CHAPTER 6
Country Profiles

This chapter presents economic data on the 48 countries of SSA and consists of four sections. The first section gives a brief overview of the region and identifies common economic trends as it broadly compares the countries. The second section discusses the tariff structure of the SSA region. The third section consist of technical notes related to data collection and information sources. The final section contains the 48 country profiles.

Regional Overview

In 2003, the average growth rate for SSA nations was 3.6 percent, up from 3.2 percent in 2002.[1] This increase is attributed to high prices for certain commodities; progress toward the restoration of peace and stability in countries such as Burundi, Liberia, and Sudan; and the regional focus on improving the infrastructure for trade. However, the reliance on primary commodities such as coffee, cotton, petroleum, and mineral products, combined with fluctuating prices, have contributed to deficits and little or negative economic growth in some SSA countries. In 2003, other obstacles to economic growth and poverty reduction in SSA included civil unrest, social costs from HIV/AIDS, and a slowdown in economic growth in the region's primary trading partners.

In the western African region, high prices for gold, cocoa, and petroleum from Nigeria and Ghana contributed substantially to the 3.6-percent regional growth. The growth rate in central Africa declined slightly from 4 percent in 2002 to 3.7 percent in 2003. Higher world prices for petroleum, the primary export for Chad and Equatorial Guinea, tempered this decline.[2] In July 2003, petroleum began flowing through the Chad-Cameroon Petroleum and Pipeline Development Project, a project launched by the World Bank Group, ExxonMobil, Petronas, and Chevron Texaco.[3] The growth rate in the eastern African region also declined, from 3.6 percent in 2002 to 2.5 percent in 2003. Much of the economic slowdown in this region can be attributed to a decline in the construction industry in Uganda.[4] However, as part of its commitment under the

---

[1] United Nations, *Economic Report on Africa 2004* (Kampala: Uganda, 2004) found at Internet address http://www.uneca.org, retrieved June 2004.

[2] Ibid.

[3] World Bank, "Chad-Cameroon Pipeline Represents New Approach," Press Release, Oct. 10, 2003, found at Internet address *http://worldbank.org*, retrieved June 2004.

[4] United Nations, *Economic Report on Africa 2004* (Kampala: Uganda, 2004) found at Internet address *http://www.uneca.org*, retrieved June 2004.

EAC regional framework, Uganda is seeking to modernize infrastructure through private sector investment. The growth rate in the southern African regions was 2.5 percent. The Southern African region introduced a tighter monetary policy in 2003 in an attempt to control inflation. Public utilities, particularly power companies, have contributed strongly to growth in southern Africa.[5]

GDP in SSA grew 3 percent, reaching $319 billion in 2003.[6] Several countries recorded high rates of growth. For example, Angola's GDP increased by 15 percent in 2003 because of a reduction in civil unrest, an increase in petroleum production, and high international petroleum prices. Chad's GDP grew by 13 percent in 2003 because of increased petroleum production. Equatorial Guinea's GDP grew by 16 percent in 2003, driven by booms in the petroleum, gas, and construction sectors.[7] Madagascar's GDP, however, fell by 13 percent in 2003 because of slow growth in export markets and declining export prices, and Guinea-Bissau's economy contracted by 7 percent in 2003 because of civil unrest in late 2003, which affected the country's agriculture, forestry, and fishing industries. SSA countries with low economic growth were also affected by lower than expected growth in exports to the EU, the main destination for SSA exports.

The existence of capable institutions to support macroeconomic policies is important for countries in SSA because they create an attractive investment climate by protecting property rights, encouraging transparency, and reducing corruption. In mid-2003, the World Bank published governance indicators for the period 1996 to 2002.[8] The rankings, shown in table 6-1, indicate improvement for countries such as Nigeria, Tanzania, and Cameroon. Zimbabwe, DROC, and Côte d'Ivoire have, however, declined in terms of the quality of their institutions, as denoted by the negative percentage change in their performance from 1996 to 2002. Zimbabwe saw the largest decline, 79 percent, followed by Côte d'Ivoire, with a decline of 66 percent. Despite numerous FTAs in the region, intra-regional trade remains relatively low. Inadequate infrastructure, a lack of diversification in export products, and the inability of the governments within SSA to provide adequate protection for foreign investors restrict intra-regional trade.

Gross national income (GNI) for SSA in 2002 was $307 billion, up from $305 billion in 2001.[9] South Africa had the highest GNI for 2002 ($102 billion), followed by Nigeria with $41 billion (figure 6-1). The top ranking countries in terms of per capita GNI were Seychelles, Mauritius, Gabon, Botswana, and South Africa. Countries with the lowest per capita GNI were DROC, Burundi, Guinea-Bissau, Liberia, and Malawi.

---

[5] Ibid.

[6] World Bank, *Development Indicators Database*, 2004.

[7] EIU Viewswire, "Country Outlook," May 2004, found at Internet address *http://www.viewswire.com*, retrieved June 2004.

[8] World Bank, *Governance Dataset*, July 2003, found at Internet address http://www.worldbank.org, retrieved Aug. 2004.

[9] World Bank Group, World Development Indicators database. Gross National Income (formerly Gross National Product) is defined as the sum of all value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad. Data are in current U.S. dollars.

Most of the SSA countries are WTO members or are involved as WTO observers.[10] Thirty-eight governments in SSA are WTO members, four have established accession working parties, and two others have requested accession working parties.[11] In addition, three governments have typically been granted observer status during ministerial conferences.[12]

Prior to the advent of the World Integrated Trade Solution database, tariff information for SSA was not readily available. Where tariff data are available, however, information can be inaccurate. Available information typically indicates high tariffs that likely hinder rather than facilitate trade. In addition to high tariffs, extra import charges, taxes, or fees are common, making the trade environment nontransparent.

Table 6-1
Aggregate governance index, selected sub-Saharan African countries, 1996 and 2002

2002 Rank	Country	1996	2002	Percent change
1	Botswana	74.56	74.21	-0.5
2	Mauritius	76.18	73.61	-3.4
3	South Africa	61.16	63.16	3.3
4	Namibia	72.55	62.65	-13.6
5	Madagascar	43.93	51.48	17.2
6	Ghana	45.63	48.69	6.7
7	Senegal	37.37	48.54	29.9
8	Malawi	33.44	36.94	10.5
9	Mozambique	27.52	36.94	34.2
10	Tanzania	24.39	33.24	36.3
11	Zambia	35.44	30.11	-15.0
12	Uganda	31.22	28.96	-7.2
13	Ethiopia	27.75	24.82	-10.6
14	Kenya	27.70	21.47	-22.5
15	Cameroon	13.60	18.30	34.6
16	Côte d'Ivoire	50.71	17.09	-66.3
17	Nigeria	8.10	11.17	37.9
18	Zimbabwe	42.51	8.99	-78.9
19	Angola	6.23	7.60	22.0
20	DROC	3.83	1.43	-62.7

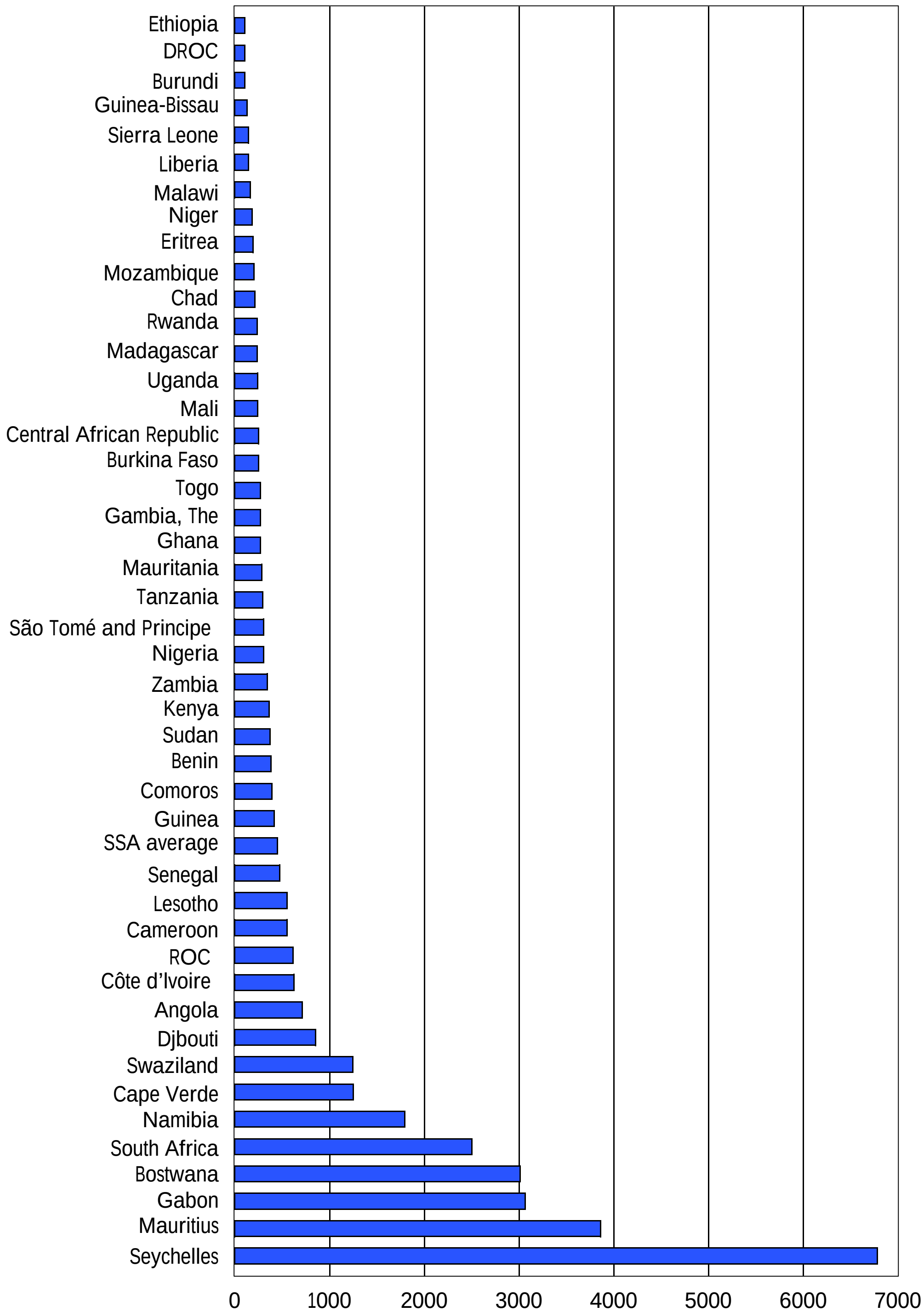
Source: World Bank, *Governance Dataset*, July 2003, found at Internet address *http://www.world-bank.org*, retrieved Aug. 2004.

[10] The following 10 SSA governments are not WTO members: Cape Verde, Comoros, Equatorial Guinea, Eritrea, Ethiopia, Liberia, São Tomé and Principe, Seychelles, Somalia, and Sudan.

[11] WTO accession working parties have been established for the following SSA countries: Cape Verde (July 2000), Ethiopia (February 2003), Seychelles (July 1995), and Sudan (October 1994). Equatorial Guinea (April 2002) and São Tomé and Principe (January 2001) have requested and have been granted observer status in the WTO, indicating each country's intention to begin the accession process within 5 years.

[12] The three countries are Comoros, Eritrea, and Liberia.

Figure 6-1
Gross national income per capita, 2002



Note.—Because of lack of data, Equatorial Guinea, Somalia, and Zimbabwe have not been included.
Source: World Bank, *African Development Indicators,* found at Internet address *http://www.worldbank.org,* retrieved June 2004.

Table 6-2 shows recent tariff rates for SSA countries across several groupings. The first category shows most-favored-nation (MFN)[13] tariff rates for 35 of the 38 SSA WTO members. The average MFN tariff rate for these countries was about 16.8 percent ad valorem for agriculture and 13.1 percent ad valorem for industrial goods. A second category reports only bound tariff rates for the other three WTO members during 2003, for which no MFN or applied tariff data were available. The average bound tariff rate for these three countries was 68.1 percent ad valorem for agriculture and 38.8 percent ad valorem for industrial goods. Lastly, a third group shows tariff rates for 4 of the 10 non-WTO member countries that maintain a de facto application of the General Agreement on Tariffs and Trade[14] or that have applied for WTO accession. This third group of countries indicates "MFN-like" tariffs of 29.2 percent ad valorem for agriculture and 21.4 percent ad valorem for industrial goods. All three groupings are exclusive of other duties and charges.

Technical Notes

Attempts have been made to provide standard and consistently defined measures for each country profile, but information may vary among the 48 countries and among sources because of varying statistical methods and data limitations, coverages, and practices. Consequently, full comparability cannot be assured. In general, the statistical information should be treated as indicative, and emphasis placed on broad trends over time. To facilitate cross-country comparisons, values of many national currencies have been converted from the national currencies into U.S. dollars, using the World Bank Atlas methodology.[15] Data series are expressed in constant U.S. dollars and exchange rates use a base year of 1995. Most group averages are weighted according to the relative importance of the countries in the group total where appropriate, and shares and ratios are calculated using current price series.[16] Some data based on estimates in previous editions have been updated or replaced with actual data or improved estimates. In situations where official exchange rates diverge by an exceptional margin from the rate effectively applied to international transactions and a more appropriate conversion factor is estimated, the dollar value of GDP may not match the local currency GDP value multiplied by the exchange rate.

[13] Also called "Normal Trade Relations" duty rates in the United States.

[14] The General Agreement on Tariffs and Trade (GATT) consists of the multilateral rules governing international trade, which were first agreed in 1947 (GATT 1947), and which continue in the form of the GATT 1994 (although essentially identical in substance, GATT 1947 and GATT 1994 are nonetheless legally distinct documents). The World Trade Organization (WTO) was established in 1995 to oversee the GATT 1994.

[15] World Bank, *Development Indicators Database*, 2004.

[16] Ibid.

Table 6-2
Tariffs in sub-Saharan African countries, various years

Country	Agriculture	Industry	Source	Year
	Percent ad valorem			
WTO members (MFN tariff rates)				
Angola	9.4	8.7	UNCTAD TRN	2002
Botswana	9.1	5.3	WTO IDB	2002
Burkina Faso	14.3	11.6	UNCTAD TRN	2003
Burundi	33.0	21.9	UNCTAD TRN	2002
Cameroon	22.0	17.5	UNCTAD TRN	2002
Central African Republic	22.0	17.5	UNCTAD TRN	2002
Chad	22.0	17.5	UNCTAD TRN	2002
Congo (DROC).	13.0	11.9	UNCTAD TRN	2003
Congo (ROC).	22.0	17.5	UNCTAD TRN	2002
Côte d'Ivoire	14.3	11.6	UNCTAD TRN	2003
Djibouti	20.5	32.6	UNCTAD TRN	2002
Gabon	22.0	17.5	UNCTAD TRN	2002
Ghana	19.9	13.8	UNCTAD TRN	2000
Guinea	6.6	6.4	WTO IDB	1998
Guinea-Bissau	14.3	11.6	UNCTAD TRN	2003
Kenya	23.1	18.5	UNCTAD TRN	2001
Lesotho	9.1	5.3	WTO IDB	2002
Madagascar	5.8	4.4	UNCTAD TRN	2001
Malawi	14.9	12.8	UNCTAD TRN	2001
Mali	14.6	10.6	WTO IDB	1999
Mauritania	12.6	10.6	UNCTAD TRN	2001
Mauritius	19.5	18.3	UNCTAD TRN	2002
Mozambique	16.4	11.4	UNCTAD TRN	2003
Namibia	9.1	5.3	WTO IDB	2002
Niger	14.3	11.6	UNCTAD TRN	2003
Nigeria	52.4	26.6	UNCTAD TRN	2002
Rwanda	12.6	9.5	UNCTAD TRN	2003
Senegal	14.3	11.6	UNCTAD TRN	2003
South Africa	8.8	7.9	UNCTAD TRN	2001
Swaziland	9.1	5.3	WTO IDB	2002
Tanzania	18.1	12.9	UNCTAD TRN	2003
Togo	14.3	11.6	UNCTAD TRN	2003
Uganda	12.1	8.1	UNCTAD TRN	2003
Zambia	18.7	13.2	UNCTAD TRN	2003
Zimbabwe	25.5	18.7	UNCTAD TRN	2001
Average	16.8	13.1		
WTO members (bound tariff rate ceilings)				
Benin	61.8	11.5	UNCTAD TRN	2003
The Gambia	102.2	56.4	UNCTAD TRN	2003
Sierra Leone	40.3	48.5	UNCTAD TRN	2003
Average	68.1	38.8		

See footnotes at end of table.

Table 6-2—*Continued*
Tariffs in Sub-Saharan Africa countries, various years

Country	Agriculture	Industry	Source	Year
	— *Percent ad valorem* —			
Non-WTO members (MFN* tariff rates)				
Cape Verde	([1])	([1])		
Comoros	([1])	([1])		
Equatorial Guinea	22.0	17.5	UNCTAD TRN	2002
Eritrea	([1])	([1])		
Ethiopia	21.7	18.4	UNCTAD TRN	2002
Liberia	([1])	([1])		
São Tomé and Principe	([1])	([1])		
Seychelles	38.4	26.8	UNCTAD TRN	2001
Somalia	([1])	([1])		
Sudan	34.6	22.9	UNCTAD TRN	2002
Average	29.2	21.4		

[1] Not available.

Note.–Harmonized System (HS) chapters 1 to 24 constitute agricultural goods, and HS 25 to 97 comprise industrial goods. MFN* indicates MFN-like tariff rates of non-WTO members that maintain a de facto application of the rules of the GATT or that have applied for WTO accession. UNCTAD TRN indicates the Trade Analysis Information System (TRAINS) database of the United Nations Conference on Trade and Development, taken from the World Bank's WITS database. WTO IDB indicates the Integrated Database of the World Trade Organization, taken from the World Bank's WITS database. Data shown from the most recent year available; data from the WTO IDB supplements that of the UNCTAD TRN database where multiple entries are available for the same year.

Source: World Bank, *World Integrated Trade Solution Database*, Aug. 2004.

Statistical data for the 48 countries were sourced from the most recent data available from the Economist Intelligence Unit (EIU) (economic and world trade indicators),[17] World Bank Africa database (FDI),[18] and the U.S. Department of Commerce (U.S.-SSA trade data).[19] Some countries' "Composition of GDP" charts are divided into primary, secondary, and tertiary sector aggregations used by the EIU. These sectors are defined as: primary (agriculture, fisheries, mining, and quarrying); secondary (manufacturing, construction, electricity, water, and other utilities); tertiary (primarily services activities, such as retail, financial, real estate, and government services). As a result of rounding, "Composition of GDP" charts may not add to 100. Text references to the "formal" sector indicate activity that is linked to official administrative entities (such as through tax collection); and text references to the "informal sector" indicate activity primarily unmonitored by administrative entities (such as cash payments to employees). In addition, some country profiles refer to "Article IV" consultations with the IMF. This term refers to "Articles of Agreement of the International Monetary Fund, Article IV – Obligations Regarding Exchange Arrangements."[20] Where U.S. dollar equivalents were not provided in the source material, IMF exchange rates for relevant years were used to provide estimated U.S. dollar equivalent values.[21] Textual update information was drawn from numerous sources, including the Economist Intelligence Unit country profiles and Viewswire articles, Newsedge articles, Allafrica articles, and U.S. Department of State.[22] All country profile text discussions represent reported information from the above-referenced sources, and are not Commission opinion or assessment.

[17] Economist Intelligence Unit, "Sub-Saharan African Countries' Economic Structure Profiles," 2003. EIU data include both official government data and EIU estimates when official source information is unavailable.

[18] World Bank, *Development Indicators Database*, 2004, retrieved July 2004.

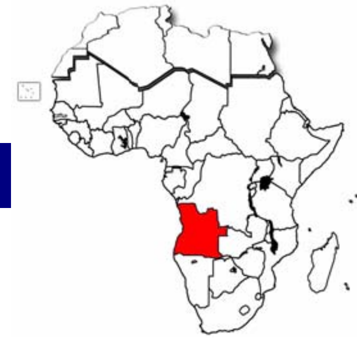
[19] Compiled from official statistics of the U.S. Department of Commerce.

[20] For more information, see IMF, "Articles of Agreement of IMF," found at Internet address *http://www.imf.org/external/pubs/ft/aa/aa04.htm*, retrieved Sept. 23, 2003.

[21] IMF, *IFS Database*, found at Internet address *http://www.imfStatistics.org*, retrieved May 2004.

[22] For a more detailed list of primary nongovenmental information sources, see source list at the end of this chapter.

ANGOLA

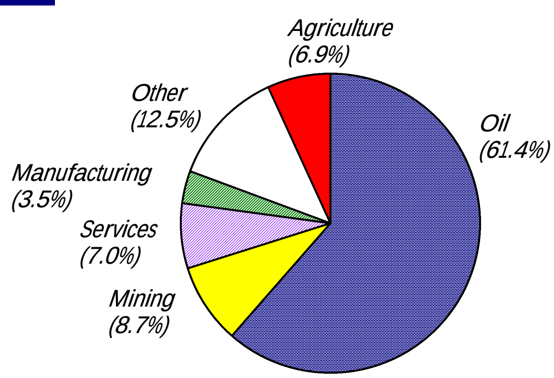


Economic Overview

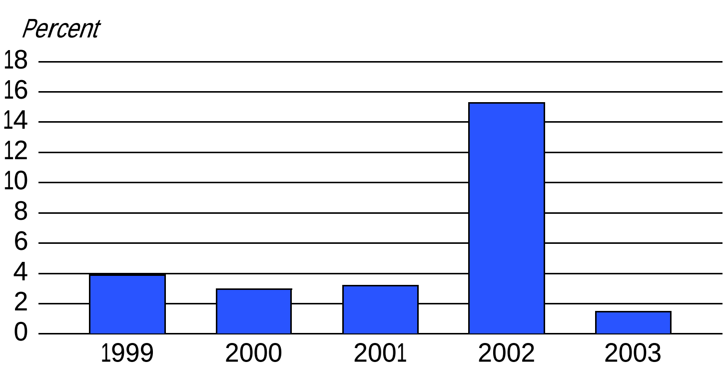
Economic Indicators

	2002	2003	Difference
GDP (nominal, Kz bn)	525.7	954.4	428.7
GDP (US$ bn)	12.1	12.7	0.6
CPI Inflation (annual average, %)	106.0	76.6	-29.4
Goods Exports (US$ mn)	8,333.4	9,618.5	1,285.1
Goods Imports (US$ mn)	3,709.0	4,079.9	370.9
Trade Balance (US$ mn)	4,624.4	5,538.6	914.2
Current Account Balance (US$ mn)	-632.6	-495.2	137.4
Foreign Exchange Reserves (US$ mn)	375.6	845.0	469.4
Total External Debt (US$ bn)	9.4	9.2	-0.2
Debt Service Ratio, paid (%)	17.2	17.5	0.3
Exchange Rate (Kz/US$)	43.5	75.0	31.5

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- Unrest in the Angolan countryside, drought, and relocation contributed to a decrease in agriculture production in 2003. The decline in the agricultural sector contributed to increased food imports in 2003.
- Production in Angola's fishing industry continues to decline because of government intervention and insufficient investment and technology.
- As the second-largest oil exporter in SSA, Angola's petroleum sector has continued to expand rapidly.
- Despite rapid economic growth, Angola remains underdeveloped according to socioeconomic indicators. In late 2003, efforts began to improve inadequate infrastructure hampered by civil unrest in previous years.
- Angola is the world's fourth-largest diamond producer.
- Production within the manufacturing industry continues to be hampered by high costs, corruption, inadequate services, and ineffective laws.
- Major government initiatives for 2003 included growth in nonpetroleum sectors, specifically agriculture and livestock, and improvement of land and water transportation; energy, water, supply and sanitation; and housing and public services, including schools and health clinics.
- Government plans for privatization, tax reforms, and budget reforms are progressing slowly.
- Post-war rehabilitation continued to improve in early 2004 with the third phase of the World Bank's reconstruction program. Co-founded by the World Bank / International Development Association, EU, Norwegian government, U.S. Agency for International Development, and ChevronTexaco (U.S.), Angola received a social action fund of $137 million to rehabilitate its social and economic infrastructure over the next four years.
- Continued macroeconomic instability, oil-backed lending, and corruption contributed to Western donor and foreign aid agency reluctance to offer financial assistance for reconstruction after the recent civil unrest. Because of decreased financial assistance, the government expressed interest in establishing a new program with the IMF in March 2003. In April 2004, the World Bank granted Angola $33 million to facilitate societal reintroduction of 140,000 soldiers. In October 2003, Angola and neighboring São Tomé, & Principe signed agreements regarding oil, tourist activity, and financial responsibility. In early 2004, DROC and Angola signed cooperation agreements focusing on construction of new roads; rehabilitation of railways; and cooperation in the areas of legal, social, and political communication.
- In April 2004, Angola and Morocco signed a cooperation protocol focused on the petroleum sector.

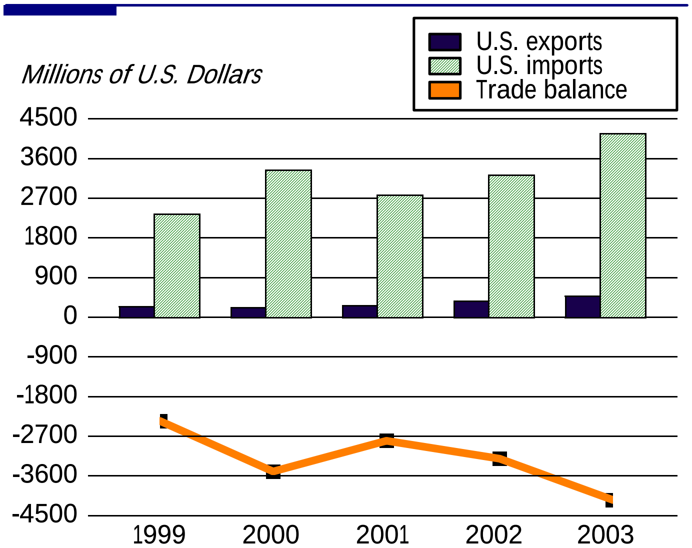
Main Trade Partners, percent of total

Markets (2002)		*Sources (2001)*	
United States	35.8	Portugal	26.0
China	11.6	South Africa	15.9
France	6.9	United States	17.9
Belgium	5.4	France	8.6

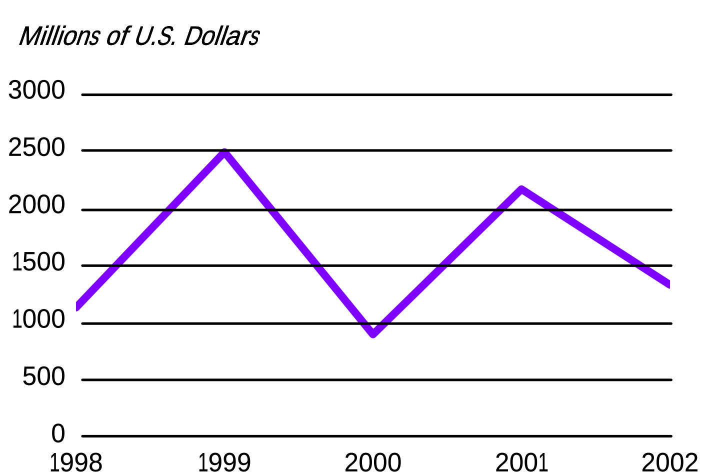
Main Trade Commodities, US$ millions

Exports (1999)		*Imports (1996)*	
Crude oil	4,305.0	Consumer goods (excl food)	712.0
Diamonds	577.0	Capital goods	327.0
Refined Petroleum	75.0	Intermediate goods	299.0
Liquefied petroleum gas	10.0	Food	295.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Passenger and freight use of air travel within Angola has increased because civil unrest in the countryside has hampered ground-based transportation.
- Crown Agents (UK) continued efforts to reform customs procedures. These efforts contributed to an increase in state revenue in early 2003.
- In late 2003, Angola announced plans to explore the exportation of liquified natural gas (LNG) as a means of reducing the flaring of gas, a by-product of oil production. Inadequate infrastructure investment has prevented Angola's export of LNG thus far.
- Efforts to eliminate investment and trade barriers and move toward a market-based economy experienced a setback when the government required all imports to pass through government-controlled posts.
- In 2003, U.S. exports to Angola consisted primarily of machinery and mechanical appliances, aircraft and parts thereof, and meat. U.S. imports from Angola consisted primarily of mineral fuels and oils, precious or semiprecious stones or metals, and organic chemicals. In 2004, Angola was designated an AGOA beneficiary country.

Investment and Privatization Update

- Representing over 50 percent of the foreign investment in Angola in 2003, the United States' investment level was approximately $10 billion and is anticipated to reach $20 billion by 2008.
- Investment continued to focus primarily on the energy sector to help alleviate the frequent power outages caused by an inadequately maintained and inefficiently integrated electricity grid.
- In June 2003, investment in the Angolan oil sector, specifically LNG and refinery operations, was expected to increase by $23 billion over the next 5 years. A $15-billion investment by ExxonMobil (U.S.), after making its seventeenth discovery in Angola's deepwater Block 15, contributed to the expected increase.
- Investment in Angola's diamond mining industry also increased. In June 2003, three kimberlite ore deposits containing diamonds were found at Alto Cuilo by Petra Diamond mine (South Africa). In December 2003, Russian Alrosa began building a $45-million hydroelectric power plant, due to be completed by mid-2006. The power plant will help to increase the number of ore-dressing facilities on the Chikapa River and increase the mine's diamond output. Also in December 2003, Empresa de Diamantes (Endiama) announced its partnership with local companies Gelton, Prodminas, and Saccir and Makitara to mine the Cacolo region for alluvial diamonds.
- Investment in the telecommunications sector increased early in 2004 when Telecom Namibia bought 44 percent of Mundo Startel with a commitment of $14 million over the next 3 years and plans for a national network structure by mid-2006.
- Private sector weakness, a lack of financial and administrative capacity, and inadequate interest in potential buyers continued to constrain the government's privatization program. The privatization of the state banks, initially supported by the IMF, experienced a setback when a tender for a consultancy contract was cancelled. The contract included plans to oversee the sale of over 50 percent of BCI, the first state bank.

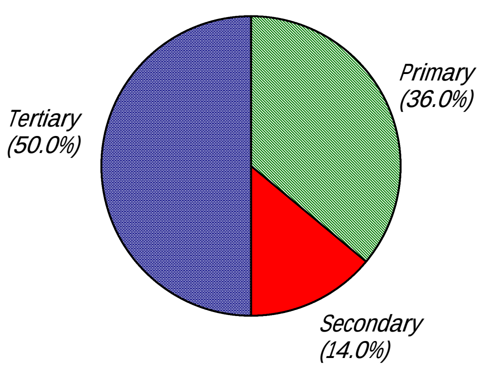
BENIN

Economic Overview

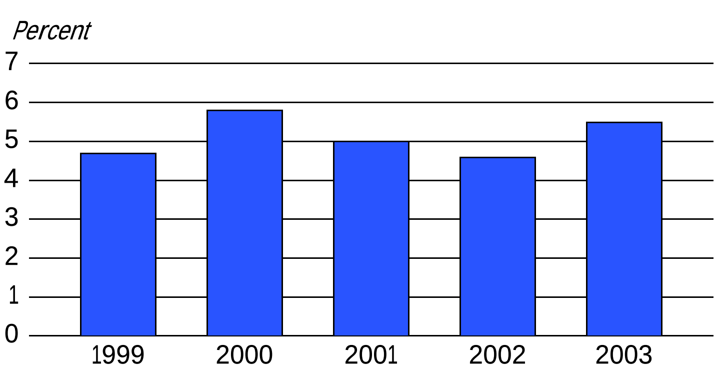
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	1,959.0	2,125.0	166.0
GDP (US$ bn)	2.8	3.7	0.9
CPI Inflation (annual average, %)	2.4	2.8	0.4
Goods Exports (US$ mn)	424.0	484.0	60.0
Goods Imports (US$ mn)	582.0	726.0	144.0
Trade Balance (US$ mn)	-158.0	-242.0	-84.0
Current Account Balance (US$ mn)	-88.0	-147.0	-59.0
Foreign Exchange Reserves (US$ mn)	615.7	631.0	15.3
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	697.0	518.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Benin continued to experience substantial economic growth in 2003.
- The government continues to implement social services projects in areas such as health and education.
- The government's primary macroeconomic strategy includes accelerated growth, poverty reduction, and financial stability. Government revenue is expected to increase from the computerization of the customs and excise department. Customs revenue represents approximately 50 percent of domestic revenue. The efforts, however, continue to be hampered by lack of efficient implementation.
- Benin plans to modernize the Adjaralla dam on the Mono River in order to increase power supplies. This is a joint project with Togo and is estimated to cost $162 million.
- In December 2003, Benin received its first international credit rating, receiving a B+ long-term and B short-term sovereign credit rating.
- Millennium Challenge Corporation (U.S.) designated Benin as a country eligible to receive assistance in 2004.
- Benin continued to follow the IMF PRGF program first initiated in July 2000. The PRGF's fifth review was completed in October 2003. In addition, the IMF approved disbursement of $3.7 million towards the PRGF. PRGF targets for 2003 were expected to be largely met.
- In October 2003, the African Development Bank announced an $18-million loan to finance a rural electrification project costing a total of $23 million. The project will provide electricity for 57 rural areas. The government aims to provide electricity to 29 percent of the population by 2008.
- In February 2004, the West African Development Bank and Benin signed a complementary debt relief agreement worth $8.9 million towards Benin's poverty eradication efforts and HIV / AIDS alleviation.
- The World Bank / IDA is preparing a PRSC of $20 million. The aim is to support the country's poverty reduction strategy.
- The EU allocated a 30 million euro (approximately $39 million) grant to support urban road maintenance and road improvement policy.
- Nigeria shut down its border with Benin for 2 weeks in August 2003 in an attempt to reduce cross-border crime.

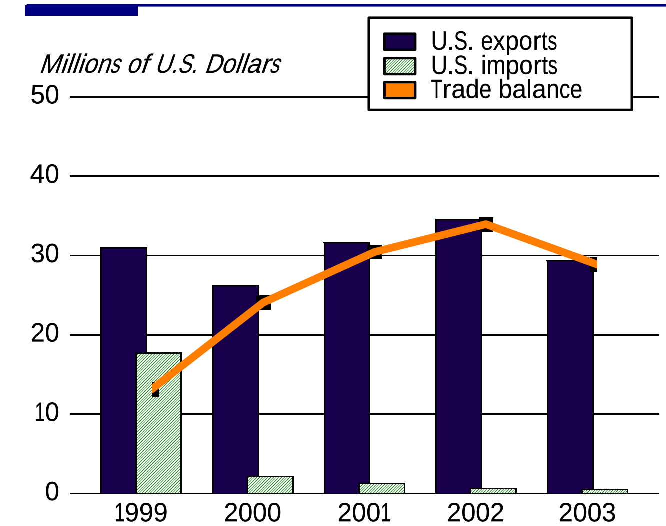
Main Trade Partners, percent of total

Markets (2002)		*Sources (2001)*	
European Union	24.6	European Union	38.1
India	24.2	China (incl Hong Kong)	31.8
Italy	10.8	France	15.6
China (incl Hong Kong)	7.3	United Kingdom	4.7

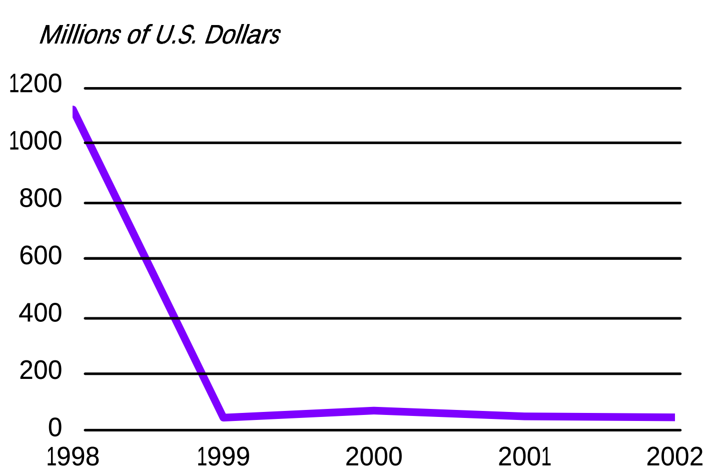
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Re-exports	168.8	Food	160.6
Cotton	141.2	Petroleum products	130.4
		Capital goods	104.8

U.S. Trade Balance



Net Foreign Direct Investment



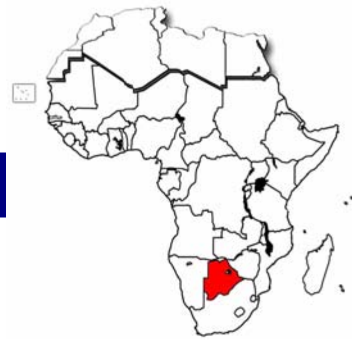
Trade Update

- During 2003, Benin's major port, Cotonou, experienced a large surge in activity, as Côte d'Ivoire's Abidjan port activity was restricted because of civil unrest.
- The IMF and Benin authorities evaluated the requirements of the customs administration for pre-shipment inspection. Specifically, the team examined the monitoring of customs valuation and "special regimes," including audit coverage and transparency of customs procedures.
- France is the largest source of imports for goods including food, mineral fuels, chemicals, machinery, and transport equipment. Imports from China have increased substantially.
- Nigeria is the largest re-export market for Benin's goods. Benin's low tariffs and good port facilities, and its large border with Nigeria, create an informal market for trade.
- In recent years, production of crops such as palm oil, cashew nuts, coffee, cocoa, groundnuts, and shea nuts has increased substantially in northern and central Benin.
- Construction of the Cotonou fishing port is scheduled to be completed in mid 2004. The modernization project, funded by Japan and the United States, included installation of a refrigeration plant and the construction of two unloading docks and boat-repair and storage facilities. Also planned are an electricity generating plant, a laboratory, and research offices.
- In 2005, Benin and UEMOA plan to establish a full economic union.
- In 2003, U.S. exports to Benin consisted primarily of motor vehicles and parts thereof, machinery and mechanical appliances, and used clothing and textiles. U.S. imports from Benin consisted primarily of live animals, cotton yarn or fabric, and wood and articles of wood. In 2003 and 2004, Benin was designated an AGOA beneficiary country, including qualifying for apparel benefits in 2004.

Investment and Privatization Update

- Libercom, a state-owned mobile phone operator and the largest mobile phone operator in Benin, plans to increase its customer base from 69,000 in 2002 to 140,000 in 2003.
- The telecommunications industry is still slated for privatization. In addition, privatization of Continental Bank is still planned, while two hotels were put up for sale July 2003.
- In July 2003, the government offered for sale ginneries owned by the state-owned cotton marketing and processing company. The company's processing plants were to be sold in four parts: Bembereke and Glazoue ginneries, Bohicon 1 and 2 and Kandi ginneries, Banikoara and Hagoume ginneries, and Parakou 1 and 2 and Savalou ginneries.
- During 2003, the government continued plans to privatize the Cotonou port.

BOTSWANA

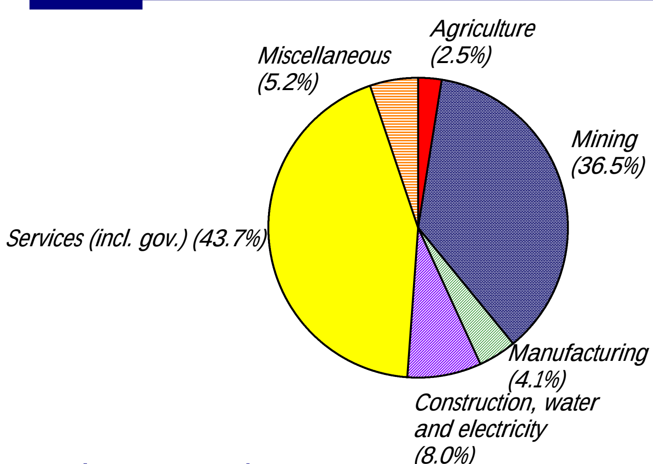


Economic Overview

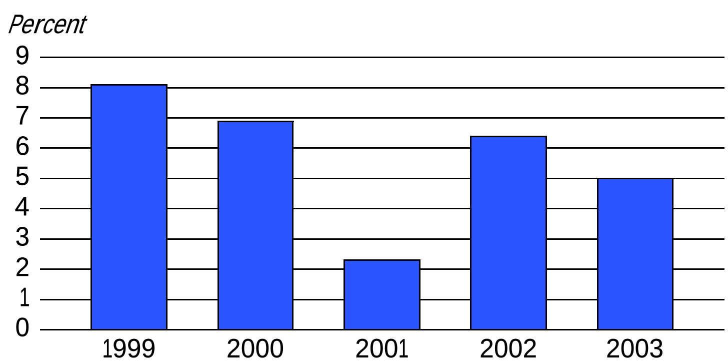
Economic Indicators

	2002	2003	Difference
GDP (nominal, P bn)	35.9	41.2	5.3
GDP (US$ bn)	5.7	8.3	2.6
CPI Inflation (annual average, %)	8.0	9.2	1.2
Goods Exports (US$ mn)	2,368.0	2,544.0	176.0
Goods Imports (US$ mn)	1,704.0	1,753.0	49.0
Trade Balance (US$ mn)	664.0	791.0	127.0
Current Account Balance (US$ mn)	540.0	591.0	51.0
Foreign Exchange Reserves (US$ bn)	5.5	5.8	0.3
Total External Debt (US$ mn)	383.3	417.8	34.5
Debt Service Ratio, paid (%)	1.9	1.8	-0.1
Exchange Rate (P/US$)	6.3	5.0	-1.3

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- In June 2004, the World Economic Forum ranked Botswana as Africa's top competitive economy because of the quality of its public institutions and the openness of the economy.
- Botswana earns 80 percent of its foreign exchange from the mining sector. Botswana is the world's largest diamond producer by value. Diamond production is not labor intensive and accounts for only 5 percent of employment in the formal sector. A substantial proportion of output is mined by the DeBeers Botswana Mining Company, also known as Debswana, a joint venture between De Beers and the Government of Botswana. Botswana is expected to maintain a current account surplus through 2004 because of increased output from the mining sector.
- Botswana continues to be hampered by a small consumer market, and its landlocked location limits the supply of usable water and also results in high transport costs.
- The spread of HIV / AIDS continues to hinder economic development, accounting for continued increasing social costs. In early 2004, the Central Statistics Office was tasked with conducting a national AIDS impact study.
- In 1999, the Mining and Minerals Act was revised to increase private sector investment in mining exploration in remote regions. A new policy proposed for 2004 is expected to reduce investor risk by providing baseline geological data, as well as streamlining the production process for the mining of raw materials such as diamonds, copper-nickel, soda ash, and coal.
- In February 2004, the finance minister announced immediate plans to devalue the local currency, the pula. The devaluation is aimed at improving Botswana's competitive position in international markets for the mining sector and establishing a competitive edge for nonmining activities.
- The government has indicated its intent to decrease the current budget deficit through the sale of the Public Debt Service Fund loan book and a reduction in public spending.
- The Ninth National Development Plan was launched in April 2003 and will be completed in March 2009. This plan will explore opportunities to promote investment and to increase activity in nonmining sectors in order to diversify the economy away from its reliance on diamond mining.
- The government announced plans to fund a development plan to achieve global competitiveness through diversified development. Sectors identified by the Botswana Export Development and Investment Authority include textile and garment production, glass manufacturing, jewelry manufacturing, leather tanning, tourism, public sector reform, and meat products.
- A new diamond mine opened in October 2003 and is expected to contribute 25,000 carats to the national output level.

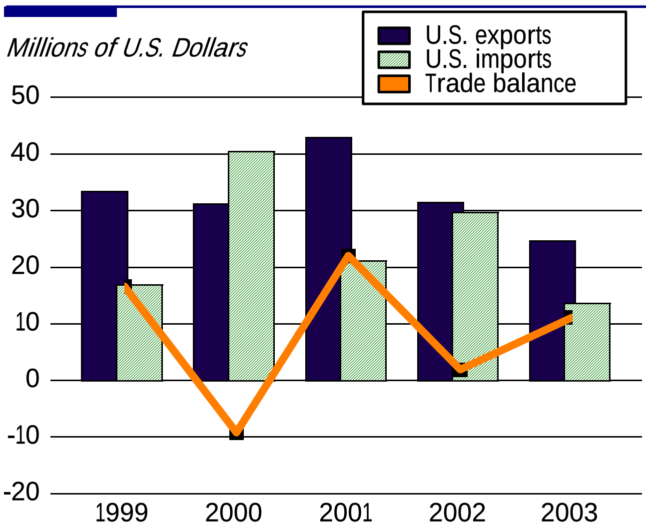
Main Trade Partners, percent of total, 2000

Markets		*Sources*	
European Free Trade Area	87.0	Southern African Customs Union	74.0
Southern African Customs Union	7.0	European Free Trade Area	17.0
Zimbabwe	4.0	Zimbabwe	4.0

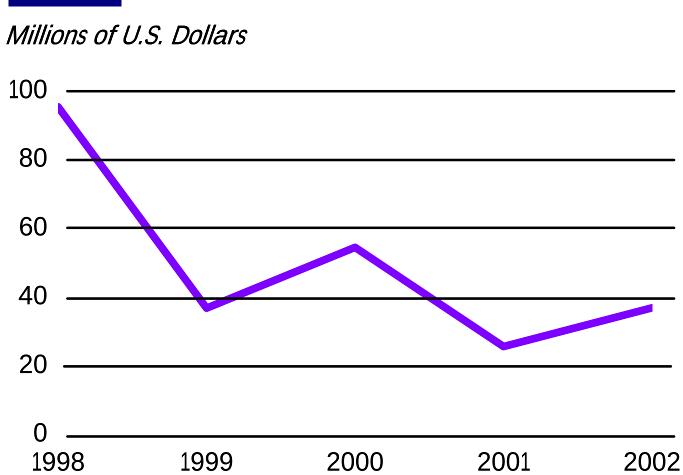
Main Trade Commodities, US$ millions, 2000

Exports		*Imports*	
Diamonds	2,231.0	Machinery & electrical goods	462.0
Copper & nickel	163.0	Food, beverages & tobacco	293.0
Vehicles	53.0	Vehicles & transport equipment	258.0
Meat & meat products	52.0	Chemical & rubber products	203.0

U.S. Trade Balance



Net Foreign Direct Investment



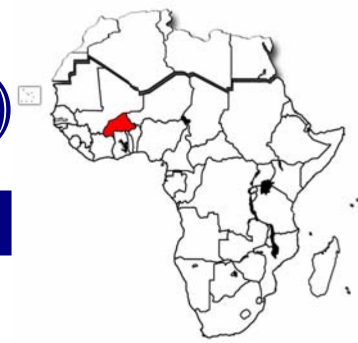
Trade Update

- In May 2003, the Botswana Meat Commission's abattoirs were temporarily closed because of foot-and-mouth disease. Exports to the EU, Botswana's largest market, and South Africa were temporarily halted. In July 2003, beef exports to the EU were resumed. Beef is the primary agricultural export from Botswana, with exports totaling more than $300 million per year.
- A Tourism Board was established in late 2003 after the passage of the Tourism Bill. The board's role will be to promote tourism with the aid of a development fund. Tourism has dwindled because of civil unrest in the region and political instability in neighboring Zimbabwe.
- In August 2002, Botswana was granted the right under AGOA to source raw materials from third-party countries for apparel production because of its limited domestic resources.
- Improved production processes in the mining industry have increased diamond output, which reached 28.4 million carats in 2002 and 30.3 million in 2003.
- In 2003, U.S. exports to Botswana consisted primarily of aircraft and parts thereof, electrical machinery and equipment, and machinery and mechanical appliances. U.S. imports from Botswana consisted primarily of precious or semiprecious stones or metals, apparel, and footwear. In 2003 and 2004, Botswana was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Botswana totaled $6.3 million in 2003.

Investment and Privatization Update

- Major government initiatives encouraging joint ventures between foreign investors and domestic partners include facilitating the issuance of trade licenses, streamlining the process for issuing work permits, and allowing tax write-offs for employee training.
- Although Botswana allows for free repatriation of profits, has one of the lowest corporate tax rates in the region at 25 percent, and has a special corporate tax rate (15 percent) for certain categories of manufacturing, the slow progress of privatization and the slow adoption of competition policy legislation continues to hamper investment.
- Gallery Gold (Australia) has signed separate joint venture agreements with De Beers Prospecting (Botswana) and Albidon (Australia) that cover exploration work in Botswana's Tati greenstone belt.
- An 18-month exploration program was announced for the kimberlite region by African Diamonds (Ireland) and is to be funded through the Alternative Investment Market (UK). The firm, which was also awarded a prospecting license for the Damtshaa mine that opened in October 2003, has indicated its intent to explore ancient river systems in the hope of discovering diamond deposits.
- The original target sale date of the national airline, Air Botswana, was postponed to 2003 from 2001. In late 2003, the privatization was further halted because of the decision of Comair and Air Mauritius to withdraw their bids. Comair expressed concern over the current state of the international airline industry, and Air Mauritius has undergone changes in senior management.

BURKINA FASO

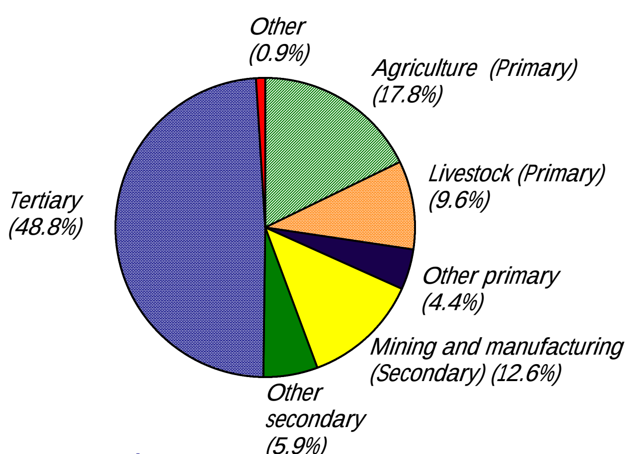


Economic Overview

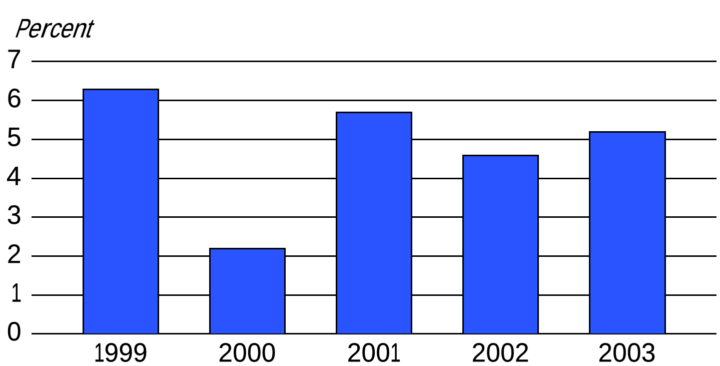
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	2,004.0	2,157.0	153.0
GDP (US$ bn)	2.9	3.7	0.8
CPI Inflation (annual average, %)	2.3	2.0	-0.3
Goods Exports (US$ mn)	236.0	324.0	88.0
Goods Imports (US$ mn)	548.0	699.0	151.0
Trade Balance (US$ mn)	-312.0	-375.0	-63.0
Current Account Balance (US$ mn)	-313.0	-381.0	-68.0
Foreign Exchange Reserves (US$ mn)	213.0	341.0	128.0
Total External Debt (US$ bn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Agriculture remains an important sector of the economy. Approximately 90 percent of the population derives its livelihood from agriculture and livestock, with over 80 percent depending on subsistence agriculture.
- Gold is Burkina Faso's main mineral resource and limited amounts are sold commercially. It is the third-largest source of export receipts, after cotton and livestock. Although Burkina Faso has some manganese deposits, the country has yet to invest in their development.
- The government has announced biotech cotton trials as part of a cooperative agreement with Monsanto (U.S.) and has agreed to co-host a regional biotech conference.
- In April 2003, along with Mali, Benin, and Chad, Burkina Faso introduced a plan to end cotton subsidies.
- Government economic policy is expected to focus on making primary education compulsory and free, giving local communities greater authority and resources, monitoring the PRSP process, increasing financial support of private enterprise, and coordinating donor support.
- The most recent PRGF was approved by the IMF on June 11, 2003. PRGFs have placed significant emphasis on social expenditure and rural development. IMF supported goals for development under the 2003-06 PRGF include minimizing the budget deficit, protecting social spending, improving tax collection efficiency, promoting private sector and rural development, opening the cotton sector to private markets, promoting good governance, fighting corruption, encouraging debate, and facilitating privatization.
- Nine donor agencies, including the World Bank and European Development Bank, have agreed to provide $105 million for the construction of a power line between Ouagadougou, the capital, and Bobo-Dioulasso.
- Grants represent 70 percent of the $2 billion secured to reduce poverty by funding initiatives in education, healthcare, and the campaign against HIV / AIDS.
- In early 2004, the AfDB pledged 3 million euro (approximately $4 million) to Burkina Faso to support land reform efforts.
- India pledged $500 million in low-interest loans in early 2004 to help Burkina Faso, Chad, Côte d'Ivoire, Equatorial Guinea, Ghana, Guinea-Bissau, Mali, and Senegal create the Techno-Economic Approach for Africa India Movement, which will focus on generating employment, and promoting pharmaceuticals production and healthcare, information technology and telecommunications, and agriculture.

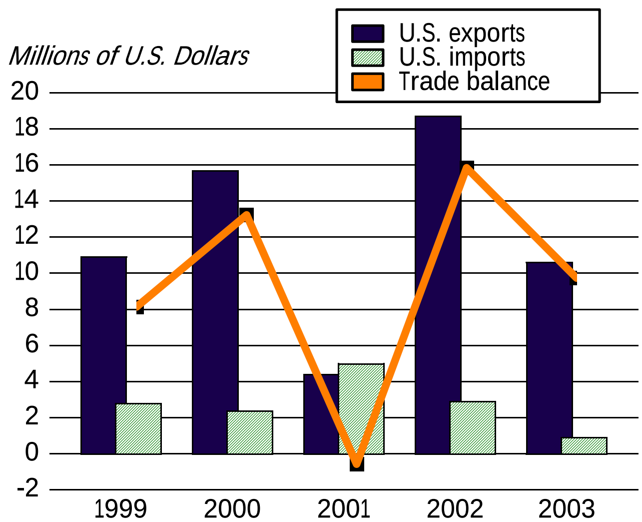
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
France	45.3	France	19.6
Côte d'Ivoire	9.2	Côte d'Ivoire	18.8
Indonesia	5.0	Japan	9.3
Mali	4.1	Germany	6.0

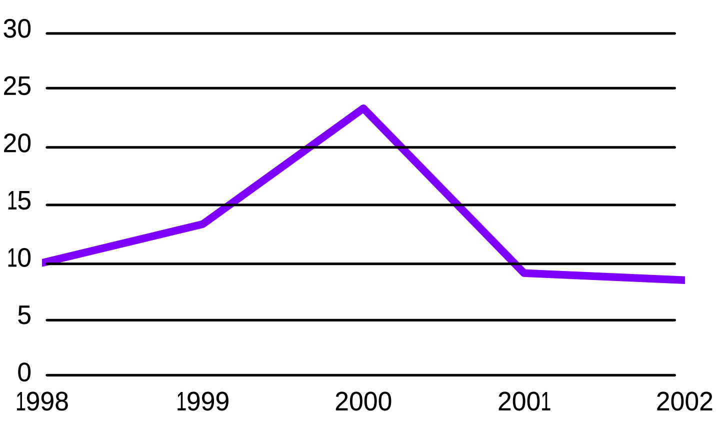
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Cotton	127.7	Capital goods	178.6
Animal products	49.3	Petroleum products	101.9
Gold	5.7	Food	69.6

U.S. Trade Balance



Net Foreign Direct Investment



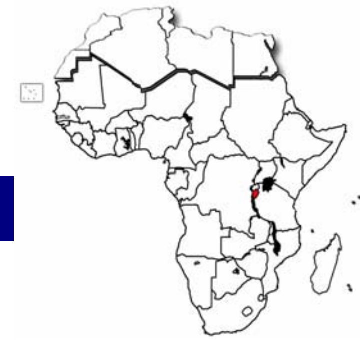
Trade Update

- Despite significant investments in recent years, the transport system remains inadequately developed. The government is implementing a transport sector adjustment program with funding of $92 million from the World Bank. Main focal points of this project include developing a policy and regulatory framework and improving the road and rail networks.
- In September 2003, the border with Côte d'Ivoire was reopened to commercial and private traffic. Before its closing, Burkina Faso extensively used the Abidjan port for worldwide trade. Route interference, however, contributed to economic hardships in the western part of the country. While the ports were closed, shippers diverted trade to ports in Ghana and elsewhere in Africa. To alleviate the situation, the government lifted all taxes and duties on the importation of 100 new trucks to be used in the transport of internationally traded goods.
- Plans exist to construct a $750-million railway line from Burkina Faso to Ghana's ports on the Atlantic. This project would provide alternative trade transport options for the landlocked country other than the Abidjan port in Côte d'Ivoire.
- In 2003, U.S. exports to Burkina Faso consisted primarily of electrical machinery and equipment, machinery and mechanical appliances, and cereals. U.S. imports from Burkina Faso consisted primarily of works of art; edible fruit and nuts; and coffee, tea, mate, and spices.

Investment and Privatization Update

- A PRSP progress report released in early 2004 delineates steps to improve the country's business environment and encourage investment. The government has shortened the time required to establish a new business from 3 months to 15 days. Plans were developed in meetings with the private sector with goals to relax bonded warehouse regimes; to fund technical education, occupational training, and apprenticeships; and to provide companies with computer equipment. The government is also making efforts to reduce the cost of electricity, water, telecom, and transport.
- Twenty-six state enterprises were privatized between 1992 and 2003, with several on offer and more than a dozen placed in liquidation. Most liquidation has taken place in the manufacturing sector because of stiff competition from imports. Onatel (telecommunications), Sonabel (electricity), Sonabhy (energy provider), Onea (water), Cnea (agriculture sector parastatal), a hotel, and the Ougadougou and Bobo-Dioulasso airports still await privatization.
- In March 2003, the government announced the sale of all equipment owned by cotton parastatal Sofitex. It launched the partial privatization of Onatel, a telecom parastatal, in May 2003. The process is expected to be completed by 2009.
- In mid-2004, Burkina Faso passed legislation to encourage and provide protection for German FDI.

BURUNDI

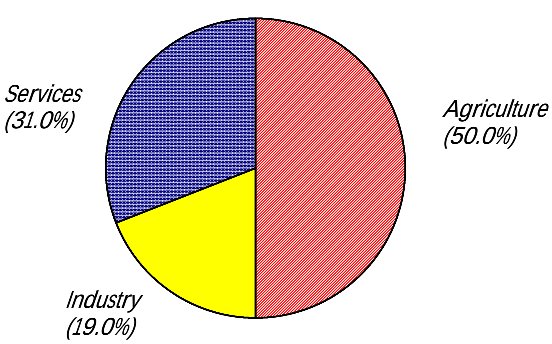


Economic Overview

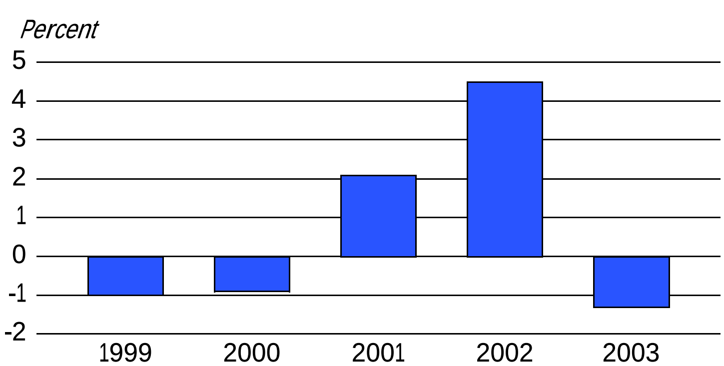
Economic Indicators

	2002	2003	Difference
GDP (nominal, Bufr bn)	567.0	617.0	50.0
GDP (US$ mn)	609.2	599.0	-10.2
CPI Inflation (annual average, %)	-1.4	10.2	11.6
Goods Exports (US$ mn)	30.0	40.0	10.0
Goods Imports (US$ mn)	106.0	128.0	22.0
Trade Balance (US$ mn)	-76.0	-88.0	-12.0
Current Account Balance (US$ mn)	-35.0	-47.0	-12.0
Foreign Exchange Reserves (US$ mn)	58.8	63.3	4.5
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Bufr/US$)	930.8	1,030.0	99.2

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Subsistence farming remains predominant. Civil unrest, sanctions, import shortages, and inadequate domestic demand hamper development of the industrial sector.
- The coffee sector continues to be affected by inadequate agricultural inputs, weak prices, and long-term international price decline.
- In December 2003, the government passed a budget that broadly conforms with performance criteria specified by the post conflict emergency program.
- The government's economic policy aims to reduce poverty, promote recovery, increase GDP growth, and improve delivery of public services. The government pledged to reduce the fiscal deficit by promoting price stability, pursuing structural reforms, and increasing expenditures on poverty relief.
- The IMF broadly approved Burundi's economic progress despite civil unrest and decreased economic activity.
- In early 2004, the IMF and the Burundi government signed an agreement for $104 million to support the economic reform program for 2004-07.
- Burundi is expected to receive debt relief under the HIPC initiative upon the IMF's approval of the PRGF and poverty reduction strategy in late 2004.
- The World Bank pledged to provide a loan of $26 million for macroeconomic support, and $33 million to assist the socioeconomic reintegration of displaced combatants.
- The World Bank approved an $84-million credit to improve access to agricultural production centers, social services, and national and international markets.
- In June 2003, the Burundi External Relations and Cooperation minister and the Chinese Ambassador to Burundi signed a $4-million aid agreement.
- In April 2004, the Government of Italy canceled debt owed by Burundi and committed to efforts to restructure Burundi's remaining international debt.

