects. From a specific business

development perspective, relevant resources were mobilised in order to underpin the participation of businesses in international events such as trade fairs, Buyers-Sellers meetings, Contact Promotion Programmes and conferences. Besides, support has been provided to exporters as well as small and medium enterprises hitherto servicing only local markets to spread their market development footprint into Africa. To realise such endeavours, guidance and assistance have emanated from the Economic Development Board. In particular, the latter institution set out to promote and facilitate the exports of goods and services through specific schemes and measures. On this aspect, it is interesting to observe that National Export Strategy 2017-2021 formulated a roadmap to improve the country's export competitiveness, underpinned by increased institutional support as well as provision of relevant and accessible trade support services.

## Investment

In addition to factoring in the appealing prospects prevailing across market segments and the increasing propensity of Mauritian companies to venture into areas where they have nurtured strategic competencies towards diversifying their business involvement, outward investment in Africa has been buttressed by dedicated policies pursued by the authorities. Amongst initiatives adopted in recent years, the Africa Centre of Excellence, which operates under the aegis of the Economic Development Board, is a platform containing key information on the doing business environment in Africa, while it also aims to provide business intelligence and a repository of potential partners and service providers to accompany investment projects into Africa. As another underpinning to channelling investment into the African continent, mention can be made of the Mauritius-Africa Fund which was created to encourage local enterprises to invest in Africa. As per the authorities, the Fund has been revised since 2015 with a view to having bigger impact on facilitation of Mauritian private sector investment in Africa. The three broad objectives under this revised mandate are: (i) the promotion of a Government-to-Government framework of cooperation through Memoranda of Understanding (MoU) signed with foreign African Governments to secure projects for the benefit of Mauritian businesses; (ii) the development, promotion and management of business infrastructure, such as Special Economic Zones, Business and Technology Parks and Industrial Zones in selected countries to reduce the barriers of entry and provide a secure business environment for our domestic enterprises; and (iii) the adoption of innovative approaches for mobilising funds, from both institutional and private sources, for Mauritian firms to participate in the equity financing of businesses and invest in relevant viable projects in any African country. Under the new mandate and as per of the country's strategy to increase its economic space, the Mauritius-Africa Fund has, thus far, negotiated and signed MoUs to develop Special Economic Zones with selected countries, namely Senegal, Cote d'Ivoire, Ghana, and Madagascar, with the aims being to strengthen diplomatic ties, reinforce regional cooperation as well as fostering trade and investment. Such

zones, which are at various stages of development, seek to create an enabling environment, backed by a secure business framework and free of barriers to entry for local enterprises to tap into investment opportunities. As per the authorities, Mauritian operators can benefit from various advantages, including fiscal incentives and a favourable operating set-up, alongside capitalising on enlarged market sizes.

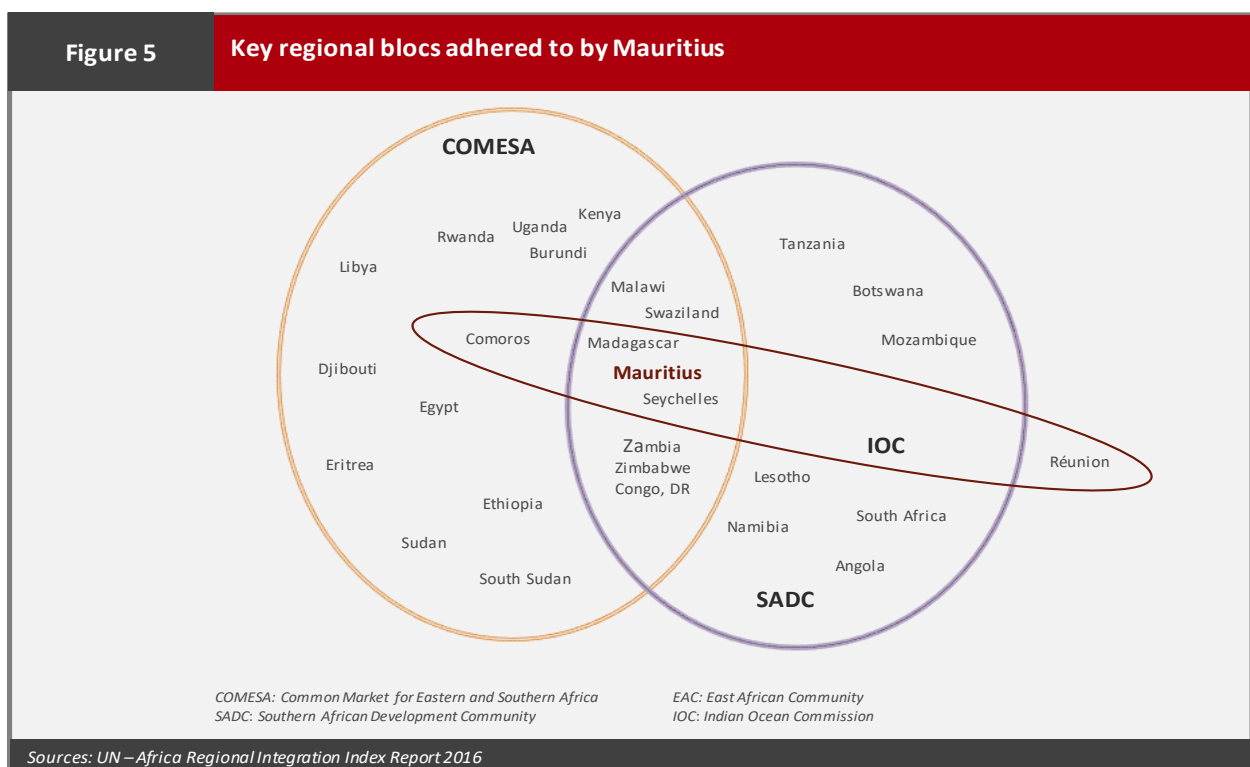
## Linkages and networking

### **Participation in regional blocs and institutional initiatives**

Fundamentally, regional integration provides a tangible leeway for the extension of the country's economic space, whilst broadening the scope for and attractiveness of enhanced trade and investment patterns. Specifically for Mauritius, greater involvement in regional blocs provides a solid opportunity to diversify and entrench markets for the exports of goods and services, the importance of which is underlined by the economic challenges faced by our traditional trading partners as well as the erosion of our preferential trade access on various markets. Today, the endeavours of Mauritius can be concretely gauged by its membership and active participation in as well as adherence to the protocols and strategic orientations of the following regional blocs in particular: the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA), the Indian Ocean Commission (IOC) and the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). Through its adherence to these groupings, Mauritius has remained committed to implementing policies that aim to promote and facilitate exchanges and cooperation amongst countries and across fields. Importantly, Mauritius has, in October last, signed the COMESA-EAC-SADC Tripartite Free Trade Area (Tripartite FTA) Agreement, which is, as per the authorities, viewed as a clear indication that the country is accelerating its regional integration process on the African continent. It was highlighted that the emergence of the common market will usher a new dynamism for the economy, with the private sector – particularly the manufacturing sector and the Freeport – being allowed to take advantage of wider market access. The agreement, which was launched by the COMESA-EAC-SADC Member States in June 2015, aims to boost intra-African trade through the creation of a wider market, increased foreign direct investment flows, enhanced competitiveness and development of cross-regional infrastructures, with a major focus being laid on the harmonisation of regional integration programmes and trade policies between the three trading blocs. The Tripartite FTA aims to act as the platform for the foundation of the afore-mentioned African Continental Free Trade Area.

On another note, key institutions have been involved on the African scene via membership to entities and participation in dedicated initiatives, in line with the country's commitment in favour of the regional harmonisation of financial regulatory frameworks, cross-border financial activities and joint supervision of banking and non-banking financial institutions. Worth noting, the Bank of Mauritius (BoM) is a member of

the Eastern Africa Sub-region in the African Monetary Cooperation Programme and chairs the SADC Subcommittee of Banking Supervisors (SSBS). It has been appointed as the Settlement Bank of the Regional Payment and Settlement System (RPSS), which assists the cross-border payment and settlement needs of exporters and importers of COMESA member states through their Central Banks, on the same day and at a lower cost. The central bank also participates regularly in meetings and disseminating updated information to regional counterparts across various platforms. Additionally, through four commercial banks, Mauritius participates in the SADC Integrated Regional Electronic Settlement System (SIRESS), a cross border payment system, initially modelled on a single currency for the region and single regional institutions like a Regional Central Bank and a Regional Clearing House. For its part, the Financial Services Commission (FSC), along with other stakeholders of the financial services sector, represents Mauritius on the Financial Stability Board's Regional Consultative Group for sub-Saharan Africa. In addition, the FSC participates in the Committee of Insurance, Securities and Non-Banking Financial Authorities (CISNA) and works to facilitate the development and implementation of a harmonised, risk-based regulatory framework for Member States in SADC. In a different light, Mauritius hosts the Regional Multidisciplinary Centre of Excellence. The latter is a regional initiative driven by the Government of Mauritius and developed in consultation with the EU and World Bank as well as regional blocs, namely COMESA, SADC and IOC member states. It acts as an expertise hub for policy development, training and advisory activities and a forum for dialogue, alongside serving regional development initiatives. Also, Mauritius hosts the IMF Africa Training Institute (ATI), which is part of a network of IMF regional training centres around the world, which help develop countries' policymaking capacity by transferring economic skills and best practices.



## Agreements and partnerships

To support its economic interests, Mauritius nurtures a network of bilateral agreements with African countries, in support of trade and investment endeavours. The country has signed Investment Promotion and Protection Agreements (IPPAs) with 23 African countries. Of note, the main aim of the IPPAs is to promote and protect the interests of investors from one country in the territory of the country where the investment is being made. Amongst other things, IPPAs guarantee Mauritian investment with respect to expropriation and social unrest in contracting states. They also provide for arrangements for settlement of disputes between investors and the contracting states. Also, Mauritius has signed Double Taxation Avoidance Agreements (DTAAs) with 22 African countries, of which 6 are awaiting ratification. Furthermore, the Economic Development Board has signed around 30 Memoranda of Understanding (MoUs) with its African counterparts. The objective of the MoUs is to provide an ideal framework which facilitates the development of exchange programmes and further strengthen mutual collaboration between investment promotion agencies, with focus being especially laid on capacity building with respect to the exchange of technical expertise as well as knowledge and training opportunities.

Figure 6

### Mauritius : Overview of formal agreements signed with Africa

Memorandum of understanding (MOU)		Bilateral Agreements			
		Investment Promotion and Protection Agreements (IPPAs)		Double Taxation Avoidance Agreements (DTAAs)	
		Ratified	Awaiting ratification	Ratified	Awaiting ratification
Burundi	Mali	Burundi	Benin	Botswana	Gabon
Burkina Faso	Madagascar	Egypt	Cameroon	Congo, Republic of	Kenya
Cape Verde	Mozambique	Madagascar	Comoros	Egypt	Nigeria
Cameroon	Namibia	Mozambique	Cote d'Ivoire	Lesotho	Morocco
Comoros	Senegal	Republic of Congo	Gabon	Madagascar	Ghana
Côte d'Ivoire	Seychelles	Senegal	Ghana	Mozambique	Cape Verde
DRC	Sierra Leone	South Africa	Guinea Republic	Namibia	
Gabon	South Africa	Tanzania	Kenya	Rwanda	
Ghana	South Sudan	Zambia	Mauritania	Senegal	
Guinea	Kingdom of eSwatini		Rwanda	Seychelles	
Djibouti	Tunisia		Kingdom of eSwatini	South Africa	
Egypt	Tanzania		Chad	Kingdom of eSwatini	
Ethiopia	Uganda		Zimbabwe	Tunisia	
Kenya	Zambia		São Tomé and Príncipe	Uganda	
Malawi	Zimbabwe			Zambia	
				Zimbabwe	

**Notes:**

(i) The MOUs were signed by the Economic Development Board with sister IPAs in Africa, with the goal of facilitating investment by Mauritian companies in these countries.

(ii) Investment Promotion and Protection Agreement (IPPA) constitutes an agreement between two countries for the reciprocal encouragement, promotion and protection of investments in each other's territories by companies based in each country.

(iii) Double Taxation Avoidance Agreements (DTAAs) represent tax treaties concluded and provide relief in respect of double taxation of income and promote exchange of goods, persons, services and investment of capital. Beyond countries displayed above, treaties with Algeria, Burkina Faso, Lesotho, Mali, North Sudan, Tanzania and Zambia are being negotiated

Sources: Mauritius Board of Investment, Mauritius Revenue Authority

## **RECENT KEY TRENDS**

### Trade in goods

Over time, Mauritius gradually stepped up its exports of goods to Africa, which attained around Rs 18 billion last year. Of note, this indicator recorded an annualised increase of nearly 3% for the 2012 – 2017 period, which outpaced the evolution posted in respect of our main continent market, i.e. Europe, after making allowance, it should be stressed, for the testing economic conditions and competitive market access environment prevailing therein. That being said, it is essential to note that a relative deceleration of the pace of our incursion on Africa soil has been noted over time, when considering that our exports of goods to Africa had registered a superior annualised growth rate of 10% during the 2006-2011 period. Of note also, the country's exports to Member States forming part of the Southern African Development Community (SADC) and the Indian Ocean Commission (IOC) regional blocs have, in each case, remained relatively flat during the past five years, with declines being even registered in 2017 as compared to a year earlier. From another angle, progress in terms of market diversification onto the African continent has been quite limited over time. For instance, while 25% of the country's total merchandise exports were directed towards Africa last year, it can, at the same time, be observed that (i) the corresponding mix was already at 24% five years from 2017; and (ii) Madagascar and South Africa have, in a predominant way, remained our leading African markets over time. From a product viewpoint, our exports to Africa are marked by relatively high concentrated levels, with textile representing an elevated share of 42% of the total last year and remaining items featuring far behind.

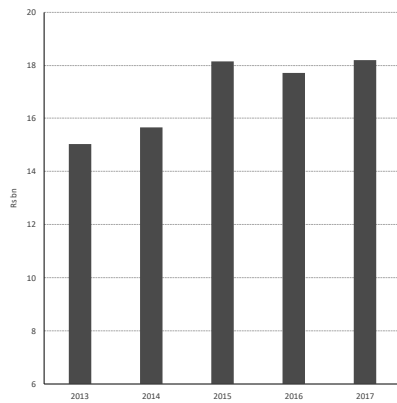
### Trade in services

While limited information is available as regard our exports of services to Africa, a key observation is that tourist arrivals from the continent posted a relatively modest growth during the past five years, particularly when juxtaposed against the relatively appreciable trajectories witnessed in respect of other emerging markets, notably Asia. Subsequently, whilst African tourists (including Réunion Island) made up for some 22% of total arrivals in 2017, limited headway is deemed to have been realised in terms of market diversification vis-à-vis the continent given that (i) the equivalent



## Box X: Evolution and distribution of the country's exports of goods

### Total exports to Africa

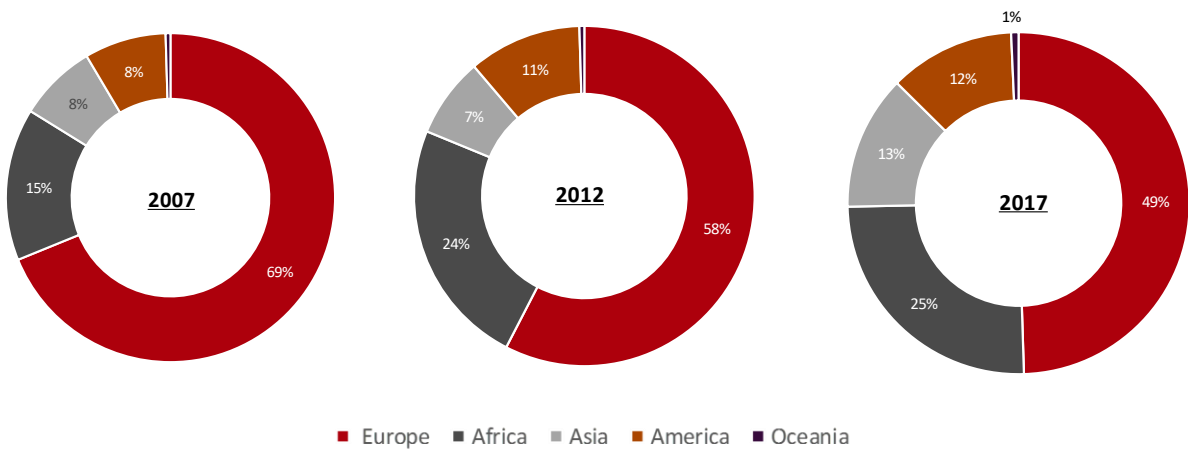


Note: Total exports exclude ship's stores and bunkers

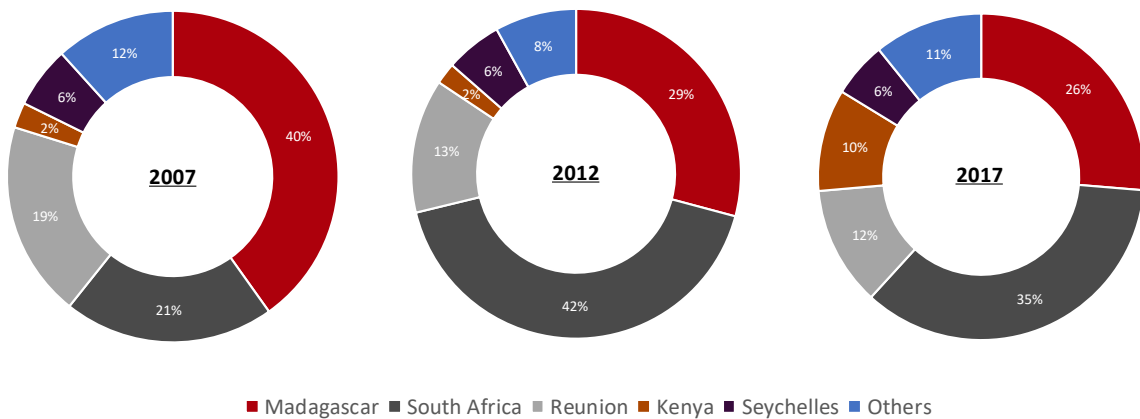
### Evolution of exports across regions

	Annualised growth (%)		Year-on-year change (%)
	2006-11	2012-17	2017/16
<b>Total exports</b>	-2.0	1.4	-7.4
Europe	-2.1	-1.6	-2.8
<b>Africa</b>	<b>10.0</b>	<b>2.7</b>	<b>2.7</b>
of which:			
SADC	14.8	0.3	-4.0
COMESA	5.5	5.1	0.3
IOC	4.6	0.8	-6.6
Asia	-21.2	12.5	-29.2
America	3.1	3.5	-10.4
Oceania	-13.4	10.1	-20.1

### Exports by continent



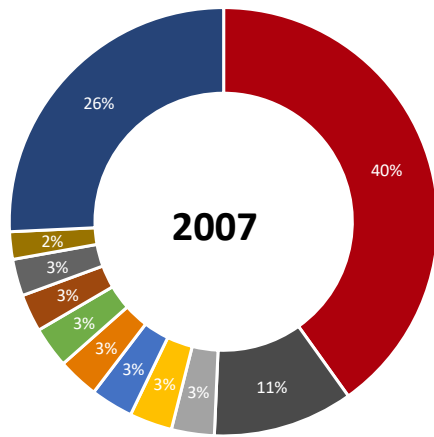
### Exports by African markets



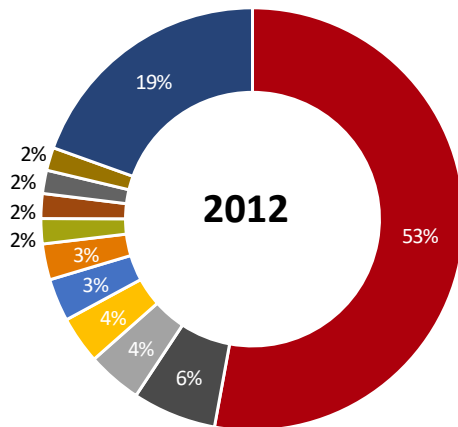
Sources: Statistics Mauritius & MCB Staff estimates

**Box X: Evolution and distribution of the country's exports of goods (Cont'd)**

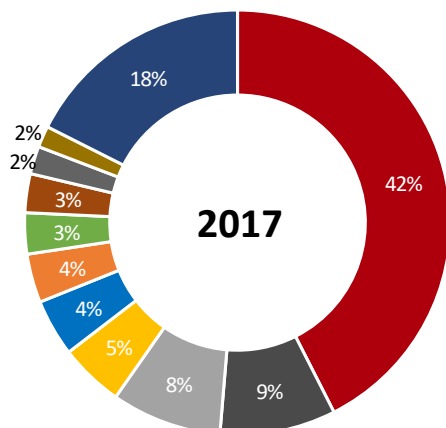
**Exports by items**



- Textile
- Miscellaneous manufactured articles
- Cereal
- Manufactures of metal
- Paper, paperboard and articles thereof
- Telecommunications equipment
- Feeding stuff for animals
- Beverages
- Iron and steel
- Fish
- Others



- Textile
- Miscellaneous manufactured articles
- Cereal
- Feeding stuff for animals
- Essential oils and perfume materials
- Electrical machinery
- Beverages
- Fertilizers
- Iron and steel
- Paper and paperboard and articles thereof
- Others



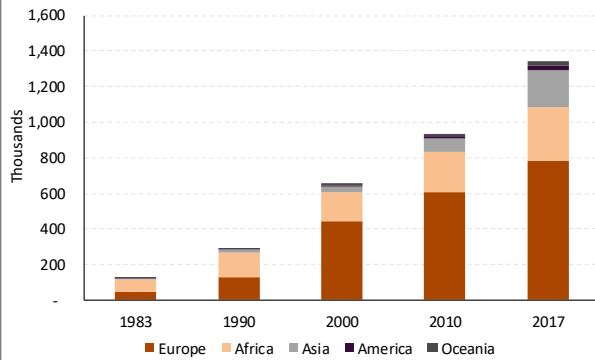
- Textile
- Miscellaneous manufactured articles
- Cane
- Gas, natural and manufactured
- Telecommunications equipment
- Essential oils and perfume materials
- Cereal
- Organic chemicals
- Other transport equipment
- Paper, paperboard and articles thereof
- Others

Sources: Statistics Mauritius & MCB Staff estimates

share for Africa stood at a noticeably higher rate of 28% five years back, whereas Asia, for its part, has gained conspicuous grounds over time to see its proportion of total arrivals rise by 5 percentage points during the same period to attain 16% in 2017; and (ii) a significantly high rate of 86% of overall African tourists originate from only two countries, namely South Africa and Reunion Island. From another angle and while a paucity of official data has been observed on a disaggregated basis, a key source of satisfaction for Mauritius is that the African continent has been increasingly delved into by the banking industry, while gradual headway in being made by global business operators. In the latter respect and as per the FSC, more than 50% of newly licensed GBC1s, have, over the six months ending February 2018, targeted Africa as their primary investment destination, as per their submitted business proposals. In the same vein, it is interesting to note that several Africa-focused funds have been established in recent years. In spite of the challenging market environment, specific banking sector players have, via cross-border operations and accentuated physical presence, improved the range and depth of their activities on the regional scene, with revenue generated supporting bottom-line results, albeit to varying degrees. For instance, foreign-sourced income at the MCB Group accounted for around 58% of its net profit during the first semester of FY 2017/18, principally spurred by its involvement in the sub-Saharan African region. Moreover, as per latest information from the Tertiary Education Commission, an appreciable increase has, over time, been witnessed in terms of the total number of African students enrolled in the tertiary education system of Mauritius, with the figure standing at 1,048 as at December 2016. Nonetheless, this amount can *per se* still be deemed to be relatively low, especially when making allowance for the country's ambition to position itself as a higher-education education hub in the region.

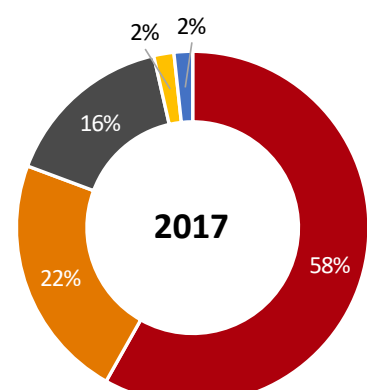
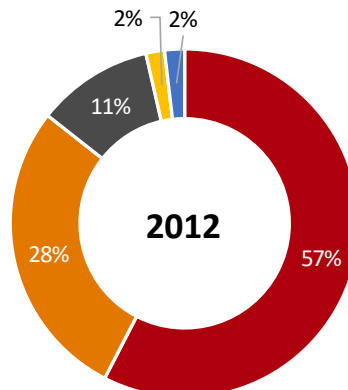
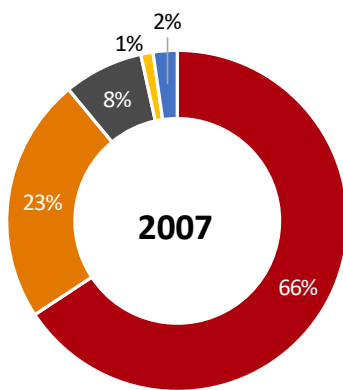
## Box XI: Snapshot of tourist arrivals

### Evolution and distribution of tourist arrivals



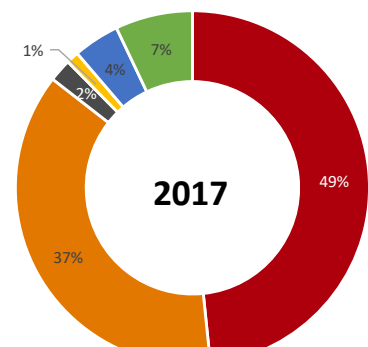
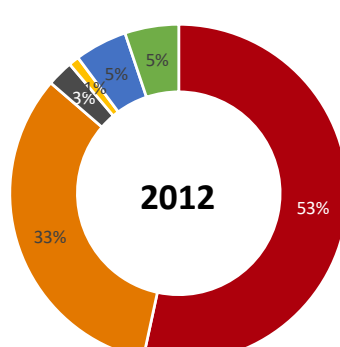
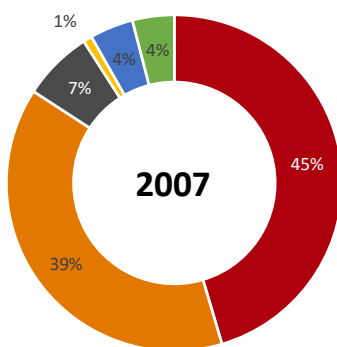
	Annualised growth (%)		Year-on-year change (%)
	2006-11	2012-17	2017/16
<b>Total arrivals</b>	<b>4.1</b>	<b>6.8</b>	<b>5.2</b>
Europe	2.9	7	6.2
<b>Africa</b>	<b>5.8</b>	<b>2.2</b>	<b>3.4</b>
Asia	8.7	15.2	1.5
America	8.0	8.3	25.4
Oceania	-1.1	5.1	14.1

### Arrivals by region



■ Europe ■ Africa ■ Asia ■ America ■ Oceania

### Arrivals by African countries

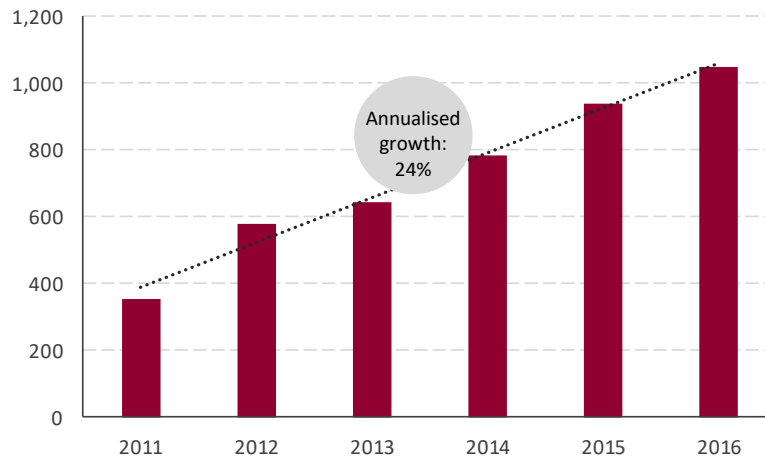


■ Reunion Island ■ South Africa ■ Seychelles  
 ■ Kenya ■ Madagascar ■ Other Africa

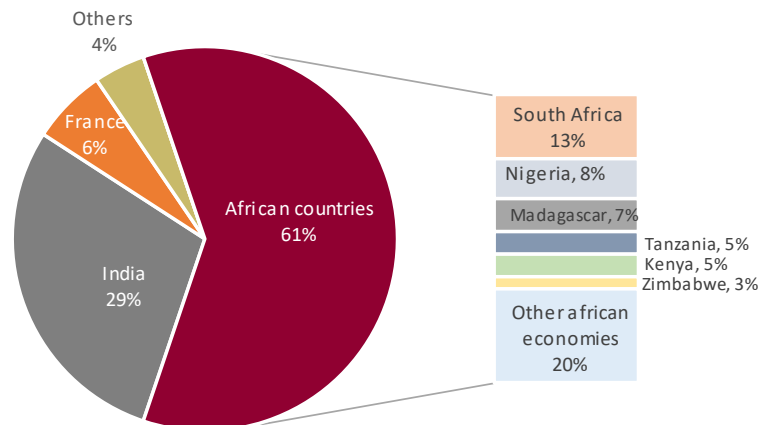
Sources: Statistics Mauritius and MCB Staff estimates

## Box XII: Spotlight on the country's positioning as a regional education hub

### Number of Africans pursuing tertiary education in Mauritius



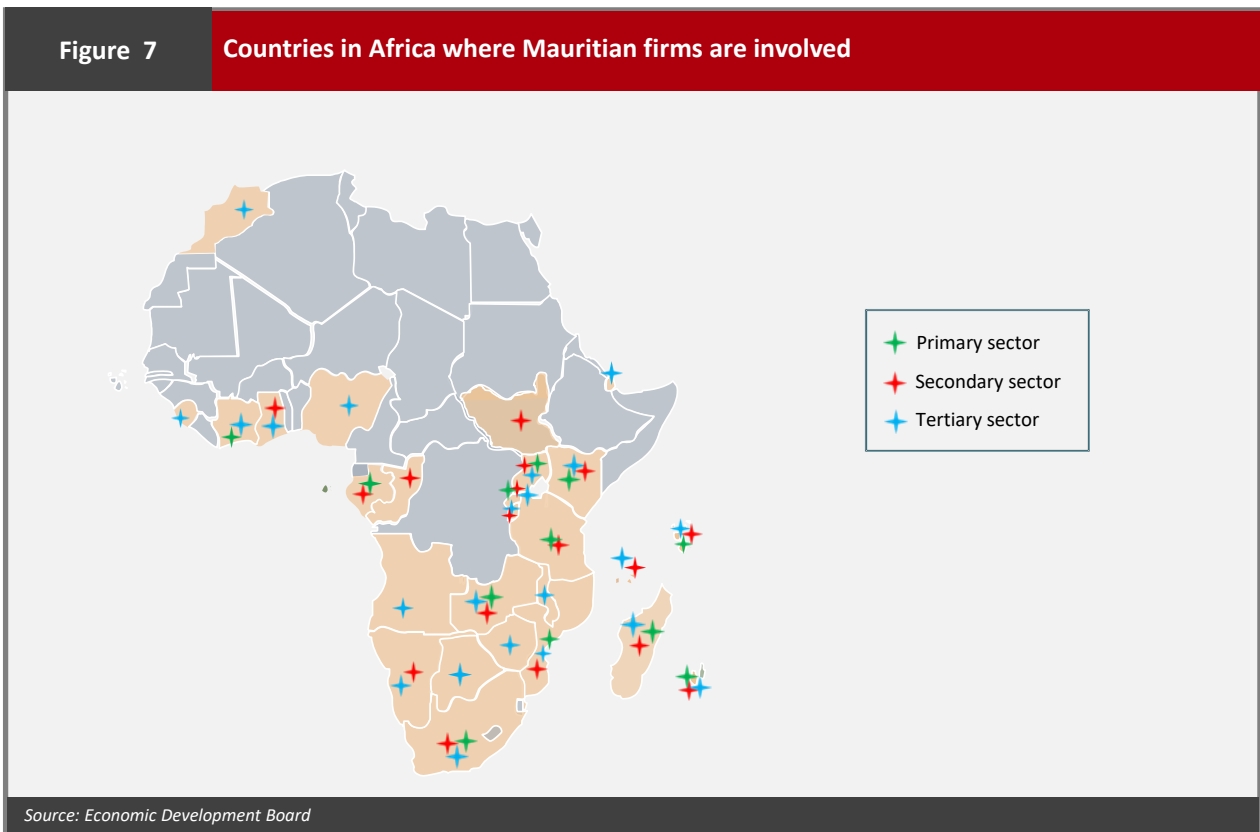
### Enrolment of international students in tertiary education (December 2016)



Top 10 source markets	Number of students	Mix (%)	Year-on-year growth (%)	5-year annualised growth (%)
India	503	29.0	19.2	21.8
South Africa	231	13.3	-2.1	30.5
Nigeria	146	8.4	-13.6	15.5
Madagascar	122	7.0	34.1	7.5
France	110	6.3	74.6	32.4
Tanzania	82	4.7	74.5	83.0
Kenya	79	4.6	38.6	37.6
Zimbabwe	48	2.8	11.6	43.1
Seychelles	32	1.8	52.4	3.5
Botswana	28	1.6	86.7	69.5

Sources: Tertiary Education Commission and MCB Staff estimates

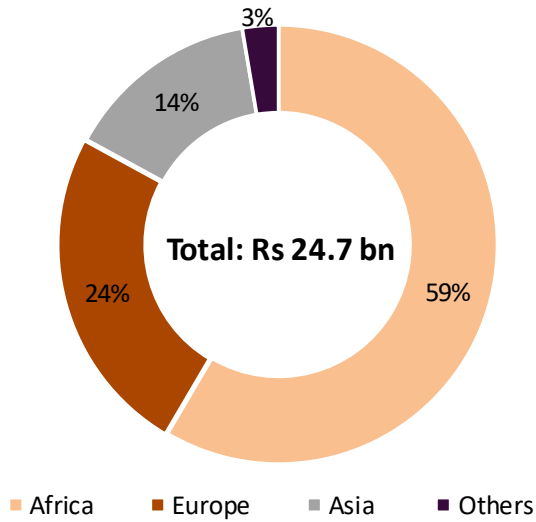
Latest available figures show that gross direct investment flows by Mauritius into Africa stood at Rs 1.4 billion in 2017, representing 56% of our total outflows and a 60% rise compared to 2016. In recent times, the African continent remained a key target of our direct investment, with several operators expanding their exposures and establishing physical market presence in specific African countries. Whereas roughly 80 entities were involved in 2015, latest estimates indicate that some 120 companies were engaged across 24 African countries as at December 2017 as per the Economic Development Board. While Madagascar, Seychelles and Kenya stood as the preferred investment destinations, the main activities indulged into relate to financial services, ICT, agri-business as well as logistics and distribution. From another angle, gross direct investment flows by African countries in Mauritius slowed to an estimated Rs 2.2 billion in 2017, compared to Rs 2.4 billion in 2016. It can also be noted that, while direct investment flows from the continent represented some 16% of the country’s total in 2017, they are predominantly sourced from South Africa which accounted for over 80% thereof, presumably reflecting investments being mainly directed towards real estate activities.



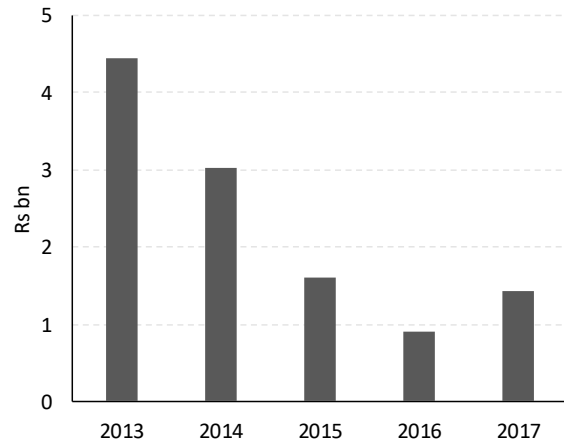
**Box XIII: Gross investment flows in and out of Mauritius**

**Outward investment (by Mauritius in Africa)**

Cumulative investment (2012-2017)

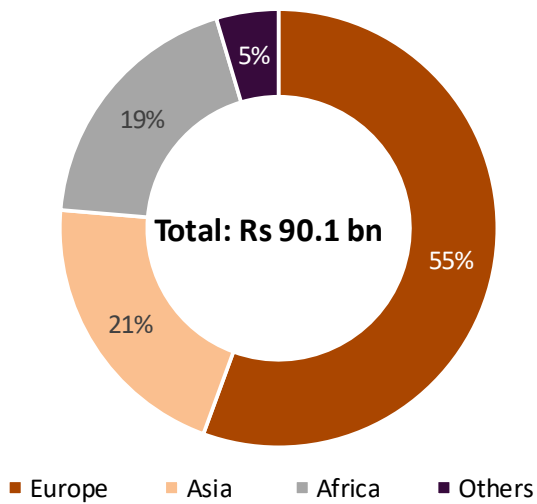


Evolution of investment

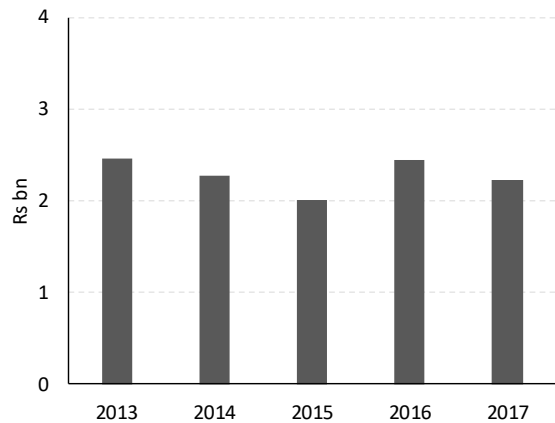


**Inward investment (by Africa in Mauritius)**

Cumulative investment (2012-2017)



Evolution of investment



Sources: Bank of Mauritius and MCB Staff estimates

## **THE CONTEXT**

As underscored in successive editions of the MCB Focus, the country's real GDP growth performance has remained in a challenging zone in recent years against the backdrop of the difficult global context and the persistence of local structural inefficiencies. For 2018, no noticeable turnaround is being expected, with our current growth projection when measured at market prices standing at 3.9%, as displayed in the MCB Focus edition of February last and as subsequently corroborated by the latest outlook of Statistics Mauritius and IMF. This prognosis, which for the seventh year in a row, would undershoot the 4% mark, warrants attention as it reflects a sub-optimal outcome given our socio-economic ambitions. Also, our fiscal and external fronts have continued to warrant our attention in view of lingering imbalances at different levels

## **KEY FOCUS AREAS FOR DEEPENING OUR REGIONAL POSITIONING**

In view of the macroeconomic challenges that Mauritius is currently facing up to and which warrant firm remedial actions, several moves are advocated to reshape and broaden the scope of our Africa Strategy towards reaping a broader range of economic dividends for the country, particularly in a context whereby Africa is witnessing a positive socio-economic development momentum. This all the more warranted given limitations characterising the stretch and depth of our involvement with respect to the African continent. Specifically, in addition to pursuing our exchanges with traditional partners – notably Europe and US, as well as economic powerhouses such as India and China which are viewed as strong engines of global growth – the key axes of a strengthened and more purposeful Africa Strategy can take the following forms: (i) improvement of export market penetration by large as well as small and medium enterprises in African countries; (ii) bolstering of our exports of services to Africa across several fields, notably with respect of banking and financial services; (iii) stimulation of direct and portfolio investment in appealing economic sectors of the region (with a concomitant expansion of Mauritian and locally-domiciled businesses into African territories, to penetrate the retail and corporate markets therein), while concurrently creating favourable conditions for attracting investments from Africa into Mauritius; (iv) enhancing the attractiveness of the country as a regional platform for trade, investment and doing business; and (v) securing reliable and timely sources of raw materials to support the vertical integration process and boost local production.

