Economic and Market Developments
In the Franc Zone

MATRIC Working Paper 97-MWP 3
January 1997

Midwest Agribusiness Trade Research and Information Center
Iowa State University
Ames, IA 50011

MATRIC is supported by the Cooperative State Research, Education, and Extension Service, U.S. Department of Agriculture, under Agreement No. 92-34285-7175. Any opinions, findings, conclusions, or recommendations expressed in this publication are those of the authors and do not necessarily reflect the view of the U.S. Department of Agriculture.

CONTENTS

FIGURES

TABLES

ECONOMIC AND MARKET DEVELOPMENTS IN THE FRANC ZONE

Introduction

Economic development in many countries of Sub-Saharan Africa has been restricted by a number of obstacles including unstable political environments, low agricultural productivity, rapid population expansion, environmental degradation, poor infrastructures, and poor technical support systems. External factors such as declines in world prices for many Sub-Saharan African exports and unfavorable weather conditions have added to the internal constraints. The responses to these barriers and their impact on economic development have been varied. In some cases the results have led to a cycle of economic decline. Agricultural production levels have decreased, leading to widening gaps in food self-sufficiency, which are further exacerbated by rapid population growth rates. A decline in food self-sufficiency has led to an increased need for food imports, which in turn drains foreign reserves needed to purchase imports used in domestic production leading to further declines (USDA-ERS 1994). On the other hand, some countries in Sub-Saharan Africa, while faced with the same barriers, demonstrated economic growth in the late 1960s through the early 1980s experiencing declines only after world market prices fell for their major exports. Among these countries are the members of the Franc Zone.

This paper provides an overview of the Franc Zone and its economic history followed by economic and market profiles of three of its larger agricultural-based economies: Cameroon, Côte d'Ivoire, and Senegal.

The Franc Zone

Franc Zone Members

The Franc Zone was first developed as a financial arrangement between France and its colonies. Since its establishment, the system has undergone several revisions and membership changes. In its current form, the Franc Zone consists of 14 countries, many of which are former French colonies, whose common link is their monetary tie to the French franc. Membership in the Franc Zone includes Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Equatorial Guinea, Gabon, Mali, Niger, Senegal, and Togo. Excluding the Comoros these members also represent two separate regional organizations: the Union économique et monétaire ouest-africaine (UEMOA) or West African Monetary Union includes Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal, and Togo; the Union douanière et économique de l'Afrique centrale (UDEAC) or Customs and Economic Union of Central Africa includes Cameroon, Central African Republic, Chad, Congo, Equatorial Guinea, and Gabon (*Africa South* 1995).

The economic activities of its members are diverse with per capita gross domestic product (GDP) ranging from $220 to $4,450 in 1992 (World Bank 1994a). Agricultural products have historically been important to the export sector though their contributing share has declined over the past 20 years as petroleum and mineral reserves have been discovered in some member countries. For seven of the fourteen members, minerals have become the primary export. Agricultural products that are important exports for the region include coffee, cocoa, cotton, groundnuts, fish, and timber. Only 15 percent of the total trade represents trade within the Franc Zone; 40 percent represents trade between the Franc Zone, France, and other Western European countries (Boughton 1992; IMF 1994).

Treaties with France

Treaties signed between Franc Zone countries and France in 1972 and 1973 stipulated that member countries will hold 65 percent of their reserves in the form of French francs and will hold these reserves with the French Treasury. In addition, they will link their currencies to the French franc at a set exchange rate. Currencies used by Franc Zone members are freely convertible into French francs and, until 1993, were backed fully by the French Treasury. "Operations accounts" are held with the French Treasury acting as a mechanism for payments and member countries are not allowed to draw more than 20 percent of their previous year's receipts from the central funds of their regional banks (EIU 1993; *Africa South* 1995).

Each country or group of countries issues its own currency known as the CFA franc[1] from a central bank. Currently there are three such banks in the Franc Zone: Institut d' émission des Comores, serving the Comoros; Banque centrale des états de l'Afrique de l'ouest (BCEAO), serving members of the UEMOA; and the Banque des éstats de l'Afrique centrale (BEAC), serving the UDEAC members.

Economic Advantages and Disadvantages

These financial arrangements with France have provided a basis for Franc Zone members' economic and financial policies that resulted in long-term economic stability, economic growth, and low inflation rates until the mid-1980s. This economic stability provided economic growth and development not experienced by many non-Franc Zone members. Real GDP growth for Franc Zone members between

1975 and 1985 was an average 4.6 percent compared to GDP growth for non-Franc members of 1.4 percent (see Figure I.1). Inflation rates were also much lower for Franc Zone members at 11.2 percent compared to 17.8 percent for non-Franc Zone members (see Figure I.2). Both import and export activity was also greater for Franc Zone countries compared to nonmember countries (see Figure I.3).

In the mid-1980s, however, the superior economic development of the Franc Zone region began to diminish. Declines in world prices for major export commodities of the Franc Zone (cocoa, cotton, and petroleum), high wages, and the appreciation of the French franc resulted in the decline of economic stability and growth of the area. This was reflected in the declining tax base, growth in illegal trade, and reduced competitiveness of its export and import substitutions sectors. Foreign investment also declined and cuts in public spending on health, education, and infrastructure, as well as increased taxing further eroded the economic stability and growth in the area (Clement 1994). Two of the Franc Zone's larger economies, Cameroon and Côte d'Ivoire, lost their market competitiveness, with Côte d'Ivoire losing its leading status for cocoa exports to non-Franc Zone members such as Ghana and Nigeria. More than half of the population in Côte d'Ivoire is now estimated to live in poverty compared to 30 percent in 1985 (*Economist* 1994).

While non-Franc Zone members also experienced the effects of declining world markets, the impact on their economic growth as a whole was different. Between 1986 and 1993 the average GDP growth for the Franc Zone had dropped to 0.1 percent while nonmember countries demonstrated expansion in GDP by an average 2.5 percent. External debt as a percentage of GDP also rose sharply for the Franc Zone members from an average of 38.2 percent of GDP between 1975 and 1985 to 93.5 percent between 1986 and 1993. For non-Franc Zone countries during the same periods the percentage of external debt to GDP was 25.2 percent and 57.0 percent (IMF 1994; Clement 1994).

The difference in economic growth of the two regions can be linked to the different monetary and fiscal policies various countries pursued. Non-Franc Zone countries were able to achieve equilibrium through both internal and external policy adjustments, such as a variable exchange rate policy, which helped to moderate the negative impact of deteriorating terms of trade. In many non-Franc Zone countries a variable exchange rate policy, along with the implementation of Structural Adjustment Programs (SAPs) supported by the International Monetary Fund (IMF) and the World Bank, resulted in expansion of both public and private savings and investment and ultimately in economic growth. In countries with positive per capita GDP, government investments were an average 9.7 percent of GDP between 1986 and 1993 while savings were an average 3.6 percent. Private sector savings and investment also grew, averaging 11.4 percent and 9.8 percent for the same period. Non-Franc Zone members followed a similar savings and investment policy and were able to remain competitive in the world market relative to the Franc Zone members (Hadjimichael et al. 1995).

Franc Zone countries were restricted to using only internal policy changes because of their monetary ties to the French franc. Budget deficits were reduced by cutting government savings and investments. Government savings declined between 1986 and 1993 averaging -2.3 percent of GDP with average investments being 6.0 percent for the same period (see Table I.1). Private sector investment and savings also declined between 1986 and 1993, but remained positive. The average savings in the private sector for this period was 10.7 percent of GDP while investments were an average 11.4 percent. The combination of this fiscal policy along with the Franc Zone monetary policy resulted in reduced economic growth overall (Hadjimichael et al. 1995).

Structural Adjustment Programs and Devaluation

Many countries in and outside the Franc Zone region implemented Structural Adjustment Programs financed by the International Monetary Fund and the World Bank in attempts to restore economic growth. While SAPs and resulting policy changes were country specific, in general these programs were aimed at: (1) privatization and restructuring of government enterprises; (2) elimination of price controls both at producer and retail levels; (3) liberalization of trade and market regulations; (4) restructuring of the financial sector including commercial banks; (5) expansion of tax bases; (6) reducing the size of the public sector; (7) simplifying administrative procedures related to the private sector; and (8) expanding and improving social services (Hadjimichael et al. 1995; World Bank 1994b).

Success of the SAPs has been varied, but continued economic weakness in the region led France and the Franc Zone members to agree to a devaluation of the CFA franc in January 1994. The value of the CFA franc was reduced by 50 percent from 50 CFA franc to 1 French franc to 100 CFA franc to 1 French franc, while the Comoro franc was reduced by 33.3 percent from 50 CF to 1 French franc to 75 CF to 1 French franc (Clement 1994).

Goals of the Franc Zone Members

The primary goal of the Franc Zone countries, through the devaluation and SAPs, is to regain the region's competitiveness in world markets. This will be accomplished through increasing production to current capacity, and through stimulating growth in profitable economic sectors. This will also involve the diversification of export products to help absorb external shocks such as those that occurred in the mid-1980s. Members also hope to further strengthen their economic union by coordinating economic and monetary policies and to monitor their adjustment programs. One step toward this strengthened unity is the change of the West African Monetary Union into the West African Economic and Monetary Union (Clement 1994).

Future Outlook for the Franc Zone

The change in exchange rate, along with many structural changes already implemented as a result of the SAPs, is expected to increase the competitiveness of the region and to shift resources to areas which will provide economic growth. Real growth rates are predicted to reach 4 to 6 percent (IMF 1994). Agriculture is expected to benefit greatly from the policy changes especially for those producing for the export market. Growth in this sector is expected as more resources are provided, market competitiveness returns, and producers receive higher prices for their export crops. As a result, real incomes are expected to improve, especially for small farmers and wage earners producing for the export market. Growth is also expected in import substitution sectors and other nontraditional export sectors. With the improvement in these sectors, employment is expected to rise and private investment to increase.

On the negative side, the devaluation is likely to hurt those engaged in occupations not related to trade, which includes a large portion of the urban population. To help reduce this impact on lower income groups, price freezes on a few essential goods have been established and tax adjustments made. The devaluation will also hurt Franc Zone countries such as Mali and Burkina Faso that are not strong exporters and import a larger amount of food (Clement 1994; USDA-ERS 1994; *Economist* 1994).

Success of the exchange rate adjustment in restoring competitiveness to the region will require that inflation be controlled and the fiscal, monetary, and wage policies be implemented. In addition, import liberalization policies that include reduced import duties and taxes will have to be adopted. Further implementation of SAPs will help. Finally, success will depend on the support of the international community in terms of debt relief. France is currently initiating such support (Clement 1994). While the success of the region depends on the successful implementation of these plans, given the region's past economic success, the Franc Zone holds future promise for economic growth and market opportunities.

The remainder of this report provides an economic and market overview of Cameroon, Côte d'Ivoire, and Senegal. When combined, these three countries contribute 17.5 percent to Sub-Saharan Africa's GDP and are among the top seven economies in the Sub-Saharan region (Hadjimichael, et. al. 1995).

CHAPTER 1. CAMEROON

Economic Overview

Background

The Cameroon economy is the largest among those in the Franc Zone and has achieved a low middle-income status according to World Bank standards. Prior to 1985, it was one of the fastest growing economies not only in Africa, but among all developing economies in the world. During the 1970s and early 1980s, per capita income grew at an average annual rate of 6 percent per year reaching its peak of US$1,080 in FY 1985-86. The success of the Cameroon economy was attributed to its export orientation and its conservative fiscal policies (USDOC 1994a, 1993a).

Cameroon's positive growth trend was reversed in the mid-1980s. The downturn in the economy is attributed to several factors, including: (1) the fall in world prices for its major exports (oil, coffee, and cocoa); (2) the appreciation of the CFA franc against the dollar; (3) depletion of oil reserves; and (4) the overvaluation of the Cameroon economy due to its ties to the French franc. These combined effects resulted in a 50 percent decline in export earnings by the early 1990s, along with a fall in gross investment from 33 percent of GDP to about 11 percent (EIU 1993; USDOC 1993a). The decline in the economy was felt most by those involved in exporting, especially producers of coffee, cocoa, and cotton. Other sectors not involved in trade, such as the public sector, were relatively less affected until 1993 when many government wage cuts were made, and 1994 when the CFA franc was devalued (USDOC 1993a, 1994a).

Structural Adjustment Programs

In response to the economic decline, the Government of the Republic of Cameroon (GRC) initiated a five-year Structural Adjustment Program, beginning in FY 1988-89, with the World Bank and the International Monetary Fund. The SAP was aimed at reducing government control in economic markets, reducing the size of government, removing trade barriers, and improving investment opportunities. Four major reforms have been made as a result of the SAP.

1. *Liberalization of trade and investment regulations*. Import and export regulations have been liberalized with many price and margin controls being eliminated. Other revisions include the elimination of import licensing on many goods not bound by quantitative restrictions and the elimination of qualitative restrictions on many other goods. Customs taxes and duties have been revised to meet the goal of a simpler tariff structure for the UDEAC[2] region, of which Cameroon is a member. Also, a new investment code has been implemented that is specifically aimed at encouraging foreign investment.
2. *Privatization*. Government economic control is being reduced through the liquidation and privatization of 153 parastatal monopolies whose influence created overall price and wage rigidities in the economy. Since 1989, 44 parastatals have been liquidated and four privatized. Fifteen more are in transition.
3. *New labor code*. A more liberal labor code was implemented in 1992. The former code set wages according to industry, region, and formal education of the employee, regardless of labor and product market conditions. It also gave the government control over layoffs and firings. Under the new labor code, restrictions on wage-setting, hiring, and firing are relaxed, allowing the labor market to fluctuate more freely and thus become more efficient.
4. *Sectoral reforms*. Coffee and cocoa production and export are being liberalized through the abolition of the Coffee and Cocoa Marketing Board. In its place a monitoring and coordination structure has been implemented to help provide international market price information to competing cooperatives and commodity export firms. Producers now have the freedom to sell directly to their buyers or through government-approved intermediaries. Oil exploration and production regulations are also being liberalized, which has stimulated offshore exploration. Similar reforms are being implemented for the forestry and telecommunications sectors (USDOC 1994a; EIU 1993).

In spite of these reforms, the economy continued to decline throughout 1993. Failure of the reforms to improve the economy has been attributed to the constraints imposed by Cameroon's political instability, civil disobedience, and the government's failure to adequately reduce the size of the wage bill for the public sector (*Africa South* 1995). The latter resulted in failure to comply with SAP regulations; funds from the World Bank and the International Monetary Fund were stopped in 1993. This prompted France, Cameroon's largest bilateral donor, to withdraw its financial support from Cameroon and other Franc Zone countries unless a SAP was in place. In 1994, a new letter of intent was signed with IMF and additional funds were also made available through the World Bank to continue the SAP first initiated in FY 1988-89. The IMF and the World Bank agreed to provide funds, in part, because of the devaluation of the CFA franc, which donors previously indicated was a necessary condition of the SAP. The letter of intent implemented in mid-1994 focused on further reductions in the size and wages of the public sector. It also established plans for government investment in agriculture, particularly in those subsectors that would diversify Cameroon's crop exports such as vegetables and fruits. Investment of CFA 17 billion was scheduled for FY 1994-95 for export diversification purposes (Africa Review 1995).

Key Economic Indicators

GDP. In recent years the contraction of the economy resulted in a decline of real GDP by approximately 6.3 percent per year, with an estimated per capita GDP of $532 in FY 1993-94 (see Table 1.1). After the devaluation, this trend was reversed, however, with GDP growing by 3.3 percent in FY 1994-95. Growth of 4 to 5 percent is also expected for FY 1995-96 and is expected to continue through 1999 (USDOC 1995c; WEFA 1995).

Public Finance. Cuts in government spending were initiated in 1987 to compensate for the downturn in the economy. The budget decreased from CFA fr 800 billion in FY 1986-87 to CFA fr 546 billion by FY 1993-94. These cuts, however, were not enough to eliminate its persistent deficit of 8 to 9 percent of GDP. The deficit was an estimated CFA fr 44.0 billion in FY 1992-93 (EIU 1993).

Current Account Balance. The current account balance has continued to show a deficit for the past ten years. By 1993 the deficit had reached US$1.034 billion (World Bank 1994c). It was expected to decline to two-thirds this level by FY 1994-95 as a result of debt forgiveness, debt rescheduling, and growth in exports that depend on continued efforts to make structural adjustments (USDOC 1994a, 1993a).

External Debt. Cameroon has received external financing from several sources between 1989 and the present including IMF, the World Bank, the African Development Bank, the Paris Club, the European Community, the United States, and France. Its external debt has increased, reaching an estimated $6.601 billion in 1993, and Cameroon continues to have difficulty in meeting its debt obligations in spite of Paris Club debt rescheduling (USDOC 1994a, 1995c; *Africa South* 1995; World Bank 1994c). Between 1989 and 1992 the GRC was able to pay only 30 percent of its external debt obligations.

Primary Economic Sectors

Agriculture

Agriculture has always been a significant sector in the Cameroon economy, providing as much as 32 percent to GDP prior to the development of the petroleum industry in the late 1970s. Currently, agriculture accounts for 22 percent of GDP and employs 59.3 percent of the labor force (1992 figures). Forty-five percent of the value of agricultural production is provided by subsistence crops with export crops accounting for another 25 percent. The remainder is provided by livestock and fisheries (17 percent) and forestry (13 percent) (EIU 1993).

Ninety percent of cash and food crops are produced by small-scale farmers, with the exception of rubber and palm oil production. Modern production practices are confined mainly to public or semi-public enterprises; some of them have recently been privatized. While the use of tractors in production has consistently shown growth over the past several years (see Figure 1.1), there is still a great need for technological advancement in order to increase production levels (FAO 1993a). Mismanagement of production methods is limiting yield growth in food crop production and growth in production is related more to increased cultivation than to growth in yields (EIU 1993; USDA-ERS 1994).