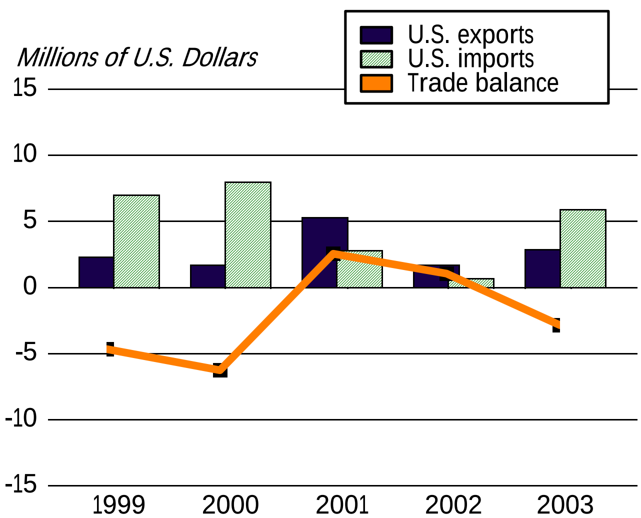
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Switzerland	28.8	Belgium	12.4
Germany	20.2	Saudi Arabia	12.3
Belgium	9.5	Tanzania	9.3
Kenya	7.7	Kenya	7.7

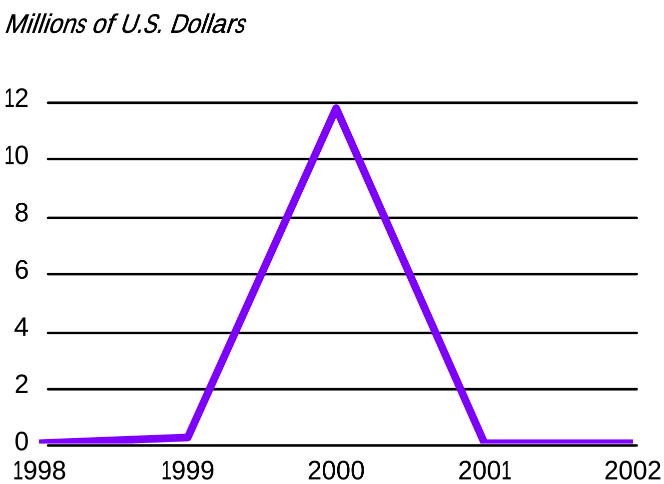
Main Trade Commodities, US$ millions, 1999

Exports		*Imports*	
Coffee	44.1	Intermediate goods	50.2
Tea	10.3	Consumer goods	37.4
Manufactures	1.0	Capital goods	30.0
Hides	0.1	Food	10.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Civil unrest, instability, and sanctions contributed to an increase in unrecorded exports and imports. Years of social unrest have also substantially reduced Burundi's imports of manufactured goods. The expected reduction in civil unrest should support an environment conducive to increased trade.
- The government has committed to exchange rate reforms in an attempt to decrease the gap between official and parallel exchange rates.
- The government liberalized regulations for sugar imports and exports because of supply shortages driven by price discrepancies with neighboring countries.
- The government has continued to diversify the country's export base. For example, nontraditional exporters are exempt from customs duties and are eligible for a 10-year tax holiday.
- In 2003, U.S. exports to Burundi consisted primarily of vegetables, cereals, and machinery and mechanical appliances. U.S. imports from Burundi consisted primarily of coffee, tea, mate, and spices; fish, crustaceans, and molluscs; and live animals.

Investment and Privatization Update

- The government announced plans to privatize the telecommunications parastatal in early 2001; however, political unrest continues to delay completion of the sale.
- Although the privatization minister has indicated the government's commitment to privatizing a variety of enterprises, resistance from public sector workers has slowed the process.

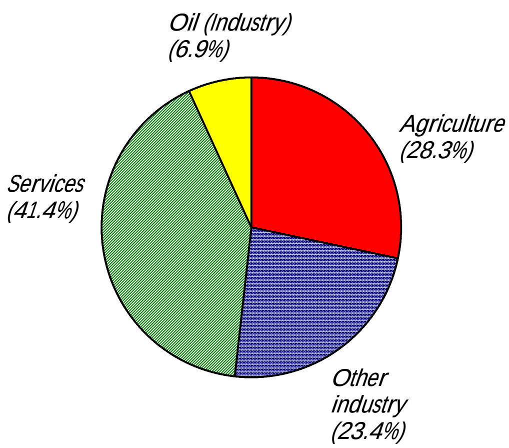
CAMEROON

Economic Overview

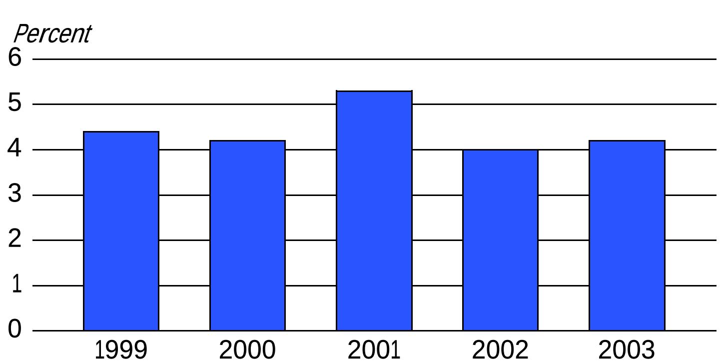
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	7,132.0	7,581.0	449.0
GDP (US$ bn)	9.7	12.1	2.4
CPI Inflation (annual average,%)	2.7	2.3	-0.4
Goods Exports (US$ mn)	1,884.0	2,170.0	286.0
Goods Imports (US$ mn)	1,858.0	2,247.0	389.0
Trade Balance (US$ mn)	26.0	-77.0	-103.0
Current Account Balance (US$ mn)	-550.0	-563.0	-13.0
Foreign Exchange Reserves (US$ mn)	629.7	680.7	51.0
Total External Debt (US$ bn)	7.4	7.3	-0.1
Debt Service Ratio, paid (%)	14.9	9.7	-5.2
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- In 2003, agriculture, including forestry, livestock, and fishing, was the most important sector of the Cameroonian economy. Cocoa, coffee, cotton, palm oil, rubber, bananas, and pineapples are the country's primary commodity crops. Most of the farming, with the exception of rubber and palm oil, is semi-subsistence and carried out on approximately 15 percent of the land.
- The forestry sector continues to play a significant role in the Cameroonian economy because of its direct and indirect contribution to employment, exports, and GDP.
- Cameroon is expected to fall to fifth place in oil production in the Central African Franc Zone in 2004 after Chad's oil production reaches full capacity.
- The Government of Cameroon is forecasting that the country's oil reserves will be depleted by 2010 unless new reserves are found.
- Parliament passed a law in 2003 to establish an independent audit court as provided for under the 1996 constitution.
- Because of a decline in oil revenue, the government plans to reform its tax codes to boost nonoil revenue by 2005. The reforms include a broader tax base, improved efficiency of value-added tax and public expenditure, improved transparency, a restructuring of the personal income tax, and initialization of a property tax. A computerized expenditure tracking system was implemented in September 2003.
- The government remained committed to addressing the country's rising poverty level. Because of the HIPC initiative's focus on the national debt, debt-related savings are being spent on improving healthcare, primary education, and HIV prevention. However, much of the money freed by the HIPC initiative remained unspent in 2003 because of inefficient processes. Less strict controls and improved efficiencies are expected in 2004, so that funds can be spent on public projects and poverty alleviation.
- Poverty alleviation initiatives in 2004 include developing a stable economy, enhancing growth through diversification and privatization, improving infrastructure, enacting environmental protection measures, and improving governance.
- In August 2003, the government presented its PRSP to the IMF and World Bank, which specifies the country's goal of halving the number of Cameroon inhabitants living below the poverty line by 2015.
- In December 2003, after finishing its review of the government's reforms and economic policies, the IMF granted $23 million to the country and an extension of the PRGF program to December 2004. Cameroon received an additional $4 million because of the current HIPC initiative. The country's recent economic stability was applauded, but the IMF encouraged further structural reform and improved governance.

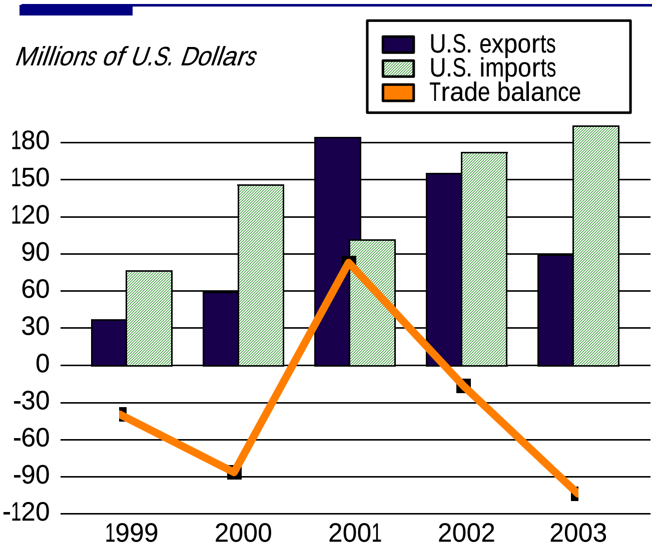
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Italy	16.5	France	28.4
Spain	15.9	Nigeria	12.8
France	12.7	United States	8.0
United States	8.3	Germany	5.8

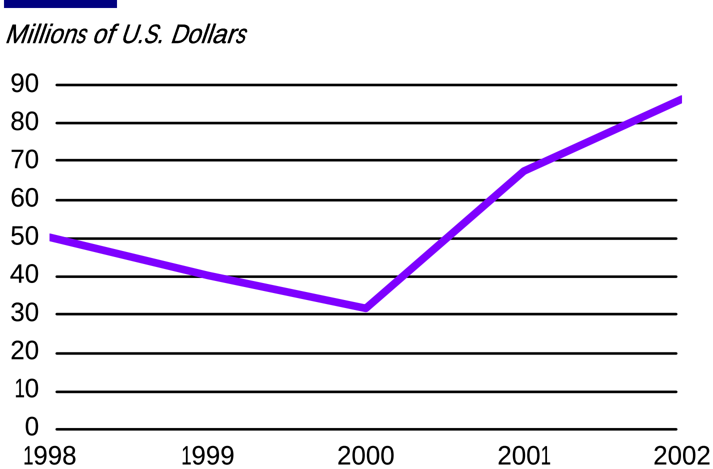
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Crude oil	827.1	Food & consumer goods	1,335.9
Timber	254.3	Capital goods	369.7
Cocoa	243.0	Intermediate goods	61.3
Cotton	94.2		

U.S. Trade Balance



Net Foreign Direct Investment



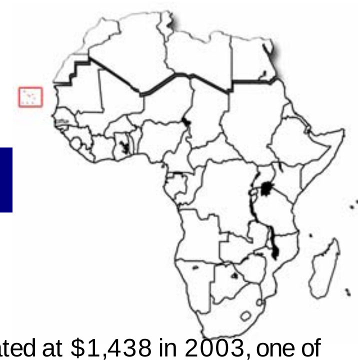
Trade Update

- Inadequate transport infrastructure continues to hamper the international competitiveness of, and trade with, Cameroon. Many areas of the country remain nearly inaccessible.
- In May 2003, the government announced plans for construction of a $200-million oil platform repair yard.
- In July 2003, the Chad-Cameroon oil pipeline, the country's largest construction project, was finished nearly 7 months earlier than expected. Two U.S. firms, ExxonMobil and ChevronTexaco, and one Malaysian firm, Petronas, own the pipeline. Loans from the World Bank and IFC contributed to its timely construction.
- By subcontracting port operations to international companies, the Cameroonian government improved efficiency at the port of Douala, its busiest port. Les Abeilles (France) was hired in October 2003 to control towing and anchoring operations, and a consortium of Bollore (France) and Maersk (Denmark) was hired in December 2003 to administer the container terminal.
- In 2003, U.S. exports to Cameroon consisted primarily of machinery and mechanical appliances, cereals, and optical or measuring equipment and parts thereof. U.S. imports from Cameroon consisted primarily of mineral fuels and oils, cocoa and cocoa preparations, and wood and articles of wood. In 2003 and 2004, Cameroon was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Cameroon totaled $147.0 million in 2003.

Investment and Privatization Update

- Unstable electricity supply and frequent power outages continue to hinder Cameroon's investment environment. Investment in the telecommunications sector remained low because of factors such as outdated equipment and inefficient service.
- In 2003, government policy continued to focus on improved governance. The government established an Audit Chamber of the Supreme Court in April 2003, and anti-corruption units in the ministerial departments in August 2003.
- In April 2003, the government granted Geovic Cameroon (U.S.) permission to mine the eastern province of Cameroon for cobalt-nickel deposits, which could make the country the leading producer of cobalt in the world.
- In general, privatization efforts have been successful over the past 5 years with the privatization of Camtel Mobile, a division of the telephone company; railway transportation; electricity parastatals; parastatal firms in rubber and palm products; and the tea division of the Cameroon Development Corporation. However, privatization efforts have recently slowed, contributing to decreased investment levels.
- Numerous other parastatals are slated for privatization, but progress has been hampered by lack of interest among potential buyers, financial and legal problems, and the need for restructuring. Companies to be privatized include Camair, the national airline; Sodecoton, a cotton parastatal; and the nontea divisions of the Cameroon Development Corporation. Government efforts to privatize Camair have been hindered by increasing debt and lack of potential investors.

CAPE VERDE

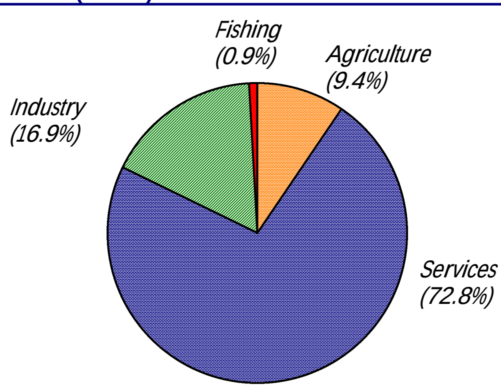


Economic Overview

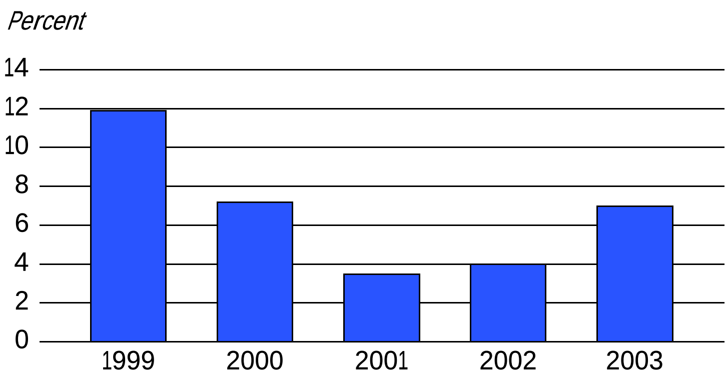
Economic Indicators

	2002	2003	Difference
GDP (nominal, CVEsc bn)	73.3	80.0	6.7
GDP (US$ mn)	625.3	819.7	194.4
CPI Inflation (annual average, %)	1.8	2.0	0.2
Goods Exports (US$ mn)	41.8	43.0	1.2
Goods Imports (US$ mn)	278.0	282.0	4.0
Trade Balance (US$ mn)	-236.2	-239.0	-2.8
Current Account Balance (US$ mn)	-71.5	-65.0	6.5
Foreign Exchange Reserves (US$ mn)	79.8	89.4	9.6
Total External Debt (US$ mn)	338.0	n/a	n/a
Debt Service Ratio, paid (%)	13.0	n/a	n/a
Exchange Rate (CVEsc/US$)	117.2	97.6	-19.6

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Per capita GDP was estimated at $1,438 in 2003, one of the highest in Africa.
- Services accounted for over 70 percent of GDP in 2002. Agriculture and fishing represented a small percent of GDP, but employed 53 percent of the workforce. Tourism contributes substantially to employment and economic growth, representing 10 percent of GDP in 2001.
- Cape Verde's small domestic market, geographic isolation, and lack of natural resources continue to hinder economic development.
- The government's main economic goals include increased privatization, control of public spending, increased competitiveness, and improved social services. PRSP policies will be designed to promote growth, to increase social sector investment, and to attract private investment to labor-intensive, export-oriented industries.
- As part of a wide series of fiscal reforms, the government introduced a value-added tax in January 2004.
- A new ferry service between Santo Antao and São Vicente, inaugurated in August 2003, dramatically reduces travel time between the two islands.
- In October 2003, the AfDB released a review of Cape Verde's 2002-04 Country Strategy Paper, noting that economic growth is uneven as the country deals with a large fiscal deficit and macroeconomic instability. The report praised government efforts to lower inflation and stabilize the economy.
- OPEC's development fund announced plans to finance the construction of health centers in Maio, Boa Vista, Santa Cruz, Tarrafal, and Mosteiros. This $6-million project is expected to begin in 2004.
- In May 2004, the Millennium Challenge Corporation voted to make Cape Verde eligible for assistance.

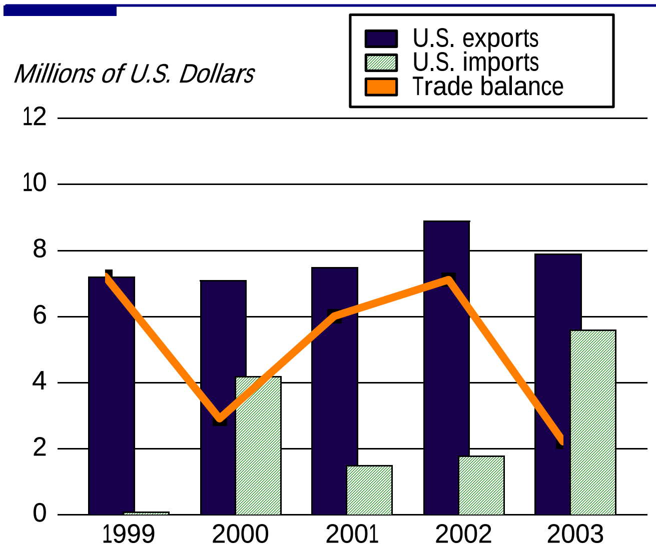
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Portugal	90.7	Portugal	52.1
United States	6.3	Netherlands	14.9
Germany	0.7	Belgium	7.0

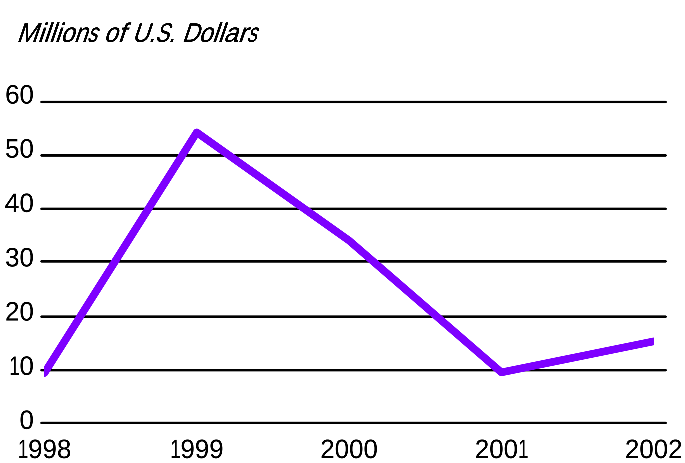
Main Trade Commodities, US$ millions, 2001

Exports		*Imports*	
Fuel (bunkering)	26.0	Food	90.4
Clothing & footwear	11.3	Capital goods	46.3
Fish & fish products	0.4	Fuels	15.4

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Although the country's transportation infrastructure is very good by regional standards, Cape Verde's government continued efforts to improve further the country's roads and port.
- In an effort to boost air traffic, a government initiative of $25 million will be used to upgrade airports, encourage tourism, and improve air safety.
- Although the port of Praia was modernized recently, the government has plans for further expansion. Praia also has a new international airport that is due to open in 2004; ECOWAS will provide $7 million to construct a VIP terminal at the airport and a road serving the terminal.
- New maritime routes established to Portugal, Spain, northern Europe, and mainland Africa are expected to encourage exports. Cape Verde has also expanded ties with Asian countries, including Macao.
- In November 2003, TACV, the state airline, and Cabo Verde Time, an Italian travel agency, publicized plans to create a new air charter company in response to growing tourist demand. In addition, the Tourist Promotion, Investment and Export Centre signed an agreement with Portugal and the Canary Islands to encourage tourism in Maio and Boa Vista.
- In 2003, U.S. exports to Cape Verde consisted primarily of cereals, aircraft and parts thereof, and machinery and mechanical appliances. U.S. imports from Cape Verde consisted primarily of apparel, electrical machinery and equipment, and optical or measuring equipment and parts thereof. In 2003 and 2004, Cape Verde was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Cape Verde totaled $2.5 million in 2003.

Investment and Privatization Update

- Cape Verde maintains strong links with Portugal and the EU and receives investment from Angola, China, Cuba, the Gulf States, Israel, Luxembourg, and South Africa. Foreign investment is expected to exceed $36 million in 2003. The government hopes to attract investment in the fishing and tourism sectors.
- Although speculators believe there may be oil reserves in Cape Verde's waters, substantial investment has not been undertaken.
- In October 2003, work began on a $370,000 satellite-based Internet service that will eliminate the need for Internet users to have a telephone line.
- More than 30 state-owned enterprises have been divested into the private sector. Operators are mostly foreign. ENAPOR (the port authority), EMPROFAC (pharmaceuticals distribution), CABNAVE (the ship yard), INTERBASE (cold storage facilities), and TACV (the national airline) are scheduled for upcoming privatization. TACV is currently undergoing restructuring, a process the government expects to take 12-18 months, and is scheduled to be privatized in 2005.

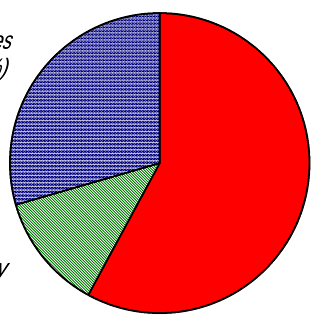
CENTRAL AFRICAN REPUBLIC

Economic Overview

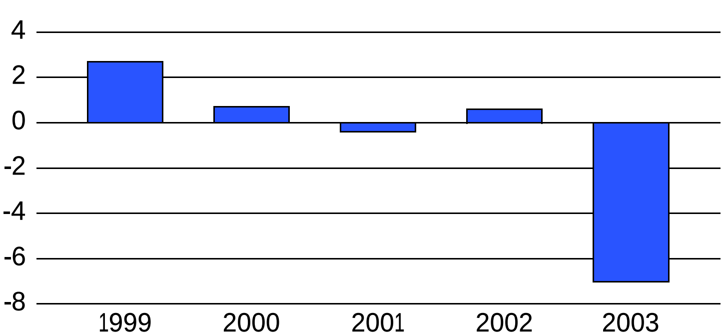
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	709.3	746.9	37.6
GDP (US$ mn)	1,017.6	1,285.1	267.5
CPI Inflation (annual average, %)	2.3	7.0	4.7
Goods Exports (US$ mn)	142.0	127.0	-15.0
Goods Imports (US$ mn)	109.0	105.0	-4.0
Trade Balance (US$ mn)	33.0	22.0	-11.0
Current Account Balance (US$ mn)	-27.0	-25.0	2.0
Foreign Exchange Reserves (US$ mn)	123.0	123.0	0.0
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- The Central African Republic is primarily a rural economy, with only one significant urban center. Farming, forestry, fishing, and herding are important to the Central African Republic's economy and supply the livelihood for most of the population.
- Civil unrest continued in the Central African Republic. An IMF and World Bank assessment in early 2004 stated that the Central African Republic was in a state of crisis, with most economic sectors in decline and state institutions experiencing difficulties.
- In September 2003, the government announced that it was unable to pay public salaries because of revenue shortfalls. Salaries account for 90 percent of the nation's budget.
- Military rebellion and rioting throughout 2003 contributed to a rise in inflation and disrupted supply and distribution networks.
- Principal government policy goals include economic stabilization, economic cooperation with foreign donors, paying salaries for state employees, and resuming normal state administration.
- The government is continuing its anti-corruption campaign launched in 2003. The campaign focuses on overhauling the timber and mining sectors, where licenses were previously granted personally and exclusively by the president. In addition, the new code allows for the exploitation of gold and other commodities. The government has extended the use of mining brigades to help curb the level of diamond smuggling.
- Many western countries have closed their embassies in the Central African Republic and withdrawn aid, citing years of political and economic instability.
- The IMF is expected to introduce a 6-month Staff Monitored Program in an effort to establish economic policies that would allow for resumption of formal assistance from the IMF and other international financial organizations.

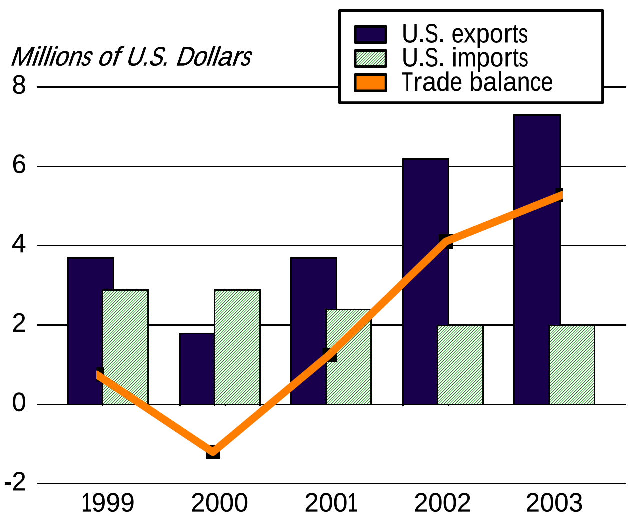
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Belgium	66.8	France	29.9
Spain	6.4	United States	5.1
Kazakhstan	4.0	Cameroon	4.5

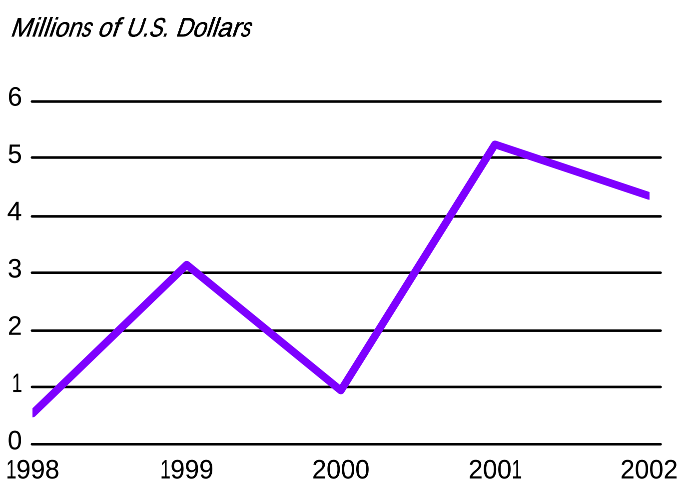
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Timber	71.2	Oil	11.0
Diamonds	52.1	Nonfactor services	86.0
Cotton	9.2		
Coffee	1.4		

U.S. Trade Balance



Net Foreign Direct Investment



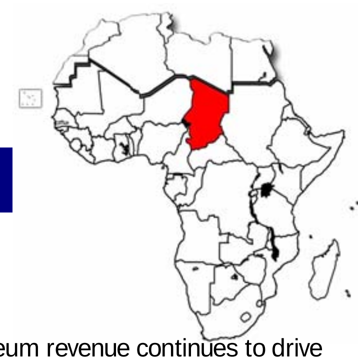
Trade Update

- The Central African Republic's main export market is Belgium and the leading export item is diamonds. The growing timber trade may increase Asia's importance as an export market. Despite the expanding industry, high transportation costs have inhibited development of the forestry sector. For example, transportation infrastructure remains inadequate, with less than 3 percent of the road network paved. Imports come primarily from France, Cameroon, and Belgium. Regional trade is substantial, but is not fully recorded in official accounts. In addition, regional trade remained disrupted by high levels of social unrest and insecurity. Ongoing security problems have also limited safari tourism and revenue.
- The government has encouraged exports of veneer, sawn board, and plywood. However, the wood-processing industry faces high transportation costs, limited workers, and energy supply shortfalls.
- At a workshop to overhaul the mining industry in July 2003, the government announced participation in the Kimberly process. It is estimated that, currently, two-thirds of diamond production is smuggled out of the Central African Republic. The government is considering working with Diamcare (UK) to monitor the production of diamond collectors.
- In 2003, U.S. exports to the Central African Republic consisted primarily of cereals, machinery and mechanical appliances, and organic or inorganic chemicals and compounds. U.S. imports from the Central African Republic consisted primarily of precious or semiprecious stones or metals, electrical machinery and equipment, and machinery and mechanical appliances. In 2003, the Central African Republic was designated an AGOA beneficiary country; however, AGOA eligibility was retracted in 2004. AGOA (including GSP) imports from the Central African Republic totaled $43,000 in 2003.

Investment and Privatization Update

- Inadequate utility services, such as sporadic power outages, continued to hamper the investment environment.
- Minimal progress was made in privatization plans for Enerca, the national electric company. Further activity is not expected to take place until economic and political stability is resumed.

CHAD

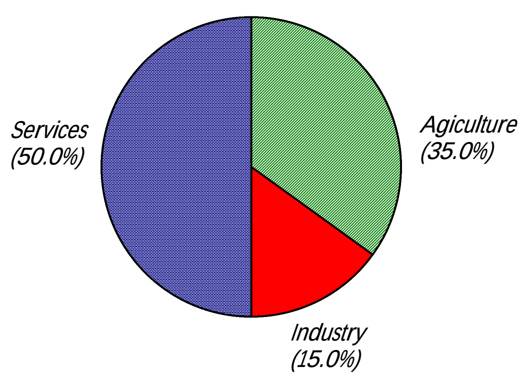


Economic Overview

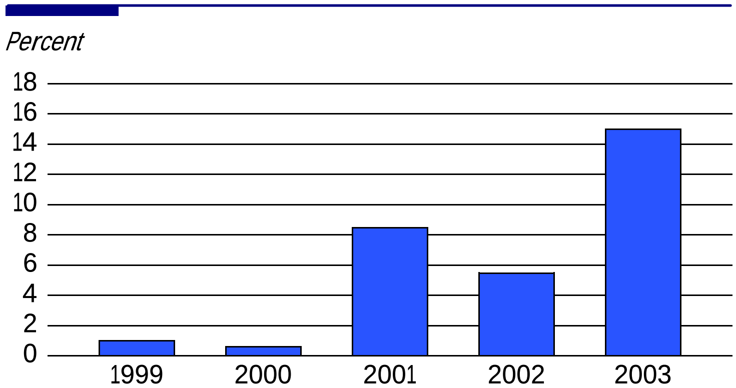
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	1,288.0	1,510.0	222.0
GDP (US$ mn)	1,847.9	2,598.1	750.2
CPI Inflation (annual average, %)	5.2	6.0	0.8
Goods Exports (US$ mn)	168.0	296.0	128.0
Goods Imports (US$ mn)	570.0	770.0	200.0
Trade Balance (US$ mn)	-402.0	-474.0	-72.0
Current Account Balance (US$ mn)	-444.0	-554.0	-110.0
Foreign Exchange Reserves (US$ mn)	219.0	287.0	68.0
Total External Debt (US$ mn)	n/a	n/a/	n/a
Debt Service Ratio, paid (%)	n/a	n/a/	n/a
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Current and expected petroleum revenue continues to drive economic growth in Chad. The main oil pipeline was completed in June 2003, a year ahead of schedule. In July, oil production began on the Doba fields. Revenue from this field contributed to an improved economic outlook in late 2003. Petroleum production is expected to increase migration to centralized cities and production locations.
- Chad's economic diversification continued to be hindered by inadequate infrastructure and transportation services, inefficient governance, high utility costs, and social unrest.
- In the agriculture sector, unpredictable weather patterns have contributed to recurrent food shortages. As oil production increases revenue, Chad's government expects to use funds to modernize agriculture methods.
- Government economic policies broadly follow strategies outlined in the PRSP. These strategies include strengthening governance, achieving sustainable economic growth, developing human capital, improving social conditions, and protecting ecosystems.
- Increased petroleum production contributed to a shift in the predominance of Chad's agriculture sector, and is expected to alleviate pressure on the country's public finances. The government's economic policy in 2004 continues to focus on enhancing administrative capacity to manage the influx of petroleum revenue.
- By October 2003, the Miandoum oilfield held 90 drilled wells. Kome and Bolobo, the remaining two fields, will be the next sites for drilling.
- In 2004, petroleum production is anticipated to double, contributing to over 40 percent of Chad's GDP. The revenue is expected to decline after 2009 unless further reserves are found.
- In mid-2003, Chad's PRSP, detailing plans for economic policy, poverty alleviation, and debt relief under the HIPC initiative, was accepted by the IMF and international aid agencies.
- The 2002-03 PRGF, funded by the IMF and extended until January 2004, focuses on improving the tax efficiency and customs administration efficiency, as well as the management of revenue generated by petroleum production. However, inefficient administration of reforms and an increase in Chad's military-related expenditures may have contributed to the IMF's cancellation of a board review scheduled in early 2004 to approve the last payment of funds to Chad under the PRGF in January 2004.
- In early 2004, India offered $500 million in loans to Chad and other countries in western Africa as part of the formation of Team-9, the Techno-Economic Approach for Africa India Movement. The funds will focus on improving agriculture-related and small business industries.

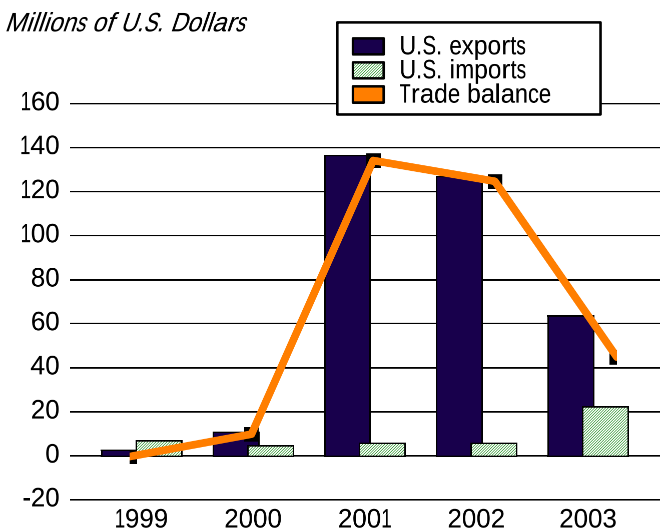
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Portugal	28.0	France	38.0
Germany	14.0	United States	38.0
United States	8.0	Germany	7.0
Czech Republic	7.0	Nigeria	6.0

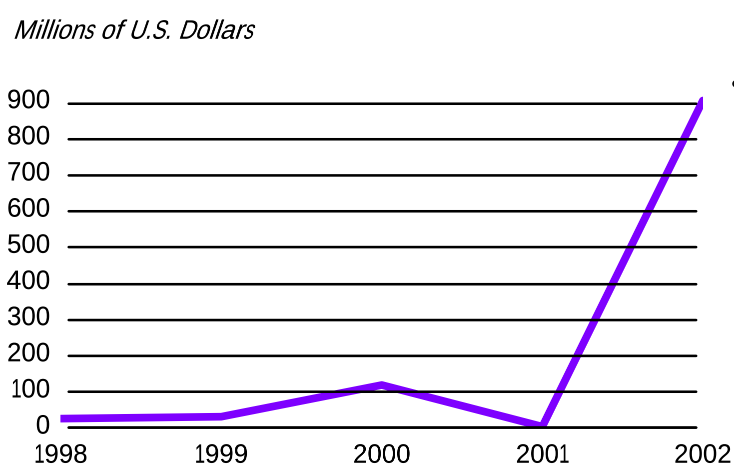
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Livestock & meat	75.0	Oil sector	498.0
Cotton	48.0	Nonoil sector	98.0

U.S. Trade Balance



Net Foreign Direct Investment



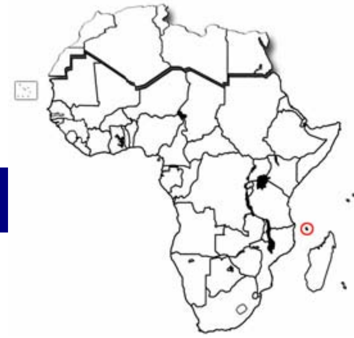
Trade Update

- Inadequate transportation facilities continue to hinder Chad's international trade performance. Chad has no sufficient methods of transportation over long distances, with limited domestic air transportation and no railway system.
- Inadequate irrigation systems and transportation structure continue to hinder Chad's cotton industry, a principal export crop for the country.
- Because cotton and cattle have historically been Chad's largest sources of export revenue, commodity prices and variations on agricultural production broadly determined export performance. According to the IMF, oil exports, however, are expected to represent 86 percent of Chad's total exports in 2004.
- In 2003, U.S. exports to Chad consisted primarily of machinery and mechanical appliances, iron or steel, and electrical machinery and equipment. U.S. imports from Chad consisted primarily of mineral fuels and oils; lac, gums, and resins; and electrical machinery and equipment. In 2003 and 2004, Chad was designated an AGOA beneficiary country. AGOA (including GSP) imports from Chad totaled $14.5 million in 2003.

Investment and Privatization Update

- Petroleum production on the Doba fields contributed to an increase in FDI; FDI was estimated at less than $50 million in 1999, but increased to estimates of $700 million to $900 million in 2002.
- The Doba oil fields project represents the largest investment ever in SSA by the U.S. private sector.
- Improved telecommunications services are expected to improve nonpetroleum-related investment. High prices, inadequate services, and frequent outages in electricity provision continued to dissuade nonpetroleum-related investment.
- Although the government is expected to continue privatization efforts, it has been reluctant to privatize parastatals in the cotton, electricity, and telecommunications industries. Most other state-owned enterprises have been sold or liquidated.
- Privatization of Soteltchad, a parastatal firm holding a monopoly on the fixed and international telecommunications sector, was hindered by the government's granting of a license to a second cellular company.
- A private consulting firm was hired to privatize the ginning and cotton-export divisions of CottonTchad. In early 2003, a new company was formed from the oil and soap production divisions of the large enterprise.

COMOROS

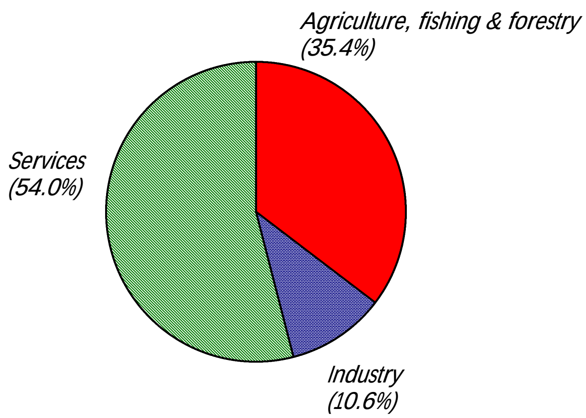


Economic Overview

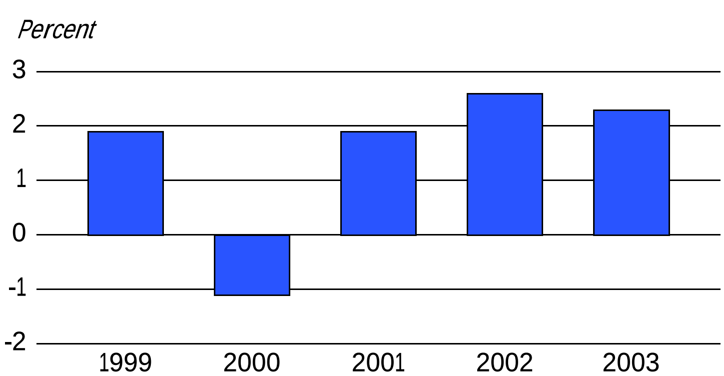
Economic Indicators

	2002	2003	Difference
GDP (nominal, Cfr bn)	128.4	140.5	12.1
GDP (US$ mn)	245.6	322.3	76.7
CPI Inflation (annual average, %)	3.7	7.0	3.3
Goods Exports (US$ mn)	18.9	16.4	-2.5
Goods Imports (US$ mn)	47.5	53.4	5.9
Trade Balance (US$ mn)	-28.6	-37.0	-8.4
Current Account Balance (US$ mn)	-23.3	-28.0	-4.7
Foreign Exchange Reserves (US$ mn)	79.9	83.0	3.1
Total External Debt (US$ mn)	233.0	243.0	10.0
Debt Service Ratio, paid (%)	5.9	6.5	0.6
Exchange Rate (Cfr/US$)	522.7	435.9	-86.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Agriculture and trade are the primary components of Comoros' economy. Agriculture accounts for approximately 40 percent of GDP and is the main source of livelihood. Seventy percent of the population works in rural areas, primarily in subsistence farming.
- Comoros is highly indebted. Interest arrears on long-term debt totaled $21 million in 2001, with principal arrears totaling $64 million. High levels of grant aid come from Belgium, France, the World Bank, the EU, the UNDP, and the AfDB. The Comorian government has also solicited aid from Arab states.
- In July 2003, the World Bank calculated that 691,000 euro (approximately $780,000) was needed to fully restore power to the country. The Arab League has allocated $2 million to help rehabilitate the electricity grid.
- In May 2003, a World Bank mission found major impediments to establishing a cooperative long-term development strategy and expressed concern that it would have difficulty soliciting donor assistance.
- In March 2004, the World Bank/IDA announced plans to grant a $20-million aid package to Comoros. The package is intended to promote infrastructure development, including the restoration of water supply; assist business development in rural zones; and support NGOs working to improve education and healthcare.

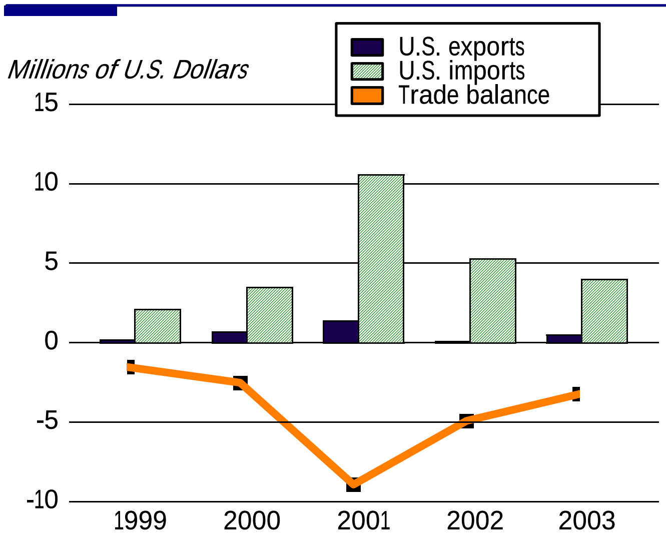
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
France	31.3	France	25.0
United States	18.8	South Africa	16.7
Singapore	18.8	Kenya	6.7
Germany	6.3	Pakistan	3.4

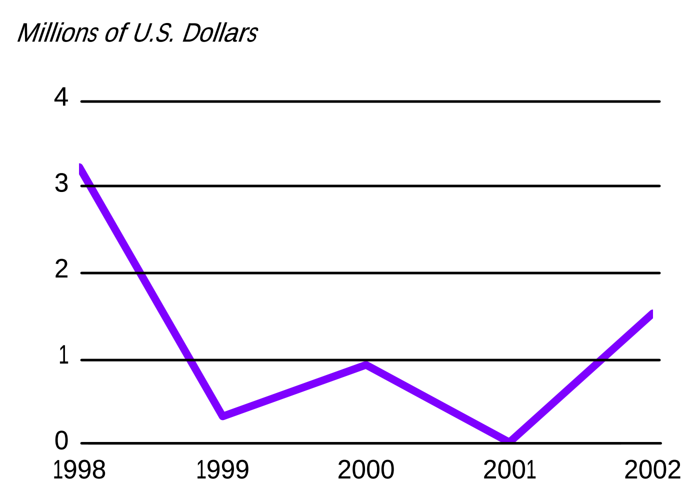
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Vanilla	12.6	Petroleum products	9.2
Cloves	3.8	Rice	5.9
Ylang-ylang	2.0	Vehicle parts	5.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Main export crops include vanilla, cloves, and ylang-ylang. Comoros is the world's largest producer of ylang-ylang. The government fixed the price of vanilla in 2003 to prevent fluctuation. Major imports include rice, petroleum products, meat, cement, and iron and steel. Primary trading partners are France, the United States, and Germany.
- Inadequate transportation infrastructure hinders trade. Comoros has no railway system and inadequate domestic and international shipping networks. Most freight to Comoros is routed through South Africa. In recent years, the government has undertaken a program to upgrade roads and improve access to rural areas.
- In late 2003, the French construction firm Bouygues expressed interest in renovating and managing the Moroni port. The firm has also expressed interest in developing a second international port in the country, which could expand trade.
- In 2003, U.S. exports to Comoros consisted primarily of chemical products, organic chemicals, and plastics and articles thereof. U.S. imports from the Comoros consisted primarily of coffee, tea, mate, and spices; essential oil and resinoids; and live animals.

Investment and Privatization Update

- Comoros has found it difficult to attract investors because of the small size of the economy and political instability.
- The fishing sector is largely underdeveloped. The EU and Comoros entered into an agreement under which the EU may catch tuna in Comorian waters. Proceeds from this arrangement, totaling $411,000, are expected to fund development of the domestic fishing industry.
- In late 2003, China agreed to finance renovation of the Prince Said Ibrahim airport, building a new terminal and access roads. The airport is expected to boost tourism in Comoros.
- SNPT, the state post and telecommunications company, aims to increase telephone communications. In conjunction with Alcatel (France), the parastatal plans to build the infrastructure for a wireless telecommunications system.
- Although the government has continued efforts to privatize a number of hotels owned by Comotel, lack of transparency in the privatization process has hindered progress.

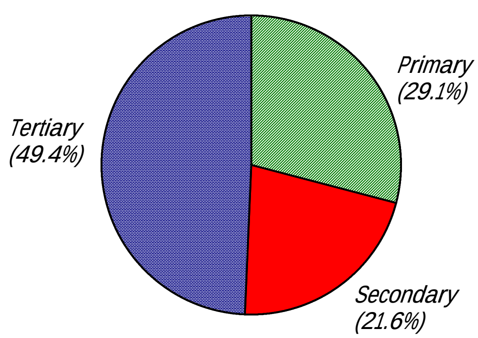
CÔTE D'IVOIRE

Economic Overview

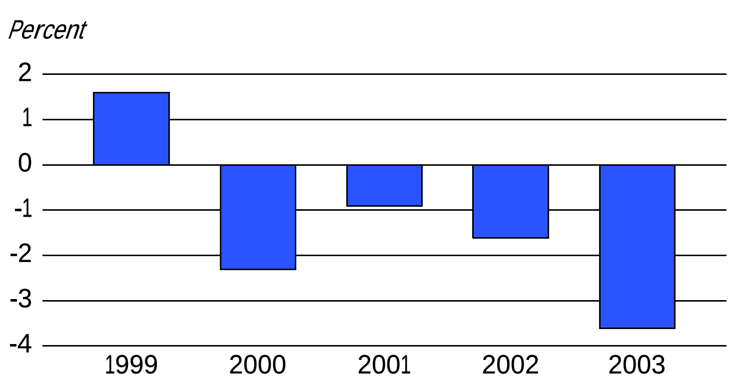
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	8,167.0	8,047.0	-120.0
GDP (US$ bn)	11.7	13.8	2.1
CPI Inflation (annual average, %)	3.1	3.3	0.2
Goods Exports (US$ mn)	5,167.0	5,300.0	133.0
Goods Imports (US$ mn)	2,432.0	2,776.0	344.0
Trade Balance (US$ mn)	2,735.0	2,524.0	-211.0
Current Account Balance (US$ mn)	767.0	551.0	-216.0
Foreign Exchange Reserves (US$ mn)	1,863.0	2,100.0	237.0
Total External Debt (US$ bn)	11.0	10.9	-0.1
Debt Service Ratio, paid (%)	13.8	13.5	-0.3
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Despite the implementation of a UN peacekeeping mission in April 2004, instability in Côte d'Ivoire continues to hinder economic growth.
- Agriculture, petroleum, and mining are important components of Côte d'Ivoire's economy. Côte d'Ivoire has reserves of 100 million barrels of oil and 1.1 trillion cu meters of gas, along with substantial deposits of gold, iron, and nickel.
- Although Côte d'Ivoire's road network is one of the most developed in western Africa, it is fraught with security checkpoints and tolls. The World Bank renewed CI-PAST, a transport sector adjustment program, until July 2004, which is expected to enable maintenance and renovation of the road network through transport sector financing.
- Under the 2002 PRGF, the government expressed plans to achieve better public expenditure control, tighter fiscal control, measures to streamline the tax structure, and a program to pay off debts.
- Minimal progress towards a political settlement has delayed the release of $369 million for reconstruction committed by donors at January 2003 peace talks. Because of instability, only emergency funds have been made available.
- The AfDB, which had maintained its headquarters in Abidjan, has moved most of its personnel and operations to Tunisia because of political instability.
- In April 2002, the Paris Club restructured Côte d'Ivoire's public external debt, suspending payments until the end of 2004, after the government lapsed on payments to nearly all creditors aside from the World Bank and IMF. By early 2004, Côte d'Ivoire also failed to pay debt servicing arrears of $21 million to the World Bank. The World Bank halted the disbursement of further loans.
- The World Bank and the EU have pledged $57 million and 30 million euro (approximately $39 million), respectively, to assist in stabilizing the education system.
- India pledged $500 million in low-interest loans in early 2004 to help Burkina Faso, Chad, Côte d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, and Senegal create the Techno-Economic Approach for Africa India Movement, which will focus on generating employment.

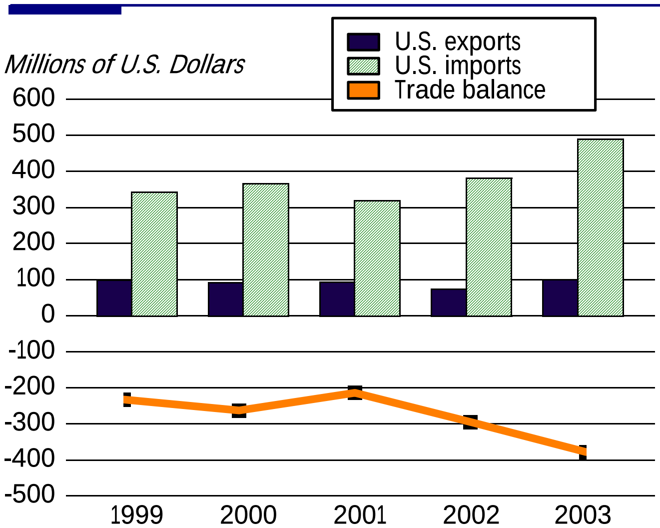
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
France	14.5	France	23.1
Netherlands	12.9	Nigeria	16.9
United States	7.6	China	8.0
Germany	5.2	Italy	4.2

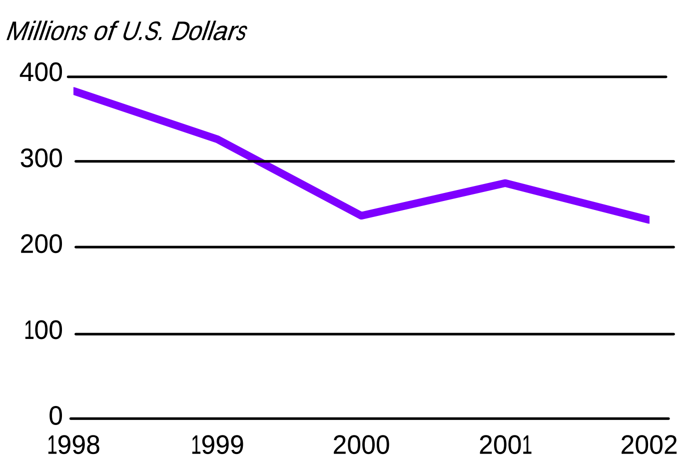
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Cocoa & products	2,257.0	Capital equipment & raw materials	836.0
Petroleum & products	690.0	Foodstuffs	595.0
Timber	225.0	Petroleum & products	532.0
Coffee & products	119.0	Consumer goods	505.0

U.S. Trade Balance



Net Foreign Direct Investment



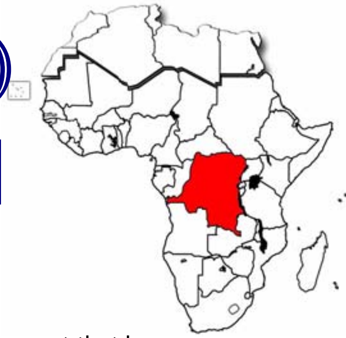
Trade Update

- The reopening of the border with Burkina Faso in September 2003 is expected to restore regional trade to its pre-2002 level, allowing neighboring landlocked countries access to the port of Abidjan. While it was closed, these countries diverted their trade through ports in Ghana, Togo, and Senegal. Historically, the port of Abidjan has been the busiest port in francophone western Africa. Activity at Abidjan, which accounted for nearly 90 percent of Côte d'Ivoire's exports before 2002, had fallen by almost two-thirds.
- Plans to extend the railway line to Mali and Niger are expected to make freight transport more reliable.
- In March 2002, the government implemented a price stabilization system that raised taxes on cocoa exports and provided for forward selling.
- In 2003, U.S. exports to Côte d'Ivoire consisted primarily of machinery and mechanical appliances, cereals, and plastics and articles thereof. U.S. imports from Côte d'Ivoire consisted primarily of cocoa and cocoa preparations, mineral fuels and oils, and wood and articles of wood. In 2003 and 2004, Côte d'Ivoire was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Côte d'Ivoire totaled $88.0 million in 2003.

Investment and Privatization Update

- The government hopes to focus investment efforts on basic health, primary education, roads, and rural electrification.
- A contract awarded to build a new terminal in Abidjan is expected to double Abidjan's container-handling capacity. Operation of the already existing Vridi container terminal was awarded to Bollore (France) in January 2004.
- A number of offshore gas and oil fields have been discovered in recent years, contributing to increased petroleum-related investment in Côte d'Ivoire. In early 2004, Côte d'Ivoire signed two petroleum production-sharing agreements with Tullow Oil (Ireland) and Africa Petroleum (U.S.).
- In October 2001, Air France purchased a 51-percent stake in Nouvelle Air Ivoire, a previously state-owned domestic carrier. The remaining 49-percent share is still state owned. The state also holds a 49-percent share in Côte d'Ivoire Telecom.
- In 2003, the government announced plans to sell its 47-percent stake in SIR, an oil processing company. Gestoci, a petrol storage company, and Petroci, a hydrocarbons company, are also slated for privatization. The government hopes to divest 80 percent of CIDT-Nouvelle, a textile parastatal, to a farmers' cooperative. The cooperative has thus far been unable to raise the necessary capital.
- In early 2004, the government officially ended the telecommunication parastatal's monopoly. The government instituted a transition period before other providers can enter the market, in order to enact additional legislation.

DEMOCRATIC REPUBLIC OF THE CONGO

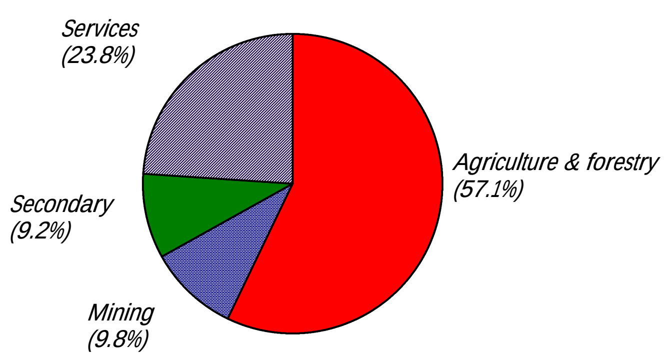


Economic Overview

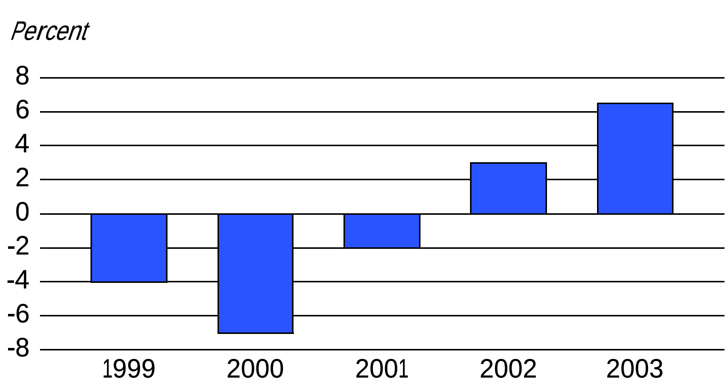
Economic Indicators

	2002	2003	Difference
GDP (nominal, FC bn)	1,911.0	2,309.0	398.0
GDP (US$ bn)	5.5	5.7	0.2
CPI Inflation (annual average, %)	25.0	6.0	-19.0
Goods Exports (US$ mn)	1,109.0	1,260.0	151.0
Goods Imports (US$ mn)	1,405.0	1,489.0	84.0
Trade Balance (US$ mn)	-296.0	-229.0	67.0
Current Account Balance (US$ mn)	-150.0	-45.0	105.0
Foreign Exchange Reserves (US$ mn)	n/a	n/a	n/a
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (FC/US$)	346.5	405.0	58.5

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- After more than 5 years of civil unrest that has discouraged economic development, an early 2004 IMF assessment projected GDP growth for DROC of 6.7 percent annually to 2006.
- Timber production grew in 2003. The World Bank has announced plans to encourage the exploitation of timber resources to support government expenditures and public welfare programs. Timber is potentially a richer source of state income than the mining sector.
- In July 2003, DROC became the 27th country to qualify for the HIPC initiative. The World Bank expects to provide $1.03 billion and the IMF another $472 million. Debt relief is expected to amount to approximately $10 billion, which is nearly 80 percent of DROC's total external debt.
- The World Bank has agreed to provide $1.08 billion in 2004 and $1.2 billion in 2005 to development projects in DROC; 70 percent of these funds are allocated toward infrastructure development, while 30 percent is intended to improve social sector services. The World Bank also approved a $200-million IDA Credit in March 2004 to help pay domestic arrears, to pay utility suppliers, and to initiate civil service reform.
- A 3-year PRGF of $786 million was approved in June 2002, of which the government has already drawn more than $569 million. An IMF review encouraged liquidating insolvent banks and ending the lack of government transparency in the use of petroleum revenue.
- The EU has pledged $230 million to aid the new transitional government. European Development Fund funds were suspended from 1992 to 2002 because of political instability. The funds are intended to be used for debt relief, rebuilding the health system, and building government institutions.
- The African Development Fund has appropriated a $64-million loan and a $4.32-million grant to finance economic recovery. These funds are to be used to establish macroeconomic stability and increase the efficiency and transparency of public expenditure management.
- In November 2003, Switzerland forgave $23.7 million of debt owed to it by DROC.
- DROC signed a $10-billion agreement with South Africa in early 2004 aimed at improving defense and security, the economy and finance, and agriculture and infrastructural development.
- In early 2004, the Government of Belgium pledged 1.5 million euro (approximately $2 million) for the rehabilitation of the Nyemba bridge. This rehabilitation is expected to facilitate internal agricultural trade and distribution.

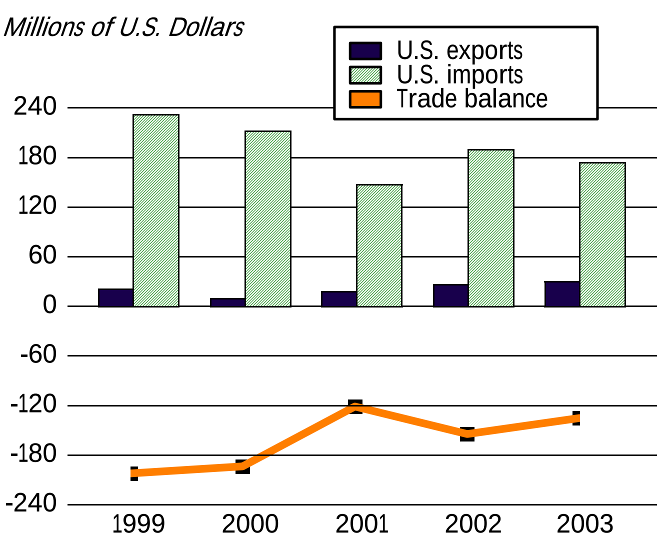
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Belgium	64.2	South Africa	16.2
United States	13.4	Belgium	14.4
Zimbabwe	6.6	Nigeria	10.2
Finland	4.9	France	9.3

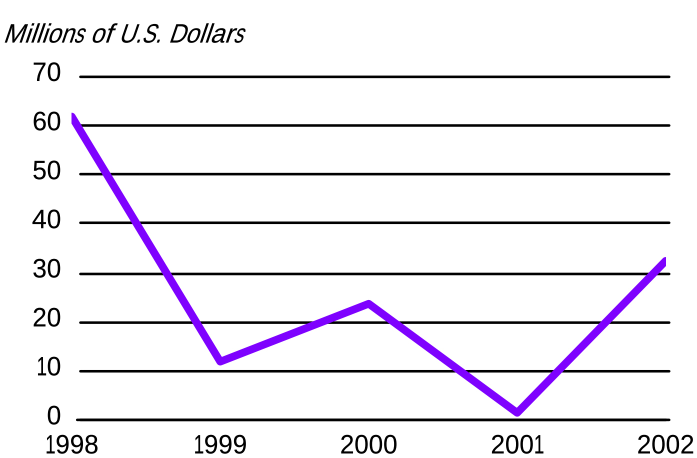
Main Trade Commodities, US$ millions

Exports (2000)		*Imports (1999)*	
Diamonds	437.0	Consumer goods	263.0
Crude oil	141.0	Raw materials	115.0
Cobalt	97.0	Capital goods	110.0
Copper	45.0		

U.S. Trade Balance



Net Foreign Direct Investment



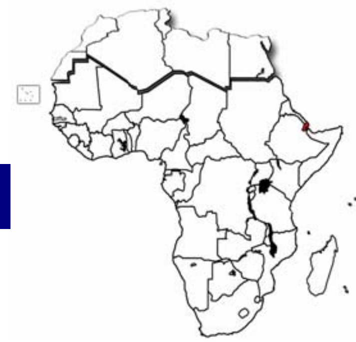
Trade Update

- In early 2004, South Africa surpassed Belgium to become DROC's largest source of imports. Increased ties between the two countries in foreign investment, commerce, and travel have contributed to the growth in trade.
- In May 2004, DROC signed an economic and social cooperation agreement with Angola. The countries plan to build new roads along the border and a railway linking the two countries.
- International and internal trade is hindered by inadequate infrastructure networks. DROC has almost no paved roads and relies heavily on river transport. Civil unrest has limited trade to air transport in many locations.
- In 2003, U.S. exports to DROC consisted primarily of machinery and mechanical appliances, electrical machinery and equipment, and cereals. U.S. imports from DROC consisted primarily of mineral fuels and oils, precious or semiprecious stones or metals, and works of art. In 2003 and 2004, DROC was designated an AGOA beneficiary country. AGOA (including GSP) imports from DROC totaled $119.5 million in 2003.