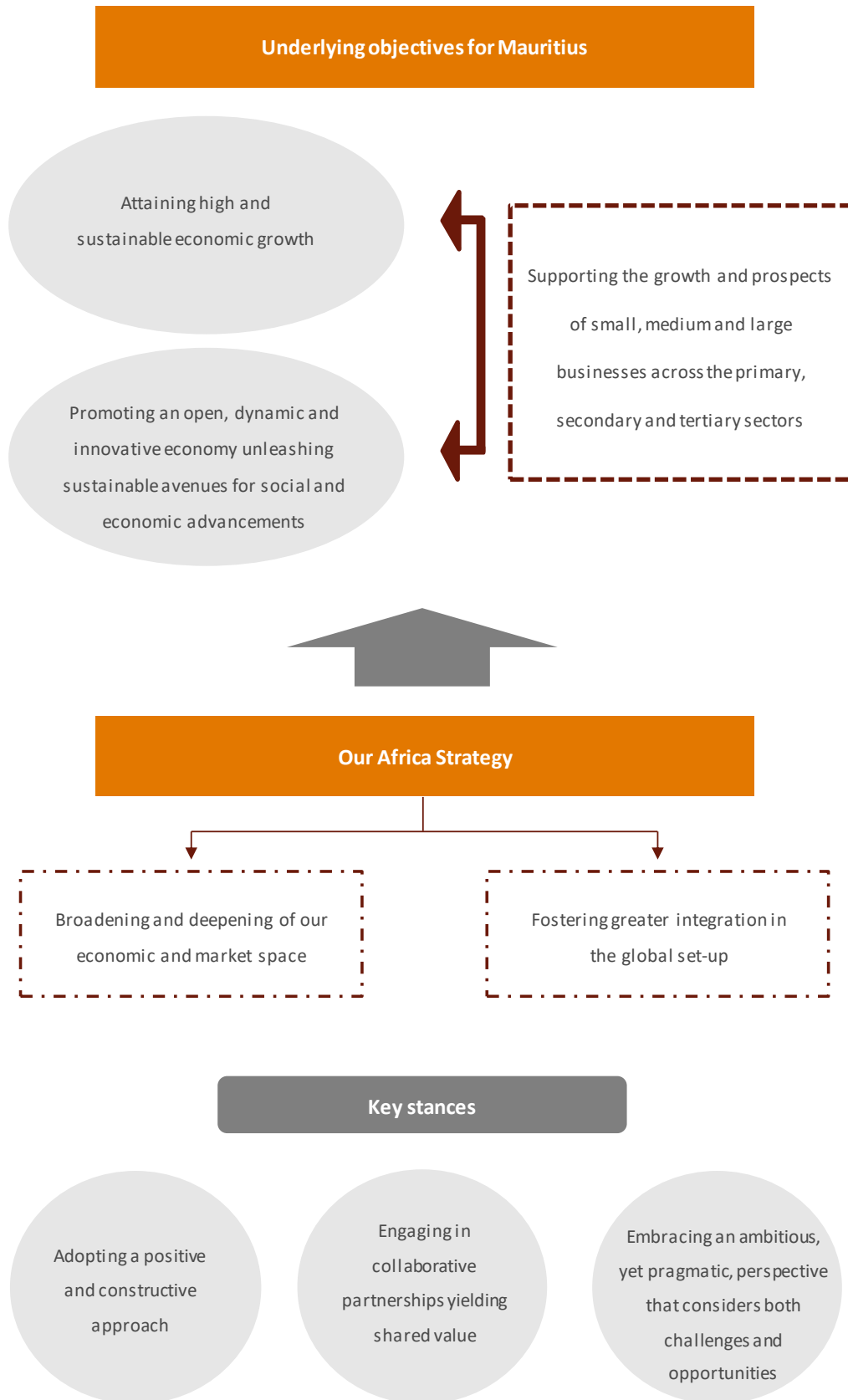


## **OVERVIEW OF DESIRED ECONOMIC ORIENTATIONS**

### Establishing a conducive macroeconomic environment and proper institutional set-up

To underpin our regionalisation activities, a first step is to ensure that a proper enabling environment is established and embedded in order to promote private sector development as well as ensure that relevant trade and investment initiatives are properly identified and effectively spurred into action by businesses incorporated and/or domiciled in Mauritius. Key enablers towards these ends relate to the establishment and maintenance of macroeconomic stability, rapid accumulation of human and physical capital, as well as specific incentives to bolster the scope and efficiency of local production capacities. Moreover, it is essential that the institutional set-up be further strengthened to reinforce the Government's role as a facilitator to enhance the attractiveness of the business climate in the country, boost trade, foster outward FDI and further promote the country as a sound, credible and business-friendly jurisdiction. Given its mandate, the Economic Development Board (EDB) has a crucial role to play in leading to the smooth and effective execution of the country's Africa Strategy and realising the objectives set by the Government by means of economic and strategic planning as well as investment and trade promotion and facilitation. That said, towards fulfilling its objectives in an optimal manner, the operationalisation of the EDB calls for close monitoring. A key success factor for the organisation is to be endowed with adequate resources and logistics to achieve set objectives, while being sufficiently acquainted with the short and longer-run opportunities and challenges characterising African markets for informed decision-taking. More fundamentally, for the EDB to ensure the judicious delivery of its objectives and undertakings, it might appear desirable that a rethinking be undertaken with respect to the current Africa Centre of Excellence towards optimising benefits accruing to current and potential investors. Basically, the latter platform can be upgraded into a full-fledged entity, engaging as an 'Africa Bureau'. While operating under the aegis of the EDB and being backed by due collaboration with participating private sector institutions and enterprises, this entity can be provided with the ample physical and human resources that will enable it to fulfill broad-based and ambitious endeavours. Basically, the 'Africa Bureau' can be tasked to (i) consolidate the availability and provision of bespoke information on the business climate in African countries; (ii) provide timely strategic assistance and guidance to potential investors to anchor business decisions on solid grounds and identify suitable markets; (iii) nurture relationships with key authorities in selected African countries as well as strategic partners in Africa and Asia so as to better anchor contemplated initiatives, backed by proper collaboration across fields of activity and the forging of joint ventures with local operators; and (iv) build partnerships among Mauritian businesses prospecting and venturing into the Africa. Of note, efforts deployed in the latter direction can help to further the regional or horizontal integration of productive activities being indulged into by operators, thus helping to bolster productive competencies, achieve economies of scale, enhance

## Box XIV: Charting out a revitalised Africa Strategy



competitive intelligence breakthroughs, and facilitate access to markets. Furthermore, the 'African Bureau' can take centre-stage in building well-calibrated synergies with institutions locally and other stakeholders to facilitate the achievement of market development targets, while it can also be involved in designing and conducting strategic and consultative working group discussions, involving relevant Ministries and public sector institutions as well as pertinent private bodies and operators. These can be aimed at (i) identifying and ascertaining the nature and magnitude of obstacles encountered by operators in exporting towards and investing in Africa; (ii) finding ways and means that will help overcome such challenges and improve the ability to capitalise on avenues for business growth; and (iii) devising the right approaches and forums for liaising and discussing with relevant stakeholders in African countries.

Another important tenet of initiatives being propounded relates to economic diplomacy. The latter can be viewed as vital to help us widen our reach in Africa as well as better affirm and market the Mauritian presence therein, by acting as a stepping stone for nurturing fruitful alliances and partnerships, as well as garnering new markets for domestic enterprises. In this respect, enhanced capacity-building at the level of our embassies and consulates can assist in providing them with the necessary technical expertise and soft aptitudes that can pave the way for the identification and assessment of appealing investment and business-related opportunities, alongside assisting to better promote the Mauritian destination. Additionally, a re-thinking can be undertaken as regard the role that embassies and consulates, as well as private sector organisations, including the associations of industry and chambers of commerce, can play to more effectually uncover business opportunities in Africa and better promote the Mauritian destination, whilst assisting local operators by directing them to the most suitable Government services. Furthermore, while the relevant structures remain to be determined and synergies can be sought with our embassies and consulates, the setting up of private sector representative offices – in line with those established in Brussels and Geneva some time back to deal with matters linked to sugar and World Trade Organization – in selected African countries can be encouraged to accompany projects therein and provide strategic guidance to Mauritian businesses. Alternatively, we could envisage the creation of business facilitation offices in specific African markets and which are jointly funded by public and private institutions, backed by the establishment of proper governance structures with a view to boosting efficiency levels.

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#### Judiciously boosting the quality of our regional alliances and market connectivity

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In the first place, to nurture a more conducive set-up to underpin regional endeavours, the country is called upon to broaden the range of investment promotion and protection agreements with African countries and bolster other types of exchanges at the bilateral level through specific treaties, agreements and memorandums. Furthermore, a committed and pragmatic approach is necessary as regards the depth to

which and speed at which we endorse or adhere to economic policies and key programmes developed by regional blocs. In practice, this can, as far as feasible and desirable, be effected by further harmonising rules and procedures characterising trade and non-trade activities, such as customs arrangements, nontariff barriers, product standards and technical regulations. At another level, adopting the necessary measures to increase trade and investment with Africa could prove futile if the connectivity of Mauritius to African markets is not improved. Basically, the concept relates to the degree to which exchange activities are facilitated, both within and across countries. It encompasses the means which promote a smooth flow of goods, services, technologies, knowledge, capital, culture and ideas across physical and territorial borders. Besides, even if decisions should often be balanced by factoring in cost and national strategic considerations, the global and regional connectivity of Mauritius can be further enhanced to expand market access, reduce economic distance, as well as facilitate trade, investment and labour mobility. Notable improvements with respect to the cost and reliability of telecommunication services, as well as the adequacy and timeliness of flight connectivity from Mauritius to various countries in Africa can prove helpful. Besides, sea transport and related trade facilitation measures can ideally target the streamlining of trade documents, improvements in logistics and freight forwarding, facilitation of border crossing and the deployment of business-friendly trade and customs regulations, procedures and standards. Along these lines, provided that the necessary conditions are met, Mauritius can propound the idea of signing transportation and transshipment agreements with regional seaports to facilitate trade flows and exchange information on business avenues. Furthermore, with regard to people-to-people connectivity (i.e. parties which leave their respective countries to another country to provide a service, invest or to consume goods or services there), Mauritius can support the case in regional forums for the implementation of a standardised 'African passport' which would promote free mobility of people as well as facilitate intra-regional trade and investment. Mauritius stands to gain from such an initiative, given its positioning as a platform which is to be used by foreigners investing in Africa.

## Strengthening the positioning of Mauritius as a credible regional economic platform

### **General remarks**

As an essential move for a country aspiring to transform itself into a services-oriented and knowledge based economy, Mauritius is called upon to widen the scale, diversity and depth of services offered to African countries, notably in respect of hospitality and tourism, banking and financial services, information and communication technology, transportation as well as health and education. Beyond, to broaden foundations for growth over the medium and long runs, it appears important for the country to move beyond traditional pathways and harness the right ecosystem that will enable it to further improve the magnitude, depth and

sophistication of its interactions and linkages with the continent. Increasingly and legitimately so, Mauritius is called upon to position itself as a dependable, stable and competitive regional platform for underpinning trade, investment and doing business in its quest to entrench its role as a vibrant partner for Africa. In other words, while capitalising on its competitive advantages – notably relating to its strategic geographical location, socio-political stability as well as compliance with international norms and standards and the country’s recognition as a ‘white-listed’ jurisdiction by the OECD – Mauritius has a major trump card to act as a regional hub or outbound facilitation platform for spearheading business with Africa and supplying African countries with sought-after solutions. To this end, the challenge for the Mauritian jurisdiction is to unleash high-quality products and services as well as cost-effective facilities and incentives for businesses and operators domiciled in Mauritius to expand their exchanges with African operators, alongside assisting international businesses to undertake Pan-African investments. Indeed, Mauritius can act as a keystone for attracting, managing, structuring and channelling trade and investments into Africa and, also, from Africa towards Mauritius, after offering a conducive operating set-up as well as attractive risk-mitigation avenues to foreign entities – notably those emanating from the Asian continent – that view Mauritius as the gateway for conducting of business with Africa. Overall, towards meeting the afore-mentioned objectives and ambitions, key success factors for the country can be delineated as follows: (i) adopting an integrated approach in terms of national strategic development, bearing in mind the evolving competitive landscape and the increasingly exigent regulatory and compliance environment locally and internationally; (ii) scaling up capacity in terms of know-how and expertise, alongside furthering our openness to foreign expertise and attracting top-calibre foreign professionals catering for more value-added and complex offerings; (iii) paving the way for a firm, yet modern and innovative, legal framework; (iv) forging appropriate synergies and interactions among industry players; (v) espousing principles of transparency and good governance as well as adhering to international norms and standards, after ensuring that necessary resources and expertise are promptly mobilised to foster adherence to guidelines pertaining to risk management, due diligence on customers as well as anti-money laundering and anti-corruption; (vi) increasing the regional and international visibility of the Mauritian jurisdiction through coordinated campaigns; (vii) undertaking the commercial promotion of the Mauritian jurisdiction in a coherent and shrewd manner, while standing ready to offer a targeted and swift responses to any reservations pertaining to the seriousness of our commitment to adopt transparency principles in our dealings and activities as well as in respect of our pledges for tax cooperation; and (viii) fostering collaboration with other jurisdictions to underpin sharing of expertise and information for mutual gains.

## **Positioning of Mauritius as an IFC**

After particularly making allowance for the increasingly sophisticated and demanding operating landscape, prompt and bold actions are warranted to entrench the position of Mauritius as a secure, credible and transparent International Financial Centre (IFC). Towards this end, the desired way forward is to strive for the creation of suitable value addition and substance which will foster the trustworthiness and predictability of the Mauritian jurisdiction. Thus, alongside further optimising traction from fuller use of the jurisdiction's network of DTAA's and IPPAs as well as our investment-grade sovereign credit rating, a key message is to make decisive inroads in the diversification of our markets across the African continent and embed a wide range of non-treaty-related advantages in our value proposition. Towards this end, a key success factor is continuously adapt and enrich our business model as part of our capacity to reinvent ourselves. This implies moving up the value chain in terms of the attractiveness and sophistication of solutions offered towards sharpening our competitive edge and meeting up with the opportunities unleashed by Africa. As the situation stands, it is interesting to note that the authorities, with the assistance of McKinsey & Co, are currently working on a blueprint to provide strategic vision and direction for the financial services sector. While taking cognizance of the changing operating landscape and the strategic requirements of the Mauritian jurisdiction in an increasingly competitive global set-up, a key challenge for the blueprint is to formulate clear, pragmatic and actionable initiatives that will enable the country to emerge as a winner. With regard to its value proposition, the Mauritian jurisdiction is called upon to propose a wide array of specialised and cutting-edge products and services, which span beyond traditional banking and global business offerings and are attuned with client expectations. To start with, our offerings can encompass the provision of carefully-calibrated structured trade and project finance services as well as advice and guidance with respect to private equity deals, portfolio management and asset management, while the scope for the broadened provision of investment banking and Islamic banking solutions can also be explored. Then, Mauritius can position itself as a capital market hub for Africa by offering an attractive value proposition for foreign businesses to use Mauritius as a pathway for the cost-effective structuring and the risk management of investments. Notably, the Stock Exchange of Mauritius can strive towards being a preferred and innovative capital-raising, listing, trading and settlement platform for international and Africa-focused financial products. It can seek to attract sovereigns and corporates from Africa to issue multi-currency bonds in Mauritius at competitive costs, while due emphasis can be laid on positioning Mauritius as a centre for private placements, trading of bonds and management of other financial instruments. Also, the country can provide sophisticated investment structuring solutions, relating to project team identification, research, analysis, valuations, due diligence as well as legal, corporate and M&A advisory. Furthermore, with Africa having witnessed a surge in the number of its millionaires during the past decade and as this metric is on course to increase ahead, Mauritius could position itself as a service hub for the affluent sections of African populations. This can be enabled by the

delivery of dedicated and sophisticated financial solutions and incentives with a view to enabling high net worth individuals and families from Africa to manage their wealth in Mauritius, including via specialised private banking and wealth management as well as trust and custody facilities and family offices. As another important step, Mauritius can strengthen its position as a preferred centre for Regional Treasury Management (incorporating cost-effective forex risk mitigation facilities) as well as Regional and Global Headquarters. It can seek to attract multinational corporations, international broker firms, international investment banks and insurance operators, global law firms as well as international asset and fund managers to establish their operational and administrative bases as well as front-office operations in the country, while relevant operators can be encouraged to establish their management offices in Mauritius with a view to managing their regional equity and portfolio investments from within the country, after using our jurisdiction as a pathway for into Africa. In the same vein, the country can strive to attract back and in the country. In another respects, Mauritius can act as a (i) clearing centre for Renminbi for Africa as well as for African currencies and securities; (ii) domicile of choice for captive insurance and reinsurance entities, with the target to attract first-party insurance captives from corporations or multinational groups with economic activity in Africa; and (iii) regional centre of excellence for commercial and investment arbitration centre proposing scope for international mediation, arbitration and dispute resolution.

### **Other forms of regional platform**

Beyond the Mauritian IFC, the country can further imbed its African involvement through multiple other channels. Noticeably, Mauritian can position itself as a maritime and transportation hub. In this respect, it is interesting to note that the authorities aim to showcase the Port Louis harbour as an integrated platform for key fields, namely container transshipment, bunkering, cruise tourism, seafood and ancillary port services, including warehousing, breaking bulk, light transformation and light assembly. An appealing move is to attract an increasing number of vessels to use our port for bunkering and storage of petroleum products for exports and other related services, thus helping to transform Port Louis as a leading regional petroleum hub. Towards those ends and bearing in mind the significant economic dividends that a revitalised port infrastructure can unleash for the country beyond the short run, sustained outlays are required to foster the nurturing of solid transportation and logistics facilities at the port, towards offering a wide range of services and efficient logistics infrastructures to shipping lines and business operators, notably those looking for the cost-effective shipping of cargo to Africa in a relatively short time frame. On another note, in view of increasing demand for quality education in Africa in the wake notably of growing middle classes, Mauritius has good potential to act as a regional higher-education hub catering for needs of African countries, backed by its pleasant living environment and the availability of educational institutions of high repute and dedicated

schemes. Moreover, in addition to acting as a regional healthcare and wellness hub, Mauritius can position itself as a competitive platform for FinTech and Blockchain, backed by the relevant regulatory backdrop for attracting relevant companies.

## **CONCLUDING REMARKS**

A Nigerian proverb goes: *“In the moment of crisis, the wise build bridges and the foolish build dams.”* In fact, with the world engaging more closely with the transforming African continent, Mauritius is called upon to invest its resources towards strengthening long-term relations with the continent. As underscored before, it appears imperative that our Africa Strategy be reengineered and sharpened for it to stand as a key thrust of the nation’s overall economic development and diversification strategy. Especially considering the relatively small size of the domestic market and the country’s impending macroeconomic challenges, the need to stretch our international reach is seen as essential to broaden the foundations for high and sustainable growth. This appeal can be substantiated by findings of a recent IMF paper which delved into the economic benefits of export diversification in small states. Noticeably, the report remarked that: *“Openness to trade provides small states chances to overcome the limitations of size, through the access to larger markets and opportunities to achieve economies of scale in production. Diversification helps countries to hedge against adverse terms of trade shocks by stabilizing export earnings and domestic output (portfolio effect). Diversification also provides a great learning opportunity through introduction of new products to the export and production basket, which usually embodies productivity improvement (dynamic effect), leading to higher long run growth.”* While aligning our initiatives with the needs and priorities of the people and sectors in Africa, the onus is on Mauritius to move smartly and quickly to tap into growth-enhancing avenues associated with the continent. Importantly, in addition to pursuing an ambitious, yet informed, diversification agenda and enriching our value proposition, a vital consideration is to preserve the fundamental factors which have shaped up the country’s international involvement over the years. On this note, alongside ensuring that OECD standards and requirements are met, it appears essential, especially in current times, that the country’s tax regime remains conducive enough to preserve the competitive edge of our businesses on the regional and international fronts, especially those within the country’s banking and financial services sector. This is particularly relevant in the case of the latter industry, given its strategic prominence in the deployment of our Africa Strategy and, more critically, in helping to positively rebalance our overall balance of payments, which is noticeably characterised by sizeable structural deficits at the current account level. In addition, related endeavours can help to foster the creation of high-value jobs and the generation of both direct and indirect value addition across the Mauritian economy. Importantly, after considering that our low, simple and predictable tax regime has served the country well over the years –



although some distortionary policy measures have been introduced of late – we should guard against any additional distortions thereto, as this situation could potentially lead to mixed signals and render the tax regime less efficient from a Pareto perspective.

Moreover, it is imperative to acknowledge that Africa is a complex continent with diverging realities, while several constituent countries are beset by delicate macroeconomic environments. As such, key stakeholders are called upon to tread cautiously, while remaining selective in their choices and postures. In the process, operators stand to benefit if due emphasis is laid on venturing into niche business segments where they already display strategic competencies. All in all, a formidable challenge for Mauritius Inc. is to turn a new page in its relationship with Africa. But, given lingering business development challenges, success will only originate if our endeavours are supported by a holistic and proactive approach, anchored on symbiotic and mutually-beneficial partnerships with our African counterparts, after fostering an effective application of the Lagrangian method of constrained optimisation as we, economists, could put it in our own intricate way.

**J. Gilbert Gnany**  
Chief Strategy Officer

April 26, 2018

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## **Supplement – Country Factsheets**

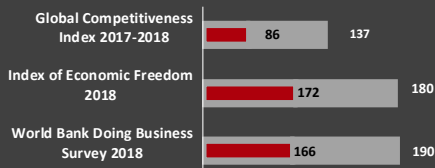
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## **OUTLINE OF COUNTRY FACTSHEETS**

Towards shedding light on the African region, individual country factsheets have been prepared for the 54 constituents of the continent. Overall, in addition to the general information depicted – notably in terms of the underlying economic structure of the country, its performance across global indices, as well as its positioning in regional blocs – detailed data have been provided to portray the macroeconomic performances and prospects of countries over time as well as the evolution of selected banking indicators.

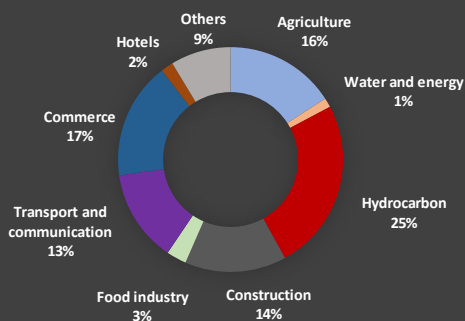
With regard to the quantitative information presented in the individual factsheets, key sources pertain mainly to the IMF, the World Bank, and the respective statistical offices and Central Banks of individual countries, while other selected sites on the Internet have also been visited to foster the diversity and comprehensiveness of insights provided. By and large, due care has been taken to ensure that information extracted and worked out is as up-to-date and wide-ranging as possible, alongside being suitably synchronised across countries. Yet, even if these have been minimised, issues about the range, definitions and coverage of indicators, timeliness, accuracy as well as alignment of statistics prevail, to some extent attributable to the relative paucity of data on the economies of some countries. Factsheets have been compiled on information available as at 26 April, 2018.

## GLOBAL RANKINGS\*



\* The relative position of Algeria is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

Arab Maghreb Union (UMA)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement currently in negotiation

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Italy, Spain, USA, France and Brazil

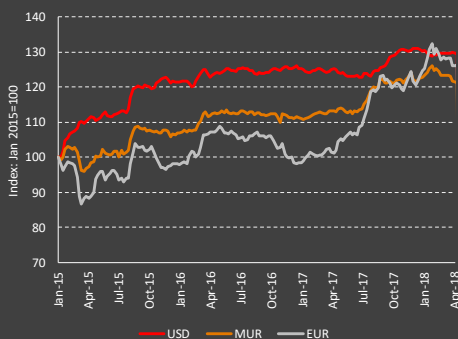
Top 5 import partners: China, France, Italy, Spain and Germany

Main exports: petroleum, natural gas, and petroleum products

Main imports: capital goods, foodstuffs and consumer goods

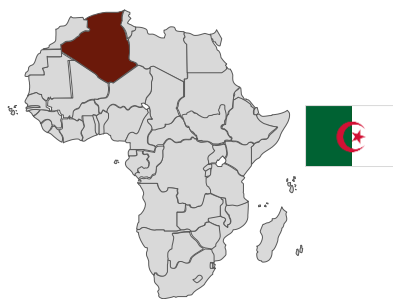
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF ALGERIAN DINAR



Note: An increase/decrease in the index represents a depreciation/appreciation of the Algerian dinar vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 113.66 DZD

# ALGERIA



Surface area: 2,381,741 sq km

Capital: Algiers

Population: 39.9 million

Currency: Algerian dinar (DZD)

Time Zone: UTC + 01:00

Government type: Presidential republic

President: Abdelaziz Bouteflika

Official language: Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.3	2.0	3.0	2.7	1.8	1.1	0.7	0.5	
GDP at current prices	USD bn	159.0	178.3	197.6	208.8	218.6	226.2	236.0	250.6	
GDP per capita	USD	3,901.9	4,292.3	4,669.2	4,845.3	4,983.7	5,069.7	5,206.8	5,442.1	
Total investment	% of GDP	53.9	48.9	50.9	45.9	40.8	37.1	34.1	32.5	
Gross national savings	% of GDP	37.2	36.6	41.6	36.1	32.7	30.4	29.2	28.5	
Inflation, average consumer prices	% change	6.4	5.6	7.4	7.6	7.0	9.1	10.9	13.9	
Overall fiscal balance	% of GDP	-13.1	-6.4	-7.9	-4.6	-3.2	-2.1	0.0	0.0	
Volume of imports of goods and services	% change	-2.3	-2.8	-1.1	-0.6	-6.9	-5.4	-7.3	-2.5	
Volume of exports of goods and services	% change	9.6	-5.4	-3.6	2.0	1.8	2.2	1.6	1.0	
General government gross debt	% of GDP	20.6	25.8	33.3	38.4	39.4	38.4	35.1	31.5	
Current account balance	% of GDP	-16.6	-12.3	-9.3	-9.7	-8.0	-6.8	-4.9	-4.0	

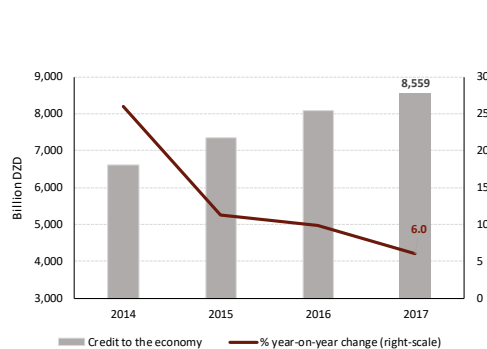
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	B (Dec-17)	C (Jan-18)

## BANKING INDICATORS

### Credit to the economy



### Performance ratios

	2015	2016
Return on Assets (%)	1.9	1.9
Return on Equity (%)	21.6	19.4
Capital adequacy ratio (%)	18.7	18.9
Non-performing Loans to Total Loans (%)	9.8	11.4
Liquid Assets to Total Assets (%)	27.2	27.5

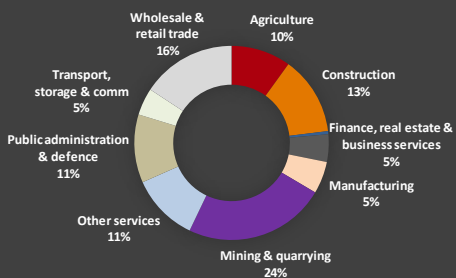


## GLOBAL RANKINGS\*



\* The relative position of Angola is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS) and Southern African Development Community (SADC)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** China, USA, India, South Africa and France

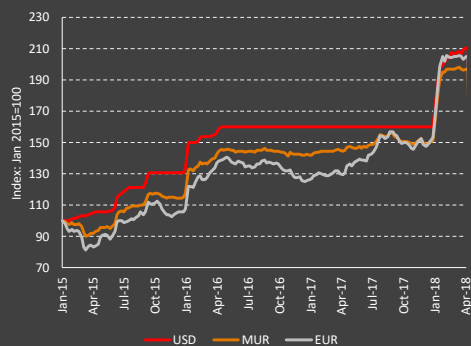
**Top 5 import partners:** China, Portugal, USA, Russia, and South Africa

**Main exports:** crude oil, diamonds, refined petroleum products, coffee, sisal, fish, timber and cotton

**Main imports:** machinery and electrical equipment, vehicles and spare parts; medicines, food, textiles and military goods

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF ANGOLAN KWANZA



Note: An increase/decrease in the index represents a depreciation/appreciation of the Angolan kwanza vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 216.55 AOA

# ANGOLA



Surface area: 1,246,700 sq km

Capital: Luanda

Population: 27.9 million

Currency: Angolan kwanza (AOA)

Time Zone: UTC + 01:00

Government type: Presidential republic

President: João Lourenço

Official language: Portuguese

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-0.8	0.7	2.2	2.4	3.6	4.2	4.7	4.9	
GDP at current prices	USD bn	95.3	124.2	119.4	121.1	126.8	134.4	143.4	153.7	
GDP per capita	USD	3,484.6	4,407.7	4,114.5	4,051.9	4,118.0	4,236.6	4,389.6	4,567.9	
Total investment	% of GDP	26.9	26.5	24.9	26.5	26.9	27.5	27.9	28.4	
Gross national savings	% of GDP	21.8	22.0	22.7	26.4	25.5	25.2	25.4	25.5	
Inflation, average consumer prices	% change	32.4	31.7	27.9	17.0	12.2	9.4	7.6	6.5	
Overall fiscal balance	% of GDP	-4.8	-5.6	-1.7	-2.2	-2.4	-2.6	-2.3	-2.0	
Volume of imports of goods and services	% change	-25.1	14.1	10.1	-14.0	0.7	1.9	4.4	3.4	
Volume of exports of goods and services	% change	-0.6	-3.7	1.0	0.7	0.6	0.2	0.4	0.4	
General government gross debt	% of GDP	79.8	65.3	73.0	71.6	68.6	66.4	63.2	60.5	
Current account balance	% of GDP	-5.1	-4.5	-2.2	-0.1	-1.4	-2.2	-2.5	-2.9	

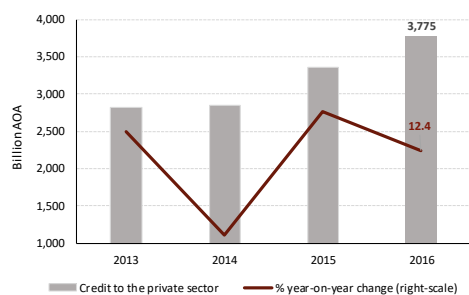
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Under review for downgrade (Feb-18)	B Negative (Sep-17)	B- Stable (Feb-18)	CCC (Apr-18)	D (Jan-18)

## BANKING INDICATORS

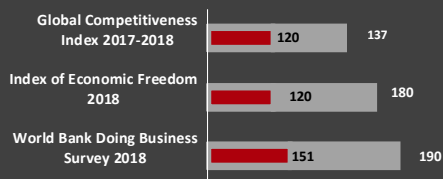
### Credit to the economy



### Performance ratios

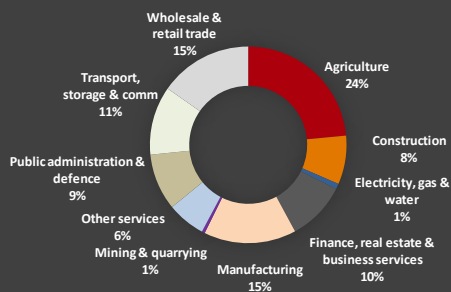
	Dec-14	Dec-15
Return on Assets (%)	0.6	1.7
Return on Equity (%)	5.0	12.9
Non-performing Loans to Total Loans (%)	11.7	11.6
Regulatory capital to risk-weighted assets (%)	19.9	19.8
Liquid Assets to Total Assets (%)	33.9	39.7

## GLOBAL RANKINGS\*



\* The relative position of Benin is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of West African States (ECOWAS) and Community of Sahel-Saharan States (CEN-SAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Investment Promotion and Protection Agreement signed in May 2001 awaiting ratification

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** Vietnam, Bangladesh, Malaysia, India, and Nigeria

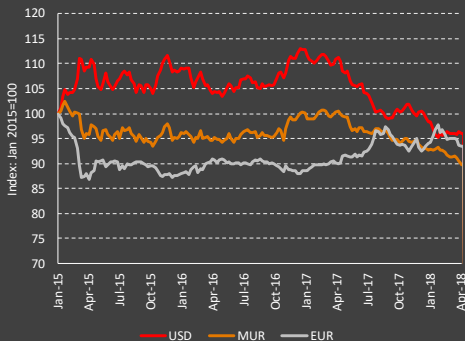
**Top 5 import partners:** India, Thailand, China, Netherlands, and Togo

**Main exports:** cotton, cashews, shea butter, textiles, palm products and seafood

**Main imports:** foodstuffs, capital goods and petroleum products

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN CFA FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# BENIN



Surface area: 112,622 sq km

Capital: Porto-Novo

Population: 10.6 million

Currency: West African CFA Franc (XOF)

Time Zone: UTC + 01:00

Government type: Presidential republic

President: Patrice Talon

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.0	5.6	6.0	6.3	6.7	7.1	6.1	6.1	
GDP at current prices	USD bn	8.6	9.2	11.0	12.2	13.4	14.7	16.0	17.4	
GDP per capita	USD	791.5	830.4	966.4	1,040.8	1,112.2	1,193.9	1,266.4	1,338.5	
Total investment	% of GDP	24.6	28.4	28.3	26.3	26.9	27.5	24.2	24.3	
Gross national savings	% of GDP	15.2	19.0	19.8	18.4	19.6	21.1	18.7	19.3	
Inflation, average consumer prices	% change	-0.8	0.1	2.9	2.9	2.8	2.8	2.8	2.7	
Overall fiscal balance	% of GDP	-5.9	-5.8	-4.7	-2.0	-0.7	-0.2	0.6	1.2	
Volume of imports of goods and services	% change	5.2	20.5	28.5	22.4	11.8	21.3	14.5	6.1	
Volume of exports of goods and services	% change	1.5	33.4	43.9	38.3	16.8	37.1	25.3	17.1	
General government gross debt	% of GDP	49.7	54.6	55.1	52.6	48.2	44.1	40.4	36.4	
Current account balance	% of GDP	-9.4	-9.4	-8.5	-7.9	-7.3	-6.4	-5.5	-5.1	

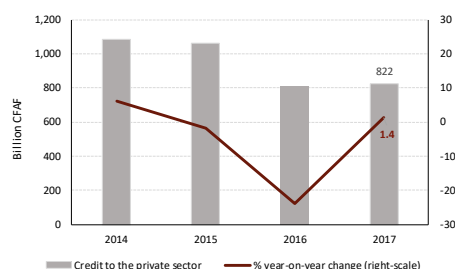
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	B (Jan-18)

## BANKING INDICATORS

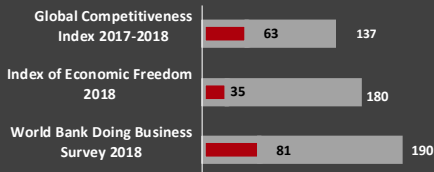
### Credit to the private sector



### Performance ratios

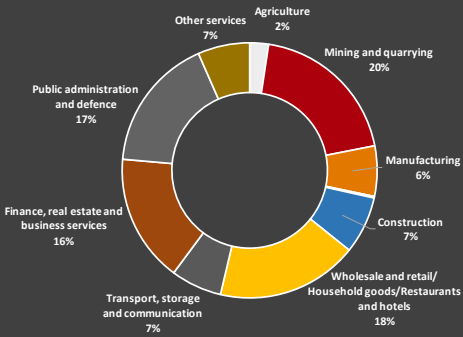
	2014	2015
Return on Assets (%)	1.1	1.2
Return on Equity (%)	15.5	16.4
Regulatory Capital to Risk-Weighted Assets (%)	12.7	12.6
Non-performing Loans to Total Gross Loans (%)	14.4	14.4
Liquid Assets to Total Assets (%)	30.9	29.4