The GRC has attempted to stimulate agricultural production through price controls designed to reduce producer risk. In many cases producer prices were set above world levels until 1989 when cuts were made by as much as 40 percent for coffee and cocoa. These cuts were made as part of the SAP efforts to reduce government intervention and to bring prices more in line with world levels. Other producer incentives included subsidies for fertilizers and pesticides and providing bonuses for the replanting of coffee and cocoa plants (USDOC 1994a; *Africa South* 1995; USDA-ERS 1994). While many of these measures failed to increase production levels, most notably in the coffee subsector, the recent devaluation of the CFA franc was expected to benefit the agricultural sector and thereby increase production levels. It is predicted that increases in production may occur as world prices improve and Cameroon's exports can be more competitive as a result of the devaluation.

Export Crop Production. Major exports include coffee, cocoa, bananas, cotton, and rubber (see Figure 1.2). Other less important exports include palm oil, tea, and pineapples. The government is promoting diversification of its export crops to include exotic fruits, green beans, sugar peas, and flowers (EIU 1993).

<u>Cocoa</u>. In FY 1992-93 Cameroon was ranked as the seventh largest producer of cocoa with most of the production occurring on small plantations of 1 hectare (ha) or less. Production began to decrease in 1989-90 when producer prices were cut, but has shown some growth in recent years. FAO estimates show

production reaching 100,000 metric tons (mt) in 1993. Continued growth may be supported if world prices continue to rise and producers respond to increases in producer prices for cocoa (EIU 1993; FAO 1993a; USDOC 1995c).

Coffee. Coffee is grown mostly in the West and South on approximately 40,000 hectares. Eighty-five percent of the coffee grown is robusta with the remainder being arabica. Coffee production has also declined as a result of reduced producer prices, declining from 138,000 metric tons in 1988 to an estimated 50,000 metric tons in 1993 (FAO 1993a; EIU 1993). However, the increases in producer prices after the 1994 devaluation may reverse this trend. Increased yields are expected over the next few years as old orchards are rehabilitated and new trees planted (USDOC 1995c).

Cotton. Most of the cotton production is done by small-scale farmers in the northern regions of Cameroon. Production of seed cotton was an estimated 112,000 mt in 1993 (FAO 1993a; EIU 1993). In 1994 the GRC established a 50 percent increase in the price paid to cotton producers in order to increase cotton production (USDOC 1994a; *Africa South* 1995). The Société de dévelopement de cotton, Sodécoton, provides marketing, collection, and supply services for cotton producers. The organization is also responsible for the implementation of a modernization program, begun in 1990, to improve factories, provide training, and supply new vehicles.

Rubber and Palm Oil. Rubber and palm oil are produced mainly by enterprises such as the Cameroon Development Corporation, Camdev, which are state owned. Rubber production has gradually increased with production levels reaching an estimated 48,000 tons in 1993. Production levels are competitive with Asian producers and have good future prospects.

Output of palm oil, on the other hand, has been cyclical as some plants have closed and reopened since the late 1980s. Socapalm produces approximately half of the national output. National production levels were estimated to be 120,000 tons in 1993 (EIU 1993; FAO 1993a; *Africa South* 1995).

Banana. Following reorganization of the banana sector and privatization of the state-owned enterprises in 1987, the banana sector began to show growth after several years of decline. Production levels reached nearly 500,000 metric tons in 1989 and 1990. Since then production levels are estimated to have declined to around 100,000 metric tons in 1993. (EIU 1993; FAO 1993a; *Africa South* 1995).

Food Crop Production. Cameroon is nearly self-sufficient in food production and government policies are aimed at maintaining these production levels. Reduction of producer prices for export crops has helped by encouraging some producers to shift from export crops to food crops. The major food crops grown include cassava, plantain, millet, sorghum, maize, rice, sugar, groundnuts, beans, yams, and cocoyams (see Table 1.2). Food crops are mainly consumed locally with a few exports, such as rice, going to Nigeria and Gabon (EIU 1993). Increased production of rice is being encouraged by the government with a goal of 280,000 tons per year set for the year 2000. Production levels of rice have been increasing over the past decade from 15,000 tons in 1980 to an estimated 90,000 tons in 1993 (*Africa South* 1995; FAO 1990a-1993a).

Livestock Production. Cattle, hogs, sheep, and poultry are raised in Cameroon but generally on a small scale using traditional methods. A few larger cattle operations exist such as those run by the Société de dévelopement et d'exploitation des productions animales. Herd sizes in 1993 were 3.8 million sheep and goats, 1.4 million pigs, 20 million chickens, and 4.9 million head of cattle (see Table 1.3) (FAO 1990a-1993a; *Africa South* 1995).

Production of beef, pork, poultry, and mutton has generally been increasing over the past several years (see Table 1.4). Poultry production has shown the largest growth from 15,000 mt in 1988 to 20,000 mt in 1993 (FAO 1990a-1993a; EIU 1993).

Forestry. There are approximately 17.4 million hectares of forests available for commercial logging, 50 percent of which are presently being used. Three hundred species have production value, but only 30 are currently being exploited for commercial purposes. Most of the enterprises involved in forestry production are foreign. The lack of funds to deal with a poor infrastructure and technology are constraints domestic enterprises face in this sector. Some of these constraints may be reduced as government polices are being considered that will improve infrastructure in the production areas, revise forestry laws, and increase the equipment pool for forestry production. Forestry provides export revenue between CFA fr57 and 59 billion annually (USDOC 1992). Log exports reached approximately 414.2 cubic meters in 1992. This was down somewhat from a high of 509.5 cubic meters in 1990 (EIU 1993).

Oil Production

Since the late 1970s, oil has been an important source of export revenue. Production peaked in the mid-1980s at 9.16 million tons. During peak production, oil contributed nearly 50 percent to export earnings and 33 percent to government revenues. Since that time, production has fallen as a result of low world prices and dwindling reserves; oil contributed 30 percent to export revenue in FY 1993-94. Production was estimated to fall to 3.5 million tons in 1995 though newly discovered reserves may reverse this downward trend (USDOC 1994a; EIU 1993). Incentives for further exploration have been provided by the GRC; however, the possibility of finding new reserves is uncertain (USDOC 1993a, 1995c).

Manufacturing

The manufacturing sector has held its own since the economic downturn in the mid 1980s. Its contribution to GDP has remained between 12 and 13 percent since 1985. Most production occurs in small enterprises with ten or fewer employees. Only about 30 enterprises exist that could be labeled as large. Many of the enterprises are located around Douala, and manufacturing inputs are mainly obtained domestically. Recent performance has been best in the tobacco, beverages, construction materials, furniture, textiles, and shoe subsectors. Other goods produced include chocolate, cocoa paste, and flour.

In 1991 a ten-year industrialization plan was implemented to promote industrialization in agro-industry, mechanical and electrical industries, forestry and wood industries, construction, chemicals and fertilizers, aluminum, pharmaceuticals, plastics, and steel. To aid in this process an industrial free zone was established in 1991. Political instability, however, has hindered the development of this zone by foreign investors (EIU 1993).

Trade

Cameroon maintained a trade surplus throughout the late 1980s and early 1990s. However, both exports and imports moved downward since the mid-1980s with merchandise exports in 1993 being US$1.51 billion and merchandise imports being US$1.01 billion (see Table 1.5) (IMF 1995a). Since 1985, Cameroon has lost approximately 50 percent of its export income due to sharp declines in world market prices for its main exports (coffee, cocoa, and oil) and a lower volume of exports due to the overvalued CFA franc reducing the competitiveness of its main exports in world markets. This downward trend for exports appears to have ended, however, as a result of the devaluation of the CFA franc in January 1994. During FY 1993-94 overall exports are estimated to have increased by 12 percent, timber exports by 52 percent, banana exports by 37 percent, coffee exports by 30 percent, and rubber exports by 11 percent (USDOC 1995c). A trade surplus of 6.5 percent of GDP is estimated for FY 1994-95 (USDOC 1994a). Continued improvement in exports will depend, however, on continued liberalization of its trade policies and markets (USDOC 1994a; EIU 1993).

Though imports were expected to decline in 1994 as a result of the devaluation and a new tax, the taxe sur chiffre d'affairs (TCA), the volume of imports is reported to have increased by 14.39 percent. This increase is not expected to continue in the near future, however, due to the economy's decreased ability to purchase foreign goods (USDOC 1995c, 1994a). Major trading partners include France, Spain, and Italy for oil exports, and the Netherlands for cocoa exports. In 1994 Cameroon imported the majority of its goods from France (35.4 percent) followed by Belgium/Luxembourg (6.6 percent), the United States (6.2 percent), Germany (5.7 percent), and Italy (3.9 percent) (see Table 1.6) (IMF 1995b).

Exports

Traditionally Cameroon's main exports have been cocoa, coffee, and oil. Other sources of export revenue include bananas, rubber, timber, and cotton (USDOC 1994a; EIU 1993). The major agricultural exports in terms of value for 1993 continued to be cocoa beans ($102 million), and coffee (US$67.6 million) (FAO 1992b). Together these two exports contribute nearly 47 percent to the revenue received from agricultural exports (see Table 1.7). An increase in world prices for cocoa and coffee is expected to promote production in these sectors, while continued growth in the banana and cotton sectors is expected to result from the recent devaluation of the CFA franc (USDOC 1994).

Imports

Imports consist mainly of consumer goods, the value of which has declined in recent years. Imports also include food and beverages, machinery and electrical equipment, and transport equipment (CIA 1994; Africa Review 1995). The composition of imports is predicted to shift to relatively more capital goods as investment opportunities grow (USDOC 1994a).

Unlike many other Sub-Saharan African countries, Cameroon is relatively self-sufficient in food production, thus decreasing its reliance on food imports. It is, however, dependent on grain imports (see Table 1.8). Rice and wheat imports, in particular, have grown in recent years due to urbanization, reexports to Nigeria, and the decline in world prices for these grains (USDA-ERS 1994).

Imports of agricultural inputs, such as fertilizers, pesticides, and agricultural machinery, have generally declined since 1986 from $72.13 million to $33.25 million in 1993 (see Table 1.9). Throughout this period fertilizers and pesticides comprised the major portion of these imports followed by agricultural machinery (FAO 1993b). Future imports of these products may increase if government policies continue to support growth in the agricultural sector.

U.S. Trade with Cameroon

Prior to the 1994 devaluation of the CFA franc, U.S. exports of consumer goods were favored due to the low valuation of the U.S. dollar relative to other EC currencies and the CFA franc. However, since the devaluation it is expected that imports of consumer goods from the U.S. will decline. Many U.S. exports to Cameroon must be transshipped through Western European ports due to the low volume of trade. Therefore, exchange rate and interest rate conditions must remain favorable to offset higher shipping costs relative to European competitors (USDOC 1993b).

Total U.S. agricultural exports to Cameroon were $13.9 million in 1994 down from $21.4 million in 1993 (see Table 1.10). Main U.S. exports in recent years have included grains (such as rice, wheat, and corn), oil and gas field equipment, tobacco, paper mill products, construction machinery, petroleum and coal products, textile machinery, farm machinery and equipment, biological products, and aircraft equipment (USDOC 1993b). Among these, wheat has been one of the fastest growing exports in recent years. Much of the growth seen in 1992 was attributed to reexports to Nigeria during its ban of wheat imports at that time. However, U.S. wheat exports did not decline substantially after the ban was lifted; there was continued growth in unmilled wheat exports in 1993. Total U.S. wheat exports were $14.6 million in 1993 followed by a decline to US$9.4 million in 1994 (USDA-ERS 1993).

Agricultural Market Opportunities

Major Foreign Competitors in the Cameroon Market

France is the major foreign competitor in Cameroon. It has the advantage of a tied currency, common language, local branches of French banks, technical staffing at many Cameroonian government ministries, and an historical presence in Cameroon. The French dominate the following sectors: distribution, petroleum, telecommunications, forestry, banana production, and processing of cocoa, coffee, cotton and tobacco. The United States is second to France in petroleum and banana production, and is competing successfully in the supply of fertilizers. Other countries sharing in the Cameroon market include Lebanon (distribution sector), India (distribution and textile sectors), and Germany (telecommunications sector) (USDOC 1994a).

U.S. Image in the Cameroon Market

There is an expressed desire among businesspersons in Cameroon to diversify their international connections and they are actively doing so. The United States along with South Africa and Germany are viewed as good sources of diversification. United States businesspersons are generally viewed as fair and straightforward in their business dealings and U.S. products are appreciated for their quality and durability (USDOC 1994a). Success of U.S. products in the Cameroon market will be dependent, however, on the U.S. dollar not appreciating relative to other foreign currencies and U.S. interest rates not rising above competitors' rates. Appreciation of the dollar and increased interest rates will make U.S. products less competitive (USDOC 1993b).

Export Opportunities

Recent devaluation of the CFA franc and market liberalizations through the SAP provide the potential for growth in the Cameroon market. The agricultural sector does indicate some promise for increases in exports of agricultural inputs to Cameroon provided government policies continue to support growth in the agricultural sector and diversification of its export products. Exports of agricultural inputs (pesticides, fertilizers, seeds, and agricultural equipment) needed for Cameroon's major export crops (such as coffee, cocoa, bananas, cotton, and rubber) may prove to be the best prospects in the near future. If the support for increased production of cash crops continues, the next few years should show increases in imports of fertilizer and insecticides. U.S. exports of these products in 1994 were US$409,000 with most of Cameroon's imports of these products coming from European and Asian suppliers (USDOC 1995c, 1993b, 1994a).

Wheat exports also continue to be a good export opportunity. Of the three existing flour mills, one uses U.S. wheat, the other two use European or a blend of European and American wheat. If the price of U.S. wheat remains competitive with European suppliers, the potential exists for increases in U.S. exports of wheat (USDOC 1995c).

Development Programs

Market opportunities also exist through the development programs currently being financed by the African Development Bank, the World Bank, and other international financial institutions. Participation in these programs is restricted to those which the GRC feels are beyond the technical capacity of local enterprises. Foreign companies are not restricted, however, in supplying needed equipment and its servicing and installation (USDOC 1994a).

Investments

Other U.S. business opportunities exist for investment in export-oriented and import-substitution operations as well as providing inputs into these production systems. Investments into these sectors have been made favorable by the establishment of the new investment code that strongly supports investment (both local and foreign) in Cameroon, as well as encouraging the growth of export-oriented firms and the use of local inputs for the production of those exports. The code also provides for five investment alternatives, one of which is the industrial free zone. This alternative allows companies to operate relatively free of established government regulations and systems. Enterprises that process goods for export or use inputs from the domestic or regional market (UDEAC) are eligible to receive the general benefits of the investment code. These benefits include a reduction in taxes on exporting (such as insurance and transportation), on income, and on inputs used from the local and regional markets (USDOC 1994a, 1993a).

Risks

Growth and market opportunities are highly dependent on continued market liberalization and political stabilization. Market opportunities are only speculative at this time. The risk for U.S. exporters and investors has been reduced as a result of the devaluation of the CFA franc. There are, however, some general risks that continue including security risks, political risks, and judicial risk. The risk of investment will remain until further economic and political liberalizations occur. Changes that are needed include greater transparency and accountability in government, privatization of most remaining parastatal enterprises, an independent judiciary, and improved definition and enforcement of contracts and property rights. It is predicted that with these changes, along with those that have already occurred, the Cameroon market could soon return to its pre-1985 growth rate and provide a potential market for U.S. agricultural products (USDOC 1993a, 1995c).

CHAPTER 2. CÔTE D'IVOIRE

Economic Overview

Background

Historically, Côte d'Ivoire has held one of the best records in Sub-Saharan Africa for economic development and political stability. Economic growth throughout the 1960s averaged 11 percent, slowing to around 7 percent in the following decade. This rapid growth helped to finance development and infrastructure in the country making it one of the best in the region. Its GDP is one of the largest in the Franc Zone accounting for nearly 33 percent of the total GDP for the West Africa Franc Zone members in 1992 (World Bank 1994a). Growth in the economy was also assisted by Côte d'Ivoire's tranquil political history which continues to provide positive support for future growth (USDOC 1993c, 1994b; *Africa South* 1995).

As with many other Franc Zone countries, economic growth was halted in the mid-1980s with the rise in imported oil prices, drought from 1982 through 1984, and the fall of coffee and cocoa prices, two of the country's major exports. Export earnings dropped by nearly $1 billion between 1986 and 1988, followed by an increase in foreign debt, increasing current account deficits, and a continued decline in real per capita GDP (USDOC 1993c; *Africa South* 1995).

Government's Role in the Economy

In addition to external factors, failure to recover economic growth can in part be attributed to government economic policy. The Ivorian economy has been viewed as one of the more liberal African economies, but in reality it has been very closely controlled by the government of Côte d'Ivoire. While the government promoted export crops of coffee, cocoa, and cotton by private producers it tightly controlled financing, marketing, and transport in this sector. It also controlled the import, marketing, and price of staple grains. Initially this system supported the establishment of these sectors, helping private producers to compete in world markets, but it eventually grew to be a burden on the economy as the size of government became excessive and marketing systems unprofitable. In response, the government of Côte d'Ivoire implemented austerity measures and turned to Structural

Adjustment Programs, supported by the World Bank and the International Monetary Fund, to help rectify the situation. These programs were aimed at reducing the fiscal deficit, privatizing government-owned operations, and liberalizing the marketing system for principal export crops. The first program was initiated in 1987, followed by two others; all resulted in failure to achieve key goals and in termination of funding. The devaluation of the CFA franc in 1994 promoted the signing of a new letter of intent with the IMF to receive short term credit of $458 million pending the completion of the Enhanced Structural Adjustment Facility (ESAF) which again focuses on reducing the size of government and liberalizing the agricultural marketing systems through reducing tax and tariff rates, broadening the tax base, developing new investment, labor, and mining codes, reducing the complexities of investment regulations, and evaluating existing parastatals for privatization (USDOC 1994b, 1993c).