Investment and Privatization Update

- More than 100 investment applications worth $2.3 billion were approved in 2002-03, of which 33 percent were filed by domestic investors. These projects reportedly created over 14,000 local jobs. For one project, Klaxon Power (South Africa) has agreed to construct two dams worth more than $23 million.
- Mobile telephone firms have set up relays on a mountain near Kinshasa, lowering the cost of phone calls and facilitating communication between different parts of the country. Vodacom (South Africa, in which Vodafone (UK) has a large stake) is planning to invest $250 million to expand its mobile-phone network. Rutel (Canada) has invested $3 million to establish a satellite-based telecommunications service.
- DROC has significant deposits of gold, diamonds, copper, uranium, and other minerals that may encourage investment in the country. DROC signed a $8.4-million agreement with the South African Chamber of Commerce to aid Gecamines, a DROC-owned mining corporation, to explore mining opportunities.
- Ashanti Goldfields (Ghana, recently purchased by South Africa's Anglogold) could invest up to $200 million to launch production at Mongbwalu, where reserves are thought to be in excess of 100 tons of gold worth $1.2 billion.
- The World Bank has announced plans to harmonize and codify mining laws in a dozen African states, including DROC. Streamlined rules are expected to encourage mineral exploration and investment.
- In October 2003, the UN Security Council called for two large state-owned mineral resource firms to be broken up, in an effort to end illegal resource exploitation.
- In December 2003, the national coffee office launched a $100-million plan to recapitalize the industry, extend the area under cultivation, and increase input supply.
- As suggested by the IMF, SNPC, the national oil company, has reorganized its corporate structure to become a holding company with seven subsidiaries in order to provide greater autonomy and improve transparency.

DJIBOUTI



Economic Overview

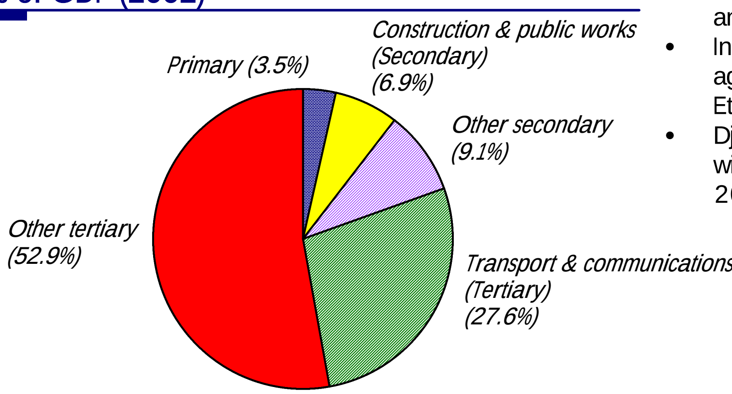
Economic Indicators

	2002	2003	Difference
GDP (nominal, Dfr bn)	105.2	111.0	5.8
GDP (US$ mn)	592.0	624.6	32.6
CPI Inflation (annual average, %)	1.5	2.0	0.5
Goods Exports (US$ mn)	83.0	86.0	3.0
Goods Imports (US$ mn)	287.0	310.0	23.0
Trade Balance (US$ mn)	-204.0	-224.0	-20.0
Current Account Balance (US$ mn)	-15.0	-13.0	2.0
Foreign Exchange Reserves (US$ mn)	73.7	85.0	11.3
Total External Debt (US$ mn)	335.0	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Dfr/US$)	177.7	177.7	0.0

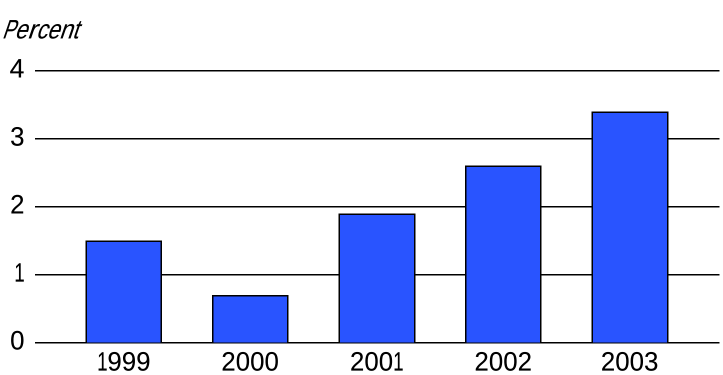
Economic Update

- Djibouti's close proximity to the Indian Ocean makes it a base for military operations for the United States and France. As compensation, over the next decade, the government expects to receive $34 million per year from France and $31 million per year from the United States.
- The services industry is the largest contributor to GDP. Activities include loading and unloading at the port, government civil service activities, and services provided to the French Military Garrison.
- The port of Djibouti is an important source of revenue for the country, accounting for almost one-third of GDP. Somalia, Ethiopia, and Eritrea rely heavily on the Djibouti port for trade.
- In mid-December 2003, the IMF began discussions with the Government of Djibouti for a new PRGF program. Successful implementation of the PRGF program is expected to facilitate admittance to the IMF-World Bank HIPC initiative.
- The AfDB is granting a $10-million loan to help finance a new terminal, including a 42,000 grain and wheat storage and processing facility, at the Djibouti port.
- In March 2003, the joint Ethio-Djiboutian Commission agreed to regular meetings to discuss liberalization of Ethiopia's export trade in the agriculture sector.
- Djibouti is the top recipient for aid from the United States within SSA, and will receive $90 million in FY 2003 and 2004.

Origins of GDP (2002)



Real GDP Growth Rate



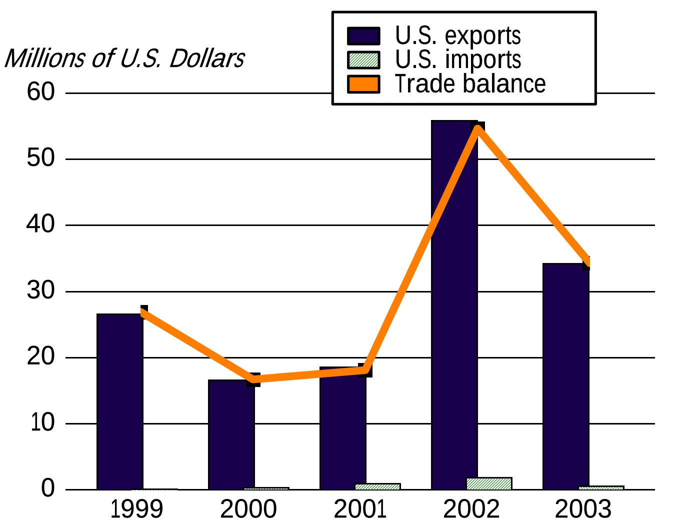
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Somalia	62.0	Saudi Arabia	18.1
Yemen	22.0	Ethiopia	10.5
Pakistan	5.2	United States	9.2
Ethiopia	4.8	France	8.5

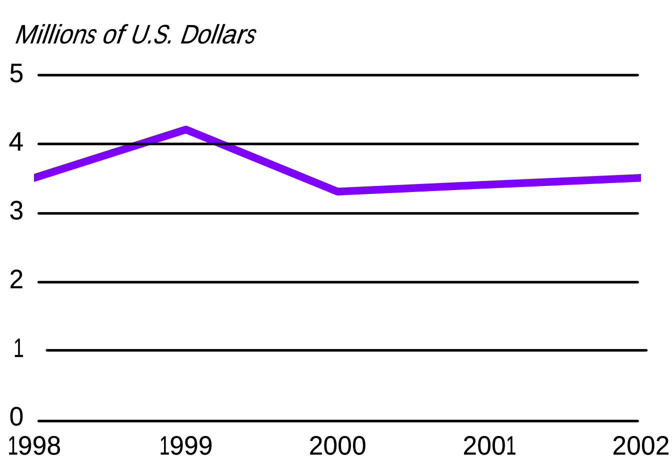
Main Trade Commodities, US$ millions

Exports (2002)		*Imports (2000)*	
Manufactures	52.9	Food & beverages	75.3
Food & live animals	6.8	Machinery & electrical equipment	49.1
Coffee & derivatives	6.5	Petroleum products	40.0
		Qat	26.7

U.S. Trade Balance



Net Foreign Direct Investment



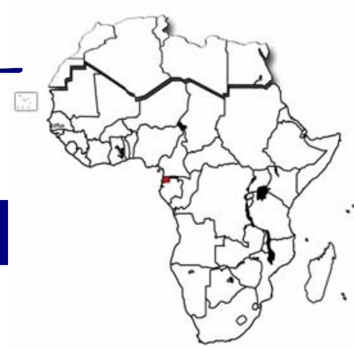
Trade Update

- Manufactured goods represent the majority of merchandise exports, and livestock is the second-largest export. In early 2004, construction began on a regional center for export of livestock in Damerjog. Management of the regional center will be carried out by a private firm.
- Dubai Port International, which holds a 20-year contract for the management of Djibouti's port and international airport, began work in June 2003 on a container port at Doraleh, which is set to be ready for use by September 2004. There are also plans to construct an oil terminal and commercial and industrial free zone, but no target date has been set.
- In 2003, U.S. exports to Djibouti consisted primarily of cereals, books or other printed products, and fertilizers. U.S. imports from Djibouti consisted primarily of animal or vegetable fats and oils, machinery and mechanical appliances, and milling industry products. In 2003 and 2004, Djibouti was designated an AGOA beneficiary country. AGOA (including GSP) imports from Djibouti totaled $27,000 in 2003.

Investment and Privatization Update

- Djibouti is seeking to diversify its trade infrastructure by increasing access to other ports in the region. For example, Djibouti is seeking to attract investment from Independent Petroleum Group (Kuwait) as part of plans to construct an oil pipeline from Djibouti to Addis Ababa. The project is expected to attract $300 million in investment from international, African, and Arab financial institutions.
- The Government of Djibouti has signed with several donors to help modernize infrastructure and reduce poverty. In March 2003, the Arab Fund granted a loan of $10 million to Electricite de Djibouti for the purchase and installation of equipment; during the same period, the Kuwait Fund agreed to lend $5 million to establish the Djibouti Economic Development Fund.
- In April 2003, the UNDP committed $4.5 million for capacity building and poverty reduction, and OPEC announced plans to lend $4.5 million to update the nationalized printing company and develop the educational research institute. In May 2003, the Saudi Development Fund agreed to a loan of $4 million for development of a rural water supply; in addition, the World Bank / IDA provided $6 million to support work on the EU-funded International Road Corridor Rehabilitation Project between Djiboutiville and Ethiopia.
- For FY 2004 and 2005, the government proposes the privatization of public utilities including state-owned Djibouti Telecom, as well as Electricite de Djibouti, the state electricity company. The airport and port have already been privatized.
- The EU is funding a $52-million rehabilitation of the joint Djibouti-Ethiopia railway. The Governments of Djibouti and Ethiopia are seeking a private sector partner for the management of the railway under a 25-year contract to begin in June 2005. The EU is also planning to invest $15 million to increase container handling facilities beginning in June 2004.

EQUATORIAL GUINEA

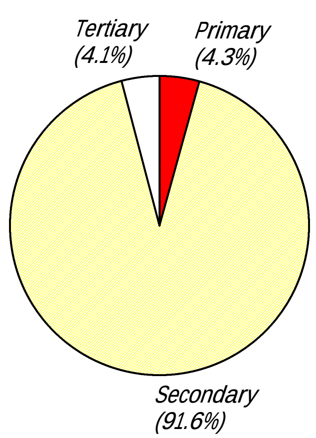


Economic Overview

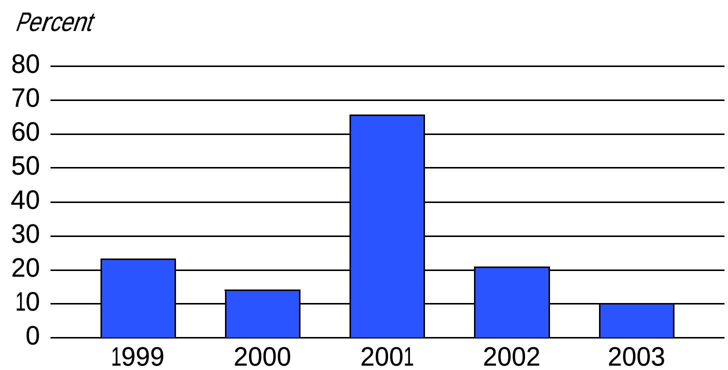
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	1,523.9	1,507.8	-16.1
GDP (US$ mn)	2,186.0	2,602.0	416.0
CPI Inflation (annual average, %)	7.6	6.0	-1.6
Goods Exports (US$ mn)	2,216.0	2,586.0	370.0
Goods Imports (US$ mn)	501.0	1,163.0	662.0
Trade Balance (US$ mn)	1,715.0	1,423.0	-292.0
Current Account Balance (US$ mn)	-294.0	-863.0	-569.0
Foreign Exchange Reserves (US$ mn)	88.6	176.0	87.4
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	697.0	579.5	-117.5

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- The discovery of petroleum in the 1990s accelerated economic growth and spurred urbanization. Petroleum accounted for over 80 percent of GDP in 2002. Although petroleum has become the principal foreign-exchange earner, timber is still a profitable sector.
- The government has announced plans to create a petroleum reserve fund to secure future income, and it paid $259 million into the fund in 2002. By the end of 2003, the fund contained $733 million.
- Government revenue from the petroleum sector is used in part to rehabilitate the country's infrastructure. In November 2003, the government announced a program to improve the road network and to rehabilitate the airport at Bata.
- In early 2003, the government implemented a two-tier system creating separate wages for all private sector workers.
- The government has taken steps to increase transparency for petroleum-related transactions in an effort to improve the country's relationship with the IMF.
- UNDP is cooperating with the government to provide $5.2 million over 4 years to encourage increased access to primary school.
- In July 2003, Spain agreed to write off $80 million of Equatorial Guinea's $134-million debt to Spain. The countries also agreed to establish procedures to protect Spanish investment in Equatorial Guinea.
- India pledged $500 million in low-interest loans in early 2004 to help Burkina Faso, Chad, C"te d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, and Senegal create the Techno-Economic Approach for Africa India Movement, which will focus on generating employment, pharmaceutical production and healthcare, information technology and telecommunications, and agriculture.

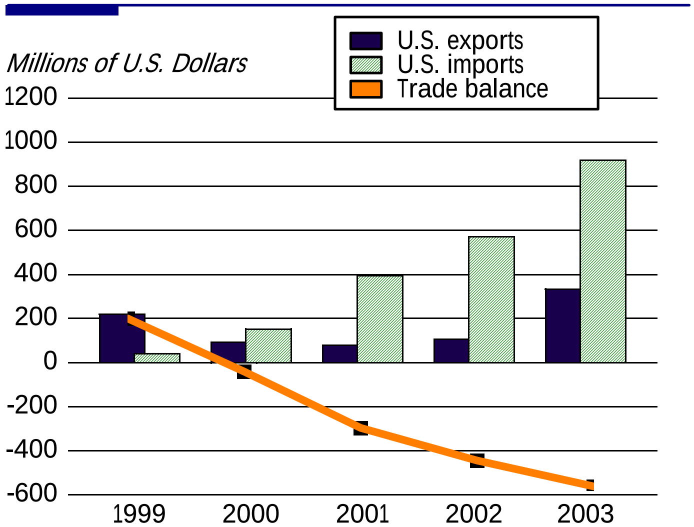
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United States	28.3	Yugoslavia	29.1
Spain	25.3	United Kingdom	15.9
China	17.4	United Sates	14.8
Cameroon	4.9	France	10.4

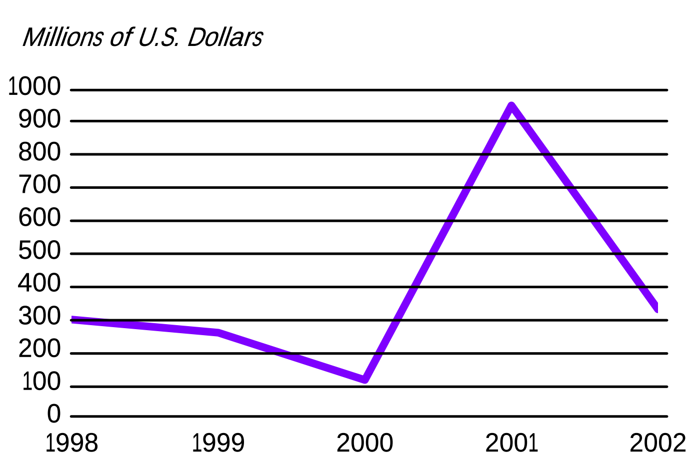
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Petroleum including gas	2,103.0	Petroleum sector	356.2
Timber	95.3	Public investment	52.6
Coffee	6.6	Petroleum products	16.0
Cocoa	4.4		

U.S. Trade Balance



Net Foreign Direct Investment



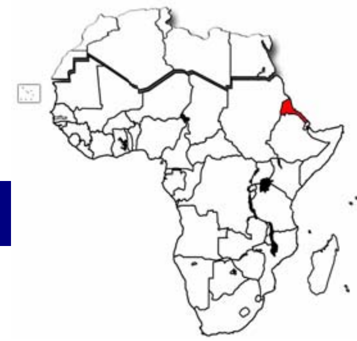
Trade Update

- Incat (UK) is building a port at Luba, and will operate it upon completion. The port is expected to expand trade. The government is also planning a facility in the capital that will serve as a port and service center for the oil sector.
- Agriculture for export, primarily cocoa and coffee, has been declining in recent years.
- In 2003, U.S. exports to Equatorial Guinea consisted primarily of machinery and mechanical appliances, aircraft and parts thereof, and articles of iron or steel. U.S. imports from Equatorial Guinea consisted primarily of minerals, fuels and oils, organic chemicals, and machinery or mechanical appliances.

Investment and Privatization Update

- Large deposits of petroleum and gas continue to draw investment into the country. During 1995-2003, such investments totaled more than $5 billion. Crude oil production now exceeds 265,000 barrels per day. Petroleum sector growth has spurred a construction boom in Malabo and expansion in the services sector.
- Growing demand from Asia has contributed to increased investment in the forestry sector.
- Equatorial Guinea may possess substantial deposits of gold, diamonds, bauxite, iron ore, titanium, copper, manganese, and uranium that could lead to increased investment and development of the mining sector.
- In October 2003, a new terminal opened at the Malabo airport. Iberia (Spain), Spanair (Spain), and KLM (Netherlands) are actively involved in the air travel market. In addition, GEPetrol, the state oil company, agreed with World Airways (U.S.) to provide weekly scheduled flights between Houston and Malabo.
- In 2003, Marathon (U.S.), a main player in the energy sector, received approval to develop a $1-billion liquid natural gas plant, which is expected to be completed in 2007. GEPetrol announced in early 2004 that it was close to securing a $400-million loan to finance its 20-percent share in the project.
- The government has expressed interest in privatizing the electric utility and GETESA, a telecommunications parastatal.

ERITREA

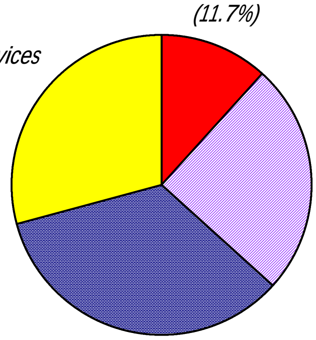


Economic Overview

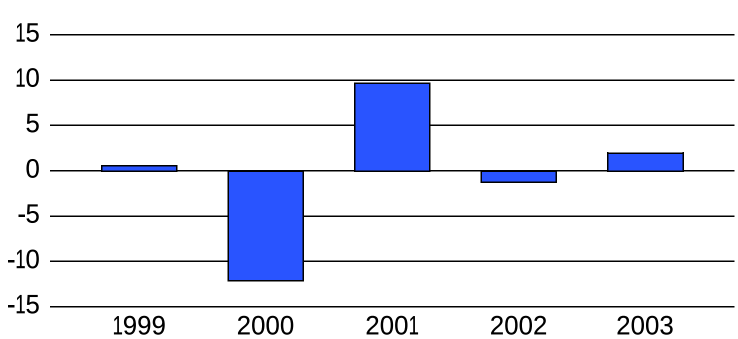
Economic Indicators

	2002	2003	Difference
GDP (nominal, Nfa bn)	9.3	10.7	1.4
GDP (US$ mn)	669.1	764.3	95.2
CPI Inflation (annual average, %)	17.4	12.3	-5.1
Goods Exports (US$ mn)	52.0	56.0	4.0
Goods Imports (US$ mn)	533.0	600.0	67.0
Trade Balance (US$ mn)	-481.0	-544.0	-63.0
Current Account Balance (US$ mn)	-167.0	-161.0	6.0
Foreign Exchange Reserves (US$)	n/a	n/a	n/a
Total External Debt (US$ mn)	508.0	552.0	44.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Nfa/US$)	13.9	14.0	0.1

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Although domestic agricultural production covers just 20 percent of the country's food needs, 70 percent of the population relies on agriculture, pastoralism, or fishing for income. Lack of irrigation, soil erosion, outmoded technology, and a lack of financial services, however, constrain agricultural development.
- Main government goals include developing infrastructure and improving food security.
- War with Ethiopia has left the road network and other infrastructure inadequate. The link from Massawa to Asmara is the only fully paved road. The government plans to pave the coastal road from Massawa to Assab in mid-2004 to improve and increase intra-country trade and transport.
- The World Bank has 10 ongoing projects in Eritrea. Over $200 million was disbursed during 2000-03. Current programs include an emergency demobilization program ($60 million) and an emergency reconstruction project ($90 million). The World Bank also has allocated $45 million to support investment in education, and plans to provide $50 million for rural electrification and $30 million to develop roads.
- A June 2003 IMF report notes Eritrea's unsustainably high fiscal deficits. The IMF has noted that lack of consistent and reliable economic data inhibits coherent policy formation.
- In late 2003, the Arab Bank for Economic Development in Africa agreed to a $15-million loan for a water development project. The project, including dams and a water purifying facility, will cost $80 million. The Abu Dhabi Development Fund, the Saudi Development Fund, and OPEC are also expected to contribute.
- Italy, the United States, and Denmark are significant bilateral aid donors. In 2002, however, Denmark announced that it would stop development assistance by 2005 because of human rights violations.
- In August 2003, the United States agreed to provide $6.4 million in assistance to improve healthcare and increase employment in rural areas.

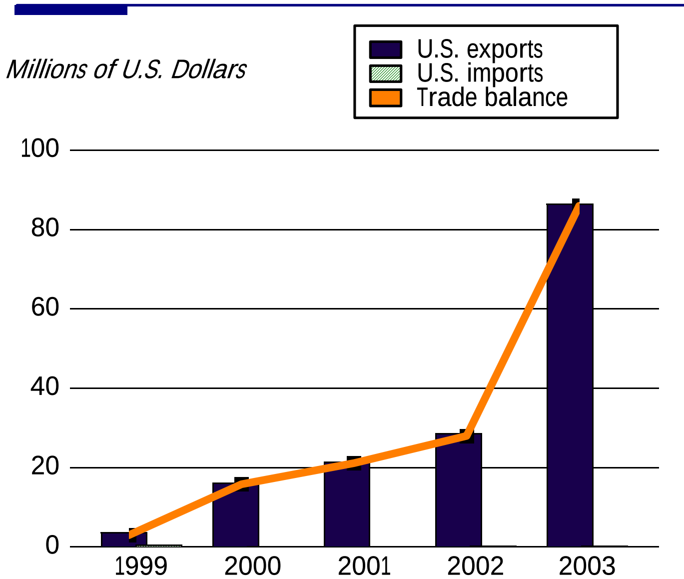
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Sudan	83.0	United Arab Emirates	17.3
Italy	4.9	Saudi Arabia	14.7
Djibouti	2.1	Italy	14.2
Germany	1.1	Germany	4.0

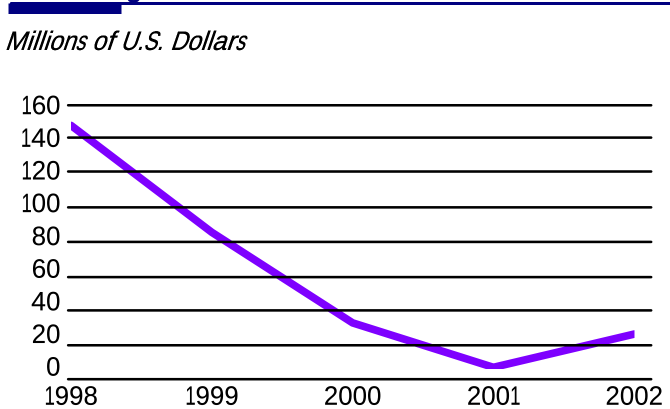
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Food & live animals	30.0	Machinery & transport equipment	115.0
Raw materials	5.0	Food & live animals	103.0
Manufactured goods	4.0	Manufactured goods	88.0
		Chemical & chemical products	29.0

U.S. Trade Balance



Net Foreign Direct Investment



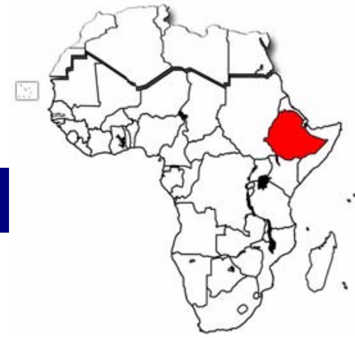
Trade Update

- Food and live animals accounted for over 70 percent of exports in 2002.
- A trade embargo imposed by Ethiopia has made hard currency scarce and hindered investment. Prior to the conflict, Ethiopia was Eritrea's main export partner.
- Apart from food, primary imports include machinery and transport equipment, manufactured goods, and construction materials.
- In 2003, U.S. exports to Eritrea consisted primarily of aircraft and parts thereof, cereals, and animal or vegetable fats or oils. U.S. imports from Eritrea consisted primarily of apparel, electrical machinery and equipment, and works of art. In 2003, Eritrea was designated an AGOA beneficiary country. Eritrea was removed from AGOA eligibility in 2004.

Investment and Privatization Update

- A new airport is being built in Massawa. Eritrean Airlines, the national carrier, made its first flight in April 2003.
- Petroleum exploration has begun with no major announcements of discovery to date.
- Gold reserves are estimated at 17,000 kilograms, which could spur investment in the sector. In 2003, Sub-Sahara Resources (Australia) and Sunridge Gold (Canada) announced plans to jointly explore the Asmara area.
- Eritel, the state phone company, is working with Tecore Wireless Systems (U.S.) to implement a GSM service.
- The government has divested 3 of its 11 hotels.

ETHIOPIA

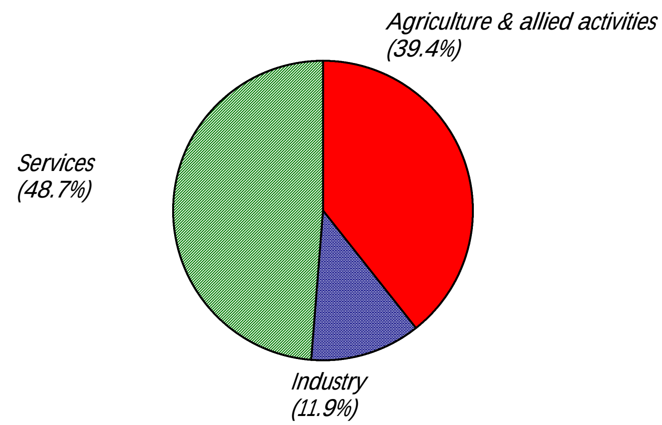


Economic Overview

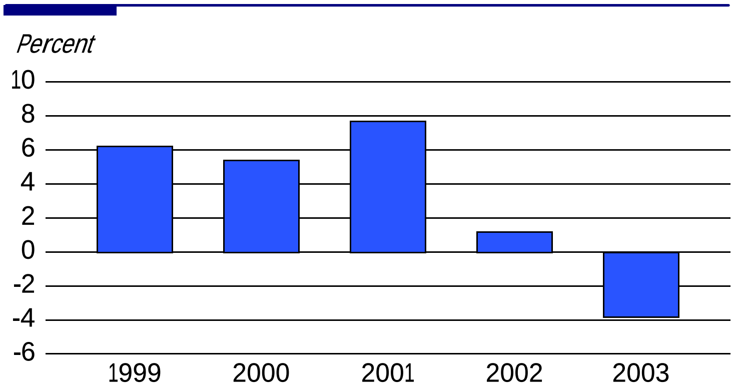
Economic Indicators

	2002	2003	Difference
GDP (nominal, Birr bn)	51.8	56.2	4.4
GDP (US$ bn)	6.0	6.4	0.4
CPI Inflation (annual average, %)	1.5	12.6	11.1
Goods Exports (US$ mn)	480.0	537.0	57.0
Goods Imports (US$ mn)	1,700.0	1,903.0	203.0
Trade Balance (US$ mn)	-1,220.0	-1,366.0	-146.0
Current Account Balance (US$ mn)	-382.0	-473.0	-91.0
Foreign Exchange Reserves (US$ mn)	882.0	920.0	38.0
Total External Debt (US$ bn)	6.0	6.2	0.2
Debt Service Ratio, paid (%)	7.4	7.4	0.0
Exchange Rate (Birr/US$)	8.6	8.8	0.2

Origins of GDP (2002/2003)



Real GDP Growth Rate



Economic Update

- Agriculture is a key component of the economy, with roughly 85 percent of the population deriving its livelihood from agriculture production. Water shortages and seasonal flooding have limited agricultural productivity. The industrial sector grew over 20 percent during 1996-2003, and is expected to become a larger part of the economy.
- Transportation infrastructure is inadequate and hinders economic growth. Only 12 percent of roads are paved, which makes access to ports, markets, and services difficult. The first Road Sector Development Program ran from 1997-02 and received $1.5 billion in funding. The second program is expected to run during 2003-07 and cost $219 million, with $127 million supplied by the World Bank.
- The World Bank is expected to approve a $25-million loan for information and communication technology in 2004. The Ethiopian government has established the Ethiopian Telecommunications Authority in an effort to link federal, regional, and local governments in a single network to improve service to local communities.
- The World Bank's Country Assistance Strategy pledged $1.5 billion to reform the judiciary and civil service, promote private sector development, and develop transportation and energy infrastructure during 2003-06.
- In August 2003, the IMF released $14.6 million after the fourth PRGF review; the program is expected to be completed in mid-2004. Financial sector reform is a primary goal of the PRGF.
- Ethiopia is expected to complete participation in the HIPC initiative in 2004. In April 2004, the IMF and World Bank approved the reduction of Ethiopia's debt to $2 billion.
- The AfDB awarded $1.5 million to Ethiopia to promote women's rights. Key goals include equal rights for women and maternal health care.
- The United States granted Ethiopia $18 million for the campaign against HIV / AIDS.
- In June 2004, the United States announced support for Ethiopia's WTO candidacy.

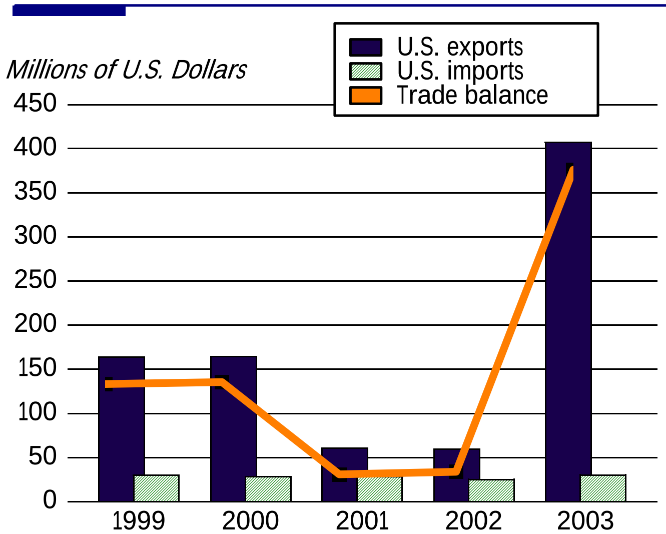
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Djibouti	11.1	Saudi Arabia	28.8
Italy	7.3	Italy	5.9
Japan	6.5	India	4.8
Saudi Arabia	6.5	United States	3.8

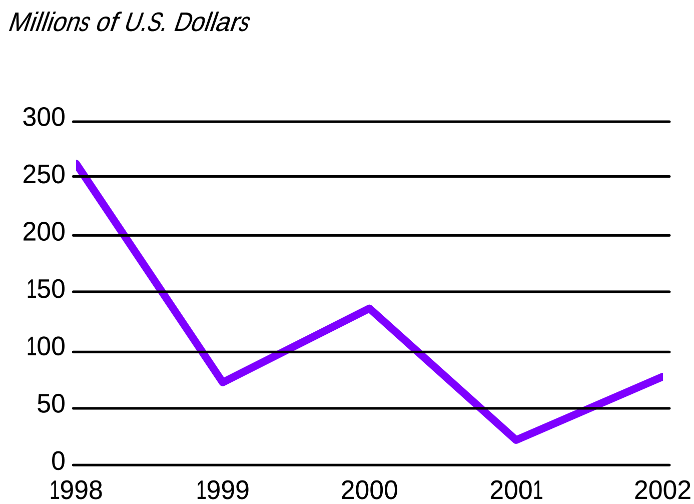
Main Trade Commodities, US$ millions, 2000/2001

Exports		*Imports*	
Coffee	171.0	Consumer goods	459.0
Qat	60.0	Capital goods	436.0
Oilseeds	30.0	Fuel	403.0
Pulses	8.0	Semi-finished goods	278.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Coffee and livestock are important export products. The Livestock Marketing Authority is developing a 20-year plan with the AfDB to promote livestock development. Although coffee prices are expected to rise, Ethiopia may be vulnerable to overproduction.
- Conflict with Eritrea blocked access to the port of Assab, Ethiopia's principal port of entry and exit for trade before 1998. Trade has been rerouted through Djibouti, with the help of a $6-million World Bank loan to build a road that was completed in October 2003. Djibouti currently handles the majority of Ethiopia's trade.
- The railway link between Ethiopia and Djibouti has deteriorated in recent years. The EU provided funds for rehabilitation contingent on reforms, such as the introduction of private management, but the two countries have been slow in implementing requested changes.
- In 2003, U.S. exports to Ethiopia consisted primarily of aircraft and parts thereof, cereals, and electrical machinery and equipment. U.S. imports from Ethiopia consisted primarily of coffee, tea, mate, and spices; seeds, grains, and fruit; and apparel. In 2003 and 2004, Ethiopia was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Ethiopia totaled $2.9 million in 2003.

Investment and Privatization Update

- In April 2003, Ethiopia amended its foreign investment rules. The required minimum level of investment by foreign firms was reduced, minimal capital requirements were lifted, and a 3-year tax break was extended.
- Ethiopia has significant mineral deposits. International interest in mining for gold and other metals and petroleum and gas exploration has increased in recent years.
- Ethiopian Airlines received a $350-million commercial loan to purchase 12 new Boeings by mid-2005. The first two planes were received in November 2003. The airline also has plans to build a new cargo terminal, securing $19 million from the Commercial Bank of Ethiopia for this project.
- The Ethiopian Electric Power Company has plans to build a series of dams on the Blue and White Nile. These include a 300-mw hyrdroelectric plant that will be built by a Chinese consortium for $350 million.
- In late 2003, SI Tech International (Jordan) signed an agreement to develop the hydrocarbon sector in Ethiopia. The 25-year, $1.5 million contract includes the construction of a gas-to-liquids plant with a capacity of 34,000 barrels per day of petroleum products.
- The Bank of Scotland has agreed to provide management support to the Commercial Bank of Ethiopia, after agreeing to a 2-year deal for $2.5 million.
- Privatization is overseen by the Ethiopian Investment Authority and the Ethiopian Privatization Agency. By 1998, 163 privatization projects had been approved, but the divestment of larger state farms and agro-industrial plants was delayed by the conflict with Eritrea during 1998-2000. Over 100 enterprises, primarily hotels, state farms, and plantations, are awaiting privatization.

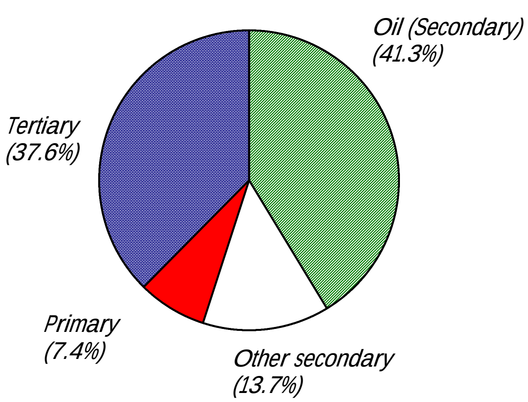
GABON

Economic Overview

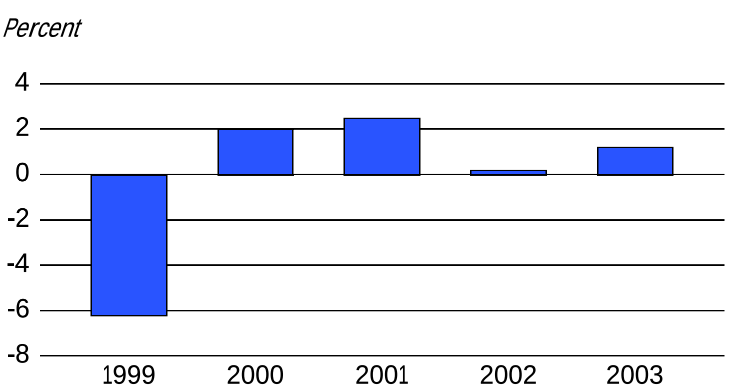
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr trn)	4.3	4.3	0.0
GDP (US$ bn)	6.1	7.5	1.4
CPI Inflation (annual average, %)	0.2	0.5	0.3
Goods Exports (US$ mn)	2,608.0	2,891.0	283.0
Goods Imports (US$ mn)	885.0	1,079.0	194.0
Trade Balance (US$ mn)	1,723.0	1,812.0	89.0
Current Account Balance (US$ mn)	-169.0	-99.0	70.0
Foreign Exchange Reserves (US$ mn)	140.0	149.0	9.0
Total External Debt (US$ bn)	3.4	3.3	-0.1
Debt Service Ratio, paid (%)	10.8	9.2	-1.6
Exchange Rate (CFAfr/US$)	697.0	579.3	-117.7

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Petroleum production continues to decline as reserves are becoming less productive. In 2003, Equatorial Guinea surpassed Gabon as the third-largest petroleum producer in SSA. Gabon's reserves are expected to be depleted by 2010 unless new sources are discovered.
- Petroleum production accounts for 20 to 50 percent of GDP, represents over 70 percent of exports, and funds over 50 percent of government spending.
- Aside from the petroleum sector, the forestry and manganese sectors continue to contribute greatly to the Gabonese economy. Forestry is the nation's second-largest source of export revenue after petroleum. The government hopes to offset the decline in petroleum production and to boost employment by increasing timber activity, but efforts continue to be hindered by inadequate transportation infrastructure and administrative disagreements by various interested parties. In 2003, disagreements between the government and the logging companies, an increase in the surface tax to be implemented in 2004, and a buildup of payment arrears by the national timber firm negatively affected the timber sector.
- Manganese production is expected to increase from 1.9 million tons in 2002 to 2.05 million tons in 2004 after Trois Rivieres, a subsidiary mining company of CVRD (Brazil), discovered a rich ore deposit near an existing source in eastern Gabon. Gabon is the third-largest producer of manganese, possessing 25 percent of the world's known reserves.
- Manufacturing in Gabon continues to progress slowly, hindered by high costs, inadequate skills in the labor force, underdeveloped infrastructure, and a small domestic market. Government policies in 2003 continued to focus on improving economic diversity in nonpetroleum sectors. Diversification efforts, however, continue to be hindered by inadequate infrastructure and high utility costs. Major government initiatives to abate unemployment caused by privatization, include diversifying exports, increasing timber processing, promoting ecological tourism, and establishing a duty-free zone in Mandji.
- In December 2003, the regional bank, the BEAC, decreased the rediscount rate from 6.3 percent to 6.0 percent and began encouraging the use of treasury bills to decrease transaction costs and improve administration efficiency within the country.
- In an effort to secure IMF funds, Gabonese government policies continued to focus on improving transparency and governance. In mid-2003, the government requested IMF aid to alleviate the effects of reduced oil revenue, public debt, and poverty through restructuring the judiciary system and other public reforms, advancing privatization, and diversifying the economy.

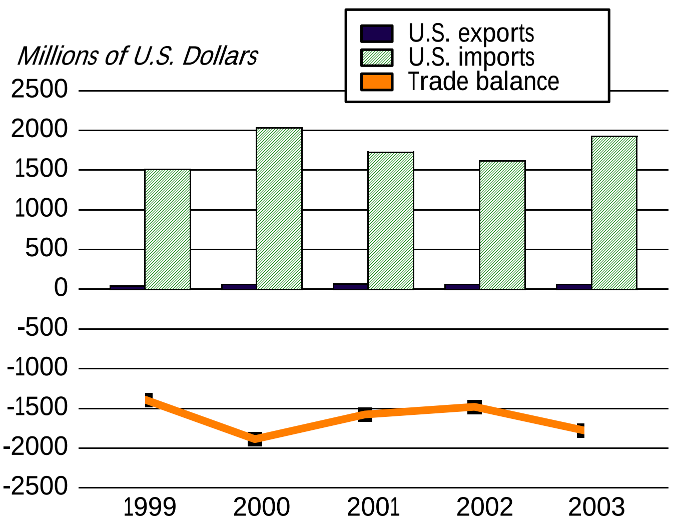
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United States	44.6	France	50.9
France	11.1	United States	6.2
China	7.4	Belgium	3.6
Netherlands Antilles	5.9	Netherlands	3.6

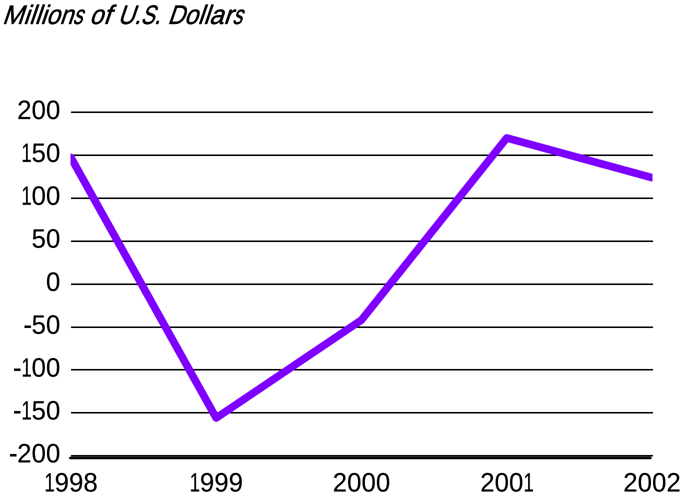
Main Trade Commodities, US$ millions

Exports (2002)		*Imports (2001)*	
Crude petroleum	2,052.5	Consumer goods	290.7
Timber	302.5	Prepared foodstuffs & beverages	160.8
Manganese	135.6	Machinery & mechanical appliances	157.4

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- In early 2004, China and Gabon signed an oil deal that guarantees oil exports to China.
- Gabon strengthened its ties with the United States, Canada, Russia, China, and Islamic countries with the goal of improving the efficiency of its petroleum production and nonpetroleum exports.
- The government is initiating policies to reform and restructure the agriculture sector to offset decreased oil production.
- A regional stock exchange, the BVMAC, was established in June 2003 among the six member countries of CEMAC, with plans to begin operation in early 2004.
- In 2003, U.S. exports to Gabon consisted primarily of machinery and mechanical appliances, articles of iron or steel, and mineral fuels or oils and products. U.S. imports from Gabon consisted primarily of mineral fuels and oils; ores, slag, and ash; and wood and articles of wood. In 2003 and 2004, Gabon was designated an AGOA beneficiary country. AGOA (including GSP) imports from Gabon totaled $1.2 billion in 2003.

Investment and Privatization Update

- In an effort to increase foreign investment, Gabon became a member of MIGA, which guarantees foreign investment coverage.
- In February 2003, the World Bank granted a $100-million loan to Gabon to improve the current transportation infrastructure. In August 2003, construction of two bridges across the Ntem River and a highway connecting Gabon, Cameroon, and Equatorial Guinea began; the projects are being financed by the EU and are scheduled for completion by 2006.
- High oil prices in 2003 and increased interest from the U.S. companies in Gabon's petroleum sector contributed to increased investment in 2003 and early 2004. Shell (U.S.) increased investment in the Rabi-Kounga oilfield. Increased exploration and higher efficiency of production on marginal fields have also contributed to increased investment.
- In late 2003, Southernera Resources (Canada) announced that it would begin exploratory drilling for diamonds in northern, central, and southern Gabon.
- Mining activity is expected to increase in 2004 because of increased capacity in the manganese sector. The European Commission granted Gabon $33 million in January 2003 to reduce the environmental impact of mining. Kumba Resources (South Africa) expressed interest in mining the iron-ore deposits in Gabon. Investment in exploiting large deposits remains hindered by inadequate infrastructure.
- Privatization efforts continue to progress albeit slowly. Companies still slated for privatization include the state-owned rubber and palm-oil enterprises. The farming parastatal has not yet been scheduled for privatization.
- High production costs and financial difficulties continue to delay the privatization of Agripog, the state horticulture company.
- Because of a lack of investor interest in Sogadel and SIAEB, the state-owned meat companies, privatization efforts were halted in 2003 and the firms were liquidated.

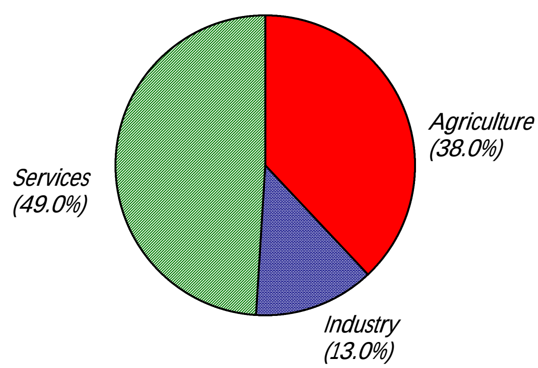
THE GAMBIA

Economic Overview

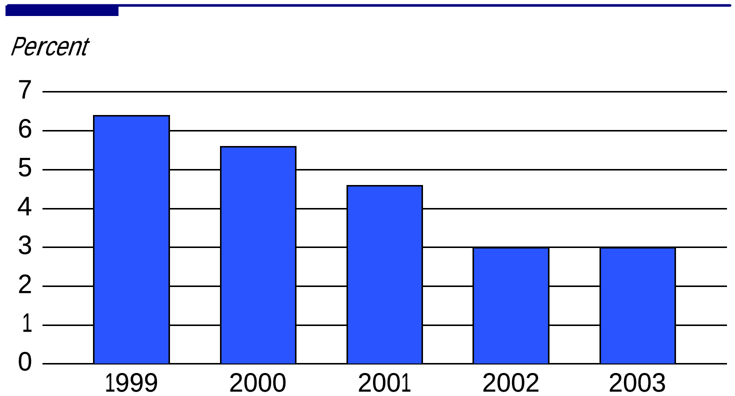
Economic Indicators

	2002	2003	Difference
GDP (nominal, D bn)	7.8	10.9	3.1
GDP (US$ mn)	391.0	401.0	10.0
CPI Inflation (annual average, %)	4.9	10.0	5.1
Goods Exports (US$ mn)	138.0	129.0	-9.0
Goods Imports (US$ mn)	225.0	220.0	-5.0
Trade Balance (US$ mn)	-87.0	-91.0	-4.0
Current Account Balance (US$ mn)	-22.0	-24.0	-2.0
Foreign Exchange Reserves (US$ mn)	107.0	107.0	0.0
Total External Debt (US$ mn)	501.3	585.0	83.7
Debt Service Ratio, paid (%)	5.4	n/a	n/a
Exchange Rate (D/US$)	19.9	27.2	7.3

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- Drought and decreased tourist activity hindered real GDP growth in 2003. Increased activity in the agriculture and tourism sectors are expected to contribute to improved growth in 2004.
- Energy shortages, inadequate fiscal management, small growth rates, inflation, and inappropriate expenditures continue to hinder The Gambia's economy and continue to upset progress of the PRGF established by the IMF.
- Government reforms with respect to expenditure reporting and transparency are continuing.
- As indicated under the current PRGF, the government increased domestic revenue in the 2004 budget by increasing fuel prices, road taxes, fees for firearms, driving and fishing licences, and customs documents. Also, the 2004 budget indicates that development expenditure is expected to decline because of decreased investor support.
- The third phase of the UNDP's Economic Management and Capacity Building for Private Sector Development project was announced in May 2003. By granting $1.9 million to the government's Vision 2020 plan, this project will work in conjunction with the AfDB, the World Bank, and bilateral projects to improve government efficiency and policy effectiveness. The project will also promote the provision of information to foreign investors and the improvement of regulation and services for export-oriented firms.
- In mid-2003, the AfDB announced plans to give The Gambia $25 million over the next 3 years to support education, balance-of-payments, expenditure management skills, and public aid.
- As part of the 2003-05 country assistance strategy established by the World Bank, major government policies include improving public expenditure management, promoting growth in the private sector, and improving public services.

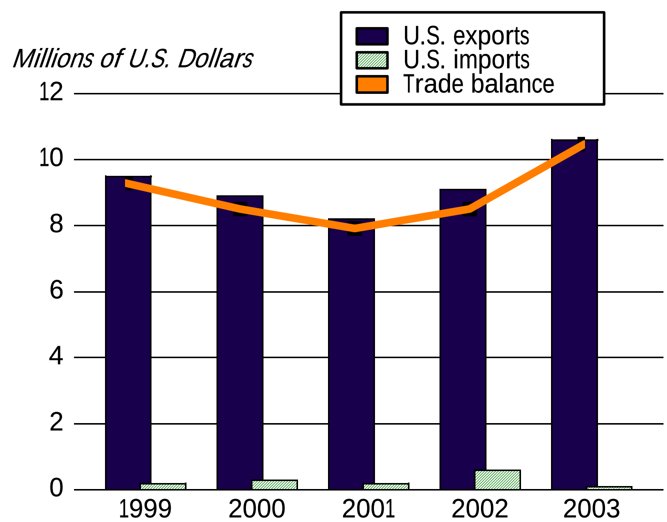
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
France	21.6	China (incl. Hong Kong)	25.7
United Kingdom	18.8	Senegal	9.5
Italy	10.9	Brazil	7.9
Germany	7.6	United Kingdom	6.7

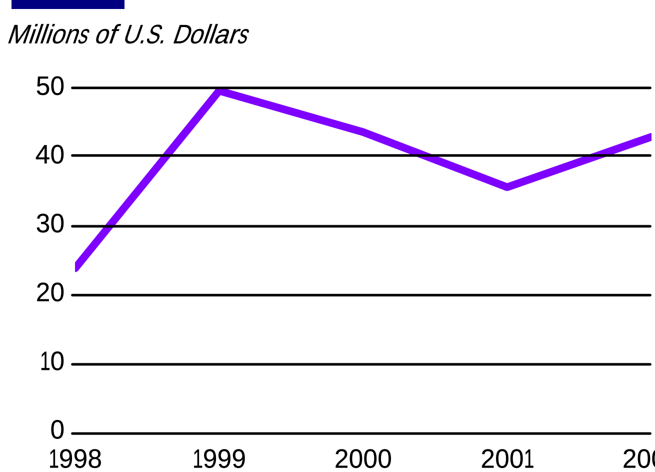
Main Trade Commodities, US$ millions, 1999

Exports		*Imports*	
Re-exports	104.0	Food & beverages	89.4
Groundnut products	10.0	Manufactures	53.8
Fish & fish preparations	3.1	Machinery & transport equipment	46.5
		Minerals & fuel	12.4

U.S. Trade Balance



Net Foreign Direct Investment



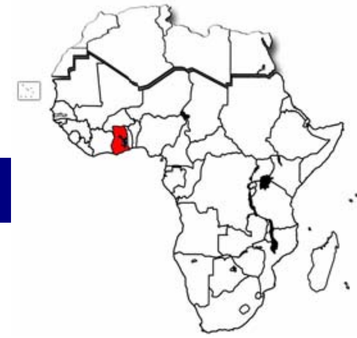
Trade Update

- Groundnuts continued to be The Gambia's leading export product in 2003. Re-exported manufactured goods continued to represent a significant portion of The Gambia's trade profile.
- To improve the inadequate transport infrastructure in The Gambia, the OPEC Fund for International Development loaned $2.8 million in May 2003 to construct an additional road that will reduce the export of goods via the airport, thereby reducing transport costs.
- In 2003, U.S. exports to The Gambia consisted primarily of meat, cotton yarn or fabric, and machinery and mechanical appliances. U.S. imports from The Gambia consisted primarily of optical or measuring equipment and parts thereof, toy or game equipment and parts thereof, and cotton yarn or fabric. In 2003 and 2004, The Gambia was designated an AGOA beneficiary country. AGOA (including GSP) imports from The Gambia totaled $20,000 in 2003.

Investment and Privatization Update

- For 1999-2001, The Gambia was ranked 12th out of 140 countries, and second in Africa for FDI performance by the 2003 World Investment Report by the UNCTAD. The country's active tourist sector and liberal investment climate contributed to the high ranking.
- In June 2003, Clemessy (Germany) and Norelec (France) signed contracts with the government to construct transmission and distribution lines for the national grid as the second phase of the rural electrification project. The AfDB financed the $3.3-million project.
- The government created an Insurance Bill to improve the regulation and effectiveness of the insurance industry. The bill also transfers governance of the industry to the central bank.
- A Money Laundering Bill was passed in 2003 to improve transparency of financial institutions by providing support for firms reporting suspicious transactions. This regulation is expected to decrease corruption and increase foreign investor confidence.
- In early 2003, D. Blankevoort (Netherlands) began a project funded by the AfDB and OPEC to ease coastal erosion. This project is expected to improve the coastal transportation infrastructure and increase tourism.
- As part of the 5-year Global Expansion Project of Gamtel, the state telecommunications agency, $53.9 million will be invested in increasing fixed-line capacity in 2004. In addition, Alcatel (France) will install 35,500 new lines under a $37.2-million contract, and Airspan Networks (U.S.) will supply 2,000 wireless telephones to remote locations.
- Privatization of state-owned enterprises is expected to continue despite slow progress.

GHANA

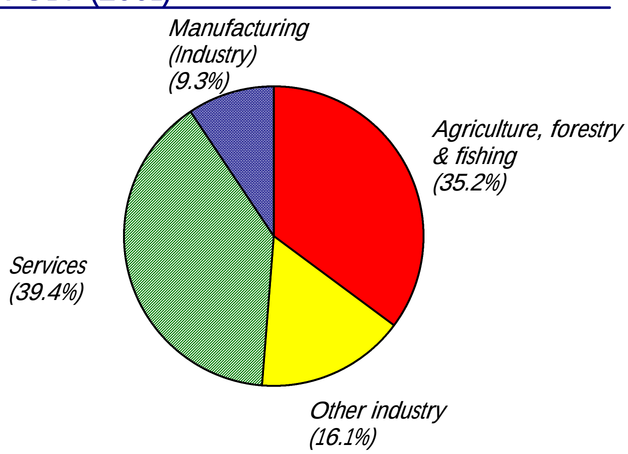


Economic Overview

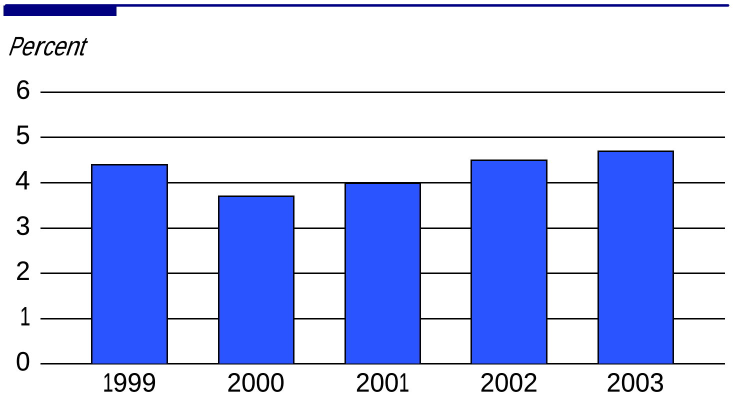
Economic Indicators

	2002	2003	Difference
GDP (nominal, C trn)	44.7	59.7	15.0
GDP (US$ bn)	5.6	6.9	1.3
CPI Inflation (annual average, %)	14.8	26.8	12.0
Goods Exports (US$ mn)	2,015.2	2,641.1	625.9
Goods Imports (US$ mn)	2,705.1	3,239.0	533.9
Trade Balance (US$ mn)	-689.9	-597.9	92.0
Current Account Balance (US$ mn)	-30.6	214.0	244.6
Foreign Exchange Reserves (US$ mn)	539.7	950.0	410.3
Total External Debt (US$ bn)	7.0	7.4	0.4
Debt Service Ratio, paid (%)	11.7	9.4	-2.3
Exchange Rate (C/US$)	7,932.7	8,676.4	743.7

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Agriculture represents approximately 30 to 40 percent of GDP and employs approximately 60 percent of the workforce.
- The leading export is cocoa, followed by timber, horticulture products, fish / seafoods, and pineapple. Removal of price controls and increased prices paid to cocoa farmers has contributed to growth in the cocoa industry in Ghana. During the 2002-03 growing season, production of cocoa reached an estimated 490,000 tonnes, one of the highest levels recorded in 40 years. Further reform efforts for the sector include increasing the price paid to cocoa producers to 70 percent of the F.O.B. price, as well as establishing a revolving credit fund for farmers.
- The Ministry of Food and Agriculture has set aside $50 million to modernize the agriculture sector in an effort to reduce imports and increase food security. Strategies also include providing incentives for small businesses and greater access to capital.
- In January 2003, the government increased fuel prices by an average of 90 percent in an effort to reduce the level of debt of the country's sole refinery.
- In 2003, foreign exchange reserves for the country reached a 30-year high. Cocoa exports recovered, reaching an estimated $772 million in 2003, up from $381 million in 2001. Gold earnings also increased to $770 million in 2003 from $618 million in 2002, in part because of rising global gold prices. This contributed to the growth in foreign reserves. Ghana also receives revenue from worker remittances from Ghanaians abroad.
- The government has entered into a new 3-year agreement with the IMF to fund poverty reduction initiatives. The program, for which the IMF would provide $258 million, requires the government to reduce public expenditure, implement reforms in the financial sector to allow private sector development, and increase certain utility prices.
- Much of Ghana's debt has been reduced through the World Bank's HIPC initiative.

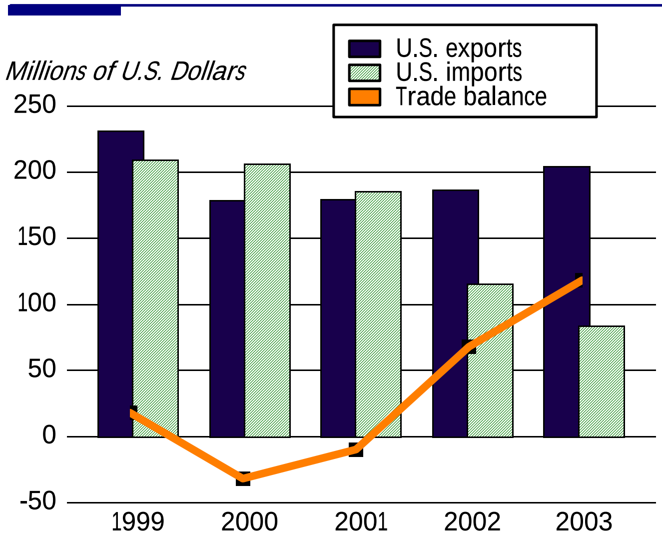
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Netherlands	15.0	Nigeria	21.4
United Kingdom	10.0	United Kingdom	7.2
United States	7.1	United States	6.6
Germany	6.3	China	6.2

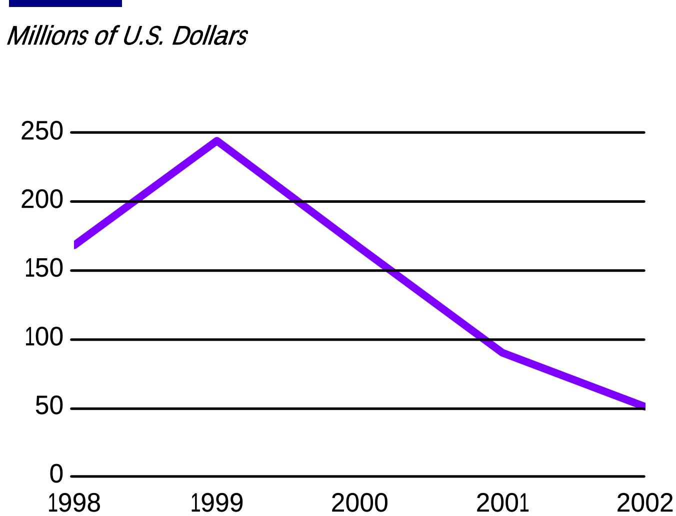
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Gold	689.1	Nonoil	2,197.0
Cocoa beans & products	463.4	Oil	508.1
Timber & products	182.7		

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Ghana's ports are being developed as regional trade hubs; a current project to dredge the port in the city of Tema to build a container terminal is already underway. Further plans include warehousing facilities, export processing zones, packaging facilities, and haulage zones.
- Under the Industry Revival Scheme, efforts are being made to diversify exports by focusing on the services and mining sectors. Gold and manganese are potential export products. The diamond sector experienced a setback in September 2003 when the government was banned from exporting diamonds after it failed to ratify an international agreement against the illegal diamond trade.
- In 2003, the Government of Ghana announced its intentions to extend the rail network to link with Burkina Faso, Côte d'Ivoire, and Togo for both passenger and freight travel. This project should help improve access for private buyers within the cocoa industry, the largest sector of the economy.
- Presidential Special Initiatives were established in 2003 for the garment, cassava, and palm oil industries using training and technical assistance to increase exports and to allow Ghana to take advantage of benefits offered under the U.S. AGOA program.
- In 2003, U.S. exports to Ghana consisted primarily of machinery and mechanical appliances, cereals, and vehicles and parts thereof. U.S. imports from Ghana consisted primarily of wood and articles of wood, mineral fuels and oils, and cocoa and cocoa preparations. In 2003 and 2004, Ghana was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Ghana totaled $40.6 million in 2003.

Investment and Privatization Update

- The city of Accra has outlined plans to reform the financial sector by introducing four new pieces of legislation that aim to attract foreign investment: the Foreign Exchange Bill, the Long-Term Savings Bill, the Credit Union Bill, and the Insurance Bill. The proposed legislation will bring Ghana in line with current international guidelines.
- African Gold (Ireland) purchased a $4-million, 70-percent stake in the Konongo Owere gold reserve. In October 2003, the government also approved the $1.4-billion acquisition of Ashanti Goldfields by AngloGold (South Africa), allowing it to become the largest producer with output of 7.5 million ounces of gold per year.
- The expansion of the country's largest international airport was completed in early 2003 at a cost of $100 million; 60 percent of the project was financed by the Ghana Civil Aviation Authority, and the remainder by private institutions. However, plans to privatize the domestic carrier have been placed on hold indefinitely because of the apparent failure of the potential partner to meet its obligations.
- Privatization slowed in 2003, with key assets still awaiting buyers. Proposed sales include the Volta River Authority, the primary electricity producer and provider; the Ghana Water Company; and the Tema Oil Refinery.