## GLOBAL RANKINGS\*



\* The relative position of Botswana is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Southern African Development Community (SADC)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since 1996

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Belgium, India, South Africa, Namibia and UAE

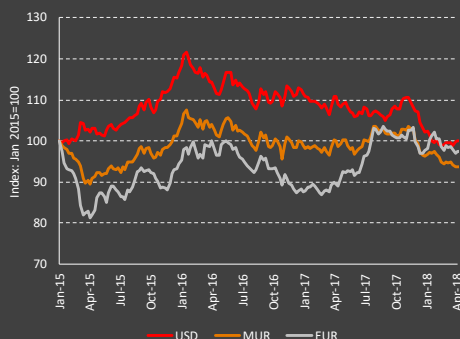
**Top 5 import partners:** South Africa, Namibia, Canada, India and Belgium

**Main exports:** diamonds, copper, nickel, soda ash, beef and textiles

**Main imports:** foodstuffs, machinery, electrical goods, transport equipment, textiles, fuel and petroleum products, wood and paper products and metal products

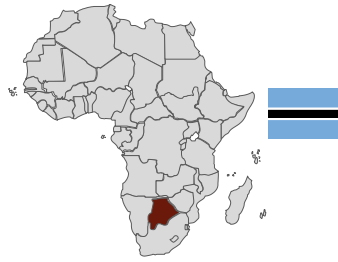
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF BOTSWANA PULA



Note: An increase/decrease in the index represents a depreciation/appreciation of the Botswana Pula vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 9.46 BWP

# BOTSWANA



Surface area: 581,730 sq km  
 Capital: Gaborone  
 Population: 2.2 million  
 Currency: Botswana pula (BWP)  
 Time Zone: UTC + 02:00  
 Government type: Parliamentary republic  
 President: Mokgweetsi Masisi  
 Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.3	2.2	4.6	4.5	4.4	4.2	4.1	4.2	↘
GDP at current prices	USD bn	15.7	17.2	18.6	19.3	20.4	21.5	22.6	23.8	↗
GDP per capita	USD	7,270.4	7,877.0	8,443.1	8,634.3	9,031.0	9,411.8	9,795.6	10,192.8	↗
Total investment	% of GDP	28.6	28.1	29.9	30.6	30.4	30.3	30.3	30.5	↘
Gross national savings	% of GDP	40.2	38.9	38.2	38.1	37.8	37.5	37.3	37.2	↘
Inflation, average consumer prices	% change	2.8	3.3	3.7	3.8	3.9	3.9	4.0	4.0	↗
Overall fiscal balance	% of GDP	-1.1	0.4	-1.2	1.1	0.9	0.9	0.8	0.8	↘
Volume of imports of goods and services	% change	-5.1	-25.2	4.8	3.5	3.2	3.2	2.7	3.1	↘
Volume of exports of goods and services	% change	1.0	-8.9	3.3	3.1	2.5	2.3	1.9	1.9	↘
General government gross debt	% of GDP	15.5	15.6	14.9	12.8	12.0	11.2	10.3	9.6	↘
Current account balance	% of GDP	11.7	10.8	8.3	7.5	7.4	7.2	7.0	6.7	↘

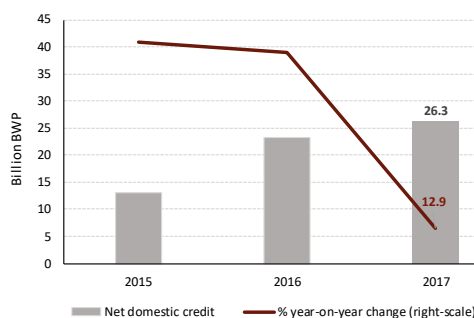
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	A2 Stable (Apr-16)	n.a	A-Stable (Oct-17)	A (Feb-18)	A4 (Jan-18)

## BANKING INDICATORS

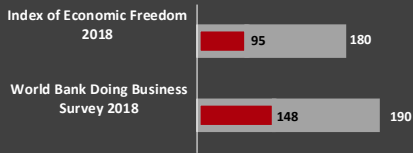
### Net domestic credit



### Performance ratios

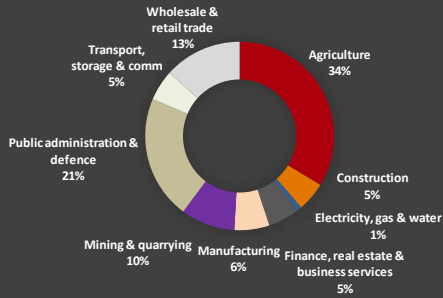
	Dec-16	Mar-17
Return on Assets (%)	2.3	1.7
Return on Equity (%)	20.2	14.6
Non-performing Loans to Total Loans (%)	4.9	5.5
Regulatory capital to risk-weighted assets (%)	19.2	19.1
Liquid Assets to Total Assets (%)	16.3	13.6

## GLOBAL RANKINGS\*



\* The relative position of Burkina Faso is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of West African States (ECOWAS) and Community of Sahel – Saharan States (CEN-SAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement currently being negotiated

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Switzerland, Singapore, India, Côte d'Ivoire and South Africa

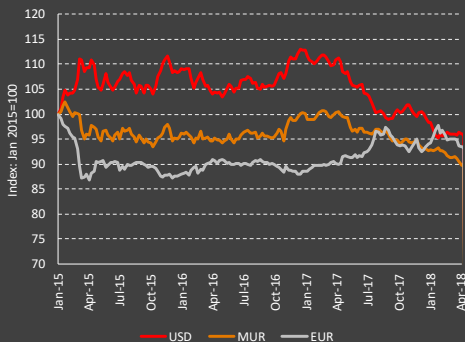
**Top 5 import partners:** China, Côte d'Ivoire, France, USA and India

**Main exports:** gold, cotton and livestock

**Main imports:** capital goods, foodstuffs and petroleum

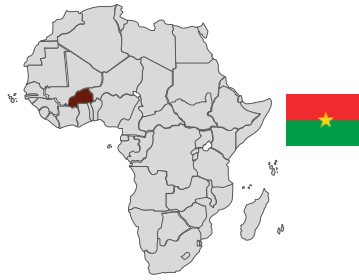
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# BURKINA FASO



Surface area: 274,200 sq km

Capital: Ouagadougou

Population: 18.1 million

Currency: West African Franc (XOF)

Time Zone: UTC + 00:00

Government type: Presidential republic

President: Roch Marc Christian Kaboré

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	5.9	6.4	6.0	6.0	6.0	6.0	6.1	5.3	
GDP at current prices	USD bn	11.3	12.6	14.6	15.9	17.2	18.6	20.1	21.5	
GDP per capita	USD	614.0	663.8	750.6	793.5	837.4	880.6	926.6	967.5	
Total investment	% of GDP	15.8	17.7	16.7	17.0	17.5	17.9	18.2	16.2	
Gross national savings	% of GDP	8.5	9.3	8.7	10.1	10.4	11.0	11.3	8.9	
Inflation, average consumer prices	% change	-0.2	0.4	2.0	2.0	2.0	2.0	2.0	2.0	
Overall fiscal balance	% of GDP	-3.5	-8.2	-5.1	-3.0	-3.0	-3.0	-3.0	-3.0	
Volume of imports of goods and services	% change	25.3	33.1	6.8	0.3	10.3	9.3	11.1	11.6	
Volume of exports of goods and services	% change	20.9	23.6	4.2	8.0	9.8	10.8	10.8	8.3	
General government gross debt	% of GDP	38.3	38.3	41.0	41.3	41.8	41.6	41.5	41.6	
Current account balance	% of GDP	-7.3	-8.3	-7.5	-6.5	-6.6	-6.4	-6.5	-6.7	

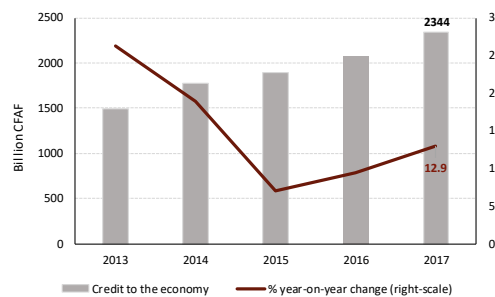
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	B Stable (Nov-17)	n.a	C (Jan-18)

## BANKING INDICATORS

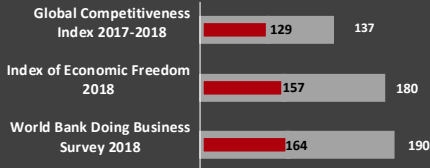
### Credit to the economy



### Performance ratios

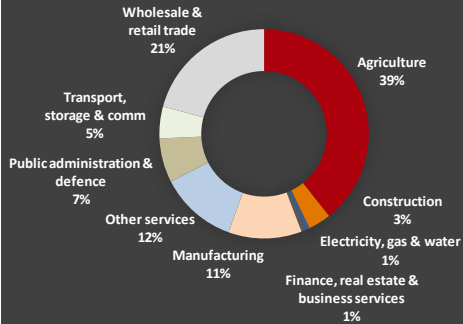
	Jun-15	Jun-16
Regulatory Capital to Risk-Weighted Assets (%)	11.4	10.6
Non-performing Loans to Total Gross Loans (%)	9.9	10.2
Liquid Assets to Total Assets (%)	34.1	39.4

## GLOBAL RANKINGS\*



\* The relative position of Burundi is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS), East African Community (EAC) and Common Market for Eastern and Southern Africa (COMESA)

## BILATERAL AGREEMENTS WITH MAURITIUS

Investment Promotion and Protection Agreement in force since November 2009

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Democratic Republic of the Congo, Switzerland, UAE, Kenya and Germany

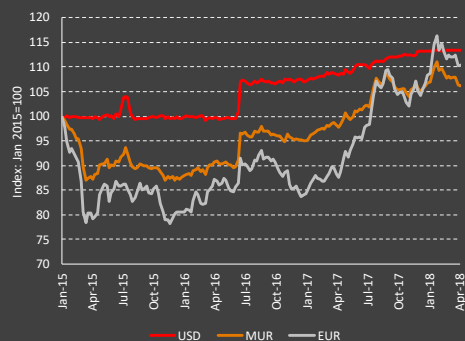
**Top 5 import partners:** China, India, Tanzania, Kenya and Uganda

**Main exports:** coffee, tea, sugar, cotton and hides

**Main imports:** capital goods, petroleum products and foodstuff

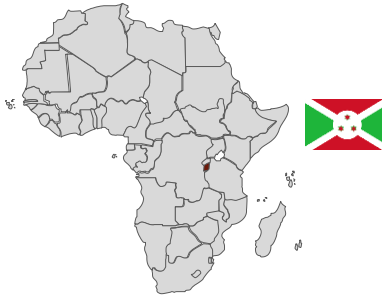
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF BURUNDIAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the Burundian Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 1,748.34 BIF

# BURUNDI



Surface area: 27,830 sq km

Capital: Bujumbura

Population: 10.2 million

Currency: Burundian franc (BIF)

Time Zone: UTC + 02:00

Government type: Presidential republic

President: Pierre Nkurunziza

Official language: French and Kirundi

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-1.0	0.0	0.1	0.4	0.5	0.5	0.5	0.5	
GDP at current prices	USD bn	3.1	3.4	3.8	4.5	5.3	6.0	6.7	7.2	
GDP per capita	USD	298.0	312.5	339.9	392.5	442.7	487.6	532.4	551.2	
Total investment	% of GDP	9.0	7.0	6.0	5.0	5.0	5.0	5.0	5.0	
Gross national savings	% of GDP	-4.1	-5.7	-7.2	-6.9	-6.2	-6.0	-5.2	-4.9	
Inflation, average consumer prices	% change	5.5	16.6	12.7	22.1	23.1	20.2	17.3	14.5	
Overall fiscal balance	% of GDP	-6.2	-8.4	-9.3	-9.6	-10.3	-11.3	-11.8	-12.3	
Volume of imports of goods and services	% change	-2.2	-1.9	5.1	2.4	2.5	2.3	1.8	1.1	
Volume of exports of goods and services	% change	0.5	-1.4	4.7	8.1	11.4	11.0	10.4	10.3	
General government gross debt	% of GDP	47.2	56.7	65.1	69.4	75.9	85.0	94.5	108.4	
Current account balance	% of GDP	-13.1	-12.7	-13.2	-11.9	-11.2	-11.0	-10.2	-9.9	

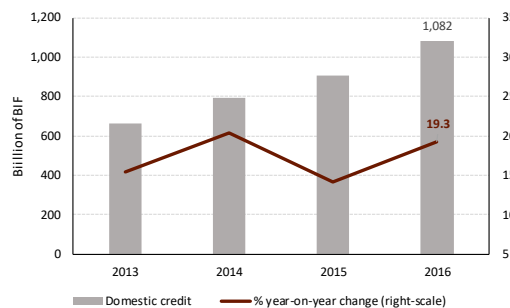
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	E (Jan-18)

## BANKING INDICATORS

### Domestic credit



### Performance ratios

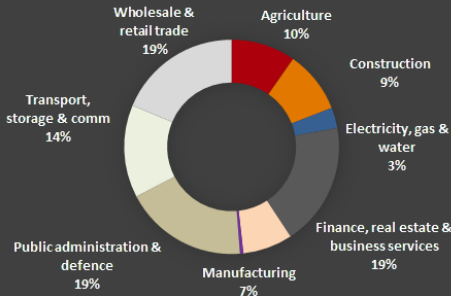
	Mar-16	Mar-17
Return on Assets (%)	2.5	0.4
Return on Equity (%)	15.4	2.8
Capital requirement over weighted assets (%)	22.3	23.3
Non-performing Loans to Total Gross Loans (%)	18.3	12.8
Liquid Assets to Total Assets (%)	25.9	39.1

## GLOBAL RANKINGS\*

Global Competitiveness Index 2017-2018	110	137
Index of Economic Freedom 2018	96	180
World Bank Doing Business Survey 2018	127	190

\* The relative position of Cabo Verde is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of West African States (ECOWAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement Double Taxation Avoidance Agreement currently awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Spain, Portugal, Italy, Turkey and USA

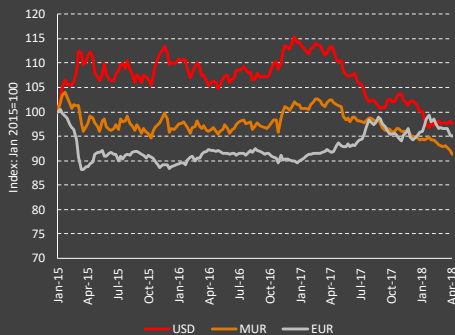
Top 5 import partners: Portugal, Netherlands, Spain, Belgium and China

Main exports: fuel (re-exports), shoes, garments, fish and hides

Main imports: foodstuffs, industrial products, transport equipment and fuels

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CAPE VERDEAN ESCUDO



Note: An increase/decrease in the index represents a depreciation/appreciation of the Escudo vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 89.37 CVE

## CABO VERDE



Surface area: 4,033 sq km

Capital: Praia

Population: 0.53 million

Currency: Cape Verdean Escudo (CVE)

Time Zone: UTC - 01:00

Government type: Parliamentary republic

President: Jorge Carlos Fonseca

Official language: Portuguese

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.8	4.0	4.3	4.0	4.0	4.0	4.0	4.0	
GDP at current prices	USD bn	1.6	1.7	2.0	2.1	2.2	2.4	2.5	2.7	
GDP per capita	USD	3,086.1	3,237.6	3,632.8	3,807.3	3,998.8	4,184.9	4,379.8	4,580.3	
Total investment	% of GDP	37.4	38.4	36.0	37.8	37.9	37.9	38.1	38.4	
Gross national savings	% of GDP	34.7	29.6	26.5	27.8	27.9	28.0	28.3	28.5	
Inflation, average consumer prices	% change	-1.4	0.8	1.0	1.5	2.0	2.0	2.0	2.0	
Overall fiscal balance	% of GDP	-3.1	-3.0	-3.2	-5.9	-5.2	-4.6	-4.1	-4.1	
Volume of imports of goods and services	% change	20.1	15.0	14.3	6.8	6.2	5.2	6.4	6.6	
Volume of exports of goods and services	% change	16.7	7.8	13.5	6.7	6.7	5.1	6.4	4.9	
General government gross debt	% of GDP	129.5	126.0	124.7	126.7	126.1	124.6	122.7	120.9	
Current account balance	% of GDP	-2.8	-8.8	-9.5	-10.0	-10.0	-9.9	-9.9	-9.9	

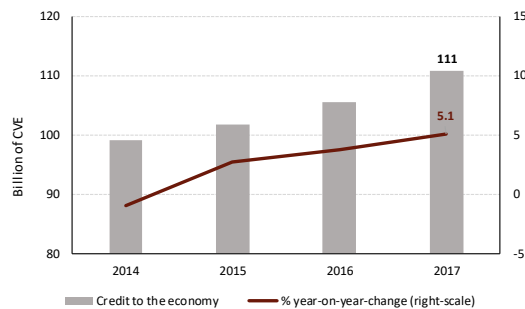
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	B Stable (Jan-18)	B Stable (May-17)	n.a	B (Jan-18)

## BANKING INDICATORS

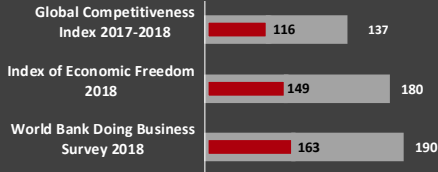
### Credit to the economy



### Performance ratios

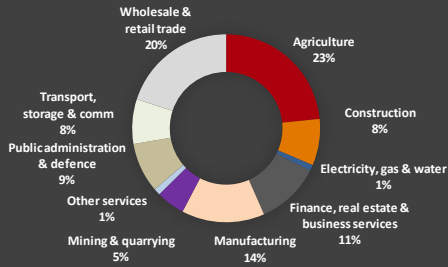
	Sep-17	Nov-17
Return on Assets (%)	0.5	0.6
Return on Equity (%)	6.7	8.1
Regulatory Capital to Risk-Weighted Assets (%)	17.0	16.9
Non-performing Loans to Total Loans (%)	17.3	16.6
Liquid Assets to Total Assets (%)	30.8	30.8

## GLOBAL RANKINGS\*



\* The relative position of Cameroon is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Investment Promotion and Protection Agreement signed in August 2001 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Netherlands, Belgium, Italy, France and China

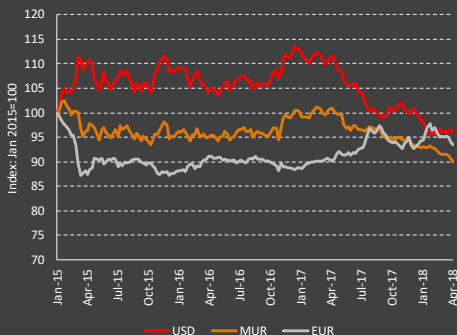
**Top 5 import partners:** China, France, Nigeria, Thailand and Germany

**Main exports:** crude oil and petroleum products, lumber, cocoa beans, aluminum, coffee and cotton

**Main imports:** machinery, electrical equipment, transport equipment, fuel, food

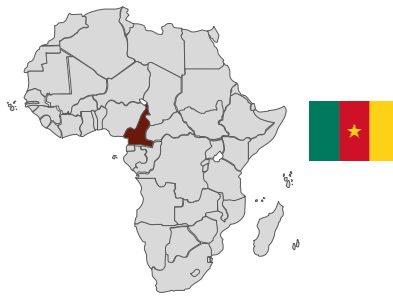
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CENTRAL AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XAF

# CAMEROON



Surface area: 475,440 sq km

Capital: Yaoundé

Population: 22.8 million

Currency: Central African Franc (XAF)

Time Zone: UTC + 01:00

Government type: Presidential republic

President: Paul Biya

Official language: French and English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.5	3.2	4.0	4.5	5.0	5.1	5.3	5.5	✓
GDP at current prices	USD bn	32.2	34.0	39.1	41.7	45.0	48.4	52.1	56.1	↗
GDP per capita	USD	1,360.8	1,400.7	1,570.2	1,636.8	1,721.1	1,804.4	1,896.6	1,992.4	↗
Total investment	% of GDP	27.5	26.2	26.2	26.4	27.0	27.6	28.2	28.8	↗
Gross national savings	% of GDP	24.3	23.7	23.7	24.1	24.7	25.3	25.9	26.4	↗
Inflation, average consumer prices	% change	0.9	0.6	1.1	1.3	2.0	2.0	2.0	2.0	↗
Overall fiscal balance	% of GDP	-6.2	-4.3	-2.2	-1.8	-1.6	-1.4	-1.4	-1.4	↗
Volume of imports of goods and services	% change	-0.7	-3.6	-3.2	1.4	2.7	3.3	4.0	3.6	↗
Volume of exports of goods and services	% change	-0.9	2.5	3.7	4.8	5.6	6.1	6.2	6.5	↗
General government gross debt	% of GDP	31.5	33.8	34.3	34.1	33.4	32.4	31.4	30.4	↘
Current account balance	% of GDP	-3.2	-2.5	-2.5	-2.4	-2.3	-2.3	-2.3	-2.4	↘

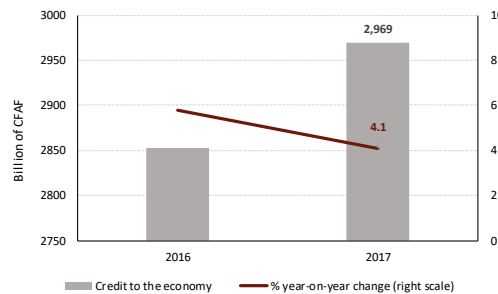
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Stable (Aug-16)	B Stable (Nov-17)	B Stable (Oct-17)	B (Feb-18)	C (Jan-18)

## BANKING INDICATORS

### Credit to the economy

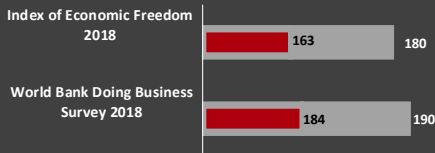


### Performance ratios

	Q2 2017	Aug-17
Return on Assets (%)	0.7	0.7
Return on Equity (%)	15.3	16.5
Regulatory Capital to Risk-Weighted Assets (%)	9.5	10.2
Non-performing Loans to Total Loans (%)	10.9	10.9
Liquid Assets to Total Assets (%)	19.1	21.0

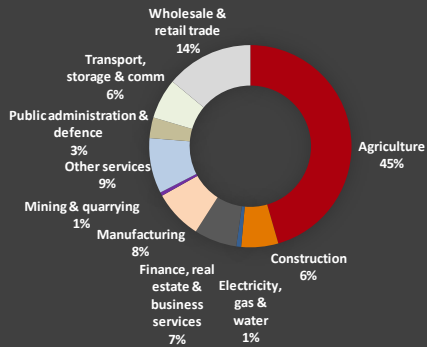


## GLOBAL RANKINGS\*



\* The relative position of Central African Republic is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS) and Community of Sahel – Saharan States (CEN-SAD)

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** France, Benin, China, Chad, and Pakistan

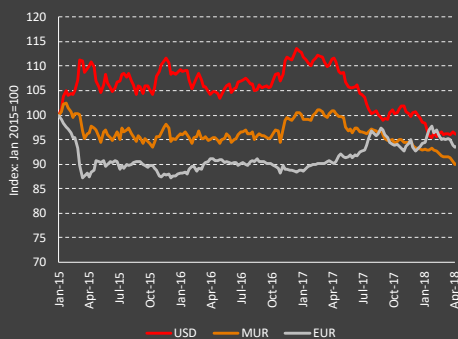
**Top 5 import partners:** France, Cameroon, Belgium, China and Japan

**Main exports:** diamonds, timber, cotton and coffee

**Main imports:** food, textiles, petroleum products, machinery, electrical equipment, motor vehicles, chemicals and pharmaceuticals

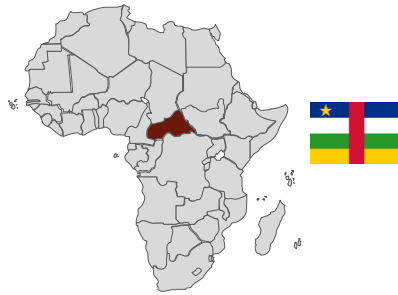
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CENTRAL AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XAF

## CENTRAL AFRICAN REPUBLIC



Surface area: 622,984 sq km

Capital: Bangui

Population: 4.5 million

Currency: Central African Franc (XAF)

Time Zone: UTC + 01:00

Government type: Presidential republic

President: Faustin-Archange Touadéra

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	
GDP at current prices	USD bn	1.8	1.9	2.2	2.3	2.5	2.7	2.8	3.1	
GDP per capita	USD	359.3	386.8	426.0	450.5	474.2	496.3	518.8	556.4	
Total investment	% of GDP	13.7	13.2	14.0	14.6	14.9	15.0	15.3	15.7	
Gross national savings	% of GDP	4.6	4.4	3.8	5.8	7.4	8.6	9.6	10.3	
Inflation, average consumer prices	% change	4.6	3.8	3.5	3.2	3.0	3.0	3.0	3.0	
Overall fiscal balance	% of GDP	1.6	-1.4	1.5	0.3	-0.1	-0.1	0.1	-0.7	
Volume of imports of goods and services	% change	14.6	4.8	4.3	3.3	0.2	2.4	2.6	2.7	
Volume of exports of goods and services	% change	8.2	8.3	4.6	8.5	4.7	4.1	4.2	3.4	
General government gross debt	% of GDP	56.0	53.4	48.6	44.4	41.0	37.9	34.6	33.4	
Current account balance	% of GDP	-9.1	-10.2	-9.3	-9.2	-7.8	-6.7	-6.0	-5.4	

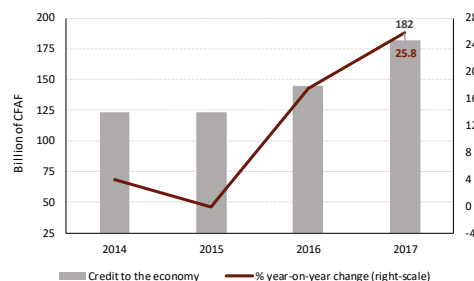
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	D (Jan-18)

## BANKING INDICATORS

### Credit to the economy

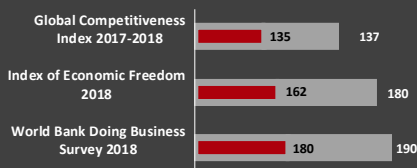


### Performance ratios

	Dec-16	Jun-17
Return on Assets (%)	0.8	8.6
Return on Equity (%)	4.2	45.9
Regulatory Capital to Risk-Weighted Assets (%)	32.0	40.1
Non-performing Loans to Total Loans (%)	25.6	28.2
Liquid Assets to Total Assets (%)	31.9	31.2

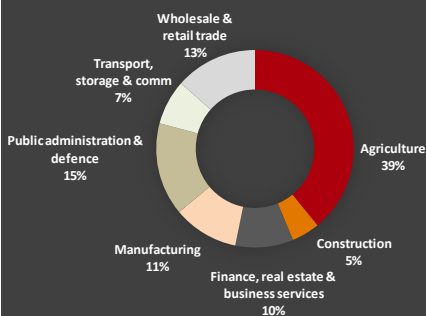


## GLOBAL RANKINGS\*



\* The relative position of Chad is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS) and Community of Sahel – Saharan States (CEN-SAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Investment Promotion and Protection Agreement signed in May 2001 awaiting ratification

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** USA, China, Netherlands, India, and Thailand

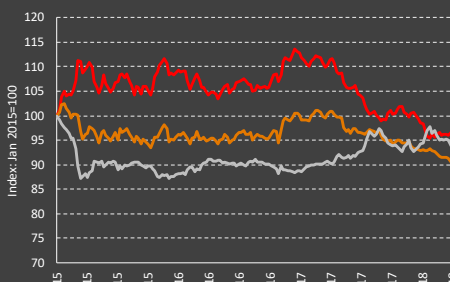
**Top 5 import partners:** China, France, USA, India, and Belgium

**Main exports:** oil, livestock, cotton, sesame, gum Arabic and shea butter

**Main imports:** machinery and transportation equipment, industrial goods, foodstuffs and textiles

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CENTRAL AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As of 14 Apr-18, USD = 531.65 XAF

# CHAD



Surface area: 1.3 million sq km

Capital: N'Djamena

Population: 14.0 million

Currency: Central African Franc (XAF)

Time Zone: UTC + 01:00

Government type: Presidential republic

President: Idriss Déby

Official language: French and Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-6.4	-3.1	3.5	2.8	6.8	4.8	4.6	4.2	
GDP at current prices	USD bn	10.1	9.9	11.5	12.2	13.6	14.8	16.0	17.1	
GDP per capita	USD	851.2	810.2	919.6	956.0	1,037.5	1,100.5	1,163.2	1,208.2	
Total investment	% of GDP	16.7	21.2	22.8	24.0	24.3	24.7	21.5	20.9	
Gross national savings	% of GDP	7.5	16.0	18.5	18.5	19.4	19.8	17.1	16.9	
Inflation, average consumer prices	% change	-1.1	-0.9	2.1	2.6	3.0	3.0	3.0	3.0	
Overall fiscal balance	% of GDP	-2.0	-0.9	0.9	-0.1	0.6	0.6	1.4	1.6	
Volume of imports of goods and services	% change	-10.6	1.6	18.7	1.7	8.3	3.1	4.3	3.7	
Volume of exports of goods and services	% change	-3.9	-15.0	7.3	5.1	20.3	7.9	10.0	4.6	
General government gross debt	% of GDP	52.4	52.5	48.1	45.4	41.7	38.6	35.3	32.6	
Current account balance	% of GDP	-9.2	-5.2	-4.3	-5.5	-4.9	-4.9	-4.5	-4.0	

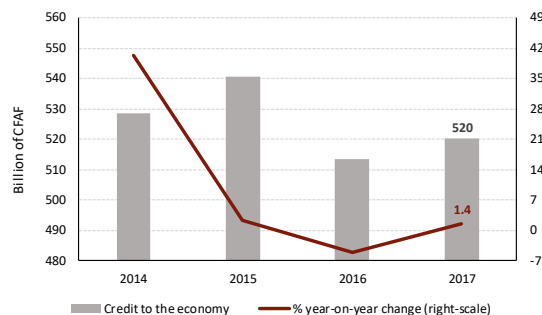
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	D (Jan-18)

## BANKING INDICATORS

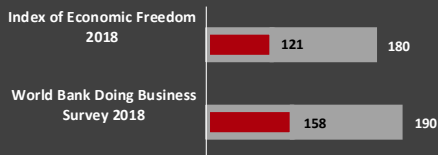
### Credit to the economy



### Performance ratios

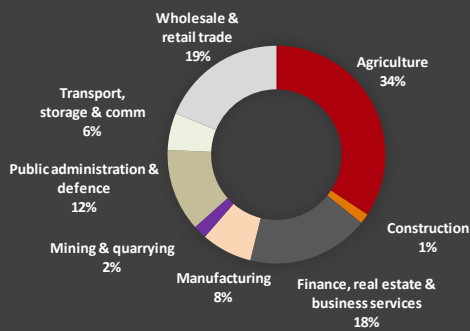
	Q2 2016	Q2 2017
Return on Assets (%)	1.1	1.9
Return on Equity (%)	11.0	17.2
Regulatory Capital to Risk-Weighted Assets (%)	13.5	14.4
Non-performing Loans to Total Gross Loans (%)	18.1	22.6
Liquid Assets to Total Assets (%)	19.8	21.9

## GLOBAL RANKINGS\*



\* The relative position of Comoros is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA) and Community of Sahel – Saharan States (CEN-SAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Investment Promotion and Protection Agreement signed in May 2001 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** India, UAE, France, Germany and Tanzania

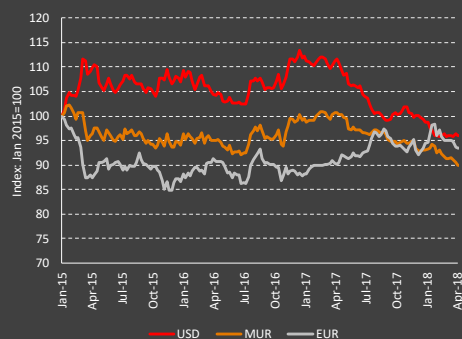
**Top 5 import partners:** Tanzania, China, UAE, France and India

**Main exports:** vanilla, ylang-ylang (perfume essence) and cloves

**Main imports:** rice and other foodstuffs, consumer goods, petroleum products, cement and construction materials and transport equipment

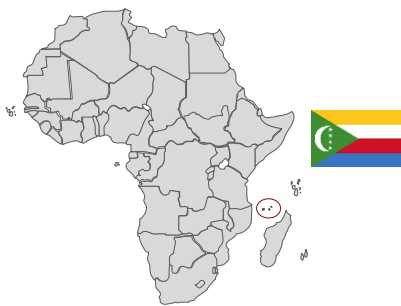
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF COMORIAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the Comorian Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 398.33 KMF

# COMOROS



Surface area: 2,235 sq km

Capital: Moroni

Population: 0.78 million

Currency: Comorian Franc (KMF)

Time Zone: UTC + 03:00

Government type: Federal presidential republic

President: Azali Assoumani

Official languages: Arabic, French and Comorian

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	2.2	2.5	3.0	3.0	3.0	3.0	3.0	3.0	
GDP at current prices	USD bn	0.6	0.7	0.7	0.8	0.8	0.9	0.9	1.0	
GDP per capita	USD	764.2	787.8	869.0	894.9	921.1	943.8	968.1	992.0	
Total investment	% of GDP	21.0	21.2	21.2	21.1	21.8	21.8	21.8	21.8	
Gross national savings	% of GDP	13.6	16.4	14.2	12.6	13.5	13.8	14.2	14.7	
Inflation, average consumer prices	% change	1.8	1.0	2.0	2.0	2.0	2.0	2.0	2.0	
Overall fiscal balance	% of GDP	-7.3	-3.1	-2.8	-3.6	-3.8	-2.9	-3.1	-3.0	
Volume of imports of goods and services	% change	7.9	-1.4	6.7	1.9	4.1	2.0	2.3	2.4	
Volume of exports of goods and services	% change	0.6	-4.7	3.5	5.4	2.1	2.1	2.3	3.8	
General government gross debt	% of GDP	31.7	28.4	28.4	28.5	28.6	28.7	29.3	31.1	
Current account balance	% of GDP	-7.4	-4.9	-6.9	-8.5	-8.3	-8.0	-7.6	-7.1	

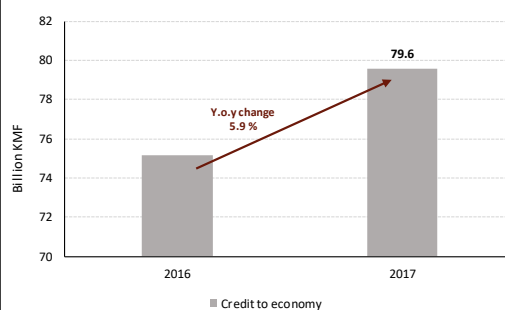
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	n.a

## BANKING INDICATORS

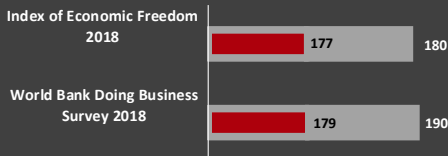
### Credit to the economy



### Performance ratios

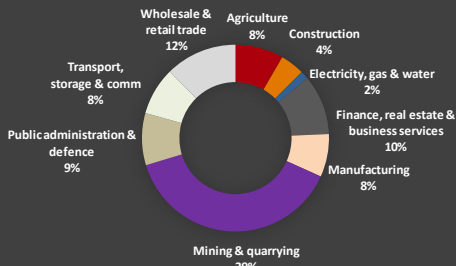
	Dec-15	Dec-16
Return on Assets (%)	1.0	0.6
Return on Equity (%)	7.7	9.0
Regulatory Capital to Risk-Weighted Assets (%)	22.4	19.6
Non-performing Loans to Total Gross Loans (%)	20.5	21.7
Liquid Assets to Total Assets (%)	33.8	36.5

## GLOBAL RANKINGS\*



\* The relative position of Republic of Congo is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since October 2014 and Investment Promotion and Protection Agreement in force since December 2013

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** China, Italy, UAE, Australia and Indonesia

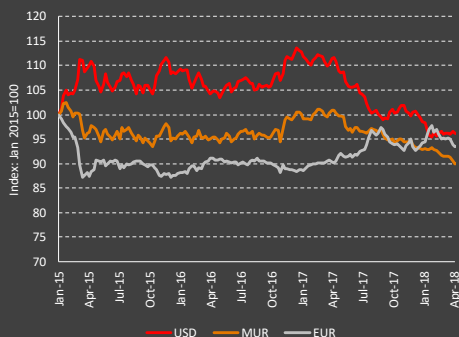
**Top 5 import partners:** South Korea, China, France, Norway and UK

**Main exports:** petroleum, lumber, plywood, sugar, cocoa, coffee and diamonds

**Main imports:** capital equipment, construction materials, and foodstuffs

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CENTRAL AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XAF

# REPUBLIC OF CONGO



Surface area: 342,000 sq km  
 Capital: Brazzaville  
 Population: 5.0 million  
 Currency: Central African CFA franc (XAF)  
 Time Zone: UTC + 01:00  
 Government type: Presidential republic  
 President: Denis Sassou Nguesso  
 Official languages: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-2.8	-4.6	0.7	4.6	-1.2	-1.8	0.9	0.2	
GDP at current prices	USD bn	7.8	8.5	10.5	10.9	10.4	9.8	9.9	9.8	
GDP per capita	USD	1,835.8	1,958.2	2,349.7	2,391.5	2,218.9	2,051.3	2,004.5	1,943.2	
Total investment	% of GDP	46.3	23.7	19.2	18.7	19.4	19.6	21.0	22.7	
Gross national savings	% of GDP	-27.8	11.1	22.2	23.6	20.1	16.1	14.7	13.6	
Inflation, average consumer prices	% change	3.2	0.5	1.5	1.6	2.0	2.4	2.8	3.0	
Overall fiscal balance	% of GDP	-22.6	-7.2	3.9	5.0	4.1	2.0	2.1	0.7	
Volume of imports of goods and services	% change	7.4	-43.6	-3.2	2.0	2.5	0.3	0.8	-0.7	
Volume of exports of goods and services	% change	-4.5	11.6	16.4	7.5	-5.5	-7.7	-6.7	-9.3	
General government gross debt	% of GDP	114.6	119.1	110.4	105.0	109.4	114.4	111.5	108.3	
Current account balance	% of GDP	-74.1	-12.7	3.0	4.8	0.7	-3.4	-6.2	-9.2	