Key Economic Indicators

GDP. Contraction of the economy in the 1980s resulted in the GDP falling an average 1.8 percent between 1987 and 1992 (see Table 2.1). This trend was reversed in 1994 with GDP growing by 1.7 percent (USDOC 1994b, 1995a). The devaluation, along with other government reforms, is expected to provide a continued positive impact on the economy. Real GDP is predicted to grow by 6.4 percent in 1995 followed by a 6.5 percent growth rate over the next three years. GDP per capita is also predicted to grow over the next few years. GDP per capita was an estimated $500 in 1994 and is projected to grow to $510 by 1996. (*Africa South* 1995; USDOC 1994b, 1995a). The positive climate for growth will also be supported by rising prices for Côte d'Ivoire's main exports and by oil and gas discoveries which potentially will make Côte d'Ivoire self-sufficient in petroleum and electrical power by the end of 1995 (USDOC 1994b).

Public Finance. Various attempts have been made since 1982 to eliminate the public sector deficit, with varying degrees of success. The magnitude of this deficit varies from source to source, however, making it difficult to determine how successful austerity measures have been. The Franc Zone secretariat's data estimates the deficit to have been CFA fr60bn in 1992 (EIU 1994).

Current Account. The current account went from a surplus of $64 million in 1985 to a deficit of $1.02 billion in 1993 (World Bank 1994c). This was due to the narrowing of the trade surplus and an increase in interest payments. As part of the ESAF the current account deficit is projected to drop from 13.1 percent of GDP, its 1992 value, to 7.7 percent in 1996 (*Africa South* 1995). Evidence of the narrowing of the current account deficit occurred in 1994 as exports grew substantially exceeding import growth (USDOC 1995a).

External Debt. Côte d'Ivoire's external debt has shown steady growth in recent years peaking at an estimated US$19 billion in 1993. Estimates for 1994 indicate a decline in foreign debt to US$15 billion. Reduction of Côte d'Ivoire's external debt can be attributed in part to substantial debt forgiveness and rescheduling by creditors (USDOC 1994b, 1995a; World Bank 1994c).

Primary Economic Sectors

Agriculture

Agriculture is central to the Ivorian economy, contributing nearly 33 percent of GDP and employing 70 percent of the working population (USDOC 1995a). Combined with forestry, agriculture contributes nearly 75 percent to export earnings, between 40 and 50 percent of which consists of exports of cocoa and coffee (Africa Review 1995; EIU 1994). Agriculture has shown some growth in its share of GDP as services have fallen since 1986 (EIU 1994).

Cash Crops. Côte d'Ivoire is among the world's leading producers of coffee and cocoa and is highly dependent on these two crops for export revenue. To help guard against the economy's susceptibility to changing international prices for these major exports, the government has focused on developing other agricultural industries currently producing exports. These include the palm oil industry, the cotton industry and the rubber industry (see Table 2.2). Other export crops include pineapples, bananas, and sugar (USDOC 1994b; EIU 1994; *Africa South* 1995).

<u>Cocoa</u>. Côte d'Ivoire is the largest producer of high-quality cocoa beans in the world with recent production levels varying from 697,000 tons to 848,900 tons, the peak of which was in 1988-89 (EIU 1994; FAO 1990a-1993a). Preliminary estimates for the 1993-1994 season were near the 1988-89 levels at 840,000 mt; forecasts for 1994-95 ranged from 750,000 mt to 860,000 mt (USDA-FAS 1994b).

Expansion in production has been minimal due in part to low producer prices. While the recent increase in producer prices from 240 CFA fr/kg to 315 CFA fr/kg[3] may promote some expansion, this incentive is being counteracted by the increase in coffee prices which has resulted in shifting of many resources to coffee expansion (USDA-FAS 1994b).

Expansion in production through increased yields could also be obtained through better use of fertilizers and insecticides (EIU 1994). Current use of fungicide and pesticides has been minimal, again due to low financial resources of producers. With the increase in producer prices, however, this situation is likely to change (USDA-FAS 1994b).

Government policy has focused on promoting the maintenance of production potential for existing fields and increasing productivity. A new organization, ANADER, was established in January 1995 to provide technical assistance and supervision to promote the quality and productivity of cocoa crops. The organization will provide advice on crop harvesting, fermentation, drying, sorting, and storage (USDA-FAS 1994b).

Coffee. In 1992, Côte d'Ivoire was the second largest producer of coffee. Production takes place mainly on small plantations and is of a lower quality robusta variety. Recent production ranged from 125,000 to 284,000 metric tons with peak production occurring in 1990 (EIU 1994; FAO 1990a-1993a). Production levels estimated for the 1993-94 growing season were 145,020 mt, and were expected to increase to 170,400 mt for the 1994-95 season. These figures do not reflect production that is traded illegally which was estimated between 15,000 and 20,000 metric tons in 1993-94 (USDA-FAS 1994c, 1994e). Decline in production occurred in recent years in part due to the majority of plants being at least 15 years old and to low producer prices. This trend is expected to reverse as producer prices have been increased by the government several times since 1993, from 140 CFA fr/kg to 500 CFA fr/kg for unsorted beans and to 530 CFA fr/kg for hulled and sorted beans (USDA-FAS 1994d). The price increases are a result of increased world prices for coffee and the devaluation of the CFA franc in 1994. The government also hopes that increased prices will help to renew producer efforts to increase production of coffee and stop the illegal trade of coffee to neighboring countries where world market prices of 1,500 CFA fr/kg prevail (UDSA-FAS 1994d, 1994e).

The Government of Côte d'Ivoire (GCI) hopes to stimulate further expansion of green coffee production through the establishment of the Coffee Recovery Program. Begun in 1994, this program provides aid to producers who initiate rehabilitation of their plantations through clearing, phytosanitary treatments, and fertilizer applications. This program is in addition to the Coffee Regeneration Program, established earlier, which was aimed at rejuvenating coffee production through funding for producers to prune older coffee trees radically and replant non-productive trees. An increase in production of 15 to 20 percent was expected for the 1994-95 season, with expanded production reaching 350,000 metric tons per year by the year 2002 (*Africa South* 1995; EIU 1994; USDA-FAS 1994c, 1994e).

Cotton. Côte d'Ivoire is the third largest cotton producer in Africa and ranks fifth in export earnings. Seed cotton production in 1992-93 reached 245,000 tons, up from the previous season of 193,700 tons (EIU 1994; FAO 1990a-1993a). If successful, plans for expansion in this industry will make Côte d'Ivoire Africa's second largest producer of cotton (*Africa South* 1995). To help promote cotton expansion and food crops such as corn, rice, peanuts, and yams, the Compagnie Ivoiriènne pour le developpement des textiles (CIDT) was established. Through this organization the government provided free seed and insecticide to cotton producers. Expansion seemed promising early in 1994-95 due to increased producer prices, increased cultivation of high-yielding varieties, expansion in area cultivated, and good weather conditions. However, more recent estimates have been revised downward from 280,000 mt to 230,000 mt as a result of insect infestation. The free insecticide provided by the GCI, through CIDT, was discontinued in 1994-95 which resulted in producers reducing the amount of insecticide applied. This reduction, along with a rainy growing season and the associated large proliferation of insects, resulted in losses in production (USDA-FAS 1994f, 1994g, 1995a).

Eighty percent of the cotton crop is exported with the remainder sold to the domestic textile industry. Côte d'Ivoire receives strong competition in the export market from Asian producers such as Uzbekistan.

Rubber. Production of rubber is expanding, with 1993 levels reaching 76,000 tons, and the industry is competitive with Asian producers (EIU 1994; FAO 1993a). Government expansion goals are to make Côte d'Ivoire Africa's largest rubber producer by the year 2000. Projected output for the mid-1990s is 130,000 tons with an increased cultivation of 42,000 hectares (*Africa South* 1995).

Palm Oil. Palm oil production has shown steady growth since 1990. Output reached 310,000 tons in 1994 and was projected to increase to 320,000 tons in 1994-95 (FAO 1990a-1993a). The government has invested in expanding palm oil production, hoping to make Côte d'Ivoire the world's largest producer. As part of the government support for this sector, a program was implemented to help replant. Recently an emphasis has been placed on palm oil processing and a new processing plant has been constructed. The devaluation in 1994 also provided a boost to this industry through increased producer prices and exports (EIU 1994; *Africa South* 1995; USDA-FAS 1995b).

Banana and Pineapple. Both banana and pineapple production have demonstrated a growth trend since 1990 with banana and plantain production reaching an estimated 1,386,000 tons and pineapple production reaching an estimated 240,000 tons in 1993 (FAO 1993a). These estimates are up from

1992 production levels of 201,000 mt for pineapple, but down slightly from 1,472,000 mt for bananas and plantains (FAO 1990a-1993a).

Sugar. Sugar production has fluctuated and two of six sugar complexes have been closed. Some growth was seen in the 1991-92 growing season with sugar cane production reaching 1,600,000 mt. Production was estimated to have decreased to 1,450,000 mt in 1993 (EIU 1994; FAO 1993a).

Food Crops. Food crop production accounts for approximately 24 percent of GDP and consists mainly of cassava, yams, cocoyams, fonio, sorghum, millet, corn, and rice (see Table 2.3) (USDA-FAS 1994a). The government of Côte d'Ivoire has encouraged the increased production of food crops in order to obtain food self-sufficiency, thus reducing the need for imports, and to diversify production, thus reducing revenue dependence on two principal export crops. As a result, food crop production has shown some expansion in recent years, mainly in tuber crop output and, to a lesser extent, in cereal crops. Currently Côte d'Ivoire is self-sufficient in locally grown food crops, but must import nearly 50 percent of its rice, all of its wheat, and occasionally corn to meet its consumption needs (*Africa South* 1995; EIU 1994; USDA-FAS 1994a). The benefits gained from self-sufficiency in production of some crops are restricted, however, due to an inadequate distribution and storage system which results in shortages of these crops during non-growing seasons.

In addition to traditional food crops, vegetable products such as eggplants, tomatoes, cabbage, pimentos, shallots, and okra are also produced using modern production technologies which include the use of irrigation and chemical inputs. This sector has shown recent declines in production, however, after the dissolution of SODEFEL which formerly provided technical supervision for fruit and vegetable crops (USDA-FAS 1994a).

Livestock Production. Livestock herds are small and meat production does not meet current consumer demand. Nearly sixty percent of the meat is imported. In 1993, livestock numbers were an estimated 1.2 million head of cattle, 1.2 million goats and sheep, 392,000 pigs, and 26 million head of poultry (see Table 2.4) (FAO 1993a).

Poultry meat production is the largest in Côte d'Ivoire followed by beef and small amounts of pork and lamb (see Table 2.5). Pork consumption is low due to religious beliefs. The ban on poultry meat from 1989 to 1994 helped to boost domestic production. Expansion has generally been in the traditional sectors rather than the modern production sectors. Traditional production is on a small scale and accounts for 55 percent of poultry meat production. The 1994 devaluation will do little to further expand production levels of all meats due to the high reliance on imported production inputs (USDA-FAS 1995d).

Forestry. Forestry is the third largest source of export revenue for Côte d'Ivoire. The industry is dominated by foreign companies with much of the processing done by domestic sawmills and factories. Development of the processing industry is supported by the government in an effort to increase the value of its forestry exports. Côte d'Ivoire is currently Africa's largest exporter of sawn timber. Declines in forestry exports are occurring, however, in part due to the high rate of felling and low rate of reforestation. A new forestry plan was implemented in 1992-93 to address this problem. Without a change in current practices, Côte d'Ivoire could become an importer of timber by the end of the century (EIU 1994).

Fishing Industry. Fish production is around 80,000 to 100,000 tons per year with domestic consumption of 250,000 tons per year. Consumption is expected to nearly double to 400,000 tons in the next five years. Production is done mainly on a small scale with smaller fishing boats replacing the large trawlers of the early 1980s. Tuna fishing is one of the major activities, with Abijan being the largest tuna fishing port in Africa. The industry is dominated by foreign boats with the traditional catch done mainly by Ghanaians (EIU 1994; *Africa South* 1995).

Oil Production

Prior to recent discoveries of oil and gas, oil production was minimal with imports accounting for nearly 90 percent of the country's commercial energy needs. This need could be eliminated by the end of 1995 as a result of the new discoveries. Côte d'Ivoire also imports large quantities of crude oil for refining which is then reexported. Currently Côte d'Ivoire is one of the largest centers for oil refining among the western CFA countries (EIU 1994; Africa Review 1995).

Manufacturing

The manufacturing sector demonstrated rapid growth throughout the 1970s and early 1980s, mainly in the processing of the agricultural products cocoa and coffee for the export market and in the import substation sector replacing goods formerly imported from Senegal. With the decline in Côte d'Ivoire's economy over the past decade, the manufacturing sector has also demonstrated a decline, from an index (based on 100 in 1985) of 107 in 1987 down to 93 in 1992 (EIU 1994). Currently this sector contributes approximately 20 percent to GDP and employs 14 percent of the labor force.

Throughout the 1970s much of the industry consisted of government-owned parastatals with only 13.6 percent held by private Ivorian investors. These parastatal organizations were created to promote "Ivorianism" and diversify the industry. By the 1980s the financial burden of operating the parastatals became too great and privatization efforts began later in the decade. Today as part of the SAP, privatization in the industrial sector continues. By the end of 1995 the goal is to privatize 80 of the remaining 140 parastatals (*Africa South* 1995).

Government policy now focuses on the promotion of production for the export market, especially in the areas of food processing, timber processing, and the manufacturing of textiles, leather, and footwear (Africa Review 1995). The food processing industry, though small, is fairly well established. Many processing companies are European owned with a few recent purchases made by multinationals such as Cargill and Uniliver. Some of the products produced include chocolate, tomato paste, soluble coffee, vegetable oil, margarine, mayonnaise, and sugar. Other food and beverages produced using mainly imported ingredients include beer, candy, soft drinks, dairy products (UHT milk, yogurt, canned milk), crackers, flour, and rice. Historically, operating costs for the food industry have been high, making processed products for export uncompetitive with other foreign supplies. Therefore, much of what is produced is for the domestic rather than the export market, the exceptions being processed coffee, cocoa, and sugar. The devaluation in 1994 should help provide a boost to this industry as many foreign products have now become too costly for domestic consumption (USDA-FAS 1995c).

Trade

Typically Côte d'Ivoire has a trade surplus the size of which is dependent on the world market for coffee and cocoa. A decrease in imports has also helped to maintain this surplus, especially in years when exports of coffee and cocoa have declined. Recent projections indicate growth for both imports and exports over the next few years. Exports were an estimated US$2.9 billion in 1994 and are projected to reach US$3.2 billion in 1996 (see Table 2.6). Imports are also projected to grow from the 1994 levels of US$1.6 billion to US$2.2 billion in 1996 (USDOC 1995a; IMF 1995a).

France is Côte d'Ivoire's main trading partner in both imports and exports (see Table 2.7). In 1993, 31 percent of Côte d'Ivoire's total imports were from France, followed by Nigeria (26 percent), and the U.S. (4.4 percent). Nearly sixteen percent of Ivorian exports went to France in 1993, followed by Germany (8.3 percent), the Netherlands (7.1 percent), Italy (6.8 percent), and the U.S. (5.5 percent) (EIU 1994; IMF 1995b).

Exports

Agricultural exports (including forestry products) make up approximately 75 percent of export earnings. The main agricultural exports include coffee, cocoa, and timber (see Table 2.8). Other crops contributing to export revenue include palm oil, cotton, sugar, bananas, pineapple, and rubber (EIU 1994). Of these, cocoa beans and associated products are the leading agricultural export for Côte d'Ivoire. Traditionally, coffee and associated products have been Côte d'Ivoire's second largest export earner; however, their importance has declined substantially, being replaced in recent years by sawn timber and petroleum products (EIU 1994).

Imports

The Ivorian import market was valued at an estimated US$1.9 billion in 1994. One of the leading imports for Côte d'Ivoire was crude petroleum, 99 percent of which came from Nigeria. Other imports included non-road transport, machinery, pharmaceuticals, fresh fish, plastics, agricultural chemicals and machinery, telecommunications equipment, paper and paperboard (see Table 2.9) (EIU 1994, USDOC 1995a). In addition, Côte d'Ivoire is one of the top ten food importers in Sub-Saharan Africa with imports valued at around US$500 million annually. Food imports range from bulk commodities to high value consumer-ready products. Bulk food imports include rice, milk powder, wheat, frozen fish, and meats. Consumer-ready products are imported mainly for the middle- to upper-class population and the large French expatriate community and come largely from France and Belgium. These products include alcoholic beverages, fruit juices, fresh and dried fruits, fresh and canned vegetables, and snacks (USDOC 1994b). Fresh fruits and vegetables are imported from nearby member countries of the Economic Community of West African States (ECOWAS) (USDA-FAS 1995c).

The import market declined in 1994 due to the devaluation of the CFA franc which resulted in imports being relatively more expensive than before the devaluation. To help curtail the impact of the devaluation, price controls were imposed on many consumer goods for the first three months of 1994 and services and imports taxes were reduced to a maximum of 35 percent. Bulk food imports are expected to be less affected by the devaluation than consumer-ready food products (USDOC 1994b).

U.S. Trade with Côte d'Ivoire

U.S. exports to Côte d'Ivoire held a 7 percent market share valued at an estimated US$128 million in 1994 with the main exports being paper products, agricultural chemicals, rice and wheat, plastic materials and resins, and telecommunications equipment (see Table 2.10). U.S. exports for 1995 are projected to rise to US$138 million (USDOC 1995a). The U.S. market share of Ivorian agricultural imports is somewhat higher at an estimated 8 percent. The U.S. supplied nearly 27 percent of the total agricultural chemical imports in 1994 and exports of agricultural machinery were estimated to be US$0.5 million (USDOC 1994b).