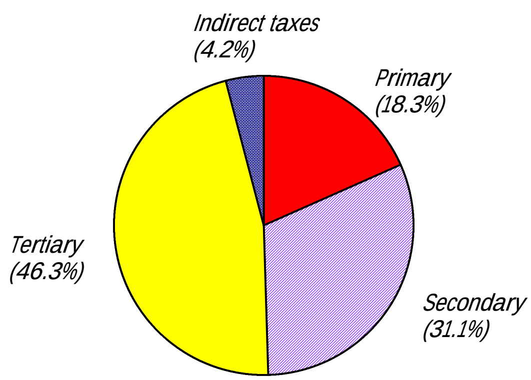
GUINEA

Economic Overview

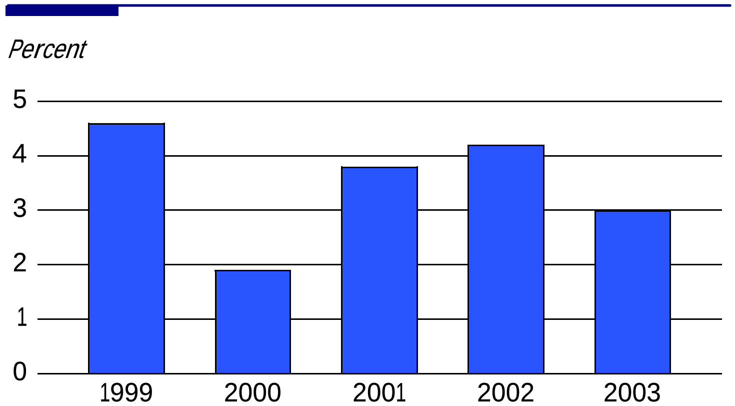
Economic Indicators

	2002	2003	Difference
GDP (nominal, Gnf bn)	6,350.0	7,064.0	714.0
GDP (US$ mn)	3,215.0	3,506.0	291.0
CPI Inflation (annual average, %)	6.1	14.8	8.7
Goods Exports (US$ mn)	700.0	705.0	5.0
Goods Imports (US$ mn)	650.0	625.0	-25.0
Trade Balance (US$ mn)	50.0	80.0	30.0
Current Account Balance (US$ mn)	-208.0	-225.0	-17.0
Foreign Exchange Reserves (US$ mn)	171.0	120.0	-51.0
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Gnf/US$)	1,976.0	1,990.0	14.0

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Guinea is rich in natural resources such as bauxite, gold, aluminum, and diamonds. These mineral deposits were the principal exports for the country in 2002, and the top earners of foreign exchange. However, declining international prices and reduced foreign investment have resulted in decreased output, and taxes have been raised to recover the lost revenue.
- Agriculture is another important sector for the economy, much of which is subsistence farming. Paddy rice is the dominant crop. Output has declined mainly because of civil unrest across the border in Sierra Leone.
- In 2002, GDP growth was driven by a strong harvest and growth in the construction sector.
- In July 2003, the IMF completed its Article IV consultation report. The report highlighted a slowdown in privatization because of presidential elections held in 2003.
- In March 2004, the World Bank proposed the harmonization of mining laws within a number of countries in sub-Saharan Africa, including Guinea. The new codes are aimed at stimulating investment by increasing the ease of obtaining mineral title deeds.
- The World Bank / IDA announced in mid-June 2004 that it was suspending further loans and halting field projects because of Guinea's failure to pay off debt servicing arrears of $2.4 million. The IDA had supported Guinea with loans of $30 million per year. Guinea had previously lost support from the IMF in 2002 because of financial mismanagement, corruption, and improper economic practices.
- In 2001, the IMF granted a $81.3-million loan to reduce poverty, promote GDP growth, improve social services, and support economic stability. The IMF granted only $17 million of the total loan in 2002, however, because of limited progress by the government in implementing programs.
- In June 2003, $3.6 million was given to Guinea under the HIPC initiative.
- Guinea sources much of its power through hydroelectric plants. In 2003, the plants experienced frequent power outages, which in turn affected water supply. To combat power shortages, the Islamic Development Bank announced approval of a $15-million loan to Guinea to replace an aging generator. Varsila (France) also proposed plans to build a power station at Tombo.

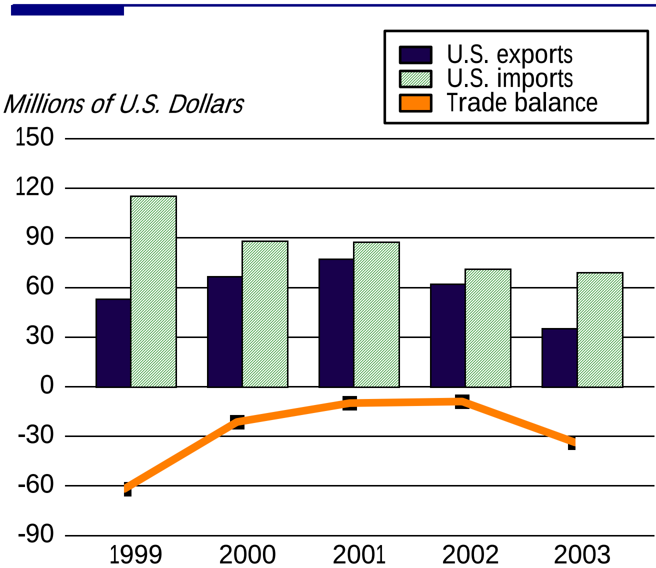
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Spain	10.5	France	19.6
Belgium	10.1	Côte d'Ivoire	11.6
Cameroon	10.1	United States	8.6
United States	9.6	Belgium	7.9

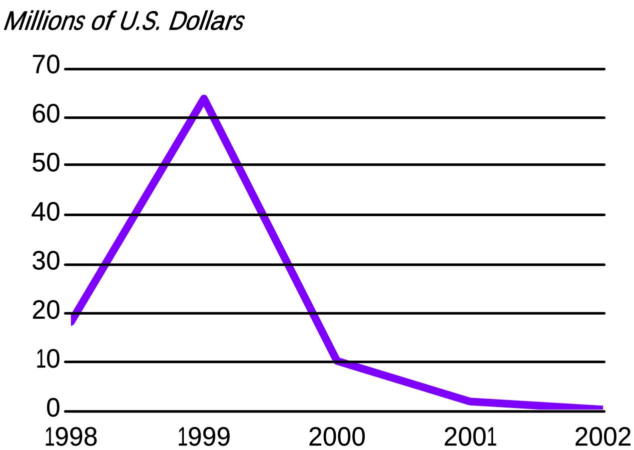
Main Trade Commodities, US$ millions

Exports (2002)		*Imports (2001)*	
Bauxite	305.0	Mineral products	186.0
Gold	144.0	Chemicals & plastic	74.0
Alumina	128.0	Foodstuffs, beverages & tobacco	60.0
Diamonds	35.0	Machinery	51.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Guinea is a member of the West African Monetary Zone, the second monetary area to be created in western Africa. The monetary zone is scheduled to be introduced in July 2005, with the intention of integrating with the West African Economic Monetary Union's CFA Zone to create a single West African currency by 2007.
- In October 2003, a dispute between the mining companies and the finance ministry over the VAT that was not reimbursed was resolved. The arrangement between the mining firms and the government enumerates that the firms pay VAT and collect a reimbursement within 45 days. The firms claimed that approximately $17 million in funds had been held back.
- In 2003, U.S. exports to Guinea consisted primarily of machinery and mechanical appliances, vehicles and parts thereof, and cereals. U.S. imports from Guinea consisted primarily of ores, slag, and ash; precious or semiprecious stones or metals; and electrical machinery and equipment. In 2003 and 2004, Guinea was designated an AGOA beneficiary country. AGOA (including GSP) imports from Guinea totaled $194,000 in 2003.

Investment and Privatization Update

- The banking sector in Guinea has undergone reforms to promote financial activities. The surge in mining activity has helped increase medium-term lending, increasing confidence in the banking sector specifically, and improving the general investment climate.
- In 2003, foreign investment in the bauxite mining sector strengthened. Russkiy Aluminiy (Russia) proposed financing an aluminum smelter after it won the right to mine bauxite at Dian-Dian. In early 2003, the company bought a majority of the 85-percent stake reserved for foreign investors in the state-owned Guinea Alumina Company.
- GAPCO, a joint venture between Marubeni (Japan), Mitsubishi (Japan), and a U.S. capital venture firm, bought the Boke Alumina Corporation and plans to invest $2 billion to add an aluminum refinery and a bauxite mine. Construction is expected to begin in mid-2004 with operations starting in 2007.
- Gold mining and investment in the sector has increased in recent years. In 2003, Kenor (Norway), which has an 85-percent share in Societe Miniere de Dinguiraye (SMD), was awarded an additional exploration permit for a location adjacent to the existing SMD mine.
- In 2000, Guinea began substantial privatization efforts, but many investors have pulled out of the process citing interference from government officials. Many of the public utilities that were scheduled for privatization returned to state control, including the electricity company, Sogel.
- In June 2004, the state liberalized the telecommunications sector by opening it up to competition. However, there is currently only one GSM provider, Sotelgui.
- In May 2003, the national telecommunications company, Sotelgui, signed a contract with Telekom Applied Business (Malaysia) to supply a prepaid fixed line telephone service.

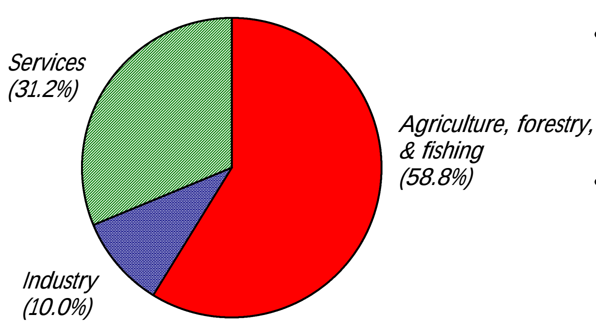
GUINEA-BISSAU

Economic Overview

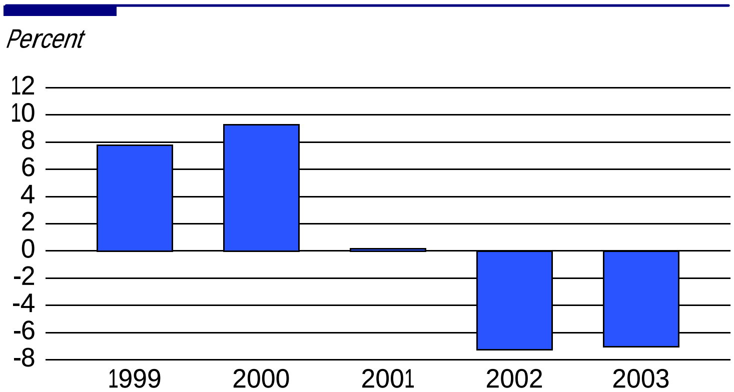
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	150.9	146.0	-4.9
GDP (US$ mn)	216.3	251.2	34.9
CPI Inflation (annual average, %)	4.0	4.0	0.0
Goods Exports (US$ mn)	50.7	40.0	-10.7
Goods Imports (US$ mn)	67.9	59.0	-8.9
Trade Balance (US$ mn)	-17.2	-19.0	-1.8
Current Account Balance (US$ mn)	-32.6	-52.6	-20.0
Foreign Exchange Reserves (US$ mn)	102.7	148.5	45.8
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	696.9	581.2	-115.7

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- Much of the economy relies on the agriculture sector for GDP growth, with cashew production dominating the export sector. Much of the country is rural and underdeveloped, with little diversification occurring in crop production. The mining sector is relatively undeveloped, although the construction industry has begun to show signs of economic recovery.
- Given recent political activity, economic policy remains uncertain. In September 2003, Guinea-Bissau experienced a military coup that replaced the elected President with a legislative council.
- Macroeconomic instability resulting from the coup contributed to a decline in the services sector and a contraction in GDP growth for 2003.
- A budget for 2004 was drafted before the legislative elections, and transitional authorities were working with the IMF, World Bank, the UN, the African Development Fund, and bilateral donors such as Portugal, the Netherlands, and France, to establish an aid "trust fund" to support the budget. Budget implementation is expected to begin in the second half of 2004 after the elections. Budget management would be shared by donor agencies and the local government.
- The IMF is working with Guinea-Bissau to reestablish a PRGF, possibly in 2005, and resume technical assistance that was suspended in May 2001 after emergency assistance was allegedly used for unauthorized expenditures.
- In December 2003, Portugal provided a $1-million grant to Guinea-Bissau to help pay civil servant salaries. While the EU has also proposed assistance to the country, it is barred under the Cotonou Convention from providing assistance to a government that has taken power by force.
- In March 2003, India pledged to provide eight west African nations, including Guinea Bissau, with technical assistance and low-interest loans totaling $500 million for the development of agricultural and other emerging industries.

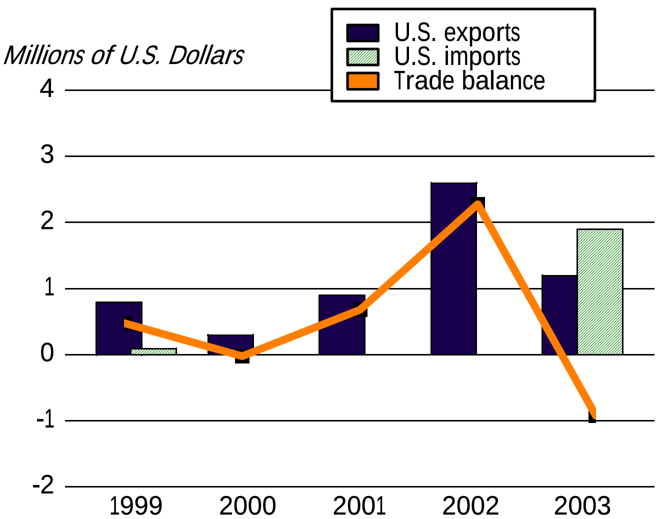
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
India	50.4	Senegal	19.6
Uruguay	19.1	Portugal	19.1
Thailand	19.0	India	15.4
Italy	2.6	China	4.3

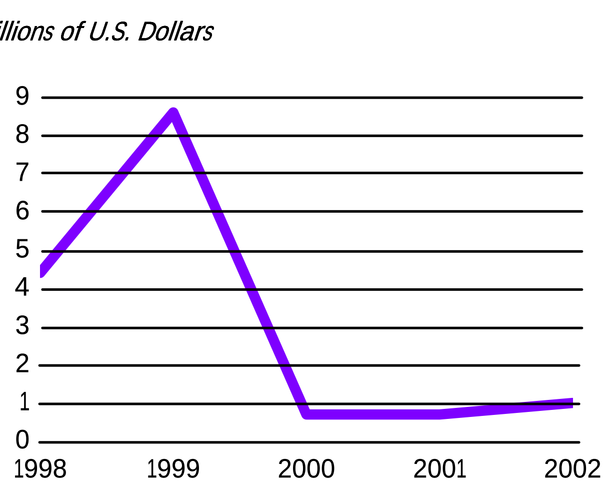
Main Trade Commodities, US$ millions, 2001

Exports		*Imports*	
Cashew nuts	45.1	Foodstuffs	18.1
Cotton	1.1	Petroleum products	6.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Guinea-Bissau is a member of several regional frameworks, including the Cotonou Convention, the community of Portuguese speaking countries (CPLP), the AU, ECOWAS, the Franc Zone, and UEMOA.
- Senegal is an important import source. Principal imports include foodstuffs and petroleum. India is an important export market for Guinea-Bissau.
- In July 2004, the Government of Guinea-Bissau began to import rice from neighboring Senegal to ease the shortage driven by farmers who diversified away from staple crops toward cash crops.
- In 2003, U.S. exports to Guinea-Bissau consisted primarily of optical or measuring equipment and parts thereof, machinery and mechanical appliances, and cereals. U.S. imports from Guinea-Bissau consisted primarily of mineral fuels and oils, edible fruits and nuts, and live animals. In 2003 and 2004, Guinea-Bissau was designated an AGOA beneficiary country.

Investment and Privatization Update

- Inadequate infrastructure continues to hinder investment, as much of the transportation networks were neglected during periods of civil unrest.
- In early 2004, three firms-Caelux (Portugal), Dataport (Morocco), and Inestcom Holdings (Lebanon / Luxembourg)-completed the bidding process that will lead to the introduction of mobile phone services for the country. The bids are currently being evaluated, but no timetable has been issued.
- Champion Resources (Canada) is planning to invest $120 million to build a phosphate mine in the northwest region of the country, near the Senegal border.
- The former Government of Guinea-Bissau had begun the process of divesting several state-owned public utility firms to private investors. Portugal Telecom currently has a 51-percent stake in Guinea-Telecom, and the government anticipated further liberalization of the sector. In 2003, the government also announced plans to introduce a cellular telephone service and extend the telephone network to the rural areas. Plans are also under consideration for the privatization of the state power utility, EAGB, but progress has been slow. The state-owned timber company, Socotram, has been divided into four entities as the government prepares to diversify it.

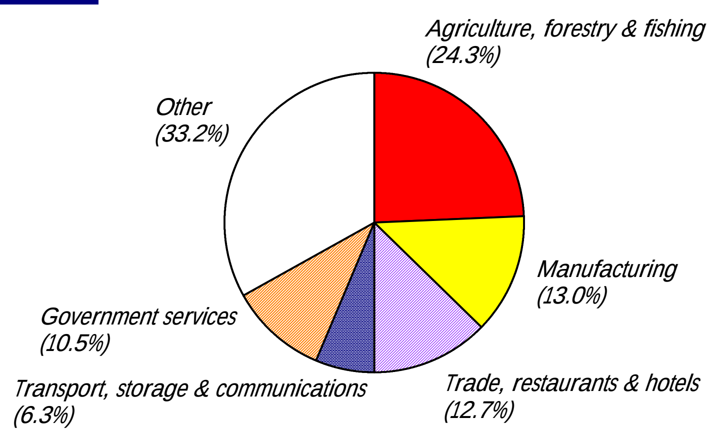
KENYA

Economic Overview

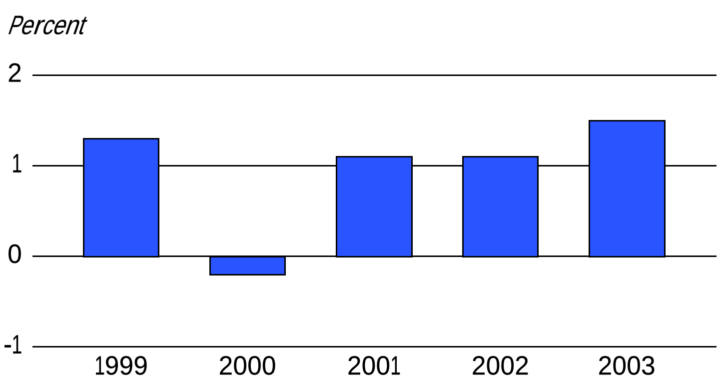
Economic Indicators

	2002	2003	Difference
GDP (nominal, KSh bn)	969.4	1,003.0	33.6
GDP (US$ bn)	12.3	13.2	0.9
CPI Inflation (annual average, %)	1.9	9.8	7.9
Goods Exports (US$ mn)	2,169.0	2,513.9	344.9
Goods Imports (US$ mn)	3,181.0	3,704.6	523.6
Trade Balance (US$ mn)	-1,012.0	-1,190.7	-178.7
Current Account Balance (US$ mn)	-57.0	-315.5	-258.5
Foreign Exchange Reserves (US$ mn)	1,068.0	1,400.0	332.0
Total External Debt (US$ bn)	5.6	5.9	0.3
Debt Service Ratio, paid (%)	10.6	9.1	-1.5
Exchange Rate (KSh/US$)	78.8	75.9	-2.9

Origins of GDP (2002)



Real GDP Growth Rate



Economic Group

- The agriculture sector is the primary source of employment and accounts for nearly 50 percent of employment in the informal sector. Agriculture has also been the driving force for GDP growth in 2003. Farming and cattle rearing are the leading activities. Kenya also relies on primarily tea, horticultural products, and coffee.
- Output of horticulture export crops increased in 2003 because of the development of new markets such as Asia, the United States, and Australia.
- Flower and plant production is expected to benefit from an agreement between the Dutch certification body, Milie Project Sterteelt, and the Kenya Flower Council that will improve compliance with international environmental standards.
- In November 2003, Kenya developed a 3-year Economic Recovery Strategy for Wealth and Employment Creation program to run from 2003 to 2006. The program allows Kenya to be approved for a $253-million loan from the IMF. This loan represents the first loan given to Kenya since 2000 when the IMF, along with the World Bank, froze lending to Kenya over widespread corruption and lax economic reform. The action plan details eight target areas, including reducing the domestic burden, tightening regulatory controls of commercial banks, widening the tax base, reforming the minimum wage rate, introducing anti-corruption measures, lowering tariffs, and restructuring the telecommunications sector. This has encouraged foreign donors to pledge up to $4.1 billion to help revive the economy, with 90 percent of the funds directed to reducing government budget deficits.
- In April 2003, two anti-corruption bills were enacted: the Anti-Corruption and Economic Crimes Bill, which applied to the public and private sector, and the Public Officer Ethics Bill, which introduced a code of conduct for all civil servants.
- In June 2003, the Global Fund Against AIDS, Tuberculosis and Malaria allocated $55 million to the Kenya National AIDS Control Council.
- Progress has been made in rehabilitating transportation infrastructure, such as improvements to the main road between Mombasa and Kisumu; however, many projects are affected by alleged corruption within the government.
- The government is faced with insufficient resources as it tries to balance care for AIDS patients against other health demands. The rapid rate of the spread of HIV / AIDS (13 percent of the population was affected in 2003) is an increasing economic and social cost for the government.
- The European Development Fund remains the primary source of multilateral aid for Kenya. In October 2003, the EU approved a $265-million assistance package for a variety of long-term development projects within Kenya, including macroeconomic development, agriculture sector modernization, transport and infrastructure improvement, small business expansion, export promotion, tourism, and nongovernmental organizations support.

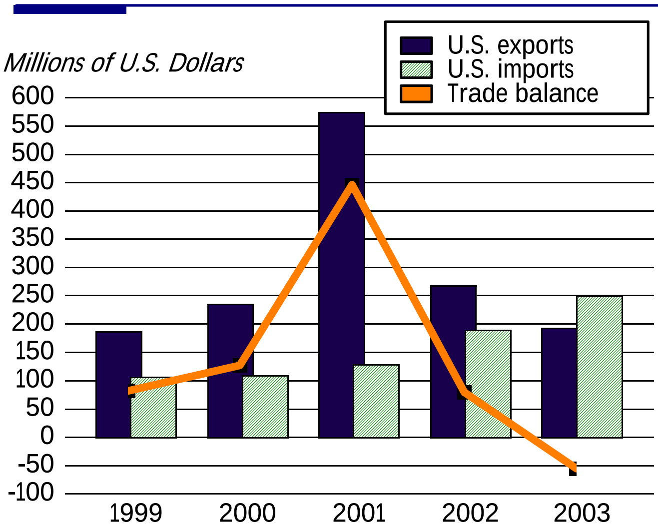
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United Kingdom	13.5	United Kingdom	12.0
Tanzania	12.5	United Arab Emirates	9.8
Uganda	12.0	Japan	6.5
Netherlands	6.5	India	4.4

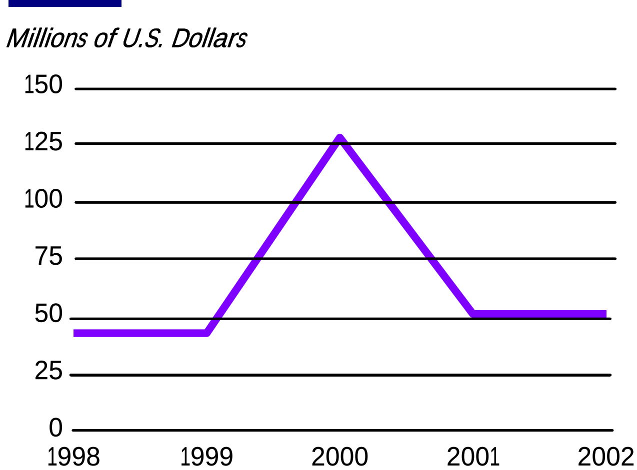
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Tea	439.0	Industrial machinery	484.0
Horticultural products	253.0	Crude petroleum	397.0
Petroleum products	157.0	Refined petroleum products	331.0
Coffee	95.0	Motor vehicles	185.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

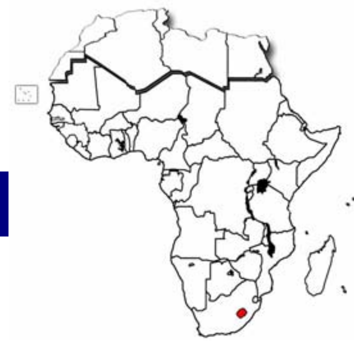
- Kenya currently has 37 export processing zones, of which only two are government owned. An export processing zone is planned for the Lake Victoria basin, which will allow cotton farmers to take advantage of AGOA. Tea factories are being considered for export processing zone status as the Kenya Tea Development Authority plans to spend $326,800 on tea-blending facilities in the hope of penetrating the U.S. specialty tea market.
- In January 2004, fish exports to the EU resumed. A 2-year export ban had been introduced after the EU found Kenya had not met the sanitary conditions of the EU's committee on food chain and animal health.
- Kenya Ports Authority is working in conjunction with Kenya Railways to establish a cargo transport system between Mombasa and Kampala, Uganda. A proposal has been put forward to purchase 200 rail wagons to increase existing services between the two cities. The World Bank has agreed to fund a $39.2-million plan to expand Kenya's airports at Nairobi and Kisumu.
- In 2003, U.S. exports to Kenya consisted primarily of aircraft and parts thereof, machinery and mechanical appliances, and fertilizers. U.S. imports from Kenya consisted primarily of apparel; coffee, tea, mate, and spices; and lac, gums, and resins. In 2003 and 2004, Kenya was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Kenya totaled $184.4 million in 2003.

Investment and Privatization Update

- Woodside Petroleum (Australia) has agreed to fund 80 percent of new seismic surveys that are to begin in mid-2004. Dana Petroleum, the current offshore license holder in the area, will retain a 40-percent stake in the project and Woodside will keep 40 percent, with Star Petroleum of Kenya taking the remaining 20 percent. In late 2003, Woodside signed a farm-in agreement that allows it to explore for oil and fund a $1.3-million seismic survey in exchange for earning a 50-percent stake in the area and becoming the sole operator.
- A new mining code is being proposed that is expected to be introduced in December 2004. The legislation is expected to include lower taxes for investors and to simplify the licensing process. Tiomin (Canada) has purchased a 21-year mining lease to mine titanium near Mombasa. The mining company paid $150 million for the lease, and construction is expected to begin in 2006. The Athi River Mining company plans to invest $6.5 million to open 2 new plants to be operational by late 2005 and early 2006. Diamondworks (Canada) has purchased a 55-percent stake for $2 million in Spectre International, an ethanol fuel additive plant.
- Coca-Cola (U.S.) entered the market in early 2004 by introducing its Dasani brand of noncarbonated beverages. South Africa Bottling Company (Sabco) is looking to consolidate its Kenya operations, and announced plans to buy a local firm for $20 million.
- The government has proposed a new timetable for the privatization of Telkom Kenya. In 2005, a 25-percent stake will be offered to a private investor, with an additional 20 percent to be offered on the Nairobi Stock Exchange. A second national operator is expected to be licensed by June 2005.

LESOTHO

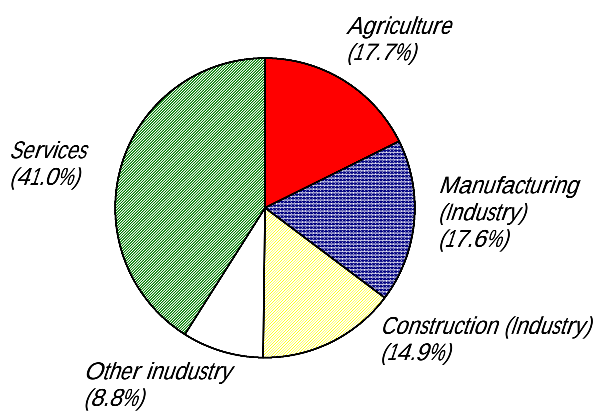
Economic Overview



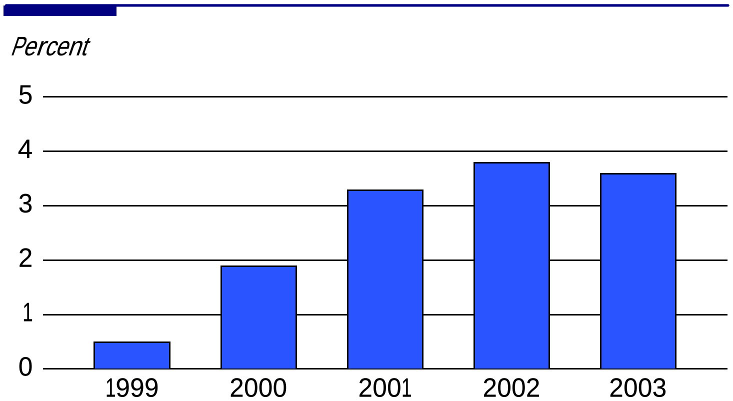
Economic Indicators

	2002	2003	Difference
GDP (nominal, M mn)	7,731.0	8,650.0	919.0
GDP (US$ mn)	736.3	1,138.2	401.9
CPI Inflation (annual average, %)	13.2	6.1	-7.1
Goods Exports (US$ mn)	399.0	450.0	51.0
Goods Imports (US$ mn)	840.0	750.0	-90.0
Trade Balance (US$ mn)	-441.0	-300.0	141.0
Current Account Balance (US$ mn)	-138.0	-88.0	50.0
Foreign Exchange Reserves (US$ mn)	406.0	460.0	54.0
Total External Debt (US$ mn)	600.0	610.0	10.0
Debt Service Ratio, paid (%)	11.0	10.2	-0.8
Exchange Rate (M/US$)	10.5	7.6	-2.9

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Lesotho's economy is closely tied to that of South Africa, with South Africa supplying as much as 85 percent of Lesotho's imports. Migrant mining workers employed in South Africa and livestock contribute to a large share of the GDP. In addition, revenues from the sale of water and hydroelectric power to South Africa also contribute to GNP. Droughts, which began in early 2003, hindered agricultural production. In general, inadequate physical infrastructure and lack of access to bank credit continue to hinder economic development and diversification.
- Government policy in 2003 focused on land tenure system reform to increase the security and protection of private property. The Central Bank of Lesotho is committed to increasing access to financial services for underserved rural areas. In August 2003, the central bank approved the Rural Credit Guarantee Fund for banks to back commercial banks servicing rural communities.
- The HIV / AIDS pandemic may reportedly reduce the GDP growth rate by up to 3 percentage points over the next decade. The HIV / AIDS pandemic has led to decreased agricultural production, and increasing the national employment rate continues to be an important objective. Unemployment levels have been estimated at 40-45 percent.
- In recent years, Lesotho has substantially increased exports, especially of clothing and footwear, to the United States and South Africa. The AGOA program has contributed significantly to this increase.
- The value-added tax of 14 percent, up from 10 percent, was introduced in July 2003 after the establishment of the Lesotho Revenue Authority. As a result, revenues are expected to increase by 15 percent.
- The government produced an interim PRSP (I-PRSP) to prepare for a full PRSP in November 2003. The IMF reviewed the paper and expressed approval of the country's progress, but noted concern regarding the budget deficit, future loss of trade possibilities, and the impact of HIV / AIDS.
- In October 2003, the government's auditor-general could not verify the 2001-02 accounts because of outdated information and lax reporting standards. This deficiency also contributed to waivers of the September 2002 performance condition with the IMF relating to the requirements of the Central Bank of Lesotho.
- Lesotho was among the eight African countries who became eligible in 2004 for the U.S.-sponsored Millennium Challenge Account assistance.

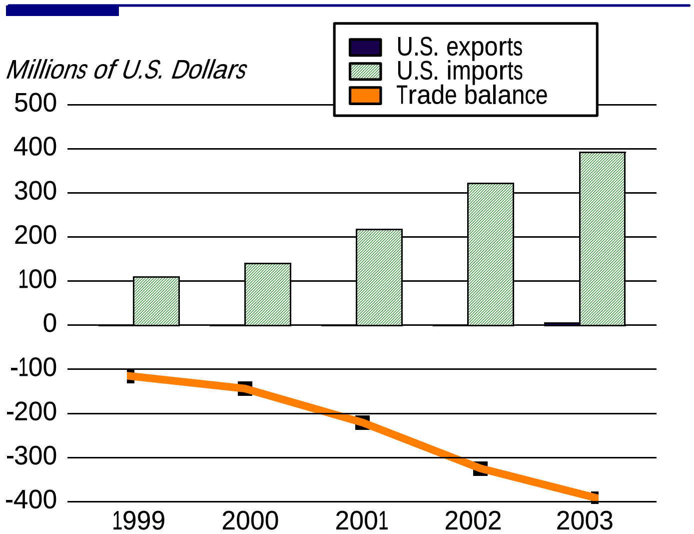
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United States	76.4	Southern African Customs Union	73.5
Southern African Customs Union	22.9	Asia	23.7
European Union	0.2	European Union	1.1

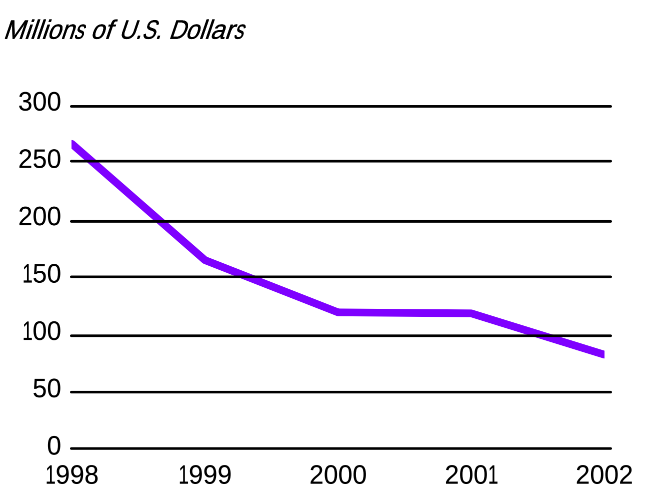
Main Trade Commodities, US$ millions

Exports (2002)		*Imports (1995)*	
Clothing	260.0	Capital goods	368.0
Foodstuffs	19.0	Food	328.0
Footwear	13.0	Fuel energy	216.0
Livestock materials	6.0		

U.S. Trade Balance



Net Foreign Direct Investment



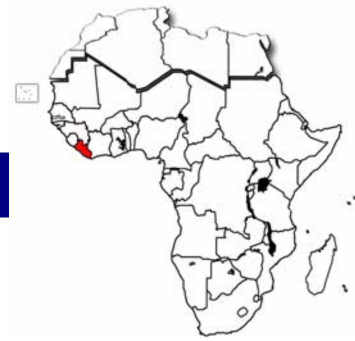
Trade Update

- After Mauritius, Lesotho is SSA's second-largest exporter of clothing and textiles. Approximately 90 percent of exports go to the United States; the remainder go to other southern African markets. In addition to textiles, apparel, and footwear, Lesotho has increased its exports of handicrafts, furniture, pottery, and tapestries.
- Textiles, clothing, footwear, and leather production contributed to the increase in the manufacturing sector's share of GDP, which grew from 8 percent in 1980 to 18 percent in 2002. Three-quarters of Lesotho's total exports are clothing and footwear sent to the United States under the AGOA program. This export growth is largely driven by the relocation of Asian textile manufacturers to Lesotho because of AGOA.
- The government has contributed funds for construction of AfriSki, a ski resort collaboration between Uraban Dynamics, Group 5, Standard Bank Lesotho, and HSP Alpine Service of Austria. The ski resort is expected to increase tourism and, subsequently, foreign exchange receipts.
- The Lesotho government anticipates increased mineral exports and revenue after the reopening of Letseng-la-Terae diamond mine in 2004. Aided by a loan from South Africa's Industrial Development Corporation, full production is expected by late 2004.
- In 2003, U.S. exports to Lesotho consisted primarily of machinery and mechanical appliances, animal or vegetable fats and oils, and vegetables. U.S. imports from Lesotho consisted primarily of apparel, plastics and articles thereof, and used clothing or textiles. In 2003 and 2004, Lesotho was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Lesotho totaled $372.7 million in 2003.

Investment and Privatization Update

- Aside from the textile and apparel sector, Lesotho continues to have difficulty in attracting foreign investment. Contributing factors include lack of government transparency, alleged corruption, and the HIV/AIDS pandemic.
- Lesotho has benefitted from foreign investment because of the AGOA program. For example, the Nien Hsing Company constructed a $100-million denim rolling mill in Maseru and anticipates building a $50-million yarn spinning plant.
- With support from the World Bank, the AfDB, and the EU, a private management company is working to privatize the Lesotho Electricity Corporation (LEC). In 2002, 15 companies expressed interest in purchasing shares of LEC. The immediate goal of privatization is to increase electricity availability from 100,000 to 400,000 residents. In May 2003, the government announced the possibility of offering LEC as a public service concession in lieu of full privatization.

LIBERIA

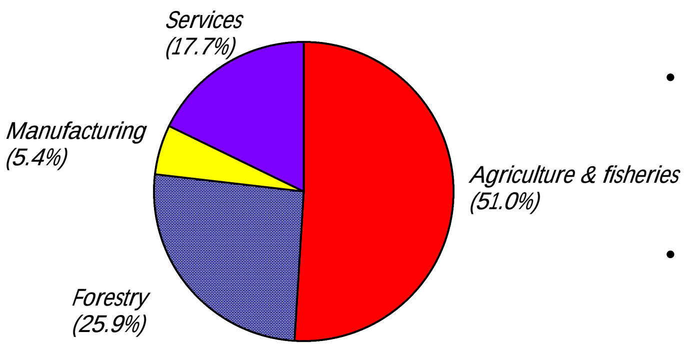


Economic Overview

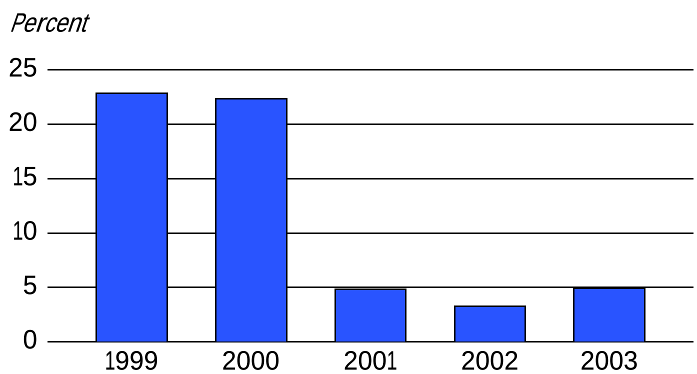
Economic Indicators

	2002	2003	Difference
GDP (nominal, L$ bn)	34.7	34.4	-0.3
GDP (US$ mn)	561.8	687.4	125.6
CPI Inflation (annual average, %)	14.2	18.0	3.8
Goods Exports (US$ mn)	147.2	100.0	-47.2
Goods Imports (US$ mn)	172.8	250.0	77.2
Trade Balance (US$ mn)	-25.6	-150.0	-124.4
Current Account Balance (US$ mn)	-50.0	-140.0	-90.0
Foreign Exchange Reserves (US$ mn)	3.3	1.0	-2.3
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (L$/US$)	61.8	50.0	-11.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Although GDP has grown, it remains less than half of what it was in 1989, before the period of substantial civil unrest in Liberia . Agriculture and fisheries are the largest component of GDP, but their share has decreased. Approximately 75 percent of the workforce derives its income from subsistence agriculture.
- Transportation infrastructure is inadequate. There are few main roads, less than 7 percent of roads are paved, and there is no passenger railway.
- Banks began to open in August 2003 after the resumption of some stability. The first bank to reopen was state-owned Liberian Bank for Development and Investment. The closure of the nation's banks had discouraged commercial activity.
- Despite some improvements, the IMF's September 2003 Article IV report found that economic recovery has stalled, and that growth has been hindered by low productive capacity, inadequate governance, and minimal foreign investment and assistance. Liberia's IMF voting rights were suspended in March 2003.
- In late 2003, the UN appealed to the international community for $69.1 million to cover Liberia's immediate needs: $22 million for food, $9 million for refugees, $8.5 million for health, and the remainder for rehabilitation.
- In February 2004, donors pledged $520 million to help reconstruct infrastructure and to rehabilitate fighters in Liberia. Initial funding will focus on disarmament and demobilization efforts, but funds have also been earmarked for healthcare, education facilities, communication, and transport.
- EU assistance helped to resume water supply to some areas of Monrovia in August 2003. The rehabilitation of the water system is expected to have significant public health benefits.
- In April 2004, the United States pledged an additional $19.5 million in humanitarian assistance for Liberia. The funds are to be used to repatriate and reintegrate internally displaced persons, and provide essential medical services, water and sanitation programs, safe transport for returning refugees, and rehabilitation programs in conflict-affected areas.

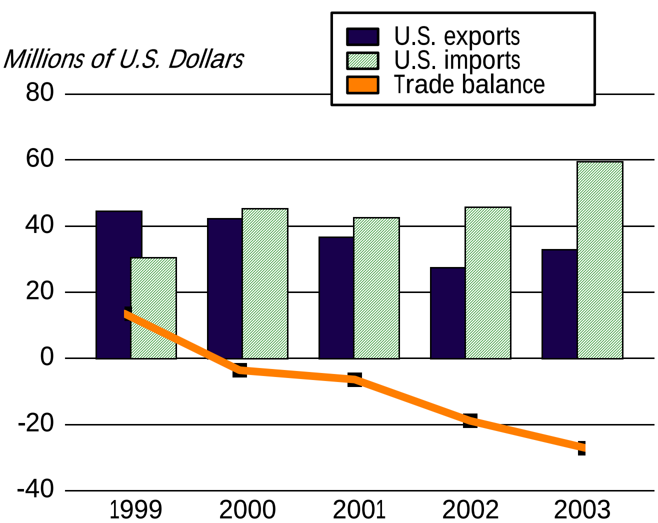
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Germany	55.8	South Korea	25.5
Poland	8.9	Japan	17.9
France	8.5	Germany	17.5
China	4.6	France	10.2

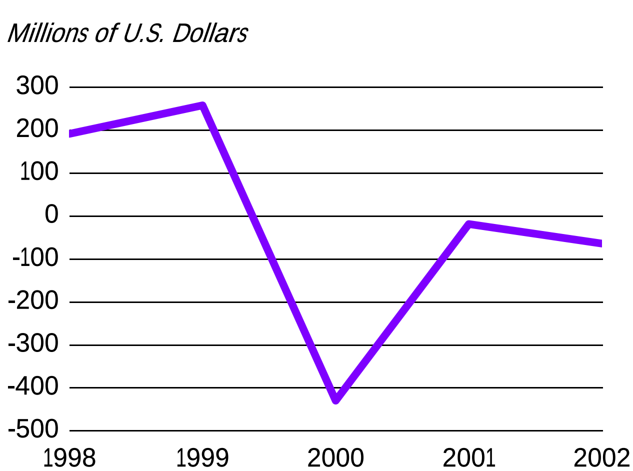
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Timber	84.9	Food & live animals	56.6
Rubber	57.4	Fuels & lubricants	34.5
		Miscellaneous manufactured goods	27.7
		Machinery	17.5

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Rubber and timber accounted for 96 percent of exports in 2002. However, the UN Security Council has extended the ban on timber exports, imposed in May 2003, to the end of 2004. The UN Security Council has also banned the importation of diamonds from Liberia as control over diamond-producing areas contributed to increased conflict.
- Liberia is the world's second-largest flags of convenience (a foreign flag under which a merchant vessel is registered for purposes of reducing operating costs or avoiding government regulations), after Panama, in terms of tonnage. Shipping revenue is the primary source of foreign earnings.
- In 2003, U.S. exports to Liberia consisted primarily of articles of iron or steel, cereals, and used clothing or textiles. U.S. imports from Liberia consisted primarily of rubber and articles thereof, mineral fuels and oils, and precious or semiprecious stones or metals.

Investment and Privatization Update

- Liberia has significant endowments of iron ore, diamonds, gold, timber, and rubber that have not been fully exploited because of social unrest, inadequate infrastructure, social instability, and lack of governance.
- The forestry sector has attracted significant amounts of foreign direct investment. Over 30 percent of the country is forested, with wooded land accounting for another 20 percent.
- The National Port Authority has indicated that rehabilitation of the port would require a $40-million investment.
- In October 2003, the first act of the National Transitional Government of Liberia was to cancel the import monopolies on rice and petroleum products. Monopolies covering the importation and wholesaling of petroleum products have also been removed, and the Liberia Petroleum Refining Company has awarded import licenses to five companies. The price structure has not yet been established.

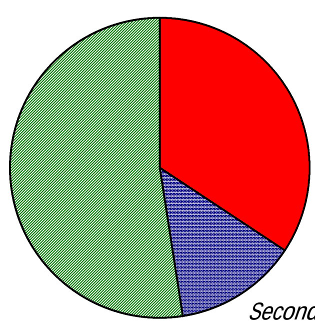
MADAGASCAR

Economic Overview

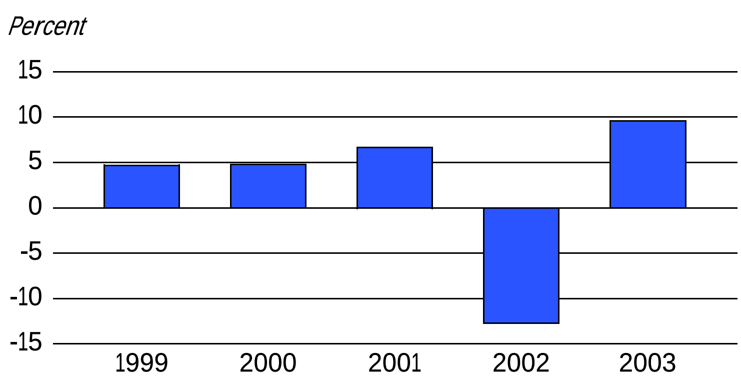
Economic Indicators

	2002	2003	Difference
GDP (nominal, Mgfr bn)	30,058.0	34,266.0	4,208.0
GDP (US$ bn)	4.4	5.5	1.1
CPI Inflation (annual average, %)	15.9	-1.2	17.1
Goods Exports (US$ mn)	486.0	700.0	214.0
Goods Imports (US$ mn)	603.0	920.0	317.0
Trade Balance (US$ mn)	-117.0	-220.0	-103.0
Current Account Balance (US$ mn)	-298.0	-265.0	33.0
Foreign Exchange Reserves (US$ mn)	363.3	450.2	86.9
Total External Debt (US$ mn)	3,942.0	3,825.0	-117.0
Debt Service Ratio, paid (%)	8.0	7.0	-1.0
Exchange Rate (Mgfr/US$)	6,832.0	6,210.0	-622.0

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Agriculture, in the form of subsistence farming, is one of the largest sources of GDP, employing approximately four-fifths of workers. Rice is the main crop, but production techniques are traditional and yields-per-hectare remain low. Much of the arable land remains underutilized. Underperformance in the agriculture sector has contributed to poverty in rural areas.
- Light industry is emerging as an alternative source of employment and foreign exchange for urban areas. Tourism is also recovering after a slowdown because of civil unrest and a decline in the global travel market.
- In January 2004, the government outlined three key policy priorities as part of the 2004-06 PRSP, including restoring the rule of law and good governance, promoting economic growth, reducing poverty levels, providing human and material security, and protecting the environment. The 15 programs identified for implementation are estimated to cost the government and donors $1.9 billion.
- In July 2003, donors pledged $2.3 billion to help implement the latest stage of the PRSP. The government is aiming to reduce inflation through controlled monetary policy. Donors are encouraging the government to adopt tougher measures that will conserve Madagascar's environment such as tightening controls on logging.
- Legislation to reform the banking sector would allow land to be used as collateral for loans, establish tougher bank supervision, and develop new rules for micro-finance lending. This reform is coupled with the continued privatization of state-owned banks.
- Madagascar will benefit from the HIPC initiative under the IMF. An additional $16 million was also granted to Madagascar after the IMF determined it had increased investment for basic social services, health, and education.
- In April 2003, the French and Madagascan economy ministers reached an agreement to cancel $55 million in commercial debt owed by Madagascar.

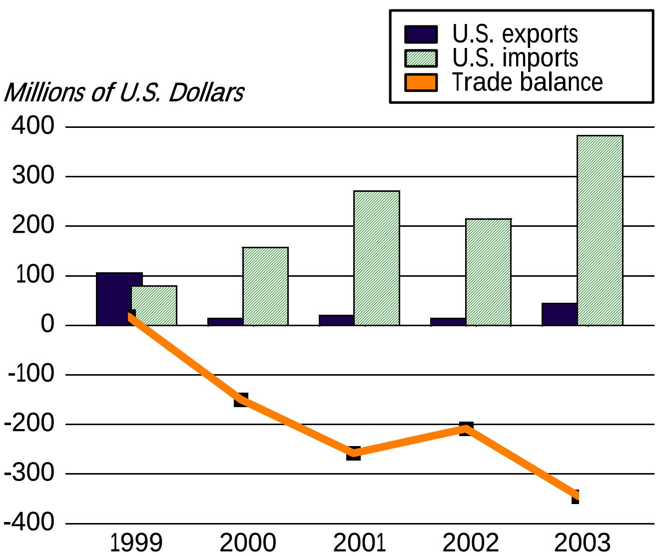
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
France	33.6	France	16.7
United States	24.3	Hong Kong	6.7
Germany	6.2	China	5.8
Japan	3.9	Singapore	2.8

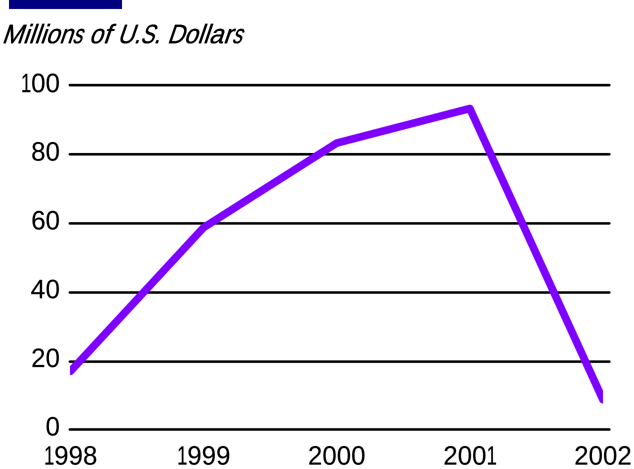
Main Trade Commodities, US$ millions, 2001

Exports		*Imports*	
EPZ products (mainly textiles)	344.0	Fuel products	170.0
Vanilla	166.0	Capital goods	166.0
Cloves	97.0	Consumer goods	134.0
Shellfish	94.0	Raw materials	133.0

U.S. Trade Balance



Net Foreign Direct Investment



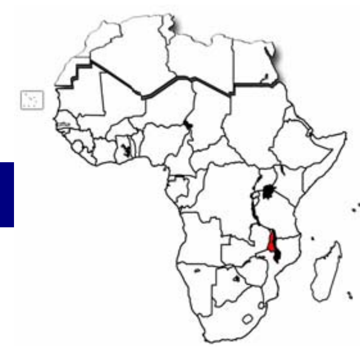
Trade Update

- In early 2004, a cyclone destroyed much of the nation's agricultural resources, including shrimp, rice, and vanilla farms on the north of the island, negatively affecting export earnings. The IMF released an additional $35 million for damage recovery, bringing total lending to $100 million.
- Madagascar has established export processing zones across the country that have encouraged export diversification into aqua-culture, such as modern prawn fishing and traditional fish farming in rice paddies; tourism; and textiles and apparel.
- In mid-2003, the IMF agreed to extend the deadline for Madagascar's current PRGF from February 2004 to November 2004, in part because of damage resulting from cyclone Gafilo. The government also outlined plans to extend growth, to reduce poverty, and to increase income in rural areas that satisfy the IMF-supported PRGF program. The government also outlined a medium-term plan that will diversify its current export base away from raw agricultural commodities, as well as develop the sector. Other elements include incentives for staff training and high quality recruitment for export sectors, and reform of the cotton sector through the removal of existing protectionist barriers to take advantage of benefits offered under AGOA.
- In 2003, U.S. exports to Madagascar consisted primarily of aircraft and parts thereof, animal or vegetable fats and oils, and machinery and mechanical appliances. U.S. imports from Madagascar consisted primarily of coffee, tea, mate, and spices; apparel; and salt, sulfur, earths, and stone. In 2003 and 2004, Madagascar was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Madagascar totaled $187.9 million in 2003.

Investment and Privatization Update

- Infrastructure improvement, in particular the road networks to and from the capital, are a priority for the government. Many of the transport links were damaged during cyclones in 2000 and 2004, and further destroyed during periods of civil unrest in early 2002.
- In mid-2005, Rio Tinto (UK) plans to begin construction on a mine at Fort Dauphin. Rio Tinto is also seeking to enter into a public-private partnership to build a port at Fort Dauphin to support activities at the mine. Investment for both projects would total $400 million. The World Bank has pledged to provide the bulk of the government's share.
- In January 2004, the president announced plans to liberalize the fuel trading sector in an attempt to introduce competition and keep prices at affordable levels.
- The state-owned firm responsible for Madagascar's petroleum and gas licensing has recruited TGS-NOPEC in a bid to promote deep offshore exploration for natural resources. Vanco (U.S.) is also conducting research to determine potential deposit sites.
- In June 2003, the World Bank agreed to lend $32 million over a 5-year period to the Government of Madagascar to support the national mineral resources management project. The government will sponsor the remaining $5.4 million needed to complete the project.
- An April 2004 deadline was set by the government for private investors to submit bids for operation of the national water and power company. The government would like to privatize the company by the end of 2004.
- Sectors targeted for privatization include the state-owned railway network, seaport, and national telecommunications company.

MALAWI

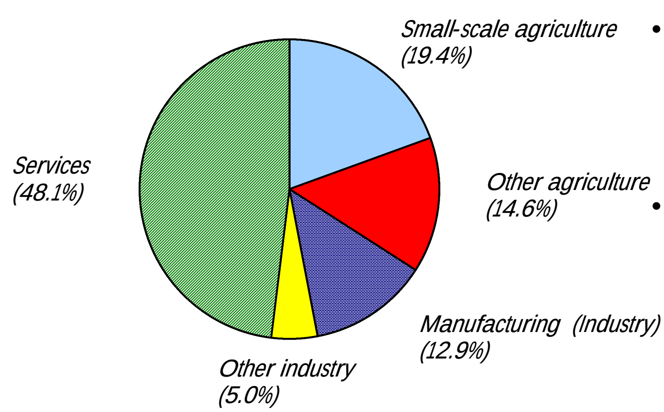


Economic Overview

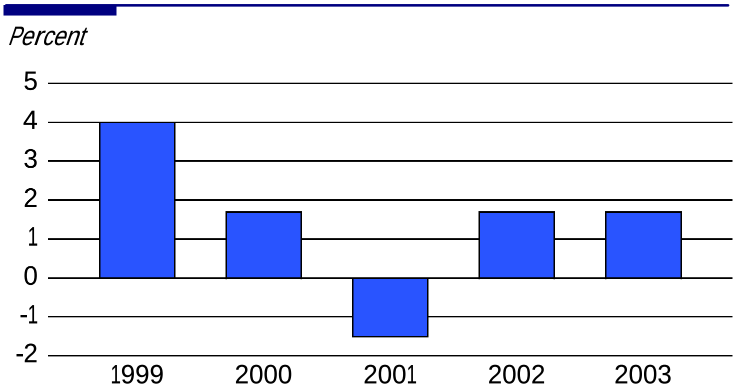
Economic Indicators

	2002	2003	Difference
GDP (nominal, MK bn)	139.4	154.8	15.4
GDP (US$ bn)	1.8	1.6	-0.2
CPI Inflation (annual average, %)	14.7	9.5	-5.2
Goods Exports (US$ mn)	422.4	457.1	34.7
Goods Imports (US$ mn)	573.2	505.4	-67.8
Trade Balance (US$ mn)	-150.8	-48.3	102.5
Current Account Balance (US$ mn)	-200.7	-56.4	144.3
Foreign Exchange Reserves (US$ mn)	162.0	150.0	-12.0
Total External Debt (US$ bn)	2.8	3.0	0.2
Debt Service Ratio, paid (%)	9.3	9.4	0.1
Exchange Rate (MK/US$)	76.7	97.5	20.8

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- The agricultural sector accounts for over 90 percent of export earnings and 35-45 percent of GDP. All arable land is currently under cultivation. Farming in marginal areas and land degradation have contributed to flooding, which impedes agricultural growth. Small scale agriculture employs 85 percent of the workforce. The government has scaled back the starter program that distributes seed and fertilizer packs to smallholder farmers. Typically, the packs include maize and other seeds in an effort to encourage farmers to grow cash crops other than tobacco.
- The manufacturing sector consists primarily of agricultural processing, textiles, clothing, footwear, and building and construction materials. Ongoing power disruptions, partly because of environmental degradation along the River Shire, have contributed to significant productivity losses in mid-2004.
- After consultation with the IMF, the government decided to increase revenue by doubling taxes on petroleum products to compensate for the fall in international oil prices and increasing the excise rate on alcohol products. The government has also pledged to impose fiscal discipline and increase transparency.
- In October 2003, the IMF resumed dispensing funds under Malawi's PRGF, which had been frozen since December 2000. PRGF funds totaled $9.2 million and assistance under the HIPC initiative amounted to $6.6 million. Other donors also began to dispense previously frozen funds because of increased stability.
- The EU has provided ongoing assistance since 1998 to construct and rehabilitate roads in Malawi. In May 2004, OPEC agreed to lend Malawi $5 million to upgrade a road that may boost economic growth in the northern area. The current road system is inadequate.

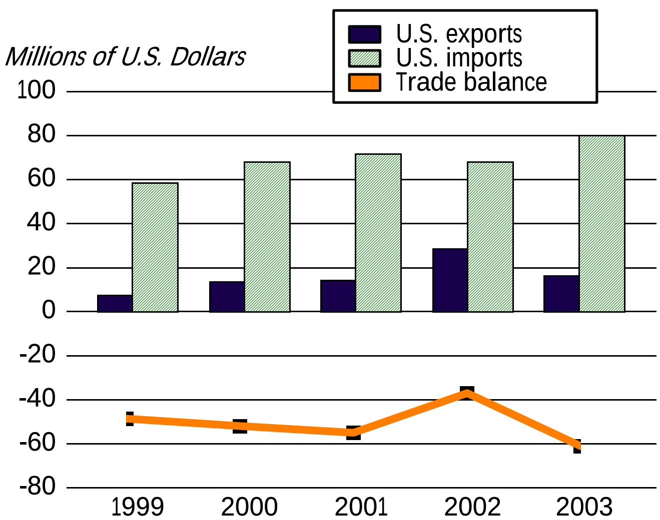
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United States	17.4	South Africa	43.9
Germany	13.5	Zambia	12.6
South Africa	10.2	United States	5.5
Egypt	6.3	India	4.2

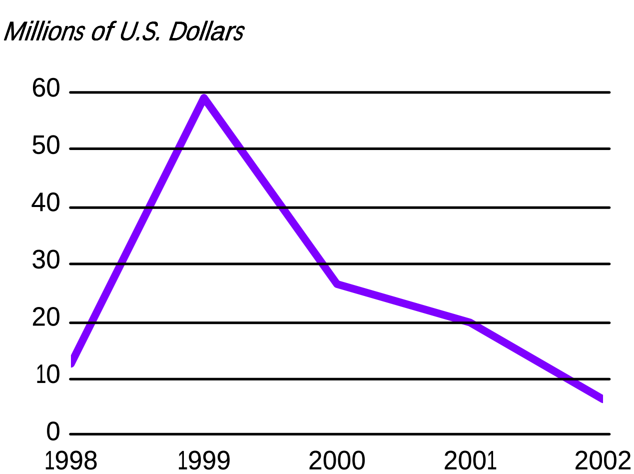
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Tobacco	249.0	Intermediate goods	373.0
Tea	33.0	Fuels oils	76.0
Sugar	32.0	Capital goods	75.0
Textiles	2.0	Consumer goods	66.0

U.S. Trade Balance



Net Foreign Direct Investment



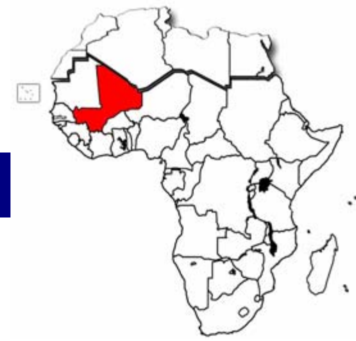
Trade Update

- Malawi is landlocked and thus most of its trade is routed through Mozambique. Much of Mozambique's transportation infrastructure was destroyed during recent periods of civil unrest and has not been fully rehabilitated.
- Tobacco accounts for 50-70 percent of foreign exchange earnings; however, low prices and static production have decreased tobacco-generated export revenue in recent years. Steps have been taken to reduce farmers' selling costs at auctions. For example, for the 2004 season, the Tobacco Control Commission reduced levies and took over the role of classifying leaf quality at auctions. Some reports suggest that production, especially of flue-cured tobacco, as well as prices, may rise in 2004.
- The Sugar Corporation of Malawi (Sucoma), Malawi's sole sugar producer, uses quota access to the U.S. and EU markets through several trade agreements. Sucoma's sugar production increased more than 20 percent for the 2002-03 season.
- Malawi has increased textile and apparel sector exports to the United States under the AGOA program.
- In 2003, U.S. exports to Malawi consisted primarily of machinery and mechanical appliances, animal or vegetable fats and oils, and milling industry products. U.S. imports from Malawi consisted primarily of tobacco; apparel; and coffee, tea, mate, and spices. In 2003 and 2004, Malawi was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Malawi totaled $59.3 million in 2003.

