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Southern Africa Trade and Investment Flows

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Abbreviations

DRC	Democratic Republic of Congo
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
ICBC	Industrial Commercial Bank China
IIEA	Indigenisation and Economic Empowerment Act (IIEA)
SITC	Standard International Trade Classification
TNC	Trans National Corporation
UNCTAD	United Nations Conference on Trade and Development

Introduction

Research Question

Southern African Trade and Investment Flows: We are currently looking at trade and investment flows in Southern African countries. We would like to know, by major product group, where the main trade flows are for DRC, Malawi, Zimbabwe, Zambia, Mozambique and South Africa (both in and out). Key to this are not just the trade/investment flows to neighbours, but also those outside of the region.

Research Structure and Methodology

Drawing primarily on data from the UN's COMTRADE and UNCTAD (investment data) databases this paper presents brief trade and investment profiles for DRC, Malawi, Zimbabwe, Zambia, Mozambique and South Africa, the profiles are structured as follows:

- **Export and Import Trends:** data on overall trade values broken down by primary commodities and manufactured goods.
- **Exports by Major Product Grouping and Destination:** more detailed breakdown and analysis of the major products exported by each country and final destination of these exports.
- **Imports by Product Grouping and Destination:** Similarly on the imports side, data on the major products imported by each country and the source of these imports.
- **Regional Trade:** data on the extent of trade with neighbouring countries.
- **Investment Trends:** data on recent FDI inflows and outflows for each country.

Following the individual country profiles the final section highlights some of the key findings and insights from the profiles.

1. Country Profiles

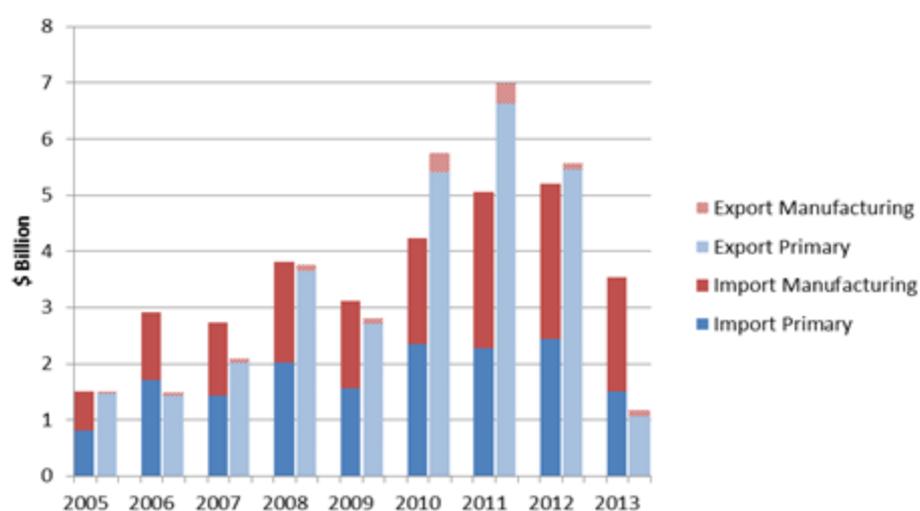
This section presents the individual trade and investment profiles for each of the six countries, the profiles are presented in the order presented in the research question, beginning with DRC, followed by Malawi, Zimbabwe, Zambia, Mozambique and South Africa.

1.1 Democratic Republic of Congo (DRC)

a) *Export and Import Trends*

Reliable trade data for DRC is patchy at best, but available data can present a general trend. The data does show that exports have grown strongly over the past 10 years, and are almost entirely resourced based. There was however variation during this period, most significantly during 2009 when exports suffered as a result of the impact financial crisis on the price of copper, one of DRC's key exports. Imports have also expanded rapidly, increasing from an estimated USD\$1.5 billion in 2005 to USD\$5.2 billion in 2012, while exports have risen from USD\$1.2 billion in 2001 to USD\$5.6 billion in 2011 and as explained further below consists primarily of machinery and fuel imports (Figure 1).

Figure 1: DRC Gross Exports and Imports (2005-2013 USD\$m)¹



Source: Comtrade SITC Rev 3 data, reported by all other countries, author's adaptation

b) *Exports by Main Product Grouping and Destination*

Copper has been a large source of foreign revenue for DRC, surpassing Zambia as the largest supplier on the continent.² Other key resource exports include other non-ferrous metals including cobalt, zinc, tungsten gold and diamonds. China has emerged as DRC's main export partner over the past decade, the majority of DRC's cobalt and copper exports are to China (Figure 2 and 3)³.