Consumer-ready food imports from the U.S. had shown growth prior to 1994, rising from 1.6 million to 2.3 million in 1993. The increase was attributed to a rise in imports of pet food, peanut butter, mayonnaise, poultry meat, frozen beef and variety meats, and condensed milk (USDA-FAS 1995c).

U.S. imports from Côte d'Ivoire were estimated to be US$114 million in 1994 and were expected to increase both in 1995 and 1996 to US$121 million and US$129 million. Main U.S. imports include coffee, cocoa products, wood, crude petroleum, and natural rubber (USDOC 1994b, 1995a).

Domestic and Foreign Competitors

France has had a long historical tie with Côte d'Ivoire both culturally and economically providing the French with an added edge in business relationships. However, in recent years and especially since the devaluation, these ties have weakened somewhat. British investment in Côte d'Ivoire is also strong, followed by Swiss investment. British investment is mainly in commerce and agriculture, while Swiss investment is concentrated in banking and food processing. European suppliers generally benefit from shorter transit times and lower freight charges in part due to distance but also because of the volume of freight compared to the U.S. South Africa, on the other hand, tends to have higher transportation costs (USDOC 1994b, 1995a).

Industrial Sector. Foreign investment in industry is largely French though their percentage of holdings has declined and currently is around 20 percent. Domestic investment in industry is around 65 percent, but only 13.6 percent is private capital. In general, domestic competition is negligible for the U.S. except when the enterprise is a parastatal or a joint venture with the French or other European partner who is able to provide financing (EIU 1994).

Agricultural Products. In the wheat sector the U.S. faces strong foreign competitors. Côte d'Ivoire has one flour mill, owned by a French company, which prefers to source from France. However, on occasion they have purchased some high protein wheat from the U.S. In the ordinary rice market (35 brokers), the U.S. faces strong competition from Vietnamese and Chinese companies that supply a low-quality and a low-priced product (USDOC 1994b).

Consumer-Ready Products. The consumer-ready food market is dominated by France and Belgium, and increasingly by South Africa which provides deciduous fruits, many processed foods, and beverages (including wine and fruit juices). Domestic producers are also strong in this market for items such as vegetable oil, coffee, chocolate, soft drinks, beer, fresh vegetables, and tropical fruits (USDA-FAS 1995c).

Trade Barriers

There are minimal formal barriers to trade with Côte d'Ivoire. Informal barriers include language and French business customs and culture. French is the national language though Dioula is commonly used in the traditional market place. Being able to communicate in French, produce official documents in French, label products in French, and develop instruction manuals in French is a necessity. Products must also be adapted to the European electrical and metric system standards.

Another barrier is the high cost of transportation and insurance that can make U.S. products more costly compared to many European suppliers. Even though this may not always be the case, it is generally perceived that shipping costs from the U.S. are higher than from European suppliers, which also results in a trade barrier. A de facto monopoly exists in customs brokering and freight forwarding that often causes lengthy and costly delays in processing. In addition to these costs, the cost of doing business in Côte d'Ivoire generally is higher than in surrounding African countries as more is paid for water, electricity, and labor.

The regulatory system of tariffs and quotas is complex and can pose another trade barrier. Reforms are currently underway to alleviate this situation, however[4]. Tax and duty rates have been lowered, yet remain relatively high as they are a source from which the government of Côte d'Ivoire hopes to pay debt arrears. Tariffs are a maximum of 35 percent and are composed of a fiscal duty and a customs duty. In addition a 6 percent import tax must also be applied along with a value-added tax of 20 percent and a statistical tax of 2.5 percent. Imports are regulated through a system of import quotas. For many products, an importer must apply to the Ministry of Commerce for a quota before obtaining an import license. For livestock products, prior authorization from the Ministry of Agriculture must also be obtained. Other items controlled by import quotas include fuels and lubricants, cocoa, coffee, sugar, some textiles, used clothing, and certain types of vehicles. There are also some goods which are prohibited from import. These include live animals, plastic bags, distilling equipment, arms or munitions, pornography, saccharin, explosives, narcotics, living plants, seeds, and illicit drugs (USDOC 1994b, 1995a).

Agricultural Trade and Investment Opportunities

Until the economy in Côte d'Ivoire has adjusted to the devaluation and starts to grow as expected over the next few years, market opportunities are somewhat speculative. Potential opportunities exist in the agricultural sector both for U.S. exports and investments in the areas of agricultural machinery and chemicals, food processing inputs and supplies, and consumer-ready products. U.S. products are viewed as good in quality and are welcomed. Providing liberal credit terms may outweigh the price of products due to the limited availability of credit in Côte d'Ivoire. Pricing goods in French francs, especially for deliveries over a six- to twelve-month period, may also provide U.S. exporters with a competitive advantage (USDOC 1994b).

U.S. businessmen will need to spend time developing ties and relationships with businessmen in Côte d'Ivoire if they hope to establish themselves in this market. The decreased ties with France and decreased French expatriate population in the region should also help to open market opportunities for U.S. businessmen, although France will continue in the near future to be the major competitor in this market (USDOC 1994b, 1995a).

Agricultural Chemicals

Agriculture is the backbone of the Ivorian economy and there is a need to increase productivity through low-cost production methods. This creates a demand for the use of agricultural chemicals which had an estimated market size of US$9 million in 1994 and was expected to increase to US$10 million in 1995. The U.S. is one of the leading suppliers of agricultural chemicals to Côte d'Ivoire, holding 25 percent of the market followed by Russia (22 percent), and Senegal (14 percent) (USDOC 1995a).

Agricultural Machinery and Equipment

With plans for privatization of the many state-owned agri-businesses and the emphasis on diversification of agricultural export crops, the potential exists for an increased demand for agricultural machinery and equipment. Estimates of tractor usage indicate a gradual increase in usage over the past several years. The market size of this sector was estimated to be US$5 million in 1994 with an estimated growth rate of 5 percent annually between 1993 and 1995. The leading supplier for this sector is the U.K. which holds 33 percent of the market followed by France (23 percent), and the U.S. (8 percent). Some equipment that was imported from France and other European countries may also be of U.S. origin, but is not reflected in these estimates (USDOC 1994b).

Food Processing Equipment

The food processing industry is growing and diversifying into the processing of fruits and vegetables in addition to traditional products of dried bananas, dried peanuts, and ginger juice/syrups all of which are processed and sold to the domestic market. The market size was estimated to be US$2.0 million in 1994 with an annual growth rate of 10 percent between 1993 and 1995. Of the US$2.0 million worth of imports in 1994, the United States was estimated to have supplied US$0.5 million. While this sector is predicted to grow along with improvements in the economy, barriers to modernization of this market and to export opportunities include equipment price, the size of the domestic market for processed foods, and the competition in export markets. U.S. success in the market will also depend on machinery being adapted to European standards, servicing of equipment, and availability of spare parts (USDOC 1994b, 1995a).

Rice

The market size for rice was estimated to be 760 mt in 1994-95 with domestic production supplying a little over half (460 mt) of this market (see Table 2.11). Total imports since 1990 have been around 160 to 386 mt annually with the U.S. supply rising from 45 mt in 1992-93 to 120 mt in 1994-95. Most of the U.S. success in this market has been for decorticated rice which is processed by domestic millers, the small deluxe rice market, and medium quality milled rice (10-20 brokers). Regulation of rice imports is through a state-owned monopoly for ordinary white rice and through import licenses for decorticated and deluxe rice. Throughout 1994 and 1995 the GCI liberalized imports of ordinary, deluxe and decorticated rice, but still sets prices for ordinary rice (USDOC 1994b, 1995a).

Wheat

The total market size for wheat in 1994-95 was 250 mt, all of which was supplied by imports. The U.S. supplied approximately 20 percent of this market with 50 mt, up from 13 mt in 1993-94. U.S. wheat is used mainly for blending purposes because of its high protein content at a rate of 10 to 25 percent, depending on price. Wheat imports were liberalized in May 1995 as were flour imports. Wheat flour is produced locally, and prior to the liberalization, producers were protected from wheat flour imports. Local production is still subsidized, however, making imports uncompetitive in this market. (USDOC 1994b, 1995a; USDA-ERS 1995).

Dairy Products

Côte d'Ivoire imports US$50 million to US$60 million in dairy products annually including milk powder, concentrated milk, UHT milk and cream, butter, cheese, and ice cream. Products are supplied mainly from European sources which are expected to continue to be the primary sources in the future. Milk and milk powder, however, have shown potential for U.S. exporters. The total market size (FL.Eqv.) was estimated to be 250 mt in 1995, up slightly from 240 mt in 1993 and 245 mt in 1994. Ninety percent of the market supply comes from imports, with projected U.S. exports for 1995 being 500 mt of condensed milk and 3,500 mt of whole fat milk powder. Condensed milk exports from the U.S. have remained approximately the same since 1993 while milk powder exports have tripled since 1993. Imports of milk powder in 1993 were a result of the GSM-102 and DEIP programs. As long as these programs are in place, exports of milk powder are predicted to remain good. Milk powder in consumer packaging is also a potential market for U.S. exports. Other end users of whole milk powder include manufacturers of UHT and condensed milk, yogurt, and ice cream (USDOC 1994b, 1995a).

Poultry and Other Meat Products

Meat products imported include frozen beef and beef offals and frozen pork and pork offals. Table 2.12 shows the decline in imports of all meat products after the 1994 devaluation. However, market opportunities still exist for U.S. suppliers of poultry and other meat products as importers are diversifying their sources beyond traditional European suppliers.

In 1994 the ban on poultry products, which had been initiated in 1989, was lifted. During 1988, Côte d'Ivoire imported US$6.75 million in poultry products. Twenty-seven percent of this total was supplied by the U.S. and consisted mainly of turkey offals. While the devaluation of the CFA franc and an increase in import taxes and levies are expected to help protect and promote domestic poultry production, imports, especially offals, are expected to remain competitive with price due to the high cost of domestic products. Consumers generally prefer domestically produced RTC broilers to frozen spent layers imported mostly from Europe. However, tight consumer budgets will help to promote the consumption of cheaper sources of protein providing opportunities for U.S exporters of turkey offals (USDA-FAS 1994h, 1995d).

Consumer-Ready Food Products

Early in the 1990s consumer-ready snack foods (i.e., cookies, chips, and crackers) and food preparations demonstrated some of the best growth in imports. Snack food imports increased by as much as 36 percent between 1990 and 1992, valued at $6.8 million. Food preparations increased from $1.0 million to $3.6 million over the same period. Other imports that demonstrated growth were fresh vegetables, sugar, and alcoholic beverages.

Consumer-ready food products were expected to decline in 1994, both as a result of the devaluation and the decreasing size of the French expatriate market segment. The decline in the French population, however, will open trade opportunities for countries other than France and other European suppliers.

U.S. suppliers will find export opportunities for food products such as wine, beer, snack foods, nuts, popcorn, peanut butter, baby foods, dessert mixes, and high-quality meats. The possibility of supplying canned vegetables, especially tomato paste and other tomato products, also exists. Currently, Italy is the largest supplier of these products along with other European suppliers. Domestic production is cyclical but expected to show some possible growth as a result of the devaluation. The total market size is estimated to be 12,000 mt in 1995 with 11,000 mt coming from imports. The U.S. supplied 500 mt of tomato products in 1992 and 1993 and expected to export 750 mt to the Ivorian market in 1995. Price is the major competitive tool for this market (USDOC 1994b).

The target market for consumer-ready products will generally be the Ivorian upper class and expatriates. Many of the women in this market who prepare food for the family do not work outside the home and have access to relatively cheap household labor. Therefore, "ease of preparation" of food products is not as important as the prestige and quality of the products (USDA-FAS 1995c).

Investments

Investment opportunities exist for U.S. businessmen. Côte d'Ivoire encourages foreign investment and is attempting to make investment even more attractive through the development of a one-stop investment registration bureau (Ivorian Investment Promotion Center or CEPICI) and new investment and tax code regimes. The privatization of government-owned enterprises is also providing investment opportunities. Privatization efforts were initiated in 1990 with 66 companies slated for privatization. As of June 1995, 17 companies were privatized with 10 more scheduled for privatization by the end of 1995. These companies include Côte d'Ivoire Telecom (telephone company), SOTRA (bus company), SITRAM (maritime transport), CIDT(cotton fiber complex), SIR (oil refinery), Hotel Ivoire (one of several state-owned hotels), and SODE SUCRE (sugar production and marketing) (USDOC 1995a).

France has traditionally been Côte d'Ivoire's largest investor. Major French investors include Total and Elf (petroleum distribution), SGB (agriculture-bananas), Delmas (shipping), Saur/Bouygues (public utilities and construction), and major French banks. Other important foreign investors include the British and Swiss with the former investing largely in commerce and the latter in banking and food processing.

U.S. investment has been largely in the petroleum sector by Phillips Petroleum, United Meridian, and ESSO. Other U.S. companies have invested in mining, hotel, computer and service industries, and the banana and pineapple sectors. Opportunities for investing in agricultural production are also possible. U.S. consulting firms and suppliers have been successful in obtaining contracts with the African Development Bank for agricultural development projects (USDOC 1994b, 1993c).

Summary and Outlook

The economic outlook for Côte d'Ivoire has improved through the implementation of structural adjustment programs, associated reforms in government spending and market liberalization, and the devaluation of the CFA franc (*Africa South* 1995). In addition, a rise in world prices for coffee, cocoa, and cotton is expected to stimulate economic growth for the country. Recent discoveries of oil and gas also provide the potential to boost the economy (USDOC 1994b).

Main areas of growth in the short term are expected in agriculture, agro-industry, and import substitution sectors. The devaluation of the CFA franc has made Ivorian agricultural products more competitive on world markets. This, coupled with the recent rise in prices for Côte d'Ivoire's major export commodities and associated increases in producer prices by the Government of Côte d'Ivoire, should provide a boost to the agricultural sector. In the longer run, if the Ivorian economy continues to grow and stabilize, investments in new industries and modernization of existing industries can be expected. In particular, this is probable in rice production and food processing. Outside the agricultural sector, regulatory reform in the mining sector is expected to promote investment and growth (USDOC 1994b; *Africa South* 1995).

CHAPTER 3. SENEGAL

Economic Overview

Background

Prior to its independence, Senegal served as the administrative center for the French West Africa colonies resulting in the development of its infrastructure and industrial base beyond that of many other former colonies in the region. By the time Senegal achieved independence from France in 1960 it was one of the leading economies among the West African countries. While Senegal continues to have one of the highest GDPs per capita in West Africa, economic growth in more recent years has been slow, growing on average only slightly more than its population growth rate of 2.9 percent annually (EIU 1992; *Africa South* 1995).

Part of this slow growth can be attributed to the economy's reliance on groundnut (peanut) production. Changing weather patterns have resulted in declining rainfall levels and variability in groundnut production and its associated export earnings. Since the 1960s efforts have been made to diversify export earnings through the development of the phosphate, cotton, fish, and processed petroleum industries. While these industries have become important contributors to export earnings, the reliance on groundnut production is still strong (EIU 1992).

Growth in Senegal's economy has also been constrained by protectionist trade and domestic polices which have resulted in its economic sectors being uncompetitive in world markets. Traditionally, the Government of Senegal (GOS) has had a controlling influence in the economy with many companies in mining, electricity, telecommunications, and transport industries being state owned. In addition, government control has been especially strong in the agricultural sector. Through parastatals, the GOS has controlled farm credits and inputs as well as the purchasing, processing, distribution[5], and pricing[6] of many domestically produced crops such as cotton and rice production and marketing, edible peanut and sugar cane production, and peanut oil processing and marketing. The GOS has also controlled the import market through subsidies, quantity restrictions, high customs duties, and the requirement of import licenses (USDA-FAS 1994i; USDOC 1994c).

Structural Adjustment Programs

Revision of trade and domestic policies has been addressed through Structural Adjustment Programs and Enhanced Structural Adjustment Facilities supported by the World Bank and the International Monetary Fund. Since the early 1980s several programs have been funded which have focused on reducing government spending (especially the government wage bill), privatization of parastatals, reduction of government control in agricultural markets, reduction of subsidies, and elimination of protectionist trade policies. While some of these goals were partially reached by 1990, the effects on the economy have been varied and financial problems still remain (EIU 1992; USDOC 1994c, 1995b).

The devaluation of the CFA franc in January 1994, however, renewed hope for resolving these problems and promoting growth in the Senegalese economy. After the devaluation, Senegal was the first country in the region to participate in a new standby program aimed at containing inflation, reducing government spending, and supporting the private sector to encourage economic growth. A standby credit of $67 million was issued in March 1994, aimed at achieving a GDP growth rate of 2.7 percent in 1994 and restricting inflation to 39 percent before returning to pre-devaluation levels by the end of 1996. In addition, fiscal revenues were to be increased by a reduction in the public sector wage bill and by reducing external debt to 3.6 percent of GDP for 1994.

The standby credit was followed by a new ESAF of $192 million by the World Bank and IMF in September 1994. The ESAF also continues planned market and structural reforms which will reduce the Senegalese government's influence in the economy. One example is the effort underway to liberalize the import market. After the devaluation in 1994, subsidies were discontinued, quantity restrictions on certain goods eliminated, and customs duties lowered (USDOC 1994c). Other examples are reforms in agricultural policy which will ultimately reduce government involvement through eliminating its activities in supplying agricultural inputs and credits and in production, storage, and distribution of agricultural crops (USDA-FAS 1994k). Some of the trade and agricultural policy reforms implemented to date include: (1) liberalization of the marketing of domestic rice and the importation of deluxe (35 percent brokens) and ordinary (100 percent brokens) rice; (2) switching the seed distribution and 80 percent of the fertilizer distribution to private operations; (3) initiation of the privatization of SONACOS, the state-owned oil processor; and (4) price liberalization of milk, coffee, soft drinks, soap, tomato paste, fresh tomatoes, and cement. Further liberalizations planned through the Agricultural Development Policy Declaration (ADPD) will include the full liberalization of the rice market, including current participation in production and distribution activities, by 1996 (USDA-FAS 1994i; USDOC 1995b).