Investment and Privatization Update

- Although Malawi has exploitable deposits of bauxite, asbestos, graphite, and uranium, it has not yet developed large-scale mining activity. The government has created the Mining Investment and Development Corporation, which held its first conference in 2000. Paladin Resources (Australia) began a mining project at Kayelekera. A full study examining the feasability of mineral exploitation will be completed in 2004.
- Tourism is growing rapidly. Significant investment is underway to increase the number of hotel beds, improve hotel services, and establish better transport infrastructure. Cresta Hospitality plans to take over management of the Cresta Crossroads hotel in Lilongwe.
- Expanding investment is improving access to electricity. For example, progress has been made to link Malawi's electricity grid to that of Mozambique. The full connection is expected to be completed in 2006 at a cost of $87 million.
- Between the start of the privatization program in 1995 and the end of June 2001, 42 parastatals were privatized, generating $22 million in revenue. Privatization has been slow; remaining parastatals employ 500,000 people and account for 20 percent of GDP. The government suspended the privatization program in July 2001 because of concern over selling strategic areas of the economy to foreigners.
- The Agricultural Development and Marketing Corporation recently began divesting some of its subsidiaries. S&A Beefmasters bought the Blantyre abbattoir for $230,000 in October 2003. The sales of an integrated textile producer and a cereal milling firm are still underway.

MALI

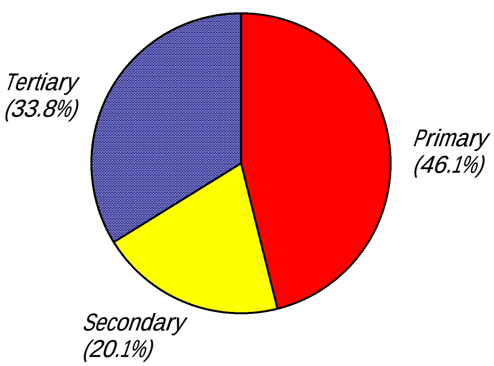


Economic Overview

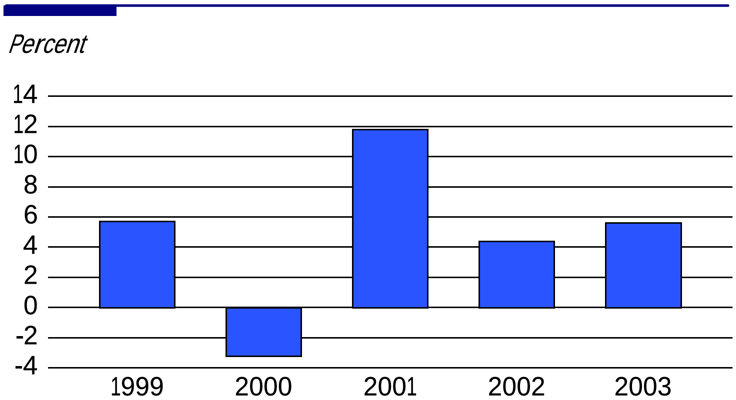
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr mn)	2,346.0	2,549.0	203.0
GDP (US$ mn)	3,366.0	4,386.0	1,020.0
CPI Inflation (annual average, %)	5.0	-1.3	-6.3
Goods Exports (US$ mn)	916.0	929.0	13.0
Goods Imports (US$ mn)	715.0	900.0	185.0
Trade Balance (US$ mn)	201.0	29.0	-172.0
Current Account Balance (US$ mn)	-132.0	-285.0	-153.0
Foreign Exchange Reserves (US$ mn)	595.0	770.0	175.0
Total External Debt (US$ mn)	2,505.0	2,833.0	328.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- The agricultural sector is an important determinant of economic performance, as 80 percent of the population is employed or supported by this sector. The Niger River provides irrigation, hydropower, and a transportation system for Mali.
- Mali's inadequate transportation infrastructure was improved in recent years as Mali prepared to host the African Nations Cup soccer tournament. Roads were extended and rehabilitated, and new airstrips were built in areas of the country that had previously been isolated. In March 2003, the Governments of Mali and Senegal agreed to sell a 25-year concession to Canac-Getmar (Canada) to run a railway line between the two countries.
- The government's general economic policy for 2003-07 aims to reduce the proportion of the population living in poverty and improve access to social services.
- A 4-year PRGF, calling for increased liberalization, strengthened fiscal performance and management, and increased expenditure on poverty reduction programs was completed in August 2003. Mali also completed participation in the HIPC initiative in 2003.
- In mid-2004, the World Bank announced efforts to harmonize and codify mining law in willing countries, including Mali. This streamlining process is expected to encourage investment in the mining sector. Also in mid-2004, the World Bank approved an IDA grant of $15 million to assist in the campaign against HIV / AIDS.
- The UN launched a $350,000 initiative in mid-2004 to help Mali reduce damage from natural disasters. The funds will cover experts, training, and equipment.
- Mali became eligible for Millennium Challenge Account assistance in mid-2004.
- India pledged $500 million in low-interest loans in early 2004 to help Burkina Faso, Chad, Côte d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, and Senegal create the Techno-Economic Approach for Africa India Movement, which will focus on generating employment, and developing the pharmaceuticals, healthcare, information technology, telecommunications, and agriculture sectors.

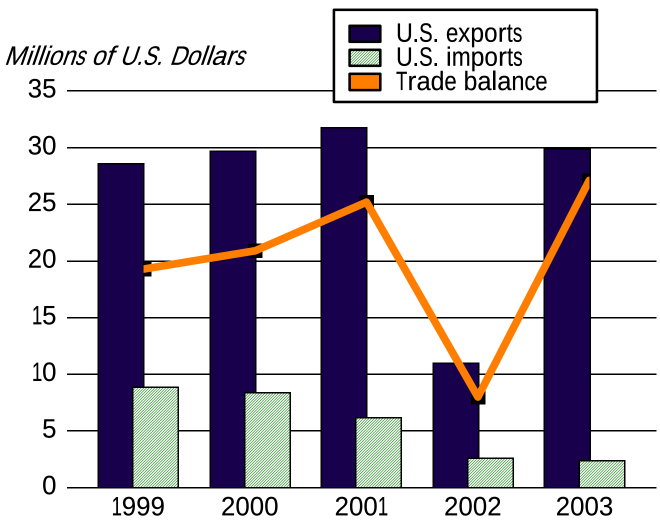
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Thailand	13.9	Côte d'Ivoire	17.5
Italy	9.9	France	13.9
India	7.7	Senegal	4.2
Brazil	5.6	Germany	3.9

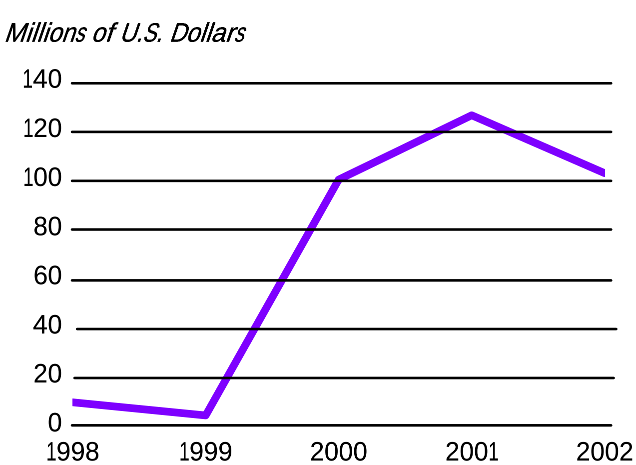
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Gold	589.9	Capital goods	263.1
Cotton	208.8	Petroleum products	124.4
Livestock & products	39.4	Food	93.0

U.S. Trade Balance



Net Foreign Direct Investment



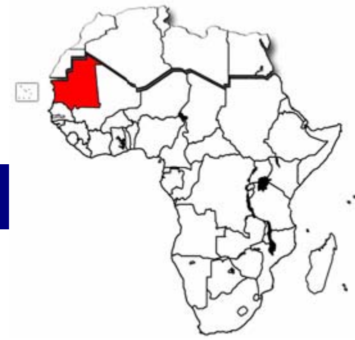
Trade Update

- Mali is the largest cotton producer in SSA. Malian cotton is of fairly high quality and production costs are low. Early 2004 figures indicate that Mali could overtake Egypt to become largest cotton producer on the African continent.
- Mali is the third-largest gold producer in SSA. In recent years, gold has been a rapidly growing contributor to the economy, overtaking cotton as Mali's largest export earner in 2000. However, gold exports began to decline in early 2004.
- In early 2004, Mali met the requirements that allow it to receive preferential access to the U.S. market under AGOA. The country's AGOA textile and apparel visa system was implemented in December 2003. It is expected that expanded export opportunities will increase investment in the textile industry.
- The closure of the road between Abidjan (Côte d'Ivoire) and Bamako because of civil unrest in Côte d'Ivoire hindered trade, forcing importers to reroute goods to other western African ports.
- In 2003, U.S. exports to Mali consisted primarily of optical or measuring equipment and parts thereof, machinery and mechanical appliances, and electrical machinery and equipment. U.S. imports from Mali consisted primarily of electrical machinery and equipment, works of art, and machinery and mechanical appliances. In 2003 and 2004, Mali was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Mali totaled $262,000 in 2003.

Investment and Privatization Update

- The government is reviewing its Petroleum Code to encourage investment in hydrocarbon exploration. Mali borders some proven reserves in Algeria, opening the possibility for petroleum to be found in Mali as well.
- Telecommunications services have expanded rapidly. Malitel, a subsidiary of Sotelma, a telecommunications parastatal, is investing $50 million to upgrade its mobile phone service.
- Air Mali, a former parastatal, was liquidated in April 2003. The water and power parastatal was privatized in 2000, and generation of power from the Manantali hydroelectric dam began in January 2002. The Manantali dam is a $600-million collaboration between Mali, Senegal, and Mauritania.
- Donors have put pressure on Mali to reform and privatize CMDT, a vertically organized cotton parastatal that controls all aspects of cotton production. Liberalization of the sector is planned for 2006, and would ultimately limit CMDT to its core activities of ginning and marketing. Additionally, CMDT will be split into three or four regional companies, each with exclusive rights to purchase cotton in its region.

MAURITANIA

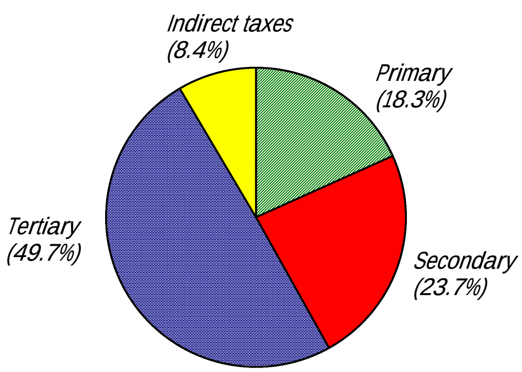


Economic Overview

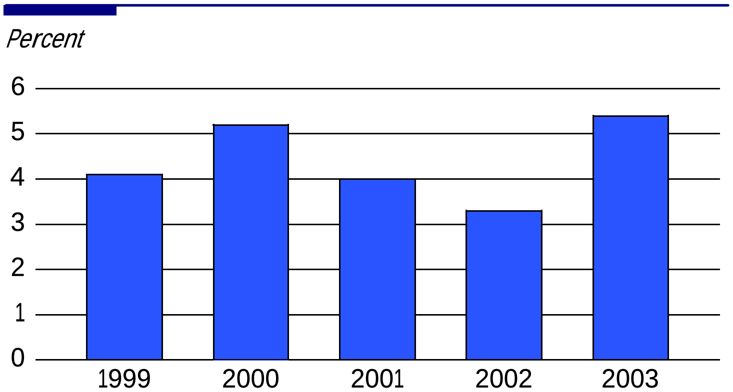
Economic Indicators

	2002	2003	Difference
GDP (nominal, UM bn)	269.1	293.6	24.5
GDP (US$ mn)	990.0	1,105.0	115.0
CPI Inflation (annual average, %)	3.8	3.5	-0.3
Goods Exports (US$ mn)	330.0	330.0	0.0
Goods Imports (US$ mn)	418.0	472.0	54.0
Trade Balance (US$ mn)	-88.0	-142.0	-54.0
Current Account Balance (US$ mn)	-51.2	-190.0	-138.8
Foreign Exchange Reserves (US$ mn)	396.0	360.0	-36.0
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (UM/US$)	271.7	263.0	-8.7

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Mauritania has limited agrarian resources, as 80 percent of the country is desert and less than 1 percent of the land is arable. Weather volatility contributes to productivity fluctuation; ongoing droughts in some parts of the country have decreased agricultural productivity.
- The manufacturing sector is dominated by fish processing; however, the sector remains hindered by a small domestic market.
- Mauritania's PRSP is set to be completed in 2004. Key objectives are to reduce the number of people living in poverty, to accelerate economic growth, to focus public expenditure on sectoral development, to improve access to healthcare and education, and to improve governance. Priority goals are to improve housing, to achieve universal schooling, reduce child mortality rates, and improve the water supply.
- The IMF initiated a new PRGF in late 2003, with a variety of macroeconomic targets for the 2003-04 period.
- In July 2003, the United States provided $100 million to help Mauritania combat international terrorism.
- In July 2003, the EU granted $50.7 million for road construction. The European Development Fund, the AfDB, OPEC, and the Mauritanian government have also contributed funds towards road development.
- The Islamic Development Bank (IDB) has agreed to fund a petroleum production capacity-building project. The IDB will provide $2.5 million to be used for technical assistance.

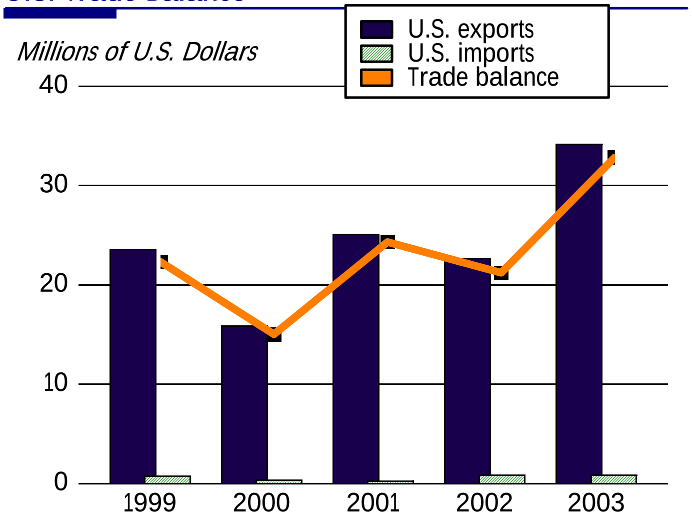
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Italy	14.7	France	20.8
France	14.4	Belgium	8.8
Spain	12.1	Spain	6.7
Germany	10.8	Germany	5.6

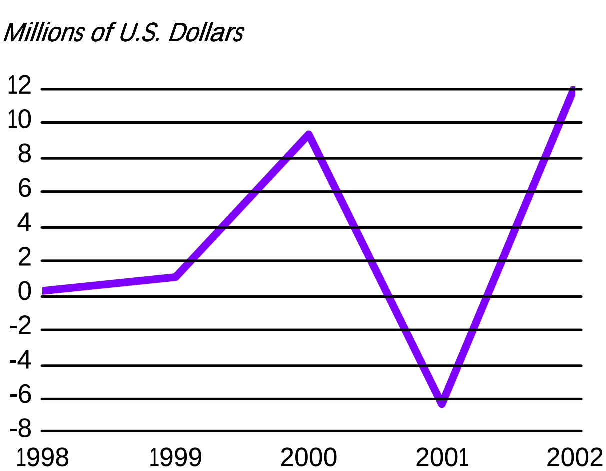
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Iron ore	183.8	Private sector	270.3
Fish & fish products	143.5	Societe Nationale Industrielle et Miniere	103.8
Others	2.9	Oil exploration equipment	22.0
		Public investment & aid	21.9

U.S. Trade Balance



Net Foreign Direct Investment



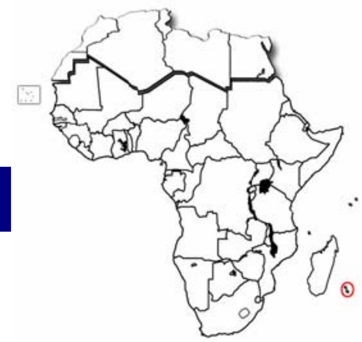
Trade Update

- Mining and fishing account for nearly all of Mauritania's export revenue. Overfishing in the past has contributed to the introduction of government-mandated annual rest periods during the spawning season.
- Mauritania withdrew from ECOWAS at the end of 2000, and initiated efforts to expand ties and increase trade with North Africa and Europe.
- In 2003, U.S. exports to Mauritania consisted primarily of vehicles and parts thereof, machinery and mechanical appliances, and electrical machinery and equipment. U.S. imports from Mauritania consisted primarily of fish, crustaceans, and molluscs; apparel; and machinery and mechanical appliances. In 2003 and 2004, Mauritania was designated an AGOA beneficiary country. AGOA (including GSP) imports from Mauritania totaled $3,000 in 2003.

Investment and Privatization Update

- Mauritania has significant reserves of iron ore, copper, cobalt, diamonds, gold, gypsum, and phosphates. Reserves have yet to be fully surveyed and only iron ore is industrially exploited. Recent exploration has indicated that there are petroleum reserves off Nouakchott. Additionally, Dana Petroleum (UK) discovered natural gas reserves in early 2004.
- To promote investment, the government adopted a new code in 2002 that exempts foreign investors from customs duties on equipment and goods imported for a start-up or export-oriented project, permits the transfer of convertible currencies earned from new investments, provides for national or international arbitration, and simplifies administrative procedures. Mauritania has also granted free trade-zone status for companies that are producing finished goods for export.
- In mid-2004, the World Bank announced efforts to harmonize and codify mining law in willing countries, including Mauritania. This streamlining process is expected to encourage investment in the mining sector.
- A $26-million project to build mining sector capacity is expected to strengthen the government's ability to facilitate and regulate mining activities, increase private investment, improve the country's capacity to monitor new mining developments, and promote local development and economic diversification. The project began in May 2003.
- Petroleum production from a field estimated to hold reserves of 110 million barrels is expected to begin in 2005. The $100-million investment project is spearheaded by Woodside Petroleum, Hardman Resources, Fusion Investments, and Roc Oil (all from Australia). Woodside has pledged an additional $600 million for drilling exploration and production wells in Chinguetti. Petroleum pumping is expected to begin in March 2006. Total (France) signed a petroleum exploration contract with the government in June 2003. Most exploration is taking place in offshore areas.
- Privatization has been fairly successful, with telecommunications and electricity privatizations underway under supervision of the World Bank; and privatization of the national airline completed. Somelec, the state electricity and water utility, still remains government-owned after a failure to sell shares in mid-2002. The government expects to divest some shares in 2004.

MAURITIUS

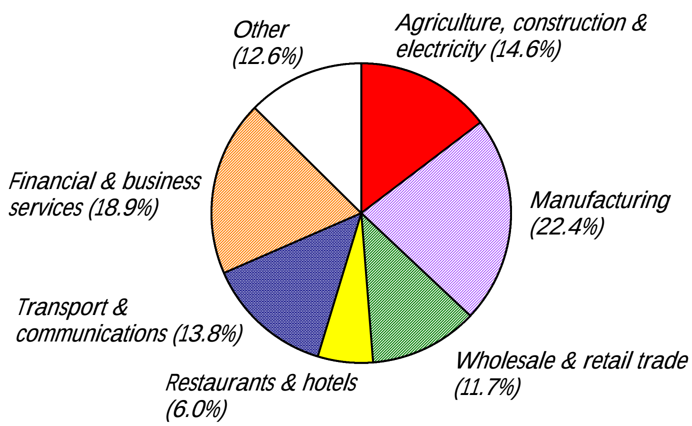


Economic Overview

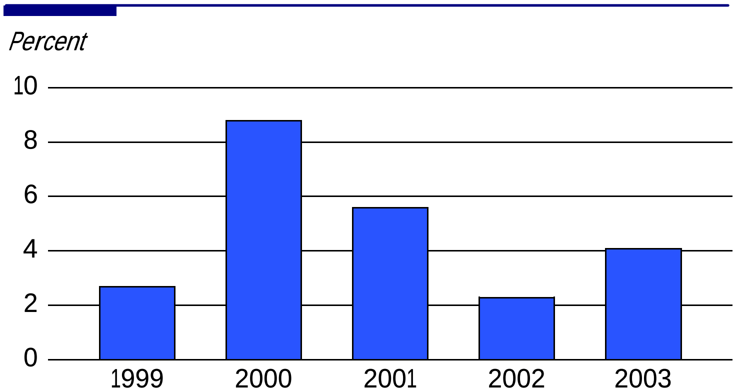
Economic Indicators

	2002	2003	Difference
GDP (nominal, MRs bn)	141.6	156.8	15.2
GDP (US$ bn)	4.7	5.6	0.9
CPI Inflation (annual average, %)	6.7	4.2	-2.5
Goods Exports (US$ mn)	1,830.2	1,941.3	111.1
Goods Imports (US$ mn)	2,018.3	2,093.9	75.6
Trade Balance (US$ mn)	-188.1	-152.6	35.5
Current Account Balance (US$ mn)	259.3	260.5	1.2
Foreign Exchange Reserves (US$ mn)	1,277.4	1,577.3	299.9
Total External Debt (US$ bn)	1.8	1.7	-0.1
Debt Service Ratio, paid (%)	5.5	5.0	-0.5
Exchange Rate (MRs/US$)	30.0	27.9	-2.1

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Mauritius' economy is fairly diversified relative to most SSA countries. Export-processing zones (EPZ) have contributed to growth throughout the 1990s and have driven the shift from agriculture to manufacturing. Current economic debate centers over how to diversify the industrial base within the EPZs.
- Sugar production in 2003 was less than expected, partly because of poor weather, including heavy rains and two cyclones.
- Political crisis in Madagascar in 2002 and early-2003, where a number of Mauritian companies have investments, contributed to low GDP growth.
- Tourism revenues are increasing. Tourist arrivals for the first 9 months of 2003 were up 3.8 percent compared to the same period 2002.
- The 2003-04 budget places significant emphasis on social programs, such as housing and education for the poor, social welfare payments, and increased service provision for vulnerable groups.
- The government plans to develop information and communications technology. Thirty-two local and foreign firms have booked space at the Cyber Tower for call centers, business process outsourcing, disaster recovery centers, training, and software development. A number of Indian firms are assisting Mauritius in this project. The government's efforts to reorient the economy toward more value-added, service-based activities is hindered by the lack of people trained in information and communication technology.
- In early 2004, Mauritius and Madagascar signed an agreement to cooperate on investment protection, technology, and tourism.

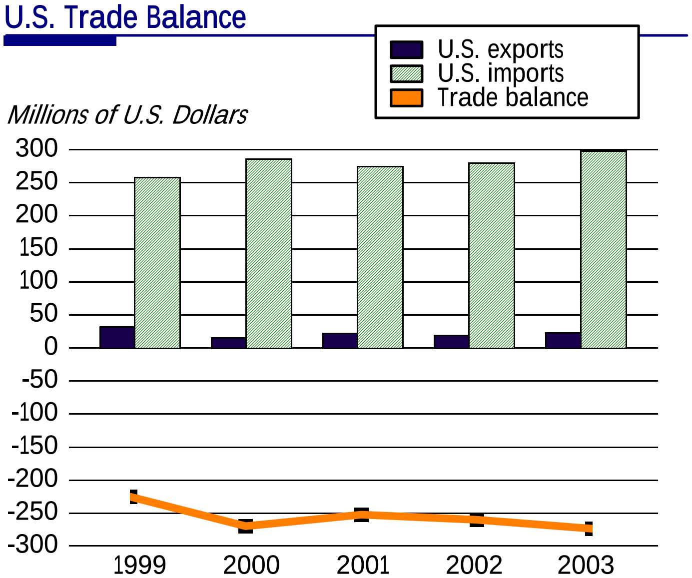
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United Kingdom	26.3	France	18.8
France	24.3	South Africa	13.8
United States	15.6	India	8.0
Madagascar	5.9	China	5.7

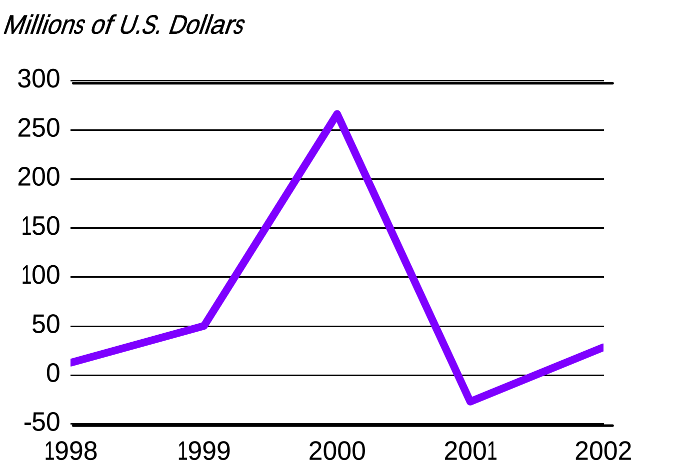
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
EPZ products	1,207.0	Manufactures	914.0
Sugar	278.0	Machinery & transport equipment	1,047.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Mauritius has invested heavily in Madagascar's textile and apparel industry in order to access lower-cost labor and special import designation under the AGOA program. Consequently, in recent years, a significant amount of textile production has shifted to Madagascar away from Mauritius.
- The government has introduced a special incentive program to encourage investment in spinning mills to benefit from the AGOA program.
- Pakistan has expressed interest in using Mauritius as a base for increasing trade with the rest of Africa.
- In 2003, U.S. exports to Mauritius consisted primarily of machinery and mechanical appliances, electrical machinery and equipment, and optical or measuring equipment and parts thereof. U.S. imports from Mauritius consisted primarily of apparel, precious or semiprecious stones or metals, and live animals. In 2003 and 2004, Mauritius was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Mauritius totaled $143.1 million in 2003.

Investment and Privatization Update

- Most investment into Mauritius targets the EPZ sector, with Hong Kong, France, the United Kingdom, Germany, Taiwan, and China as main sources. Chinese multinationals account for 50-60 percent of EPZ exports.
- Kali Steel & Engineering (India) is expected to build a kitchenware and appliances plant in Mauritius that will be operative by the end of 2004.
- The World Bank is assisting Mauritius in obtaining private sector participation in the water and wastewater sectors. Privatization and parastatal reform are, however, subject to substantial political debate.

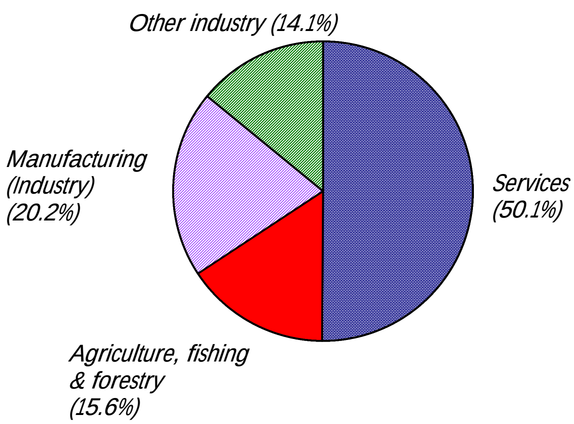
MOZAMBIQUE

Economic Overview

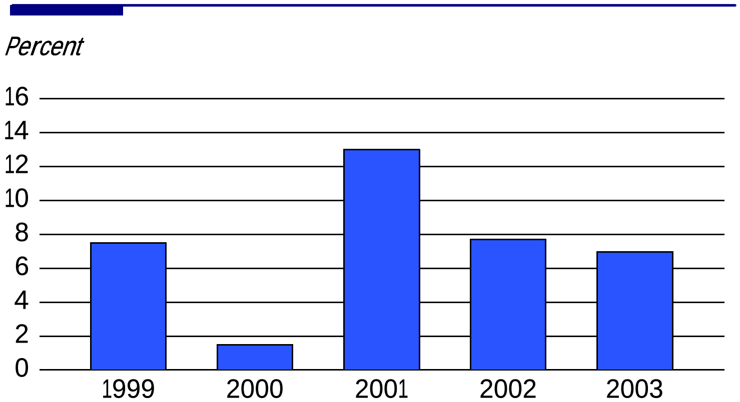
Economic Indicators

	2002	2003	Difference
GDP (nominal, MT bn)	82,747.0	102,111.0	19,364.0
GDP (US$ bn)	3.6	4.3	0.7
CPI Inflation (annual average, %)	16.8	14.0	-2.8
Goods Exports (US$ mn)	682.0	795.0	113.0
Goods Imports (US$ mn)	1,263.0	1,270.0	7.0
Trade Balance (US$ mn)	-581.0	-475.0	106.0
Current Account Balance (US$ mn)	-421.0	-565.0	-144.0
Foreign Exchange Reserves (US$ mn)	819.0	818.0	-1.0
Total External Debt (US$ mn)	966.0	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (MT/US$)	23,678.0	23,774.0	96.0

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Agriculture, fishing, and forestry employ approximately 90 percent of the active population.
- Inadequate road infrastructure has hindered agricultural development. Areas in the north with food surpluses remain isolated, while the south imports food from South Africa. In 2003, a road linking Inchope to Caia was upgraded to all-weather standard and became part of the national road connecting the north and south. The government is seeking financing to build a bridge over the Zambezi river and indicates it has secured 60 percent of the necessary $70-$90 million.
- In April 2004, the government announced the creation of the Tax Administration, an autonomous body that replaced the National Tax and Audit Directorate. The Tax Administration aims to prevent tax fraud and evasion, and analyze the effect of tax policy on the economy.
- Economic policy is guided by the government's Plan for the Reduction of Absolute Poverty. Key goals include improving education, health, and basic infrastructure; developing agriculture and rural areas; and improving governance, and macroeconomic and financial management.
- Market reform has been ongoing since the implementation of the first structural adjustment program in 1987. Mozambique is considered one of the most successful reformers in Africa and has received extensive assistance from donors. Current policy objectives under the PRSP include rapid, private sector-led growth to achieve macroeconomic stability; improved basic public services; reformation of the legal system; and implementation of fiscal reforms. In March 2004, the IMF found that the government needed to implement second generation reforms to increase government revenue, remove obstacles to private sector development, and use public expenditure more efficiently.
- In October 2003, Mozambique secured pledges of $790 million for 2004 from the Consultative Group conference of foreign donors; 75 percent of these funds will be in the form of grants. Mozambique is attempting to reduce its use of foreign assistance; such assistance is expected to account for 48 percent of government spending in 2004, compared with approximately 60 percent in recent years.
- Mozambique became eligible for Millennium Challenge Account assistance in May 2004.

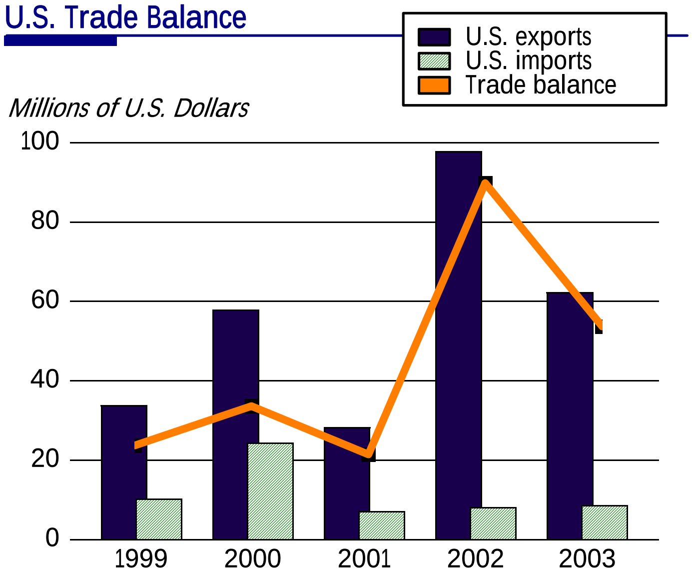
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Belgium	25.0	South Africa	27.7
South Africa	9.4	France	9.0
Germany	5.6	United States	7.1
Spain	3.5	Australia	7.0

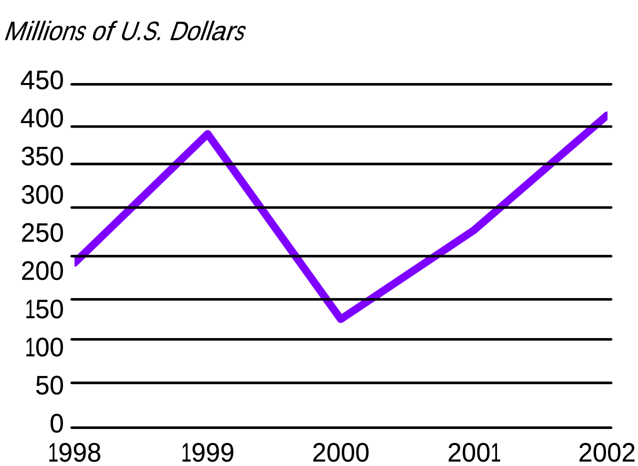
Main Trade Commodities, US$ millions

Exports (2001)		*Imports (1997)*	
Aluminum	335.0	Machinery & equipment	139.0
Prawns	92.4	Vehicles, transport equip. & parts	113.8
Electricity	57.3	Fuel	92.3
Cotton	18.3	Textiles	43.4

U.S. Trade Balance



Net Foreign Direct Investment



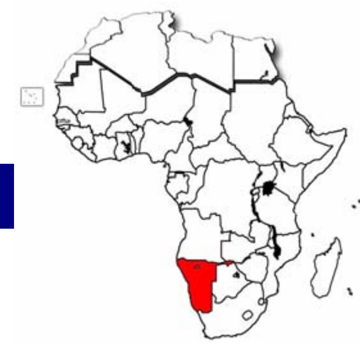
Trade Update

- Coastal shipping capacity makes Mozambique a trade center. Rehabilitation of the Beira and Nacala ports is expected to increase trade volume. Additionally, in May 2004, an Indian consortium won a contract for the reconstruction of the Beira railway line. The World Bank has pledged a loan of $120 million for the 25-year project.
- A $600-million gas pipeline connecting Mozambique to South Africa was completed in early 2004. The pipeline exports 85 million gigajoules of gas per year and is expected to rise to approximately 120 million gigajoules by 2008. Sasol (South Africa) built the pipeline and distributes the gas in South Africa.
- Mozambique was once the world's largest cashew producer. Cashew production is expected to decline by 20 percent for 2003 / 2004, which could impact Mozambique's export earnings. Irregular rainfall and fungal infections have contributed to the decline.
- In 2003, U.S. exports to Mozambique consisted primarily of cereals, mineral fuels or oils and products, and machinery and mechanical appliances. U.S. imports from Mozambique consisted primarily of sugars and sugar confectionery, apparel, and edible fruits and nuts. In 2003 and 2004, Mozambique was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Mozambique totaled $7.9 million in 2003.

Investment and Privatization Update

- Mozambique offers favorable tax and duty incentives in industrial free-zones to encourage investment. Investors are also encouraged by inexpensive electricity, natural resource availability, and a variety of opportunities. South Africa is the largest investor in Mozambique.
- Hydroelectricity is a significant resource and has attracted foreign investment. Additionally, Mozambique has confirmed reserves of natural gas that are undergoing exploration.
- Vodacom Mozambique (VM), a subsidiary of Vodafone South Africa, won a contract to expand telecommunications coverage in June 2002, but was unable to start operating until late 2003 because of interconnection fees disputes. VM is expected to invest $567 million in the project. If passed, a telecom bill presented to parliament in April 2004 could increase competition and investment in the sector.
- The Maputo Port Development Company assumed management of the port from the state port authority in April 2003. The 15-year contract includes investment of $50-$100 million to improve the port and linking infrastructure.
- In 2004, the Nordic Development Bank, with the World Bank and the AfDB, agreed to finance an inventory of Mozambique's geological potential. A number of investors believe that Mozambique holds significant undiscovered mining resources.
- Mozambique has privatized over 1,200 smaller companies and 37 large enterprises since privatization began 10 years ago. Firms awaiting privatization include TDM (telecommunications parastatal), LAM (state airline), EDM (electricity utility), ENH (energy utility), HCP (electricity producer), an insurance company, an oil and gas exploration company, a port and rail authority, a number of airports, and water supply overseers.

NAMIBIA

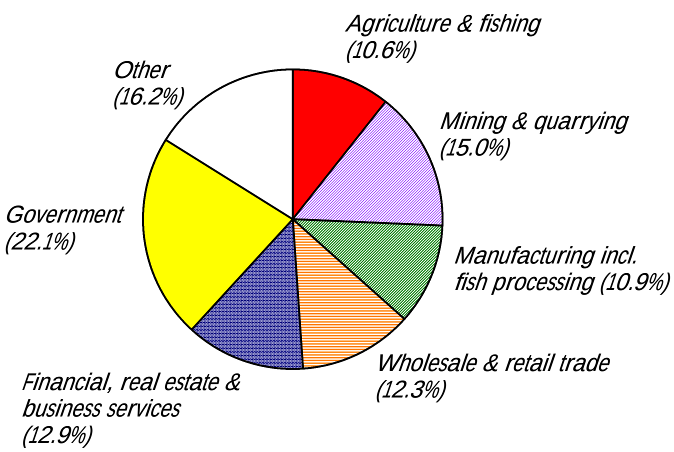


Economic Overview

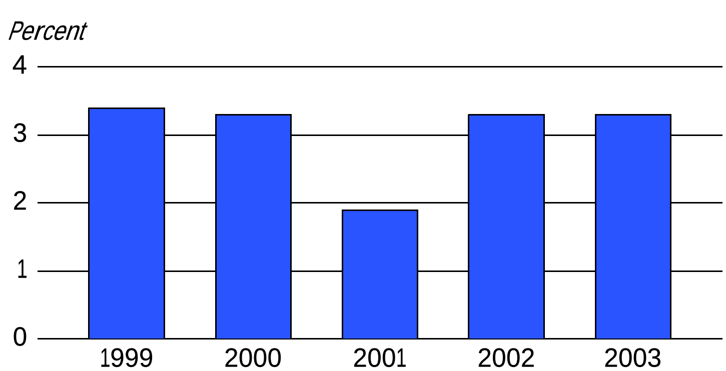
Economic Indicators

	2002	2003	Difference
GDP (nominal, N$ bn)	29.3	32.6	3.3
GDP (US$ bn)	2.8	4.3	1.5
CPI Inflation (annual average, %)	11.3	7.3	-4.0
Goods Exports (US$ mn)	1,072.0	1,090.0	18.0
Goods Imports (US$ mn)	1,251.0	1,371.0	120.0
Trade Balance (US$ mn)	-179.0	-281.0	-102.0
Current Account Balance (US$ mn)	96.0	63.0	-33.0
Foreign Exchange Reserves (US$ mn)	323.0	345.0	22.0
Total External Debt (US$ mn)	635.0	716.0	81.0
Debt Service Ratio, paid (%)	2.5	2.9	0.4
Exchange Rate (N$/US$)	10.5	7.6	-3.0

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Namibia is abundant in natural resources including large concentrations of diamonds, zinc, uranium, gold, and marble, particularly along the coastal regions. This has led to the establishment of a large marine mining industry. In 2003, the mining sector was the largest foreign exchange earner, accounting for 56 percent of all exports. There is also a large fishing and processing industry.
- Government services are the largest contributor to GDP. Other sectors contributing notably to GDP include mining, wholesale and retail trading, financial services, manufacturing, and offshore fish processing.
- The general decline in global prices for raw material commodities and appreciation of the currency have negatively affected foreign exchange earnings. Increased imports of production inputs such as fuel and lubricants, and consumer products, have resulted in trade deficits.
- Tourism is a growth sector for Namibia, generating 6 percent of GDP in 2003. The largest source of tourism revenue is Germany, followed by the United Kingdom.
- In December 2003, the government announced plans to import a 6-month supply of food aid because of a shortfall in the staple crop, millet. The shortfall is a result of a dry growing season. The food aid is in addition to a $37-million relief program provided by the government that will support activities such as transporting livestock to better grazing areas.
- Government long-term economic policy is embodied in the Vision 2030 goals. Long-term goals are to be implemented through 5-year national development plans. The country entered the second 5-year development plan in 2001. Targets include reducing poverty, increasing the annual growth rate to 4 percent, and promoting small and medium enterprises to reduce unemployment. The development program also includes $1.2 billion for infrastructure projects, such as building railroads and upgrading road networks. The government also introduced medium-term expenditure frameworks (MTEF) to control spending and reduce the budget deficit. The current MTEF, which runs during 2004-07, focuses on reducing expenditures on many public sector services.

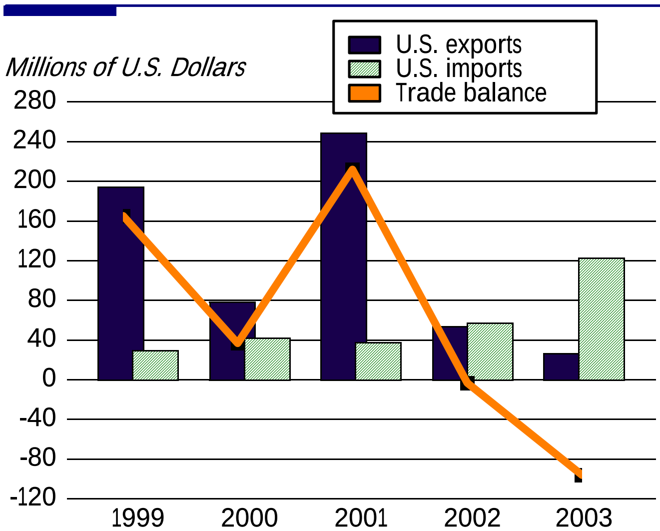
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United Kingdom	48.0	South Africa	80.0
South Africa	23.0	United States	5.0
Spain	15.0	Germany	3.0
France	4.0	Russia	1.0

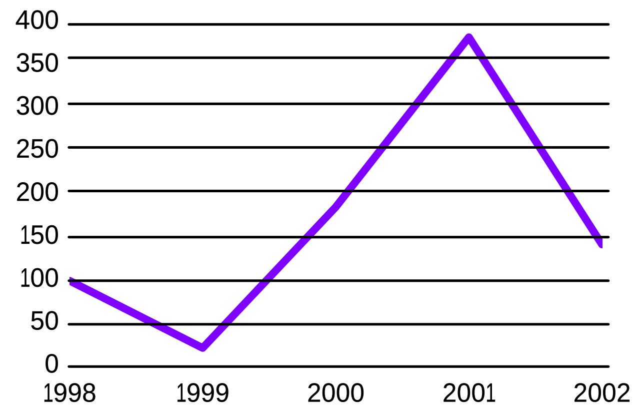
Main Trade Commodities, US$ millions, 2001

Exports		*Imports*	
Diamonds	485.0	Transport equipment	230.0
Prepared & preserved fish	287.0	Chemical products, rubber & plastic products	211.0
Metal ores, incl. uranium ore	156.0	Refined petroleum products	204.0
Beverages, other food products	80.0	Machinery & equipment	166.0

U.S. Trade Balance



Net Foreign Direct Investment



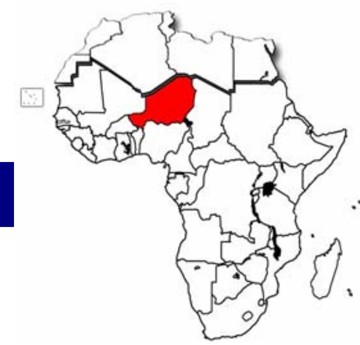
Trade Update

- All petroleum in Namibia is imported. Electricity is derived from hydropower plants, and during times of drought, electricity is imported from South Africa.
- The Walvis Bay Corridor Transport project is expected to be completed by mid-2004. The SADC-sponsored project will connect Namibia to central African markets via an all-weather highway connection.
- In July 2003, Namibia announced that it was withdrawing its membership from COMESA, stating that it was not benefitting from the free trade area as imports from COMESA countries were 10 times greater than exports.
- In 2003, U.S. exports to Namibia consisted primarily of cereals, machinery and mechanical appliances, and articles of base metal. U.S. imports from Namibia consisted primarily of apparel, copper and articles thereof, and organic or inorganic chemicals and compounds. In 2003 and 2004, Namibia was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Namibia totaled $46.8 million in 2003.

Investment and Privatization Update

- The government is promoting FDI in priority sectors such as tourism and nontraditional manufacturing. As part of the national development plan, for 2004-07 the government has set aside $34.5 million for the "green valley" irrigation system to help support farmers as they diversify farming into new crops such as grapes, melons, and other citrus fruit. The EU is the primary market for these new crops. The fishing industry has also succeeded in diversifying by promoting local fish processing; $79.3 million has been invested in a hake processing plant by Pescanova (Spain).
- The Namibian Ports Authority (Namport) has launched a strategic investment program that is seeking to create business opportunities in the port. Projects include a new container terminal, and the deepening of the harbor.
- A new mining policy is to be introduced in late 2004, incorporating certain amendments to the 1992 Minerals Act. The amendments include guaranteeing security of tenure for holders of mining rights and creating of a standard licensing regime.
- The mining industry has grown rapidly because of renewed investment and the discovery of mineral deposits. In early 2004, the Leviev Group (Israel) proposed a $46-million investment project scheduled to last 3 years. Paladin Resources (Australia) completed a prefeasability study in the Namib desert and has proposed the development of a commercial mining operation to boost production in the uranium industry.
- In early 2004, the government outlined plans to expropriate farms that were underutilized or owned by absentee foreign persons.
- In July 2004, the Namibian power utility NamPower and the National Petroleum Company of Namibia have entered into an agreement with Energy Africa (South Africa) to develop gasfields in Kudu. In May 2004, Tullow (Ireland) took over Energy Africa. Feasability studies are being conducted, with production expected to begin in late 2009.
- The partial privatization of the national airline, Air Namibia, has been placed on hold indefinitely because of financial losses. The airline received an additional $52.6 million for FY 2004 from the government to help repay the $80 million in accumulated debt, and pay for the lease of its Boeing aircraft.

NIGER

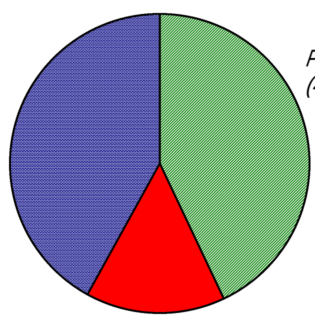


Economic Overview

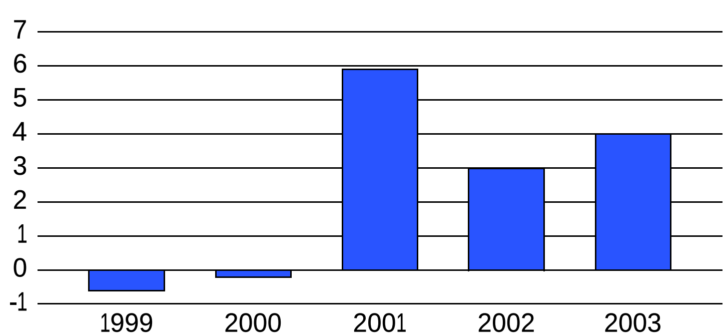
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	1,355.0	1,387.0	32.0
GDP (US$ bn)	1.9	2.4	0.5
CPI Inflation (annual average, %)	2.6	-1.6	-4.2
Goods Exports (US$ mn)	280.0	352.0	72.0
Goods Imports (US$ mn)	366.0	477.0	111.0
Trade Balance (US$ mn)	-86.0	-125.0	-39.0
Current Account Balance (US$ mn)	-159.0	-206.0	-47.0
Foreign Exchange Reserves (US$ mn)	133.9	80.0	-53.9
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Niger does not have a historically strong agricultural base because of the harsh climate and lack of rainfall. During 2001-02, high rainfall levels increased output of millet, sorghum, and corn; however, Niger still depended on food imports in both years.
- Natural resources include uranium, gold, copper, and lithium. Petroleum reserves are also being explored. The primary energy sources are wood fuel and thermal energy, with the possibility of a switch to hydroelectric power.
- The government is promoting the President's Special Program to reform the economic and social infrastructure. The transportation network is the primary focus. Goals include expanding and improving access to the seaports, and improving the current road link to Burkina Faso, which will facilitate trade. Much of the current account deficit is because of high transportation costs.
- Civil service reforms and privatization face the challenges of financial malpractice and a lack of institutional transparency. Niger is also focusing on improving regional security after civil unrest in Côte d'Ivoire negatively affected economic growth in previous years.
- The government is also seeking to reform its tax system. Beginning in 2003, taxes on individuals and corporations are to be harmonized within 3 years to a uniform rate of 35 percent.
- Much of the economic policies and reforms outlined by the government have been developed in conjunction with the IMF and the World Bank. In 2000, Niger signed a PRGF for $74 million. In 2003, a new set of policy targets was outlined for FY 2004, including an increase in revenue to nearly 11 percent of GDP, an increase in basic expenditures on social services, and progress toward the privatization of the state-owned electric company. The IMF also suggested introducing an excise tax on various consumer products and public utilities. As a result of improved macroeconomic stability, the IMF approved a further $16 million to help implement policies aimed at achieving Millennium Development goals.
- In early 2004, the World Bank approved a loan of $14.8 million, to be disbursed over 4 years, to reform the financial sector. This technical assistance focuses on banks providing microfinance services, the postal bank, and services provided by the insurance sector.
- In 2002, the IMF and World Bank assessed the PRSP, which is set to expire at the end of 2004. Priorities under the framework include improving budget management, developing and managing natural resources, and maintaining roads.
- In 2001, the Paris Club agreed to cancel $48 million of Niger's debt. An additional $123 million was cancelled by France in April 2003. In March 2004, Niger was preparing to complete the HIPC initiative.

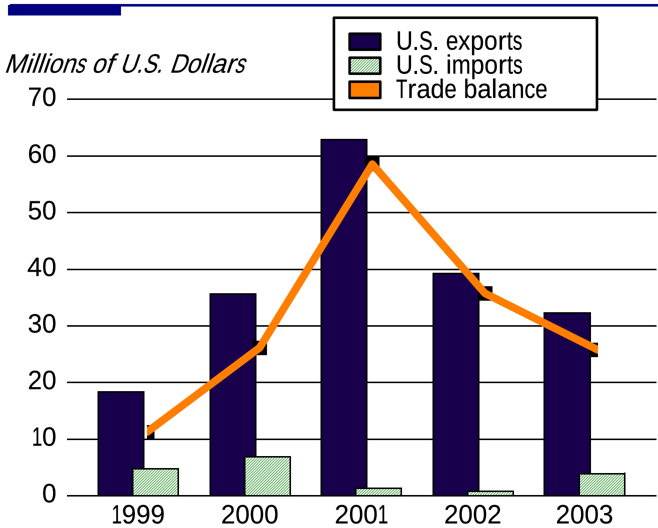
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Nigeria	41.2	France	20.1
France	37.5	United States	14.7
Belgium	6.2	Côte d'Ivoire	10.4
Japan	2.5	Nigeria	7.2

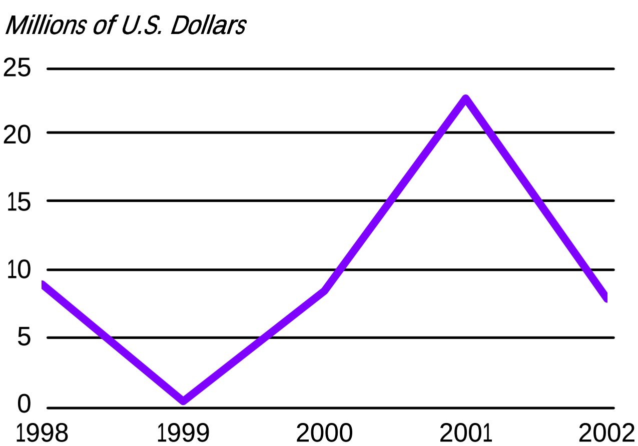
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Uranium	89.9	Food products	97.4
Livestock	45.9	Capital goods	82.4
Cowpeas	20.2	Petroleum	41.7

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

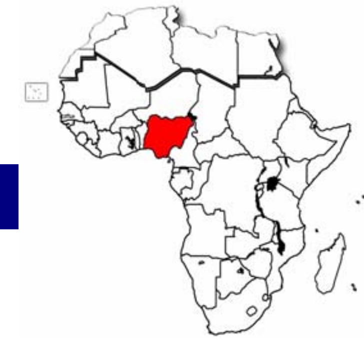
- Niger has engaged a private customs monitoring company to monitor trade along the western and southern borders, resulting in increased customs receipts.
- Niger is a member of UEMOA. UEMOA has outlined reforms that Niger must complete by 2005 to ensure continued integration with UEMOA. These reforms include balancing the budget to reduce government debt to less than 70 percent of GDP, reducing inflation to less than 3 percent annually, and increasing domestically-financed investment.
- In November 2003, the AfDB agreed to lend $12.5 million to help SML (Niger) finance a mining project to exploit gold and build a processing plant.
- Access to the AGOA program increased exports of gum arabic.
- In 2003, U.S. exports to Niger consisted primarily of paperboard, pharmaceutical products, and electrical machinery and equipment. U.S. imports from Niger consisted primarily of animal or vegetable fats and oils, optical or measuring equipment and parts thereof, and pharmaceutical products. In 2003 and 2004, Niger was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Niger totaled $63,000 in 2003.

Investment and Privatization Update

- Niger's relatively small domestic market, inadequate infrastructure, high energy costs, and a lack of skilled labor hinder investment.
- Vivendi has proposed plans to invest $5 million to upgrade facilities and increase the drinking water supply.
- In early 2004, Tamoil (Libya) purchased the Niger operations of Exxon Mobil (U.S.), including distribution and storage facilities.
- In 2003, Exxon Mobil (U.S.) and Petronas (Malaysia), along with a consortium of other oil companies, continued exploratory efforts.
- In September 2003, the government announced plans to withdraw a concession awarded to TG World (Canada) for oil exploration and extraction. TG World began proceedings at the World Bank's International Center for the Settlement of Investment Disputes, to which Niger is a signatory, as the contract was not due to expire until April 2004.
- The national electric power company Nigelec is targeted for privatization in 2004. The company signed an agreement in 2002 with Morocco's state-owned power utility to collaborate on distribution of electricity in Niger.
- Other sectors have been earmarked for privatization. In 2004, the state-owned company that controls the importation, storage, and distribution of petroleum into Niger is slated for privatization, with the government to maintain a 34-percent stake. The Gaweye Hotel is targeted for private investment, with bids by Le Meridien (France) and Ingra (Croatia) already offered. A mortgage company, Credit du Niger, is also targeted for privatization in 2004.

NIGERIA

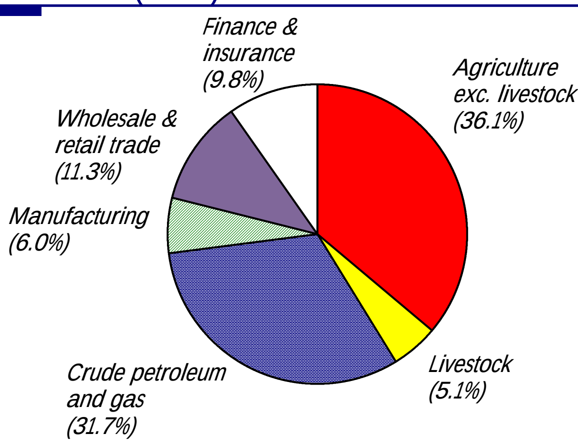
Economic Overview



Economic Indicators

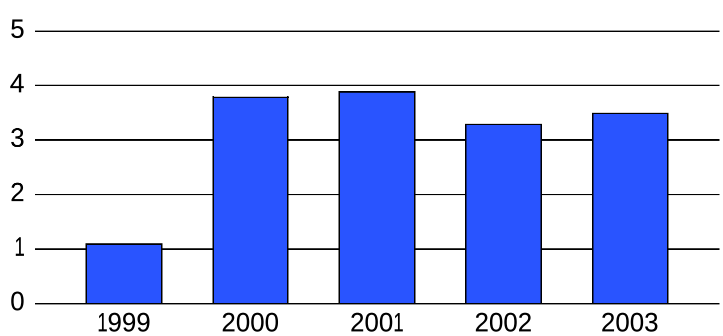
	2002	2003	Difference
GDP (nominal, N bn)	5,634.0	6,833.0	1,199.0
GDP (US$ bn)	46.7	52.8	6.1
CPI Inflation (annual average, %)	13.6	13.5	-0.1
Goods Exports (US$ mn)	18,016.0	21,796.0	3,780.0
Goods Imports (US$ mn)	12,954.0	14,538.0	1,584.0
Trade Balance (US$ mn)	5,062.0	7,258.0	2,196.0
Current Account Balance (US$ mn)	-76.0	1,047.0	1,123.0
Foreign Exchange Reserve (US$ mn)	7,331.0	7,057.0	-274.0
Total External Debt (US$ bn)	29.7	30.7	1.0
Debt Service Ratio, paid (%)	16.8	8.2	-8.6
Exchange Rate (N/US$)	120.6	129.4	8.8

Origins of GDP (2002)



Real GDP Growth Rate

Percent



Economic Update

- Petroleum is an important part of the economy; it is estimated that up to 80 percent of federal government revenue is derived from the sector, and that petroleum products account for 90 percent of export earnings. Agriculture is still the primary activity for the majority of Nigerians, and accounts for approximately 40 percent of GDP. There is also a large informal agricultural sector.
- Economic diversification has been hindered by inadequate infrastructure, energy shortages, and low consumer income.
- The National Economic Empowerment Development Strategy is expected to be formally unveiled in 2004. The plan identifies petroleum, gas, agriculture, solid minerals, manufacturing, and tourism development as key sectors for growth and investment. Additionally, it calls for an acceleration of the privatization program, improvement of governance and increased transparency, and reform of the pension system.
- Trade unions have been weakened throughout the 1990s by unemployment and declining real wages. In late 2003, parliament considered a bill to restrict sources of funding and limit membership. The unions called for a general strike in October 2003, after the government eliminated the price caps on petrol, diesel, and kerosene.
- In 2004, construction is expected to begin on a mass-transit rail system for Lagos. The $135-million Lagos Urban Transportation Project plans to include a rapid light rail mass-transit system, improved bus services, increased water and nonmotorized forms of transport, increased efficiency of urban roads, and better institutions.
- In early 2004, Nigeria's health minister announced a $172-million healthcare development program. The World Bank is expected to provide $127 million and the AfDB, $45 million. The program's goals are to build basic healthcare capacity, increase health service delivery, and expand access to maternal care and reproductive health.
- The World Bank plans to launch a program to assist in providing social services in the Niger Delta, the petroleum producing region of Nigeria. The UNDP is also exploring the possibility of cooperating with Shell on social development projects in the same region. The region has experienced substantial social unrest in recent years.
- In March 2004, the World Bank announced plans to invest $75 million in the solid minerals sector, supporting government efforts to diversify the economy. The plan encourages the government to increase long-term institutional and technical capacity to manage mineral resources and establish poverty reduction and rural economic renewal programs in selected areas of the country.

Economic Update—Continued

- At the end of 2003, bilateral agreements for debt rescheduling had been signed with 14 of the 15 Paris Club members. Negotiations have been ongoing since December 2000, and Italy has yet to sign an agreement.
- Nigeria is ineligible for participation in the HIPC initiative because its debt burden does not meet the established criteria.
- USAID plans to provide $50 million to promote sustainable development and economic development activities during 2004-09. Additionally, USAID, in conjunction with the Shell Petroleum Development Corporation, has committed $1 million to be used to address the threat of cassava mosaic disease and to develop markets for cassava products.

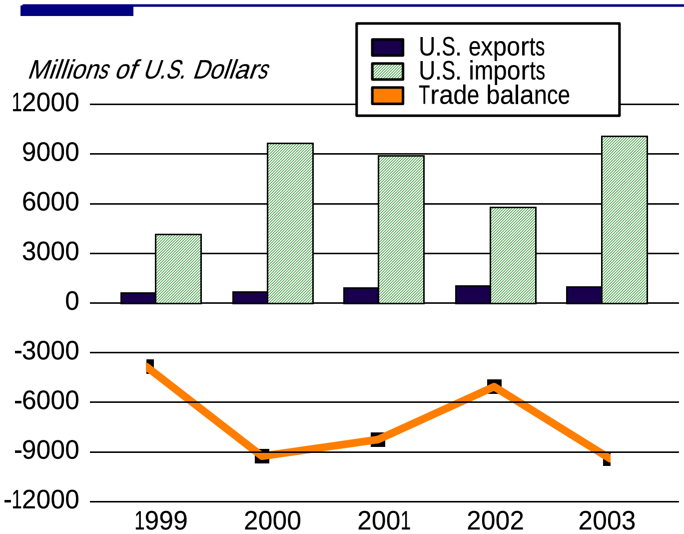
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United States	37.4	United Kingdom	15.7
Brazil	9.4	United States	15.4
Spain	8.3	China	15.3
France	6.4	France	14.3

Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Oil	13,680.0	Manufactured goods	2,990.0
Gas	1,097.0	Machinery & transport	2,471.0
		Chemicals	2,297.0
		Food & live animals	1,160.0

U.S. Trade Balance

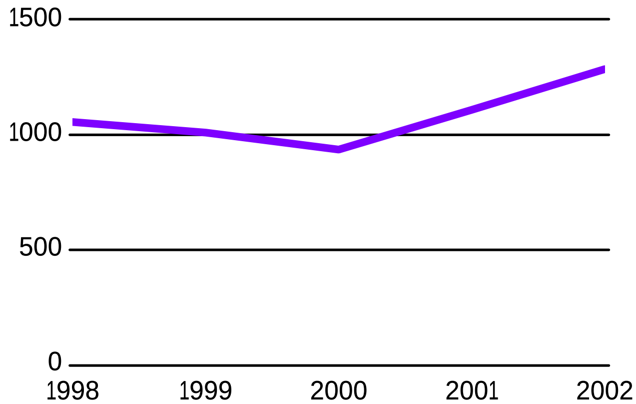


Trade Update

- Petroleum has dominated Nigerian trade since the early 1970s, and accounts for 95 percent of total exports of goods. Although Europe has been Nigeria's traditional export market, petroleum production in the North Sea has shifted exports towards the United States. Nigeria has made efforts to diversify its export base, and has had some success with the export of LNG.
- Imports of more than 40 products are banned, including textiles, men's footwear, soap, furniture, assembled bicycles, flowers, toothpaste, pencils, plastic products, vegetable oil, and meat products. Import prohibitions may contribute to increased smuggling across Nigeria's borders.
- The government reduced port taxes in 2001 and 2003, and has removed other administrative obstacles to efficient trade operations.
- In November 2003, the Department of Petroleum Resources issued new guidelines for fuel importation, requiring that firms obtain importation permits, display prices prominently, submit quality certificates, and distribute only approved products.
- In late 2003, the government approved the implementation of an incentive scheme to boost exports of textiles and other products. The Export Expansion Grant enables firms exporting at least $3,495 to claim a grant equivalent of 40 percent of their total annual exports. Exporters of unprocessed agricultural commodities and minerals may receive a grant of 5 percent of their annual exports.
- The Nigerian National Petroleum Corporation signed production-sharing contracts with ChevronTexaco, Petrobras (Brazil), and local firms Famfa, Heritage, and Oil and Gas Company to develop three deepwater oilfields. It is expected that greater petroleum production capacity will expand exports.
- Nigeria is engaged in an ongoing territorial dispute with Cameroon over the Bakassi Peninsula, which has significant petroleum resources. In December 2003, Nigeria began to hand over some areas involved in the dispute, not including the proper Bakassi. Nigeria also has disputed maritime borders with Equatorial Guinea and São Tomé and Principe, which affect access to offshore petroleum reserves.
- Nigeria is offering no taxation, no duty, and no restrictions on the repatriation of profits to businesses that invest in the development of a leisure resort in an effort to improve recognition of its free trade zone. The $131-million Tinapa project, conceived in August 2002, is intended to encourage trade among African states. The zone allows companies to set up businesses within two weeks and is linked to the Calabar port, which is being expanded to carry bigger ships. As of March 2004, the free trade zone had 80 manufacturing companies, with plans for additional companies to establish business. Billions of dollars have been used to develop zone-related infrastructure such as roads, water, electricity, telecommunication, and sanitation.
- In 2003, U.S. exports to Nigeria consisted primarily of cereals, machinery and mechanical appliances, and electrical machinery and equipment. U.S. imports from Nigeria consisted primarily of mineral fuels and oils, cocoa and cocoa preparations, and organic chemicals. In 2003 and 2004, Nigeria was designated an AGOA beneficiary country. AGOA (including GSP) imports from Nigeria totaled $9.4 billion in 2003.