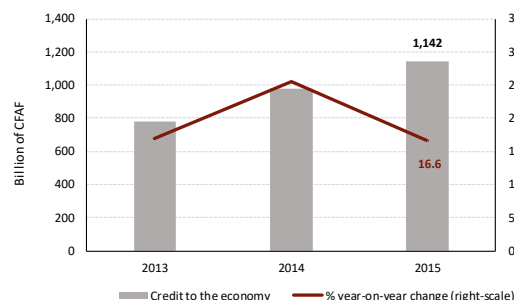
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Caa2 Negative (Jul-17)	CC (Sep-17)	CCC+ Stable (Sep-17)	CCC (Mar-18)	C (Jan-18)

## BANKING INDICATORS

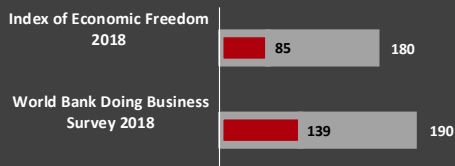
### Credit to the economy



### Performance ratios

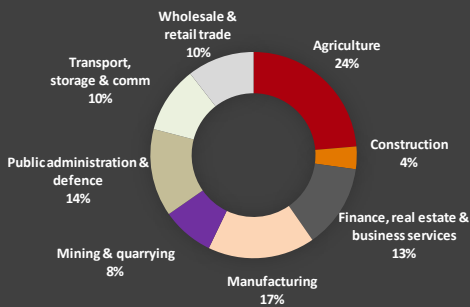
	Q2 2016	Q2 2017
Return on Assets (%)	2.1	8.3
Return on Equity (%)	15.2	52.5
Liquid Assets to Total Assets (%)	21.5	15.8
Non-performing Loans to Total Gross Loans (%)	5.3	11.8
Regulatory Capital to Risk-Weighted Assets (%)	19.8	20.9

## GLOBAL RANKINGS\*



\* The relative position of Côte d'Ivoire is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of West African States (ECOWAS) and Community of Sahel – Saharan States (CEN-SAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement currently awaiting signature and Investment Promotion and Protection Agreement signed in April 2016 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Netherlands, USA, Belgium, France and Vietnam

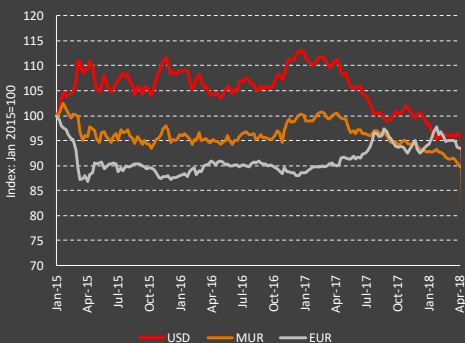
Top 5 import partners: China, France, Nigeria, India and USA

Main exports: cocoa, coffee, timber, petroleum, cotton, bananas, pineapples, palm oil and fish

Main imports: fuel, capital equipment and foodstuffs

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN CFA FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the West African Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# CÔTE D'IVOIRE



Surface area: 322,463 sq km  
 Capital: Yamoussoukro  
 Population: 23.1 million  
 Currency: West African CFA Franc (XOF)  
 Time Zone: UTC + 00:00  
 Government type: Presidential republic  
 President: Alassane Ouattara  
 Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	8.3	7.8	7.4	7.1	6.9	6.7	6.5	6.4	
GDP at current prices	USD bn	36.4	40.4	48.1	53.0	58.2	63.6	69.3	74.9	
GDP per capita	USD	1,495.2	1,617.0	1,879.9	2,016.4	2,159.0	2,298.3	2,441.0	2,572.9	
Total investment	% of GDP	20.7	21.1	22.6	24.0	24.9	26.2	26.2	26.6	
Gross national savings	% of GDP	19.6	19.9	21.1	22.7	23.3	24.5	24.7	25.2	
Inflation, average consumer prices	% change	0.7	0.8	1.7	2.0	2.0	2.0	2.0	2.0	
Overall fiscal balance	% of GDP	-3.9	-4.3	-3.7	-3.0	-2.9	-2.9	-2.7	-2.6	
Volume of imports of goods and services	% change	5.8	5.7	2.8	11.2	11.3	11.5	10.6	10.8	
Volume of exports of goods and services	% change	-10.0	8.8	8.9	9.0	11.0	12.0	12.7	11.8	
General government gross debt	% of GDP	47.0	46.4	48.0	46.9	46.0	45.3	44.5	43.8	
Current account balance	% of GDP	-1.1	-1.2	-1.5	-1.3	-1.5	-1.7	-1.5	-1.5	

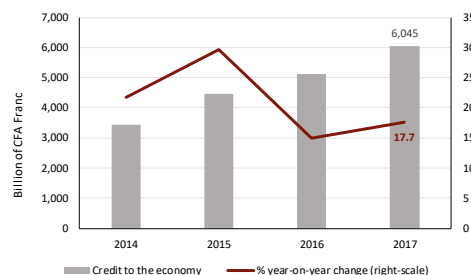
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Ba3 Stable (Mar-18)	B+ Stable (Aug-17)	n.a	BB (Feb-18)	B (Jan-18)

## BANKING INDICATORS

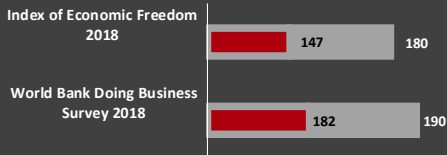
### Credit to the economy



### Performance ratios

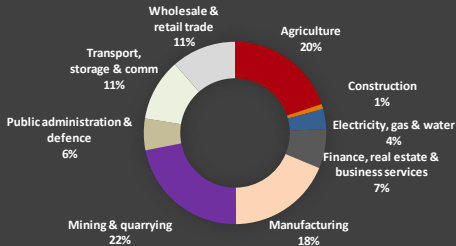
	Mar-17	Jun-17
Regulatory Capital to Risk-Weighted Assets (%)	8.4	9.8
Non-performing Loans to Total Gross Loans (%)	10.3	9.3
Liquid Assets to Total Assets (%)	50.8	52.9

## GLOBAL RANKINGS\*



\* The relative position of Democratic Republic of Congo is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Economic Community of Central African States (ECCAS) and Southern African Development Community (SADC)

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** China, Zambia, South Korea, Italy and Belgium

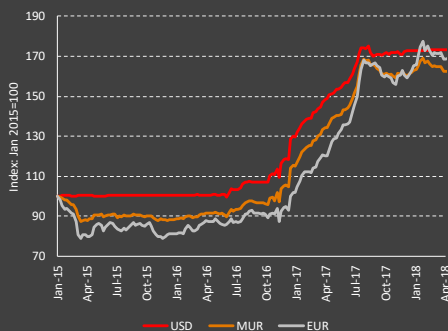
**Top 5 import partners:** China, South Africa, Zambia, Belgium and India

**Main exports:** diamonds, copper, gold, cobalt, wood products, crude oil and coffee

**Main imports:** foodstuffs, mining and other machinery, transport equipment and fuels

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CONGOLESE FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the Congolese franc vis-à-vis respective currencies. As 16 Apr 18, 1 USD = 1,573.17 CDF

# DEMOCRATIC REPUBLIC OF CONGO



Surface area: 2.3 million sq km

Capital: Kinshasa

Population: 76.2 million

Currency: Congolese franc (CDF)

Time Zone: UTC + 01:00

Government type: Semi-presidential republic

President: Joseph Kabila

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	2.4	3.4	3.8	4.0	4.3	4.4	4.6	4.7	
GDP at current prices	USD bn	39.3	41.4	42.6	43.7	45.5	46.9	49.4	52.1	
GDP per capita	USD	467.4	478.2	477.8	474.9	480.0	480.7	491.5	503.5	
Total investment	% of GDP	11.8	12.0	12.2	13.2	13.3	13.6	13.8	14.0	
Gross national savings	% of GDP	8.7	11.5	12.5	12.3	11.8	12.2	11.8	11.9	
Inflation, average consumer prices	% change	18.2	41.5	25.9	13.7	9.1	4.4	3.5	3.5	
Overall fiscal balance	% of GDP	-1.0	-2.5	0.1	0.1	0.1	0.0	0.0	0.0	
Volume of imports of goods and services	% change	-1.2	8.9	14.2	11.7	4.3	0.3	3.6	2.0	
Volume of exports of goods and services	% change	-0.3	-8.7	8.0	9.3	2.4	1.7	4.1	2.7	
General government gross debt	% of GDP	16.8	15.7	14.5	13.3	12.4	11.6	10.8	9.2	
Current account balance	% of GDP	-3.1	-0.5	0.3	-0.9	-1.6	-1.4	-1.9	-2.1	

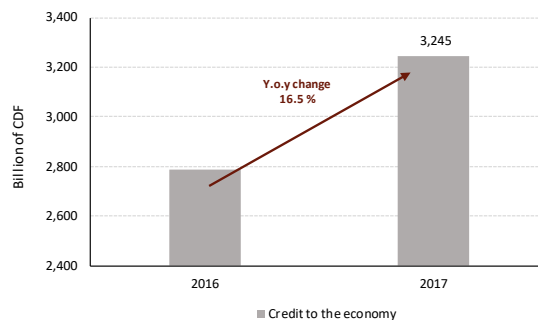
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B3 Negative (Dec-17)	n.a	CCC+ Stable (Aug-17)	CCC (Nov-17)	D (Jan-18)

## BANKING INDICATORS

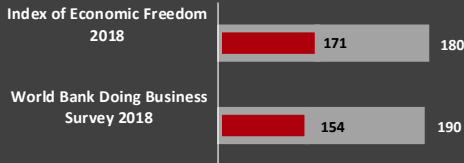
### Credit to the economy



### Performance ratios

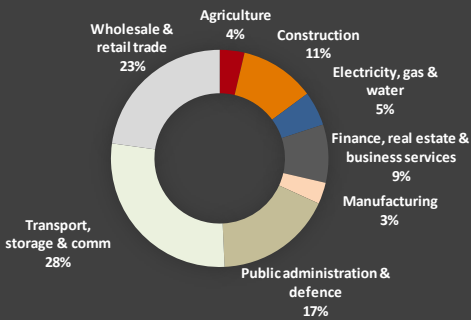
	2013	2014
Return on Assets (%)	1.6	1.7
Return on Equity (%)	20.6	23.2
Regulatory Capital to Risk-Weighted Assets (%)	23.5	24.5
Non-performing Loans to Total Gross Loans (%)	5.4	6.9
Liquid Assets to Total Assets (%)	55.5	56.4

## GLOBAL RANKINGS\*



\* The relative position of Djibouti is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2013)



## MEMBERSHIP IN REGIONAL BLOCS

Intergovernmental Authority on Development (IGAD), Common Market for Eastern and Southern Africa (COMESA) and Community of Sahel – Saharan States (CEN-SAD)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Saudi Arabia, USA, UAE, Belgium and Spain

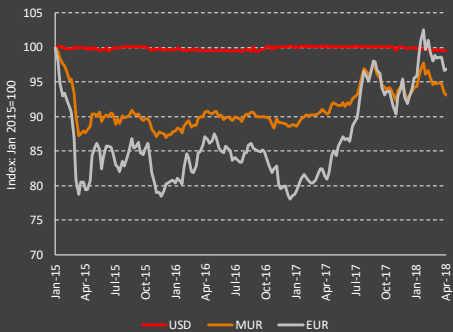
**Top 5 import partners:** China, India, UAE, Indonesia and Saudi Arabia

**Main exports:** commodities, wood products, live animals, coffee and spices, and pearls and precious stones

**Main imports:** vehicles, machinery and mechanical appliances, electrical machinery and equipment, iron and steel, and plastics

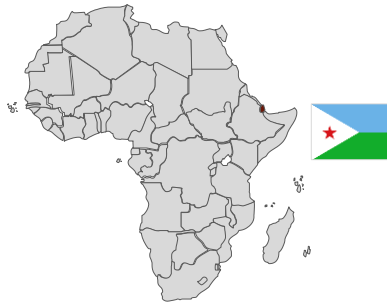
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF DJIBOUTIAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the Djiboutian franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 176.80 DJF

# DJIBOUTI



Surface area: 23,200 sq km

Capital: Djibouti

Population: 0.93 million

Currency: Djiboutian franc (DJF)

Time Zone: UTC + 03:00

Government type: Semi-presidential republic

President: Ismaïl Omar Guelleh

Official languages: French and Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	6.5	6.7	6.7	6.7	6.0	6.0	6.0	6.0	
GDP at current prices	USD bn	1.9	2.0	2.2	2.4	2.6	2.8	3.1	3.3	
GDP per capita	USD	1,902.8	1,988.8	2,084.9	2,207.2	2,332.8	2,465.6	2,605.9	2,754.2	
Total investment	% of GDP	47.4	36.4	34.1	35.1	33.7	32.0	33.8	30.3	
Gross national savings	% of GDP	17.0	13.2	14.6	16.4	17.4	17.8	19.4	18.8	
Inflation, average consumer prices	% change	2.7	0.7	1.0	2.0	2.5	2.5	2.5	2.5	
Overall fiscal balance	% of GDP	-18.2	-3.4	-1.7	-1.3	-0.7	-0.2	-0.1	-1.1	
Volume of imports of goods and services	% change	3.4	-6.6	-2.5	4.1	1.0	-11.8	6.8	-1.2	
Volume of exports of goods and services	% change	9.8	5.3	5.2	4.8	6.5	-3.3	5.0	3.5	
General government gross debt	% of GDP	31.7	30.6	30.4	29.3	28.6	28.1	28.0	28.3	
Current account balance	% of GDP	-30.4	-23.2	-19.5	-18.8	-16.3	-14.2	-14.4	-11.5	

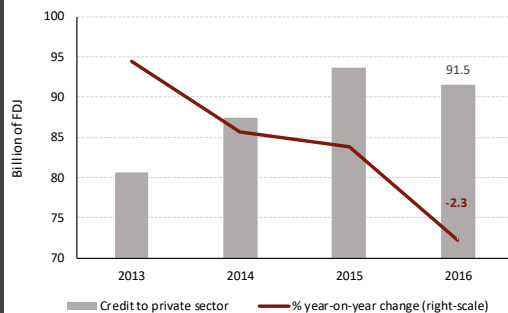
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	C (Jan-18)

## BANKING INDICATORS

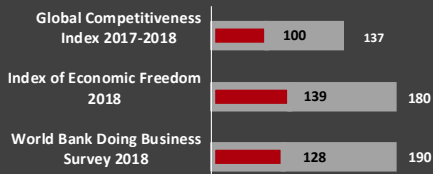
### Credit to private sector



### Performance ratios

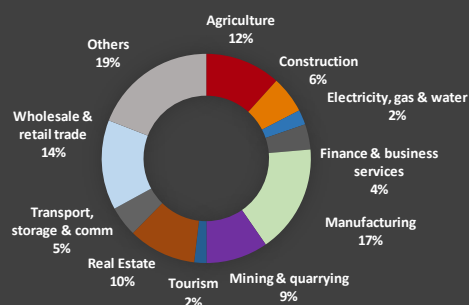
	Q2 2015	Q2 2016
Return on Assets (%)	0.4	0.4
Return on Equity (%)	8.9	8.3
Regulatory Capital to Risk-Weighted Assets (%)	10.6	13.4
Non-performing Loans to Total Gross Loans (%)	22.5	22.6
Liquid Assets to Total Assets (%)	59.5	62.9

## GLOBAL RANKINGS\*



\* The relative position of Egypt is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016/17)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA) and Community of Sahel-Saharan States (CEN-SAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since April 2014 and Investment Promotion and Protection Agreement in force since October 2014

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** UAE, Italy, Turkey, Saudi Arabia, and USA

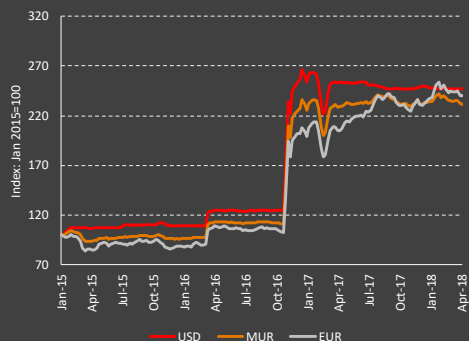
**Top 5 import partners:** China, Germany, Italy, Saudi Arabia, and USA

**Main exports:** crude oil and petroleum products, fruits and vegetables, cotton, textiles, metal products, chemicals and processed food

**Main imports:** machinery and equipment, foodstuffs, chemicals, wood products and fuels

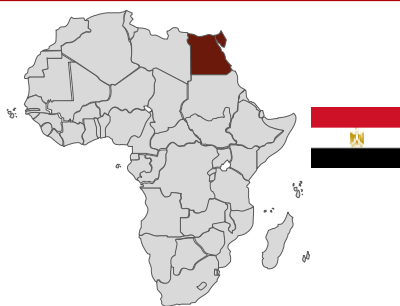
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF EGYPTIAN POUND



Note: An increase/decrease in the index represents a depreciation/appreciation of the Egyptian Pound vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 17.66 EGP

# EGYPT



Surface area: 1.1 million sq km

Capital: Cairo

Population: 93.8 million

Currency: Egyptian Pound (EGP)

Time Zone: UTC + 02:00

Government type: Presidential republic

President: Abdel Fattah el-Sisi

Official language: Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.3	4.2	5.2	5.5	5.8	6.0	6.0	6.0	
GDP at current prices	USD bn	332.5	237.1	n/a	n/a	n/a	n/a	n/a	n/a	
GDP per capita	USD	3,686.1	2,500.8	n/a	n/a	n/a	n/a	n/a	n/a	
Total investment	% of GDP	15.0	15.2	15.8	16.0	16.9	17.7	18.7	19.8	
Gross national savings	% of GDP	9.1	8.8	11.4	12.0	13.4	14.5	15.5	16.5	
Inflation, average consumer prices	% change	10.2	23.5	20.1	13.0	10.0	7.2	7.2	7.0	
Overall fiscal balance	% of GDP	-10.7	-11.4	-10.0	-6.6	-5.7	-3.4	-3.3	-3.2	
Volume of imports of goods and services	% change	6.1	-0.8	-5.5	5.2	5.3	6.2	6.3	10.5	
Volume of exports of goods and services	% change	-10.7	6.5	7.7	9.6	7.6	7.3	6.6	10.0	
General government gross debt	% of GDP	96.8	103.3	91.2	87.1	81.2	77.9	72.8	68.1	
Current account balance	% of GDP	-6.0	-6.5	-4.4	-3.9	-3.5	-3.3	-3.2	-3.2	

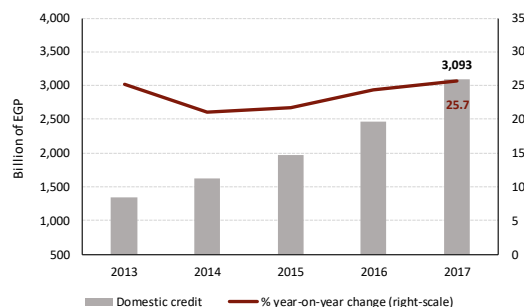
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B3 Stable (Aug-17)	B Positive (Jan-18)	B- Positive (Nov-17)	B (Apr-18)	B (Jan-18)

## BANKING INDICATORS

### Domestic credit

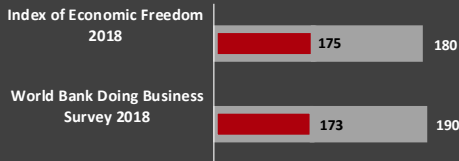


### Performance ratios

	2015	2016
Return on Assets (%)	1.5	1.5
Return on Equity (%)	24.4	24.4
Regulatory Capital to Risk-Weighted Assets (%)	14.5	14.1
Non-performing Loans to Total Loans (%)	7.1	5.8

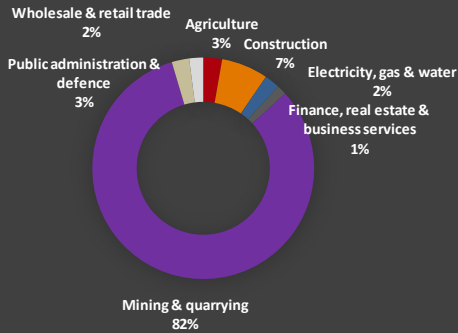


## GLOBAL RANKINGS\*



\* The relative position of Equatorial Guinea is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS)

## TRADE STATISTICS (2017)<sup>1</sup>

Top 5 export partners: China, India, South Korea, Spain, Portugal and USA

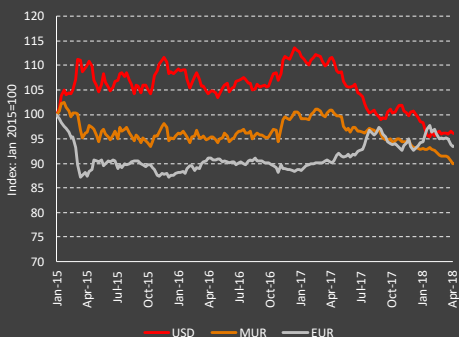
Top 5 import partners: Spain, China, USA, Netherlands, and France

Main exports: petroleum products and timber

Main imports: petroleum sector equipment, other equipment, construction materials and vehicles

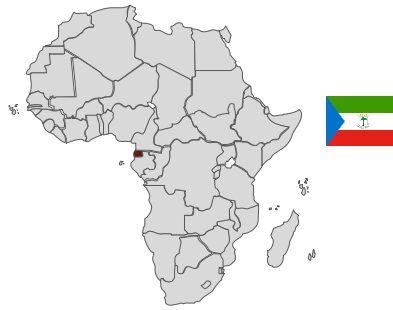
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CENTRAL AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the Central African Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XAF

# EQUATORIAL GUINEA



Surface area: 28,051 sq km

Capital: Malabo

Population: 1.2 million

Currency: Central African Franc (XAF)

Time Zone: UTC + 01:00

Government type: Presidential republic

President: Teodoro Obiang Nguema Mbasogo

Official language: Spanish and French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-9.7	-4.4	-8.5	-2.8	0.0	1.7	0.3	1.0	
GDP at current prices	USD bn	10.2	10.7	11.5	11.4	11.8	12.4	13.0	13.6	
GDP per capita	USD	12,397.9	12,727.0	13,350.4	12,838.5	12,937.1	13,283.9	13,573.7	13,956.8	
Total investment	% of GDP	10.4	7.0	7.5	22.8	12.0	10.0	10.8	9.8	
Gross national savings	% of GDP	-1.5	6.5	6.6	9.4	11.9	10.0	10.6	9.9	
Inflation, average consumer prices	% change	1.4	0.7	0.6	2.8	3.8	3.7	3.0	2.8	
Overall fiscal balance	% of GDP	-12.0	-2.9	-1.1	-0.4	0.5	-0.2	-0.8	-1.4	
Volume of imports of goods and services	% change	-16.5	-35.6	10.7	35.4	-33.9	-3.5	-2.0	-3.8	
Volume of exports of goods and services	% change	-12.0	-24.9	-14.9	-7.4	-2.6	-0.5	-3.3	-1.6	
General government gross debt	% of GDP	47.9	42.7	45.6	48.4	49.8	48.3	46.5	45.9	
Current account balance	% of GDP	-11.8	-0.5	-0.9	-13.3	0.0	0.0	-0.2	0.1	

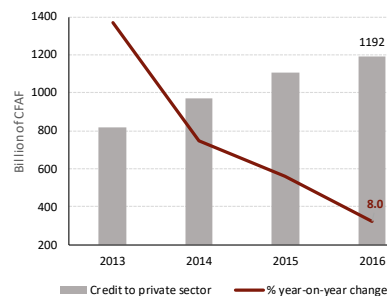
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	CCC (Jan-18)	n.a

## BANKING INDICATORS

### Credit to private sector

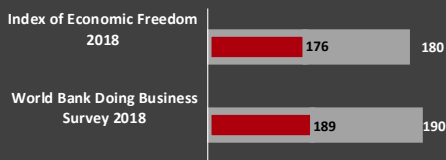


### Performance ratios

	Q4 2016	Q2 2017
Return on Assets (%)	1.8	5.3
Return on Equity (%)	12.8	35.2
Regulatory Capital to Risk-Weighted Assets (%)	27.3	28.3
Non-performing Loans to Total Gross Loans (%)	24.6	26.6
Liquid Assets to Total Assets (%)	30.3	25.9

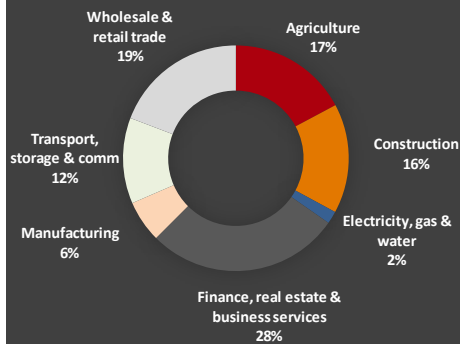


## GLOBAL RANKINGS\*



\* The relative position of Eritrea is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2014/15)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA) and Intergovernmental Authority on Development (IGAD)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** China, UAE, India, Serbia and Canada

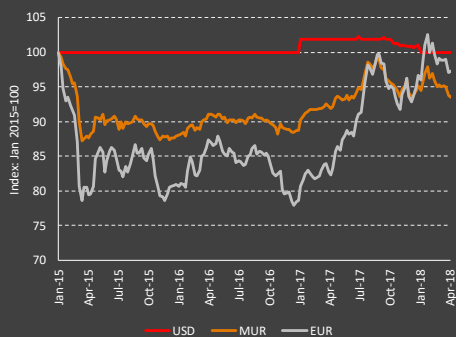
**Top 5 import partners:** China, Egypt, UAE, Brazil and Italy

**Main exports:** gold and other minerals, livestock, sorghum, textiles, food, and small industry manufactures

**Main imports:** machinery, petroleum products, food and manufactured goods

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF ERITREAN NAKFA



Note: An increase/decrease in the index represents a depreciation/appreciation of the Eritrean Nakfa vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 15.00 ERN

## ERITREA



Surface area: 117,600 sq km

Capital: Asmara

Population: 4.8 million

Currency: Eritrean Nakfa (ERN)

Time Zone: UTC + 03:00

Government type: Presidential republic

President: Isaias Afwerki

Official languages: Tigrinya, Arabic and English

## KEY MACROECONOMIC INDICATORS

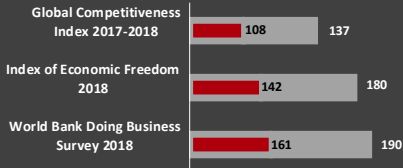
	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	1.9	5.0	4.2	3.8	4.0	4.2	4.2	4.3	
GDP at current prices	USD bn	5.0	5.8	6.7	7.7	8.1	9.4	10.9	12.6	
GDP per capita	USD	860.3	979.7	1,111.5	1,253.0	1,294.4	1,471.2	1,676.4	1,913.9	
Total investment	% of GDP	8.1	7.8	7.2	7.0	6.9	6.7	6.6	6.4	
Gross national savings	% of GDP	6.0	5.5	5.7	4.8	4.8	4.1	3.9	3.8	
Inflation, average consumer prices	% change	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	
Overall fiscal balance	% of GDP	-14.8	-14.5	-13.2	-12.9	-14.4	-14.1	-13.8	-13.5	
Volume of imports of goods and services	% change	-6.0	9.8	8.2	1.7	1.0	0.7	3.4	3.3	
Volume of exports of goods and services	% change	-22.7	10.7	22.0	-6.2	0.9	-8.7	1.7	2.5	
General government gross debt	% of GDP	132.8	131.2	129.4	127.3	136.2	132.6	128.8	125.0	
Current account balance	% of GDP	-2.1	-2.4	-1.5	-2.1	-2.1	-2.6	-2.7	-2.6	

(f) forecast

## SOVEREIGN RISK ASSESSMENT

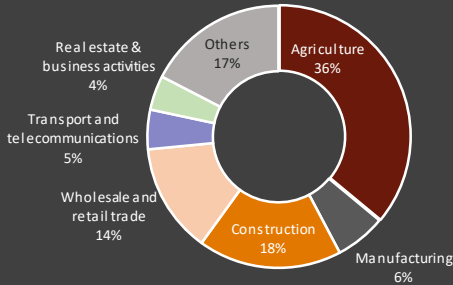
	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	E (Jan-18)

## GLOBAL RANKINGS\*



\* The relative position of Ethiopia is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016/17)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Intergovernmental Authority on Development (IGAD)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** China, Somalia, Saudi Arabia, Netherlands and USA

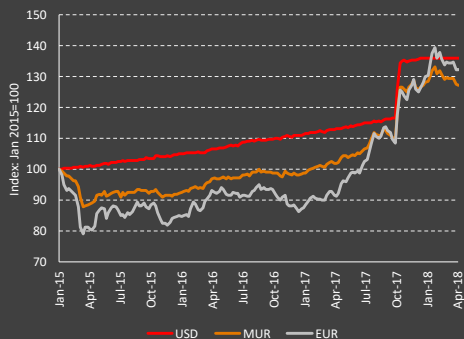
**Top 5 import partners:** China, USA, India, Italy and Japan

**Main exports:** coffee, oilseeds, edible vegetables including khat, gold, flowers, live animals, raw leather products, meat products

**Main imports:** machinery and aircraft, metal and metal products, electrical materials, petroleum products, motor vehicles, chemicals and fertilizers

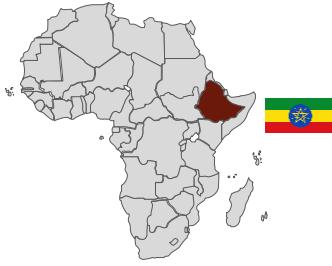
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF ETHIOPIAN BIRR



Note: An increase/decrease in the index represents a depreciation/appreciation of the Ethiopian Birr vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 27.20 ETB

# ETHIOPIA



Surface area: 1,104,300 sq km

Capital: Addis Ababa

Population: 102.4 million

Currency: Ethiopian Birr (ETB)

Time Zone: UTC + 03:00

Government type: Federal Parliamentary Republic

President: Teshome Wirtu Mulatu

Official language: Amharic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	8.0	10.9	8.5	8.3	8.1	8.0	8.0	8.0	
GDP at current prices	USD bn	73.2	80.9	85.7	89.7	98.2	107.3	117.4	129.0	
GDP per capita	USD	802.1	872.8	910.0	938.1	1,010.7	1,087.0	1,170.1	1,265.9	
Total investment	% of GDP	38.0	39.0	37.7	38.6	37.4	37.7	34.8	30.4	
Gross national savings	% of GDP	32.7	32.1	31.2	32.3	31.9	33.0	30.7	26.3	
Inflation, average consumer prices	% change	7.3	9.9	11.2	8.6	8.0	8.0	8.0	8.0	
Overall fiscal balance	% of GDP	-2.3	-3.3	-2.5	-2.4	-2.3	-2.2	-2.1	-2.7	
Volume of imports of goods and services	% change	19.4	-12.0	-5.1	4.1	5.7	5.5	7.3	7.6	
Volume of exports of goods and services	% change	8.7	-6.7	8.8	9.4	9.7	9.8	12.3	10.5	
General government gross debt	% of GDP	55.0	56.2	58.3	56.7	54.0	51.3	48.8	47.5	
Current account balance	% of GDP	-9.0	-8.1	-6.5	-6.3	-5.5	-4.7	-4.1	-4.1	

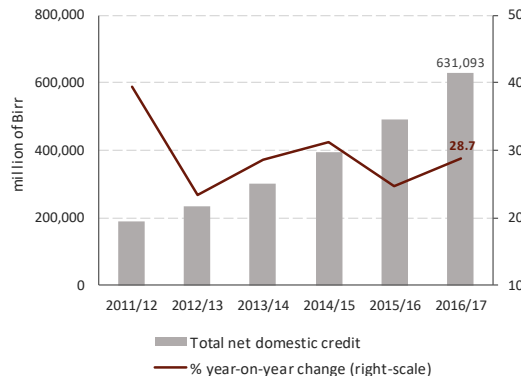
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B1 Stable (Feb-18)	B Stable (Dec-17)	B Stable (Apr17)	CCC (Feb-18)	C (Jan-18)

## BANKING INDICATORS

### Total net domestic credit

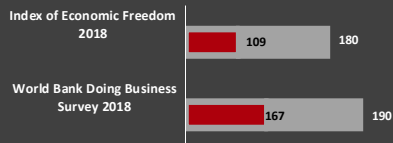


### Performance ratios

	Jun-16	Jun-17
Return on Assets (%)	2.7	2.4
Return on Equity (%) <sup>1</sup>	43.0	29.6
Liquid Assets to Total Assets (%)	11.9	12.9
Non-performing Loans to Total Loans (%)	2.9	2.6
Capital to Risk-Weighted Assets (%)	14.7	21.5

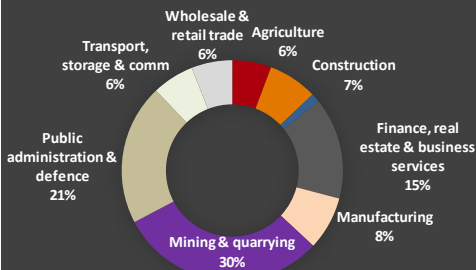
<sup>2</sup> The average capital used to calculate ROE excludes retained earnings and profit & loss

## GLOBAL RANKINGS\*



\* The relative position of Gabon is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Economic Community of Central African States (ECCAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement signed in July 2013 awaiting ratification and Investment Promotion and Protection Agreement signed in July 2013 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: China, Australia, Italy, Korea and France

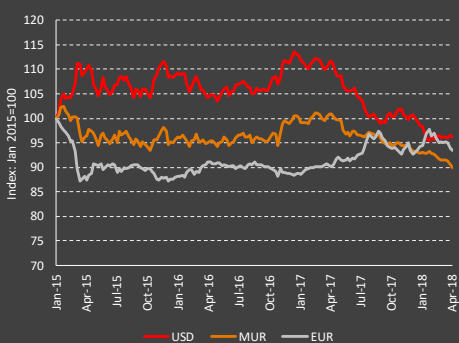
Top 5 import partners: France, China, Belgium, USA, and Thailand

Main exports: crude oil, timber, manganese, uranium

Main imports: machinery and equipment, foodstuffs, chemicals, construction materials

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF CENTRAL AFRICAN CFA FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XAF

## GABON



Surface area: 267,667 sq km  
 Capital: Libreville  
 Population: 1.98 million  
 Currency: Central African CFA franc (XAF)  
 Time Zone: UTC + 01:00  
 Government type: Presidential Republic  
 President: Ali Bongo Ondimba  
 Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	2.1	0.8	2.7	3.7	4.3	4.7	4.8	4.7	
GDP at current prices	USD bn	14.0	15.2	17.5	18.1	19.0	19.9	21.0	22.1	
GDP per capita	USD	7,452.7	7,971.6	9,029.7	9,233.6	9,556.1	9,886.2	10,311.5	10,727.9	
Total investment	% of GDP	34.2	31.5	30.9	31.8	32.4	30.1	29.5	27.3	
Gross national savings	% of GDP	24.1	26.7	29.3	29.9	31.6	33.0	33.8	34.7	
Inflation, average consumer prices	% change	2.1	3.0	2.8	2.5	2.5	2.5	2.5	2.5	
Overall fiscal balance	% of GDP	-4.7	-1.8	0.8	1.0	1.2	1.4	1.4	3.2	
Volume of imports of goods and services	% change	-16.1	5.4	8.9	0.0	3.9	-4.7	2.3	-12.4	
Volume of exports of goods and services	% change	-4.1	-3.6	2.6	6.4	11.1	9.4	5.5	1.1	
General government gross debt	% of GDP	64.2	61.1	59.3	59.3	56.6	54.5	51.7	46.9	
Current account balance	% of GDP	-10.1	-4.8	-1.5	-1.9	-0.7	2.9	4.3	7.4	

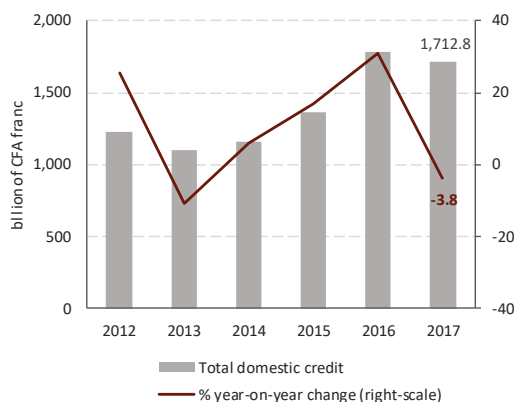
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## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B3 Negative (Jul-17)	B Negative (Oct-17)	n.a.	B (Apr-18)	C (Jan-18)

## BANKING INDICATORS

### Total domestic credit



### Performance ratios

	Jun-16	Jun-17
Return on Assets (%) <sup>1</sup>	0.4	13.0
Return on Equity (%)	4.1	134.6
Regulatory capital to Risk-Weighted Assets (%) <sup>2</sup>	10.0	9.4
Non-performing Loans to Total Loans (%)	7.2	7.9
Liquid Assets to Total Assets (%)	25.7	20.8

<sup>1</sup> The ratio of after-tax profits to the average beginning and end-period total assets

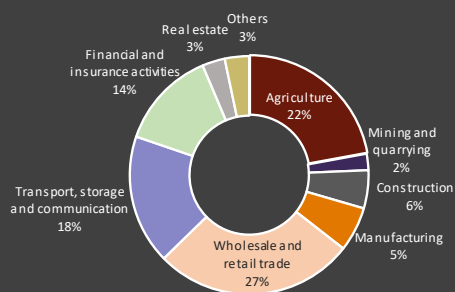
<sup>2</sup> The risk-weighted assets are estimated using the following risk weights: 0% - cash reserves in domestic and foreign currency and claims on the central bank; 100% - all other assets

## GLOBAL RANKINGS\*

Global Competitiveness Index 2017-2018	117	137
Index of Economic Freedom 2018	145	180
World Bank Doing Business Survey 2018	146	190

\* The relative position of The Gambia is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement  
awaiting signature

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Guinea-Bissau, Vietnam, Senegal, Mali and China

Top 5 import partners: Côte d'Ivoire, Brazil, Spain, China and Malaysia

Main exports: peanut products, fish, cotton lint, palm kernels

Main imports: foodstuffs, manufactures, fuel, machinery and transport equipment

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF GAMBIAN DALASI



Note: An increase/decrease in the index represents a depreciation/appreciation of the dalasi vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 46.89 GMD

# THE GAMBIA



Surface area: 11,300 sq km

Capital: Banjul

Population: 2.0 million

Currency: Gambian Dalasi(GMD)

Time Zone: UTC + 00:00

Government type: Presidential Republic

President: Adama Barrow

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	2.2	3.5	5.4	5.2	4.9	4.8	4.8	4.8	
GDP at current prices	USD bn	1.0	1.0	1.1	1.2	1.2	1.3	1.4	1.4	
GDP per capita	USD	473.2	480.0	500.0	517.9	531.3	542.3	553.7	562.7	
Total investment	% of GDP	18.7	27.7	30.5	27.3	24.4	23.4	23.6	23.3	
Gross national savings	% of GDP	9.9	13.4	12.0	10.3	10.0	10.2	9.5	9.7	
Inflation, average consumer prices	% change	7.2	8.0	5.8	5.0	4.8	4.8	4.8	4.8	
Overall fiscal balance	% of GDP	-9.7	-3.9	-2.2	-2.4	-1.6	-0.7	-1.3	-0.8	
Volume of imports of goods and services	% change	1.6	3.0	5.4	5.4	5.4	5.4	5.4	5.4	
Volume of exports of goods and services	% change	9.5	-2.9	16.8	9.4	9.7	8.5	5.7	4.2	
General government gross debt	% of GDP	118.5	123.2	111.4	105.2	99.6	92.7	87.7	82.0	
Current account balance	% of GDP	-8.9	-14.3	-18.4	-16.9	-14.4	-13.2	-14.1	-13.6	

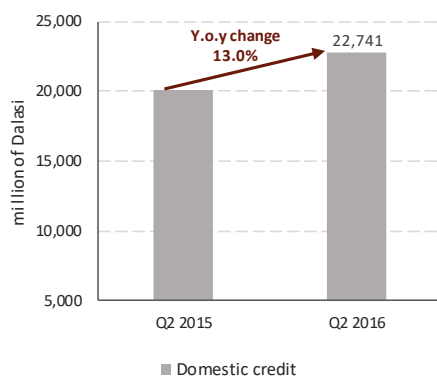
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## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a.	n.a.	n.a.	n.a.