Key Economic Indicators

GDP. Growth in GDP has been cyclical with downturns generally related to poor groundnut production during periods of drought. On average, real GDP has shown a growth rate of 3.6 percent (see Table 3.1). In 1993 there was a decline in GDP of -0.8 percent with the 1994 growth rate estimated at 2.3 percent; this is below the planned growth rate of 2.7 percent. Growth in GDP was expected to continue in 1995 with the U.S. Department of Agriculture Foreign Agricultural Service predicting a growth rate of 3.5 percent. This is below the GOS projected figure of 4.5 percent (USDA-FAS 1994i; USDOC 1995b). The GOS also projects continued growth through 1996 of 5.5 percent, with inflation dropping to 8.0 percent in 1995 and 3.5 percent in 1996. Barriers to achieving these goals include high unemployment, an annual population growth rate of nearly 3 percent, and strong labor unions (USDOC 1994c).

Current Account. The current account balance has improved as a result of the devaluation, recovering from a negative balance of US$301.6 million in 1993 to a positive balance of US$221.7 million in 1994. Exports grew from a 1993 level of US$718.7 million to US$793.8 million in 1994, and were expected to continue to grow in 1995 (USDA-FAS 1994i, IMF 1995a). Imports, on the other hand, declined from US$1.1 billion in 1993 to US$1.0 billion in 1994 and were expected to grow only slightly in 1995 to $1.1 billion (IMF 1995a; USDA-FAS 1994i).

External Debt. Foreign debt has ranged from US$3.3 billion to US$3.9 billion since 1988. Much of this debt is held by official creditors with only US$70 million held by commercial banks. Rescheduling and cancellation of some debt was approved by the Paris Club and France in 1994 (*Africa South* 1995; World Bank 1994c).

Primary Economic Sectors

The economy is mainly agricultural based with groundnut production historically the main agricultural activity. Its contribution to GDP has declined in recent years, however, which is attributed to frequent droughts and desertification of large areas of land in Senegal. In more recent years the fishing sector has grown to be one of the main contributors to GDP. Other important economic sectors include the phosphate and chemical industries (USDOC 1994c; *Africa South* 1995).

Agriculture

The agriculture sector (including fishing) contributes nearly 20 percent to GDP and employs 75 to 80 percent of the working population. Thirty percent of export earnings also comes from agriculture. Productivity of the crop and livestock sectors is dependent upon rainfall which is highly variable from year to year. A large portion of Senegal lies in the Sahel zone which has poor soils and inadequate rainfall. Only 5 percent of the land is under irrigation. Expansion in production of this sector is constrained by, among other things, poor soils, poor agricultural management practices, and the need for expensive inputs (USDA-FAS 1994i, 1994k).

Cash Crops. Historically, groundnut production has been Senegal's major cash crop, but efforts have been made to diversify cash crop production into cotton, sugar, and garden vegetables (see Table 3.2). Of these crops, cotton and vegetables are currently exported along with groundnuts.

Groundnut (Peanut) Production. Sixty-five percent of the cultivated land is used for groundnut production. Production of this cash crop has declined, however, from an average 900,000 mt in the 1960s to an average 730,000 mt between 1988 and 1993. Drought in 1992-93 once again brought down production as well as seed supplies for the 1993-94 growing season. Production was expected to increase in 1994-95 due to good weather conditions and increased producer prices[7]. Production of peanut oilseed was predicted to reach 770,000 mt in 1995 with peanut oil production increasing to 112,000 mt (USDOC 1994c; *Africa South* 1995; USDA-FAS 1994l; FAO 1990a-1993a).

Peanuts are marketed through two parastatals: SONACOS, which processes oilseeds, and SONAGRAINES, which provides buying and distribution functions. In addition to SONACOS's processing function, it also serves as the exporter of peanut oil and importer of vegetable oils for the country. As part of the ESAF, these two parastatals will be privatized, resulting in the separation of the vegetable oil refinery from the three peanut-crushing facilities currently in operation. Independent operators will also take over the buying and distribution of peanuts to crushers (USDA-FAS 1994i). Private crushers are strong competitors to SONAGRAINES for the purchase of peanuts from producers and play a significant role in the domestic market for oil (USDA-FAS 1994l).

Cotton Production. Cotton production has fluctuated, but has demonstrated rapid growth since the mid-1960s with seed cotton production averaging around 50,000 mt between 1991 and 1993 (FAO 1990a-1993a). The 1994-95 production levels were predicted to increase once again as producer prices increased from 85 CFA fr/kg to 150 F CFA fr/kg after the devaluation in January 1994 (USDA-FAS 1994i).

Cotton production and marketing are controlled by SODIFITEX which is 75 percent government owned and 25 percent privately owned by the French CIDT. SODIFITEX currently subsidizes fertilizer inputs, the price of which has increased 78 percent. It is the sole buyer of seed cotton, 10 percent of which is sold to domestic textile mills and the remainder exported to Asia and Europe. Cottonseed is sold almost entirely to SONACOS (the oilseed processing parastatal) with a small portion retained for seed (USDA-FAS 1994i).

Garden Vegetables. Senegal has demonstrated growth in the production of garden vegetables and fruits, some of which are exported. Production of vegetables and melons grew from 113,000 mt in 1988 to an estimated 142,000 mt in 1993. Fruits have also grown from 95,000 mt in 1988 to an estimated 111,000 mt in 1993. Within the vegetable sector, tomatoes and dry onions make up approximately 66 percent of vegetable and melon production while oranges and mangos make up approximately 74 percent of fruit production. Of these vegetables, fresh tomatoes have been a source of export revenue for Senegal. Production has grown from an average 17,000 mt in the early 1980s to an estimated 62,000 mt in 1993 (FAO 1990a-1993a).

Food Crops. Total per capita consumption of cereal grains is 1,721,000 mt annually. The primary food crops produced are millet and sorghum. When rainfall is adequate, Senegal is nearly self-sufficient in the production of these two crops; however, production generally provides only 60 percent of Senegal's cereal needs. Per capita consumption of millet and sorghum in the rural areas is 126 kg while in urban areas consumption is substantially reduced to only 30 kg per capita. Urban diets and, to a lesser extent, rural diets also include rice and wheat which are imported. In order to meet consumption needs, an average 600,000 tons of wheat and rice must be imported annually (USDA-FAS 1994i, 1994k).

Millet and Sorghum Production. Sorghum production declined in 1993-94, mainly as a result of decreased yields, while millet production increased as a result of increased yields and area planted (see Table 3.3). An estimated 657,000 mt of millet was produced in 1993, an increase of nearly 16 percent over average production from 1988 to 1990. The crop is attractive to farmers due to its low usage of inputs. Most millet grown is consumed on the farm with very little being marketed. Government involvement in millet production has been minimal since 1990. The GOS no longer sets retail or wholesale prices for millet nor does it provide credit or fertilizer to those producing this crop (USDA-FAS 1994i; FAO 1990a-1993a).

Rice Production. Rice production has shown an upward trend but currently supplies only 34 percent of the total demand. In 1993, 189,000 mt of rice was produced, up from 177,000 mt the previous year (FAO 1990a-1993a). Expansion is hampered somewhat by imports and domestic production must be subsidized by the government. The development of the Manantali Dam will increase the area under irrigation and has the potential for a positive impact on rice production (*Africa South* 1995).

Sugar Production. Sugar production, processing, and importation is controlled by a French monopoly, CSS, a subsidiary of Groupe. The company imports approximately 40,000 tons per year to supplement domestic production. Prices for sugar are set by that government at wholesale and retail levels (USDA-FAS 1994i). Sugar production and importation are not scheduled for liberalization in the near future with CSS continuing to control sugar production and imports at least through the year 2000 (USDA-FAS 1994i).

Livestock Production. This sector accounts for 7 percent of GDP and 30 percent of total agricultural production. Livestock production consists mainly of small ruminants, poultry, beef, and dairy cattle (see Table 3.4). The swine industry is minimal due to religious dietary constraints. Growth in the livestock sector has remained relatively stable since the mid-1980s with some increase in small ruminants and poultry. Growth has been somewhat restricted by the import of low-cost European Union meat. The devaluation of the CFA franc, however, may provide a boost to the domestic livestock industry since it has made European meat imports costly in comparison to domestic products. Imports dropped from 1992 levels of approximately 175 mt per month to around 34 mt per month in the first six months of 1994. Live cattle exports to Gambia were also up after the devaluation (USDA-FAS 1994i).

Poultry. There are only a small number of modern poultry farms though poultry production has nearly doubled since the mid-1970s. Current production is estimated to be around 34 million head, up from 13 million head in 1988 (FAO 1990a-1993a). Part of the increase can be attributed to an increase in production of broilers and layers which supplied 68 percent of domestic needs in 1992. Imports of broilers and layers peaked in 1990 at 2.3 million and 0.5 million. Since that time imports have declined to 1.3 million and 0.3 million. Much of the parent stock for the domestic layer production came from U.S. Hyline stock (USDA-FAS 1994i, 1994k).

Cattle. Cattle numbers have remained fairly stable, ranging from 2.6 to 2.75 million head between 1988 and 1993. Droughts have frequently restricted the expansion of cattle numbers. Small ruminants, however, have increased by about 50 percent from 2.6 million head in 1975 to 5.9 million in 1992 (USDA-FAS 1994i; FAO 1990a-1993a).

Swine. Swine production in Senegal is minimal due to the dominance of Moslem religious practices. Swine production occurs mainly in the Casamance where tourism is strong. Despite low domestic demand, the swine population grew in the past 25 years from 90 thousand head in 1968 to 320 thousand head in 1993 (USDA-FAS 1994i; FAO 1993a).

Meat, Eggs, and Dairy. Red meat and poultry production increased in the past 20 years with poultry meat demonstrating the largest increase from 22,000 mt in 1988 to an estimated 52,000 mt in 1993 (see Table 3.5) (FAO 1990a-1993a). In spite of these increases in production, per capita consumption of meat declined from 15.7 kg in 1970 to 11.0 kg in 1990. Of this amount 5.7 kg was beef, 2.3 kg was goat/mutton, and 3 kg was poultry. Dairy consumption also declined from a 1975 high of 45 kg per person to 34 kg in 1990 with the industry supplying 56 percent of domestic needs. In 1994, consumption levels were expected to drop due to the high cost of imports. Egg consumption, on the other hand, increased dramatically from a per capita consumption of 5 eggs in 1970 to 20 eggs in 1990. Both poultry meat and eggs are in competition with fish which is a less expensive protein alternative (USDA-FAS 1994i, 1994k).

Fishing. The fishing industry has grown to equal groundnuts in its importance to Senegal's GDP and export earnings. In 1994, the fishing industry contributed an estimated 8.5 percent of GDP and 27.3 percent of total exports. This was above 1993 levels of 7.3 percent and 26 percent. Further growth in the industry was predicted for 1995 with export earnings expected to reach US$254 million (USDOC 1995b, 1994c). Most of the catch from small scale operations goes to domestic consumption while larger scale operations supply the export market. Sustainable catch is estimated to be around 420,000 mt annually (USDA-FAS 1994k).

Problems facing the fishing industry include an aging fleet with a lack of capital and investments for improvements, difficulty meeting EU hygiene standards, threat of dwindling supply, and strong competition from Southeast Asian and Ivorian suppliers (USDOC 1994c; *Africa South* 1995).

Mining

Though mining contributes less than 2 percent to its GDP, Senegal is a significant exporter of phosphates which provide approximately 19 percent of export earnings and 3 percent of total world exports (USDOC 1995b, 1994c). In 1992, production of calcium phosphates reached 2.3 million tons. Export earnings from phosphates have been variable, however, declining from an estimated US$70.5 million in 1990 to an estimated US$44.3 million in 1994. The drop is due in part to low market demand, low market prices, and loss of the EU market as a result of the high content of cadmium in Senegalese phosphate. Plans are currently underway to expand this sector into iron ore and gold mining (USDOC 1995b, 1994c).

Two companies, Cie sénégalaise des phosphates de Taïba (CSTP) and the Société sénégalaise des phosphates de Thiès (SSPT), are involved in phosphate extraction; the Industires chimiques du Sénégal (ICS) is the sole processor. All three companies are partially state owned. ICS built a large fertilizer complex worth US$312 million which was funded by several international agencies including equity shares held by the governments of Côte d'Ivoire, Cameroon, Nigeria, and India. These plants were built to produce sulfuric acid, phosphoric acid, ammonium phosphate, and triple superphosphate. The complex began fertilizer production in 1984 with production at 180,000 tons valued at 24.0 billion francs CFA. Fertilizer that is not consumed by the Senegalese and Malian market is exported to neighboring West African countries (*Africa South* 1995).

Manufacturing

Senegal's manufacturing sector is well developed compared to other countries in the West African region and is second only to Côte d'Ivoire. In 1992 it contributed 13 percent to GDP and consists mainly of processing locally produced commodities for domestic consumption. Agricultural processing makes up 40 percent of the processing industry's activities and includes processing of oil, sugar, fish, flour, dairy products, drinks, and tobacco. Outside these agro-industries the processing of phosphates is the next most important sector followed by textiles, leather goods, chemicals (soap, paints, plastics), insecticides, pharmaceuticals, and petroleum refining industries (*Africa South* 1995).

Trade

Senegal has historically held a trade deficit with average merchandized imports between 1989 and 1993 being US$793.68 million and merchandized exports being US$1.1 billion (see Table 3.6) (IMF 1995a). The deficit has been attributed to variable groundnut production, poor growth in agricultural exports, and an overvalued currency making exports uncompetitive in world markets (EIU 1992). With the devaluation of the CFA franc, exports are predicted to grow, helping to narrow the trade deficit.

France is Senegal's primary trading partner for both imports and exports. Other principal export markets include India, Italy, and Mali. Other than from France, Senegalese imports come mainly from Nigeria (petroleum products), the U.S. (rice and other cereal grains, vegetable oils, milk, clothing, and tobacco), Thailand (rice), Côte d'Ivoire (rice), and Italy (USDOC 1994c; IMF 1995b).

The formal import/export sector is controlled by a few large French firms that supply imports to retail services. These companies are decreasing in number, however, as specialized domestic traders focus on the trading of textiles and consumer goods. There are a few large supermarkets which deal mainly in imported goods (USDOC 1994c).

Exports

Historically, Senegal's exports have been largely agriculturally based and consisted primarily of groundnut products. Trade diversification efforts have resulted in growth in the trade of fish, cotton, and vegetable products with fish surpassing groundnut exports in the late 1980s (see Figure 3.1). Fish exports consist mainly of fresh/frozen fish and canned tuna products. Other important exports include phosphates, refined petroleum products, and agricultural inputs (see Table 3.7). The export of manufactured fertilizers in particular has shown growth, rising from US$9.6 million in 1988 to US$30.0 million in 1993 (EIU 1992; Africa Review 1995; FAO 1990b-1993b).

In 1994 the majority of Senegal's exports went to France (26 percent) followed by Italy (8.5 percent), Mali (8 percent), Spain (4 percent), India (2 percent), and the U.S. (2 percent) (see Table 3.8) (IMF 1995b). Fish exports go primarily to Italy and Spain, peanut oil to the European Union, and phosphates to India. After the devaluation, Gambia also became a market for groundnuts reversing the normal flow of trade between the two countries (USDA-FAS 1994l; EIU 1992).

Imports

Food product imports account for 25 percent of total imports with total agricultural product imports ranging from 25 to 30 percent. Senegal is not self-sufficient in food production and must import staple foods of rice and wheat. Since 1988, Senegal's imports have ranged from 325 to 450 mt of rice annually (see Table 3.9) (USDA-ERS 1995). In 1993, its largest supplier of 100 percent broken rice was Thailand which provided 47 percent of the total imports. The U.S. was the second largest supplier providing 25 percent of the total rice imports followed by Vietnam (20 percent), Pakistan (6 percent), and Myanmar (2 percent) (USDA-FAS 1994j). Until recently the import of rice was under government control. Steps to liberalize the import of deluxe (35 percent brokens) and ordinary (100 percent brokens) rice have been implemented with full liberalization of the rice market expected by February 1996. Along with the liberalization of this market will come an increase in import taxes because imports of staple foods have traditionally been a good source of revenue for the Senegalese government. Liberalization of the rice market is expected to make the import market more efficient through the involvement of the private sector (USDA-FAS 1994i, 1994k).

Other important imports include dairy products, mainly milk powder, with a total of nearly US$51 million imported in 1992. Though per capita dairy consumption has declined, imports of dairy products have shown an upward trend in the past decade rising from 20,000 mt in 1984 to 25,600 mt in 1992 (USDA-FAS, 1994i, USDA-FAS 1994k).

Vegetable oil imports (rapeseed and soybean) are also significant and were estimated at between 75 and 80 mt in 1993. These imports consisted of rapeseed oil (55 mt), soy oil (10 mt), palm oil (10-15 mt), and PKO for soap manufacturing (1-2 mt) (USDA-FAS 1994m). The soon-to-be privatized oilseed processor and importer/exporter, SONACOS, imports vegetable oil to sell to the domestic market. Imports in 1994 were estimated to be down from 1993 levels due to financial difficulties of SONACOS following the devaluation (USDA-FAS 1994l, 1994m).

Other food imports include meat and poultry which are restricted to 4 percent of domestic production. Before the 1994 devaluation of the CFA franc, frozen meat from the EC was the largest source of imported meats with other supplies coming from neighboring African countries. In 1992 meat imports were 2,108 mt compared with 2,261 mt in 1991 (USDA-FAS 1994i).