Net Foreign Direct Investment

Millions of U.S. Dollars



Investment and Privatization Update

- Political uncertainty, alleged corruption, inadequate infrastructure, and low per capita income have deterred both new and replacement investment.
- The Brass LNG project is expected to be operative by 2008. It is a joint venture between the Nigeria National Petroleum Corporation, Eni, ChevronTexaco, and ConocoPhillips, and is expected to expand access to natural gas resources. Slower progress is being made on the West African Gas Pipeline, which will carry Nigerian gas to Benin, Ghana, and Togo.
- In mid-2003, the government signed a deal with Solgas Energy Nigeria to rehabilitate the Delta steel plant and manage the plant for 10 years. The steel industry has suffered from inadequate maintenance, despite roughly $10 billion in public investment and Russian assistance to build the centerpiece of the plant, the Ajaokuta complex. In its 20 years of operation, the Delta steel plant has rarely operated at greater than 20 percent of capacity.
- The state-owned Nigeria Airways was liquidated in May 2003, after years of financial mismanagement, misappropriation of funds, and large debts. In October 2003, the government introduced a new national carrier, Nigerian Eagle Airlines. South African Airways was chosen in early 2004 as a partner for the national carrier, and owns 30 percent of the firm. Delays have extended the start of the operation beyond the original date of April 2004.
- A new telecommunications law enacted in 2003, and the recent licensing of operators to offer Fixed Wireless Services on a regional basis, may allow for expansion of the telecommunication sector. Over the last 2 years, telecommunications investment has totaled over $4 billion and is expected to continue. Vodacom indicated that it was exploring operations in Nigeria's market. In early 2004, Econet Wireless Nigeria signed a $110-million contract with Ericsson (Sweden) to boost geographic coverage and to increase network capacity.
- The Bureau of Public Enterprises (BPE) has outlined three stages for privatization. The first stage could be completed in 2004, and involves the sale of stakes in industrial companies, refineries, and some infrastructure operators. The second phase, to be completed in 2005, calls for the sale of three paper mills, motor vehicle assembly plants, and fertilizer companies. The government also intends to sell some infrastructure providers, such as the port authority, the airport authority, and energy companies, in the second phase. The third phase, to be completed after 2005, involves the sale of the sugar companies, refineries, the National Electric Power Authority, and Nigerian Railways.
- In October 2003, the government eliminated domestic fuel subsidies, announcing that it would no longer set fuel prices and that the market was deregulated. The government indicated that it would sell off four domestic refineries owned by the Nigerian National Petroleum Corporation and encourage investment in privately-owned enterprises.
- In early 2004, more than 110 companies expressed interest in taking over the management of the Nigeria Ports Authority after the government announced it would be privatized.

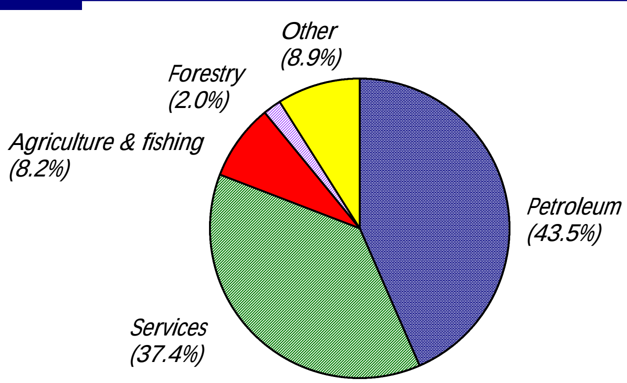
REPUBLIC OF THE CONGO

Economic Overview

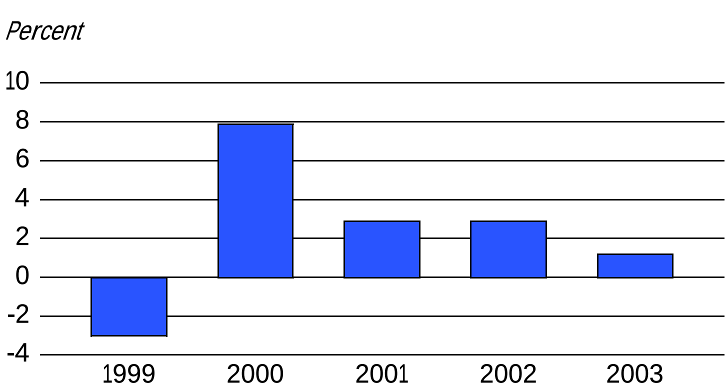
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	2,225.0	2,297.0	72.0
GDP (US$ bn)	3.2	4.0	0.8
CPI Inflation (annual average, %)	3.8	2.0	-1.8
Goods Exports (US$ mn)	2,325.0	2,599.0	274.0
Goods Imports (US$ mn)	706.0	724.0	18.0
Trade Balance (US$ mn)	1,619.0	1,875.0	256.0
Current Account Balance (US$ mn)	66.0	180.0	114.0
Foreign Exchange Reserves (US$ mn)	31.6	31.0	-0.6
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	696.9	581.2	-115.7

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- Petroleum is a key component of the economy, accounting for over 40 percent of the Republic of the Congo's (ROC) economy. Sixty percent of the population earns a livelihood from the agricultural sector, which benefits from relatively predictable rainfall. ROC is rich in natural resources.
- Inadequate road and railway systems have made airlines an important part of internal transportation. The EU offered to provide $37 million to rehabilitate the road from Brazzaville to Kinkala, but the funds have yet to be released because of civil unrest that began in March 2002. The government signed a peace agreement with the last rebel group in March 2003, and the political situation is now viewed as stable.
- Approximately 50 percent of the land is covered in dense forest. ROC is eligible for a $90-million fund to protect land in the region by joining the World Bank's Congo Basin Forest Partnership. The project's primary objective is to limit illegal and uncontrolled logging.
- In an October 2003 mission, the IMF discovered $100 million in unaccounted funds indicating that little progress had been made toward achieving financial transparency. The IMF called off further talks and declined to initiate steps toward introducing a PRGF.
- In July 2003, a conference in Paris resulted in donor pledges of $221 million in new financing for ROC's reconstruction, provided that government performance is satisfactory.
- In December 2003, the AfDB granted ROC $1.2 million to fight an Ebola outbreak.
- In May 2004, the International Fund for Agricultural Development agreed to provide a loan of $11.9 million. ROC is expected to use the funds to boost agricultural output and enhance food security.

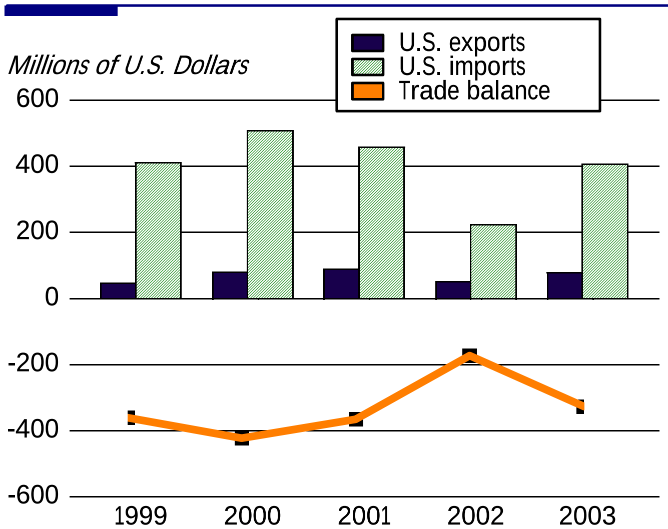
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
South Korea	20.3	France	22.1
China	9.4	Italy	8.5
United States	8.4	China	6.2
Germany	6.6	Belgium	6.0

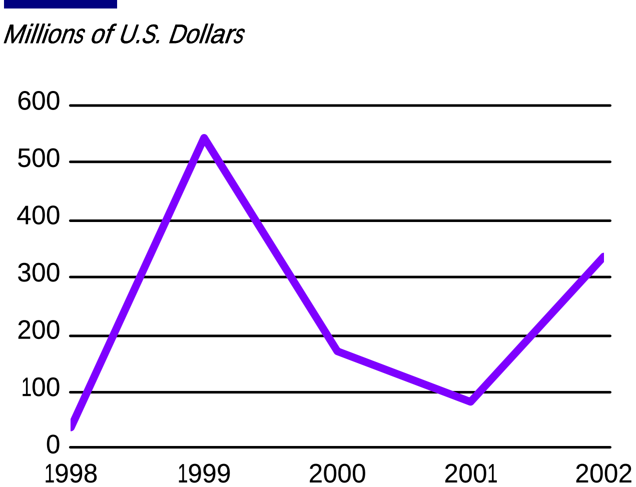
Main Trade Commodities, US$ millions

Exports (2000)		*Imports (1998)*	
Petroleum	2,294.0	Petroleum sector	423.7
Timber	95.2	Other capital goods	64.9
Sugar	12.6		
Other	47.9		

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The petroleum industry accounts for over 90 percent of export earnings.
- Increasing stability is contributing to renewed transport networks. For example, in early 2004, the rail service known as "Air Pool" commenced services between Brazzaville and Loutete. This service will provide the local population with access a larger variety of products.
- The reopening of the Brazzaville-Pointe-Noire railway has supported timber production, which is expected to increase to 1.2 million cubic meters in 2004. Timber has the potential to become an important generator of export revenue.
- In 2003, U.S. exports to ROC consisted primarily of machinery and mechanical appliances, cereals, and electrical machinery and equipment. U.S. imports from ROC consisted primarily of mineral fuels and oils, precious or semiprecious stones or metals, and sugars and sugar confectionery. In 2003 and 2004, ROC was designated an AGOA beneficiary country. AGOA (including GSP) imports from ROC totaled $340.8 million in 2003.

Investment and Privatization Update

- Petroleum exploration has moved further offshore and deeper as existing reserves are exploited. If further exploration does not find large reserves in these areas, investment in the petroleum sector may decline. ROC has significant reserves of potash and iron ore that have not yet been developed.
- In November 2003, the government adopted a bill that streamlines licensing procedures and lowers the state's equity share in mining companies' investments to 10 percent. This bill is expected to encourage foreign investment in the sector.
- A Chinese consortium is promoting the construction of a hydroelectric dam at Imboulou dam, which would cost $280 million. Magnesium Alloy Corporation (Canada) has proposed constructing a link to the Inga dam.
- SIAT (France) is making efforts to revive tobacco production, partly by involving local farmers in the production process.
- The government published plans to privatize management of CFCO, the railway parastatal. In November 2003, the government released the terms for bidding. Final selection is expected to take place in September 2004. A $34-million investment program has been developed for the company, and the World Bank has earmarked funds to restructure the workforce.
- The government has announced plans to commercialize the management of SNE, the state electricity utility. The government has released a privatization schedule for 2004 that includes completing the sale of downstream activities of Hydro-Congo, completing the sale of SNDE (a water utility), opening ONPT (postal and telecommunications service) to bids, organizing a sale tender for CFCO (the railway), and selling river ports and transport facilities.

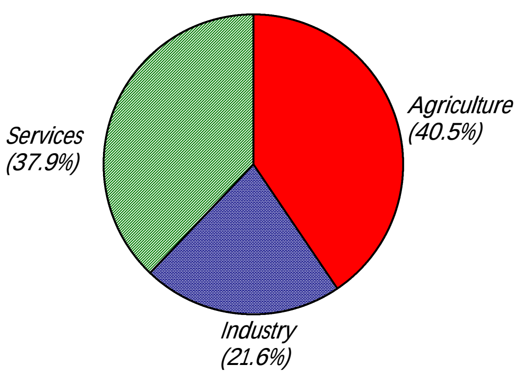
RWANDA

Economic Overview

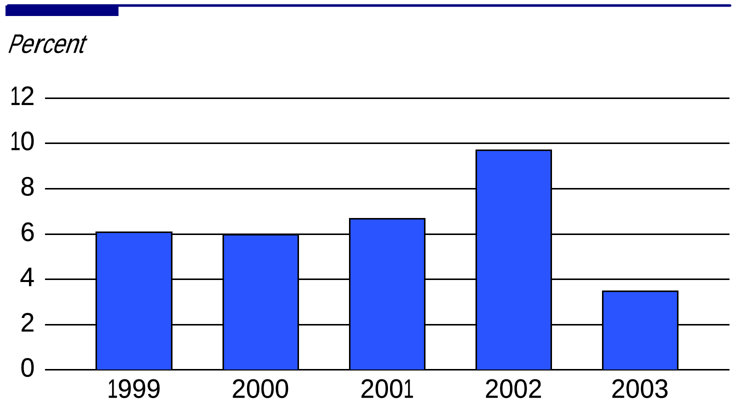
Economic Indicators

	2002	2003	Difference
GDP (nominal, Rwfr bn)	825.0	916.0	91.0
GDP (US$ bn)	1.7	1.6	-0.1
CPI Inflation (annual average, %)	2.0	7.5	5.5
Goods Exports (US$ mn)	67.3	61.8	-5.5
Goods Imports (US$ mn)	233.7	247.4	13.7
Trade Balance (US$ mn)	-166.4	-185.6	-19.2
Current Account Balance (US$ mn)	-127.4	-110.0	17.4
Foreign Exchange Reserves (US$ mn)	243.7	215.9	-27.8
Total External Debt (US$ mn)	1,409.6	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Rwfr/US$)	476.3	566.0	89.7

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Agriculture contributes just under one-half of GDP, yet over 90 percent of the population works in the agricultural sector. Rwanda experienced rapid economic growth from 1998 to 2002, but the rate of growth slowed in 2003. In 2003, agricultural production registered almost no growth, mining production fell by 28 percent, and manufacturing fell by over 5 percent. Most manufacturing is agricultural processing; food, beverages, and tobacco accounted for 80 percent of manufacturing production.
- Because its primary source of export revenue is coffee and tea, Rwanda's economy is significantly affected by changes in world prices in these products and weather variation.
- During 2004-05, the government plans to achieve rapid, labor-intensive, poverty-reducing growth through the implementation of the PRSP completed in 2002. PRSP goals include achieving GDP growth of at least 5 percent, stabilizing prices and other macroeconomic indicators, recapitalizing rural areas, raising rural incomes, and improving public services.
- In late 2003, the IMF suspended a PRGF program, stating that Rwanda failed to meet key targets because of overspending. This statement reduced aid flow from donors in early 2004. The IMF has requested that the government cut expenditures in order to balance its budget. The suspended PRGF aimed to reduce poverty, develop human resources, promote the private sector, build state capacity, and improve governance.
- Other policies recommended by the IMF and World Bank include increasing trade liberalization, continuing privatization, and facilitating foreign investment.

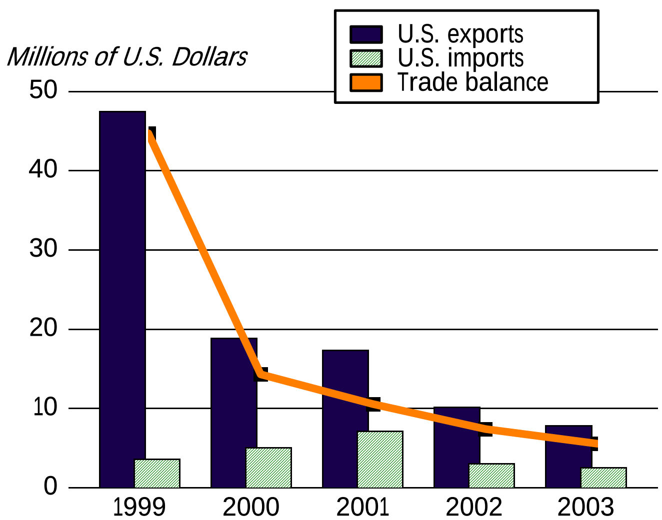
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Indonesia	30.8	Kenya	34.5
Germany	14.6	Germany	13.2
China	11.6	Belgium	12.5
South Africa	5.5	United States	5.5

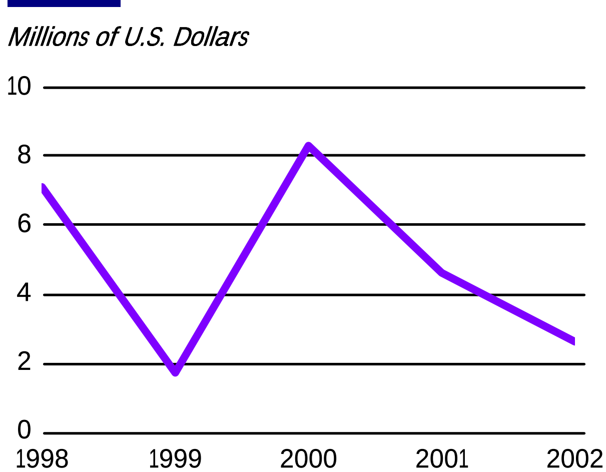
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Tea	22.0	Consumption goods	120.5
Coffee	14.6	Raw materials	44.6
Coltan	14.0	Energy products	36.7
Hides	2.6	Capital goods	35.5

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Rwanda has been slowly opening to increased trade, reducing its average tariff to 11 percent in 2002. In January 2004, Rwanda joined COMESA.
- Nearly all Rwanda's exports and imports are transported by land through Kenya or Tanzania. Although, Rwanda's road network is fairly well developed, Rwanda has no railways, and transportation significantly increases overall import costs.
- A free trade zone is expected to begin operations in June 2004, creating an estimated 2,000 jobs. Rwanda has offered duty relief, tax breaks, repatriation of dividends, and increased security in an effort to attract investors to the zone.
- In March 2004, Kenya and Rwanda launched an initiative to improve market access for their agricultural products in their respective countries. The two countries will cooperate in research, training, technical assistance, and crop and animal production.
- In 2003, U.S. exports to Rwanda consisted primarily of animal or vegetable fats and oils, vegetables, and cereals. U.S. imports from Rwanda consisted primarily of coffee, tea, mate, and spices; ores, slag, and ash; and machinery and mechanical appliances. In 2003 and 2004, Rwanda was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Rwanda totaled $6,000 in 2003.

Investment and Privatization Update

- South Africa is a major source of investment in telecommunications, aviation, and tourism in Rwanda. There is significant potential for expansion of Rwanda's tourism sector.
- The government has indicated that it is prepared to privatize the 44 remaining parastatals. The Rwanda Privatization Secretariat (RPS) has thus far privatized 30 parastatals; most of these were relatively small, generating revenue of $7 million by the end of 2003.
- Rwandatel, the state telecommunications company, began the privatization process in September 2003, with the sale of two-thirds of its 28-percent stake in MTN-Rwandacell, the monopoly mobile phone company. The full privatization of Rwandatel is expected to take place in 2004. Eighty percent of its shares are to be divested to a multinational investor, 18 percent are expected to go to Rwandan investors, and 2 percent to Rwandatel staff.
- The management of Electrogaz, the energy parastatal, has been transferred to a consortium of private firms that includes Lahmayer International and Hamburger Wasserwerke (both of Germany).
- Privatization of BCR, the state bank, is moving slowly despite recapitalization financed by the World Bank.
- Technical offers have been made for the purchase of the Pfunda and Mulindi tea estates, but RPS has indicated that it is waiting for financial offers.

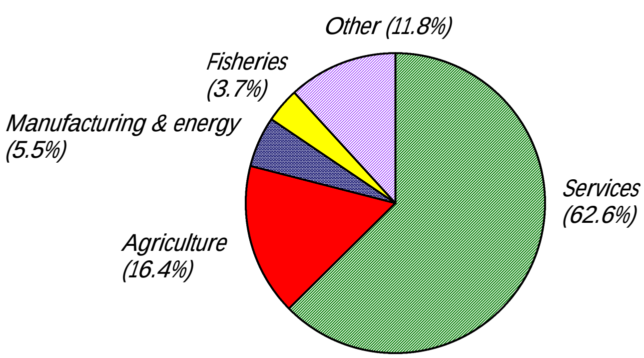
SÃO TOMÉ & PRINCIPE

Economic Overview

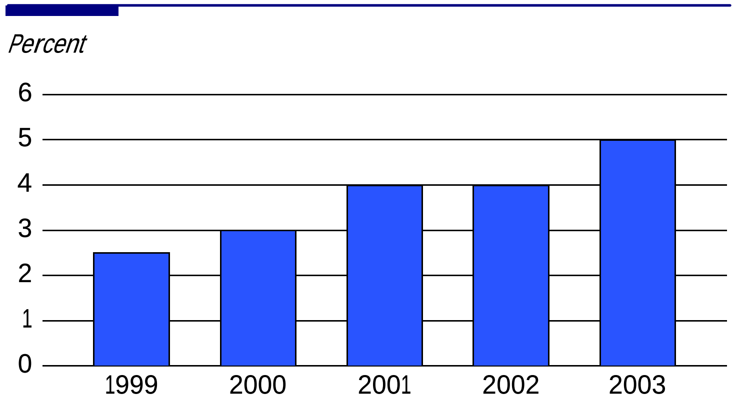
Economic Indicators

	2002	2003	Difference
GDP (nominal, Db bn)	478.0	530.6	52.6
GDP (US$ mn)	52.6	56.8	4.2
CPI Inflation (annual average, %)	7.0	9.0	2.0
Goods Exports (US$ mn)	5.5	5.7	0.2
Goods Imports (US$ mn)	24.8	26.3	1.5
Trade Balance (US$ mn)	-19.3	-20.6	-1.3
Current Account Balance (US$ mn)	-5.0	-6.3	-1.3
Foreign Exchange Reserves (US$ mn)	318.0	n/a	n/a
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	17.4	24.5	7.1
Exchange Rate (Db/US$)	9,088.3	9,342.6	254.3

Origins of GDP (2000)



Real GDP Growth Rate



Economic Update

- São Tomé & Principe has long been one of the poorest nations in Africa. Economic development has been hindered by inadequate infrastructure, civil unrest, and a lack of foreign investment. The recent discovery of petroleum reserves provides an opportunity for substantial economic growth and for the government to develop and implement reform measures.
- The primary export for São Tomé & Principe is cocoa, accounting for almost 85 percent of GDP. In 2003, the value of exports of cocoa was above average because of relatively high global prices. Despite being small sectors, agriculture and fishing contribute significantly to GDP growth. Services, predominantly the tourism sector, has expanded to be the second-largest revenue earner for the country.
- In 2001, the government finalized a Priority Action Plan that outlined development strategies to be implemented until 2005. Policy focus areas include private sector promotion, diversification of productive activities, support of small- and medium-sized farms, and reform of public institutions.
- In 2003, the IMF determined that government performance had improved. Overspending, lack of transparency, and stalled structural reforms had led to the suspension of the PRGF. The PRGF is due to be reviewed in mid-2004 and, if resumed, would allow the country to benefit from the HIPC initiative. A condition stipulated by the IMF for a return of the PRGF is legislation for the improved and transparent management of petroleum revenue.
- São Tomé & Principe is heavily dependent on foreign aid, receiving one of the largest amounts of aid per capita. Portugal is the primary bilateral donor for the country.

SÃO TOMÉ AND PRINCIPE

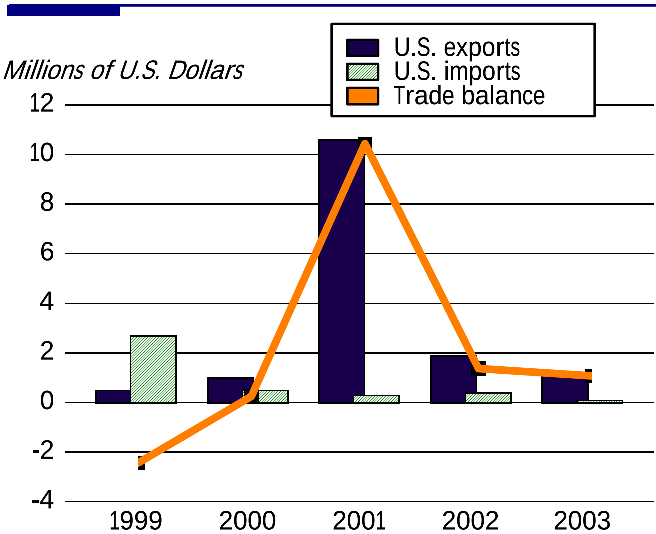
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Netherlands	34.6	Portugal	51.4
Canada	10.9	Germany	10.2
Germany	8.4	United Kingdom	7.7

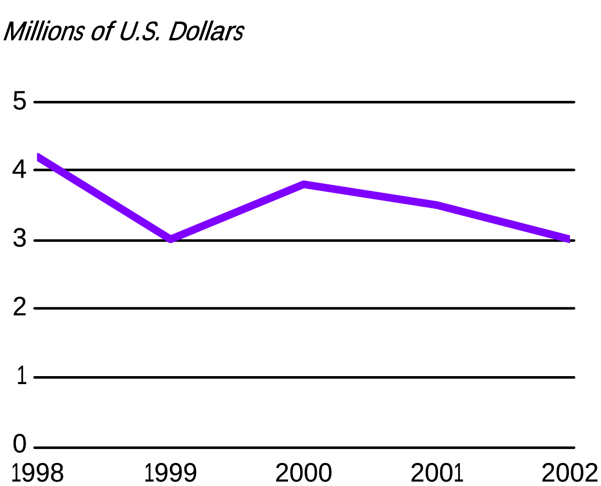
Main Trade Commodities, US$ millions

Exports (2000)		*Imports (1999)*	
Cocoa	2.9	Capital goods	11.8
Other	0.3	Food	4.5
		Fuel	4.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The discovery of petroleum is expected to alter significantly the country's economy and trade profile.
- The government is continuing efforts to diversify the economy in nonpetroleum sectors. The government is encouraging increased production in the exclusive economic zone established for the fishing sector. The government hopes the diversification of agricultural activities will lead to a reduction of imported food aid, which is irregular in delivery because of a lack of the deepwater port at the main harbor.
- The government has renewed efforts to create a free trade zone and to attract foreign investment into the area through contracts from the petroleum sector. No date has been established for the completion of the project. São Tomé & Principe previously attempted to create a free trade zone with a South African company, but little progress was made and the project remains incomplete.
- In 2003, U.S. exports to São Tomé & Principe consisted primarily of electrical machinery and equipment, machinery and mechanical appliances, wood and articles of wood. U.S. imports from São Tomé & Principe consisted primarily of vehicles and parts thereof, furniture and miscellaneous furnishings, and books or other printed products. In 2003 and 2004, São Tomé & Principe was designated an AGOA beneficiary country.

Investment and Privatization Update

- In October 2003, São Tomé & Principe accepted bids from foreign oil companies worth $500 million for offshore exploration blocks; $200 million is to be provided by the government.
- In June 2004, the government and the Rivers State Government (Nigeria) announced they would expand a joint development zone to include petroleum exploration and tourism. The agreement incorporates full disclosure of all transactions and activities of the companies within the zone, such as bids and other proprietary data, in compliance with the Extractive Industries Transparency Initiative, created in 2002 at the World Summit on Sustainable Development. The first of nine oil fields was sold to Chevron Texaco (U.S.) in October 2003 for $123 million. The company will operate 51 percent of the zone. Exxon Mobil (U.S.) will operate in 41 percent of the development zone, with Equity Energy Resources (Norway) extracting oil from the remaining 9 percent of the designated area. Nigeria will receive 60 percent of the revenue and São Tomé & Principe will collect the remaining 40 percent. Production is expected to begin by 2005-06.
- The World Bank has recommended privatization of the state water and electricity company. There are currently 12 entities that remain under state ownership and management, with 4, including the water and electricity supplier, targeted for privatization.
- International telephone links for the recently privatized CST telephone company are being upgraded with foreign aid and technical assistance.

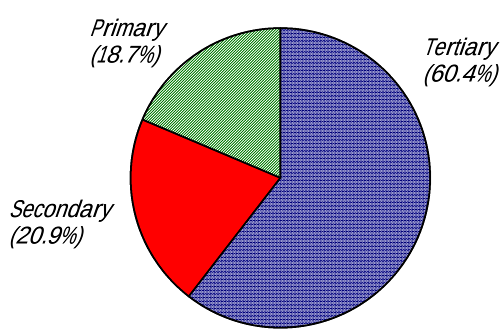
SENEGAL

Economic Overview

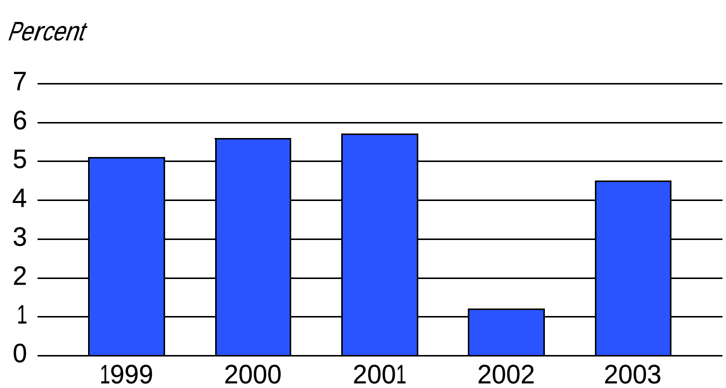
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	3,512.8	3,648.5	135.7
GDP (US$ bn)	5.0	6.3	1.3
CPI Inflation (annual average, %)	2.3	0.1	-2.2
Goods Exports (US$ mn)	1,108.6	1,233.4	124.8
Goods Imports (US$ mn)	1,513.3	1,765.0	251.7
Trade Balance (US$ mn)	-404.7	-531.6	-126.9
Current Account Balance (US$ mn)	-264.5	-302.1	-37.6
Foreign Exchange Reserves (US$ mn)	637.4	650.0	12.6
Total External Debt (US$ bn)	3.1	3.0	-0.1
Debt Service Ratio, paid (%)	12.7	8.0	-4.7
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Agricultural products such as cotton, groundnuts, and horticulture contribute substantially to GDP. Large scale agriculture, however, is limited to industrial sugar production. After agriculture, the industrial sector is the second-largest source of export earnings, including industries such as phosphates and derived chemicals. A drop in agricultural production, weak prices for mineral exports, and a new method of calculating GDP led to a downturn in economic growth for 2002 and into 2003.
- Agricultural diversity is a priority of rural development initiatives proposed by the government. Strategies include increasing the number of irrigation schemes, using high yield varieties, and improving water retention basins. The government plans to construct 50 additional water retention basins at a cost of $1.7 million. Agricultural training schools and colleges are to be established in rural areas. In 2003, maize farmers received a boost when donor funding gave $15.5 million to the industry that allowed imported hybrid seeds to be used. Japan granted Senegal $5 million in early 2004 to help improve food security and to reduce dependence on imported rice.
- Economic reforms for the country are concentrated in four areas: fiscal policy, structural reforms including privatization, poverty alleviation, and the promotion of the private sector. UEMOA's survey of the Senegal economy found a slowdown in economic activity in the primary sector, specifically agriculture and fishing. These sectors require modernization of existing equipment and farming techniques to support sector exports, which are a significant source of revenue for the country.
- Reform efforts are also concentrated in reducing the public sector expenditure and improving the revenue collection system to meet goals outlined by UEMOA. In March 2003, UEMOA extended Senegal's time to meet certain criteria, including a balanced budget, reduced annual inflation to less than 3 percent, and reduced total government debt to less than 70 percent of GDP.
- The IMF approved a new 3-year PRGF in April 2003 that will support economic reform until 2005. The $33-million grant will support the government's reform programs aimed at macroeconomic stability and economic development priorities. The approval allowed Senegal to draw $5 million of the allocated funds immediately, as well as receive an additional $1.6 million in debt relief under the HIPC initiative. In February 2004, the IMF completed a review of the new PRGF and approved the immediate release of $5.2 million. The review advised Senegal to continue improving tax and customs procedures, and focus on agriculture sector reform.

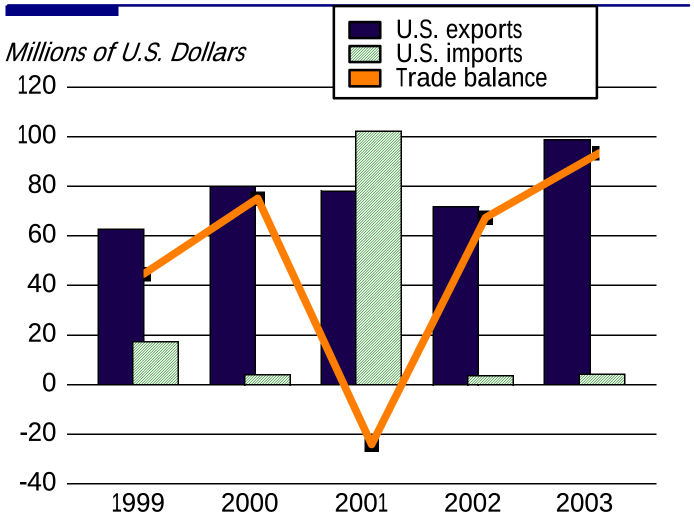
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
France	16.0	France	24.7
India	13.6	Nigeria	14.5
Italy	13.1	Germany	6.5
Mali	6.9	Italy	5.4

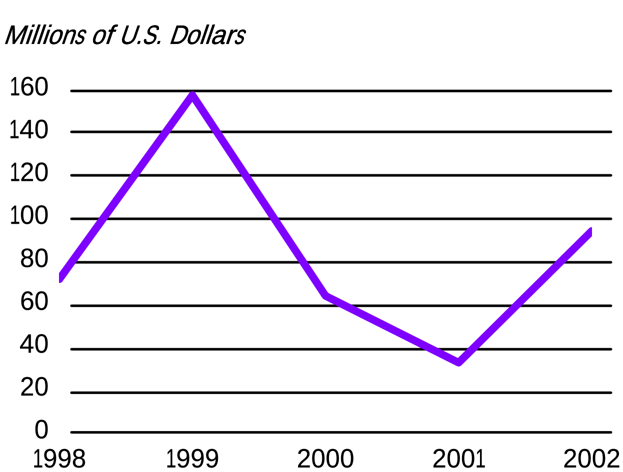
Main Trade Commodities, US$ millions, 2001

Exports		*Imports*	
Fish & fish products	240.0	Food products	359.0
Phosphates & fertilsers	117.0	Petroleum products	317.0
Groundnuts & product	100.0	Capital goods	242.0

U.S. Trade Balance



Net Foreign Direct Investment



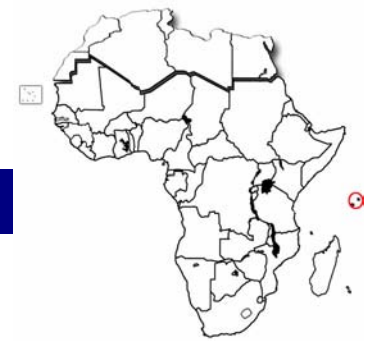
Trade Update

- The port at Dakar is an important regional and international hub. The port authority is proposing the modernization and expansion of existing facilities, including a new container terminal.
- A new airport is also planned outside of Dakar, and will double the existing air traffic capacity.
- Road rehabilitation plans are underway, including roads linking Mali and The Gambia with Senegal. The Senegal portion of the Dakar-Bamako railway linking Senegal and Mali was postponed in 1998. The government accepted a bid from Canac-Getmar (Canada), valued at $26.7 million, to manage the railway for 25 years. Management of the railway was transferred to Canac-Getmar in August 2003.
- Tourism is expanding. Visitors originate primarily from continental Europe, including France, Belgium, Germany, and Switzerland. The government's goal is to attract 1.5 million visitors by 2010.
- In 2003, U.S. exports to Senegal consisted primarily of vehicles and parts thereof, machinery and mechanical appliances, and electrical machinery and equipment. U.S. imports from Senegal consisted primarily of machinery and mechanical appliances; articles of feather, down, flowers, or human hair. In 2003 and 2004, Senegal was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Senegal totaled $720,000 in 2003.

Investment and Privatization Update

- In early 2004, the government officially launched the $46-million investment promotion program aimed at increasing the private investment necessary to reach an 8-percent growth rate. The 5-year project is financed by the World Bank, and will focus on improving the investment climate, targeting sector-specific investments, and supporting economic reform initiatives.
- In an effort to encourage the private sector under its long-term economic growth plan, the government plans to reform the legal and judicial systems to remove administrative barriers to investment and improving infrastructure; increase productivity in the economy; and stimulate investment in public sectors such as petroleum, postal services, and pensions services. In April 2004, the government submitted revisions of the current tax code to the national assembly, including a reduction in the corporate tax rate from 35 percent to 33 percent, and the exclusion of certain capital goods from customs duties.
- The government is also focused on increasing the competitiveness of the manufacturing and industrial sectors, with priorities for investment focused on the chemicals, textiles, and agro-processing sectors.
- In September 2003, the first vehicle assembly plant was opened through a joint venture between Senegalese investors and Tata International (India).
- In May 2004, Senegal was 1 of 16 countries designated as eligible for Millennium Challenge Account assistance.
- Privatization of state-owned companies is a key component of Senegal's new PRGF. In January 2004, a total of 6 state-owned enterprises had been privatized. The government also plans to sell a majority stake in Sonacos, the state owned groundnut factory, by mid-2004. In January 2004, potential bidders for Sonacos were given the final tender document, with buyer selection to be completed by mid-2004.
- In 2003, the government announced it would no longer subsidize the state-owned cotton plant.

SEYCHELLES

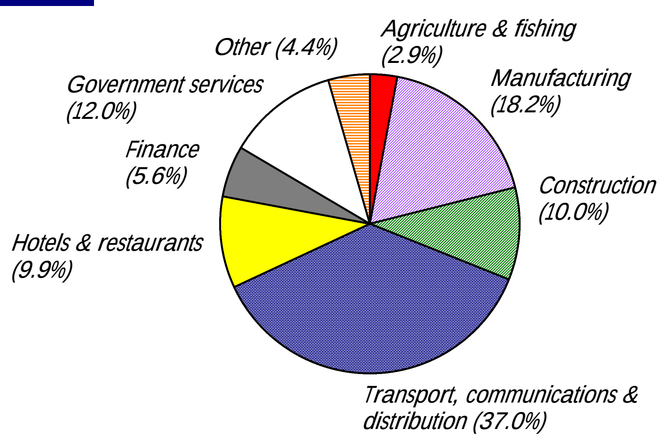


Economic Overview

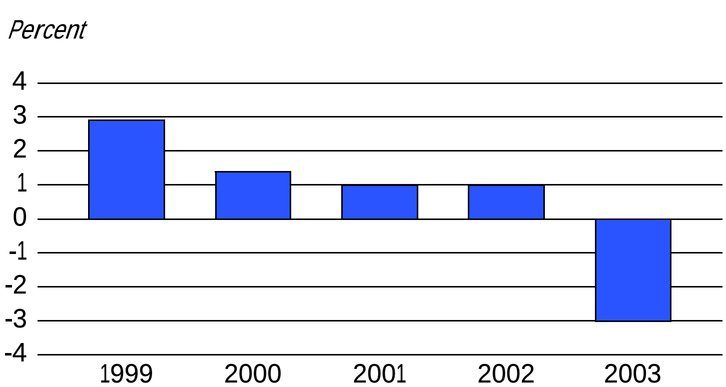
Economic Indicators

	2002	2003	Difference
GDP (nominal, SRs mn)	3,830.0	3,856.0	26.0
GDP (US$ mn)	696.4	701.1	4.7
CPI Inflation (annual average, %)	0.2	3.7	3.5
Goods Exports (US$ mn)	237.0	241.0	4.0
Goods Imports (US$ mn)	376.0	366.0	-10.0
Trade Balance (US$ mn)	-139.0	-125.0	14.0
Current Account Balance (US$ mn)	-130.0	-74.0	56.0
Foreign Exchange Reserves (US$ mn)	69.7	66.5	-3.2
Total External Debt (US$ mn)	207.0	206.0	-1.0
Debt Service Ratio, paid (%)	2.3	2.1	-0.2
Exchange Rate (SRs/US$)	5.5	5.5	0.0

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Services, including transport, communications, commerce, and tourism, is the predominant sector in the Seychelles economy.
- In 2003, the government engaged in a macroeconomic policy review and appointed a committee that devised the a medium-term Macroeconomic Reform Program, announced on July 1, 2003. The program aims to restore fiscal sustainability and undertake structural reform.
- The government imposed a 12-percent tax on goods and services, which is expected to boost government revenue and to help restore fiscal stability.
- Seychelles Breweries, the largest private company after Indian Ocean Tuna, continues to experience difficulties because of a scarcity of foreign exchange. As one of Seychelles' largest taxpayers, the company's difficulties may significantly impact government revenue.
- Seychelles withdrew from the SADC in mid-2004, stating that the SADC has failed to meet significant goals.

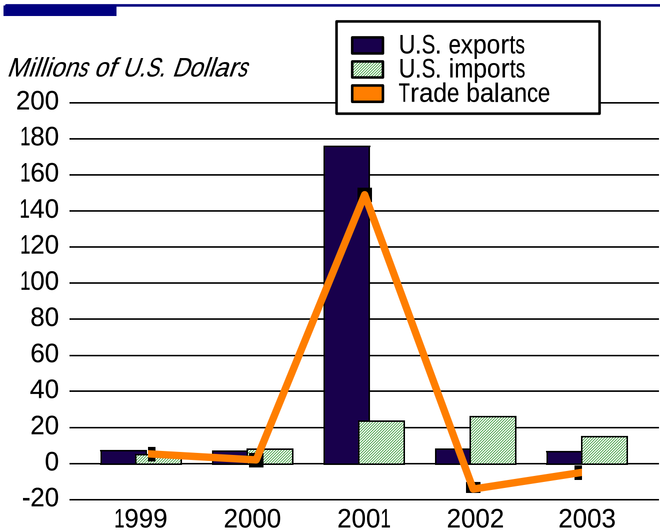
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United Kingdom	31.6	Saudi Arabia	25.4
Germany	23.8	South Africa	9.2
Italy	14.9	Spain	8.3
France	13.8	France	7.2

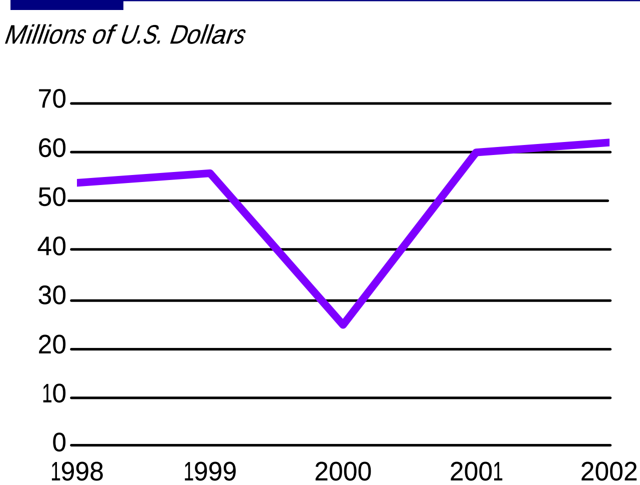
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Canned tuna	154.0	Food & live animals	104.5
Re-exports of petroleum	48.0	Machinery & transport goods	84.1
Frozen & fresh fish	3.3	Manufactured goods	80.7
Frozen prawns	1.6	Fuel	50.9

U.S. Trade Balance



Net Foreign Direct Investment



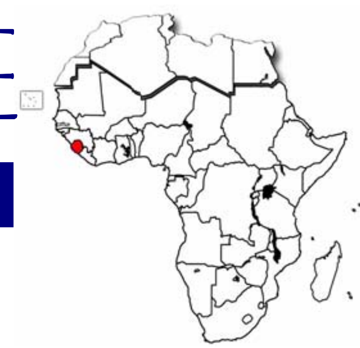
Trade Update

- Canned tuna and tourism are the two most important sources of foreign exchange.
- Stimulated by an increase in international prices, a rapid expansion in prawn production may increase prawn exports.
- In 2003, U.S. exports to Seychelles consisted primarily of machinery and mechanical appliances, aircraft and parts thereof, and optical or measuring equipment and parts thereof. U.S. imports from Seychelles consisted primarily of mineral fuels and oils, optical or measuring equipment and parts thereof, and pharmaceutical products. In 2003 and 2004, Seychelles was designated an AGOA beneficiary country. AGOA (including GSP) imports from Seychelles totaled $3,000 in 2003.

Investment and Privatization Update

- The Seychelles Investment Bureau was created in July 2004 as a one-stop shop for foreign investors to the country.
- The government plans to open a new terminal at the Pointe Larue airport in 2007. Increased access to the country may support government efforts to attract investment.
- To encourage expansion of the financial services sector, Seychelles has signed double taxation treaties with South Africa, China, Indonesia, Thailand, Zimbabwe, and Oman. Double taxation treaties have been negotiated, but not yet signed, with Russia, Vietnam, Malaysia, Egypt, and Botswana. Talks are underway with other countries, including Tunisia, Cyprus, Mauritius, Burundi, and the Czech Republic.
- Although, foreign investment in luxury hotels continued to increase, Cosproh, the hotel parastatal, retains ownership of a number of hotels and plans to open a new resort on Cerf Island. In late 2003, Seychelles won awards at the World Travel Market in London.
- A $10-million recent investment to create new ponds in Coetivy Island has contributed to an increase in prawn production. Investment has totaled $30 to $40 million since the farm was established in 1994.
- Indian Ocean Tuna is expected to invest in storage facilities over the next few years in an effort to smooth seasonal supply shortages and to increase production.
- Seychelles Petroleum Corporation (oil trading), Seychelles Marketing Board (agriculture), and the Island Development Corporation await privatization.

SIERRA LEONE

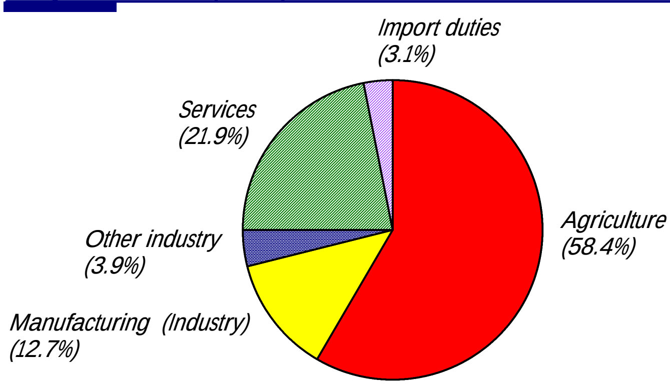


Economic Overview

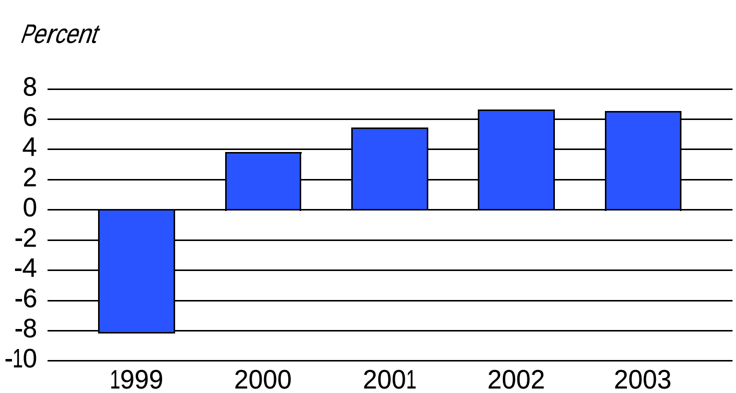
Economic Indicators

	2002	2003	Difference
GDP (nominal, Le bn)	1,491.2	1,707.4	216.2
GDP (US$ mn)	710.4	727.2	16.8
CPI Inflation (annual average, %)	-3.2	8.0	11.2
Goods Exports (US$ mn)	48.5	60.2	11.7
Goods Imports (US$ mn)	264.3	284.5	20.2
Trade Balance (US$ mn)	-215.8	-224.3	-8.5
Current Account Balance (US$ mn)	-142.0	-153.2	-11.2
Foreign Exchange Reserves (US$ mn)	84.7	64.4	-20.3
Total External Debt (US$ mn)	n/a	n/a	n/a
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (Le/US$)	2,099.0	2,347.9	248.9

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- Mining and agriculture are the leading components of the economy. More than 65 percent of the population depends on agriculture for its livelihood.
- Transportation infrastructure is inadequate. Roads are dilapidated, the airport and ports require repairs, and there is no railway network.
- The Truth and Reconciliation Commission was launched in April 2003 with the goal of contributing to the development of political stability.
- The 2004 budget highlights security, the social sector, and the procurement of goods and services as key areas. To increase revenue, the government intends to increase staff levels at the National Revenue Authority, re-establish border posts, introduce more efficient guidelines, and accelerate the taxing and clearing of imported goods. To spur economic growth, the government will focus on developing the private sector, improving the agricultural sector, reviving the mining industry, improving infrastructure, and building human capital.
- Sierra Leone began participation in the HIPC initiative in March 2002. The money saved in debt service has been directed to expenditures on education, healthcare, and rural development, under the requirements of the government's interim PRSP. In June 2003, the EU announced that it pledged $257 million to Sierra Leone over 5 years, in support of the government's PRSP. In early 2004, the IMF approved a $22-million loan as an advance under the HIPC initiative.
- In May 2003, the World Bank approved a $30-million loan as part of the Economic Rehabilitation and Recovery Credit. These funds complement loans from the AfDB, the UK's Department for International Development, the EU, and the IMF. They are to be used to consolidate progress made in governance, to support the institutional and policy reform agenda, and to fund the import of essential commodities.
- China committed $266 million in mid-2004 to reconstruct the ocean-front Lumlea Beach area near Freetown. The construction project is expected to create thousands of jobs and boost tourism to the country.
- The United States provided $272 million in 2003 to help Sierra Leone's recovery and reconstruction. Funds were used for school and hospital construction, police training, humanitarian assistance, economic development projects, UN peacekeeping operations, and debt relief. In April 2003, the United States signed a debt-forgiveness agreement with Sierra Leone covering payments owed between October 1, 2001 and September 30, 2004, on obligations contracted prior to June 20, 1999.

SIERRA LEONE

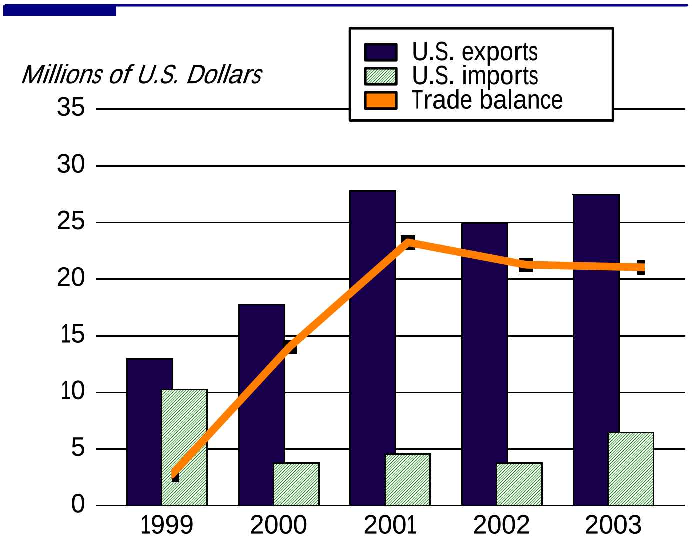
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Belgium	42.0	Germany	25.0
Germany	28.2	United Kingdom	10.9
United Kingdom	3.7	Netherlands	7.5
Italy	2.9	United States	5.7

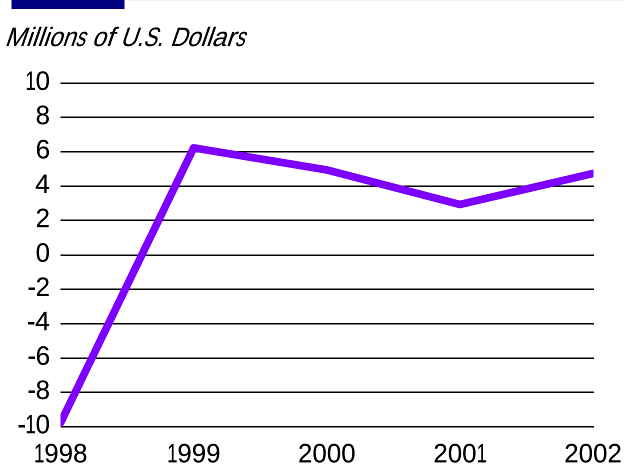
Main Trade Commodities, US$ millions, 2001

Exports		*Imports*	
Diamonds	26.3	Food	51.9
Others	2.9	Fuel & lubricants	43.3
		Machinery & transport equipment	37.2
		Manufactured goods	21.5

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- The government has been cooperating with the World Bank to end diamond smuggling. It will attempt to enforce existing diamond mining and trading legislation and increase transparency in the sector. Additionally, it will participate in the Kimberley Process, which is expected to decrease smuggling by mandating diamond authentication.
- Bangladesh has expressed interest in investing in the textile and pharmaceutical industries to produce for export.
- In 2003, U.S. exports to Sierra Leone consisted primarily of electrical machinery and equipment, machinery and mechanical appliances, and cereals. U.S. imports from Sierra Leone consisted primarily of precious or semiprecious stones or metals, apparel, and machinery and mechanical appliances. In 2003 and 2004, Sierra Leone was designated an AGOA beneficiary country, including qualifying for apparel benefits in 2004. AGOA (including GSP) imports from Sierra Leone totaled $75,000 in 2003.

Investment and Privatization Update

- There is evidence of petroleum and gas reserves off the shores of Bonthe and Sulima. In July 2003, the government announced that three oil companies, Respol (Spain), Oranto Petroleum (Nigeria), and 8Investments (U.S.), submitted bids to explore for oil in coastal waters. The government expects exploratory drilling to begin in 2005.
- In mid-2004, the World Bank announced efforts to harmonize and codify mining law in willing countries, including Sierra Leone. This streamlining process is expected to encourage investment in the mining sector.
- In March 2003, OPIC announced that it would provide $25 million as an investment guarantee to allow Sierra Rutile (U.S.) to engage in mining operations in Mobimbi.
- In July 2003, DiamondWorks (Canada) agreed to partner with Magma Diamond Resources (Canada) and invest $14.5 million to reestablish mining operations at the Koidu kimberlite project. Drilling began in August 2003.
- In early 2004, Datatel GSM, a joint venture between Gateway Communications (South Africa) and a Sierra Leone operator, was awarded a GSM wireless license. The company expects to construct a wireless network that will offer mobile, fixed wireless, and data services.
- In late 2002, the government announced that it intended to privatize 24 state-owned enterprises. The government plans to divest those through the stock market, which has not yet been created. The firms to be privatized include the Guma Valley Water Company, National Development Bank, the National Power Authority, Sierra Leone Airports' Authority, the Sierra Leone Commercial Bank, Sierra Leone Forest Industries, the Sierra Leone Ports' Authority, the Sierra Leone Road Transport Corporation, and the Sierra Leone State Lottery.

SOMALIA

Economic Overview

Economic Indicators

Data not available

Origins of GDP

Data not available

Real GDP Growth Rate

Data not available

Economic Update

- Commerce and trade are hindered by factionalization and the use of multiple currencies.
- In 2003, agreement was reached on a 351-member Federal Transitional Parliament and a Transitional National Charter; the Somali National Salvation Council subsequently signed an accord in January 2004 to reduce the number of seats to 275. Somaliland has refused to partake in any of these negotiations. Creation of the Federal Transitional Parliament may lead to increased stability and security in the country and facilitate economic development.
- In January 2004, the World Bank, the UNDP, and several other UN agencies launched a series of projects to collect data on Somalia. These data are expected to provide information about the economy and trade, and will serve as an important part of the economic policy development process. Somalia's current data and statistics are unreliable.
- Livestock and agriculture are key components of the economy. Cattle husbandry is the main source of food and foreign-exchange earnings. Droughts in early 2004 contributed to livestock deaths, loss of normal income sources through milk and meat sales, price increases for water trucking, increased indebtedness, and limited access to food.
- In April 2003, the World Bank announced that it was resuming operations in Somalia, through its Low-Income Countries Under Stress initiative. World Bank operations in Somalia were suspended in 1990.

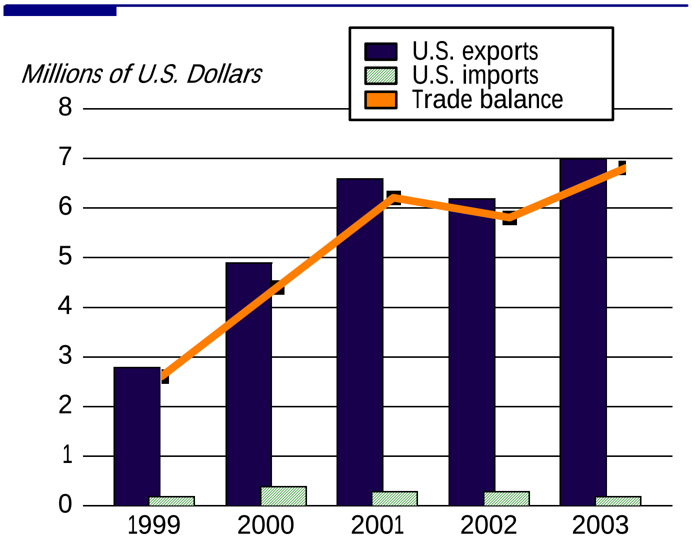
Main Trade Partners, percent of total, 2001

Markets		*Sources*	
Saudi Arabia	32.0	Djibouti	28.0
United Arab Emirates	32.0	Kenya	13.0
Yemen	17.0	India	10.0
Thailand	2.0	Brazil	6.0

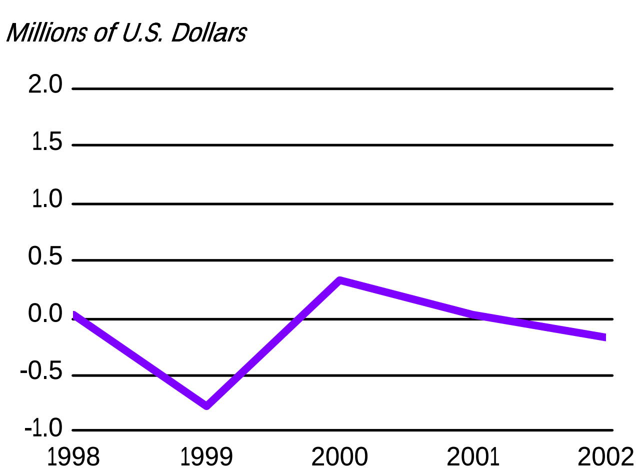
Main Trade Commodities, US$ millions, 1990

Exports		*Imports*	
Livestock	43.0	Manufactures	204.0
Bananas	28.0	Nonfuel primary products	104.0
Hides & skins	3.0	Fuels	52.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- In February 2003, the European Commission approved funding to rehabilitate Somaliland's core road network.
- Saudi Arabia maintains a ban on livestock imports from Somalia, which was originally imposed in 1998. By late 2003, however, the other Gulf States lifted a similar ban. Livestock was an important earner of export revenue for Somalia before the ban, and exports of livestock are expected to grow as a result of reinstated market access to most of the Gulf States.
- Somaliland's planning minister has been exploring the possibility of exporting livestock to Ethiopia.
- In 2003, U.S. exports to Somalia consisted primarily of milling industry products, vegetables, and organic chemicals. U.S. imports from Somalia consisted primarily of essential oils and resinoids; lac, gums, and resins; and animal or vegetable fats or oils.

Investment and Privatization Update

- In September 2003, Somaliland placed an order with a U.S.-based company to install a GSM network. This telecommunications system will connect the region under one network operator.
- Rovagold (UK) and two Chinese firms were given permission to explore possible petroleum reserves off the coast of Somaliland.
- In April 2003, discussions began to establish a Somali Livestock Board that would regulate the industry. A hygiene-conscious slaughterhouse opened in Burao in 2003.
- In mid-2004, construction began on a veterinary school, with funds of $2 million pledged by Italy.