## BANKING INDICATORS

### Domestic credit



### Performance ratios

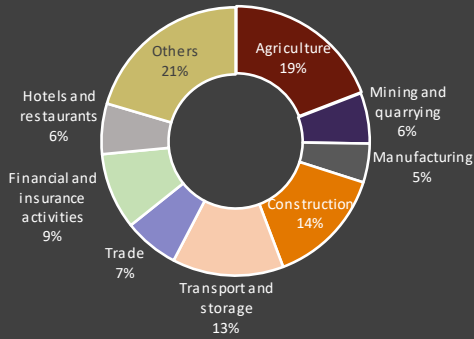
	Dec-16	Jun-17
Return on Assets (%)	0.7	1.0
Return on Equity (%)	4.2	7.0
Regulatory capital to Risk-Weighted Assets (%)	39.8	35.8
Non-performing Loans to Total Loans (%)	9.3	9.4
Liquid Assets Ratio (%)	101.3	96.5

## GLOBAL RANKINGS\*

Global Competitiveness Index 2017-2018	111	137
Index of Economic Freedom 2018	122	180
World Bank Doing Business Survey 2018	120	190

\* The relative position of Ghana is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement signed in March 2017 awaiting ratification and Investment Promotion and Protection Agreement signed in May 2000 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Switzerland, India, UAE, China and Vietnam

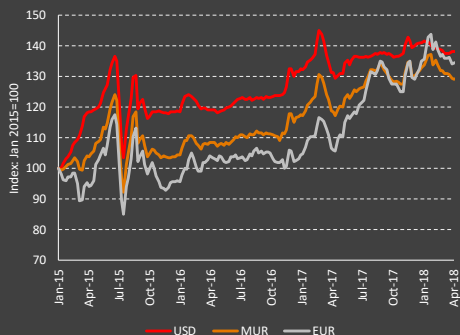
Top 5 import partners: China, UK, USA, Belgium and India

Main exports: oil, gold, cocoa, timber, tuna, bauxite, aluminum, manganese ore, diamonds, horticultural products

Main imports: capital equipment, refined petroleum, foodstuffs

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF GHANAIAN CEDI



Note: An increase/decrease in the index represents a depreciation/appreciation of the Cedi vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 4.43 GHS

# GHANA



Surface area: 238,540 sq km

Capital: Accra

Population: 28.21 million

Currency: Ghanaian Cedi (GHS)

Time Zone: UTC + 00:00

Government type: Presidential Republic

President: Nana Addo Dankwa Akufo-Addoo

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.7	8.4	6.3	7.6	5.5	5.1	3.2	5.1	
GDP at current prices	USD bn	42.8	47.0	51.6	56.7	60.5	64.7	69.0	74.1	
GDP per capita	USD	1,551.7	1,663.2	1,779.9	1,907.2	1,983.2	2,068.4	2,150.5	2,253.5	
Total investment	% of GDP	14.5	13.6	14.2	15.3	16.2	17.4	17.3	17.4	
Gross national savings	% of GDP	7.8	9.1	10.1	11.3	12.5	12.8	12.8	13.3	
Inflation, average consumer prices	% change	17.5	12.4	8.7	8.0	8.0	7.0	6.0	6.0	
Overall fiscal balance	% of GDP	-8.9	-5.0	-5.0	-3.6	-3.5	-3.8	-3.7	-0.1	
Volume of imports of goods and services	% change	-2.9	8.7	4.9	5.8	5.5	6.7	6.2	6.8	
Volume of exports of goods and services	% change	5.8	31.0	-0.7	7.0	4.7	2.1	-6.9	1.7	
General government gross debt	% of GDP	73.4	71.8	69.1	65.9	63.6	61.8	60.3	54.8	
Current account balance	% of GDP	-6.7	-4.5	-4.1	-4.0	-3.7	-4.6	-4.5	-4.1	

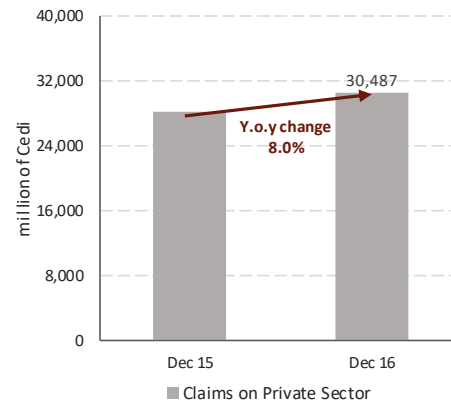
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B3 Stable (Feb-18)	B Stable (Sep-17)	B- Positive (Mar-18)	B (Mar-18)	B (Jan-18)

## BANKING INDICATORS

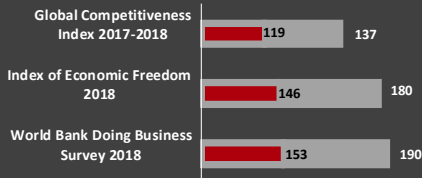
### Claims on private sector



### Performance ratios

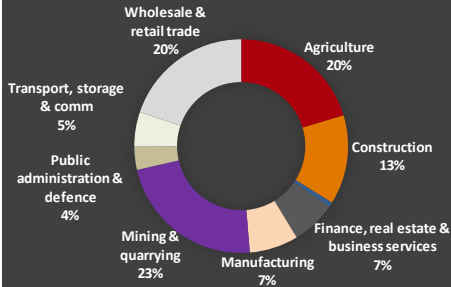
	Sep-16	Sep-17
Return on Assets (%)	4.8	2.6
Return on Equity (%)	31.2	11.2
Regulatory capital to Risk-Weighted Assets (%)	17.0	14.5
Non-performing Loans to Total Loans (%)	19.1	22.2
Liquid Assets Ratio (%)	49.2	53.2

## GLOBAL RANKINGS\*



\* The relative position of Guinea is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## BILATERAL AGREEMENT WITH MAURITIUS

Investment Promotion and Protection Agreement signed in May 2001 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: UAE, Ghana, India, Switzerland and France

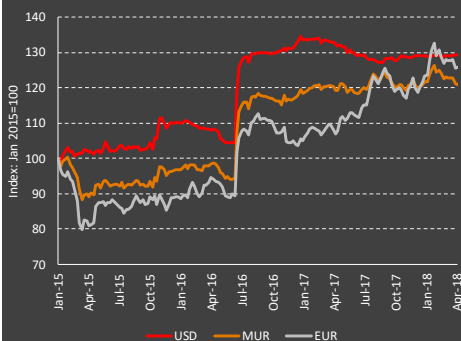
Top 5 import partners: China, UAE, Netherlands, India, and France

Main exports: bauxite, gold, diamonds, coffee, fish, agricultural products

Main imports: petroleum products, metals, machinery, transport equipment, textiles, grain and other foodstuffs

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF GUINEA FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 8,975.03 GNF

# GUINEA



Surface area: 245,860 sq km

Capital: Conakry

Population: 12.4 million

Currency: Guinean franc (GNF)

Time Zone: UTC + 00:00

Government type: Presidential Republic

President: Alpha Condé

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	6.6	6.7	5.8	5.9	6.0	6.0	5.2	5.0	
GDP at current prices	USD bn	8.5	9.7	10.9	11.7	12.6	13.6	14.6	15.6	
GDP per capita	USD	669.9	749.5	816.5	858.5	902.9	949.2	992.7	1,037.4	
Total investment	% of GDP	25.2	22.3	17.9	13.8	20.3	18.2	16.3	14.7	
Gross national savings	% of GDP	-6.7	-0.7	-1.2	3.8	3.9	4.1	4.0	4.1	
Inflation, average consumer prices	% change	8.2	8.9	8.2	8.0	8.0	7.9	7.8	7.8	
Overall fiscal balance	% of GDP	-0.2	-0.3	-2.1	-2.0	-1.7	-1.6	-1.9	-2.0	
Volume of imports of goods and services	% change	96.7	-2.7	0.5	-7.6	22.6	0.4	1.9	1.2	
Volume of exports of goods and services	% change	50.8	23.9	7.2	10.3	2.5	7.3	2.8	3.0	
General government gross debt	% of GDP	42.9	39.7	43.7	44.7	44.3	42.4	41.2	40.0	
Current account balance	% of GDP	-31.9	-23.0	-19.1	-10.0	-16.4	-14.1	-12.3	-10.6	

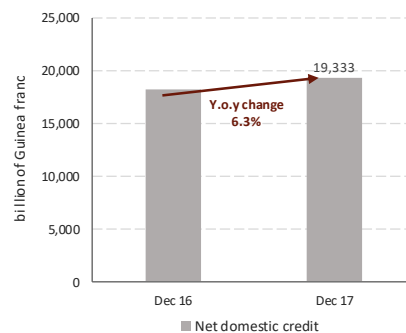
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a	n.a	n.a	C (Jan-18)

## BANKING INDICATORS

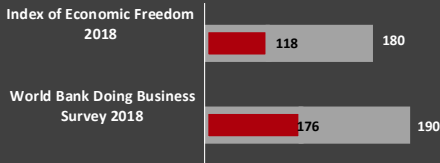
### Net domestic credit



### Performance ratios

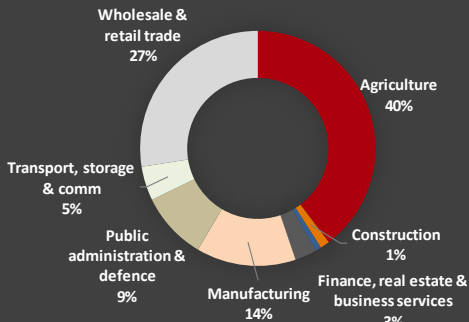
	Dec-16	Dec-17
Return on Assets (%)	2.1	2.0
Return on Equity (%)	18.8	16.7
Regulatory capital to Risk-Weighted Assets (%)	17.9	16.8
Non-performing Loans to Total Loans (%)	9.4	10.7
Liquid Assets Ratio (%)	28.9	26.8

## GLOBAL RANKINGS\*



\* The relative position of Guinea-Bissau is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** India, Belarus, Côte d'Ivoire, Ghana and UAE

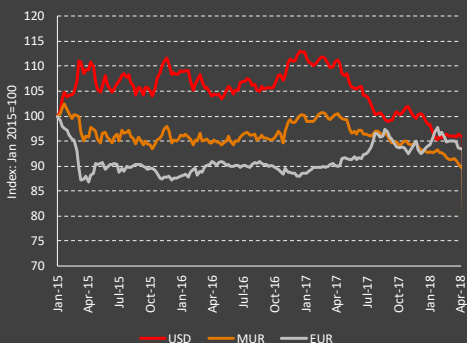
**Top 5 import partners:** Portugal, Gambia, Senegal, India and China

**Main exports:** fish, shrimp; cashews, peanuts, palm kernels, raw and sawn lumber

**Main imports:** foodstuffs, machinery and transport equipment, petroleum products

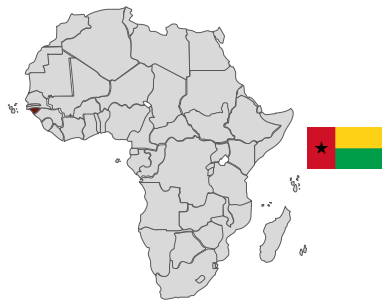
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN CFA FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# GUINEA-BISSAU



Surface area: 36,130 sq km

Capital: Bissau

Population: 1.8 million

Currency: West African franc (XOF)

Time Zone: UTC + 00:00

Government type: Semi-Presidential Republic

President: Jose Mario Vaz

Official language: Portuguese

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	5.8	5.5	5.5	5.5	5.0	5.0	5.0	5.0	
GDP at current prices	USD bn	1.2	1.4	1.6	1.7	1.9	2.0	2.2	2.4	
GDP per capita	USD	700.1	794.1	910.4	972.9	1,035.8	1,097.7	1,163.4	1,232.7	
Total investment	% of GDP	8.0	8.8	11.6	11.8	12.2	12.5	12.6	12.7	
Gross national savings	% of GDP	9.3	8.9	8.4	9.2	9.8	10.2	10.8	11.0	
Inflation, average consumer prices	% change	1.5	1.1	2.0	2.2	2.3	2.5	2.6	3.0	
Overall fiscal balance	% of GDP	-4.7	-1.5	-2.2	-2.3	-2.1	-2.1	-2.1	-1.8	
Volume of imports of goods and services	% change	9.7	18.7	12.4	6.7	6.6	6.0	6.4	7.2	
Volume of exports of goods and services	% change	10.7	-8.6	7.7	3.9	5.2	5.1	6.7	6.1	
General government gross debt	% of GDP	48.8	42.0	40.1	37.6	35.9	35.3	34.8	34.0	
Current account balance	% of GDP	1.3	0.1	-3.3	-2.6	-2.3	-2.3	-1.8	-1.7	

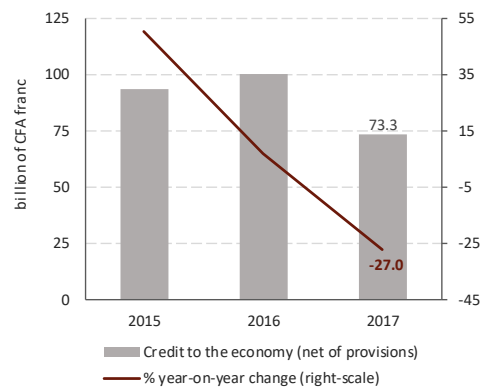
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a	n.a	n.a	n.a.

## BANKING INDICATORS

### Credit to the economy (net of provisions)

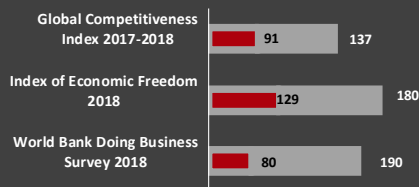


### Performance ratios

	Dec-16	Jun-17
Capital to Risk-Weighted Assets (%)	4.8	5.3
Non-performing Loans to Total Credit (gross) (%)	10.8	31.7
Liquid Assets to Total Assets (%)	33.2	35.9

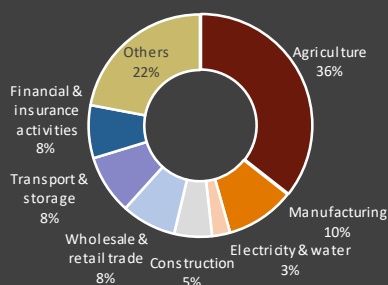


## GLOBAL RANKINGS\*



\* The relative position of Kenya is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), The Community of Sahel-Saharan States (CEN-SAD), Intergovernmental Authority on Development (IGAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement signed in May 2012 awaiting ratification and Investment Promotion and Protection Agreement signed in May 2000 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** USA, Netherlands, Uganda, Pakistan and UK

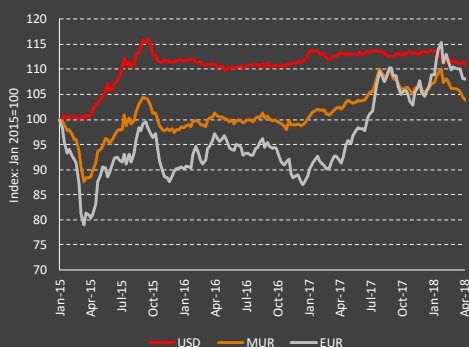
**Top 5 import partners:** China, India, Japan, UAE, and South Africa

**Main exports:** tea, horticultural products, coffee, petroleum products, fish, cement, apparel

**Main imports:** machinery and transportation equipment, oil, petroleum products, motor vehicles, iron and steel, resins and plastics

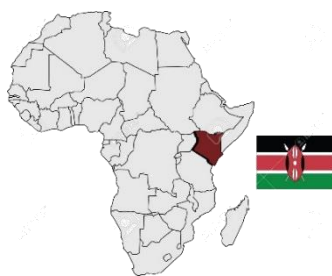
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF KENYAN SHILLING



Note: An increase/decrease in the index represents a depreciation/appreciation of the Kenya Shilling vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 99.38 KES

## KENYA



Surface area	580,370 sq km
Capital	Nairobi
Population	45,545,980
Currency	Kenyan Shilling
Time Zone	GMT + 03:00
Government type	Republic
President	Uhuru Kenyatta (Elected in 2013; next elections planned for 2017)
Official languages	English, Swahili

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	5.8	4.8	5.5	6.0	6.2	6.5	6.5	6.0	
GDP at current prices	USD bn	70.5	79.5	88.3	95.8	103.5	112.4	122.7	133.4	
GDP per capita	USD	1,551.7	1,701.6	1,837.7	1,940.8	2,039.8	2,157.1	2,292.8	2,427.9	
Total investment	% of GDP	14.9	17.0	18.1	19.1	20.0	20.1	19.9	19.8	
Gross national savings	% of GDP	9.8	10.6	12.0	13.5	14.7	14.7	14.3	14.6	
Inflation, average consumer prices	% change	6.3	8.0	4.8	5.0	5.0	5.0	5.0	5.0	
Overall fiscal balance	% of GDP	-8.3	-8.5	-7.5	-6.2	-5.3	-4.8	-4.4	-4.2	
Volume of imports of goods and services	% change	-4.7	8.8	3.2	8.2	9.1	9.1	8.2	6.6	
Volume of exports of goods and services	% change	0.6	9.5	15.9	9.5	9.0	8.2	8.0	7.9	
General government gross debt	% of GDP	53.5	55.6	58.1	56.9	54.6	52.8	52.0	51.0	
Current account balance	% of GDP	-5.2	-6.4	-6.2	-5.7	-5.3	-5.5	-5.5	-5.2	

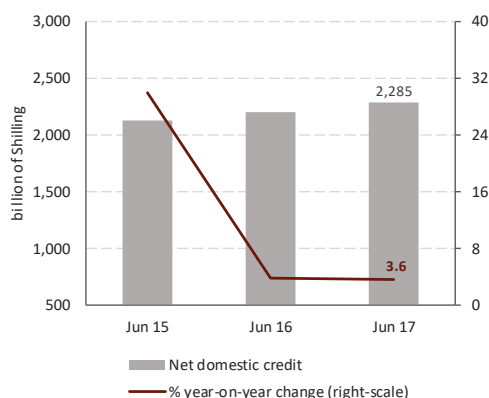
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Stable (Feb-18)	B+ Satble (Feb-18)	B+ Stable (Mar-18)	B (Feb-18)	A4 (Jan-18)

## BANKING INDICATORS

### Net domestic credit

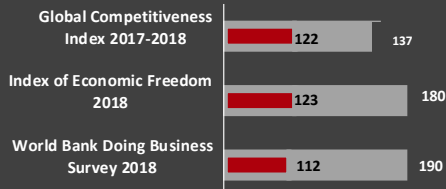


### Performance ratios

	Dec-16	Dec-17
Return on Assets (%)	3.8	3.2
Return on Equity (%)	24.8	21.4
Regulatory capital to Risk-Weighted Assets (%)	19.7	17.1
Non-performing Loans to Total Loans (%)	8.7	10.1
Liquid Assets Ratio (%)	32.0	33.7

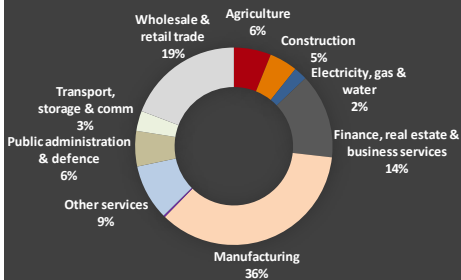


## GLOBAL RANKINGS\*



\* The relative position of eSwatini is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2014)



## MEMBERSHIP IN REGIONAL BLOCS

Southern African Development Community (SADC),  
Common Market for Eastern and Southern Africa (COMESA)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since November 1994 and Investment Promotion and Protection Agreement signed in May 2000 awaiting ratification

## TRADE STATISTICS (2016):

**Top 5 export partners:** South Africa, Nigeria, Kenya, Mozambique and Zimbabwe

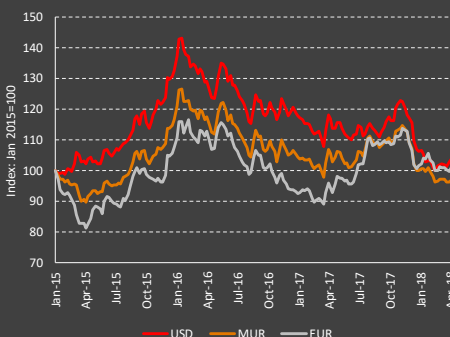
**Top 5 import partners:** South Africa, China, India, Singapore and Ireland

**Main exports:** soft drink concentrates, sugar, timber, cotton yarn, refrigerators, citrus, and canned fruit

**Main imports:** Motor vehicles, machinery, transport equipment, foodstuffs, petroleum products, chemicals

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF SWAZI LILANGENI



# Kingdom of eSwatini (Ex-Swaziland)



Surface area: 17,360 sq km

Capital: Mbabane

Population: 1.34 million

Currency: Swazi lilangeni (SZL)

Time Zone: UTC + 02:00

Government type: Absolute monarchy

President: King MSWATI III

Official languages: English, South African English and Swati

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	0.0	0.2	-0.9	0.2	1.4	1.9	2.2	2.2	
GDP at current prices	USD bn	3.8	4.5	4.6	4.6	4.8	4.9	5.1	5.2	
GDP per capita	USD	3,398.5	3,914.8	3,934.5	3,945.6	3,999.4	4,068.1	4,136.0	4,215.1	
Total investment	% of GDP	11.7	11.7	12.0	11.6	11.4	11.4	11.3	11.2	
Gross national savings	% of GDP	28.4	26.3	27.4	26.6	28.2	27.9	27.3	26.9	
Inflation, average consumer prices	% change	8.0	6.3	5.4	5.4	5.5	5.5	5.5	5.5	
Overall fiscal balance	% of GDP	-10.4	-7.9	-7.4	-6.0	-4.3	-4.8	-5.0	-5.3	
Volume of imports of goods and services	% change	7.1	-3.2	2.7	-1.2	2.6	5.8	6.2	-0.3	
Volume of exports of goods and services	% change	0.6	4.2	6.7	2.7	5.5	3.9	3.3	1.9	
General government gross debt	% of GDP	24.8	29.2	36.2	41.0	42.2	44.7	47.3	50.0	
Current account balance	% of GDP	16.7	14.6	15.4	15.0	16.8	16.6	16.0	15.7	

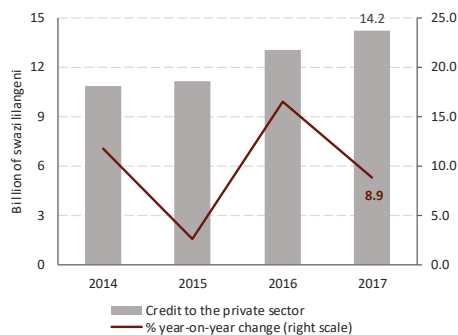
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fit ch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Negative (Oct-17)	n.a	n.a	n.a	n.a

## BANKING INDICATORS

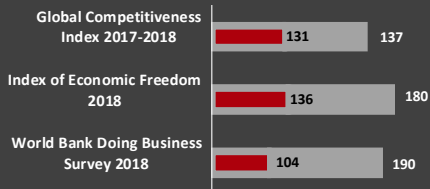
### Credit to the private sector



### Performance ratios

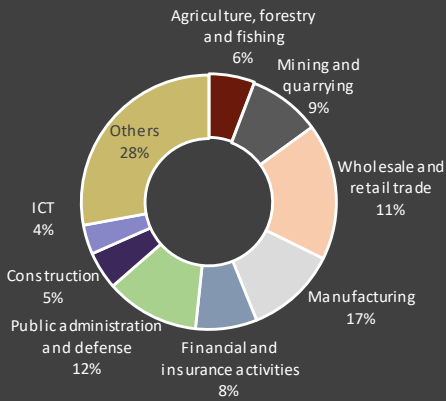
	Q1 2017	Q2 2017
Return on Assets (%)	2.9	3.2
Return on Equity (%)	18.5	21.1
Regulatory Capital to Risk-Weighted Assets (%)	23.5	23.5
Non-performing Loans to Total Gross Loans (%)	10.4	8.5
Liquid Assets to Total Assets (%)	8.2	8.4

## GLOBAL RANKINGS\*



\* The relative position of Lesotho is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Southern African Development Community (SADC)

## BILATERAL AGREEMENT WITH MAURITIUS

Double Taxation Avoidance Agreement in force since September 2004 and a new treaty is currently being renegotiated

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** USA, South Africa, Belgium, UAE and China

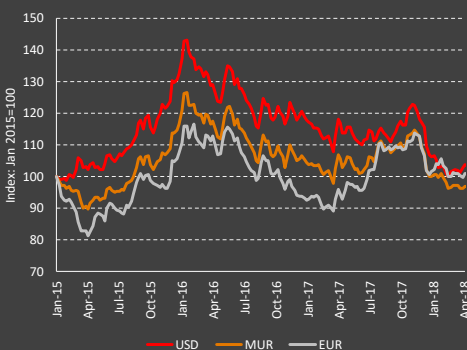
**Top 5 import partners:** South Africa, China, Taipei, India, and Hong Kong

**Main exports:** manufactures (clothing, footwear), wool and mohair, food and live animals, electricity, water, diamonds

**Main imports:** food; building materials, vehicles, machinery, medicines, petroleum products

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF LESOTHO LOTI



Note: An increase/decrease in the index represents a depreciation/appreciation of the Loti vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 12.02 LSL

# LESOTHO



Surface area: 30,360 sq km

Capital: Maseru

Population: 2.2 million

Currency: Lesotho Loti (LSL)

Time Zone: UTC + 02:00

Government type: Parliamentary Constitutional Monarchy

Chief of State: King Letsie III

Official languages: English and Sesotho

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.1	3.1	1.7	2.6	2.1	2.9	3.5	1.8	
GDP at current prices	USD bn	2.4	2.8	2.9	3.1	3.2	3.3	3.5	3.6	
GDP per capita	USD	1,262.0	1,425.3	1,499.1	1,558.3	1,611.5	1,666.7	1,732.3	1,773.9	
Total investment	% of GDP	27.9	32.3	37.1	35.4	33.0	35.4	39.1	41.1	
Gross national savings	% of GDP	20.5	25.4	25.0	23.3	28.4	28.3	27.9	27.4	
Inflation, average consumer prices	% change	6.2	5.6	5.5	5.5	5.0	5.0	5.0	5.0	
Overall fiscal balance	% of GDP	-6.3	-6.5	-5.3	-4.9	0.4	0.3	0.4	0.6	
Volume of imports of goods and services	% change	8.2	4.8	4.7	4.7	4.7	4.7	4.8	4.8	
Volume of exports of goods and services	% change	13.7	5.8	5.9	5.9	5.8	5.8	5.8	5.7	
General government gross debt	% of GDP	35.4	34.7	39.5	41.7	42.5	42.0	41.2	40.5	
Current account balance	% of GDP	-7.4	-6.9	-12.2	-12.1	-4.6	-7.1	-11.2	-13.8	

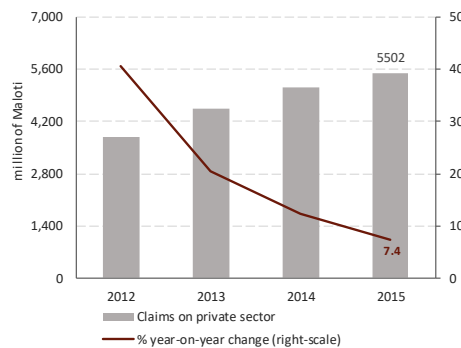
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	B+ Stable (Oct 17)	n.a.	n.a.	n.a.

## BANKING INDICATORS

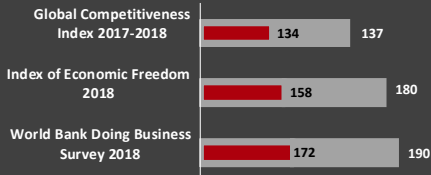
### Claims on private sector



### Performance ratios

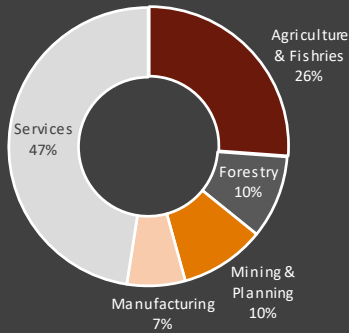
	Sep-16	Sep-17
Return on Assets (%)	4.0	3.3
Return on Equity (%)	45.7	25.3
Regulatory capital to Risk-Weighted Assets (%)	17.5	12.0
Non-performing Loans to Total Loans (%)	3.7	3.9
Liquid Assets Ratio (%)	33.8	36.5

## GLOBAL RANKINGS\*



\* The relative position of Liberia is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** Germany, Switzerland, USA, Indonesia, and India

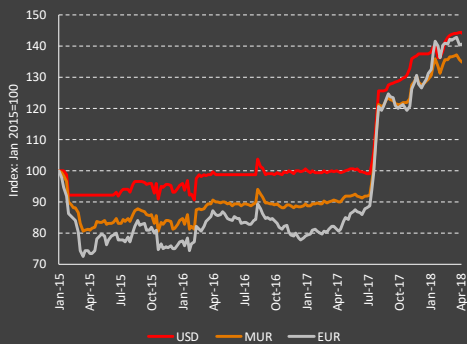
**Top 5 import partners:** Singapore, China, Korea, Japan, and India

**Main exports:** rubber, timber, iron, diamonds, cocoa, coffee

**Main imports:** fuels, chemicals, machinery, transportation equipment, manufactured goods, foodstuffs

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF LIBERIA DOLLAR



Note: An increase/decrease in the index represents a depreciation/appreciation of the dollar vis-à-vis respective currencies. As 16 Apr 18, 1 USD = 130.52 LRD

# LIBERIA



Surface area: 111,370 sq km

Capital: Monrovia

Population: 4.6 million

Currency: Liberia dollar (LRD)

Time Zone: UTC + 00:00

Government type: Presidential Republic

President: George Weah

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-1.6	2.5	3.2	4.7	4.8	5.3	5.2	5.3	
GDP at current prices	USD bn	3.3	3.3	3.3	3.5	3.8	4.0	4.4	4.8	
GDP per capita	USD	745.1	729.3	722.3	748.2	786.1	816.1	874.2	925.1	
Inflation, average consumer prices	% change	8.8	12.4	11.7	10.5	9.5	8.5	7.5	6.3	
Overall fiscal balance	% of GDP	-3.7	-4.5	-4.1	-4.0	-3.9	-3.9	-3.5	-2.7	
Volume of imports of goods and services	% change	-15.9	-15.1	-2.5	-5.3	3.0	2.6	4.0	2.7	
Volume of exports of goods and services	% change	-8.8	-8.8	-1.8	-0.9	4.8	5.2	4.2	3.0	
General government gross debt	% of GDP	28.3	34.4	38.7	39.1	40.1	41.7	42.1	42.3	
Current account balance	% of GDP	-18.5	-22.4	-22.5	-22.4	-22.5	-22.0	-20.7	-19.9	

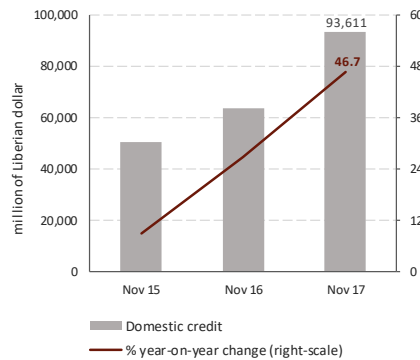
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a	n.a	n.a	D (Jan 18)

## BANKING INDICATORS

### Domestic credit

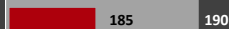


### Performance ratios

	Mar-17	Jun-17
Return on Assets (%)	0.3	0.2
Return on Equity (%)	1.6	0.9
Liquid Assets to Deposits and Designated Liabilities (%)	31.1	27.0
Non-performing Loans to Total Loans (%)	15.8	14.0
Regulatory Capital to Risk-Weighted Assets (%)	17.4	17.9

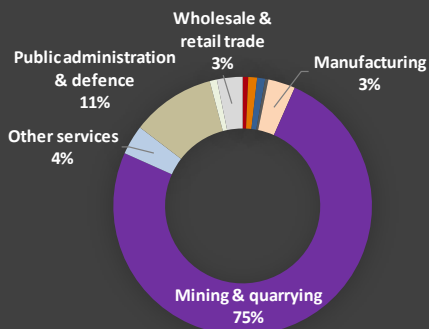
## GLOBAL RANKINGS\*

World Bank Doing Business Survey 2018



\* The relative position of Libya is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2014)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), The Community of Sahel-Saharan States (CEN-SAD), Arab Maghreb Union (UMA)

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: UAE, Italy, Spain, Germany and France

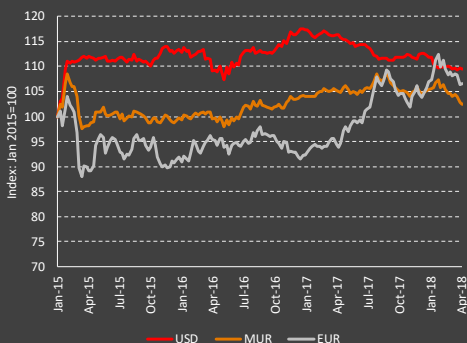
Top 5 import partners: Italy, China, Turkey, Korea and UAE

Main exports: crude oil, refined petroleum products, natural gas, chemicals

Main imports: machinery, semi-finished goods, food, transport equipment, consumer products

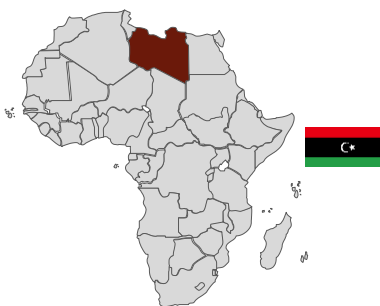
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF LIBYAN DINAR



Note: An increase/decrease in the index represents a depreciation/appreciation of the dinar vis-à-vis respective currencies. As 16 Apr 18, 1 USD = 1.32 LYD

# LIBYA



Surface area: 1,759,540 sq km

Capital: Tripoli

Population: 6.3 million

Currency: Libyan dinar (LYD)

Time Zone: UTC + 02:00

Government type: In transition

Prime Minister: Fayiz Al-SARAJ

Official language: Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-7.4	70.8	16.4	1.4	1.4	1.4	1.5	1.5	
GDP at current prices	USD bn	18.5	31.3	43.6	46.9	50.1	54.2	58.9	65.1	
GDP per capita	USD	2,903.7	4,858.7	6,699.9	7,133.4	7,540.3	8,084.6	8,698.3	9,512.9	
Total investment	% of GDP	68.9	39.7	34.2	33.6	32.8	31.8	30.4	28.7	
Inflation, average consumer prices	% change	25.9	28.0	24.3	14.4	10.0	10.0	9.0	9.0	
Overall fiscal balance	% of GDP	-113.3	-43.2	-39.3	-35.5	-38.0	-40.0	-42.0	-42.6	
Volume of imports of goods and services	% change	-42.9	19.2	64.9	-2.7	-1.8	0.1	3.6	-8.3	
Volume of exports of goods and services	% change	0.7	83.5	26.4	-12.9	-9.0	-4.9	-0.9	2.6	
Current account balance	% of GDP	-24.7	2.2	-10.7	-10.9	-10.7	-10.4	-11.1	-6.0	