Senegal also imports agricultural inputs such as agricultural machinery, pesticides, and crude and manufactured fertilizers (see Table 3.10). Imports of these products have been cyclical with manufactured fertilizer the only import demonstrating a sizable and steady growth since 1989 (FAO 1990b-1993b). This growth is in spite of a decline in fertilizer usage since the 1980s, from around 120,000 tons to a low of 27,625 tons in the 1990-91 growing season. This has resulted in an increased acidity of Senegal's soil. The last two years have shown some recovery in the use of fertilizer with 1993-94 estimates of 43,375 tons used in agricultural production. Fertilizer usage is restricted to crops such as cotton, sugar, and edible peanuts. The primary crops (millet, sorghum, and groundnuts) do not use fertilizer (USDA-FAS 1994i).

U.S. Trade

Total U.S. exports to Senegal average US$60 million annually; principal exports include agricultural commodities, used clothing, and machinery and equipment (USDOC 1994c). Since 1988, U.S. exports have supplied approximately six percent of Senegal's imports. In 1994, however, this percentage fell to a seven-year low of four percent.

The U.S. share of agricultural exports to Senegal has been between 10 and 15 percent. In 1994, U.S. agricultural exports also declined to US$12.3 million, down from US$37.1 million the previous year (see Table 3.11) (USDA-ERS 1994). Prior to 1994 growth in agricultural exports was associated with increases in rice exports. However, in 1994 milled paddy rice exports fell substantially from

US$20.3 million in 1993 to US$7.4 million. This downward trend continued in the first six months of 1995. The U.S. Bureau of the Census indicates U.S. exports of broken rice from January to July 1995 to be US$3.0 million compared to US$4.6 million for the same time period in 1994 (USBOC 1995). Other U.S. cereal exports include wheat, corn, and sorghum, but exports of these commodities have been variable (USDA-FAS 1994i, 1994k; USDA-ERS 1994).

Soy oil exports to Senegal are also significant, valued at US$8.8 million in 1993. This total was down some in 1994, however, due to an increase in U.S. soy oil prices and financial difficulties incurred by the parastatal importing agency, SONACOS (USDA-FAS 1995e; USDA-ERS 1994).

U.S. exports of dairy products to Senegal have been variable. Dried milk powder has been the primary export, growing from US$61,000 in 1992 to US$1.2 million in 1993. In 1994, however, there were no exports of this product (USDA-ERS 1994).

The U.S. also exported some agricultural machinery in 1994—the first time since 1990. Tractors and harvesting machinery were exported for a total of US$582,000. Other agricultural inputs such as fertilizers have been exported in the past though quantities were sporadic. In 1993, fertilizers were exported at a value of US$1.7 million, though none were exported in 1994 (USBOC 1995).

Market Opportunities

Investment and Trade Opportunities

Privatization and market liberalization plans will potentially open trade and investment opportunities for U.S. businesses. The government of Senegal has encouraged foreign investment through the development of a tax-free export processing zone, industrial free zones, tax holidays, limiting factor costs, and controlling inflation. However, heavy taxes on the formal sector still remain and inconsistent implementation of tax holidays and tax-free zones, high banking costs, and high production costs, including electricity and labor, continue to present barriers. French language and business culture may also present barriers to U.S. businesses (USDOC 1994c).

Planned improvements, many of which are financed through the World Bank, in water and waste management, telecommunications, and electric generation will provide trade and investment opportunities in the future. Government purchases for these projects are significant and are done through competitive bidding. Similarly, parastatals also purchase significant amounts of supplies and equipment through competitive bidding. Those of potential interest to U.S. businesses may be obtained through the U.S. Department of Commerce (USDOC 1994c).

Outside government procurement, opportunities in the private sector may be available in food processing and packaging equipment. The devaluation has increased interest in the import substitution industries, some of which are in need of food processing and packaging equipment. In particular, interest has been expressed in obtaining equipment to provide packaging that will meet FDA standards as well as micro-packaging equipment. The need for the development of recycled packaging is also of interest to the Senegalese. Presently, an important selling factor of consumer goods is that they be sold in small, reusable containers (USDOC 1995b).

Among agricultural products, rice and wheat hold promise for U.S. exporters. Liberalization of the rice, wheat, and wheat flour import markets will help to expand export opportunities for these products. Financing, for rice in particular, may present a trade barrier, however. With importation in the hands of the private sector, difficulties may be incurred financing large imports of rice. Currently only a few domestic importers will be able to handle financially any sizeable imports. Since these companies are already heavily involved with imports in other sectors of the economy, their participation in the rice sector is uncertain. U.S. companies wishing to export rice to Senegal may need to consider a joint venture with a Senegalese company to help with the financial constraints (USDA-FAS 1994j; USDOC 1995b).

Other potential trade and investment opportunities include capital equipment for the fishing industry, computer equipment, pharmaceutical products, hair and skin care products, used clothing and consulting service, wholemilk powder (25 kg bags), and vegetable oils (USDOC 1994c, 1995b). U.S. products are viewed as good in quality and are competitive in price which is currently the primary selling factor in the Senegalese market. For technical equipment, after-sale support and service is also of primary importance. Local distributors will expect suppliers to provide advertising, promotional materials, and technical documentation—all in French.

Though opportunities in this market are currently somewhat limited, changes in government trade and domestic policy hold promise for development and growth in the future. French influence and ties are still strong, but diminishing, which will open doors for exporters from other countries. Opportunities in this market should continue to be monitored for growth and development.

FIGURES

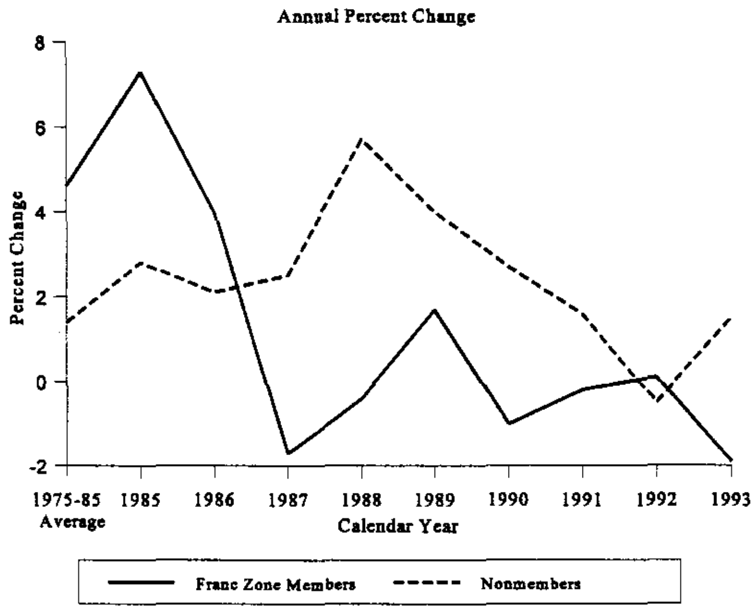

Figure I.1. Real GDP growth for Franc Zone members vs. nonmembers
Source: IMF 1994.

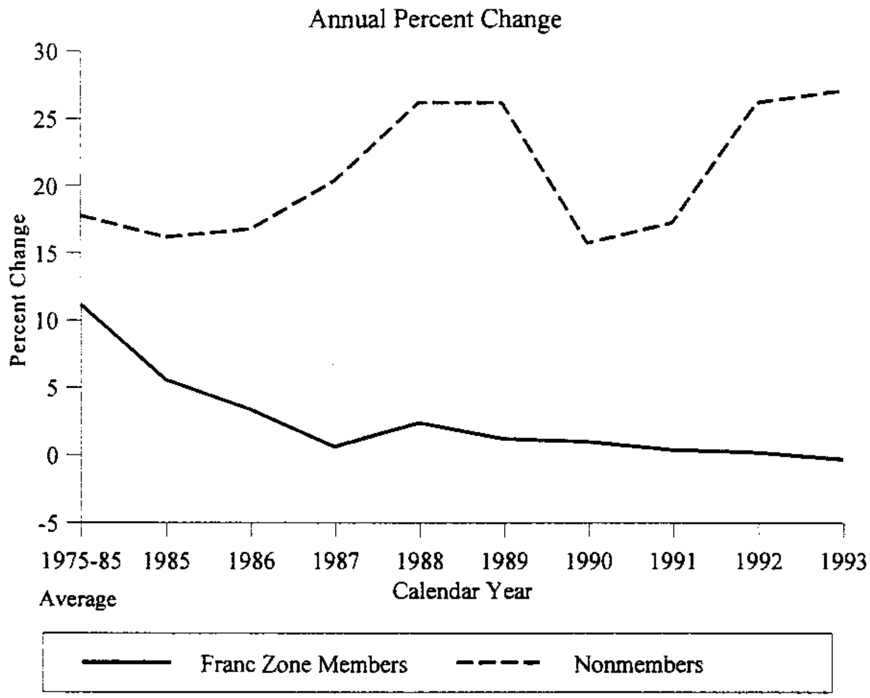

Figure I.2. Inflation rates for Franc Zone members vs. nonmembers
Source: IMF 1994

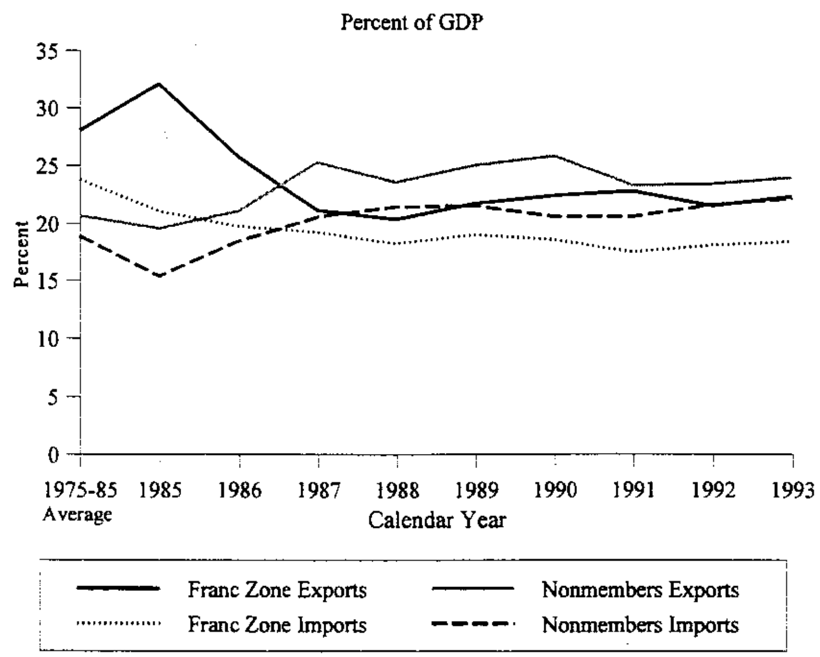

Figure I.3. Merchandized trade for Franc Zone members vs. nonmembers
Source: Clément 1994.

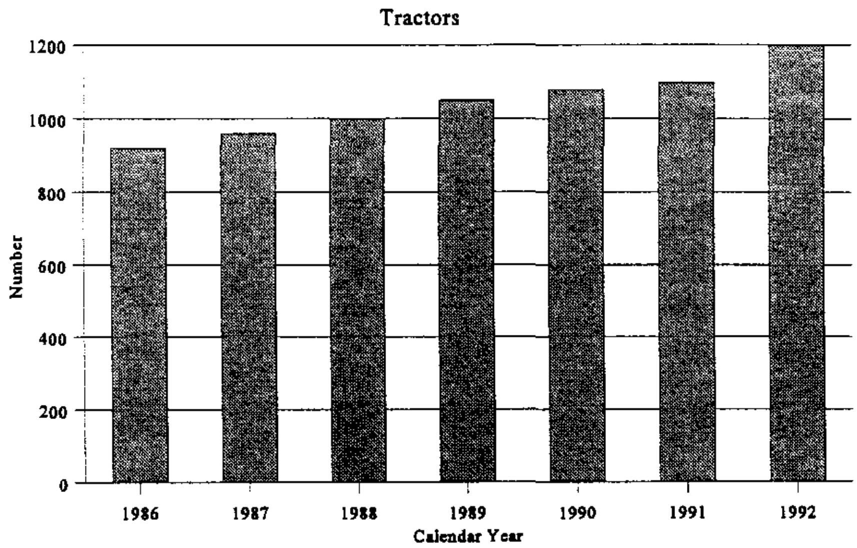

Figure 1.1. Cameroon: machinery used in production
Source: FAO 1990a-1993a.

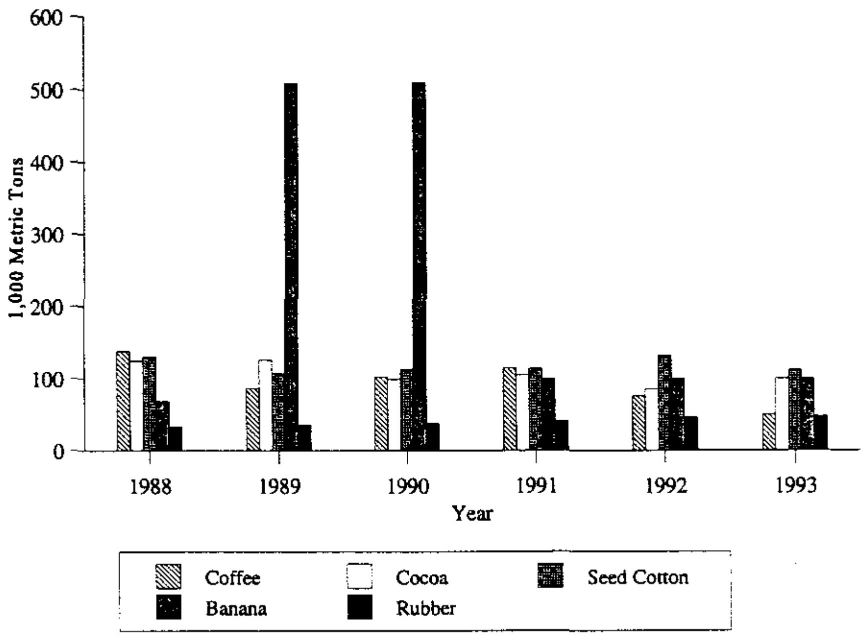

Figure 1.2. Cameroon: production of principal export crops
Source: FAO 1990a-1993a.

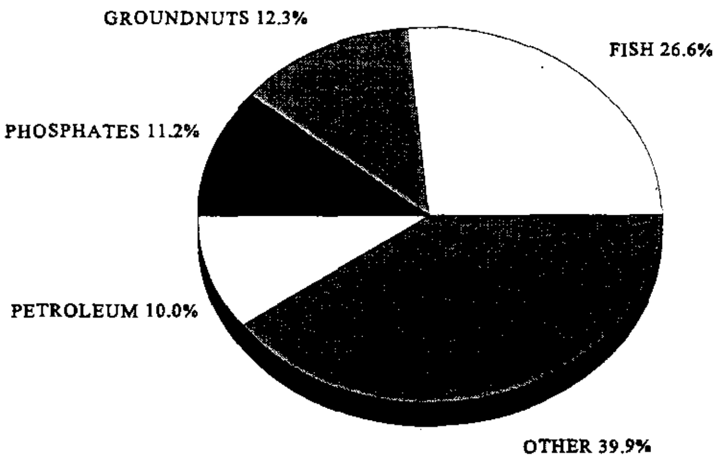

Figure 3.1. Senegal exports
Source: Africa Review 1995.

TABLES

Table I.1. Economic performance of various Sub-Saharan country groups, 1986-1993 averages

	Franc Zone Countries	Non Franc Zone Countries[a]	Positive Per Capita Growth Countries[b]	All Sub-Saharan Countries
	---------% of GDP---------			
Government Savings[c]	-2.3	-2.2	3.6	-0.7
Government Investments	6.0	9.5	9.7	6.3
Private Savings	10.7	11.5	11.4	15.5
Private Investments	11.4	9.3	9.8	11.8

Notes: [a]excluding Zaire
[b]Five of the fourteen CFA Franc Zone members are also included in this group. They include Burkina Faso, Chad, Equatorial Guinea, Mali, and Senegal.
[c]excluding grants
Source: Hadjimichael, et al. 1995.

Table 1.1. Cameroon: key economic indicators

	UNIT	1988	1989	1990	1991	1992	1993	1994
Population [a]	Millions	10.82	10.88	11.54	11.53	11.85	12.18	12.52
Gross National Product(GNP)	US$ Million	11,052	10,198	10,427	10,885	9,719	9,196	----
GNP Per Capita	US$ Million	1,021	937	904	944	820	755	----
Current Account	US$ Million	-987	-679	-1,079	-913	-964	-1,034	----
Total External Debt	US$ Million	4,189	4,815	5,982	6,162	6,530	6,601	----
Exchange Rate	Francs/US$	297.85	319.01	272.26	282.11	264.69	283.16	555.20

Notes: [a]mid-year estimates
---- data not available
Sources: World Bank 1994a; EIU 1993; IMF 1995a.

Table 1.2. Cameroon: food crop production

	1988	1989	1990	1991	1992	1993
			1,000 Metric Tons			
Paddy Rice	40	62	70	90	90	90
Millet & Sorghum	572	408	415	463	465	450
Maize	459	371	380	450	380	430
Sugar	1,280	1,300	1,500	1,300	1,350	1,350
Groundnut	100	100	100	100	100	100
Cassava	1,500	1,137	1,200	1,300	1,300	1,300
Yam	230	58	70	91	92	93

Source: FAO 1990a-93a.

Table 1.3. Cameroon: livestock populations

	1988	1989	1990	1991	1992	1993
			1,000 Head			
Cattle	4,471	4,582	4,697	4,700	4,730	4,867
Pigs	1,237	1,299	1,364	1,370	1,380	1,434
Poultry	16,000	16,000	18,000	18,000	19,000	20,000
Sheep and Goats	2,897	3,170	3,500	3,550	3,560	3,770

Source: FAO 1990a-93a.