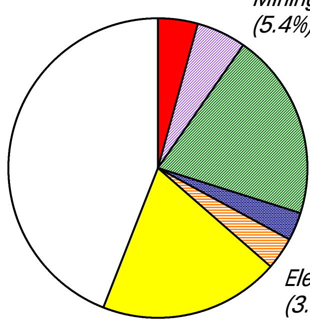
SOUTH AFRICA

Economic Overview

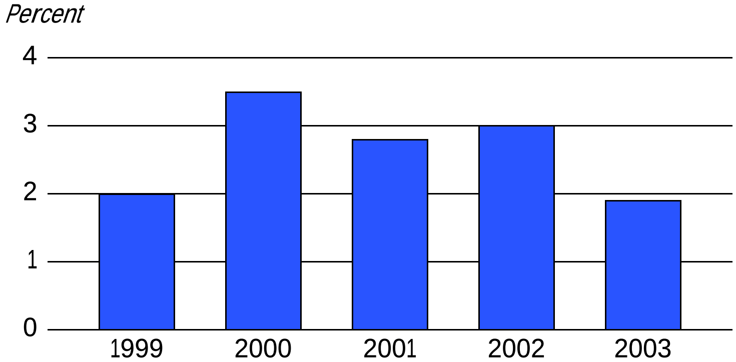
Economic Indicators

	2002	2003	Difference
GDP (nominal, R bn)	1,098.7	1,185.9	87.2
GDP (US$ bn)	104.5	156.9	52.4
CPI Inflation (annual average, %)	9.2	5.9	-3.3
Goods Exports (US$ mn)	31,085.0	36,773.4	5,688.4
Goods Imports (US$ mn)	26,712.0	33,901.3	7,189.3
Trade Balance (US$ mn)	4,373.0	2,872.1	-1,500.9
Current Account Balance (US$ mn)	289.0	-1,267.0	-1,556.0
Foreign Exchange Reserves (US$ mn)	5,904.0	6,496.0	592.0
Total External Debt (US$ bn)	24.4	25.9	1.5
Debt Service Ratio, paid (%)	10.1	8.5	-1.6
Exchange Rate (R/US$)	10.5	7.6	-3.0

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- South Africa is probably the most economically diverse country in SSA. Gold, diamonds, iron, platinum-group metals, and coal are important to the economy. Manufacturing accounts for approximately 20 percent of GDP and is the largest employer, but companies have faced challenges since the opening of the economy to global competition.
- The role of the agriculture, forestry, and fishing sector in the economy has been shrinking; it represents approximately 5 percent of GDP. Maize is a key crop and the staple food for many rural residents. Recent discussions have included the possibility of reintroducing price controls in the agricultural sector.
- The energy sector accounts for 15 percent of GDP and employs 250,000 people. In late 2003, the Minister of Minerals and Energy announced that the government will restructure the electricity sector to improve access for the poor.
- South Africa has a well-developed transportation infrastructure network. Sizeable and efficient ports, an extensive road network, and air links encourage both domestic and foreign trade.
- Investment in the tourism sector has been growing, with arrivals up 1.2 percent in 2003 according to the World Tourism Organization. South Africa was one of a few destinations to experience positive growth in 2003. The South African Tourism Board indicated that the growth took place in all its primary tourism markets. The opening of Civair, a new airline, in late 2004, is expected to increase tourism. A consortium led by International Financial Advisors (Kuwait) has purchased a 50-percent stake in the Zimbali Coastal Resort and plans to invest $100 million over the next 10 years. South Africa is cooperating with Mozambique and Swaziland to encourage tourist accessibility of the Lubombo Mountain Range, which the three countries share. Additionally, South Africa's government offers low-income loans and grants to communities that plan sustainable tourism projects.
- The Broad-Based Black Empowerment (BEE) bill went into effect in early 2004. The law aims to redistribute capital toward traditionally disadvantaged groups and to accelerate skill acquisition by these same groups. The finance minister has also allocated 10 billion rand (approximately $1.3 billion) to finance black-owned companies.
- A December 2003 budget policy statement increased spending on HIV / AIDS-related initiatives, labor-based infrastructure, crime reduction, and employment generation. The government has expressed plans to increase spending on social welfare projects and infrastructure, rather than implementing tax cuts.

Economic Update—Cont.

- The Johannesburg Stock Exchange plans to open the first alternative exchange that would allow for the listing of small and medium companies. Companies would be required to have a share capital of approximately $256,140. Participation requires disclosure of company information.
- In late 2003, the South African arm of GlaxoSmithKline agreed to allow a second manufacturer to produce generic versions of its antiretroviral AIDS medications. It also indicated that it would accept applications from other firms to produce the generic version.
- The Addo Elephant Park is expected to receive $5.5 million from the World Bank in 2004, bringing total investment up to $40 million. The park has an area of 145,000 hectares and is expected to grow by another 236,000 hectares. The government has made an effort to increase the number of terrestrial and marine protected areas.
- The United States Secret Service donated 2.5 million rand (approximately $331,000) worth of electronic equipment to South African law enforcement to help crime fighting efforts. The Secret Service has also agreed to provide training in interviewing skills and report writing. This aid is expected to reduce financial crime in South Africa.

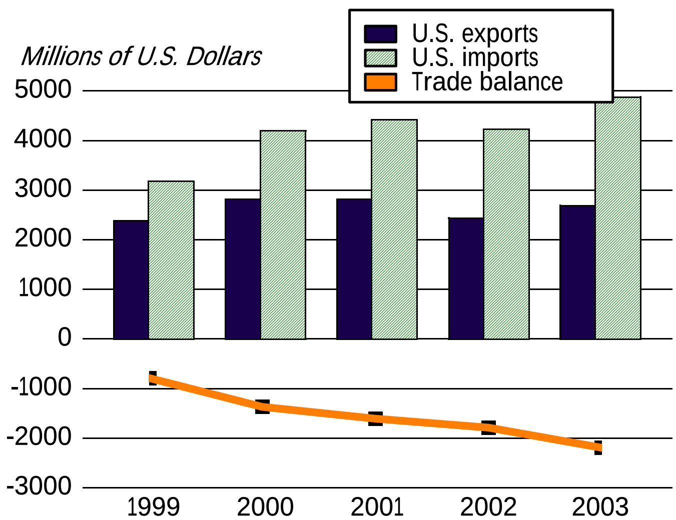
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United States	11.8	Germany	15.6
United Kingdom	11.3	United States	11.7
Germany	8.6	United Kingdom	8.9
Japan	6.8	Japan	6.1

Main Trade Commodities, US$ millions, 1997

Exports		*Imports*	
Metals & metal products	6.3	Machinery & appliances	8.9
Gold	5.6	Mineral products	3.7
Diamonds	2.9	Chemicals	3.4
Machinery & transport equipment	2.6	Transport & equipment	1.7

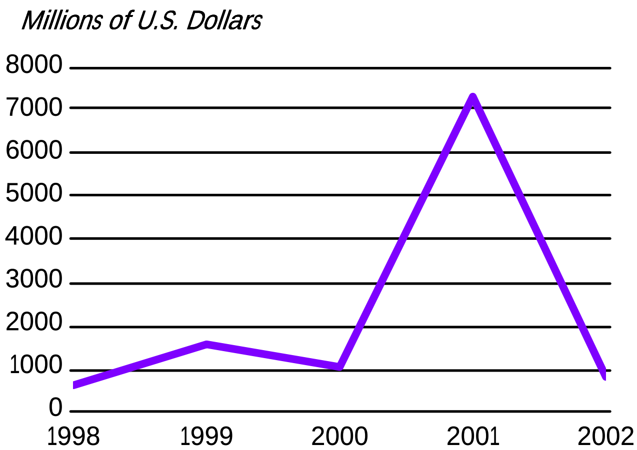
U.S. Trade Balance



Trade Update

- Trade accounts for more than 50 percent of South Africa's GDP. South Africa is moving towards a WTO-compliant system after its history of import substitution policies. South Africa has committed to a maximum tariff of 15 to 30 percent for most items and is halving average tariffs on textiles. Import permits are currently used primarily to collect information, rather than restrict trade.
- Mining is an important foreign-exchange earner, with gold accounting for over one-third of all exports. South Africa holds 80 percent of the world's reserves of manganese, 56 percent of platinum-group metals, 35 percent of the world's gold, and 68 percent of the world's reserves of chromium. The Mineral and Petroleum Resources Development Act of 2002 transferred ownership of the country's mineral resources to the state.
- The Airports Company of South Africa may delay the construction of the $305.6-million King Shaka International Airport. Construction of the airport is expected to aid the industrial development zone and encourage trade. The airport is due to be operational by 2006.
- In March 2004, South Africa signed a pact with India and Brazil to boost trade, aimed at countering the industrialized countries and promoting policies beneficial to developing countries.
- The motor vehicle sector has become an important export sector. There are plans to improve the South African ports to facilitate increased automotive exports.
- An early-2004 tax change law may encourage South African corporations to repatriate profits earned offshore. The law exempts companies holding more than 25 percent of the total equity share capital of a foreign company from taxes on dividends declared by those entities. South Africa is also expected to contribute to international efforts to discourage foreign tax havens.
- In 2003, U.S. exports to South Africa consisted primarily of machinery and mechanical appliances, vehicles and parts thereof, and aircraft and parts thereof. U.S. imports from South Africa consisted primarily of precious or semiprecious stones or metals, vehicles and parts thereof, and iron and steel. In 2003 and 2004, South Africa was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from South Africa totaled $1.7 billion in 2003.

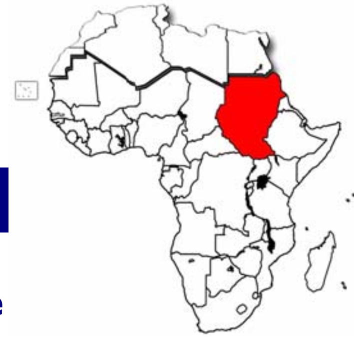
Net Foreign Direct Investment



Investment and Privatization Update

- The EU accounts for 90 percent of FDI in South Africa. The government has used industrial development zones as a mechanism for attracting FDI. FDI currently accounts for less than 6 percent of total investment.
- In April 2003, the government selected Sasol to supply gas to Gauteng, Witbank, Middleburg, and KwaZulu-Natal for 25 years under a government-controlled pricing regime. Construction of a pipeline from Mozambique is underway and is expected to be operational in 2004. Forest Oil announced plans to drill appraisal wells, a $30-million project, in the Ibhusbesi gasfield. Petro SA, a domestic oil company, has plans to build a west coast pipeline, which should allow Forest Oil to more efficiently reach consumers. The cost of the pipeline, processing plant, and associated infrastructure is $1.2 billion.
- Avmin Alloys began construction of a $17.5-million Allavoy facility in early 2004 that will provide high-performance alloys for the Rolls-Royce aerospace division.
- JP Morgan Chase (U.S.) is expected to purchase Tasc, South Africa's largest third-party fund administrator. The purchase would give JP Morgan Chase $48.5 billion worth of assets and an opportunity to expand its local investor services.
- Aquarius Platinum (Australia) is cooperating with GB Mining & Exploration and Sylvania South Africa to establish a $4.0-million chromite tailings project at the Kroondal mine. In its first year, the project is expected to yield more than 20,000 ounces of platinum-group metals. Construction was expected to begin in March 2004 and production is expected to begin in October 2004.
- In late 2003, Mvelaphanda Resources secured $659 million to finance its 15-percent stake in Gold Fields. In early 2004, Norilsk Nickel (Russia) purchased a 20-percent stake in Gold Fields at $1.16 billion, to become Gold Fields' largest share holder. Norilsk is the world's largest producer of nickel and palladium.
- In early 2004, General Motors (GM) (U.S.) purchased the 50 percent of Delta Motor Corporation, South Africa's fourth-largest motor vehicle manufacturer, that it did not already own. GM is expected to invest $218.2 million in the country over the next few years to promote exports and to increase market share.
- Restructuring of the Transnet group, which consists of rail, roads, ports, and air interests, and full privatization of port operations was expected to be completed by the end of 2004. In May 2003, Duran's container terminal was to be the first of 13 terminals in 7 commercial ports to be sold to the private sector. By May 2004, the government announced that privatization plans would be delayed indefinitely. The government also indicated that privatization of Eskom, an electricity parastatal that was undergoing restructuring, would be delayed. The slow privatization process has also contributed to low privatization revenue and decreased investment potential.
- Firms still awaiting privatization are Sentech (commercial signal distributor), MTN (cell phone operator), Telkom (network operator), Mintek (mining and minerals), Durban (a container terminal), and Old Mutual (network operator).

SUDAN

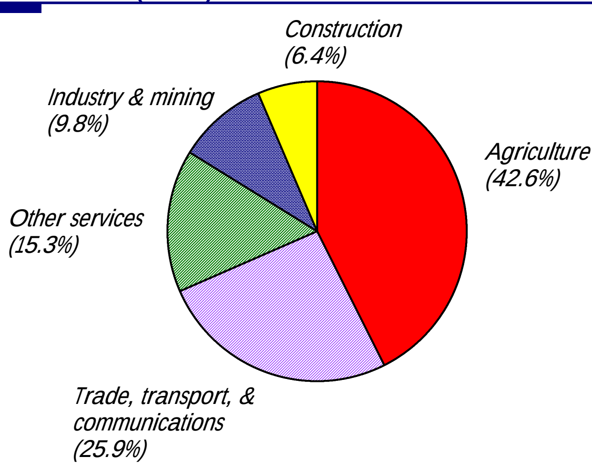


Economic Overview

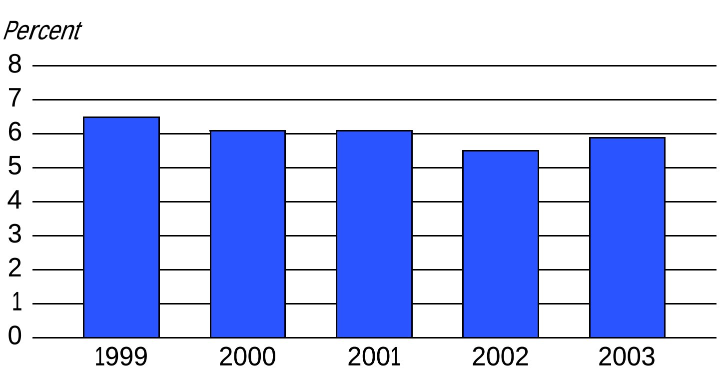
Economic Indicators

	2002	2003	Difference
GDP (nominal, SD bn)	3,559.2	4,130.3	571.1
GDP (US$ bn)	13.5	15.8	2.3
CPI Inflation (annual average, %)	8.4	8.8	0.4
Goods Exports (US$ mn)	1,949.1	2,449.9	500.8
Goods Imports (US$ mn)	2,152.8	2,382.6	229.8
Trade Balance (US$ mn)	-203.7	67.3	271.0
Current Account Balance (US$ mn)	-960.4	-560.5	399.9
Foreign Exchange Reserves (US$ mn)	440.7	736.0	295.3
Total External Debt (US$ bn)	15.8	16.1	0.3
Debt Service Ratio, paid (%)	1.9	1.7	-0.2
Exchange Rate (SD/US$)	263.3	261.1	-2.2

Origins of GDP (1999)



Real GDP Growth Rate



Economic Update

- Agriculture is the most important sector of the economy, employing two-thirds of the population. Consequently, the economy is vulnerable to climatic conditions. Moreover, inadequate transportation facilities leave some regions with food shortages, even as others have surpluses.
- The Al-Gezira program allows for more than 100,000 tenant farmers to cooperate with the Sudan Gezira Board, which provides administration, credit, and marketing services. The Al-Gezira scheme is the world's largest irrigated agricultural scheme under single management.
- Economic development and data acquisition are hindered by a history of social unrest. Negotiations between Khartoum and the Sudan People's Liberation Army are underway, with the United States facilitating the process. Civil unrest continues in the western part of the country. The peace plan provides for the northern and southern regions to share petroleum revenues.
- Sudan's road infrastructure is inadequate, with many of the roads unpaved. The Islamic Development Bank, the Arab Monetary Fund, and other Arab development organizations have provided funding for the construction of asphalt roads. In 2002, the Kuwait Fund agreed to provide $110 million for a road linking Port Sudan to Atbara, but construction has not yet begun.
- The EU provided $14.5 million to support the African Union peacekeeping mission in Darfur, the western part of the country.

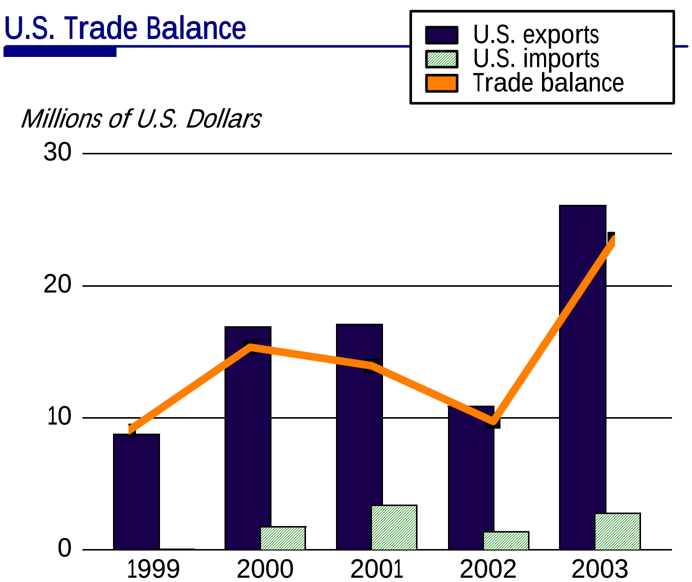
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
China	54.5	China	20.6
Japan	13.9	Saudi Arabia	7.2
Saudi Arabia	5.4	India	5.7
South Korea	3.8	United Kingdom	5.6

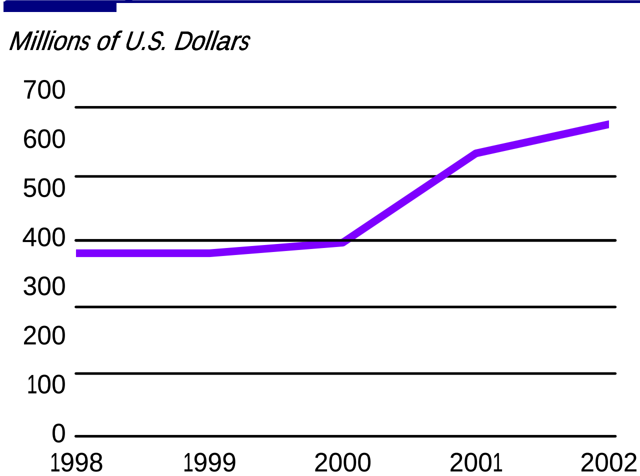
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Crude oil	1,510.9	Machinery & equipment	620.8
Livestock	117.0	Manufactured goods	555.0
Sesame	74.6	Transport equipment	255.8
Cotton	62.2	Wheat & wheat flour	221.3

U.S. Trade Balance



Net Foreign Direct Investment



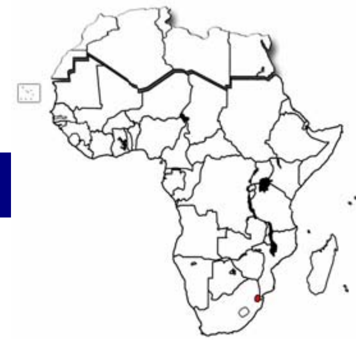
Trade Update

- A $1.5-billion railroad linking Port Sudan to Addis Ababa, Ethiopia,was proposed in late 2000. Funding for the project has not yet become available. The railway would facilitate trade between the two countries.
- Livestock is the fastest growing sector and became the leading nonpetroleum generator of export revenues in 2002. Petroleum generated over 80 percent of export revenue in 2003, but cotton and sesame remain important export commodities.
- Increasing petroleum production capacity and high prices in late 2003 contributed to a rise in petroleum export revenues.
- In 2003, U.S. exports to Sudan consisted primarily of cereals, animal or vegetable fats and oils, and vegetables. U.S. imports from Sudan consisted primarily of lac, gums, and resins; articles of iron or steel; and tools, implements, cutlery, and parts of base metal.

Investment and Privatization Update

- Harbin Power Engineering Company (China) has invested in a gas-fired power station north of Khartoum. Although the project was due to be completed by the end of 2003, it was not yet operating in early 2004. Dar Ikhtisas (Malaysia) has plans to fund a separate diesel power station that is scheduled to be operational in 2004.
- In January 2004, several Gulf Arab development funds signed agreements to provide $600 million for the construction of a hydroelectric plant at Merowe. The plant would double Sudan's power generation capacity. Work started in 2004 and the first unit is expected to be operational in July 2007.
- In August 2003, the China National Petroleum Corporation won a contract to upgrade the Al-Jeili refinery, doubling its output capacity. The refinery has been operational since 2000.
- In 2002, the Sudan Telecommunications Company (Sudatel) sold shares worth $300 million. The funds have been used to support development, including the installation of a fiber-optic network and the expansion of more services to rural areas. Sudatel is cooperating with Thuraya Satellite Telecommunications Company (UAE) to form a new company, Thuraya-Sudatel, which will provide services for Thuraya in Sudan. Initial capital in the new venture has been set at $2.5 million.
- The government has committed itself to privatizing state-owned enterprises. The Privatization of State Corporations Act in 1992 earmarked 190 public corporations for sale, but by 1995, only 17 had been sold. Most sales have been of small firms, including the divestment of the Atbara cement factory in late 2001 and the privatization of the Sudan Duty-Free Zone Company and the Bridges and Road Corporation in late 2002. The government has listed the Sudan Railway Corporation as one of the assets it wishes to privatize in the coming years.

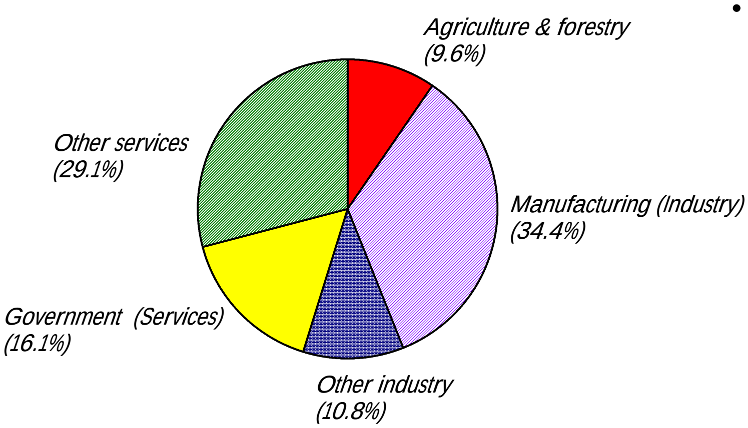
SWAZILAND



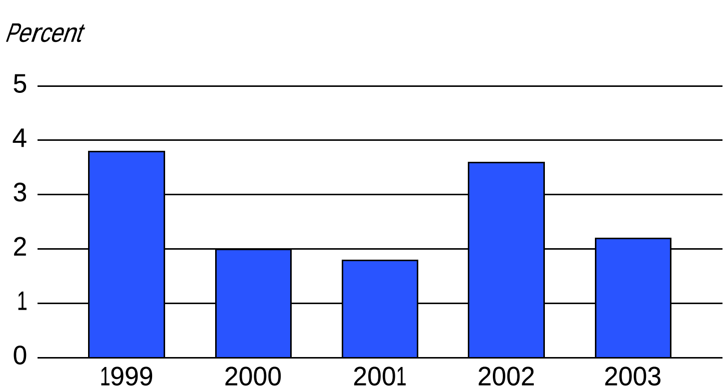
Economic Overview

Economic Indicators	2002	2003	Difference
GDP (nominal, E mn)	12,287.0	13,474.0	1,187.0
GDP (US$ bn)	1.2	1.8	0.6
CPI Inflation (annual average, %)	11.8	7.4	-4.4
Goods Exports (US$ mn)	955.0	900.0	-55.0
Goods Imports (US$ mn)	1,034.0	1,080.0	46.0
Trade Balance (US$ mn)	-79.0	-180.0	-101.0
Current Account Balance (US$ mn)	-46.0	-78.0	-32.0
Foreign Exchange Reserves (US$ mn)	276.0	278.0	2.0
Total External Debt (US$ mn)	315.0	320.0	5.0
Debt Service Ratio, paid (%)	2.9	3.1	0.2
Exchange Rate (E/US$)	10.5	7.6	-2.9

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Swaziland's economy relies primarily on agriculture and agro-industry, particularly sugar, citrus, and wood pulp. Soft-drink concentrates, food products, textiles, and paper products represent potential growth sectors.
- The government is considering a Competition Bill, which would control anti-competitive trade practices, protect consumer welfare, and promote economic growth. The bill, if passed, will establish a Competition Commission.
- In April 2004, the Swaziland Senate passed the Industrial Relations Act, which removed clauses in earlier editions criminalizing union activity. The new act is designed to honor trade treaty obligations and to provide protection for workers' rights.
- The government is considering changes to labor legislation that would provide for the Conciliation, Mediation, and Arbitration Commission, which is expected to streamline and shorten the labor arbitration process.
- Garment and textile workers began to strike in early 2004, demanding salary increases of up to 20 percent. The industry employs more than 30,000 people in Swaziland.
- In November 2003, the IMF published preliminary findings of its 2003 Article IV Consultation. The IMF advised Swaziland to adopt a fiscal policy that ensures macroeconomic stability, to maintain the currency's peg to the rand, to reform the Swaziland Development and Savings Bank, to develop strategies to deal with HIV / AIDS, to increase food security, and to improve governance.

Main Trade Partners, percent of total, 2000

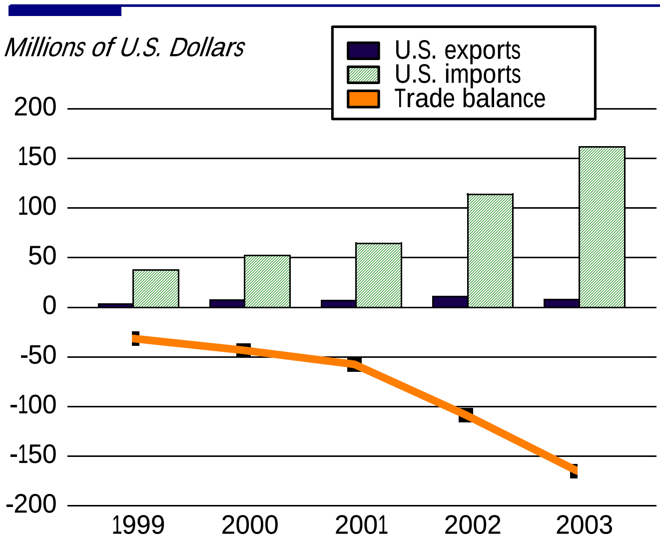
Markets		*Sources*	
South Africa	57.9	South Africa	95.6
United States	8.8	European Union	0.9
European Union	8.0	Japan	0.9
Mozambique	6.2	Singapore	0.3

Main Trade Commodities, US$ millions

Exports (2002)		*Imports (2001)*	
Miscellaneous edibles	400.0	Machinery & transport equipment	282.0
Textiles	149.0	Manufactured goods	251.0
Wood pulp	76.0	Food & live animals	168.0
Sugar	56.0	Chemicals	144.0

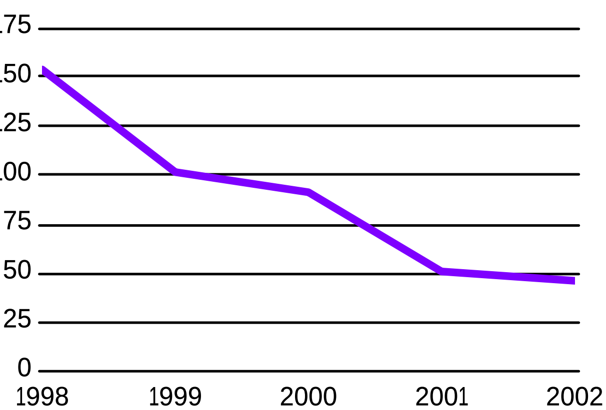
U.S. Trade Balance

Millions of U.S. Dollars



Net Foreign Direct Investment

Millions of U.S. Dollars



Trade Update

- In August 2003, the governor of the Central Bank of Swaziland announced that manufacturing sector activity had increased because of export opportunities under the AGOA program.
- The government began construction of a new airport in late 2003, with hopes that it would boost tourism to Swaziland. The Swaziland aviation industry has registered losses for the past 30 years.
- In 2003, U.S. exports to Swaziland consisted primarily of machinery and mechanical appliances, essential oils and resinoids, and optical or measuring equipment and parts thereof. U.S. imports from Swaziland consisted primarily of apparel, sugars and sugar confectionery, and iron and steel. In 2003 and 2004, Swaziland was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Swaziland totaled $134.0 million in 2003.

Investment and Privatization Update

- The Central Bank of Swaziland announced in August 2003 that it supports the efforts of the Swaziland Investment Promotion Authority to attract foreign investment. In particular, the Bank called for timely action on threats to preferential market access under the GSP and AGOA programs.
- The Swaziland Electricity Board has received a $9.3-million loan from the European Investment Bank to construct a hydroelectric power station at the Maguga dam. The total cost of the project is estimated at $23.6 million.
- In the FY 2003-04 budget, the government commissioned a study to examine the process of parastatal privatization.

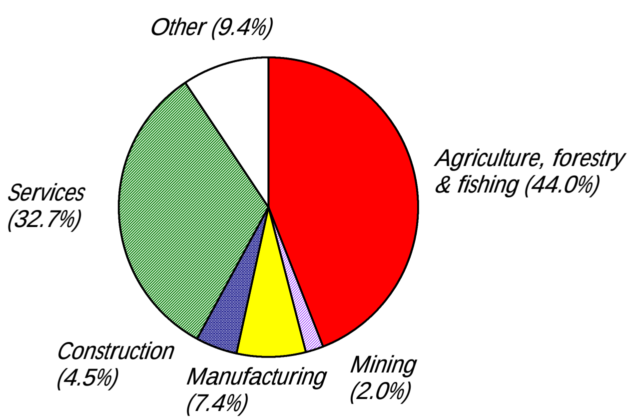
TANZANIA

Economic Overview

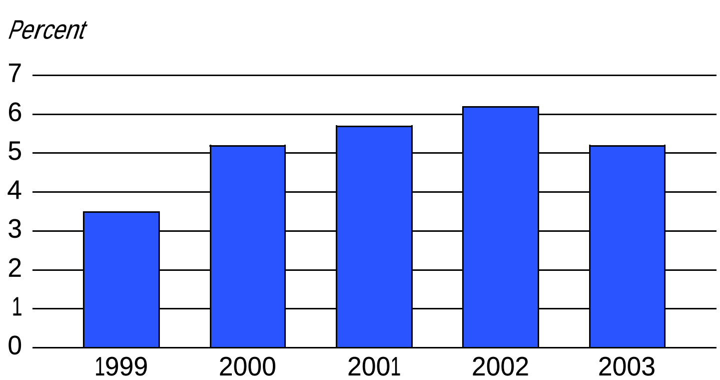
Economic Indicators

	2002	2003	Difference
GDP (nominal, TSh bn)	9,071.8	9,978.2	906.4
GDP (US$ bn)	9.4	9.6	0.2
CPI Inflation (annual average, %)	4.6	4.4	-0.2
Goods Exports (US$ mn)	902.5	978.0	75.5
Goods Imports (US$ mn)	1,511.3	1,673.7	162.4
Trade Balance (US$ mn)	-608.8	-695.7	-86.9
Current Account Balance (US$ mn)	-251.3	-502.9	-251.6
Foreign Exchange Reserves (US$ mn)	1,528.8	2,100.0	571.2
Total External Debt (US$ bn)	6.5	6.5	0.0
Debt Service Ratio, paid (%)	7.9	6.6	-1.3
Exchange Rate (TSh/US$)	966.6	1,038.2	71.6

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Agriculture is an important part of the economy, and employs two-thirds of the labor force. Because reliance on subsistence farming makes the economy vulnerable to price fluctuations and climatic conditions, the government has taken steps to reduce the impact of external shocks by fostering diversification. Mining is a growing sector of the economy, as are the hotel and tourism sectors. Tanzania is eastern Africa's leading tourism destination.
- The government plans to reform the agricultural sector to improve the role of government in managing the framework in which the sector operates; improve the delivery of support services; boost investment in the sector; and reform the agricultural marketing system, the legal framework, the land tenure system, and agriculture-related taxation.
- In June 2003, the government agreed to a new PRGF. This stage of reforms will include the implementation of agricultural and rural development strategies, improvement of local government structures, increased spending on social services, reform of the civil service, and continued privatization of infrastructure. In July 2003, the IMF approved a disbursement of $21 million, and in early 2004, approved a $4.2-million loan to support the PRGF.
- In early 2004, the World Bank agreed to provide $9.47 million to repair and upgrade the runway at Zanzibar airport.
- In mid-2004, the World Bank announced efforts to harmonize and codify mining law in willing countries, including Tanzania. This streamlining process is expected to encourage investment in the mining sector.
- In mid-2004, the World Bank approved $150 million in International Development Association financing to promote secondary education in Tanzania. The funds will rehabilitate and construct classrooms and schools, provide water and sanitary facilities in new and existing schools, and expand public schools to rural and poor areas.
- In November 2003, the EU agreed to provide $125 million to support basic education, to improve primary healthcare, to improve rural roads, to provide cleaner water, to support the campaign against HIV / AIDS, to support agriculture, and to improve the judiciary system.

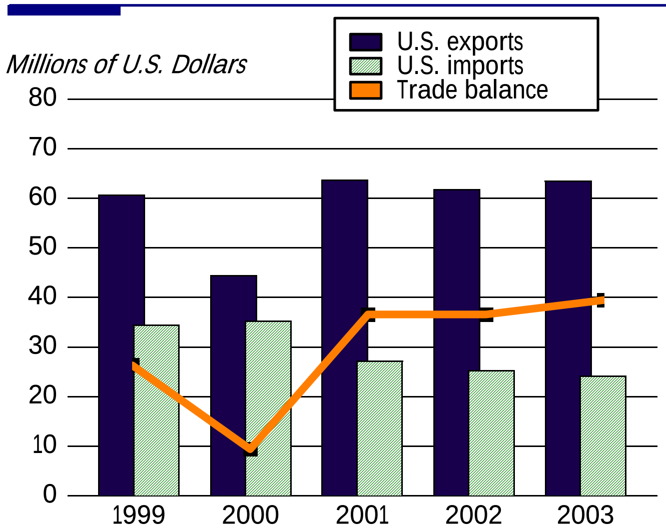
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
United Kingdom	17.9	South Africa	11.4
France	16.8	Japan	8.3
India	7.1	Kenya	6.7
Netherlands	6.0	India	6.4

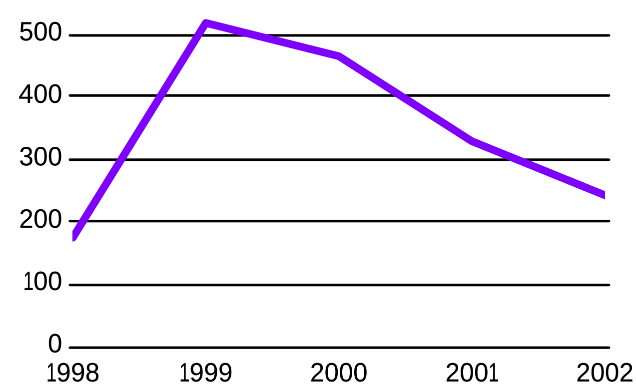
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Gold	383.0	Consumer goods	369.0
Cashew nuts	47.0	Machinery	368.0
Coffee	35.0	Industrial raw materials	208.0
Tea	30.0	Petroleum products	196.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- A decline in world prices for coffee and cotton have lowered export revenues in recent years. Increased exports of cashew nuts and tobacco have only partly offset the effects of diminishing coffee and cotton revenue.
- In early 2004, the government passed the Anti-Dumping and Countervailing Measures Act, partly as a result of pressure from the textile and apparel industry to find a way to limit the ability of traders to import and sell second-hand clothes.
- The government plans to upgrade the Mwanza airport by extending the runway so that large aircraft can land. The airport is well placed to serve the Lake Victoria region and its improvement could boost fishing industry exports.
- In March 2004, the government decided to lift the ban on exports of sea fish and fish products sourced from its Indian Ocean waters. Licenses have been granted to 20 marine fishing vessels that are now permitted to export prawns, crabs, and lobsters.
- In 2003, U.S. exports to Tanzania consisted primarily of used clothing or textiles, machinery and mechanical appliances, and aircraft and parts thereof. U.S. imports from Tanzania consisted primarily of precious or semiprecious stones or metals; fish, crustaceans, and molluscs; and coffee, tea, mate, and spices. In 2003 and 2004, Tanzania was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Tanzania totaled $1.6 million in 2003.

Investment and Privatization Update

- There are proven reserves of natural gas in the Songo Songo field and work on a pipeline is underway. Gas from Songo Songo is expected to be usable for electricity production by 2005.
- Goldstream Mibango, a consortium including Goldstream Mining (Australia) and Lonmin (UK), is opening a platinum mine on the eastern shores of Lake Tanganyika. In 2003, the company spent $3.7 million on test drilling. The tests suggest that the area has large platinum deposits. The proposed platinum mine is expected to be open in 2009.
- Lakota Resources (Canada) signed an agreement with Shanta Mining (a local firm owned in part by Sable Gold of Mauritius) to develop a mine. Shanta will pay $245,000 and fund $500,000 worth of exploration over the next 5 years.
- Coeur d'Alene Mines (U.S.), the world's largest primary silver producer, has acquired 10 mineral properties covering 815 square kilometers in Tanzania. It began exploration activities in mid-2004. This exploration represents the company's first African venture.
- Foreign investment is actively courted and a number of state-owned enterprises have been privatized. The government has sold majority stakes in the national telecommunications firm and the national airline. Private investors manage the state electricity and water companies.
- The Parastatal Sector Reform Commission has called for preliminary expressions of interest in the National Microfinance Bank. CDC Actis (UK) and the African American Employee Partnership Corporation (U.S.) have expressed interest. In early 2004, however, parliament voiced opposition to the sale of the bank, and privatization may be delayed.

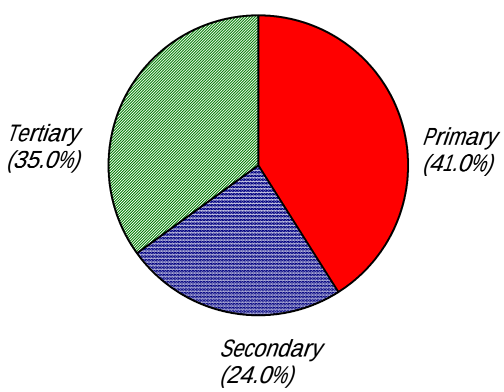
TOGO

Economic Overview

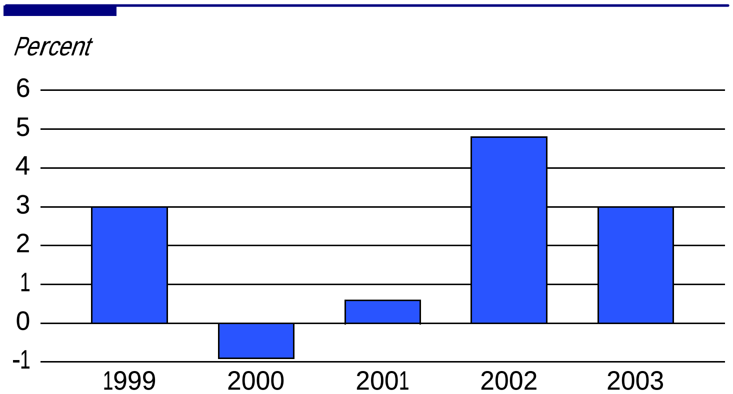
Economic Indicators

	2002	2003	Difference
GDP (nominal, CFAfr bn)	1,021.0	1,030.0	9.0
GDP (US$ mn)	1,465.0	1,772.0	307.0
CPI Inflation (annual average, %)	3.1	-1.0	-4.1
Goods Exports (US$ mn)	419.0	597.0	178.0
Goods Imports (US$ mn)	590.0	746.0	156.0
Trade Balance (US$ mn)	-171.0	-149.0	22.0
Current Account Balance (US$ mn)	-155.0	-140.0	15.0
Foreign Exchange Reserves (US$ mn)	205.1	257.0	51.9
Total External Debt (US$ mn)	1,491.0	1,548.0	57.0
Debt Service Ratio, paid (%)	n/a	n/a	n/a
Exchange Rate (CFAfr/US$)	697.0	581.2	-115.8

Origins of GDP (2002)



Real GDP Growth Rate



Economic Update

- Togo contains several distinct geographic zones, including a coastal plain, a plateau, a hilly region, and a savannah. These differences, in conjunction with a varying climate, allow for a variety of economic activity. Coffee and cocoa production continued to fall in 2004 because of decreased rainfall and aging plants.
- The manufacturing sector accounts for less than 10 percent of GDP and consists predominantly of small- and medium-size enterprises.
- Main government economic goals include directing public spending towards poverty reduction and meeting IMF guidelines. The government is taking steps to resume external financial support and negotiate a deal with the IMF that may allow for debt relief.
- Togo's road network and railroads, though extensive, require rehabilitation. A World Bank-funded $50-million project was launched in 1997, but funds were suspended in 1998 because of tensions in the relationship with donors. The Islamic Development Bank provided $9.3 million to pave a road in August 2002.
- Donors have provided financing for the re-laying and widening of the main north-south route in Togo. The road is a regional artery and will facilitate traffic from Burkina Faso and northern Ghana. AFD, the French development agency, approved the financing in September 2003. In April 2004, Togo conducted talks with the EU in an attempt to end the freeze on aid and promised to take various steps toward democracy. In June 2004, an EU team arrived in Lome to evaluate the progress on measures taken thus far. The EU fact finding mission found that Togo exhibited good faith toward reform, but did not recommend immediately resuming aid.

TOGO

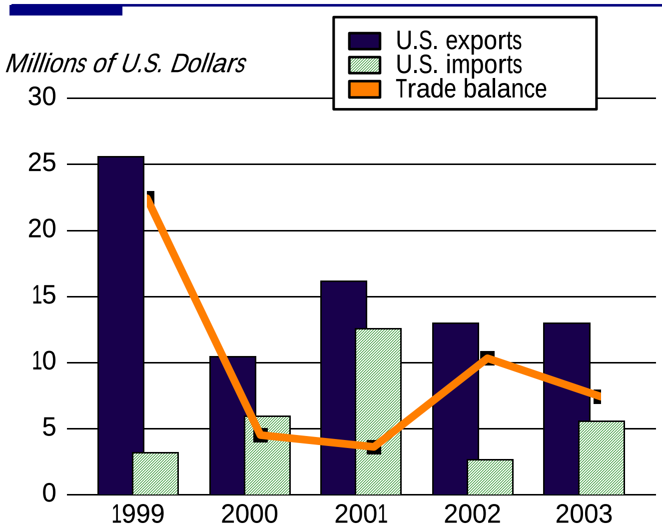
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Ghana	17.7	China (incl Hong Kong)	21.6
Benin	13.3	France	20.3
Burkina Faso	8.2	Netherlands	6.2
Taiwan	6.7	Germany	5.1

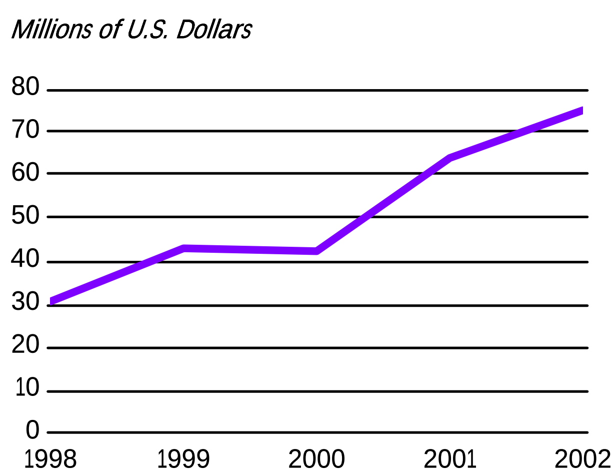
Main Trade Commodities, US$ millions, 2002

Exports		*Imports*	
Re-exports	110.2	Petroleum products	161.1
Cotton	67.0	Capital goods	87.3
Phosphates	42.3	Food	80.2

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Togo is an important transshipment center; roughly 25 percent of its imports are re-exported to Nigeria, Ghana, and Burkina Faso. Traffic through the Lome Port has increased in recent years because of civil unrest in Côte d'Ivoire and an increase in cotton exports from Burkina Faso and Mali. A new container terminal built by Sea Point (U.S.) and a West African private consortium for $100 million is expected to be completed by the end of 2004.
- Below average world cotton prices in mid-2003 reduced Togo's export earnings. Cotton is a significant cash crop and typically accounts for 20-25 percent of export earnings. Increasing cotton prices in late 2003 and early 2004 have boosted cotton production and exports.
- Phosphate production has risen under private management of the International Fertiliser Group Togo (IFG-Togo), but EU restrictions on its import may hinder phosphate exports in the near future. Togo is the world's third-largest producer of phosphate.
- In 2003, U.S. exports to Togo consisted primarily of machinery and mechanical appliances, vehicles and parts thereof, and used clothing or textiles. U.S. imports from Togo consisted primarily of precious or semiprecious stones or metals; live animals; and seeds, grains, and fruit.

Investment and Privatization Update

- When completed, the West Africa Gas Pipeline, traveling from Nigeria to Ghana, is expected to supply gas to Togo for industrial use and gas-fired power stations.
- BIA-Togo was purchased by Bank of Africa in January 2004, giving Bank of Africa a presence in all UEMOA member states.
- The government recently amended the Mining Code to encourage exploration, exploitation, and trade of precious stones and metals, such as gold and diamonds, by private companies.
- The Ibis-Lome Centre hotel opened in early 2004, after renovation by Accor (France) to increase the number of rooms and conference sections. The new hotel is expected to increase tourism.
- The government announced plans to privatize SNCT, the national rail company. A Canadian company expressed interest, but no further progress has been made.
- The privatization of Togo Telecom is expected to be completed in 2004.
- Attempts to privatize Sotoco, the state cotton company, have been unsuccessful. Sotoco lost its monopoly on cotton processing in 1995, but the government is reluctant to sell Sotoco because it is the main source of income for 2,000 cotton-producing farms.
- The national water agency was restructured in 2002 in preparation for privatization. The privatization process includes a 10-year management concession and the introduction of private marketing and financial management systems.

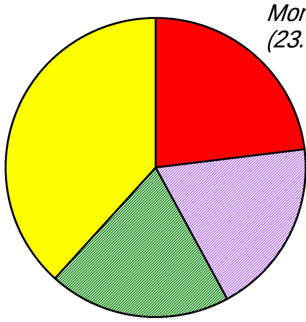
UGANDA

Economic Overview

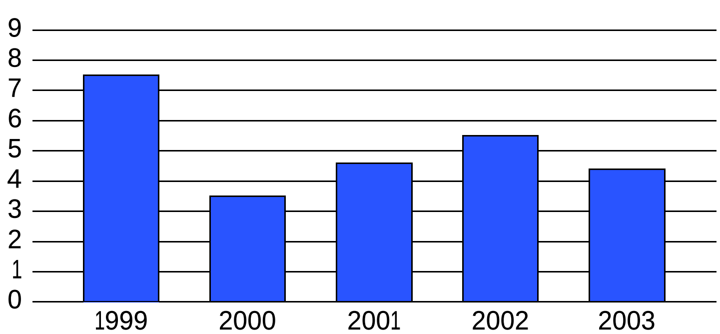
Economic Indicators

	2002	2003	Difference
GDP (nominal, NUSh trn)	10.5	11.8	1.3
GDP (US$ bn)	5.8	6.0	0.2
CPI Inflation (annual average, %)	-0.3	7.9	8.2
Goods Exports (US$ mn)	480.7	496.3	15.6
Goods Imports (US$ mn)	1,113.5	1,181.9	68.4
Trade Balance (US$ mn)	-632.8	-685.6	-52.8
Current Account Balance (US$ mn)	-421.4	-474.7	-53.3
Foreign Exchange Reserves (US$ mn)	934.0	1,080.3	146.3
Total External Debt (US$ bn)	3.8	3.9	0.1
Debt Service Ratio, paid (%)	19.3	19.7	0.4
Exchange Rate (NUSh/US$)	1,797.6	1,963.7	166.1

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Agriculture is the most important sector in the economy and employs 80 percent of the labor force. More than 75 percent of Uganda's land is arable, and up to three-quarters of it may be underutilized. Agricultural production has grown consistently over the past 5 years.
- Most manufacturing is based on the processing of agricultural commodities; production is almost entirely for domestic consumption.
- Although no comprehensive mineralogical survey of Uganda has been undertaken, the government believes that Uganda holds significant exploitable mineral deposits, and has expanded efforts to engage in geological mapping and evaluation. The Government of Uganda also reduced fees for exploration licenses in order to encourage interest. Additionally, the AfDB agreed in May 2004 to provide a $7.7-million credit to fund mineral development programs. Areas have been identified as possibly holding gold, zinc, copper, lead, carbonatite, and nickel. Uganda Gold Mining (Canada) also claims that diamond reserves exist.
- The IMF and World Bank have endorsed the government's poverty reduction and action plan and have provided two, 3-year grants under Uganda's PRGF. In September 2002, the IMF provided a grant of $17.8 million and in late 2003 it released an additional $3 million. These funds are to be used to increase the ability of the poor to raise their income, improve the quality of life of the poor, create an environment for economic growth, and ensure good governance and security.
- Debt is expected to decline from $3.1 billion in 2003 to $2.9 billion in 2004 as Uganda participates in the HIPC initiative.
- Three Middle Eastern firms have submitted bids to upgrade roads in Uganda. Construction is expected to begin in late 2004.

UGANDA

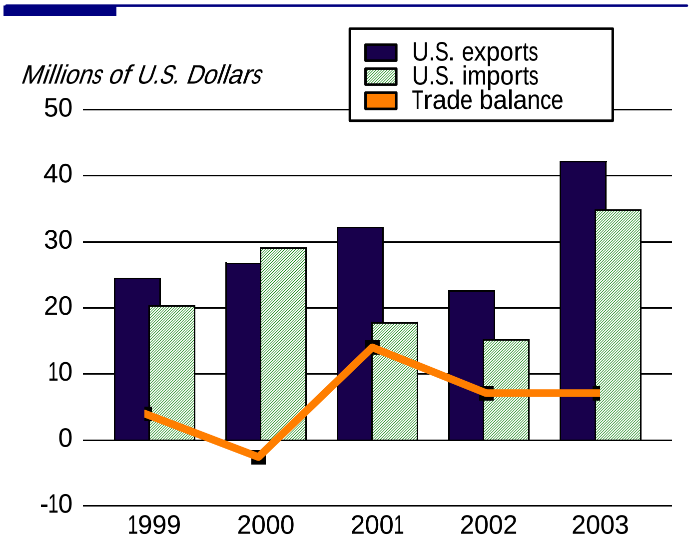
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Belgium	16.3	Kenya	44.8
Netherlands	13.8	South Africa	6.7
Germany	7.2	India	5.6
Spain	5.6	United Kingdom	5.4

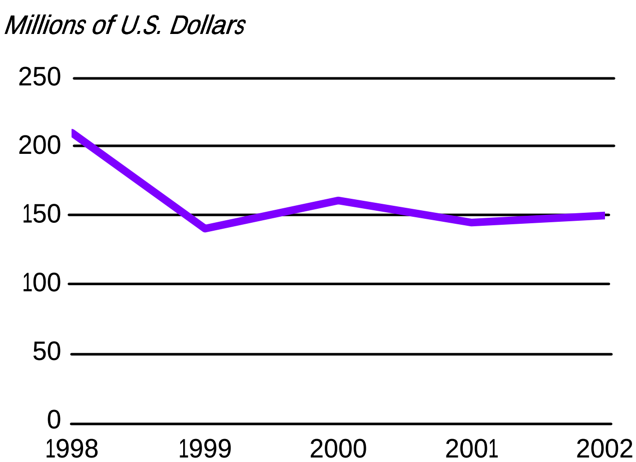
Main Trade Commodities, US$ millions, 2001

Exports		*Imports*	
Coffee	98.0	Machinery incl electrical	310.0
Fish	73.0	Petroleum	158.0
Tea	27.0	Chemicals	130.0
Cotton	15.0	Food	124.0

U.S. Trade Balance



Net Foreign Direct Investment



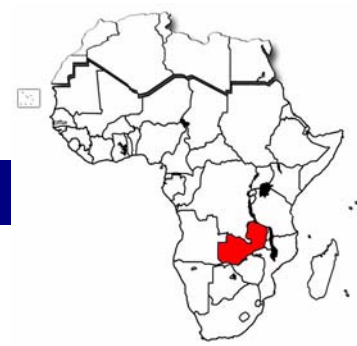
Trade Update

- Most of Uganda's trade passes through Kenya. The government plans to diversify its import transit sources, and is exploring the development of road and rail links through Tanzania. Uganda is also exploring the possibility of developing a route through Sudan.
- Although coffee is currently the primary export, fish exports are expected to become Uganda's leading generator of export revenue. International fish prices have historically been less volatile than coffee prices.
- A feasability study concluded that a petroleum pipeline from Kenya to Kampala would be viable. The pipeline would reduce the cost of petroleum imports and reduce damage to roads. The pipeline is expected to be operational by 2005.
- Research has suggested that Uganda's ability to capitalize on access to the AGOA program has been inhibited by inadequate infrastructure, lack of capital, and limited entrepreneurial skill capacity.
- In 2003, U.S. exports to Uganda consisted primarily of machinery and mechanical appliances, electrical machinery and equipment, and animal or vegetable fats and oils. U.S. imports from Uganda consisted primarily of coffee, tea, mate, and spices; fish, crustaceans, and molluscs; and apparel. In 2003 and 2004, Uganda was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Uganda totaled $1.5 million in 2003.

Investment and Privatization Update

- In late 2003, the government waived the compulsory investment fee of $135,000 for foreign investors and the $50,000 initial capital requirement for local investors. It is expected that this new flexibility will encourage investment in the country.
- Rhodia Chimie (France) has been granted a license to mine phosphates in eastern Uganda. The group plans to manufacture a phosphate detergent by 2006.
- Heritage Oil (Canada) has completed an exploratory study that indicates there may be petroleum reserves in Uganda. Hardman Resources (Australia) has also begun work on an exploratory block.
- Seatankec (Norway) and Polino Holdings (Uganda) have engaged in a joint venture to invest in fish farming. East Africa Fish Farming is expected to invest $15 million to establish a hatchery, fish farms, a feed mill, and a processing plant.
- British American Tobacco and Universal Leaf Tobacco are investing $35 million to create a tobacco-processing plant in Uganda.
- The government has stated that all 142 parastatals would be privatized; to date, two-thirds have been sold.
- Privatization of the railways was scheduled for completion by the end of 2004. The government is considering advice from Canarail, a consortium of four Canadian firms, on how the privatization should be implemented. In April 2004, Bombardier Transportation (Canada) declined to renew a management contract, slowing the privatization process.
- The Uganda Electricity Board was separated into three companies in 2002 that are currently undergoing privatization.
- Serena Hotels Group (Kenya) took over Uganda's Nile Hotel in early 2004. The $19-million deal includes 6 months of renovation and a 30-year concession agreement.

ZAMBIA

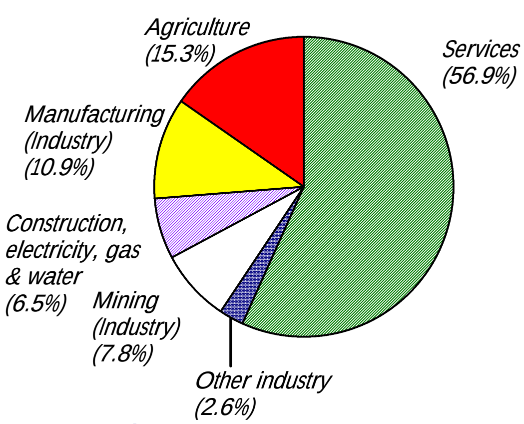


Economic Overview

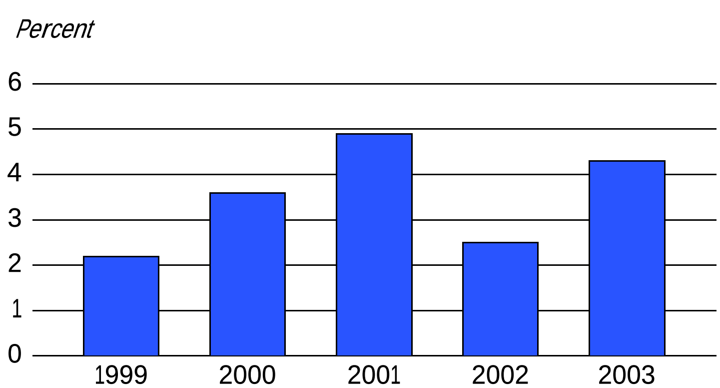
Economic Indicators

	2002	2003	Difference
GDP (nominal, ZK trn)	18.0	23.0	5.0
GDP (US$ bn)	4.2	4.9	0.7
CPI Inflation (annual average, %)	22.2	21.5	-0.7
Goods Exports (US$ mn)	920.0	1,003.0	83.0
Goods Imports (US$ mn)	1,157.0	1,173.9	16.9
Trade Balance (US$ mn)	-237.0	-170.9	66.1
Current Account Balance (US$ mn)	-265.0	-339.9	-74.9
Foreign Exchange Reserves (US$ mn)	535.1	247.7	-287.4
Total External Debt (US$ bn)	5.9	5.2	-0.7
Debt Service Ratio, paid (%)	43.0	40.9	-2.1
Exchange Rate (ZK/US$)	4,307.0	4,733.8	426.8

Origins of GDP (2003)



Real GDP Growth Rate



Economic Update

- Although the services sector is the largest component of GDP, most Zambians work in agriculture. Less than 50 percent of arable land is cultivated. Zambia is prone to droughts, which make the size of the yearly harvest extremely variable. Small farmers have expressed interest in cash crops such as coffee and tobacco.
- Transportation costs are high, estimated at approximately 60 percent of the total production costs, and contribute to production inefficiencies.
- Zambia's PRSP aims to boost school attendance and to improve educational quality by expanding the Basic Education Sub-Sector Investment Programme, increasing teacher salaries and improving working conditions, and raising female participation in education. The paper also supports increasing healthcare expenditure. Specifically, the government plans to undertake a campaign to combat malaria, to improve its HIV / AIDS strategy, and to improve reproductive and child health. The PRSP also aims to improve consultation between the government and people, to create more transparent government, and to make the justice system more accessible. Zambia's PRSP has a cost of $1.2 billion.
- In mid-2004, the IMF provided $320 million following the country's accession to the PRGF. Funds are to be used to encourage macroeconomic stability. Additionally, the EU announced a $125-million grant for development projects under the program.
- In February 2003, the World Bank announced financial guarantees to develop hydroelectric projects at the Kafue Gorge Lower, at a cost of $600-$750 million, and Itezhi-Tezhi, at a cost of $100-$150 million.
- In early 2004, the World Bank / IDA agreed to loan Zambia $50 million to rehabilitate and expand its road network. The funds are part of a $190-million World Bank support program designed to cover 10 years.
- The World Bank and the Norwegian Agency for Development Cooperation agreed in early 2004 to finance a $6.3-million development program at Kafue National Park.
- In November 2003, the United States waived $34 million of Zambia's debt. It also pledged $350 million in funds over the next 7 years to help fight HIV / AIDS, to promote small- and medium-sized enterprises, to improve and expand education, to increase access to healthcare, and to improve good governance.
- China released $2 million to Zambia in December 2003. The funds are part of a $6-million grant to improve the economy and to reduce poverty.

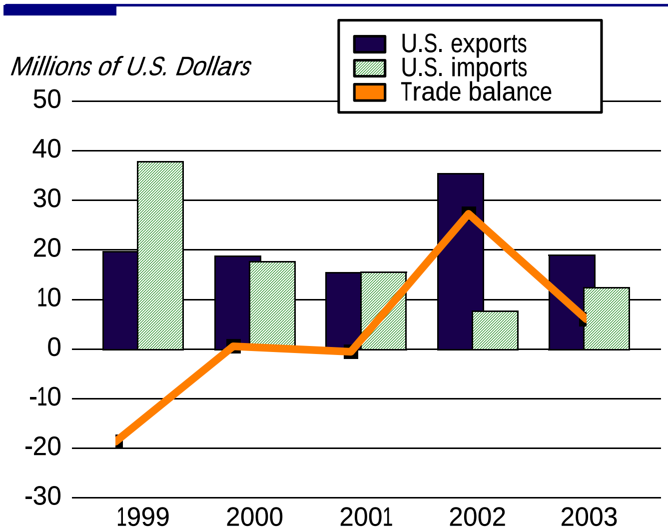
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
Malawi	10.2	South Africa	64.1
Thailand	9.2	United States	3.7
Japan	9.0	China	3.6
South Africa	7.8	Tanzania	3.5

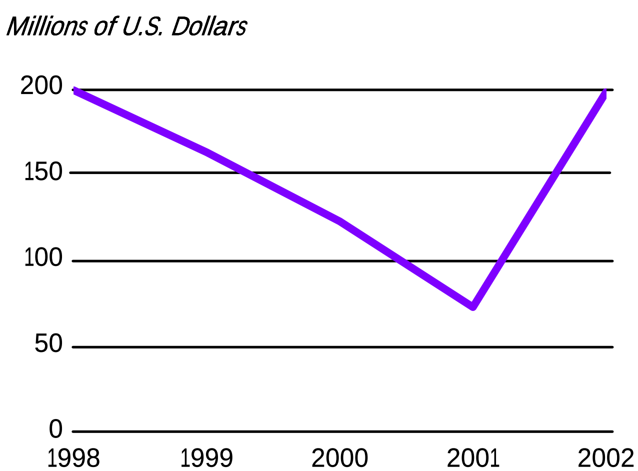
Main Trade Commodities, US$ millions

Exports (2002)		*Imports (2003)*	
Copper	594.0	Metals	292.0
Cobalt	54.0	Others	1,092.0

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Although mining is the largest generator of export revenue, the sector has experienced setbacks because of declining world prices. Copper and cobalt account for approximately 90 percent of mining production and approximately 65 percent of exports.
- In July 2003, the government increased the number of imported products subject to quality monitoring and control from 12 to 22. The new list includes bottled water, paint, varnishes, hair oils, hair creams, glycerine, and asbestos roofing sheets.
- In early 2004, the Export and Import Bank of India agreed to purchase a 20-percent stake in the Zambian Development Bank at a cost of $1.4 million. India is encouraging increased exports to Zambia.
- Zambia finalized a deal with Iran for 600,000 tons of crude oil, Zambia's entire annual requirement, in 2004. The Indeni petroleum refinery is to be the sole purchaser of crude oil from the Naftiran Intertrade Company. The deal is intended to lower costs for consumers.
- In August 2003, the United States approved imports of handmade folklore products from Zambia under the AGOA program.
- In 2003, U.S. exports to Zambia consisted primarily of machinery and mechanical appliances, chemical products, and aircraft and parts thereof. U.S. imports from Zambia consisted primarily of base metals; coffee, tea, mate, and spices; and wood and articles of wood. In 2003 and 2004, Zambia was designated an AGOA beneficiary country, including qualifying for apparel benefits. AGOA (including GSP) imports from Zambia totaled $510,000 in 2003.

Investment and Privatization Update

- In 2001, a joint British Geological Survey and Geological Survey of Zambia found significant reserves of barium, calcium, chromium, manganese, nickel, uranium, and zinc. These minerals have yet to be exploited on a large commercial scale.
- Chambishi, a former part of the Zambia Consolidated Copper Mines parastatal, restarted production in July 2003 after a $150-million rehabilitation program. A further investment of $100 million that would double production capacity over 5 years is being considered.
- By April 2002, 330 state companies had been privatized. In recent years, the privatization program has been slow and inconsistent, particularly with respect to Zambia Telecom and the Tazara railway. A contributing factor to recent delays has been public criticism of the government's economic liberalization programs.
- In May 2003, the government announced that Zesco, an energy parastatal, would be commercialized, but would remain under state ownership and management. This policy is a change from the previous year, when the government pledged to unbundle Zesco into separate energy generation, distribution, and transmission utilities under private management.
- In late 2003, the government selected Sterlite Industries (India) as the preferred bidder for a 51-percent stake in Konkola Copper Mines (KCM). Sterlite purchased an 80-percent stake in KCM in December.
- The government has announced plans to privatize Tazama, a petroleum pipeline from Tanzania, and Indeni, a petroleum refinery.