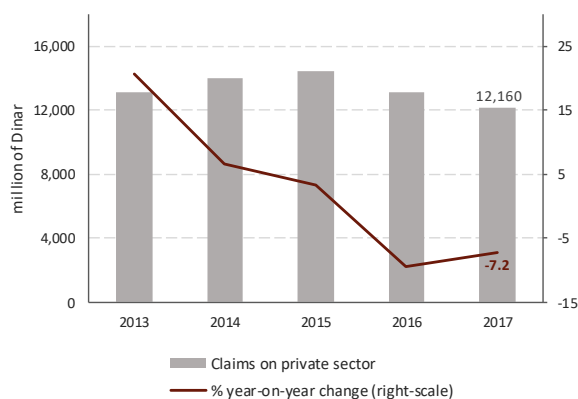
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a.	n.a.	CC (Mar-18)	E (Jan 18)

## BANKING INDICATORS

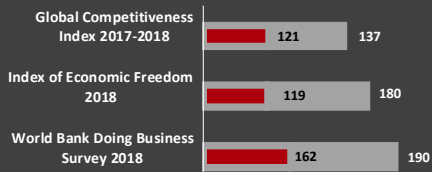
### Claims on private sector



### Performance ratio

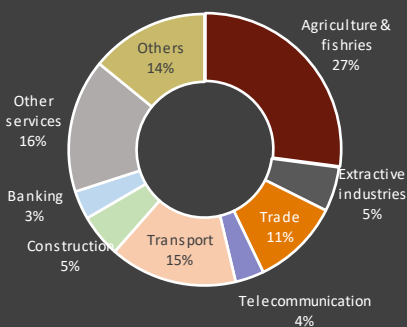
	2016	Q3 2017
Capital adequacy ratio (%)	13.4	14.3

## GLOBAL RANKINGS\*



\* The relative position of Madagascar is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since December 1995 and Investment Promotion and Protection Agreement in force since December 2015

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** France, USA, Germany, China and Netherlands

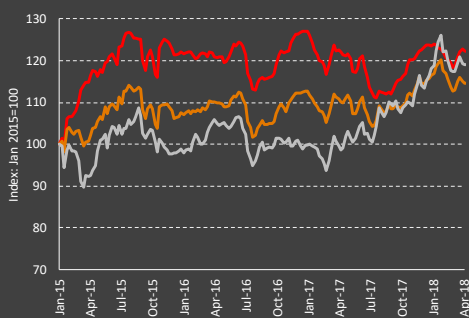
**Top 5 import partners:** China, UAE, India, France, and South Africa

**Main exports:** coffee, vanilla, shellfish, sugar, cotton cloth, clothing, chromite, petroleum products, gems, ilmenite, cobalt, nickel

**Main imports:** capital goods, petroleum, consumer goods, food

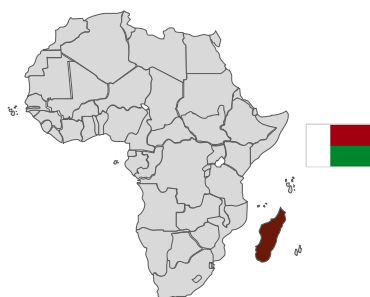
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF MALAGASY ARIARY



Note: An increase/decrease in the index represents a depreciation/appreciation of the ariary vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 3,173.75 MGA

# MADAGASCAR



Surface area: 587,295 sq km

Capital: Antananarivo

Population: 24.9 million

Currency: Malagasy ariary (MGA)

Time Zone: UTC + 03:00

Government type: Semi-Presidential Republic

President: Hery Martial Rajaonarimampianina Rakotoarimana

Official language: French and Malagasy

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.2	4.1	5.1	5.6	5.4	5.2	5.0	5.1	
GDP at current prices	USD bn	10.0	11.5	12.6	13.6	14.6	15.7	16.7	17.8	
GDP per capita	USD	401.4	447.6	479.0	501.2	525.4	548.0	568.9	590.2	
Total investment	% of GDP	15.3	15.9	17.4	19.8	19.6	19.3	18.8	16.8	
Gross national savings	% of GDP	15.8	12.5	13.4	15.0	14.9	14.5	14.0	13.9	
Inflation, average consumer prices	% change	6.7	8.1	7.8	6.8	6.1	5.5	5.2	5.0	
Overall fiscal balance	% of GDP	-1.3	-3.5	-3.0	-5.1	-5.4	-4.7	-4.0	-2.2	
Volume of imports of goods and services	% change	28.1	-4.9	5.1	8.6	7.0	6.8	6.1	3.4	
Volume of exports of goods and services	% change	7.9	-11.3	2.3	11.7	8.8	8.9	7.5	8.0	
General government gross debt	% of GDP	38.4	37.3	37.2	38.0	37.8	37.2	36.5	34.9	
Current account balance	% of GDP	0.6	-3.4	-4.0	-4.8	-4.7	-4.8	-4.8	-4.8	

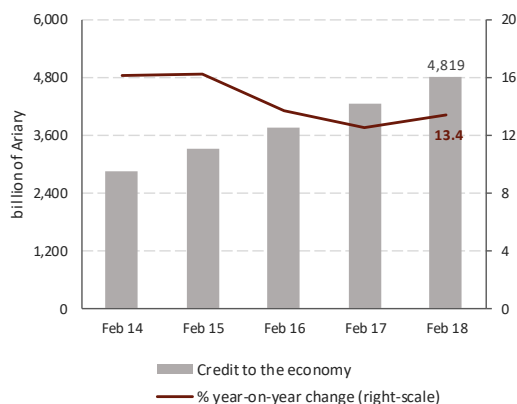
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a	n.a	n.a	D (Jan 18)

## BANKING INDICATORS

### Credit to the economy



### Performance ratios

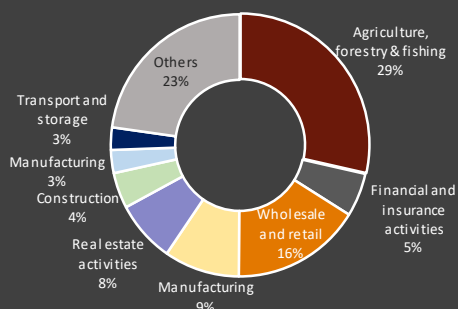
	Dec-16	Dec-17
Return on Assets (%)	3.9	4.4
Return on Equity (%)	35.9	41.9
Regulatory capital to Risk-Weighted Assets (%)	13.6	n.a.
Non-performing Loans to Total Loans (%)	8.4	7.3
Liquid Assets Ratio (%)	37.3	36.8

## GLOBAL RANKINGS\*

Global Competitiveness Index 2017-2018	132	137
Index of Economic Freedom 2018	148	180
World Bank Doing Business Survey 2018	110	190

\* The relative position of Malawi is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)

## BILATERAL AGREEMENT WITH MAURITIUS

Double Taxation Avoidance Agreement currently awaiting signature

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Belgium, Germany, UAE, USA and Russia

Top 5 import partners: South Africa, China, India, Zambia and USA

Main exports: tobacco, dried legumes, sugar, tea, cotton, peanuts, coffee, soy

Main imports: food, petroleum products, semi-manufactures, consumer goods, transportation equipment

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF MALAWIAN KWACHA



Note: An increase/decrease in the index represents a depreciation/appreciation of the kwacha vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 715.28 MWK

# MALAWI



Surface area: 118,480 sq km  
 Capital: Lilongwe  
 Population: 18.1 million  
 Currency: Malawian kwacha (MWK)  
 Time Zone: UTC + 02:00  
 Government type: Presidential Republic  
 President: Arthur Peter Mutharika  
 Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	2.3	4.0	3.5	4.5	5.0	5.5	6.0	6.5	
GDP at current prices	USD bn	5.5	6.2	6.7	7.0	7.4	7.9	8.4	9.1	
GDP per capita	USD	293.9	323.7	342.1	346.2	356.0	367.6	382.3	400.4	
Total investment	% of GDP	10.8	13.7	13.4	12.9	13.0	13.1	13.5	13.5	
Gross national savings	% of GDP	-2.8	3.7	4.4	4.8	5.1	5.4	5.8	5.9	
Inflation, average consumer prices	% change	21.7	11.5	10.4	7.6	6.9	5.9	5.2	5.0	
Overall fiscal balance	% of GDP	-7.3	-6.8	-2.8	-3.7	-1.6	-1.4	-1.2	-0.8	
Volume of imports of goods and services	% change	5.1	-1.7	4.9	0.2	5.8	5.5	6.7	7.2	
Volume of exports of goods and services	% change	-1.3	14.3	7.7	6.0	6.9	7.2	7.4	8.1	
General government gross debt	% of GDP	60.3	59.3	57.8	57.6	55.7	53.3	50.9	48.3	
Current account balance	% of GDP	-13.6	-10.0	-8.9	-8.1	-7.9	-7.7	-7.7	-7.6	

(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a.	n.a.	B (Mar 18)	D (Jan 18)

## BANKING INDICATORS

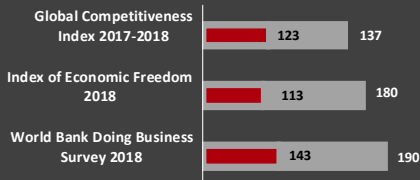
### Private sector credit



### Performance ratios

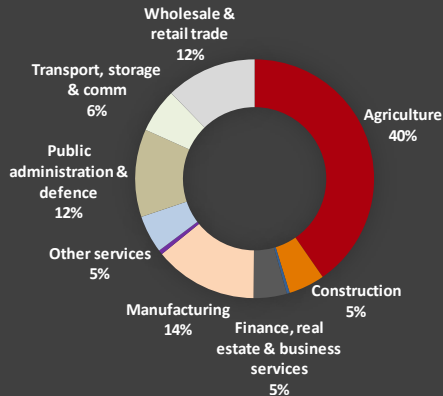
	Jun-16	Jun-17
Return on Assets (%)	6.2	5.4
Return on Equity (%)	35.8	31.7
Regulatory capital to Risk-Weighted Assets (%)	18.1	20.8
Non-performing Loans to Total Loans (%)	8.0	10.6
Liquid Assets Ratio (%)	48.4	51.1

## GLOBAL RANKINGS\*



\* The relative position of Mali is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## BILATERAL AGREEMENT WITH MAURITIUS

Double Taxation Avoidance Agreement currently being negotiated

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** South Africa, Switzerland, UAE, Côte d'Ivoire and Burkina Faso

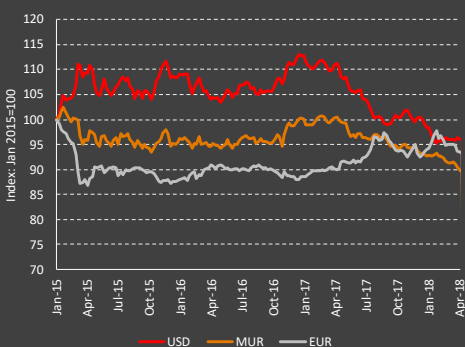
**Top 5 import partners:** Senegal, China, Côte d'Ivoire, France and Germany

**Main exports:** cotton, gold, livestock

**Main imports:** petroleum, machinery and equipment, construction materials, foodstuffs, textiles

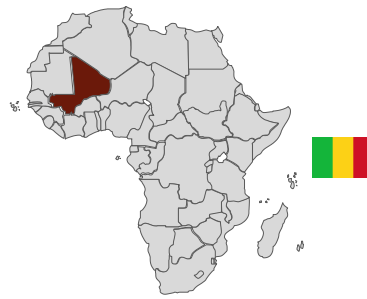
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN CFA FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# MALI



Surface area: 1,240,190 sq km

Capital: Bamako

Population: 18.0 million

Currency: West African franc (XOF)

Time Zone: UTC + 00:00

Government type: Semi-Presidential Republic

President: Ibrahim Boubacar Keita

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	5.8	5.3	5.0	4.7	4.7	4.7	4.7	4.7	
GDP at current prices	USD bn	14.0	15.3	17.9	19.2	20.7	22.3	23.8	25.5	
GDP per capita	USD	767.6	810.8	917.5	954.7	995.3	1,036.2	1,071.6	1,110.1	
Total investment	% of GDP	18.6	18.9	19.6	19.5	19.8	20.2	20.4	20.5	
Gross national savings	% of GDP	11.4	12.7	12.7	13.1	13.6	14.1	14.0	14.1	
Inflation, average consumer prices	% change	-1.8	1.8	1.4	1.7	1.9	2.1	2.2	2.2	
Overall fiscal balance	% of GDP	-3.9	-2.9	-3.3	-3.0	-3.0	-3.0	-3.0	-3.0	
Volume of imports of goods and services	% change	15.9	1.9	4.6	5.9	5.5	5.2	3.5	-9.3	
Volume of exports of goods and services	% change	-3.7	4.7	5.3	3.0	4.2	4.2	5.0	5.8	
General government gross debt	% of GDP	35.9	35.6	35.9	36.6	37.7	38.7	39.9	40.6	
Current account balance	% of GDP	-7.2	-6.2	-6.9	-6.4	-6.2	-6.1	-6.3	-6.4	

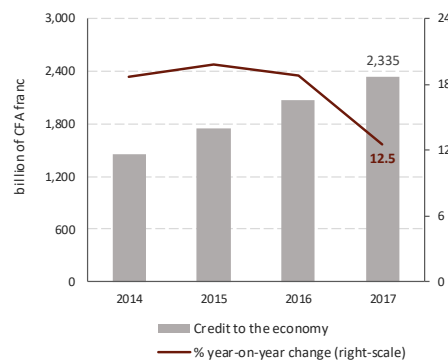
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a.	D (Jan 18)

## BANKING INDICATORS

### Credit to the economy

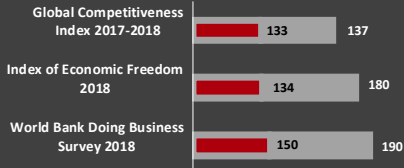


### Performance ratios

	Dec-15	Dec-16
Return on Assets (%)	1.6	1.4
Return on Equity (%)	21.5	19.8
Liquid Assets to Total Assets (%)	51.7	50.0
Non-performing Loans to Total Loans (%)	14.5	15.4
Capital to Risk-Weighted Assets (%)	14.8	14.7

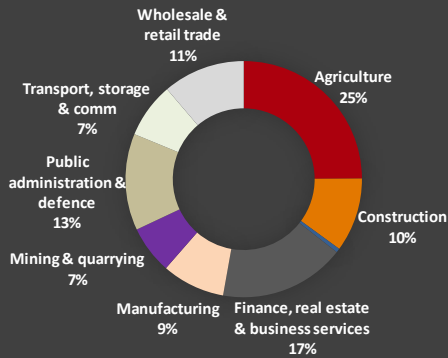


## GLOBAL RANKINGS\*



\* The relative position of Mauritania is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD), Arab Maghreb Union (UMA)

## BILATERAL AGREEMENT WITH MAURITIUS

Investment Promotion and Protection Agreement signed in May 2001 awaiting ratification

## TRADE STATISTICS (2017)<sup>1</sup>

Top 5 export partners: China, Switzerland, Spain, Japan, and Italy

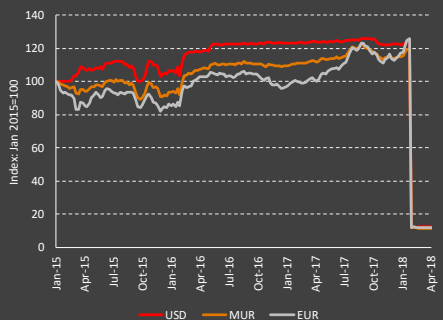
Top 5 import partners: Korea, UAE, Norway, Belgium, and Netherlands

Main exports: iron ore, fish and fish products, livestock, gold, copper, crude oil

Main imports: machinery and equipment, petroleum products, capital goods, foodstuffs, consumer goods

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF MAURITANIAN OUGUIYA



Note: An increase/decrease in the index represents a depreciation/appreciation of the Ouguiya vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 35.29 MRO

# MAURITANIA



Surface area: 1,030,700 sq km

Capital: Nouakchott

Population: 4.3 million

Currency: Mauritanian ouguiya (MRO)

Time Zone: UTC + 00:00

Government type: Presidential Republic

President: Mohamed Ould Abdel Aziz

Official language: Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	1.6	3.2	2.7	4.5	7.5	7.2	5.9	5.3	
GDP at current prices	USD bn	4.8	5.1	5.4	5.5	5.9	6.4	6.9	7.5	
GDP per capita	USD	1,253.4	1,317.9	1,369.0	1,365.2	1,423.0	1,511.9	1,601.8	1,694.4	
Total investment	% of GDP	40.6	36.9	37.0	35.7	32.0	31.1	29.9	27.9	
Gross national savings	% of GDP	25.7	26.9	28.5	28.8	30.9	32.3	32.5	30.9	
Inflation, average consumer prices	% change	1.5	2.3	3.7	5.0	4.4	4.4	4.4	4.4	
Overall fiscal balance	% of GDP	-0.5	0.0	-0.2	0.0	0.3	0.5	0.7	0.5	
Volume of imports of goods and services	% change	14.4	2.6	4.0	3.1	5.4	5.5	5.0	5.2	
Volume of exports of goods and services	% change	-2.6	4.2	10.5	2.8	20.4	11.7	4.1	1.9	
General government gross debt	% of GDP	98.7	91.1	72.4	73.2	70.6	63.6	59.3	56.6	
Current account balance	% of GDP	-14.9	-10.0	-9.9	-8.4	-2.6	-0.4	1.1	1.4	

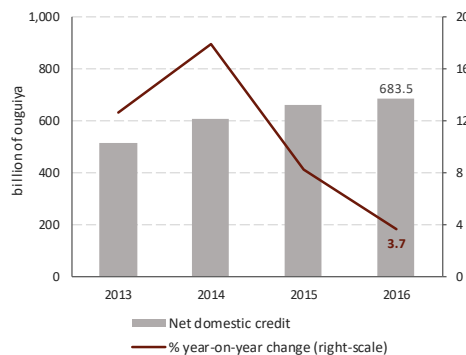
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a.	n.a.	n.a.	n.a.	D (Jan 18)

## BANKING INDICATORS

### Net domestic credit



### Performance ratios

	2015	2016
Return on Assets (%)	0.7	n.a.
Return on Equity (%) <sup>2</sup>	5.1	n.a.
Liquid Assets to Total Assets (%)	21.4	17.0
Gross Non-performing Loans to Gross Loans (%)	30.0	21.5
Capital Adequacy Ratio (%)	23.1	23.7

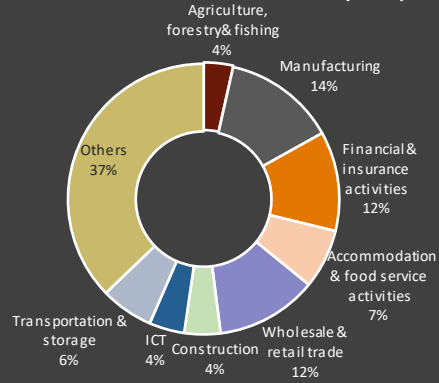


## GLOBAL RANKINGS\*

Global Competitiveness Index 2017-2018	45	137
Index of Economic Freedom 2018	21	180
World Bank Doing Business Survey 2018	25	190

\* The relative position of Mauritius is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** France, UK, USA, South Africa and Madagascar

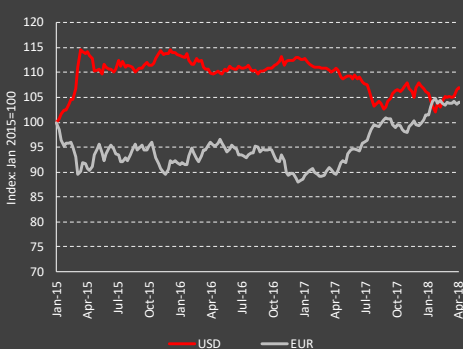
**Top 5 import partners:** China, India, France, South Africa and Germany

**Main exports:** clothing and textiles, sugar, cut flowers, molasses, fish, primates

**Main imports:** manufactured goods, capital equipment, foodstuffs, petroleum products, chemicals

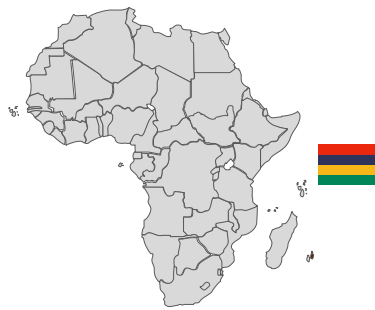
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF MAURITIAN RUPEE



Note: An increase/decrease in the index represents a depreciation/appreciation of the Mauritian rupee vis-à-vis respective currencies. As at 23 Apr 18, 1 USD = 33.1 MUR

# MAURITIUS



Surface area: 2,040 sq km

Capital: Port-Louis

Population: 1.3 million

Currency: Mauritian rupee (MUR)

Time Zone: UTC + 04:00

Government type: Parliamentary Republic

President: Acting President Paramaslyum Pillay Vyapoory

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.9	3.9	3.9	4.0	4.0	4.0	4.0	4.0	
GDP at current prices	USD bn	12.2	12.4	13.3	14.2	15.1	16.0	16.9	17.8	
GDP per capita	USD	9,613.5	9,794.1	10,437.1	11,114.4	11,777.8	12,438.9	13,064.2	13,721.3	
Total investment	% of GDP	20.4	20.5	20.6	20.7	20.8	21.0	21.1	21.3	
Gross national savings	% of GDP	16.3	13.5	12.3	11.0	13.1	16.5	18.1	18.2	
Inflation, average consumer prices	% change	1.0	3.7	5.1	4.5	4.4	4.0	3.8	3.7	
Overall fiscal balance	% of GDP	-3.6	-3.3	-3.4	-3.3	-3.3	-3.3	-3.2	-3.2	
Volume of imports of goods and services	% change	4.9	4.1	4.1	4.1	3.9	3.8	3.5	3.4	
Volume of exports of goods and services	% change	-1.3	-2.8	2.2	4.8	5.5	4.8	6.0	6.8	
General government gross debt	% of GDP	60.1	60.2	59.9	59.1	58.6	58.3	58.3	58.1	
Current account balance	% of GDP	-4.4	-6.0	-7.4	-8.7	-6.7	-3.4	-2.0	-2.1	

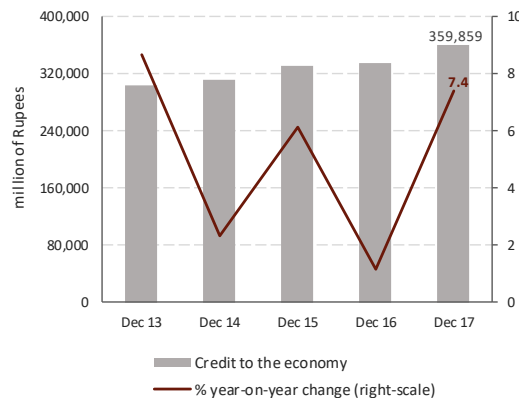
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Baa1 Stable (Mar 18)	n.a	n.a	BB (Feb 18)	A4 (Jan 18)

## BANKING INDICATORS (As at December 2017)

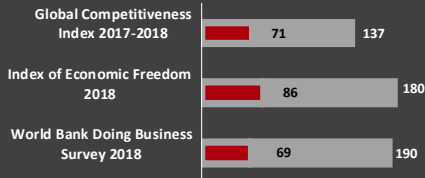
### Credit to the economy



### Performance ratios

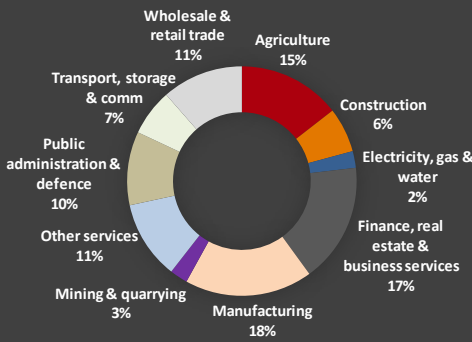
	Dec-16	Dec-17
Return on Assets (%)	1.4	n.a
Return on Equity (%)	13.8	n.a
Capital Adequacy Ratio	17.5	17.6
Non-performing Loans to Total Loans (%)	6.8	6.2
Liquid Assets Ratio (%)	28.7	n.a

## GLOBAL RANKINGS\*



\* The relative position of Morocco is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD), Arab Maghreb Union (UMA)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement signed in November 2015 awaiting ratification

## TRADE STATISTICS (2017):

**Top 5 export partners:** Spain, France, Italy, USA and Brazil

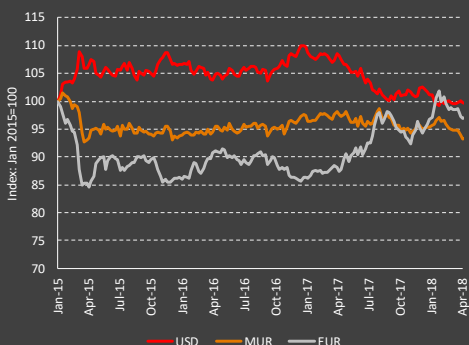
**Top 5 import partners:** Spain, France, China, USA, and Germany

**Main exports:** clothing and textiles, automobiles, electric components, inorganic chemicals, transistors, crude minerals, fertilizers (including phosphates), petroleum products, citrus fruits, vegetables, fish

**Main imports:** crude petroleum, textile fabric, telecommunications equipment, wheat, gas and electricity, transistors, plastics

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF MOROCCAN DIRHAM



Note: An increase/decrease in the index represents a depreciation/appreciation of the dirham vis-à-vis respective currencies. As at 29 Jan 18, 1 USD = 9.11 MAD

# MOROCCO



Surface area: 446,550 sq km

Capital: Rabat

Population: 35.3 million

Currency: Moroccan dirham (MAD)

Time Zone: UTC + 01:00

Government type: Parliamentary Constitutional Monarchy

Chief of State: King Mohammed VI

Official language: Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	1.2	4.2	3.1	4.0	4.2	4.5	4.6	4.6	
GDP at current prices	USD bn	103.6	109.8	121.0	129.0	137.8	147.1	157.2	167.9	
GDP per capita	USD	3,004.2	3,151.1	3,435.5	3,625.8	3,832.5	4,051.0	4,286.5	4,534.5	
Total investment	% of GDP	33.1	34.0	35.0	35.5	35.9	36.0	36.4	36.9	
Gross national savings	% of GDP	28.8	30.2	31.4	32.0	32.6	33.2	34.1	34.8	
Inflation, average consumer prices	% change	1.6	0.8	1.4	2.0	2.0	2.0	2.0	2.0	
Overall fiscal balance	% of GDP	-4.1	-3.6	-3.0	-2.8	-2.7	-2.4	-2.2	-2.1	
Volume of imports of goods and services	% change	12.3	6.0	2.9	4.5	4.3	3.9	4.3	4.2	
Volume of exports of goods and services	% change	6.1	10.0	4.6	5.0	4.9	2.8	5.4	4.9	
General government gross debt	% of GDP	64.7	64.4	64.1	62.4	61.5	60.0	58.4	57.3	
Current account balance	% of GDP	-4.4	-3.8	-3.6	-3.5	-3.2	-2.8	-2.3	-2.0	

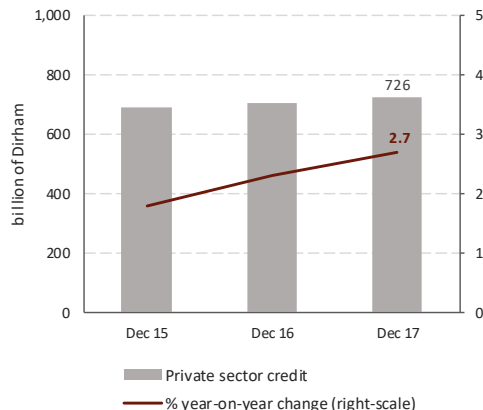
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Ba1 Positive (Feb 17)	BBB-Stable (Oct 17)	BBB-Stable (Oct 17)	BB (Dec 17)	A4 (Jan 18)

## BANKING INDICATORS

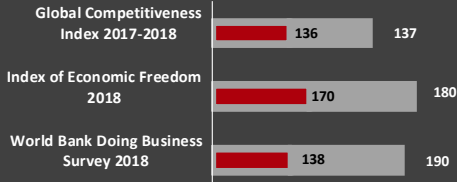
### Private sector credit



### Performance ratios

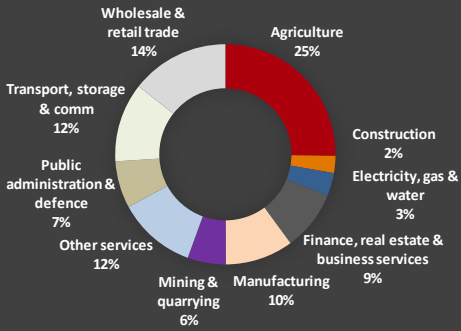
	Jun-16	Jun-17
Return on Assets (%)	1.1	1.1
Return on Equity (%)	11.7	11.2
Liquid Assets to Total Assets (%)	13.0	12.0
Non-performing Loans to Total Loans (%)	7.7	7.5
Regulatory Capital to Risk-Weighted Assets (%)	13.7	13.7

## GLOBAL RANKINGS\*



\* The relative position of Mozambique is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

Southern African Development Community (SADC)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since May 1999 and Investment Promotion and Protection Agreement in force since May 2003

## TRADE STATISTICS (2017)<sup>1</sup>

Top 5 export partners: India, South Africa, Netherlands, Italy, and China

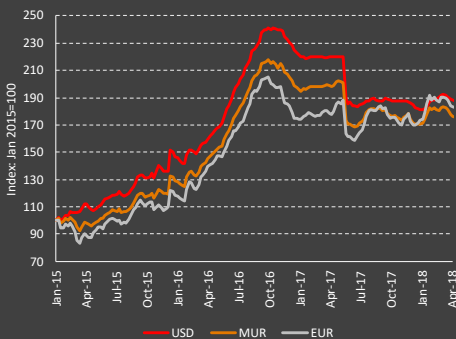
Top 5 import partners: South Africa, UAE, China, Netherlands, and India

Main exports: aluminum, prawns, cashews, cotton, sugar, citrus, timber; bulk electricity

Main imports: machinery and equipment, vehicles, fuel, chemicals, metal products, foodstuffs, textiles

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF MOZAMBICAN METICAL



Note: An increase/decrease in the index represents a depreciation/appreciation of the metical vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 59.99 MZN

# MOZAMBIQUE



Surface area: 799,380 sq km

Capital: Maputo

Population: 28.8 million

Currency: Guinean franc (GNF)

Time Zone: UTC + 02:00

Government type: Presidential Republic

President: Filipe Jacinto Nyusi

Official language: Portuguese

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.8	3.0	3.0	2.5	2.4	2.3	2.2	9.9	
GDP at current prices	USD bn	11.3	12.7	14.3	15.0	15.7	16.4	17.1	19.1	
GDP per capita	USD	392.1	429.3	472.0	482.0	490.7	498.6	505.8	551.2	
Total investment	% of GDP	42.7	44.0	54.7	86.3	106.7	138.4	162.8	158.7	
Gross national savings	% of GDP	3.4	27.9	37.8	41.7	40.1	47.4	46.5	41.0	
Inflation, average consumer prices	% change	19.2	15.3	6.7	5.7	5.5	5.5	5.5	5.5	
Overall fiscal balance	% of GDP	-6.2	-5.5	-7.5	-10.9	-9.9	-9.6	-10.6	-9.9	
Volume of imports of goods and services	% change	-19.4	-19.2	7.2	55.7	28.7	27.0	25.0	7.8	
Volume of exports of goods and services	% change	-4.6	16.4	12.9	6.3	-0.9	2.6	2.5	26.5	
General government gross debt	% of GDP	118.8	102.2	110.1	116.6	122.1	126.7	130.3	112.5	
Current account balance	% of GDP	-39.2	-16.1	-16.9	-44.6	-66.6	-91.0	-116.4	-117.7	

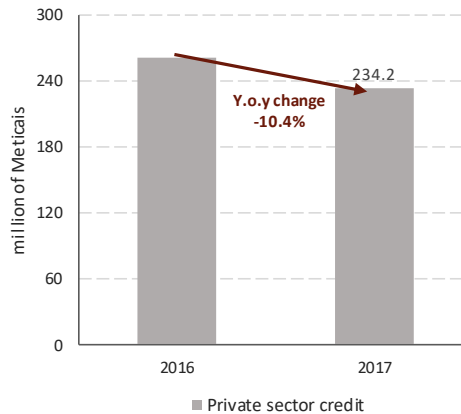
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Ca a3 Negative (Jul 16)	RD (Oct 17)	SD (Jan 17)	CCC (Feb 18)	E (Jan 18)

## BANKING INDICATORS

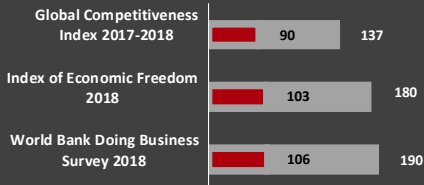
### Private sector credit



### Performance ratios

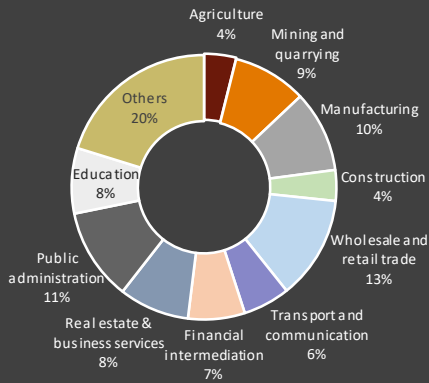
	Sep-16	Sep-17
Return on Assets (%)	1.1	2.5
Return on Equity (%)	12.8	35.7
Liquid Assets to Total Assets (%)	18.7	19.4
Non-performing Loans to Gross Loans (%)	5.8	11.4
Regulatory Capital to Risk-Weighted Assets (%)	5.3	20.2

## GLOBAL RANKINGS\*



\* The relative position of Namibia is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

Southern African Development Community (SADC)

## BILATERAL AGREEMENT WITH MAURITIUS

Double Taxation Avoidance Agreement in force since July 1996

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Switzerland, South Africa, Botswana, Zambia and Spain

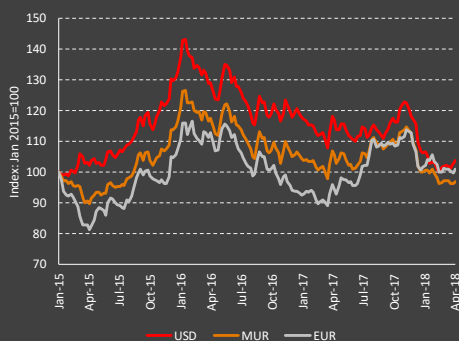
Top 5 import partners: South Africa, Botswana, Zambia, China and Norway

Main exports: diamonds, copper, gold, zinc, lead, uranium; cattle, white fish and mollusks

Main imports: foodstuffs; petroleum products and fuel, machinery and equipment, chemicals

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF NAMIBIAN DOLLAR



Note: An increase/decrease in the index represents a depreciation/appreciation of the dollar vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 12.02 NAD

# NAMIBIA



Surface area: 824,290 sq km

Capital: Windhoek

Population: 2.5 million

Currency: Namibian dollar (NAD)

Time Zone: UTC + 02:00

Government type: Presidential Republic

President: Hage Geingob

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	1.1	-1.2	1.2	3.3	3.8	3.5	3.5	3.5	
GDP at current prices	USD bn	10.9	12.7	13.3	14.1	14.9	15.8	16.6	17.5	
GDP per capita	USD	4,708.7	5,413.1	5,627.1	5,905.2	6,218.2	6,508.4	6,808.5	7,118.2	
Total investment	% of GDP	25.6	22.7	23.5	23.7	24.0	23.6	23.8	23.8	
Gross national savings	% of GDP	11.5	21.3	19.9	18.6	18.2	18.2	19.1	15.6	
Inflation, average consumer prices	% change	6.7	6.1	5.8	5.8	5.8	5.8	5.8	5.8	
Overall fiscal balance	% of GDP	-9.1	-6.1	-7.7	-9.5	-9.1	-8.8	-9.2	-10.1	
Volume of imports of goods and services	% change	-9.6	-7.9	10.4	6.9	8.4	3.0	2.2	12.0	
Volume of exports of goods and services	% change	16.3	10.1	9.9	7.3	5.9	3.7	3.5	3.7	
General government gross debt	% of GDP	44.8	46.1	52.4	58.5	63.1	67.1	71.1	74.7	
Current account balance	% of GDP	-14.1	-1.4	-3.6	-5.1	-5.7	-5.4	-4.8	-8.3	

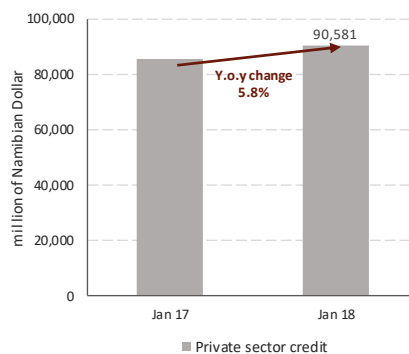
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Ba1 Negative (Aug 17)	BB+ Stable (Nov 17)	n.a.	BB (Mar 18)	B (Jan 18)

## BANKING INDICATORS

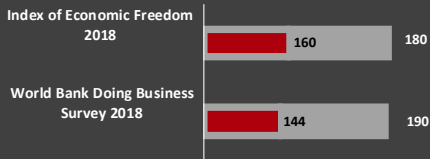
### Private sector credit



### Performance ratios

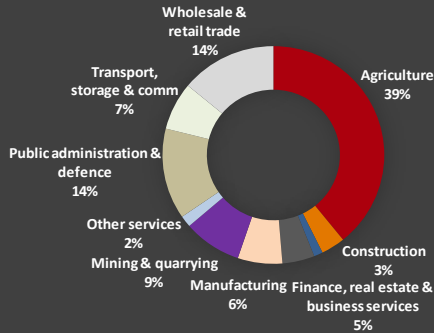
	Q4 2016	Q4 2017
Return on Assets (%)	3.5	3.2
Return on Equity (%)	32.6	29.9
Liquid Assets to Total Assets (%)	11.4	12.8
Non-performing Loans to Total Gross Loans (%)	1.5	2.5
Regulatory Capital to Risk-Weighted Assets (%)	15.1	15.5