Table 1.4. Cameroon: meat production

	1988	1989	1990	1991	1992	1993
			1,000 Metric Tons			
Beef & Veal	74	70	70	73	73	74
Pork	15	16	16	17	17	17
Poultry (Chicken)	15	17	18	19	19	20
Mutton & Lamb	12	13	14	15	15	16

Source: FAO 1990a-1993a.

Table 1.5. Cameroon: balance of trade

	1988	1989	1990	1991	1992	1993
			US$1,000,000			
Merchandized Imports (f.o.b)	1,220.8	1,136.8	1,347.2	1,173.1	983.3	1,005.3
Merchandized Exports (f.o.b.)	1,841.2	1,853.8	2,125.4	1,957.5	1,934.1	1,507.7
Balance of Trade	620.5	717.0	778.2	784.4	950.8	502.4

Note: f.o.b.=free on board.
Source: IMF 1995a.

Table 1.6. Cameroon: major trading partners

	France	Spain	Italy	Netherlands	Germany	Belgium-Luxembourg	USA
				Percent			
Imports from other countries							
1988	35.2	1.9	4.5	2.6	10.0	3.4	4.5
1989	36.5	1.6	3.1	9.1	5.7	10.6	5.5
1990	32.9	1.7	5.2	3.3	10.6	5.5	4.7
1991	35.5	2.7	4.3	3.2	9.4	4.6	5.9
1992	39.9[b]	3.6[b]	4.0[b]	2.7[b]	8.3[b]	5.3[b]	4.9[b]
1993	37.2[b]	3.7[b]	3.8[b]	3.7[b]	4.7[b]	5.8[b]	5.0[b]
1994	35.4[b]	0.8[b]	3.9[b]	2.7[b]	5.7[b]	6.6[a]	6.2[b]
Exports to other countries							
1988	29.3	4.1	6.3	20.9	4.1	1.5	15.2
1989	23.5	5.0	1.4	6.4	8.8	19.3	10.0
1990	32.7	4.2	7.9	14.4	4.2	1.3	14.9
1991	42.8	6.9	9.1	16.3	2.4	1.3	2.2
1992	26.6[b]	17.3[b]	11.6[b]	8.8[b]	5.4[b]	1.3[b]	4.7[b]
1993	19.4[b]	16.4[b]	11.4[b]	7.3[b]	5.6[b]	1.4[a]	5.7[b]
1994	18.6[b]	13.8[b]	13.9[b]	5.8[b]	5.1[b]	1.3[b]	2.7[b]

Notes: [a]estimated
[b]derived from partner records
Source: IMF 1995b.

Table 1.7. Cameroon: primary agricultural exports[a]

	1988		1989		1990		1991		1992		1993	
	millions $	percent share[c]	millions $	percent share[c]	millions $	percent share[c]	millions $	percent share[c]	millions $	percent share[c]	millions $	percent share[c]
Total Agricultural Trade[b]	509.68	100.00	661.44	100.00	563.01	100.00	341.48	100.00	355.63	100.00	361.42	100.00
Cocoa Beans	185.00	36.30	142.00	21.47	142.43	25.30	77.00	22.50	75.00	21.10	102.00	28.20
Coffee	185.06	36.31	263.24	39.80	175.12	31.10	117.08	34.30	97.00	27.30	67.60	18.70
Cotton Lint	32.75	6.43	109.88	16.61	69.71	12.38	35.10	10.30	54.00	15.20	53.00	14.70
Banana	1.93	0.38	14.54	2.20	33.00	5.86	50.00	14.60	45.00	12.70	52.00	14.40
Rubber	28.50	5.59	28.74	4.34	24.69	4.39	8.55	2.50	34.00	9.60	40.00	11.10
Palm Oil	7.44	1.50	11.58	1.80	10.99	2.00	5.14	1.50	6.30	1.80	3.50	1.00
Tea	0.31	0.06	0.16	0.02	6.66	1.18	0.11	0.03	----	----	----	----
Pineapples, fresh	0.22	0.04	0.31	0.05	0.13	0.02	0.05	0.01	0.33	0.10	0.18	0.10

Notes: [a]Calendar year basis
[b]These values do not represent totals in this table. Values represent total agricultural trade for Cameroon excluding forestry and fisher products.
[c]Share of Total Agricultural Trade
Source: FAO 1990b-1993b.

Table 1.8. Cameroon: grain consumption and imports

	1988	1989	1990	1991	1992	1993	1994	1995
	---1,000 Metric Tons---							
Rice Consumption	129	140	136	136	135	135	120	140
Rice Imports	60	70	70	70	70	70	60	75
Wheat Consumption	150	150	150	150	175	220	175	200
Wheat Imports	150	150	150	150	175	220	175	200
Coarse Grain[a] Consumption	795	820	775	903	792	840	810	830
Coarse Grain Imports	9	10	15	19	7	0	10	0
Total Grain Consumption	1,074	1,110	1,061	1,189	1,102	1,195	1,105	1,170
Total Grain Imports	219	230	235	239	252	290	245	275

Notes: [a]corn, barley, sorghum, millet, rye, oats, and mixed grains.
Source: USDA-ERS 1995.

Table 1.9. Cameroon: imports of agricultural inputs

	1988	1989	1990	1991	1992	1993
	---US$1,000---					
Agricultural Machinery	11,081	13,744	14,209	2,408	5,600f	11,000f
Crude Fertilizer	283	454	200f	251	200f	250f
Manufactured Fertilizer	16,332	23,925	2,213	13,285	12,000f	12,000f
Pesticides	21,572	34,012	19,527	7,370	10,000f	10,000f

Note: f = forecast
Source: FAO 1990b-1993b.

Table 1.10. U.S. agricultural exports to Cameroon

	1992	1993	1994
		U.S.$1,000	
Animal and Animal Products	**685**	**17**	**16**
Nonfat dried milk	31	0	0
Tallow	654	0	0
Bull semen	0	17	16
Grains and Feeds	**21,577**	**16,049**	**9,527**
Wheat (unmilled)	8,062	14,567	9,383
Wheat flour	11,171	0	0
Other wheat products	9	0	0
Rice	28	244	0
Corn	2,188	584	0
Feed grain products	0	581	0
Popcorn	0	12	75
Other grain products	118	61	69
Wine	**0**	**10**	**0**
Vegetable Preparations	**1,077**	**373**	**99**
Hops	935	290	99
Other vegetable preparations	142	83	0
Oilseeds and Products (Soybean Oil)	**87**	**0**	**0**
Tobacco (unmanufactured)	**0**	**4,961**	**4,242**
Flue cured	0	4,880	4,242
Other tobacco	0	81	0
Seeds, field and garden	**18**	**0**	**0**
Total Agricultural Imports[a]	**23,443**	**21,410**	**13,885**

Note: [a]Totals may not sum due to rounding.
Source: USDA-ERS 1993, 1994.

Table 2.1. Côte d'Ivoire: key economic indicators

	UNIT	1988	1989	1990	1991	1992	1993	1994
Population [a]	Millions	10.82	11.26	11.72	12.19	12.67	13.18	13.70
Gross National Product(GNP)	US$ Million	9,394	8,339	8,484	8,083	8,625	7,851	----
GNP Per Capita	US$ Million	868.21	740.59	723.89	663.08	680.74	595.68	----
Current Account	US$ Million	-1,239	-955	-1,294	-1,341	-1,163	-1,023	----
Total External Debt	US$ Million	12,574	14,056	16,621	17,557	17,987	19,196	----
Exchange Rate	Francs/US$	297.85	319.01	272.26	282.11	264.69	283.16	555.20

Notes: [a]mid-year estimates
----= data not available
Sources: World Bank 1994c; IMF 1995a.

Table 2.2. Côte d'Ivoire: production of cash crops

	1988	1989	1990	1991	1992	1993
		-----------------------	1,000 Metric Tons	-----------------------		
Coffee (green)	187	239	284	199	125	200p
Cocoa	849	725	750	747	697p	775p
Cotton Seed	136	148	137	116	100	120p
Cotton Lint	114	128	116	115	87	108
Seed Cotton	256	291	261	261	194	245
Palm Oil	187	167	208	228	261	274
Sugar Cane	1,500	1,500	1,450	1,500f	1,600f	1,450f
Rubber	61	67	74	71	72	76
Bananas and Plantains	1,233	1,278	1,202	1,383	1,472	1,386f
Pineapple	196	209	189	174	201	240f

Notes: f=forecast
p=provisional
Source: FAO 1990a-1993a.

Table 2.3. Côte d'Ivoire: food crop production

	1988	1989	1990	1991	1992	1993
	--------1,000 Metric Tons--------					
Millet	43	45	44	49	51	52f
Cassava	1,400	1,460	1,393	1,465	1,585	1,388f
Maize	460	480	484	515	538	540f
Sorghum	24	25	24	27	28	30f
Rice (paddy)	610	635	687	687	714	675
Yams	2,500	2,600	2,528	2,556	2,910	2,480f
Cocoyams	290	302	282	311	337	287f

Note: f=forecast
Source: FAO 1990a-1993a.

Table 2.4. Côte d'Ivoire: livestock production

	1988	1989	1990	1991	1992	1993
	--------1,000 head--------					
Cattle	992	1,028	1,046	1,145	1,180	1,205
Pigs	342	351	360	372	382p	392p
Poultry	23,000	25,000	26,000	25,000	25,000	26,000
Sheep	1,090	1,102	1,133	1,161	1,190	1,219

Note: p=provisional
Source: FAO 1990a-1993a.

Table 2.5. Côte d'Ivoire: meat production

	1988	1989	1990	1991	1992	1993
	--------1,000 Metric Tons--------					
Beef & Veal	37f	34f	42f	33f	34f	34f
Pork	14f	14f	14f	15f	15f	15f
Poultry (Chicken)	40f	45f	46f	44f	45f	48f
Mutton & Lamb	4f	5f	5f	5f	5f	5f

Note: f=forecast
Source: FAO 1990a-1993a.

Table 2.6. Côte d'Ivoire: balance of trade

	1988	1989	1990	1991	1992	1993	1994
	US$1,000,000						
Merchandized Imports (f.o.b)	1,769.4	1,777.1	1,818.8	1,781.6	1,952.1	1,801.4	1,566.1
Merchandized Exports (f.o.b.)	2,691.3	2,696.8	2,912.6	2,705.0	2,946.8	2,652.3	2,874.6
Balance of Trade	921.9	919.7	1,093.8	923.4	994.7	850.8	1,308.5

Note: f.o.b.=free on board
Source: IMF 1995a.

Table 2.7. Côte d'Ivoire: major trading partners

	France	Spain	Italy	Netherlands	Germany	Belgium-Luxembourg	Nigeria	USA
	Percent							
Imports from other countries								
1988	30.9	4.6	5.0	5.5	5.5	2.6	9.4	3.9
1989	28.7	3.8	5.4	4.7	5.5	2.5	16.0	4.3
1990	27.7	3.6	3.4	3.8	4.2	3.5	23.0	4.8
1991	28.3	3.8	3.3	3.9	3.8	2.8	21.5	5.5
1992	36.3[b]	1.9[b]	3.8[b]	4.4[b]	3.0[b]	2.6[b]	20.3[a]	3.9[b]
1993	30.4[b]	2.7[b]	3.8[b]	3.4[b]	2.4[b]	2.6[b]	24.3[a]	4.4[b]
1994	28.2[b]	1.4[b]	3.2[b]	2.9[b]	3.3[b]	3.1[a]	26.7[a]	5.8[b]
Exports to other countries								
1988	15.9	2.8	7.2	15.8	4.7	5.3	2.6	7.4
1989	13.6	2.8	6.0	22.5	7.5	4.3	1.4	6.6
1990	7.4	3.2	8.7	15.1	6.9	5.8	1.7	5.9
1991	14.9	3.1	6.8	14.2	7.0	4.5	1.3	4.9
1992	15.9[b]	4.6[b]	8.0[b]	7.8[b]	10.4[b]	5.1[b]	1.4[a]	6.2[b]
1993	16.7[b]	3.8[b]	7.2[b]	7.5[b]	8.8[b]	4.9[b]	1.4[a]	5.8[b]
1994	16.1[b]	4.1[b]	7.2[b]	8.9[b]	9.9[b]	4.7[a]	1.2[a]	5.1[b]

Notes: [a]estimated
[b]derived from partner records
Source: IMF 1995b.

Table 2.8. Côte d'Ivoire: agricultural exports[a]

	1989	1990	1991	1992	1993
	US$1,000,000				
Cocoa Beans	1,020.78	807.68	702.00p	639.50p	555.00p
Coffee	231.36	239.13	183.35	149.74	175.00p
Cotton Lint	111.99	156.00	139.70	110.12	145.00p
Banana	21.50	27.84	41.20p	53.46	50.00p
Rubber	57.08	59.40	56.00p	61.35	52.00p
Sugar	6.32	9.52	8.85	7.00	12.00p
Pineapples, fresh	37.73	44.48	40.62	44.54	38.00p

Note: [a]Calendar year basis
p=provisional
Source: FAO 1990b-1993b.

Table 2.9. Côte d'Ivoire: imports of agricultural inputs

	1988	1989	1990	1991	1992	1993
	US$1,000					
Agricultural Machinery	9,052f	7,651f	6,700f	6,750f	5,900f	7,400f
Crude Fertilizer	----	200f	----	----	----	----
Manufactured Fertilizer	10,100f	10,300f	9,800f	10,900f	11,000f	10,000f
Pesticides	10,500f	12,500f	10,000f	9,000f	11,000f	11,000f

Note: f=forecast
-----=no data reported
Source: FAO 1990b-1993b.

Table 2.10. U.S. agricultural exports to Côte d'Ivoire

	1992	1993	1994
	U.S.$1,000		
Animal and Animal Products	**485**	**1,139**	**469**
Beef & Veal (fresh or frozen)	0	37	15
Variety Meats	465	610	66
Chicken (fresh or frozen)	16	28	9
Turkey	0	23	12
Evaporated Condensed Milk	0	442	0
Non-fat Dried Milk	0	0	41
Other Dairy Products	0	0	326
Other Animal Fats & Oils	4	0	0
Grains and Feeds	**24,185**	**22,852**	**22,243**
Wheat (unmilled)	2,851	1,341	7,008
Rice (paddy, milled)	20,898	20,189	14,949
Barley	11	0	0
Corn	22	779	0
Popcorn	377	415	178
Other Grain Products	26	19	0
Feed Grain Products	0	0	98
Other Feed & Fodders	0	110	90
Fruit & Preparations (ex. juice)	**15**	**0**	**0**
Wine	**92**	**8**	**0**
Peanuts Shelled	**0**	**24**	**0**
Vegetable Preparations	**820**	**268**	**91**
Dried Beans	453	0	0
Hops	0	0	33
Other Vegetable Preparations	367	268	58
Cotton, ex. linters	**0**	**0**	**98**
Oilseeds and Products	**0**	**233**	**59**
Soybean Oil	0	210	0
Other Vegetable Oil	0	23	59
Essential Oil	**32**	**0**	**0**
Seeds, Field and Garden	**20**	**43**	**19**
Spices	**79**	**96**	**78**
Other Misc. Vegetable Products	**0**	**9**	**0**
Beverages (ex. juice)	**115**	**223**	**60**
Total Agricultural Exports to Côte d'Ivoire[a]	**25,842**	**25,894**	**23,118**

Note: [a]Totals may not sum due to rounding.
Sources: USDA-ERS 1993, 1994.

Table 2.11. Côte d'Ivoire: grain consumption and imports

	1988	1989	1990	1991	1992	1993	1994	1995
	-----------------------------1,000 Metric Tons-----------------------------							
Rice Consumption	602	841	721	632	762	750	705	760
Rice Imports	160	386	263	169	320	300	250	300
Wheat Consumption	265	237	250	238	266	250	250	250
Wheat Imports	260	225	250	238	266	250	250	250
Coarse Grain[a] Consumption	597	582	630	623	610	640	590	615
Coarse Grain[a] Imports	10	0	27	0	8	0	0	0
Total Grain Consumption	1,464	1,660	1,601	1,493	1,638	1,640	1,545	1,625
Total Grain Imports	430	611	540	407	594	550	500	550

Notes: [a]corn, barley, sorghum, millet, rye, oats, and mixed grains.
Source: USDA-ERS 1995.

Table 2. 12. Côte d'Ivoire: primary meat imports

	1993	1994
	----------Metric Tons----------	
Beef:		
frozen boneless quarter	9,798	1,411
frozen offals	1,805	330
Pork:		
frozen/chilled spare ribs	272	103
frozen offals	2,120	1,385
Turkey parts & offals	281	467
TOTAL MEAT	14,706	3,933

Source: USDA-FAS 1995d

Table 3.1. Senegal: key economic indicators

	UNIT	1988	1989	1990	1991	1992	1993	1994
Population	Millions	7.11	7.13	7.33	7.52	7.71	7.90	----
Gross National Product (GNP)	US$ Millions	4,727	4,452	5,468	5,447	6,077	5,515	----
GNP per Capita	US$	664.83	624.40	745.98	724.34	788.20	698.10	----
Current Account	US$ Millions	-261.4	-197.7	-181.1	-226.3	-298.4	-301.6	221.7
Total External Debt	US$ Millions	3,886	3,269	3,731	3,554	3,634	3,768	----
Exchange Rate	Francs/US$	297.85	319.01	272.26	282.11	264.69	283.16	555.21

Note: ---- data not available

Sources: World Bank 1994c; IMF 1995a.