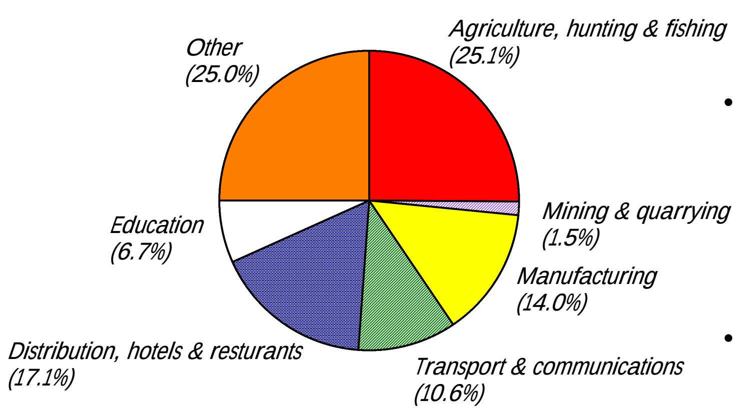
ZIMBABWE

Economic Overview

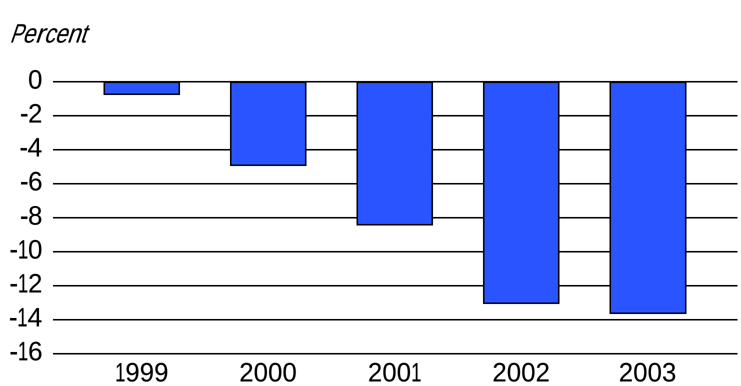
Economic Indicators

	2002	2003	Difference
GDP (nominal, Z$ bn)	1,067.4	4,508.9	3,441.5
GDP (US$ bn)	4.3	4.0	-0.3
CPI Inflation (annual average, %)	134.5	384.7	250.2
Goods Exports (US$ mn)	1,534.5	1,389.5	-145.0
Goods Imports (US$ mn)	1,822.2	1,704.4	-117.8
Trade Balance (US$ mn)	-287.7	-314.9	-27.2
Current Account Balance (US$ mn)	-361.7	-325.9	35.8
Foreign Exchange Reserves (US$ mn)	83.4	60.0	-23.4
Total External Debt (US$ bn)	3.5	3.4	-0.1
Debt Service Ratio, paid (%)	13.8	11.1	-2.7
Exchange Rate (Z$/US$)	55.0	727.9	672.8

Origins of GDP (2001)



Real GDP Growth Rate



Economic Update

- Zimbabwe continued to experience negative economic growth resulting from increasing political unrest and social instability, with inflation reaching over 700 percent at the end of 2003. Government reform has been a result of ad hoc actions in response to crises. The collapse of the economy has led to illegal emigration to neighboring countries such as Botswana and Mozambique, and an exodus of skilled professionals to Europe and South Africa. In addition, the spread of HIV / AIDS in Zimbabwe has caused concern.
- Land redistribution policies negatively affected farming operations, and have resulted in large food shortages. The government is also reviewing legislation to facilitate additional redistribution. Estimates predict a food shortfall of 900,000 tonnes in the coming year, with 5 million people requiring food aid.
- Tobacco production, once the largest earner of foreign exchange, has been affected because of forced evictions of white tobacco farmers. In July 2004, the government announced that $10 billion had been injected into the tobacco industry by the Reserve Bank of Zimbabwe for the year to date. The funds have been specifically aimed at small scale tobacco farmers to increase exports and gain foreign exchange.
- In August 2004, the government announced various policies to combat the persistent cash crisis. Individuals and merchants will not be allowed to hold more than $6,250 in cash; any surplus must be deposited. Local currency travelers cheques were also introduced. Plans to abolish the highest denomination of the local currency were postponed because of cash shortages and the fear of hoarding.
- Given the increasing inflation, falling currency value, and unstable economic environment, local Zimbabweans have been investing in assets, particularly the stock exchange and real estate. In early 2004, several commercial banks faced liquidity problems when the Reserve Bank of Zimbabwe announced plans to raise the lending rate because of increasing housing prices and a rapidly increasing stock market. The banks were, however, bailed out by the Troubled Bank Fund established by the central bank.
- By December 2003, Zimbabwe had accumulated $275 million in debt to the IMF, with little policy change made to implement the recommended economic reform program. Voting rights were suspended and the IMF began proceedings to have Zimbabwe suspended from the IMF. In January 2004, Zimbabwe appeared to make efforts at reconciliation by repaying $1.5 million to the IMF. Subsequently, in July 2004, the IMF announced it would not expel Zimbabwe and had negotiated a payment schedule with the government.

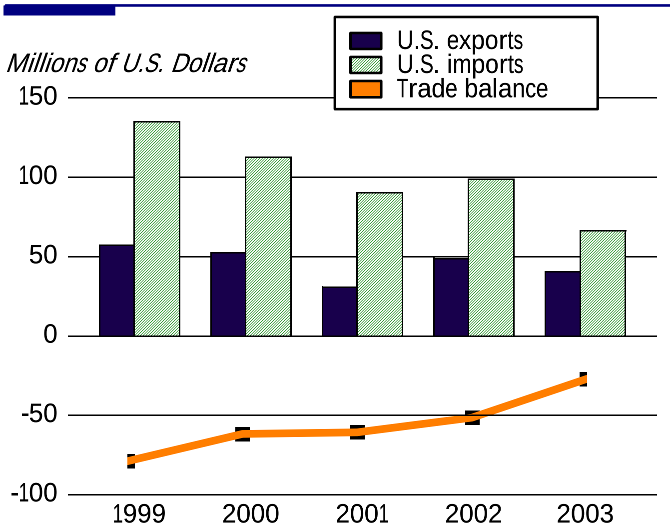
Main Trade Partners, percent of total, 2002

Markets		*Sources*	
China	5.8	South Africa	47.7
South Africa	5.6	DROC	5.7
Germany	5.6	Mozambique	5.3
United Kingdom	4.8	United Kingdom	3.1

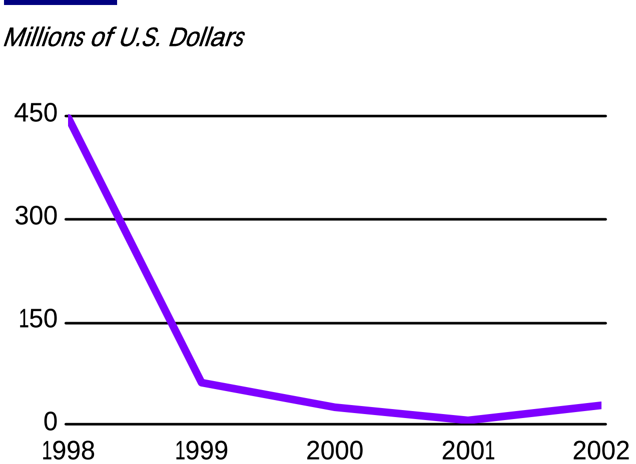
Main Trade Commodities, US$ millions, 2000

Exports		*Imports*	
Tobacco	561.9	Machinery & transport equipment	538.1
Gold	291.9	Manufactures	308.8
Ferro-alloys	127.3	Chemicals	306.9
Nickel	81.2	Petroleum products & electricity	205.2

U.S. Trade Balance



Net Foreign Direct Investment



Trade Update

- Exports are dominated by agricultural products such as tobacco, sugar, cotton, and maize, as well as minerals and manufactured goods. Imports primarily include machinery, passenger cars, and production inputs such as fuels.
- Prior to the economic crisis, the country had a diversified economy with activities in manufacturing, agriculture, mineral resources, and tourism. Until 2002, tobacco was the leading export, however, gold has since surpassed tobacco as the leading export commodity.
- In February 2004, the government announced plans to alter the method used to calculate import duties. Duties will be calculated using the Zimbabwe dollar valuation of the imported product at the auction exchange rate, instead of the previous method of using the exporters' rate. This new method will lead to an increase in the duties applied to manufacturing and mining production inputs.
- In 2003, U.S. exports to Zimbabwe consisted primarily of machinery and mechanical appliances, motor vehicles and parts thereof, and precious or semiprecious stones or metals. U.S. imports from Zimbabwe consisted primarily of tobacco, iron and steel, and precious or semiprecious stones or metals.

Investment and Privatization Update

- The exchange rate regime implemented at the end of 2003 has led to investment flight from the mining industry. In April 2004, Anglo American (UK) announced plans to accelerate its withdrawal and the sale of its 52.9-percent stake in Bindura Nickel. Construction industry activity has also declined because of the high cost of building materials resulting from price control power outages.
- Despite the withdrawal of several key investors in the mining industry, certain sectors, such as platinum, have received some investment.
- In August 2003, Zimbabwe signed an investment protection agreement with the OPEC Fund for International Development. The agreement is aimed at protecting investors from OPEC member countries.
- In late 2003, domestic oil prices were deregulated and private retailers were allowed to import fuel to combat the fuel shortages faced since 2001. Lack of foreign exchange and high international prices have led to erratic supply. The government plans to continue to import and sell petroleum to the public transport sectors at controlled prices.
- The state-owned power generating and distribution company ZESA has been hindered by growing debt and the inability to provide power to meet growing demand. As a result, Zimbabwe has become more reliant on imported energy from Mozambique and South Africa. In early 2004, the government granted ZESA the authority to charge select customers in foreign currencies to help reduce the debt burden.
- Because of financial constraints and lost revenue, the government has proposed privatizing the state-owned Zimbabwe Iron and Steel Company. Two parties have expressed interest in purchasing shares in Zisco: China's Export Import Bank, which had previously loaned Zisco $42 million, and Iscor (South Africa).

Primary nongovernment sources for country profiles

Angola

Economist Intelligence Unit, *Country Profile Angola 2003,* July 2003.

Economist Intelligence Unit, "Key developments," Apr. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Move that could weaken IMF leverage," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "New commercial code introduced," Apr. 1, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Business climate overview," Apr. 1, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "No going back," Jan. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Phase three of World Bank's reconstruction programme," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Angola, Morocco sign oil agreement," *BBC Monitoring International Reports*, May 3, 2004 found at Internet address *http://www.newedge.com*, retrieved May 3, 2004.

"Angola is rich in oil, but its people remain poor," *Toronto Star*, Feb. 3, 2004 found at Internet address *http://www.newsedge.com*, retrieved Feb. 3, 2004.

"IMF Wants Angolan Oil Co-Audited Before Giving Loans," *Dow Jones News Service*,

Nov. 13, 2003 found at Internet address *http://www.newsedge.com*, retrieved Nov.13, 2003.

"World Bank Impressed With Goverment Strategy Against Poverty," *Africa News Service*, Aug. 19, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 19, 2003.

"Angola, DR Congo Sign Economic Development Projects," *Angola Press Agency (Luanda)*, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

"ChevronTexaco And Social Partners Invest USD 40 Million in Agriculture," *Angola Press Agency (Luanda)*, Apr. 14, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 14, 2004.

Wezi Tjaronda, "Telecom Namibia Goes Cross-Border," *AllAfrica.com*, Feb. 27, 2004, found at Internet address *http://www.allafrica.com*, retrieved Feb. 27, 2004.

Benin

Economist Intelligence Unit, *Country Profile Benin 2003,* June 2003.

Economist Intelligence Unit, "IMF's latest performance review," Feb. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "PRGF arrangements," Nov. 17, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Cotton privatisation inches forward," Aug. 26, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "HIPC completion point is reached," Aug. 26, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF completes fourth review under PRGF," Aug. 26, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"West Africa bank cuts Benin's debt by 4.5 billion FCFA," *Panafrican News Agency (PANA) Daily Newswire*, Feb. 5, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 5, 2004.

"EU allots Benin 30-million Euro for urban roads," *Panafrican News Agency (PANA) Daily Newswire*, Jan. 28, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 28, 2004.

"Outlook for 2004-05/Policy trends," *Country Report Benin*, Jan. 13, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 13, 2004.

"IMF board grins at Benin's performance," *Panafrican News Agency (PANA) Daily Newswire*, Apr. 1, 2004, found at *http://www.newsedge.com*, retrieved Apr. 1, 2004.

"Nigeria and Benin agree to re-open border," *AFP English Wire*, Aug. 15, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 15, 2003.

Charles Cobb, Jr. And Reed Kramer, "Eight African Nations Eligible For Millennium Challenge Account Assistance," allafrica.com, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Botswana

Economist Intelligence Unit, *Country Profile Botwana 2004*, January 2004.

Economist Intelligence Unit, "Key developments," Apr. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Air Botswana privatization stalls," Apr. 1, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Tight ship," Feb. 23, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mining," Feb. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Botswana economy: Fiscal squeeze looms," Feb. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Diamonds Are Not Forever," Africa News Service, Mar. 28, 2004 found at Internet address *http://www.newsedge.com*, retrieved Mar. 28, 2004.

"Botswana is Africa's Most Globalized Nation," *Mmegi/The Reporter (Gaborone)*, Feb. 26, 2004, found at Internet address *http://www.allafrica.com*, retrieved Feb. 27, 2004.

Kabo Mokoagone, "World Bank Recommends New Investment Laws for Botswana," *Mmegi/The Reporter (Gaborone)*, Mar. 12, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Burkina Faso

Economist Intelligence Unit, *Country Profile Burkina Faso 2003*, July 2003.

Economist Intelligence Unit, "Attracting private enterprise," Apr. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Worsening poverty spurs policy re-examination," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mining," Sept. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region joins claim against cotton subsidies," Jul. 15, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Anti-poverty programme progress is satisfactory," Jul. 15, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Cote d'Ivoire crisis encroaches," Jul. 15, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"New Delhi pledges US$500 million in aid to West African nations," *AP WorldStream English*, Mar. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 2, 2004.

"Burkina Faso-Ghana: New Rail Line Planned to Link Burkina Faso to the Coast," *UN Integrated Regional Information Networks*, June 11, 2004, found at Internet address *http://www.allafrica.com*, retrieved June 11, 2004.

"Development Partners Pledge $2 Billion for Burkina Faso's Anti-Poverty Efforts," *United Nations Development Programme (New York)*, Mar. 12, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 12, 2004.

Burundi

Economist Intelligence Unit, *Country Profile Burundi 2003*, June 2003.

Economist Intelligence Unit, "Real GDP growth was negative during 2003," Apr. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Economic policy outlook," Apr. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Stabilising the economy is the main objective," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government faces contradictory fiscal pressure," Sept. 10, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Sharp downturn in real GDP growth expected," Sept. 10, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Burundi receives 3.6 m-dollar grant from China," *BBC Monitoring International Reports*, Jul. 4, 2003, found at Internet address *http://www.newsedge.com*, retrieved Jul. 4, 2004.

"Italy to cancel debt owed by Burundi," *Agence France-Presse English Wire*, Apr. 16, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 16, 2004.

"World Bank to assist Burundi's economic recovery," *Panafrican News Agency (Pana) Daily Newswire*, Feb. 10, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 10, 2004.

"IMF praises Burundi's "remarkable" handling of budget despite war," *AFP English Wire*, Oct. 30, 2003 found at Internet address *http://www.newsedge.com*, retrieved Feb. 10, 2004.

"Burundi: World Bank Approves US$84 Million Credit for Reconstruction," *UN Integrated Regional Information Networks*, Mar. 22, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 22, 2004.

Cameroon

Economist Intelligence Unit, *Country Profile Cameroon 2003*, September 2003.

Economist Intelligence Unit, "Construction and telecoms sectors boost FDI," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF approves three-year US$164m PRGF," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Key developments," Apr. 13, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government completes poverty reduction paper," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "HIPC funds will affect economic growth," Sept. 10, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"The domestic economy/The Chad-Cameroon pipeline is completed," *Country Report Cameroon,* Aug. 14, 2003 found at Internet address *http://www.newsedge.com*, retrieved Aug. 14, 2003.

"Forestry Products to Boost Economy," All Africa Global Media, Dec. 31, 2003 found at Internet address *http://www.newsedge.com*, retrieved Dec. 31, 2004.

Georgewill Fombe, "Growth Reassured," *Cameroon Tribune (Yaounde)*, June 10, 2004, found at Internet address *http://www.allafrica.com*, retrieved June 10, 2004.

Lukong Pius Nyuylime, "IMF/World Bank Mission at Work," *Cameroon Tribune (Yaounde)*, Apr. 29, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 29, 2004.

Cape Verde

Economist Intelligence Unit, *Country Profile Cape Verde 2004*, January 2004.

Economist Intelligence Unit, "INE report states that poverty has increased," Feb. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "AfDB notes economic progress," Feb. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government attempts to control public spending," Feb. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "OPEC development fund to finance health centres," Feb. 3, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Air transport infrastructure upgraded," Dec. 9, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Charles Cobb, Jr. and Reed Kramer, "Eight African Nations Eligible For Millennium Challenge Account Assistance," allafrica.com, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Central African Republic

Economist Intelligence Unit, *Country Profile Central African Republic 2003*, Oct. 2003.

Economist Intelligence Unit, "Local economy contracted in 2003," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Local economy in state of crisis," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mining code introduced," Feb. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government has financial trouble," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Diamond regulation outlined," Sept. 16, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "State administration is key," Sept. 10, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Chad

Economist Intelligence Unit, *Country Profile Chad 2003*, Oct. 2003.

Economist Intelligence Unit, "First payment of oil revenue issued," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "PRGF lapses Chad economy: IMF cancelled board," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Chad's poor await oil riches," Apr. 9, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region prepares to manage oil revenue," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"As Oil Eludes Ghana, It Attracts FDI to Chad and Sudan," *Africa News Services*, Sept. 9, 2003, found at Internet address *http://www.newsedge.com*, retrieved Sept. 9, 2003.

"New Delhi pledges US$500 million in aid to West African nations," *AP WorldStream English*, Mar. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 2, 2004.

Comoros

Economist Intelligence Unit, *Country Profile Comoros 2003*, Oct. 2003.

Economist Intelligence Unit, "Central Bank reports deterioration in trade deficit," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Comoros US20m aid package on its way in March 2004," Dec. 23, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF to send new mission," Dec. 23, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Cellphone service starts up locally," Sept. 10, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Debt relief is not forthcoming," Sept. 23, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Côte d'Ivoire

Economist Intelligence Unit, *Country Profile Côte d'Ivoire 2004*, June 2004.

Economist Intelligence Unit, "Key developments," May 19, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Economy probably contracted in 2003," May 49, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Donor support programmes to be relaunched," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"New Delhi pledges US$500 million in aid to West African nations," *AP WorldStream English*, Mar. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 2, 2004.

"World Bank suspends payments to Ivory Coast over unpaid arrears," A*gence France-Presse English Wire*, June 17, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 17, 2004.

"Budget for 2004 shows Ivory Coast on the road to recovery/economy minister," *Agence France-Presse English Wire,* Feb. 4, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 4, 2004.

Democratic Republic of the Congo

Economist Intelligence Unit, *Country Profile Democratic Republic of the Congo 2003*, June 2003.

Economist Intelligence Unit, "South Africa now largest source of imports," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Rise in export figures," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Donors pledge US$3.9bn," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Investment planned for mobile phone sector," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Too good to be true?" Apr. 19, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"DR Congo qualifies for 10 billion dollars debt relief," *AFP English Wire*, July 29, 2004, found at Internet address *http://www.newsedge.com*, retrieved July 29, 2004.

"DR Congo lands USD$4 billion aid from donors," *Panafrican News Agency (Pana) Daily Newswire*, Dec. 23, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 23, 2003.

Clive Rubin, "Africa's New Gold Rush," *Mail & Guardian (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

Djibouti

Economist Intelligence Unit, *Country Profile Djibouti 2003*, May 2003.

Economist Intelligence Unit, "Region is main recipient of US aid in Africa," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Port and transport sectors contribute to GDP growth," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Economic policies expected to remain intact 2004-05, " May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Growth expands in service sector," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Port efficiency improves," Oct. 22, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF talks," Oct. 22, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government signs several agreements with donors," July 15, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Equatorial Guinea

Economist Intelligence Unit, *Country Profile Equatorial Guinea 2004*, Feb. 2004.

Economist Intelligence Unit, "Mixed view of oil prospects," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Budget discipline restored in 2003," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF praises reformed fiscal habits," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Spain cancels 60% of region's debt," Nov. 26, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"New Delhi pledges US$500 million in aid to West African nations," *AP WorldStream English*, Mar. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 2, 2004.

"$5.2 Million Investment in Equatorial Guinea Aims At Early Achievement of Millennium Education Goal," *United Nations Development Programme (New York)*, Mar. 1, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 1, 2004.

Eritrea

Economist Intelligence Unit, *Country Profile Eritrea 2004*, Apr. 2004.

Economist Intelligence Unit, "A US$15m loan is agreed for Keren water project," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mobile phone services to be launched," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "US removes region from AGOA list," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region faces another year of severe food shortage," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Growth prospects are dim," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Ethiopia

Economist Intelligence Unit, *Country Profile Ethiopia 2004*, February 2004.

Economist Intelligence Unit, "Economy in reverse following worst drought in years," May 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region struggles to attract FDI," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region invests in air transport sector," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Poverty reduction programme off to slow start," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Coffee trade dominates trade deficit," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF obligations remain as economic focus," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Ethiopia Textile, Garment And Leather Manufacturers to Visit USA," *Addis Tribune (Addis Ababa)*, Jul. 2, 2004, found at Internet address *http://www.allafrica.com*, retrieved Jul. 26, 2004.

Helina Megersa, "World Bank, IMF Approve Ethiopia's $2bln Debt Reduction," *Addis Tribune (Addis Ababa)*, Apr. 22, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 22, 2004.

Gabon

Economist Intelligence Unit, *Country Profile Gabon 2004*, January 2004.

Economist Intelligence Unit, "Business climate overview," Apr. 28, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Time runs out," Apr. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Oil production forecast is raised," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF sees signs of economic improvement," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF outlines policy tasks facing government," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004. "French envoy has Gabon's mining potential," *Panafrican News Agency (Pana) Daily Newswire*, Oct. 3, 2003, found at Internet address *http://www.newsedge.com*, retrieved Oct. 3, 2003.

"The domestic economy/Manganese output will rise but problems remain," *Country Report Gabon,* Jan. 29, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 29, 2004.

"China signs new energy deal with Gabon to fuel booming Chinese economy," *AP WorldStream English*, Feb. 3, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 3, 2004.

The Gambia

Economist Intelligence Unit, *Country Profile The Gambia 2003*, Feb. 2003.

Economist Intelligence Unit, "Major expansion in telephone capacity planned," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Worsening imbalances," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region ranked 12th in FDI index by UNCTAD," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region scores higher in WEF's index," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Gamtel investing in new fixed-line capacity," Feb. 3, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Off-track," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "World Bank publishes country assistance strategy," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Revelations On Gambia-Australia Mining Deal," *Africa News Service*, June 10, 2003, found at Internet address *http://www.newsedge.com*, retrieved June 10, 2003.

"Gambia's Economic Situation Worriesome for IMF," *All Africa Global Media*, Dec. 23, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 23, 2003.

"Gambians express mixed feelings over oil discovery," *Panafrican News Agency (Pana) Daily Newswire,* Feb. 20, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 20, 2004.

Ghana

Economist Intelligence Unit, *Country Profile Ghana 2003*, Oct. 2003.

Economist Intelligence Unit, "AngloGold, Ashanti Goldfields to formally launch soon," Apr. 29, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "World Bank to fund work on roads in Accra," Apr. 29, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Financial sector development targeted," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Slow route to prosperity," Feb.2, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Current-account deficit has narrowed," Nov. 25, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Fiscal performance good in first half of 2003," Nov. 25, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Cocoa Exports Soar?" *Africa News Service*, Aug. 12, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 12, 2003.

"Industrial Performance Disappointing - Reports," *Africa News Service*, Aug. 12, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 12, 2003.

"Gold brings growth for Ghana," *Business Day (South Africa)*, Dec. 9, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 9, 2003.

Clive Rubin, "Africa's New Gold Rush," *Allafrica.com*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

Charles Cobb, Jr. and Reed Kramer, "Eight African Nations Eligible For Millennium Challenge Account Assistance," Allafrica.com, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Guinea

Economist Intelligence Unit, *Country Profile Guinea 2003*, Oct. 2003.

Economist Intelligence Unit, "Economic policy implementation on hold," Apr. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "VAT dispute rumbles on," Dec. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Outlook for Guinea poor," Oct. 6, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mining and agriculture drive economic growth," Aug. 26, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Clive Rubin, "Africa's New Gold Rush," Allafrica.com, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

Guinea-Bissau

Economist Intelligence Unit, *Country Profile Guinea-Bissau 2004*, Jan. 2004.

Economist Intelligence Unit, "Economy contracting," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Restoration of international aid is priority," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Bidding complete for mobile phones services," Feb. 3, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"New Delhi pledges US$500 million in aid to West African nations," *AP WorldStream English*, Mar. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 2, 2004.

"Guinea Bissau records sharp fall in economy," *Panafrican News Agency (Pana) Daily Newswire*, Oct. 29, 2003, found at Internet address *http://www.newsedge.com*, retrieved Oct. 29, 2003.

Kenya

Economist Intelligence Unit, *Country Profile Kenya 2003*, Aug. 2003.

Economist Intelligence Unit, "Which comes first, politics or the economy?" Aug. 7, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Business climate overview," Sept. 15, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF resumes funding," Nov. 25, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Kenya Tea Development Agency adds value in-country," Nov. 6, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "US$4.1bn in donor pledges announced," Dec. 5, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Dirt out, cash in," Dec. 2, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "What's at the end of the rainbow?" Jan. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Road to recovery," Feb. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "BOC Kenya to expand regional operations," Mar. 8, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "World Bank to help finance water-supply privatisation," Apr. 29 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Certification to boost flower exports," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mining code will standardise royalties," May 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Kenya industries fear collapse in massive trade liberalisation," *Panafrican News Agency (PANA) Daily Newswire*, May 10, 2004, found at Internet address *http:///www.newsedge.com*, retrieved May 10, 2004.

"Still No Turnaround in Kenyan Economy," *All Africa Global Media*, Apr. 29, 2004, found at Internet address http:///www.newsedge.com, retrieved Apr. 29, 2004.

"Kenya 2004 - Enriching and Improving Kenya's Investment Environment," *All Africa Global Media*, Mar. 18, 2004, found at Internet address *http:///www.newsedge.com*, retrieved Mar. 18, 2004.

"Kenya's road to recovery," *Business Africa*, Feb. 18, 2004, found at Internet address *http:///www.newsedge.com*, retrieved Feb. 18, 2004.

"Kenya's Economy Likely to Improve in 2004," *East African (Kenyan) - AAGM*, Jan. 7, 2004, found at Internet address *http:///www.newsedge.com*, retrieved Jan. 7, 2004.

"Export Zones Increase Their Textile Sales to US," *The Nation (Kenyan) - AAGM*, Nov. 19, 2003, found at Internet address *http:///www.newsedge.com*, retrieved Nov. 19, 2003.

Akumu Washington, "Textile Industry Benefited from AGOA," *The Nation (Nairobi)*, May, 28, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 28, 2004.

Noel Wandera, "Resilient Tourism Sector Rakes in Sh25.8 Billion," *The East African Standard (Nairobi)*, May, 28, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 28, 2004.

Isaac Esipisu, "Kenya Given EU Trade Access," *The Nation (Nairobi)*, May 19, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 19, 2004.

Isaac Esipisu, "Economic Recovery Strategy Outlined," *The Nation (Nairobi)*, Mar. 10, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 10, 2004.

Catherine Riungu, "Flowers: A Growing Sector Amid Recession," *The East African Standard (Nairobi)*, Feb. 16, 2004, found at Internet address *http://www.allafrica.com*, retrieved Feb. 17, 2004.

Lesotho

Economist Intelligence Unit, *Country Profile Lesotho 2004*, Jan. 2004.

Economist Intelligence Unit, "Letseng-la-Terae diamond mine to resume operations," Nov. 25, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "The impact of HIV/AIDS," Apr. 1, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Growth patterns," Apr. 1, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Monetary policy affected by widening fiscal deficit," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Lesotho/Growth pattern," Business Africa, Mar. 30, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 30, 2004.

"Lesotho sees fast trade growth on US plan," *All Africa Global Media*, Feb. 23, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 23, 2004.

"Lesotho/GDP Has Grown But Challenges Lay Ahead, IMF," *All Africa Global Media*, Feb. 13, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 13, 2004.

"Lesotho/IMF Grants Concessional Loan," *All Africa Global Media*, Jan. 23, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 23, 2004.

Charles Cobb, Jr. and Reed Kramer, "Eight African Nations Eligible For Millennium Challenge Account Assistance," *Allafrica.com*, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Liberia

Economist Intelligence Unit, *Country Profile Liberia 2003*, Oct. 2003.

Economist Intelligence Unit, "Plans made to help reconstruct region," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Aid-dependent," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Petroleum liberalisation continues," Mar. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Fighting in Monrovia damages economy," Nov. 11, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, :IMF released 2003 Article IV Consultation report," Nov. 11, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Liberia/UN Maintains Diamond And Timber Sanctions," *All Africa Global Media*, June 14, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 14, 2004.

"Rejuvenating the Liberian Economy," *All Africa Global Media*, Jan. 12, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 12, 2004.

"US Gives Liberia $19.5 Million More in Humanitarian Assistance," *United States Department of State (Washington, DC)*, Apr. 14, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 15, 2004.

Madagascar

Economist Intelligence Unit, *Country Profile Madagascar 2003*, Aug. 2003.

Economist Intelligence Unit, "Cyclone setback to recovery hopes," Apr. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Region's corruption rate improves," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Economic recovery gets into stride," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government to promote broad economic growth," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "PRSP aims to halve poverty rate in a decade," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government completes poverty reduction," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Export performanc maintains steady recovery," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Economy expected to recover slowly," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"False alarm for sagging economy," *Africa Analysis*, Apr. 30, 2003, found at Internet address *http://www.newsedge.com*, retrieved Apr. 30, 2003.

"Regulatory watch/Madagascar," *Business Africa*, Mar. 19, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 19, 2004.

"Madagascar/ADF Approves Loan for Economic Recovery," *Africa News Service*, Sept. 22, 2003, found at Internet address *http://www.newsedge.com*, retrieved Sept. 22, 2003.

"France writes off debt owed by Madagascar," *Agence France Presse*, Apr. 30, 2003, found at Internet address *http://www.newsedge.com*, retrieved Apr. 30, 2003.

"World Bank grants 32m dollars to Madagascar's mineral resources project," *BBC Monitoring International Reports*, June 25, 2003, found at Internet address *http://www.newsedge.com*, retrieved June 25, 2003.

"US Signs Open Skies Agreement With Madagascar," *United States Department of State (Washington, DC) Press Release*, Mar. 10, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 10, 2004.

Clive Rubin, "Africa's New Gold Rush," *Mail & Guardian (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

Charles Cobb, Jr. and Reed Kramer, "Eight African Nations Eligible For Millennium Challenge Account Assistance," Allafrica.com, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Malawi

Economist Intelligence Unit, *Country Profile Malawi 2004*, Jan. 2004.

Economist Intelligence Unit, "Tobacco-selling mechanisms altered," Apr. 29, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Progress made with power grid project," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "PRSP spending targets not achieved," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF resumes lending to region," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"IMF weighs resumption of aid to Malawi," *Agence France-Presse English Wire*, June 8, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 8, 2004.

"Economy-Malawi/Farewell to the Golden Leaf," *English IPS News*, Dec. 22, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 22, 2003.

"Malawi: IMF Welcomes Commitment to Fiscal Discipline," *UN Integrated Regional Information Networks*, June 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved June 7, 2004.

"Malawi: OPEC gives $5m for Road Upgrade," *UN Integrated Regional Information Networks*, May 13, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 13, 2004.

Mali

Economist Intelligence Unit, *Country Profile Mali 2003*, July 2003.

Economist Intelligence Unit, "Region adopts AGOA visa," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Foreign investment is the key," Feb. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Reform of cotton sector still on policy agenda," Jan.27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Business climate outlook," Oct. 6, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"New Delhi pledges US$500 million in aid to West African nations," *AP WorldStream English*, Mar. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 2, 2004.

Clive Rubin, "Africa's New Gold Rush," *Mail & Guardian (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

Charles Cobb, Jr. and Reed Kramer, "Eight African Nations Eligible For Millennium Challenge Account Assistance," *Allafrica.com*, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Mauritania

Economist Intelligence Unit, *Country Profile Mauritania 2003*, Sept. 2003.

Economist Intelligence Unit, "Encouraging oil exploration reports," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF happy with gains achieved to date," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "PRGF sets out macroeconomic targets," Nov. 25, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Oil benefits may flow," Oct. 29, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Joe Sambou, "Mauritania Oil a Reality," *The Independent (Banjul)*, June 11, 2004, found at Internet address http://allafrica.com, retrieved June 11, 2004.

Clive Rubin, "Africa's New Gold Rush," *Mail & Guardian (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

Mauritius

Economist Intelligence Unit, *Country Profile Mauritius 2003*, July 2003.

Economist Intelligence Unit, "Business climate overview," Mar. 16, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Tourism holds up in tough environment," Jan. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Estimate for GDP growth in 2003 cut," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "No changes to economic policy expected," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Trade preferences on way out?" Nov. 20, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Growth prospectst," Nov. 20, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Tourism holds up a tough enviroment," Nov. 11, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Domestic private investors are still reticent," Nov. 11, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Stategic networking/Mauritius/S Africa/where do they go from here?" *Country Forecast Africa*, Nov. 11, 2003, found at Internet address *http://www.newsedge.com*, retrieved Nov. 11, 2003.

A. Bodo, "Madagascar-Maurice: nouvel accord de coop,ration conclu aprŠs deux siŠcles!" *Midi Madagasikara (Antananarivo)*, Apr. 7, 2004, found at Internet address http://allafrica.com, retrieved Apr. 7, 2004.

Patrick Hilbert, "Nouvelles technologies: quand la formation ne suit pas la demande," *L'Express (Port Louis)*, Apr. 9, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 9, 2004.

Mozambique

Economist Intelligence Unit, *Country Profile Mozambique 2004*, July 2004.

Economist Intelligence Unit, "The South African influx," Apr. 28, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Investor-friendly?" Apr. 28, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "US$790m pledged at Consultative Group," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Efforts to restructure the debt burden," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Duty exemptions for manufacturers," Sept.16, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Growing peace dividend," Aug. 21, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Mozambique-South Africa/Investment Climate Generally Favourable - New Report," *All Africa Global Media*, June 3, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 3, 2004.

"Resettled white Zimbabwe farmers create 4,000 jobs in Mozambique/official," *Agence France-Presse English Wire*, Jan. 14, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 14, 2004.

"World Bank pledges US$600 million support to Mozambique," *Panafrican News Agency (Pana) Daily Newswire*, Jan. 30, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 30, 2004.

"Resettled white Zimbabwe farmers create 4,000 jobs in Mozambique/official," *Agence France-Presse English Wire*, Jan. 14, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 14, 2004.

"Mozambique to sign three-year fishing accord with EU/minister," *AFP Wire,* Oct. 20, 2003, found at Internet address *http://www.newsedge.com*, retrieved Oct. 20, 2003.

Charles Cobb, Jr. and Reed Kramer, "Eight African Nations Eligible For Millennium Challenge Account Assistance," *Allafrica.com*, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Namibia

Economist Intelligence Unit, *Country Profile Namibia 2004*, June 2004.

Economist Intelligence Unit, "Air Namibia to receive further US$2.6m bailout," May 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Business climate overview," Feb. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Air Namibia's part privatisation remains stalled," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Drought relief programme launched," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Additional budget raises 2003/04 deficit," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Siyumbwa Muyunda, "Imports passing through Namibia cost less," *The Times of Zambia*, May 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 3, 2004.

"Namibia to pull out of COMESA, regional free trade area," *AFP English Wire*, July 25, 2003, found at Internet address *http://www.www.newsedge.com*, retrieved July 25, 2003

"Namibia slips in global competitiveness ranking," *The Namibian*, Nov. 7, 2003, found at Internet address *http://www.www.newsedge.com*, retrieved Nov. 7, 2003

Niger

Economist Intelligence Unit, *Country Profile Niger 2003*, July 2003.

Economist Intelligence Unit, "Debt relief in sight," Mar. 26, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Another good harvest season," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "New airline to fly regional and internal routes," Oct. 6, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF approves US$16m disbursement," July 15, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Mike Oduniyi and Josephin Lahor, "Niger Delta: Chevron Suspends Production," *This Day (Lago & Abuja)*, Apr. 26, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 26, 2004.

Nigeria

Economist Intelligence Unit, *Country Profile Nigeria 2004*, Dec. 2003.

Economist Intelligence Unit, "Business environment at a glance," May 14, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "NNPC signs several production-sharing deals," Apr. 29, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Shell to boost investment in natural-gas pipelines," Apr. 19, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "World Bank in Niger Delta development project," Mar. 23, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "South African team in talks on new national airline," Mar. 53, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Nigeria set for rapid telecom growth," Feb. 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Import bans introduced," Feb. 3, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Window of opportunity," Jan. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Textile incentive approved," Dec. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government unfolds new economic blueprint," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Nigeria woos investors," *Panafrican News Agency (Pana) Daily Newswire*, June 7, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 7, 2004.

"Economy Yet on Crutches," *All Africa Global Media*, June 1, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 1, 2004.

"Nigeria's Economy Still Uncompetitive, Says Unido," *All Africa Global Media*, Apr. 29, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 29, 2004.

"Oiling the Economy Through Foreign Investment," *This Day (Nigeria) - AAGM*, Apr. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 2, 2004.

"Nigeria Rate Low On Economic Growth," *All Africa Global Media*, Jan. 9, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 9, 2004.

"China to Invest $1bn in Nigeria," *All Africa Global Media*, Dec. 16, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 16, 2003.

"Country Vows to Make Privatization an Engine of Growth," *All Africa Global Media*, Nov. 27, 2003, found at Internet address *http://www.newsedge.com*, retrieved Nov. 27, 2003.

"Nigeria keen to boost trade ties," *Pakistan Press International*, Nov. 3, 2003, found at Internet address *http://www.newsedge.com*, retrieved Nov. 3, 2003.

"ADB wants Nigeria to correct growing macroeconomic imbalances," *Panafrican News Agency (Pana) Daily Newswire*, Oct. 29, 2003, found at Internet address *http://www.newsedge.com*, retrieved Oct. 29, 2003.

"Nigeria and Benin agree to re-open border," *AFP English Wire*, Aug. 15, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 15, 2003.

Adaobi Okafor, "China Moves to Establish 50 Factories in Nigeria," *Vanguard (Lagos)*, May 10, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 10, 2004.

"Seven U.S. Firms Eye Nigeria," *Daily Champion (Lagos)*, May 5, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 5, 2004.

Hamisu Muhammad, "NEPC Moves to Implement EPB Scheme," *Daily Trust, (Abuja)*, Apr. 27, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 27, 2004.

Babajide Komolafe, "Import Ban, Port Congestion Cripple Fortex Market N137 to $1," *Vanguard (Lagos)*, Apr. 19, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 19, 2004.

Nneoma Ukeje-Eloagu, "Nigeria, Second Largest Economy in Africa - World Bank," *This Day (Lagos)*, Apr. 15, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 15, 2004.

Emma Ujah, "World Bank Unveils Plan for Nigeria's Solid Minerals Sector," *Vanguard (Lagos)*, Mar. 31, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 31, 2004.

Mike Oduniyi and Onyebuchi Ezigbo, "Offshore Field: NNPC, US firm Sign Pact," *This Day (Lago & Abuja)*, Mar. 22, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 22, 2004.

Emeka Ugwuanyi and Chinazo Onwuaso, "FG, World Bank Move to LPG Market...Sets Up Steering Committee," *Vanguard (Lagos)*, Mar. 16, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 16, 2004.

Hector Igbikiowubo, "Liquefied Natural Gas Begins Gas Export to US," *Vanguard (Lagos)*, June 27, 2003, found at Internet address *http://www.allafrica.com*, retrieved June 27, 2003.

Republic of the Congo

Economist Intelligence Unit, *Country Profile Congo (Brazzaville) 2004*, July 2004.

Economist Intelligence Unit, "Railway privatisation schedule released," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Relations with IMF reach impasse," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mining sector to be liberalised," Feb. 3, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Congo oil revenues exceed expectations by more than 12 million euros," *Agence France-Presse English Wire,* May 6, 2004, found at Internet address *http://www.newsedge.com*, retrieved May 6, 2004.

"Investment Prospects in Congo Brighten," *Africa News Service*, Sept. 17, 2003, found at Internet address *http://www.newsedge.com*, retrieved Sept. 17, 2003.

"Congo gets 11.9-million-dollar loan for agricultural projects," *Agence France-Presse English*, May 23, 2004, found at Internet address *http://www.newsedge.com*, retrieved May 23, 2004.

"Congo: Accord Signed for Safe Passage of Rail Traffic in Pool," *UN Integrated Regional Information Networks*, Mar. 1, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 1, 2004.

Rwanda

Economist Intelligence Unit, *Country Profile Rwanda 2004*, Apr. 2004.

Economist Intelligence Unit, "Privatisation of Rwandatel launched," May 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Privatisation programme has mixed results," Apr. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Real GDP growth lowest since 1994," Apr. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Expansionary budget announced for 2004," Apr. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Economic objectives set," Apr. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Renewed Hope As Recovery Path is Paved," *All Africa Global Media*, Apr. 12, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 12, 2004.

"Rwanda to Focus on the Economy in 2004," *East African (Kenya) - AAGM*, Jan. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 2, 2004.

"Rwanda's Economic Growth," *East African (Kenya) - AAGM*, Dec. 12, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 12, 2003.

Esther Nakkazi, "$4m Rwanda Free Trade Zone to Be Ready By June," *The East African (Nairobi)*, May 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 4, 2004.

"Rwanda And Kenya Sign Trade Pact," *The Nation (Nairobi)*, Mar. 17, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 17, 2004.

São Tomé and Principe

Economist Intelligence Unit, *Country Profile São Tomé, and Principe 2004*, Jan. 2004.

Economist Intelligence Unit, "Oil exploration auction concluded," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Free-trade zone project revisited," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF, World Bank assess performance," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "The oil era begins," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Good oil fortune to transform region," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “US may upgrade oil-rich area’s port,” Feb. 19, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Lere Ojedokun, “Chevron, Mobil, Dangote Seal São Tomê, and Principe Oil Deal,” Daily Champion (Lagos), May 5, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 5, 2004.

Mike Oduniyi, “JDZ: Nigeria, São Tomê, and Principe Target $500m Revenue,” This Day (Lagos), Apr. 21, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 21, 2004.

Senegal

Economist Intelligence Unit, *Country Profile Senegal 2004*, May 2004.

Economist Intelligence Unit, “Tax and investment revisions,” Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Senelec may build two new power stations, ”Apr. 1, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Qualified support from IMF,” Feb. 16, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

“New Delhi pledges US$500 million in aid to West African nations,” *AP WorldStream English*, Mar. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 2, 2004.

“Senegal basks in stable socio-economic state, says ADB,” *Panafrican News Agency (Pana) Daily Newswire*, Oct. 29, 2003, found at Internet address *http://www.newsedge.com*, retrieved Oct. 29, 2003.

“Economic Trends/Senegal - Economic Future Brighter?” *Africa Research Bulletin (ARBE)*, June 13, 2003, found at Internet address *http://www.newsedge.com*, retrieved June 13, 2003.

“IMF/IMF approves US$33 million PRGF arrangement for Senegal,” *M2 PRESSWIRE*, May 1, 2003, found at Internet address *http://www.newsedge.com*, retrieved May 1, 2003.

“Senegal: Japan Helps to Reduce Dependency On Rice Imports,” *UN Integrated Regional Information Networks*, Mar. 31, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 31, 2004.

Charles Cobb, Jr. and Reed Kramer, “Eight African Nations Eligible For Millennium Challenge Account Assistance,” Allafrica.com, May 7, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 7, 2004.

Seychelles

Economist Intelligence Unit, *Country Profile Seychelles 2003*, July 2003.

Economist Intelligence Unit, “Prawn production on the rise,” Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Tuna production climbs,” Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Goods and services tax to boost revenue,” Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Economy to shrink by 5.1%,” Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Double taxation avoidance treaties signed," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "2003 ends on disappointing economic note," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government introduces economic reform programme," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Kabo Mokgoabone, "Seychelles to Pull out of SADC by July," *Mmegi/The Reporter (Gaborone)*, Apr. 29, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 30, 2004.

Sierra Leone

Economist Intelligence Unit, *Country Profile Sierra Leone 2003*, Oct. 2003.

Economist Intelligence Unit, "Local mine to resume full operation by June," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF completes fourth review under the PRGF," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Main issues of the 2004 budget," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Aid runs into millions of dollars," Nov. 11, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Oil firms submit bid for offshore licenes," Nov. 11, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "At the bottom of the human development index," Nov. 11, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Sierra Rutile receives US investment guarantee," Aug. 18, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"China committing 266 million to developing Sierra Leone beachfront," *Agence France-Presse English Wire*, May 7, 2004, found at Internet address *http://www.newsedge.com*, retrieved May 7, 2004.

"IMF approves release of nearly 200 mn dollars for Sierra Leone," *Agence France-Presse English*, Feb. 26, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 26, 2004.

"ADB commends Sierra Leone's economic recovery measures," *Panafrican News Agency (PANA) Daily Newswire*, Oct. 29, 2003, found at Internet address *http://www.newsedge.com*, retrieved Oct. 29, 2003.

"Sierra Leone/Re-Emergence of the Gem of Africa," *Africa News Service*, Aug. 13, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 13, 2003.

Rodney Weidemann, "Gateway JV Wins Sierra Leone GSM Licence," *ITWeb (Johannesburg)*, Mar. 18, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 18, 2004.

Clive Rubin, "Africa's New Gold Rush," *Mail & Guardian (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

Somalia

Economist Intelligence Unit, *Country Profile Somalia 2004*, Mar. 2004.

Economist Intelligence Unit, "Veterinary school to be built in Somaliland," May 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Livestock exports increase at Berbera port," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Humanitarian agencies express concern," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Somalia: Hundreds of Thousands Threatened By Drought," *UN Integrated Regional Information Networks*, Mar. 1, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 1, 2004.

South Africa

Economist Intelligence Unit, *Country Profile South Africa 2003*, Aug. 2003.

Economist Intelligence Unit, "Trade regulations," May 14, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Investment regulations," Apr. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Tourism thriving," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Business environment at a glance," Apr. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Business environment ranking summary," Apr. 12, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "More ships take to seas in global boom," Mar. 17, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "DeBeers polishing its image," Feb. 27, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Steady as she goes," Feb. 19, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Foreigners can raise funds on capital markets," Feb. 19, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Revving up," Feb. 13, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Land restitution bill passed," Feb. 2, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Africa's engine needs to do better," Jan. 16, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Look for double-digit growth in 2004 car sales," Dec. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Growth targets out of reach," Dec. 24, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "FDI laggard," Dec. 24, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "The grand rand," Dec. 15, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Quick view - Economy picks up momentum," Nov. 25, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Strategic economic infrastructure investment," Nov. 6, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Promoting BEE via tax breaks," Oct. 21, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Mining updates," Oct. 21, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Ties with Germany strengthened," Sept. 4, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Ford to invest up to US$136.8m in exports," Aug. 27, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"IMF Gives SA Thumbs Up, But," *All Africa Global Media*, June 15, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 15, 2004.

Moyiga Nduru, "Environment/South Africa Widens Its Appeal For Tourists," *English IPS News*, June 11, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 11, 2004.

"SA Courting More Foreign Investment," *All Africa Global Media*, June 8, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 8, 2004.

"SA 'can be top manufacturing economy,'" *Business Day (South Africa)*, Feb. 23, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 23, 2004.

"SA's Agoa-Protected Exports to US Thriving," *All Africa Global Media*, Nov. 21, 2003, found at Internet address *http://www.newsedge.com*, retrieved Nov. 21, 2003.

"Longest Unbroken expansion in SA's history," *Business Day (South Africa)*, Oct. 27, 2003, found at Internet address *http://www.newsedge.com*, retrieved Oct. 27, 2003.

"Brazil/WTO-2/South Africa Wants Trade Deal With Mercosur," *The Nikkei English News Service*, Sept. 8, 2003, found at Internet address *http://www.newsedge.com*, retrieved Sept. 8, 2003.

"Agoa Gives Strong Boost to South African Exports to US," *Africa News Service*, Aug. 11, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 11, 2003.

"AIDS threatens South Africa economy/World Bank," *The Times of India*, Jul. 24, 2003, found at Internet address *http://www.newsedge.com*, retrieved Jul. 24, 2003.

Jabulani Tshindane, "US Boosts SA Fight Against Financial Crime," *BuaNews (Pretoria)*, Jul. 20, 2004 found at Internet address *http://www.allafrica.com*, retrieved Jul.10, 2004.

Nene Samanhyia, "AngloGold Ashanti Now Eyes the Future with Confidence," *Accra Mail (Accra)*, Apr. 13, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 13, 2004

Carli Lourens, "Hard to Float When Shipping Costs Inflate," *Business Day (Johannesburg)*, Mar. 16, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 16, 2004.

John Fraser, "Country Takes Lion Share of Nonenergy Exports Under Agoa," *Business Day (Johannesburg)*, July 15, 2003, found at Internet address *http://www.allafrica.com*, retrieved July 15, 2003.

Peter Draper, "SA And Brazil Find Common Ground On Trade Strategy," *Business Day (Johannesburg)*, June 25, 2003, found at Internet address *http://www.allafrica.com*, retrieved June 25, 2003.

Sudan

Economist Intelligence Unit, *Country Profile Sudan 2004*, Feb. 2004.

Economist Intelligence Unit, "Africa's biggest country is in flames," May 14, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Trade account shows a surplus," Mar. 26, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Peace audit," Mar. 26, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "South wins its share of oil wealth," Mar. 26, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "More oil," Feb. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"As Oil Eludes Ghana, It Attracts FDI to Chad and Sudan," *Africa News Services*, Sept. 9, 2003, found at Internet address *http://www.newsedge.com*, retrieved Sept. 9, 2003.

"Sudan: IGAD Trying to Break Peace -Talks Impasse," *UN Integrated Regional Information Networks*, Apr. 21, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 21, 2004.

Swaziland

Economist Intelligence Unit, *Country Profile Swaziland 2003*, May 2003.

Economist Intelligence Unit, "Swaziland prepares Competition Bill," May 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "IMF publishes preliminary findings," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "The central bank's annual report," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Amendments planned to labour law," Dec. 12, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Economic background," Oct. 16, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Construction on new airport begins," Sept. 10, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government expenditure spirals," Sept. 10, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Economic Recovery Tied to Political Reform," *Africa News Services*, Sept. 16, 2003, found at Internet address *http://www.newsedge.com*, retrieved Sept. 16, 2003.

"Swaziland: New Labour Legislation Passed to Retain Agoa," *UN Integrated Regional Information Networks*, Apr. 22, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 22, 2004.

Tanzania

Economist Intelligence Unit, *Country Profile Tanzania 2003*, May 2003.

Economist Intelligence Unit, "Country risk summary," Apr. 30, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Improving port security," Mar. 8, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Coeur d'Alene's first venture," Mar. 8, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Island of (in)stability," Jan. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Regional tourism is a mixed picture," Dec. 23, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Bidding extended for Tanzania Railway Corporation," Nov. 20, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Aminex begins drilling at offshore Nyuni prospect," Oct. 21, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government courts foreign investors," Sept. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Oil exploration moves ahead," Sept. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "New PRGF agreed with the IMF," Sept. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Government presents 2003/04 budget," Sept. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Tanzanite export restrictions soon," Sept. 16, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Tanzanian economy fails to hit target in 2003 because of drought," *Agence France-Presse English Wire*, June 1, 2004, found at Internet address *http://www.newsedge.com*, retrieved June 1, 2004.

"Export Market/Ghana, Tanzania Lead," T*his Day (Nigeria) - AAGM*, Apr. 30, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 30, 2004.

"Tanzanian Still Fastest Growing Economy in Ea," *East African (Kenya) - AAGM*, Jan. 28, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 28, 2004.

"Tanzanian experiments formalising informal sector," *Panafrican News Agency (PANA) Daily Newswire*, Sept. 11, 2003, found at Internet address *http://www.newsedge.com*, retrieved Sept. 11, 2003.

"World Bank Credit of US$100 Million to Promote Secondary Education Development in Tanzania," *World Bank (Washington, DC)*, June 8, 2004, found at Internet address *http://www.allafrica.com*, retrieved June 9, 2004.

Abduel Kenge, "Tanzania Plans to Lift Export Ban On Sea Fish," *The East African (Nairobi)*, Mar. 8, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 9, 2004.

Clive Rubin, "Africa's New Gold Rush," *Mail & Guardian (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

"Tanzania: IMF Clears Way for US $4.2 Million Loan," *UN Integrated Regional Information Networks*, Feb. 26, 2004, found at Internet address *http://www.allafrica.com*, retrieved Feb. 26, 2004.

Togo

Economist Intelligence Unit, *Country Profile Togo 2003*, June 2003.

Economist Intelligence Unit, "Business climate overview," May 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "New ownership for private bank, BIA-Togo," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Phosphate production rose steadily in 2003," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Cotton production rose rapidly in 2003/04," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Growth expected to exceed 3% for 2003," Mar. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Ecomarine starts operations," Nov. 17, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Failure to meet UEMOA's convergence criteria," Nov. 17, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "EU maintains freeze on financial assistance," Nov. 17, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "West African gas pipeline makes further progress," Sept. 30, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Togo ready to end decade-long rift with European Union," *Agence France-Presse English Wire*, Apr. 13, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 13, 2004.

"Benin, Togo to boost joint hydroelectric power supply," *Agence France-Presse English Wire*, Feb. 24, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 24, 2004.

Ebow Godwin, "EU Fact-Finding Mission Says Togo Shows Faith, *Ghanaian Chronicle (Accra)* June 8, 2004, found at Internet address *http://www.allafrica.com*, retrieved June 8, 2004.

Uganda

Economist Intelligence Unit, *Country Profile Uganda 2004*, Feb. 2004.

Economist Intelligence Unit, "Fish farming JV formed," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Key developments," Apr. 7, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Thabex licensed to explore for minerals in west," Mar. 8, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Business climate outlook," Mar. 8, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "External debt has risen," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Foreign investment rules liberalised," Feb. 24, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Minimum investment waived," Dec. 12, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Uganda's non-traditional export sector dips," *Panafrican News Agency (PANA) Daily Newswire*, Apr. 27, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 27, 2004.

"Uganda's Gets 5-Year Transition Period to New Tariffs," *New Vision (Uganda) - AAGM*, Mar. 8, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 8, 2004.

"Rail System to Lift Trade," *Africa News Services*, July 22, 2003, found at Internet address *http://www.newsedge.com*, retrieved July 22, 2003.

Silvia Juuko, "Flowers Industry Threatened," *The Monitor (Kampala),* May 11, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 11, 2004.

Caroline Arinaitwe, "Uganda, India Seal Double Taxation Pact," *New Vision (Kampala),* May 4, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 4, 2004.

Esther Nakkazi and David Kaiza, "Uganda Wants New Sea Outlet in Port Sudan," *The East African (Nairobi)*, May 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 4, 2004.

Emmy Olak, "Uganda Honey for EU," *New Vision (Kampala)*, May 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 3, 2004.

Christopher Kiwawulo, "Demand for Organic Exports Soars in US," *New Vision (Kampala)*, Apr. 5, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 5, 2004.

Zambia

Economist Intelligence Unit, *Country Profile Zambia 2003*, Aug. 2003.

Economist Intelligence Unit, "Key developments," May 19, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Privatisation update," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Banking update," Apr. 21, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Promises, promises," Feb. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Trials and tribulations," Jan. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Free land offered to foreign farmers," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "New power projects are unveiled," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Spending controls unveiled," Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Broad-based window further liberalises exchange rate," Nov. 25, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Textiles privatisation planned," Sept. 16, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

"Zimbabwe Farmers Aid Zambia Farming Revival," *All Africa Global Media*, July 22, 2004, found at Internet address *http://www.newsedge.com*, retrieved July 22, 2004.

"Zambia/US Renews Agoa Status," *All Africa Global Media*, Jan 20, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 20, 2004.

"China provides 2m dollars aid to Zambia," *BBC Monitoring International Reports*, Dec. 5, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 5, 2003.

"US Earmarks $350m for Zambia in Next 7 - Years," *The Post (Zambia) - AAGM*, Nov. 11, 2003, found at Internet address *http://www.newsedge.com*, retrieved Nov. 11, 2003.

"US Waives $34m of Zambia's Debt/Reaction," *Times of Zambia - AAGM*, Nov. 5, 2003, found at Internet address *http://www.newsedge.com*, retrieved Nov. 5, 2003.

"Zambia's Economy On Course," *Africa News Service*, July 30, 2003, found at Internet address *http://www.newsedge.com*, retrieved July 30, 2003.

"Imports Control List Soars," *Africa News Service*, July 16, 2003, found at Internet address *http://www.newsedge.com*, retrieved July 16, 2003.

"Zambia: Govt Back on IMF Lending Programme," *UN Integrated Regional Information Networks*, June 16, 2004, found at Internet address *http://www.allafrica.com*, retrieved June 16, 2004.

"Australian Investor to Start Gold Mining," *The Times of Zambia (Ndola)*, Apr. 15, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 15, 2004.

Isaac Esipisu, "Kenya, Zambia Agree Sh23b Power Project," *The Nation (Nairobi)*, Feb. 28, 2004, found at Internet address *http://www.allafrica.com*, retrieved Feb. 27, 2004.

"How Zambia Can Fully Exploit Agoa Provisions," *The Times of Zambia (Ndola)*, Feb. 4, 2004, found at Internet address *http://www.allafrica.com*, retrieved Feb. 4, 2004.

Zimbabwe

Economist Intelligence Unit, *Country Profile Zimbabwe 2004*, Dec. 2003.

Economist Intelligence Unit, "Country risk summary," May 14, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Platinum exports exceed gold exports," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Number in need of food aid is raised," May 4, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Hanging on," Apr. 30, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, "Import duties rise fivefold," Mar. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Playing the long game,” Mar. 17, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Hippo Valley sugar estates to be expropriated,” Feb. 18, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “A banking crisis looms,” Jan. 23, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Between a rock and a hard place,” Jan. 22, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Tobacco production looks set to fall further,” Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Neighbours swamped by illegal immigrants,” Jan. 20, 2004, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Seizing land may get easier,” Dec. 2, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Fiscal crisis,” Nov. 24, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Harare tightens exchange controls,” Nov. 21, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

Economist Intelligence Unit, “Export earnings down since economic crisis in,” Oct. 8, 2003, found at Internet address *http://www.viewswire.com*, retrieved May 2004.

“Gas prices triples in economically distraught Zimbabwe,” *The Associated Press*, Aug. 29, 2004, found at Internet address *http://www.newsedge.com*, retrieved Aug. 29, 2004.

“Zimbabwe signs investment agreement with OPEC,” *Panafrican News Agency (PANA) Daily Newswire*, Aug. 28, 2004, found at Internet address *http://www.newsedge.com*, retrieved Aug. 28, 2004.

“Zimbabwe/IMF Calls for Talks on Economic Crisis,” *All Africa Global Media*, Apr. 2, 2004, found at Internet address *http://www.newsedge.com*, retrieved Apr. 2, 2004.

“The domestic economy/ The Zimbabwe Stock Exchange goes into meltdown,” *Country Report Zimbabwe*, Mar. 10, 2004, found at Internet address *http://www.newsedge.com*, retrieved Mar. 10, 2004.

“SAfrican mining giant protests move by Zimbabwe government to seize its land,” *BBC Monitoring International Reports*, Feb. 3, 2004, found at Internet address *http://www.newsedge.com*, retrieved Feb. 3, 2004.

“Economy Least Free in Africa,” *Zimbabwe Independent - AAGM*, Jan. 19, 2004, found at Internet address *http://www.newsedge.com*, retrieved Jan. 19, 2004.

“US backs expulsion of ’pariah’ Zimbabwe from IMF,” *Agence France-Presse English Wire*, Dec. 5, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 3, 2003.

“Zimbabwe professionals running away,” *Panafrican News Agency (PANA) Daily Newswire*, Dec. 1, 2003, found at Internet address *http://www.newsedge.com*, retrieved Dec. 1, 2003.

“Zimbabwean law bans cash holdings of more than 6,250 US dollar,” *APF English Wire*, Aug. 19, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 19, 2003.

"Weird economy is consuming itself," *Business Day (South Africa)*, Aug. 13, 2003, found at Internet address *http://www.newsedge.com*, retrieved Aug. 13, 2003.

"Informal Sector Grows Rapidly As Formal Shrinks," *Africa News Services*, July 30, 2003, found at Internet address *http://www.newsedge.com*, retrieved July 30, 2003.

"Zimbabwe: Govt moves to Nationalise All Productive Land," *UN Integrated Regional Information Networks (Johannesburg)*, June 8, 2004, found at Internet address *http://www.allafrica.com*, retrieved June 8, 2004.

"Zimbabwe: Cotton Replaces Tobacco As Top Forex Earner," *UN Integrated Regional Information Networks (Johannesburg)*, May 18, 2004, found at Internet address *http://www.allafrica.com*, retrieved May 18, 2004.

"Zimbabwe: Attempts to Boost Falling Tobacco Production," *UN Integrated Regional Information Networks (Bulawayo)*, Apr. 14, 2004, found at Internet address *http://www.allafrica.com*, retrieved Apr. 14, 2004.

Clive Rubin, "Africa's New Gold Rush," *Mail & Guardian (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 4, 2004.

"Zimbabwe: New Sanctions Imposed by US," *UN Integrated Regional Information Networks (Johannesburg)*, Mar. 3, 2004, found at Internet address *http://www.allafrica.com*, retrieved Mar. 3, 2004.