## GLOBAL RANKINGS\*



\* The relative position of Niger is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** France, Thailand, Malaysia, Nigeria and Mali

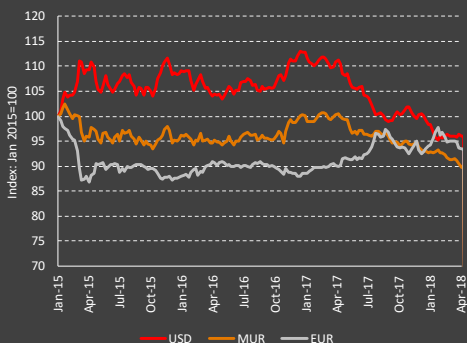
**Top 5 import partners:** France, China, USA, Nigeria and Thailand

**Main exports:** uranium ore, livestock, cowpeas, onions

**Main imports:** foodstuffs, machinery, vehicles and parts, petroleum, cereals

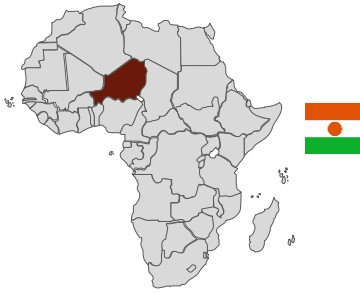
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# NIGER



Surface area: 1,267,000 sq km

Capital: Niamey

Population: 20.67 million

Currency: West African CFA franc (XOF)

Time Zone: UTC + 01:00

Government type: Semi-presidential republic

President: Mahamadou Issoufou

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	5.0	5.2	5.1	5.4	5.6	7.2	6.0	5.6	
GDP at current prices	USD bn	7.5	8.3	9.9	10.7	11.7	12.8	13.9	15.0	
GDP per capita	USD	414.0	440.0	510.3	537.5	567.3	604.1	637.8	666.1	
Total investment	% of GDP	37.0	36.6	38.3	38.9	40.0	33.7	33.8	33.9	
Gross national savings	% of GDP	21.6	23.4	22.2	22.2	22.0	21.9	21.9	21.9	
Inflation, average consumer prices	% change	0.2	2.4	3.9	2.0	2.0	2.0	2.0	2.0	
Overall fiscal balance	% of GDP	-6.1	-5.1	-6.1	-5.8	-4.2	-2.8	-2.8	-2.8	
Volume of imports of goods and services	% change	-9.4	7.2	11.1	8.8	7.5	1.3	5.6	5.1	
Volume of exports of goods and services	% change	-6.2	10.8	7.6	9.0	8.8	31.5	2.9	2.6	
General government gross debt	% of GDP	45.1	46.5	46.2	47.5	47.6	46.7	45.9	45.3	
Current account balance	% of GDP	-15.5	-13.2	-16.1	-16.7	-18.0	-11.9	-11.9	-12.0	

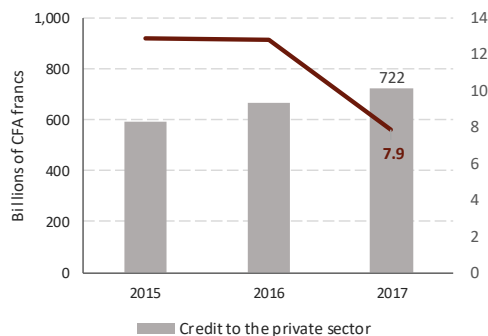
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	C (Jan-18)

## BANKING INDICATORS

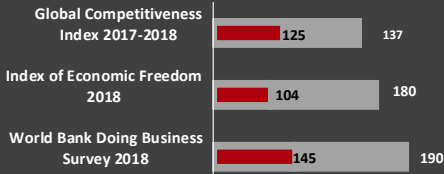
### Credit to the private sector



### Performance ratios

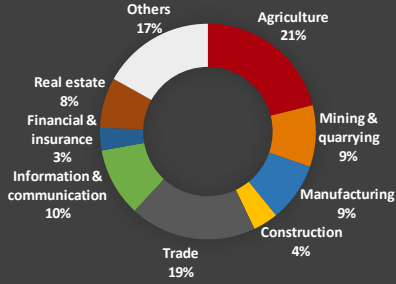
	Mar 2017	Jun 2017
Regulatory Capital to Risk-Weighted Assets (%)	14.9	14.3
Non-performing Loans to Total Gross Loans (%)	21.9	21.8

## GLOBAL RANKINGS\*



\* The relative position of Nigeria is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement signed in August 2012 awaiting ratification

## TRADE STATISTICS (2017)<sup>1</sup>

Top 5 export partners: India, USA, Spain, Netherlands and France

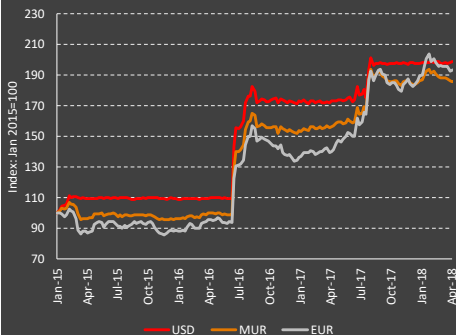
Top 5 import partners: China, Belgium, Netherlands, USA and India

Main exports: Petroleum and petroleum products, cocoa, rubber

Main imports: Machinery, chemicals, transport equipment, manufactured goods, food and live animals

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF NIGERIAN NAIRA



Note: An increase/decrease in the index represents a depreciation/appreciation of the Nigerian Naira vis-à-vis respective currencies. As at 16 Apr 18, 1 USD =358.40 NGN

# NIGERIA



Surface area: 923,770 sq km

Capital: Abuja

Population: 185.99 million

Currency: Nigerian naira (NGN)

Time Zone: UTC + 01:00

Government type: Federal presidential republic

President: Muhammadu Buhari

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-1.6	0.8	2.1	1.9	2.1	2.0	2.0	2.0	
GDP at current prices	USD bn	405.4	376.3	408.6	475.6	557.4	647.0	751.8	873.9	
GDP per capita	USD	2,207.9	1,994.2	2,107.6	2,387.3	2,723.4	3,076.5	3,479.1	3,935.7	
Total investment	% of GDP	12.6	12.9	13.2	13.4	13.6	13.9	13.8	13.8	
Gross national savings	% of GDP	13.2	15.3	13.8	13.9	14.2	14.4	14.1	14.0	
Inflation, average consumer prices	% change	15.7	16.5	14.0	14.8	15.2	14.0	14.0	14.0	
Overall fiscal balance	% of GDP	-3.9	-5.8	-4.8	-4.6	-4.2	-4.3	-4.2	-4.2	
Volume of imports of goods and services	% change	-29.0	-6.4	23.2	4.9	6.7	2.3	3.1	2.9	
Volume of exports of goods and services	% change	-7.1	3.5	5.4	5.2	5.8	2.0	1.6	1.7	
General government gross debt	% of GDP	19.6	23.4	26.8	27.4	27.3	27.8	28.1	28.3	
Current account balance	% of GDP	0.7	2.5	0.5	0.4	0.6	0.5	0.3	0.2	

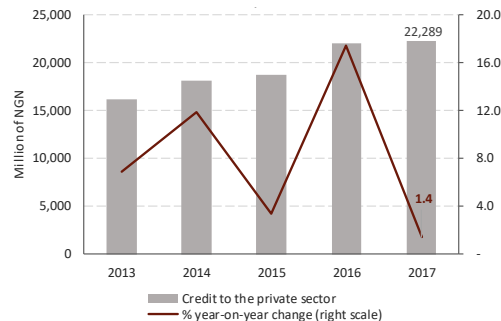
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Stable (Nov-17)	B+ Negative (Aug-17)	B Stable (Sep-17)	B (Apr-18)	C (Jan-18)

## BANKING INDICATORS

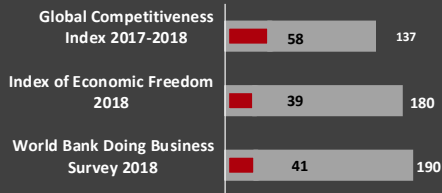
### Credit to the private sector



### Performance ratios

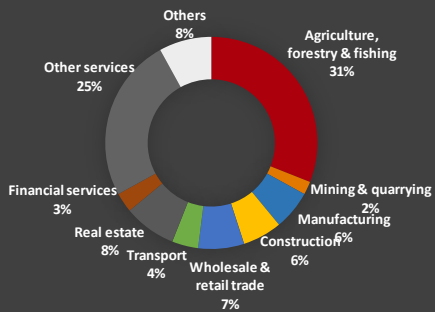
	Q2 2017	Q3 2017
Return on Assets (%)	2.6	2.4
Return on Equity (%)	21.6	20.5
Regulatory Capital to Risk-Weighted Assets (%)	11.5	10.6
Non-performing Loans to Total Gross Loans (%)	15.0	15.1
Liquid Assets to Total Assets (%)	17.2	17.0

## GLOBAL RANKINGS\*



\* The relative position of Rwanda is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016-17)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Economic Community of Central African States (ECCAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since August 2014 and Investment Promotion and Protection Agreement signed in July 2001 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Democratic Republic of the Congo, Kenya, UAE, Switzerland and Burundi

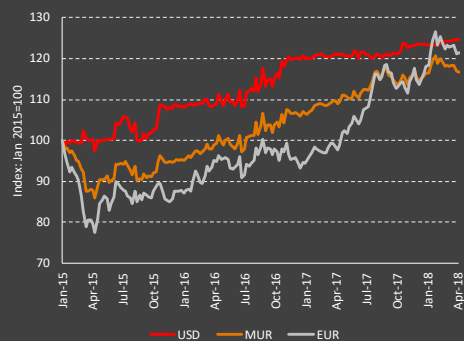
**Top 5 import partners:** China, Uganda, Kenya, India and UAE

**Main exports:** coffee, tea, hides, tin ore

**Main imports:** foodstuffs, machinery and equipment, steel, petroleum products, cement and construction material

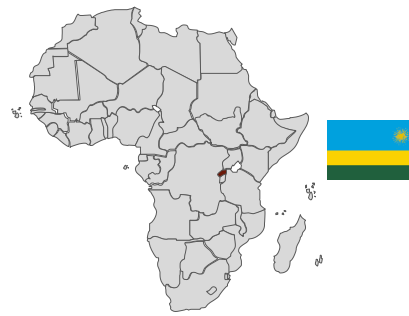
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF RWANDAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the Rwandan Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 845.82 RWF

# RWANDA



Surface area: 26,340 sq km

Capital: Kigali

Population: 11.92 million

Currency: Rwandan franc (RWF)

Time Zone: UTC + 02:00

Government type: Presidential republic

President: Paul Kagame

Official languages: Kinyarwanda, English, French and Swahili

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	6.0	6.1	7.2	7.8	8.0	7.5	7.5	7.5	
GDP at current prices	USD bn	8.5	9.1	9.9	10.5	11.6	12.6	13.8	15.2	
GDP per capita	USD	733.6	771.7	819.7	847.1	908.3	967.2	1,034.9	1,107.4	
Total investment	% of GDP	25.9	23.4	24.9	25.9	25.9	25.7	25.5	25.4	
Gross national savings	% of GDP	6.1	12.5	12.6	13.5	14.4	15.5	16.1	17.3	
Inflation, average consumer prices	% change	5.7	4.8	2.8	5.0	5.0	5.0	5.0	5.0	
Overall fiscal balance	% of GDP	-2.3	-2.5	-2.0	-2.0	-1.4	-0.8	-0.7	-0.5	
Volume of imports of goods and services	% change	-5.2	-1.0	7.9	6.7	7.4	6.6	6.7	7.7	
Volume of exports of goods and services	% change	9.8	40.7	10.8	8.9	9.4	10.3	10.4	11.3	
General government gross debt	% of GDP	37.3	40.6	41.3	43.1	42.5	41.9	40.8	39.5	
Current account balance	% of GDP	-14.3	-6.8	-8.4	-9.2	-8.4	-7.5	-6.9	-5.9	

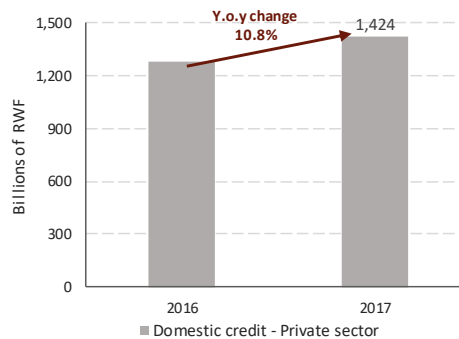
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Stable (Aug-16)	B+ Stable (May-17)	B Stable (Feb-18)	n.a	B (Jan-18)

## BANKING INDICATORS

### Domestic credit - Private sector

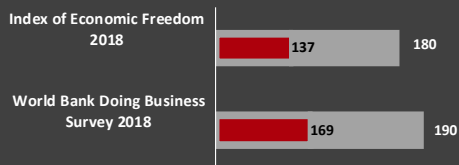


### Performance ratios

	Jun 2017	Sep 2017
Return on Assets (%)	1.7	1.6
Return on Equity (%)	9.6	9.1
Regulatory Capital to Risk-Weighted Assets (%)	19.1	20.4
Non-performing Loans to Total Gross Loans (%)	8.2	8.3
Liquid Assets to Total Deposits (%)	39.0	38.9

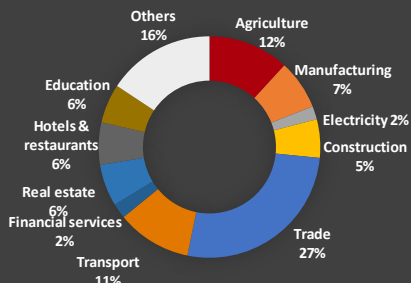


## GLOBAL RANKINGS\*



\* The relative position of São Tomé and Príncipe is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of Central African States (ECCAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Investment Promotion and Protection Agreement signed in May 2016 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: Germany, Netherlands, Portugal, Angola and Switzerland

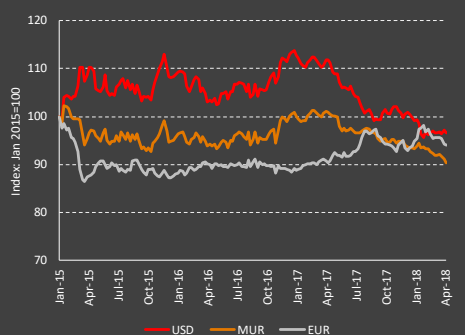
Top 5 import partners: Portugal, Angola, China, Japan and Spain

Main exports: Cocoa, copra, coffee, palm oil

Main imports: Machinery and electrical equipment, food products, petroleum products

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF DOBRA



Note: An increase/decrease in the index represents a depreciation/appreciation of the São Tomé and Príncipe dobra vis-à-vis respective currencies.

As at 16 Apr 18, 1 USD = 19.84 STD

# SÃO TOMÉ AND PRÍNCIPE



Surface area: 960 sq km  
Capital: Sao Tome  
Population: 0.2 million  
Currency: Sao Tome and Principe dobra (STD)  
Time Zone: UTC + 01:00  
Government type: Semi-presidential republic  
President: Evaristo Carvalho  
Official language: Portuguese

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.1	4.0	5.0	5.5	5.5	5.5	5.5	5.5	
GDP at current prices	USD bn	0.4	0.4	0.4	0.5	0.5	0.6	0.6	0.7	
GDP per capita	USD	1,688.9	1,785.3	2,038.8	2,200.9	2,362.4	2,513.4	2,655.4	2,790.2	
Total investment	% of GDP	27.7	32.2	22.3	22.7	22.3	19.8	18.2	17.7	
Gross national savings	% of GDP	21.8	19.3	11.0	12.8	14.0	11.4	10.8	10.7	
Inflation, average consumer prices	% change	4.6	5.5	5.4	4.7	4.2	3.7	3.2	3.0	
Overall fiscal balance	% of GDP	-2.7	-2.6	-2.4	-2.8	-2.1	-0.6	0.6	0.4	
Volume of imports of goods and services	% change	2.3	4.3	5.1	4.1	3.8	3.6	3.6	3.3	
Volume of exports of goods and services	% change	-6.6	-18.1	-1.3	3.7	0.4	0.6	0.2	0.1	
General government gross debt	% of GDP	94.0	83.3	76.9	72.2	67.4	61.5	58.0	55.1	
Current account balance	% of GDP	-6.0	-13.0	-11.3	-9.9	-8.2	-8.5	-7.4	-7.0	

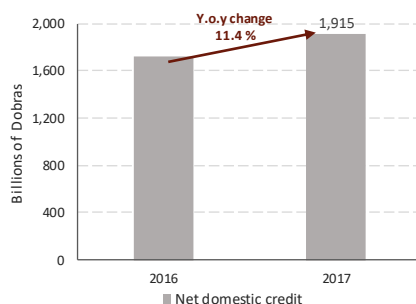
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	C (Jan-18)

## BANKING INDICATORS

### Net Domestic credit

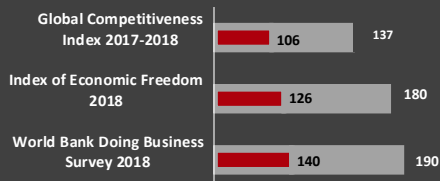


### Performance ratios

	Mar 2017	Jun 2017
Return on Assets (%)	0.3	0.4
Return on Equity (%)	1.3	1.9
Regulatory Capital to Risk-Weighted Assets (%)	34.4	30.1
Non-performing Loans to Total Gross Loans (%)	28.3	26.0
Liquid Assets to Total Assets (%)	49.5	46.2

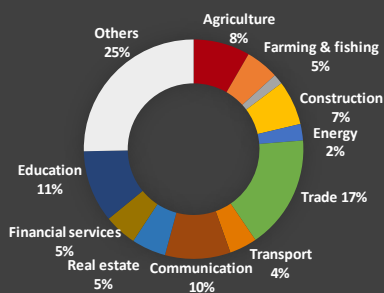


## GLOBAL RANKINGS\*



\* The relative position of Senegal is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since September 2004 and Investment Promotion and Protection Agreement in force since October 2009

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Mali, Switzerland, India, Côte d'Ivoire and China

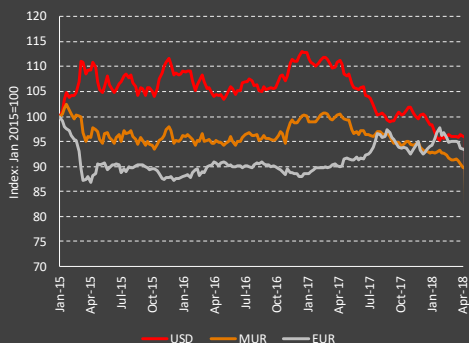
**Top 5 import partners:** France, China, Nigeria, India and Netherlands

**Main exports:** fish, groundnuts (peanuts), petroleum products, phosphates, cotton

**Main imports:** food and beverages, capital goods, fuels

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# SENEGAL



Surface area: 196,710 sq km

Capital: Dakar

Population: 15.41 million

Currency: West African CFA franc (XOF)

Time Zone: UTC + 00:00

Government type: Presidential republic

President: Macky Sall

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	6.7	7.2	7.0	7.0	7.0	7.0	7.0	6.5	
GDP at current prices	USD bn	14.7	16.5	19.7	21.7	23.9	26.2	28.8	31.4	
GDP per capita	USD	954.8	1,038.1	1,208.5	1,293.6	1,384.7	1,476.0	1,573.0	1,665.0	
Total investment	% of GDP	26.9	26.3	27.6	27.6	27.8	28.0	28.1	28.0	
Gross national savings	% of GDP	21.3	16.9	19.7	20.1	20.9	21.4	21.7	21.6	
Inflation, average consumer prices	% change	0.9	1.4	1.5	1.5	1.5	1.5	1.5	1.5	
Overall fiscal balance	% of GDP	-4.2	-4.5	-3.5	-3.0	-3.0	-3.0	-3.0	-3.0	
Volume of imports of goods and services	% change	6.4	10.9	16.2	8.6	9.0	9.1	9.2	7.8	
Volume of exports of goods and services	% change	7.0	8.9	13.8	7.8	8.2	8.0	10.2	7.3	
General government gross debt	% of GDP	60.4	61.2	60.6	58.8	57.1	55.8	54.6	53.4	
Current account balance	% of GDP	-5.5	-9.4	-7.9	-7.5	-6.9	-6.6	-6.3	-6.4	

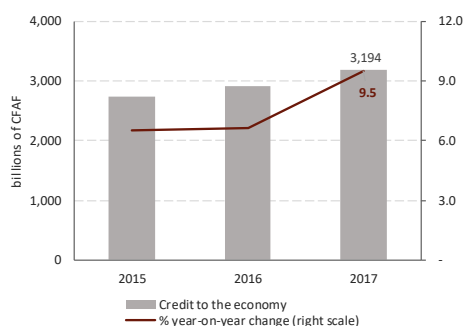
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Ba3 Stable (Apr-17)	n.a	B+ Stable (Dec-17)	BB (Jan-18)	B (Jan-18)

## BANKING INDICATORS

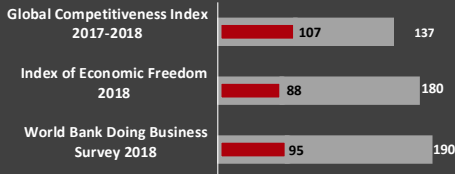
### Credit to the economy



### Performance ratios

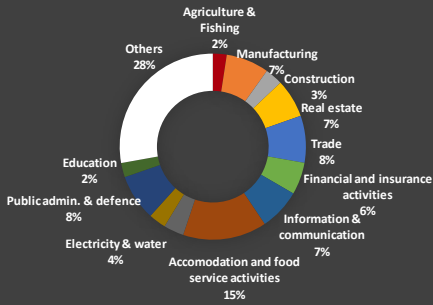
	Dec 2015	Dec 2016
Return on Assets (%)	1.0	0.8
Return on Equity (%)	11.9	9.1
Regulatory Capital to Risk-Weighted Assets (%)	16.0	14.1
Non-performing Loans to Total Gross Loans (%)	18.8	17.3
Liquid Assets to Total Assets (%)	54.7	57.5

## GLOBAL RANKINGS\*



\* The relative position of Seychelles is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2017)



## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since June 2005

## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: UAE, France, UK, Italy and Germany

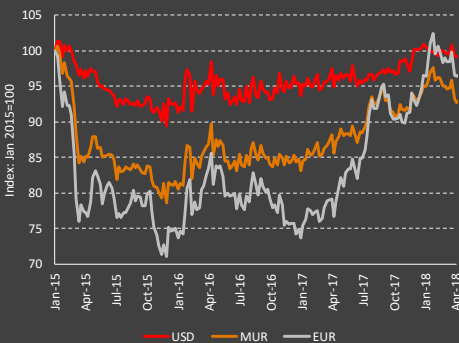
Top 5 import partners: Cayman Islands, UAE, France, South Africa and Spain

Main exports: canned tuna, frozen fish, petroleum products (re-exports)

Main imports: machinery and equipment, foodstuffs, petroleum products, chemicals, other manufactured goods

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF SEYCHELLOIS RUPEE



Note: An increase/decrease in the index represents a depreciation/appreciation of the Seychellois Rupee vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 13.05 SCR

## SEYCHELLES



Surface area: 460 sq km

Capital: Victoria

Population: 0.09 million

Currency: Seychellois rupee (SCR)

Time Zone: UTC + 04:00

Government type: Presidential republic

President: Danny Faure

Official languages: English, French and Seselwa

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	4.5	4.2	3.3	3.3	3.3	4.1	4.0	3.3	
GDP at current prices	USD bn	1.4	1.5	1.6	1.7	1.7	1.9	1.9	2.0	
GDP per capita	USD	15,234.0	15,686.0	16,427.9	17,208.0	17,993.4	18,865.7	19,662.3	20,433.8	
Total investment	% of GDP	30.2	30.7	29.9	30.9	32.0	32.9	33.7	34.7	
Gross national savings	% of GDP	12.0	14.7	15.5	17.0	18.6	19.1	19.4	21.1	
Inflation, average consumer prices	% change	-1.0	2.9	3.8	3.0	3.0	3.2	3.3	3.0	
Overall fiscal balance	% of GDP	0.2	1.0	0.6	1.1	2.0	1.5	2.1	-0.8	
Volume of imports of goods and services	% change	12.3	-1.7	4.2	3.8	4.5	6.4	8.7	3.7	
Volume of exports of goods and services	% change	14.4	0.4	2.8	5.4	5.0	6.2	9.8	5.2	
General government gross debt	% of GDP	69.0	63.3	58.5	53.7	49.3	45.1	41.1	38.3	
Current account balance	% of GDP	-18.3	-16.0	-14.4	-13.9	-13.4	-13.8	-14.2	-12.1	

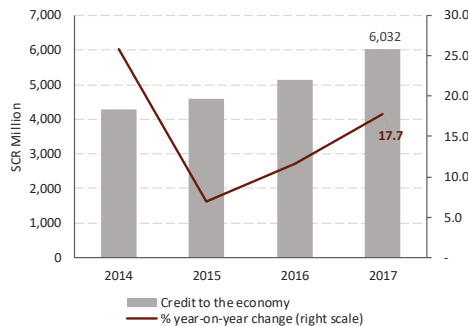
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	BB-Stable (Jul-17)	n.a	BB (Mar-18)	n.a

## BANKING INDICATORS

### Credit to the economy

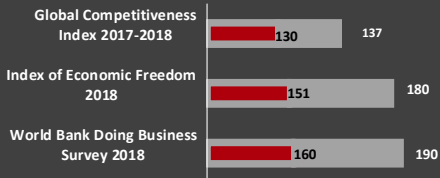


### Performance ratios

	June 2017	Feb 2018
Return on Assets (%)	3.7	3.2
Return on Equity (%)	36.8	n.a
Regulatory Tier 1 Capital to Risk-Weighted Assets (%)	18.6	16.6
Non-performing Loans to Total Gross Loans (%)	7.2	6.2
Core Liquid Assets to Total Assets* (%)	40.2	n.a

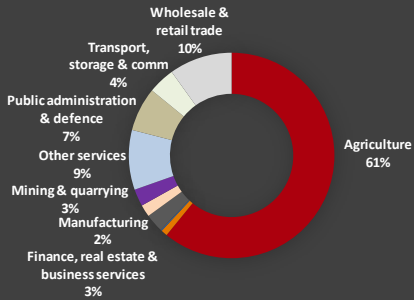
\* Core liquid assets include cash, balances with CBS, and deposits with other banks.

## GLOBAL RANKINGS\*



\* The relative position of Sierra Leone is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Côte d'Ivoire, USA, Belgium, China and Netherlands

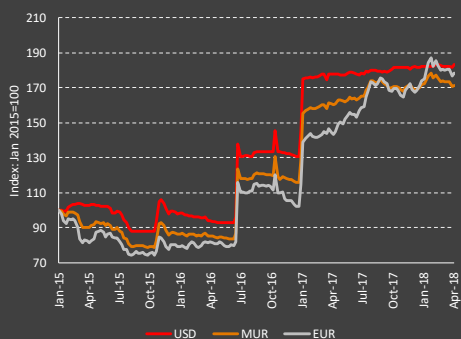
**Top 5 import partners:** China, USA, India, UAE and Senegal

**Main exports:** Iron ore, diamonds, rutile, cocoa, coffee, fish

**Main imports:** foodstuffs, machinery and equipment, fuels and lubricants, chemicals

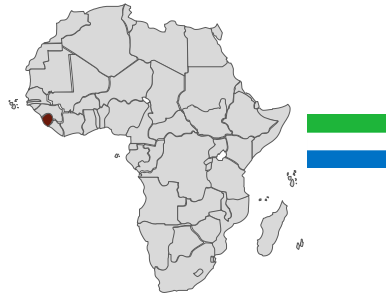
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF SIERRA LEONEAN LEONE



Note: An increase/decrease in the index represents a depreciation/appreciation of the Sierra Leonean Leone vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 7,648.87 SLL

# SIERRA LEONE



Surface area: 72,300 sq km

Capital: Freetown

Population: 7.4 million

Currency: Sierra Leonean Leone (SLL)

Time Zone: UTC + 00:00

Government type: Presidential republic

President: Julius Maada Bio

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	6.3	3.5	3.5	5.6	6.1	7.0	7.5	7.3	
GDP at current prices	USD bn	3.8	3.6	3.8	4.0	4.3	4.6	5.1	5.6	
GDP per capita	USD	522.2	491.5	505.1	513.9	538.6	566.6	618.8	659.1	
Total investment	% of GDP	12.3	19.1	18.4	17.8	19.1	19.2	18.8	19.4	
Gross national savings	% of GDP	-6.4	-0.8	1.8	-2.8	-2.7	-1.1	-1.5	-1.9	
Inflation, average consumer prices	% change	11.5	18.0	13.9	11.2	8.7	8.2	7.7	7.2	
Overall fiscal balance	% of GDP	-8.5	-9.2	-8.2	-6.5	-6.9	-6.5	-5.2	-4.2	
Volume of imports of goods and services	% change	-12.4	22.1	7.5	6.5	7.0	12.8	3.4	2.8	
Volume of exports of goods and services	% change	21.0	-19.9	12.7	19.4	6.3	13.0	11.2	6.3	
General government gross debt	% of GDP	54.9	58.4	63.7	64.0	75.0	73.7	65.6	59.5	
Current account balance	% of GDP	-19.4	-21.9	-18.9	-21.6	-20.8	-18.9	-18.6	-19.7	

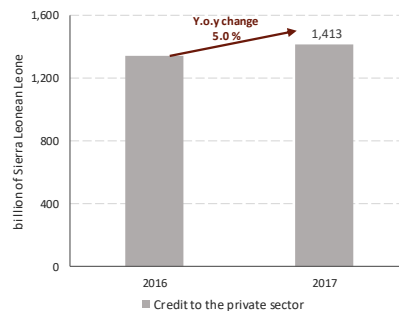
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	CCC (Mar-18)	D (Jan-18)

## BANKING INDICATORS

### Credit to the private sector



### Performance ratios

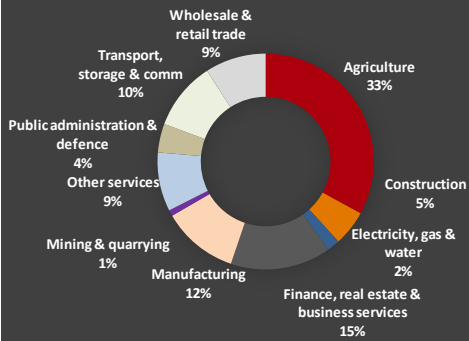
	Dec 2015	Dec 2016
Return on Assets (%)	3.2	2.9
Return on Equity (%)	18.3	22.3
Regulatory Capital to Risk-Weighted Assets (%)	34.0	30.7
Non-performing Loans to Total Gross Loans (%)	31.7	22.7
Liquidity ratio (%)	83.3	85.5

## GLOBAL RANKINGS\*



\* The relative position of Somalia is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Intergovernmental Authority on Development (IGAD)

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** China, Japan, France, Bulgaria, and India

**Top 5 import partners:** China, India, Ethiopia, Turkey, and Malaysia

**Main exports:** Livestock, bananas, hides, fish, charcoal, scrap metal

**Main imports:** Manufactures, petroleum products, foodstuffs, construction materials, qat

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF SOMALI SHILLING



Note: An increase/decrease in the index represents a depreciation/appreciation of the Somali Shilling vis-à-vis respective currencies. As at 16 Apr, 1 USD = 559.31 SOS

# SOMALIA



Surface area: 637,660 sq km

Capital: Mogadishu

Population: 14.32 million

Currency: Somali shilling (SOS)

Time Zone: UTC + 03:00

Government type: Federal parliamentary republic

President: Mohamed Abdullahi Mohamed "Farmajo"

Official languages: Arabic and Somali

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	2.4	1.8	2.5	2.8	3.1	3.5	3.5	3.5	✓
GDP at current prices	USD bn	6.9	7.4	7.8	8.2	8.7	9.2	9.7	10.2	↗
Current account balance	% of GDP	-6.3	-6.7	-7.2	-6.5	-6.3	-6.0	-5.7	-5.3	✓

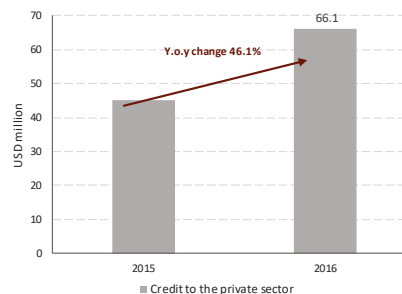
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	n.a

## BANKING INDICATORS

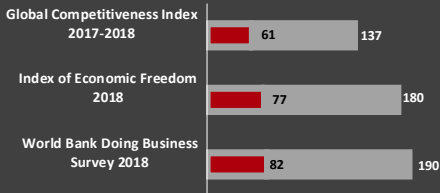
### Credit to the private sector



### Performance ratios

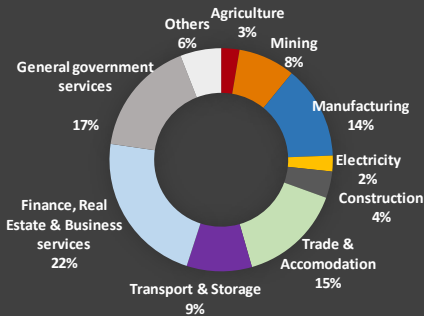
	Dec 2016	Sep 2017
Total loan to deposit ratio (%)	37.3	40.1
Equity to total assets (%)	22.1	16.9

## GLOBAL RANKINGS\*



\* The relative position of South Africa is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

South African Development Community (SADC)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since May 2015 and Investment Promotion and Protection Agreement in force since October 1998

## TRADE STATISTICS (2017)<sup>1</sup>

Top 5 export partners: China, USA, Germany, Japan and India

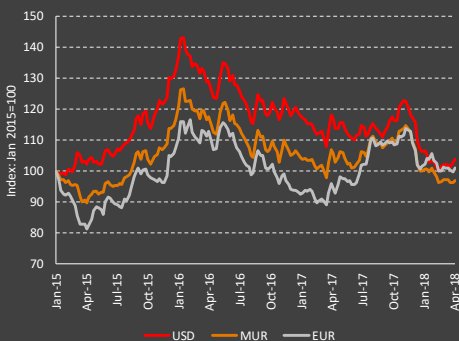
Top 5 import partners: China, Germany, USA, India and Saudi Arabia

Main exports: Pearls and precious stones, ores, slag and ash, mineral fuels and oil, vehicles, and iron and steel

Main imports: Mineral fuel and oils, machinery and mechanical appliances, electrical machinery and equipment, vehicles and commodities

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF SOUTH AFRICAN RAND



Note: An increase/decrease in the index represents a depreciation/appreciation of the South African Rand vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 12.06 ZAR

# SOUTH AFRICA



Surface area: 1,219,090 sq km

Capital: Cape Town

Population: 55.91 million

Currency: South African rand (ZAR)

Time Zone: UTC + 02:00

Government type: Parliamentary Republic

President: Cyril Ramaphosa (as from February 2018)

Official languages: 11 official languages - Afrikaans, English, Ndebele, Northern Sotho, Sotho, Swazi, Tsonga, Tswana, Venda, Xhosa and Zulu

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	0.6	1.3	1.5	1.7	1.8	1.8	1.8	1.8	
GDP at current prices	USD bn	295.7	349.3	370.9	386.9	403.8	420.7	438.2	455.8	
GDP per capita	USD	5,316.0	6,179.9	6,459.2	6,631.9	6,814.6	6,987.5	7,165.9	7,335.9	
Total investment	% of GDP	19.4	18.6	18.7	18.8	19.0	19.1	19.3	19.4	
Gross national savings	% of GDP	16.1	16.3	15.8	15.8	15.7	15.8	15.9	16.1	
Inflation, average consumer prices	% change	6.3	5.3	5.3	5.3	5.5	5.5	5.5	5.5	
Overall fiscal balance	% of GDP	-4.1	-4.5	-4.2	-4.1	-4.1	-4.0	-4.1	-4.1	
Volume of imports of goods and services	% change	-3.8	1.9	4.1	3.6	3.2	3.2	3.2	3.2	
Volume of exports of goods and services	% change	1.0	-0.1	3.6	3.3	3.3	3.3	3.3	3.3	
General government gross debt	% of GDP	51.6	52.7	54.9	55.7	56.4	57.0	57.6	58.1	
Current account balance	% of GDP	-3.3	-2.3	-2.9	-3.1	-3.3	-3.3	-3.3	-3.4	

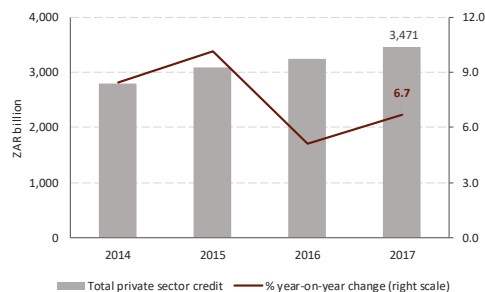
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## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	Baa3 Stable (Mar-18)	BB+ Stable (Nov-17)	BB Stable (Nov-17)	BB (March-18)	B (Apr-18)