Table 3.2. Senegal: production of cash crops

	1988	1989	1990	1991	1992	1993
			1,000 Metric Tons			
Groundnuts	903	844	703	724	578	628
Tomatoes	36	40	48	56	57	62
Cotton Seed	27	16	24	30	30	28
Cotton Lint	15	12	11	20	19	20
Seed Cotton	45	29	36	52	48	50

Source: FAO 1990b-1993b.

Table 3.3. Senegal: food crop production

	1988	1989	1990	1991	1992	1993
			1,000 Metric Tons			
Millet	485	639	505	593	446	657
Sorghum	110	127	157	78	117	98
Sugar Cane	700	790	707	808	837	850
Raw Sugar	77	79	87	90	90	86
Rice	146	168	156	170	177	189

Source: FAO 1990a-1993a.

Table 3.4. Senegal: livestock production

	1988	1989	1990	1991	1992	1993
			1,000 Head			
Cattle	2,608	2,673	2,740	2,687	2,700f	2,750f
Pigs	470f	490f	500f	300f	310f	320f
Poultry	13,000	14,000	14,000	24,000	28,000	34,00 0
Sheep	3,792	3,886	3,960	3,800p	4,200p	4,400p

Notes: p=provisional
f=forecast

Source: FAO 1990a-1993a.

Table 3.5. Senegal: meat production

	1988	1989	1990	1991	1992	1993
	---1,000 Metric Tons---					
Beef & Veal	44f	46f	47f	44f	44f	45f
Pork	18f	18f	19f	7f	7f	7f
Poultry (Chicken)	22f	23f	24f	38f	43f	52f
Mutton & Lamb	12f	13f	13f	13f	14f	15f

Note: f=forecast
Source: FAO 1990a-1993a.

Table 3.6. Senegal: balance of trade

	1988	1989	1990	1991	1992	1993	1994
	---US$1,000,000---						
Merchandized Exports (f.o.b)	713.2	758.6	893.6	824.2	828.1	718.7	793.8
Merchandized Imports (f.o.b.)	956.0	998.4	1,164.3	1,114.1	1,199.9	1,101.5	1026.6
Balance of Trade	-242.8	-239.8	-270.7	-290.0	-371.8	-382.8	-232.9

Source: IMF 1995a.

Table 3.7. Senegal: exports of agricultural inputs

	1988	1989	1990	1991	1992	1993
	---US$1,000---					
Agricultural Machinery	106	1,466	1,551	782	1,390f	1,380f
Crude Fertilizer	68,200f	63,855	56,885	44,038	50,000f	55,000f
Manufactured Fertilizer	9,600f	24,207	28,608	22,160	29,000f	30,000
Pesticides	1,372	2,714	1,734	2,000f	2,000f	2,300f

Note: f=forecast
Source: FAO 1990b-1993b.

Table 3.8. Senegal: major trading partners

	France	Mali	Italy	Côte d'Ivoire	Nigeria	Thailand	USA	India	Spain
	-----Percent-----								
Imports from other countries									
1988	31.48	0.09	3.89	5.65	4.35	2.31	6.39	0.74	4.72
1989	29.43	0.08	4.84	5.07	4.61	3.33	6.73	0.08	3.86
1990	30.43	0.22	6.71	5.19	6.78	3.46	6.20	0.14	3.89
1991	34.37	---	5.20	---	7.29	5.20	7.20	0.18	3.28
1992	33.25	0.17	5.98	---	6.15	2.99	6.07	0.51	3.59
1993	36.77[a]	0.17	3.99[a]	---	6.49	4.66[a]	6.32[a]	0.17[a]	3.33[a]
1994	34.22[a]	0.17	5.39[a]	---	6.93	4.62	4.02[a]	0.26[b]	2.65[a]
Exports to other countries									
1988	37.56	4.06	4.06	3.21	0.51	---	0.68	9.64	3.89
1989	30.60	4.03	5.92	2.64	0.25	---	0.13	8.82	3.40
1990	30.43	6.74	6.16	2.56	0.46	---	---	9.76	2.90
1991	31.64	3.69	10.14	---	0.15	---	1.08	11.80	2.32
1992	27.13	5.43	5.72	---	0.59	0.15	0.44	15.40	2.05
1993	24.43[a]	7.68	8.73[a]	---	0.70	---	1.40[a]	3.32[a]	2.44[a]
1994	25.98[a]	7.87	8.50[a]	---	0.63	---	1.89[a]	2.36[b]	3.62[a]

Notes: [a]derived from partner records
[b]estimated
--- data not available

Source: IMF 1995b.

Table 3.9. Senegal: grain consumption and imports

	1988	1989	1990	1991	1992	1993	1994	1995
		---------------------------	1,000 Metric Tons	---------------------------				
Rice Consumption	490	500	476	511	515	514	490	525
Rice Imports	400	385	344	410	380	404	325	450
Wheat Consumption	153	145	171	180	174	190	200	175
Wheat Imports	153	145	171	180	174	190	200	175
Coarse Grain[a] Consumption	792	901	845	812	749	895	826	830
Coarse Grain Imports	19	20	45	35	54	35	11	10
Grain Consumption	1,435	1,546	1,492	1,503	1,438	1,599	1,516	1,530
Total Grain Imports	572	550	560	625	608	629	536	635

Note: [a]corn, barley, sorghum, millet, rye, oats, and mixed grains.
Source: USDA-ERS 1995.

Table 3.10. Senegal: imports of agricultural inputs

	1988	1989	1990	1991	1992	1993
			US$1,000			
Agricultural Machinery	5,679	7,153	8,529	6,846	7,103f	6,700f
Crude Fertilizer	----	214	60	112	100f	100f
Manufactured Fertilizer	5,300f	4,140	8,291	8,784	9,000f	9,500f
Pesticides	12,195	14,500	5,469	5,000f	7,000f	7,000f

Note: f=forecast
Source: FAO 1990b-1993b.

Table 3.11. U.S. agricultural exports to Senegal

	1992	1993	1994
		US$1,000	
Animal and Animal Products	**2,691**	**6,270**	**1,759**
Variety Meats and Offals	99	0	16
Baby Chicks	16	16	18
Poultry Meats	23	16	0
Nonfat dried Milk	61	1,182	0
Butter	496	0	0
Other Dairy	0	54	0
Tallow	1,996	502	1,725
Other Animal Products	0	4,500	0
Grains and Feeds	**17,607**	**21,973**	**8,197**
Wheat (unmilled)	1,067	333	795
Paddy Rice (milled)	14,839	20,299	7,403
Corn (feed grain)	1,672	0	0
Sorghum (feed grain)	0	1,321	0
Other Grain Products	29	0	0
Other Feeds and Fodders	0	20	0
Preserved or Prepared Fruits	**0**	**11**	**0**
Shelled Peanuts	**6**	**0**	**0**
Wine	**0**	**0**	**7**
Vegetable Preparations	**11**	**20**	**0**
Other Miscellaneous Vegetable Products	**0**	**9**	**0**

Table 3.11. (continued)

Oilseeds and Products	**11**	**8,798**	**2,302**
Soybean Oil	0	8,798	2,284
Other Vegetable Oils	11	0	18
Tobacco (unmanufactured)	**438**	**0**	**0**
Seeds, field and garden	**0**	**46**	**51**
Sugar and Tropical Products	**51**	**19**	**3**
Related Sugar Products	0	13	3
Cocoa	0	7	0
Tea Mate	51	0	0
Beverages (ex. juices)	**12**	**11**	**0**
Total Agricultural Imports[a]	**20,827**	**37,158**	**12,319**

Notes: [a]Totals may not sum due to rounding.
Sources: USDA-ERS 1993, 1994.

ENDNOTES

1. The currency used for the Franc Zone is commonly referred to as the CFA franc. There are, however, three different currencies used in the region, all of which are pegged to the French franc at a set exchange rate. They are as follows: 1) Communauté financière africaine used by UMOA members and issued by the Banque centrale des états de l'Afrique de l'ouest, 2) Coopération financière en Afrique centrale used by members of the UDEAC and issued by the Banque des éstats de l'Afrique centrale, and 3) the Comoros franc issued by the Institut d'émission des Comores.

2. The Union douanière des états de l'Afrique centrale (UDEAC) is a customs union formed in 1966 by Cameroon, the Central African Republic, Chad, Congo, Equatorial Guinea, and Gabon (EIU 1994).

3. This price (315 CFA fr/kg) is approximately 39 percent of the world market price for cocoa for the 1994-95 marketing season (USDA-FAS 1994b)

4. Côte d'Ivoire was one of the original members of the Economic Community of West African States (ECOWAS). The members of ECOWAS are striving to create a customs union and common market for West Africa that would allow free movement of goods and services among its member states. Under this plan organizations that are exempt from all tariffs are those that are 25 percent owned by citizens of ECOWAS. Goods manufactured by companies that are 40 percent owned by ECOWAS members would also be exempt from all tariffs. Current members include Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guine-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and Togo.

5. Prior to liberalization efforts, the state-owned distribution company, SONADIS, was the sole distributor of peanut oil, vegetable oil, sugar, and rice. It was also the largest distributor of consumer goods in rural areas. Goods were distributed through 130 stores throughout Senegal which carried only a limited range of goods (USDOC 1994c).

6. The pricing system used by the Government of Senegal was based on a system that included three different types of prices: administered, authorized, and free. Goods that were produced by licensed monopolies and were related to the agricultural sector were subject to "administered" prices set by the government. Goods in this category included rice, vegetable oil, tomato paste, and sugar. "Authorized" pricing applied to common consumer goods, such as bread and milk, and had to be justified to the government by producers in accordance with their production costs. Goods which were not priced according to "administered" or "authorized" pricing schedules were priced according to market demand and were labeled as "free" priced goods.

7. Producer prices were raised in January 1995 from 100 CFA fr/kg to 120 CFA fr/kg for oil nuts and 125 CFA fr/kg for edible nuts.

REFERENCES

Africa Review. 1995. *The World of Information, Africa Review, 1995.* The Economic and Business Report. London: Kogan Page Ltd.

Africa South of the Sahara, 1995. Twenty-Fourth Edition. London: Europa Publications Limited.

Boughton, James M. 1992. The CFA Franc: Zone of Fragile Stability in Africa. *Finance and Development* 29(4):34-36.

Callagy, Thomas M. 1994. Africa: Falling Off the Map? *Current History* 93(579):31-36.

Central Intelligence Agency (CIA). 1994. *The World Fact Book 1994.* Washington D.C.

Cleaver, Kevin M. 1993. *A Strategy to Develop Agriculture in Sub-Saharan Africa and a Focus for the World Bank.* World Bank Technical Paper Number 203, Africa Technical Department Series. Washington, D.C.: World Bank.

Clement, Jean A. P. 1994. Striving for Stability: CFA Franc Realignment. *Finance and Development* 31(2):10-13.

Economist. 1994. CFA-franc Zone: France Retreats From Its Empire. *The Economist* 330:45.

Economist Intelligence Unit (EIU). 1992. *Country Profile: Senegal, 1992-93.* London: The Economist Intelligence Unit Limited.

_____. 1993. *Country Profile: Cameroon, Central African Republic, Chad, 1993/94.* London: The Economist Intelligence Unit Limited.

_____. 1994. *Country Profile: Côte d'Ivoire, Mali, 1994/95.* London: The Economist Intelligence Unit Limited.

Food and Agriculture Organization of the United Nations (FAO). 1990a. *FAO Yearbook Production 1990, vol 44.* Rome: FAO.

_____. 1991a. *FAO Yearbook Production 1991, vol 45.* Rome: FAO.

_____. 1992a. *FAO Yearbook Production 1992, vol. 46.* Rome: FAO.

_____. 1993a. *FAO Yearbook Production 1993, vol. 47.* Rome: FAO.

_____. 1990b. *FAO Yearbook Trade 1990, vol. 44.* Rome: FAO.

_____. 1991b. *FAO Yearbook Trade 1991, vol. 45.* Rome: FAO.

_____. 1992b. *FAO Yearbook Trade, vol. 46.* Rome: FAO.

_____. 1993c. *FAO Yearbook Trade, vol. 47.* Rome: FAO.

Gray, Denice and Bruce Larson. 1994. Environmental Problems and Resource Constraints. In *International Agriculture and Trade Reports: Africa and the Middle East.* Washington, D.C.: USDA-ERS.

Hadjimichael, Michael T., Dhaneshwar Ghura, Martin Mühleisen, Roger Nord, and E. Murat Uçer. 1995. *Sub-Saharan Africa Growth, Savings, and Investment, 1986-93.* Washington, D.C.: International Monetary Fund.

Harold, Courtney, Bruce Larson, and Linda Scott. 1994. Fertilizer Consumption Remains Low. In *International Agriculture and Trade Reports: Africa and the Middle East.* Washington, D.C.: USDA-ERS.

Ingram, Kevin and George Frisvold. 1994. Productivity in African Agriculture: Sources of Growth and Stagnation. In *International Agriculture and Trade Reports: Africa and the Middle East.* Washington, D.C.: USDA-ERS.

International Monetary Fund (IMF). 1994. *World Economic Outlook.* Washington, D.C.: IMF.

_____. 1995a. *International Financial Statistics*, 48(10). Washington, D.C.: IMF.

_____. 1995b. *Direction of Trade Statistics Yearbook, 1995.* Washington, D.C.: IMF.

Missiaen, Margaret and Shahla Shapouri. 1994. Food Consumption, Nutrition, and Consumer Policies. In *International Agriculture and Trade Reports: Africa and the Middle East.* Washington, D.C.:USDA-ERS.

Rosen, Stacey and Brian Brubaker. 1994. Economic Trends and Trade Issues. In *International Agriculture and Trade Reports: Africa and the Middle East.* Washington, D.C.: USDA-ERS.

Shapouri, Shahla and Linda Scott. 1994. Population and the Agricultural Sector. In *International Agriculture and Trade Reports: Africa and the Middle East.* Washington, D.C.: USDA-ERS.

U.S. Bureau of the Census (USBOC). 1995. *Merchandise Trade, August 1995.* Washington D.C.: National Trade Data Bank.

U.S. Department of Agriculture, Economic Research Service (USDA-ERS). 1993. *Foreign Agricultural Trade of the United States, FATUS, Calendar Year 1993 Supplement.* Washington, D.C.: USDA-ERS.

_____. 1994. *Foreign Agricultural Trade of the United States, FATUS, Calendar Year 1994 Supplement.* Washington, D.C.: USDA-ERS.

_____. 1995. *Production, Supply and Demand (PS&D View).* CD-ROM version, October. Washington, D.C.: USDA-ERS.

U.S. Department of Agriculture, Foreign Agricultural Service (USDA-FAS). Agworld Attache Reports. Washington, D.C.: National Trade Data Bank.
1994a. *Côte d'Ivoire; Agricultural Situation; Country Profile*, IV4009, 23, 003.
1994b. *Côte d'Ivoire; Cocoa Annual,* IV4025, 02, 004.
1994c. *Côte d'Ivoire; Coffee Annual,* IV4010, 03, 001.
1994d. *Côte d'Ivoire; Coffee Prices Increased,* IV4024, 03, 003.
1994e. *Côte d'Ivoire; Coffee Semi-Annual,* IV4032, 03, 004.
1994f. *Côte d'Ivoire; Cotton,* IV40125, 04, 001.
1994h. *Côte d'Ivoire; Lifts Ban on Poultry,* IV4022, 53, 001.
1994i. *Senegal; Annual Report*, SG4006, 24, 002.
1994j. *Senegal; Grain and Feed, Senegal committed to Rice Import,* SG4007, 11, 002.
1994k. *Senegal; Agricultural Situation: Country Profile-Senegal, Special*, SG4003, 24,001.
1994l. *Senegal: Oilseed and Products Annual-Senegal, Annual Report,* SG4002, 06, 001.
1994m. *Senegal: Oilseed and Products Update; Voluntary Report*, SG4004, 06, 002.
1995a. *Côte d'Ivoire; Cotton ;Cidt Privatization* IV5010, 04, 002.
1995b. *Côte d'Ivoire; Oilseeds and Products Annual*, IV5002, 06, 001.
1995d. *Côte d'Ivoire; Agricultural Situation; Increase in Meat,* IV5006, 24, 001.
1995e. *Senegal: Oilseeds and Products Annual Report,* SG5001, 06, 001.

_____. 1995c. Food Market Report, *Ivory Coast's Food Market.* Washington, D.C.: National Trade Data Bank.

U.S. Department of Commerce (USDOC). International Trade Administration, Market Research Reports. Washington, D.C.: National Trade Data Bank.
1992. *Cameroon Forests and Forestry Profile,* IMI920522.
1993a. *Foreign Economic Trends and Their Implications for the United States: Cameroon,* FET9311.
1993b. *Cameroon Commercial Activity Report 1993*, CAR9304.
1993c. *Côte d'Ivoire, Foreign Economic Trends*, FET9307.

_____. International Trade Administration, Country Commercial Guides. Washington, D.C.: National Trade Data Bank.
1994a. *Country Commercial Guide, Cameroon.*
1994b. *Country Commercial Guide, Côte d'Ivoire.*
1994c. *Country Commercial Guide, Senegal.*
1995a. *Country Commercial Guide, Côte d'Ivoire.*
1995b. *Country Commercial Guide, Senegal.*
1995c. *Country Commercial Guide, Cameroon.*

U.S. Department of State (USDOS). 1994. Country Reports on Human Rights Practices. Washington, D.C.: National Trade Data Bank.

The WEFA Group. 1995. *World Economic Outlook Developing and Eurasia Post-Meeting Forecast*, vol. 3. Bala Cynwyd: The WEFA Group.

World Bank. 1994a. *World Development Report, Infrastructure for Development*. New York: Oxford University Press.

_____. 1994b. *Adjustment in Africa, Lessons from Country Case Studies*. I. Husaian and R. Faruqee, ed. Washington, D.C.: World Bank.

_____. 1994c. *World Debt Tables, 1994-1995, External Finance for Developing Countries*, vol. 2. Washington, D.C.: World Bank.