## BANKING INDICATORS

### Total private sector credit



### Performance ratios

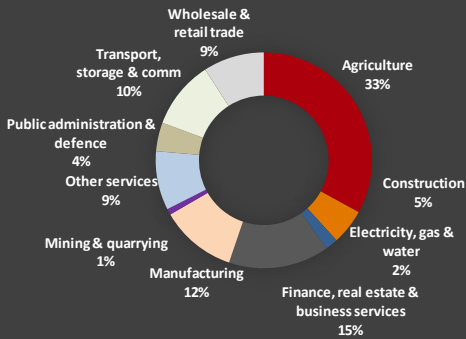
	Sep-17	Jan-18
Return on Assets (%)	1.3	1.3
Return on Equity (%)	16.6	16.0
Regulatory Capital to Risk-Weighted Assets (%)	16.8	16.1
Non-performing Loans to Total Gross Loans (%)	2.8	3.1
Liquid assets to total assets (%)	9.4	10.0

## GLOBAL RANKINGS\*



\* The relative position of South Sudan is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2015)



## MEMBERSHIP IN REGIONAL BLOCS

Intergovernmental Authority on Development (IGAD),  
East African Community (EAC)

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** China, Germany, Thailand, Sweden, and Indonesia

**Top 5 import partners:** China, Netherlands, Italy, Germany, and Denmark

**Main exports:** Mineral fuels, (oil seeds and fruits, vegetables, ships, and iron and steel

**Main imports:** Cereals, sugars and sugar confectionery, vehicles, electrical machinery and equipment, and machinery and mechanical appliances

<sup>1</sup>Relating to merchandise trade

## SOUTH SUDANESE POUND

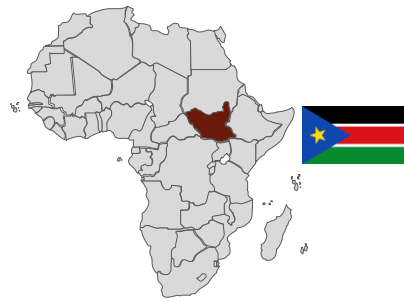
As per the March 2017 IMF article IV report:

- From September 2011 until December 2015, the South Sudanese pound was pegged to the U.S. dollar at SSP/\$US 2.96

- In December 2015, the authorities officially switched to a floating exchange rate system

As per the central bank of South Sudan: the South Sudanese Pound stood at SSP/\$US 136.7 as at 25 April 2018

## SOUTH SUDAN



Surface area: 644,330 sq km

Capital: Juba

Population: 12.23 million

Currency: South Sudanese pound (SSP)

Time Zone: UTC + 03:00

Government type: Presidential republic

President: Salva KIIR Mayardit

Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	-13.8	-11.1	-3.8	-2.6	-2.5	-1.2	-1.2	-0.7	
GDP at current prices	USD bn	3.1	2.9	3.2	2.8	3.0	3.1	3.2	3.5	
GDP per capita	USD	249.8	228.0	246.2	209.8	214.2	217.0	219.0	231.1	
Total investment	% of GDP	17.3	8.4	6.3	6.7	9.9	27.2	18.7	29.2	
Gross national savings	% of GDP	19.0	2.5	0.2	2.4	9.6	24.5	17.1	27.4	
Inflation, average consumer prices	% change	379.8	187.9	104.1	108.2	91.4	85.8	56.5	39.0	
Overall fiscal balance	% of GDP	-21.3	-2.9	-4.8	-4.0	-2.8	-1.7	-0.7	-0.6	
General government gross debt	% of GDP	86.5	66.3	51.0	48.6	51.6	51.7	59.6	64.9	
Current account balance	% of GDP	1.8	-6.0	-6.1	-4.3	-0.3	-2.7	-1.6	-1.8	

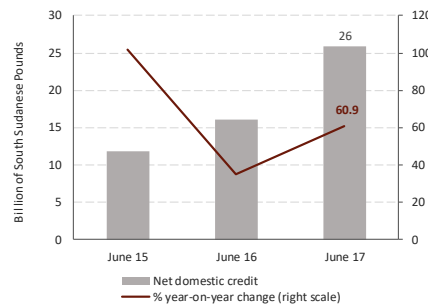
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	n.a

## BANKING INDICATORS

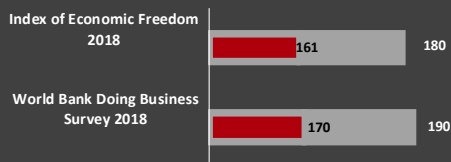
### Net Domestic credit



### Performance ratios

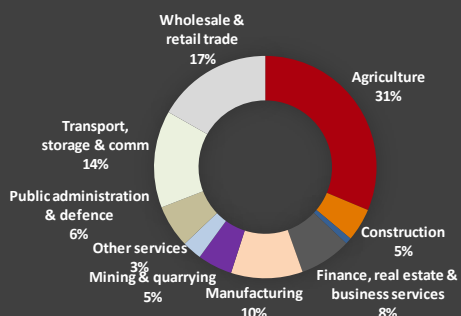
	Jun 2016	Sep 2016
Return on Assets (%)	5.5	2.4
Non-performing Loans to Total Gross Loans (%)	22.5	54.9
Liquid Assets to Total Assets (%)	51.8	46.7

## GLOBAL RANKINGS\*



\* The relative position of Sudan is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Intergovernmental Authority on Development (IGAD)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** UAE, Saudi Arabia, China, India, and Ethiopia

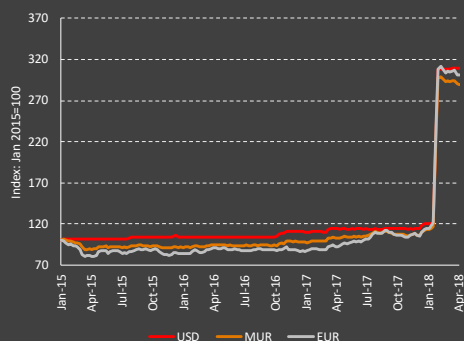
**Top 5 import partners:** China, India, UAE, Egypt, and Turkey

**Main exports:** Gold; oil and petroleum products; cotton, sesame, livestock, peanuts, gum Arabic, sugar

**Main imports:** foodstuffs, manufactured goods, refinery and transport equipment, medicines, chemicals, textiles, wheat

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF SUDANESE POUND



Note: An increase/decrease in the index represents a depreciation/appreciation of the Sudanese Pound vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 18.0 SDG

# SUDAN



Surface area: 1,879,358 sq km

Capital: Khartoum

Population: 39.58 million

Currency: Sudanese pound (SDG)

Time Zone: UTC + 02:00

Government type: Presidential republic

President: Umar Hassan Ahmad al-BASHIR

Official languages: Arabic and English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.5	3.2	3.7	3.5	3.2	3.1	3.0	3.0	
GDP at current prices	USD bn	57.6	58.2	41.7	43.2	44.6	46.1	47.5	49.0	
GDP per capita	USD	1,455.8	1,428.0	992.7	998.6	1,006.7	1,013.7	1,017.1	1,022.2	
Total investment	% of GDP	13.8	12.6	19.0	19.5	19.5	19.3	19.1	12.7	
Gross national savings	% of GDP	4.9	7.0	12.6	12.3	11.6	12.0	11.4	6.1	
Inflation, average consumer prices	% change	17.8	32.4	43.5	39.5	34.5	29.5	26.0	22.5	
Overall fiscal balance	% of GDP	-1.6	-1.4	-3.1	-2.9	-2.9	-2.9	-3.1	-3.0	
Volume of imports of goods and services	% change	-9.5	-15.5	-12.6	11.1	8.1	2.9	3.8	-1.8	
Volume of exports of goods and services	% change	-1.9	0.4	-1.4	3.3	4.2	11.0	11.7	-32.0	
General government gross debt	% of GDP	91.4	126.0	176.5	176.0	176.8	176.9	173.7	173.2	
Current account balance	% of GDP	-8.9	-5.5	-6.2	-6.8	-7.4	-6.7	-7.0	-5.8	

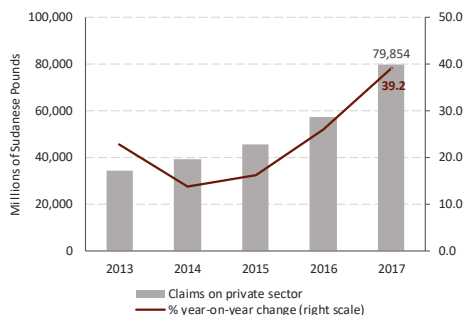
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## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	C (Mar-18)	E (Jan-18)

## BANKING INDICATORS

### Claims on private sector credit

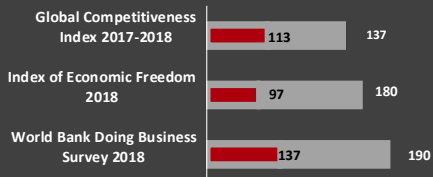


### Performance ratios

	2015	2016
Return on Assets (before tax) (%)	4.0	4.7
Return on Equity (before tax) (%)	37.1	46.1
Capital Adequacy ratio (%)	20.2	18.7
Non-performing Loans to Total Gross Loans (%)	5.1	5.2
Liquid Assets to Total Assets (%)	37.4	35.1

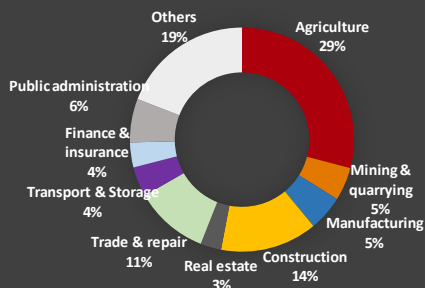


## GLOBAL RANKINGS\*



\* The relative position of Tanzania is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement currently under negotiation and Investment Promotion and Protection Agreement in force since March 2013

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Switzerland, India, South Africa, China and Kenya

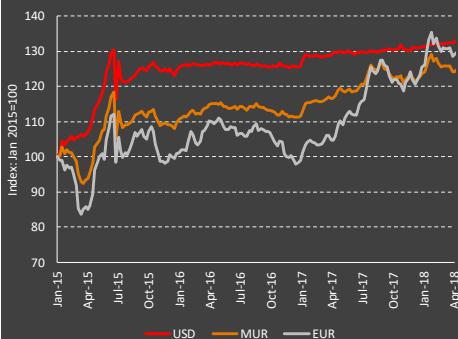
**Top 5 import partners:** China, India, UAE, South Africa and Japan

**Main exports:** Gold, coffee, cashew nuts, manufactures, cotton

**Main imports:** Consumer goods, machinery and transportation equipment, industrial raw materials, crude oil

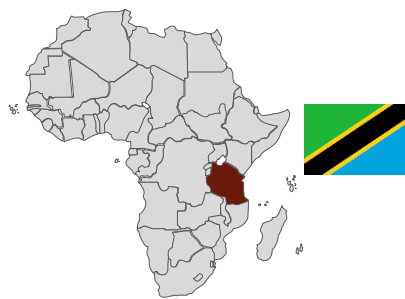
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF TANZANIAN SHILLING



Note: An increase/decrease in the index represents a depreciation/appreciation of the Tanzanian Shilling vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 2268.63 TZS

## TANZANIA



Surface area: 947,300 sq km

Capital: Dar es Salaam

Population: 55.57 million

Currency: Tanzanian shilling (TZS)

Time Zone: UTC + 03:00

Government type: Presidential republic

President: John Magufuli

Official languages: English and Swahili

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	7.0	6.0	6.4	6.6	6.8	6.8	6.6	6.5	
GDP at current prices	USD bn	47.7	51.7	56.7	61.7	67.1	73.1	79.4	86.3	
GDP per capita	USD	979.0	1,033.6	1,110.1	1,184.2	1,264.3	1,349.5	1,437.7	1,530.6	
Total investment	% of GDP	24.6	27.9	30.0	30.8	30.7	30.3	29.8	29.2	
Gross national savings	% of GDP	23.1	24.1	24.6	24.8	25.0	24.9	24.8	24.4	
Inflation, average consumer prices	% change	5.2	5.3	4.8	5.0	5.0	5.0	5.0	5.0	
Overall fiscal balance	% of GDP	-2.2	-2.7	-4.4	-4.6	-4.1	-3.3	-2.6	-2.3	
Volume of imports of goods and services	% change	-11.0	-4.0	12.6	12.1	9.1	6.9	7.1	8.3	
Volume of exports of goods and services	% change	2.0	-1.5	8.6	8.6	8.6	9.0	9.2	4.4	
General government gross debt	% of GDP	38.0	38.2	39.3	40.7	41.3	40.8	39.6	38.2	
Current account balance	% of GDP	-4.5	-3.8	-5.4	-6.0	-5.8	-5.3	-5.0	-4.7	

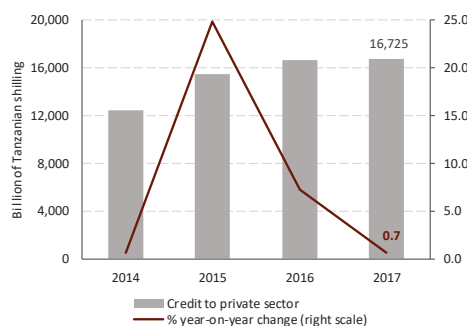
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## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B1 Negative (Mar-18)	n.a	n.a	BB (Apr-18)	C (Jan-18)

## BANKING INDICATORS

### Credit to the private sector

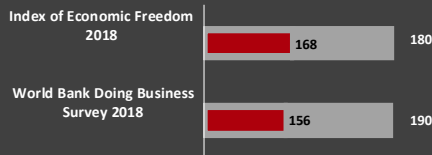


### Performance ratios

	Jun 2017	Sep 2017
Return on Assets (%)	2.3	2.0
Return on Equity (%)	10.4	8.7
Capital to Risk-Weighted Assets (%)	18.3	18.9
Non-performing Loans to Total Gross Loans (%)	10.6	12.5
Liquid Assets to Total Assets (%)	30.6	31.0

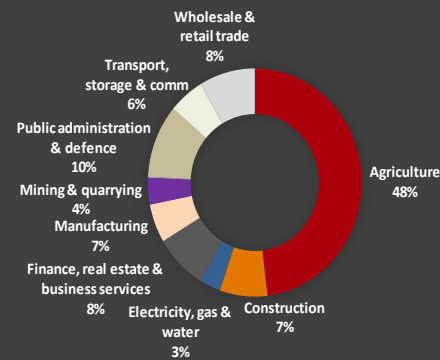


## GLOBAL RANKINGS\*



\* The relative position of Togo is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD),  
Economic Community of West African States (ECOWAS)

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Benin, Burkina Faso, India, Mali and Niger

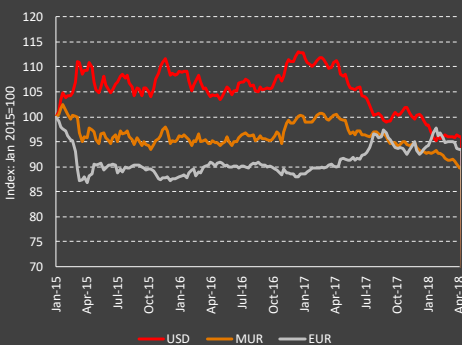
**Top 5 import partners:** China, France, Netherlands, Japan and Belgium

**Main exports:** earth and stone materials, plastics, cotton, beverages, and essential oils and resinoids

**Main imports:** mineral fuels and oils, machinery and and mechanical appliances, vehicles, electrical machinery and equipment, and plastics

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF WEST AFRICAN FRANC



Note: An increase/decrease in the index represents a depreciation/appreciation of the CFA Franc vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 531.65 XOF

# TOGO



Surface area: 56,790 sq km

Capital: Lomé

Population: 7.61 million

Currency: West African CFA franc (XOF)

Time Zone: UTC + 00:00

Government type: Presidential republic

President: Faure Gnassingbe

Official language: French

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	5.1	4.4	4.9	5.2	5.3	5.4	5.6	5.8	
GDP at current prices	USD bn	4.5	4.8	5.6	6.1	6.7	7.3	8.0	8.7	
GDP per capita	USD	586.3	611.1	698.7	740.9	792.5	844.8	902.2	962.7	
Total investment	% of GDP	31.1	23.4	27.7	26.2	27.7	28.5	28.5	28.5	
Gross national savings	% of GDP	21.5	15.2	19.9	19.8	22.8	25.1	25.4	26.0	
Inflation, average consumer prices	% change	0.9	-0.7	0.4	1.2	2.0	2.0	2.0	3.0	
Overall fiscal balance	% of GDP	-9.6	-0.5	-3.2	-0.7	-0.6	-0.4	-0.1	0.2	
Volume of imports of goods and services	% change	-0.6	3.6	9.7	6.7	5.8	6.5	6.3	5.9	
Volume of exports of goods and services	% change	3.6	7.3	9.8	9.2	7.2	9.4	4.4	6.2	
General government gross debt	% of GDP	81.6	78.6	75.6	70.6	65.3	60.2	55.2	50.3	
Current account balance	% of GDP	-9.6	-8.2	-7.8	-6.4	-4.9	-3.4	-3.1	-2.5	

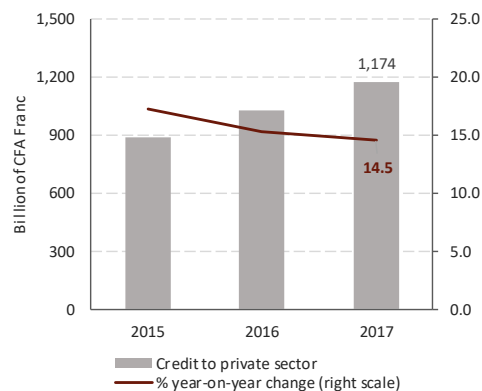
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	n.a	C (Jan-18)

## BANKING INDICATORS

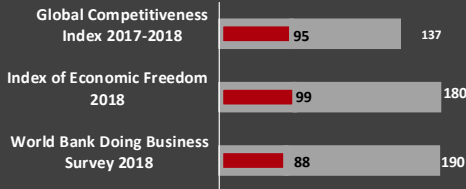
### Credit to the private sector



### Performance ratios

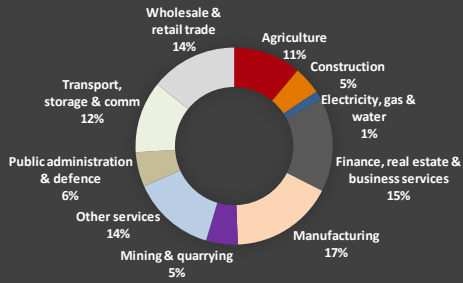
	Dec-16	Jun-17
Return on Assets (%)	2.6	-2.8
Return on Equity (%)	181.3	-57.0
Regulatory Capital to Risk-Weighted Assets (%)	3.9	7.9
Non-performing Loans to Gross Loans (%)	15.4	16.7
Liquid Assets to Total Assets (%)	58.1	52.1

## GLOBAL RANKINGS\*



\* The relative position of Tunisia is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

The Community of Sahel-Saharan States (CEN-SAD), Arab Maghreb Union (UMA)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since October 2008

## TRADE STATISTICS (2016)<sup>1</sup>

Top 5 export partners: France, Italy, Germany, Algeria and Spain

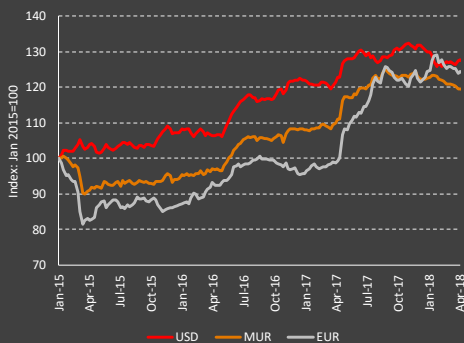
Top 5 import partners: France, Italy, China, Germany and Turkey

Main exports: Clothing, semi-finished goods and textiles, agricultural products, mechanical goods, phosphates and chemicals, hydrocarbons, electrical equipment

Main imports: Textiles, machinery and equipment, hydrocarbons, chemicals, foodstuffs

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF TUNISIAN DINAR



Note: An increase/decrease in the index represents a depreciation/appreciation of the Tunisian Dinar vis-à-vis respective currencies. As at 16 Apr 18, 1 USD = 2.40 TND

# TUNISIA



Surface area: 163,610 sq km

Capital: Tunis

Population: 11.4 million

Currency: Tunisian dinar (TND)

Time Zone: UTC + 01:00

Government type: Parliamentary Republic

President: Beji Caid Essebsi

Official language: Arabic

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	1.0	1.9	2.4	2.9	3.4	3.6	4.0	4.2	
GDP at current prices	USD bn	42.1	40.3	40.3	42.0	43.8	46.3	48.9	51.8	
GDP per capita	USD	3,689.7	3,496.3	3,462.8	3,568.9	3,691.4	3,855.5	4,036.8	4,234.0	
Total investment	% of GDP	22.2	22.5	23.1	23.5	23.8	24.4	24.9	25.3	
Gross national savings	% of GDP	13.4	12.4	14.0	15.7	16.6	18.0	18.9	19.4	
Inflation, average consumer prices	% change	3.7	5.3	7.0	6.1	5.2	4.3	4.0	3.9	
Overall fiscal balance	% of GDP	-5.9	-6.0	-5.2	-3.4	-2.5	-2.2	-2.2	-2.2	
Volume of imports of goods and services	% change	2.0	2.2	-1.1	1.6	2.3	3.3	3.3	4.3	
Volume of exports of goods and services	% change	0.2	4.1	8.9	4.6	3.5	4.3	3.8	3.8	
General government gross debt	% of GDP	61.2	71.3	73.1	73.3	72.9	71.4	70.1	68.8	
Current account balance	% of GDP	-8.8	-10.1	-9.2	-7.8	-7.2	-6.4	-6.0	-5.8	

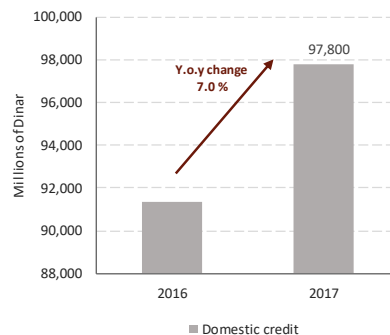
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Stable (Mar-18)	B+ Stable (Nov-17)	n.a	CCC (Feb-18)	C (Jan-18)

## BANKING INDICATORS

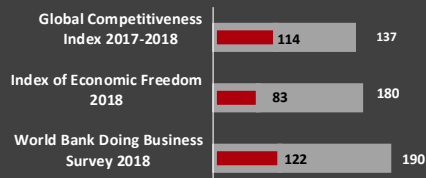
### Domestic credit



### Performance ratios

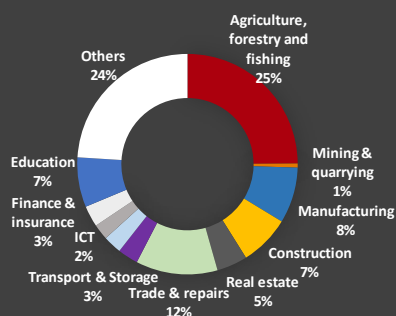
	2015	2016
Return on Assets (%)	0.9	n.a.
Return on Equity (%)	10.9	n.a.
Regulatory Capital to Risk-Weighted Assets (%)	12.0	11.6
Non-performing Loans to Gross Loans (%)	16.6	15.6
Liquid Assets to Total Assets (%)	5.6	5.6

## GLOBAL RANKINGS\*



\* The relative position of Uganda is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2016-17)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Intergovernmental Authority on Development (IGAD)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since July 2004

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** Kenya, UAE, South Sudan, Rwanda and Democratic Republic of the Congo

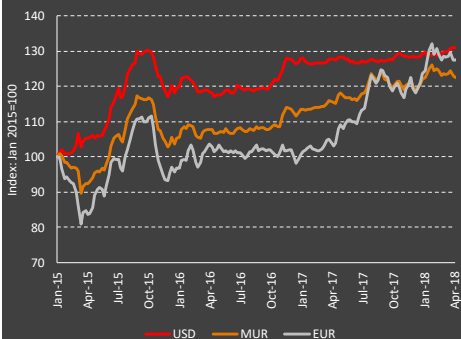
**Top 5 import partners:** China, India, Kenya, UAE, and Saudi Arabia

**Main exports:** Coffee, fish and fish products, tea, cotton, flowers, horticultural products; gold

**Main imports:** Capital equipment, vehicles, petroleum, medical supplies; cereals

<sup>1</sup>Relating to merchandise trade

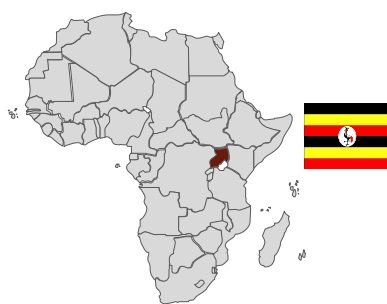
## EVOLUTION OF UGANDAN SHILLING



Note: An increase/decrease in the index represents a depreciation/appreciation of the Ugandan Shilling vis-à-vis respective currencies.

As at 16 Apr 18, 1 USD = 3,670.60 UGX

# UGANDA



Surface area: 1,267,000 sq km

Capital: Kampala

Population: 41.49 million

Currency: Ugandan shilling (UGX)

Time Zone: UTC + 03:00

Government type: Presidential republic

President: Yoweri Kaguta Museveni

Official languages: English and Swahili

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	2.3	4.5	5.2	5.8	6.2	6.6	7.1	7.3	
GDP at current prices	USD bn	25.3	26.3	27.6	29.7	33.0	35.7	40.0	43.4	
GDP per capita	USD	692.2	699.4	711.3	742.1	800.7	840.8	915.7	964.2	
Total investment	% of GDP	24.4	25.0	27.6	30.7	30.5	28.2	27.1	25.7	
Gross national savings	% of GDP	21.0	20.4	20.8	21.2	21.5	21.1	21.6	22.6	
Inflation, average consumer prices	% change	5.5	5.6	3.6	4.3	5.0	5.0	5.0	5.0	
Overall fiscal balance	% of GDP	-4.9	-3.2	-5.3	-6.5	-7.0	-2.8	-2.3	-1.7	
Volume of imports of goods and services	% change	2.6	-0.1	11.9	16.3	7.8	3.0	8.7	2.8	
Volume of exports of goods and services	% change	10.5	8.1	10.4	14.6	14.5	16.3	20.4	17.6	
General government gross debt	% of GDP	37.2	39.0	41.5	44.5	46.6	46.4	44.7	42.3	
Current account balance	% of GDP	-3.4	-4.5	-6.9	-9.5	-9.0	-7.1	-5.5	-3.1	

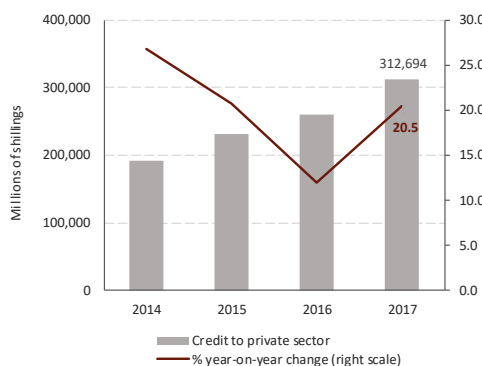
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B2 Stable (Mar-18)	B+ Stable (Aug-17)	B Stable (Jun-17)	BB (Nov-17)	C (Jan-18)

## BANKING INDICATORS

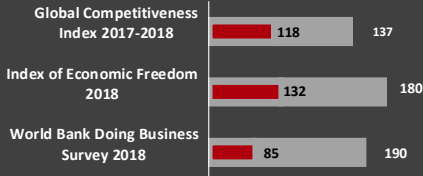
### Credit to private sector



### Performance ratios

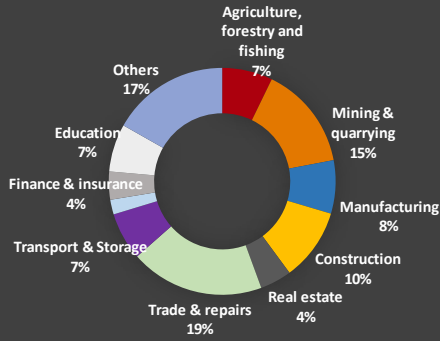
	Q2 2017	Q3 2017
Return on Assets (%)	3.9	3.8
Return on Equity (%)	23.9	23.0
Regulatory Capital to Risk-Weighted Assets (%)	23.6	23.8
Non-performing Loans to Total Gross Loans (%)	6.1	7.1
Liquid Assets to Total Assets (%)	34.6	33.1

## GLOBAL RANKINGS\*



\* The relative position of Zambia is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORAL DISTRIBUTION OF GDP (2017)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force since June 2012 and Investment Promotion and Protection Agreement in force since May 2016

## TRADE STATISTICS (2017)<sup>1</sup>

**Top 5 export partners:** Switzerland, China, Democratic Republic of the Congo, Singapore and South Africa

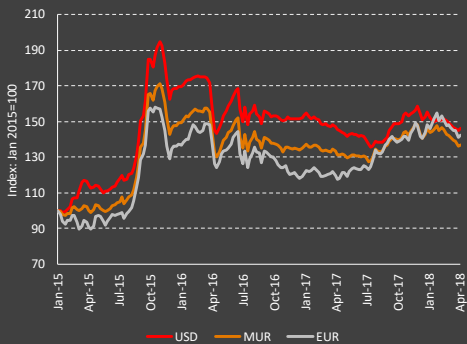
**Top 5 import partners:** South Africa, Democratic Republic of the Congo, China, Kuwait and UAE

**Main exports:** Copper, cobalt, electricity, tobacco, flowers, cotton

**Main imports:** Machinery, transportation equipment, petroleum products, electricity, fertilizer, foodstuffs, clothing

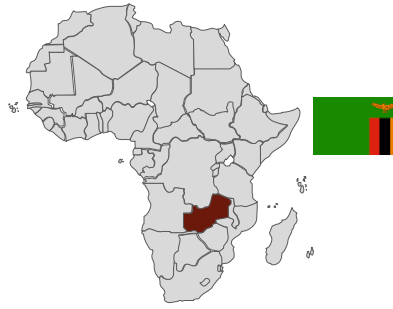
<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF ZAMBIA KWACHA



Note: An increase/decrease in the index represents a depreciation/appreciation of the Zambia Kwacha vis-à-vis respective currencies. As at 16 Apr. 18, 1 USD = 9.47 ZMW

# ZAMBIA



Surface area: 752,610 sq km  
 Capital: Lusaka  
 Population: 16.59 million  
 Currency: Zambian kwacha (ZMW)  
 Time Zone: UTC + 02:00  
 Government type: Presidential republic  
 President: Edgar Lungu  
 Official language: English

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	3.7	3.6	4.0	4.5	4.5	4.5	4.5	4.5	
GDP at current prices	USD bn	20.9	25.5	26.2	27.2	28.5	30.2	32.2	34.5	
GDP per capita	USD	1,252.7	1,479.5	1,475.7	1,485.6	1,509.2	1,552.1	1,606.7	1,669.2	
Total investment	% of GDP	41.8	41.9	43.1	42.5	41.3	39.5	39.1	38.2	
Gross national savings	% of GDP	37.3	38.6	40.5	40.6	39.7	38.0	37.6	36.9	
Inflation, average consumer prices	% change	17.9	6.6	8.2	8.0	8.0	8.0	8.0	8.0	
Overall fiscal balance	% of GDP	-5.8	-7.3	-7.8	-7.4	-7.3	-6.5	-6.5	-6.0	
Volume of imports of goods and services	% change	-5.8	8.8	9.2	7.0	6.0	5.8	6.0	5.1	
Volume of exports of goods and services	% change	-4.7	-3.1	4.8	7.5	6.0	6.3	6.7	6.6	
General government gross debt	% of GDP	60.7	62.2	65.5	68.0	69.1	70.9	72.1	72.4	
Current account balance	% of GDP	-4.5	-3.3	-2.6	-1.9	-1.6	-1.5	-1.5	-1.3	

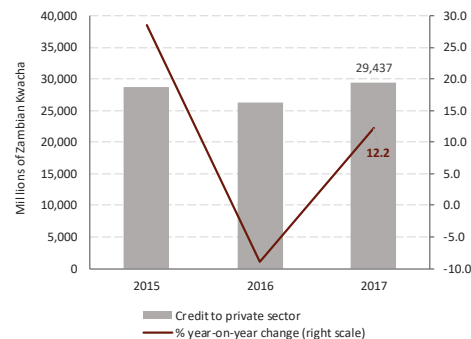
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	B3 Stable (Jan-18)	B Negative (Nov-17)	B Stable (Feb-18)	B (Apr-18)	D (Jan-18)

## BANKING INDICATORS

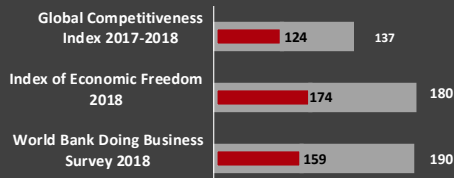
### Credit to private sector



### Performance ratios

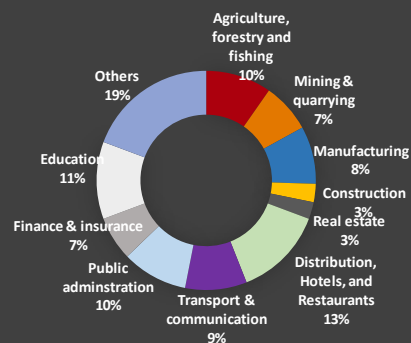
	Q1 2017	Q2 2017
Return on Assets (%)	2.6	2.7
Return on Equity (%)	22.5	23.5
Regulatory Capital to Risk-Weighted Assets (%)	26.3	27.1
Non-performing Loans to Total Gross Loans (%)	10.1	12.4
Liquid Assets to Total Assets (%)	43.6	44.5

## GLOBAL RANKINGS\*



\* The relative position of Zimbabwe is shown next to the red tab for each of the rankings, out of the total number of countries assessed by each of the rankings (shown next to the grey tab)

## SECTORIAL DISTRIBUTION OF GDP (2016)



## MEMBERSHIP IN REGIONAL BLOCS

Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)

## BILATERAL AGREEMENTS WITH MAURITIUS

Double Taxation Avoidance Agreement in force November 1992 and Investment Promotion and Protection Agreement signed in May 2000 awaiting ratification

## TRADE STATISTICS (2016)<sup>1</sup>

**Top 5 export partners:** South Africa, Mozambique, UAE, Zambia and Belgium

**Top 5 import partners:** South Africa, Singapore, China, Zambia and India

**Main exports:** Platinum, cotton, tobacco, gold, ferroalloys, textiles/clothing

**Main imports:** Machinery and transport equipment, other manufactures, chemicals, fuels, food products

<sup>1</sup>Relating to merchandise trade

## EVOLUTION OF ZIMBABWEAN DOLLAR



Note: An increase/decrease in the index represents a depreciation/appreciation of the Zimbabwean dollar vis-à-vis respective currencies. As at 16 Apr 18, 1 USD =374.80ZWD

# ZIMBABWE



Surface area: 390,760 sq km

Capital: Harare

Population: 16.15 million

Currency: Zimbabwean Dollar (ZWD)

Time Zone: UTC + 02:00

Government type: Semi-presidential republic

President: Emmerson Dambudzo Mnangagwa

Official languages: English, Shona, Ndebele, Tswana, Xhosa, Venda, Chewa, Tsonga, Tonga and Southern Sotho

## KEY MACROECONOMIC INDICATORS

	Units	2016	2017	2018(f)	2019(f)	2020(f)	2021(f)	2022(f)	2023(f)	Trend
Real GDP growth	% change	0.7	3.0	2.4	4.2	4.6	4.7	5.0	5.0	
GDP at current prices	USD bn	16.1	17.5	19.4	21.1	22.7	24.4	26.4	28.4	
GDP per capita	USD	1,111.4	1,175.7	1,270.7	1,345.4	1,411.6	1,482.9	1,562.1	1,635.0	
Total investment	% of GDP	15.6	19.6	18.8	18.2	17.8	17.4	17.0	16.6	
Gross national savings	% of GDP	19.1	24.8	23.6	23.1	22.0	21.1	20.8	20.4	
Inflation, average consumer prices	% change	-1.6	1.3	5.2	6.3	3.0	3.0	3.0	2.3	
Overall fiscal balance	% of GDP	-8.4	-9.6	-3.1	-1.9	-1.8	-1.8	-1.5	-1.5	
General government gross debt	% of GDP	69.8	78.4	75.2	72.6	70.8	68.7	66.4	63.9	
Current account balance	% of GDP	-3.4	-2.6	-2.7	-2.4	-2.5	-2.4	-2.4	-2.5	

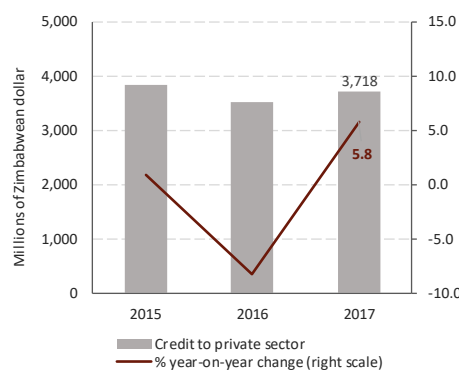
(f) forecast

## SOVEREIGN RISK ASSESSMENT

	Moody's	Fitch	S&P	EIU	Coface
Current sovereign risk rating & outlook	n.a	n.a	n.a	CC (Apr-18)	E (Jan-18)

## BANKING INDICATORS

### Credit to private sector



### Performance ratios

	2015	2016
Return on Assets (%)	2.0	2.0
Return on Equity (%)	9.0	13.0
Past-due Loans to Gross Loans (%)	43.0	41.0
Regulatory Capital to Risk-Weighted Assets (%)	20.0	24.0
Liquid Assets to Total Assets (%)	36.0	47.0

# Sources

*African Economic Outlook*

*Board of Investment of Mauritius*

*Central Banks of various countries*

*Coface*

*Economist Intelligence Unit,*

*Fitch Ratings*

*IMF World Economic Outlook database, April 2018*

*IMF country reports*

*IMF Data - Financial Soundness Indicators*

*International Trade Centre – Trade Map*

*Mauritius Revenue Authority*

*Moody's Investor Services*

*National Statistical Offices of various countries*

*Oanda*

*S&P Global Ratings*

*The world factbook – CIA*

*The Heritage Foundation*

*United Nations Economic Commission for Africa, Africa Regional Integration Index*

*World Bank*

*World Economic Forum*

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