¹ Note that the 2013 data is incomplete

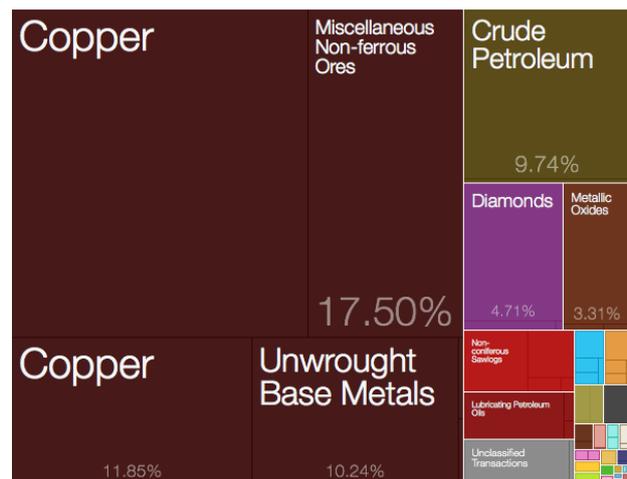
² Bloomberg News, *Congo Trumps Zambia as Top African Copper Miner*, Feb 26, 2014.

³ See Table 9 in Annex 1 for further details on exported products and the destination of these exports. See Annex 2 for full product chart legend.

Figure 2: DRC Export Destinations 2011



Figure 3: DRC Export by Product 2011



Source: Comtrade SITC Rev 3 data, adapted by MIT’s Observatory of Economic Complexity

c) Imports by Product Grouping and Destination

South Africa remains DRC’s most important source of imports, supplying machinery, health products and chemicals, and construction materials and equipment. China supplies a wider variety of products, including electronics, textiles and garments and processed foods. Belgium is also a large supplier of machinery, agricultural products, electronics and medicines (Figures 4 and 5)⁴.

Figure 4: DRC Imports Origin 2011

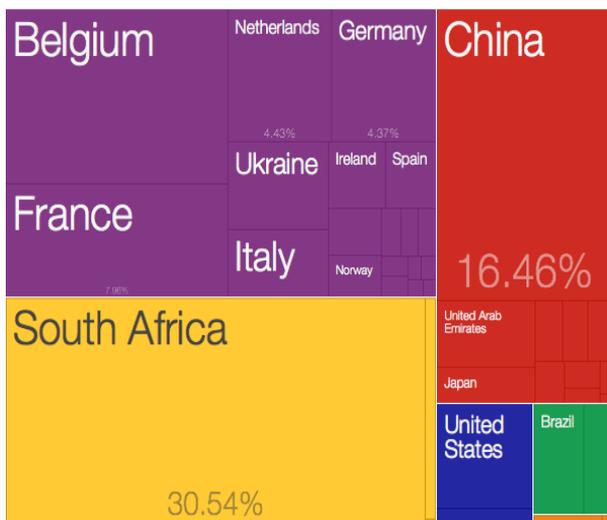
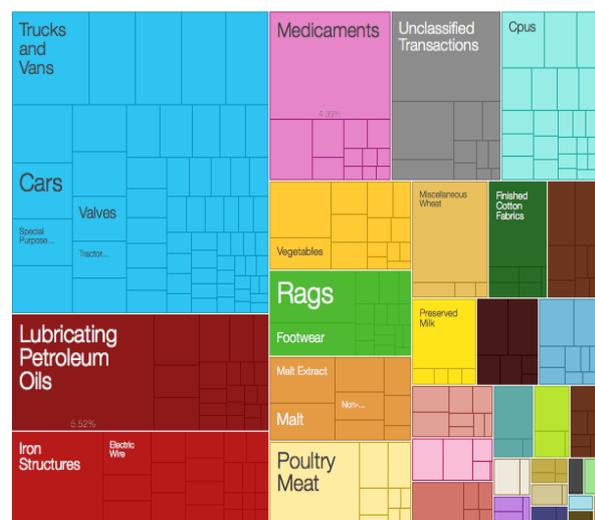


Figure 5: DRC Imports by Product 2011



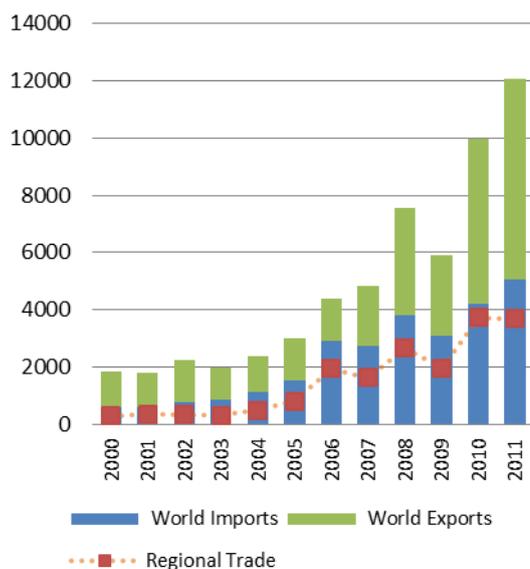
Source: Comtrade SITC Rev 3 data, adapted by MIT’s Observatory of Economic Complexity

d) Regional Trade

South Africa and Zambia are DRC’s major regional trade partners. As highlighted above regional exports consist virtually entirely of exports of copper, primarily to Zambia but also to South Africa and Zimbabwe. On the imports side DRC equipment and machinery are sourced primarily from South Africa and Zambia, whilst imports from other countries in the region are relatively insignificant in comparison (Table 1).

⁴ See Table 9 in Annex 1 for further details on exported products and the destination of these exports. See Annex 2 for full product chart legend.

Figure 6: DRC Regional Trade (USD\$m)



Source: Comtrade SITC Rev 3 data

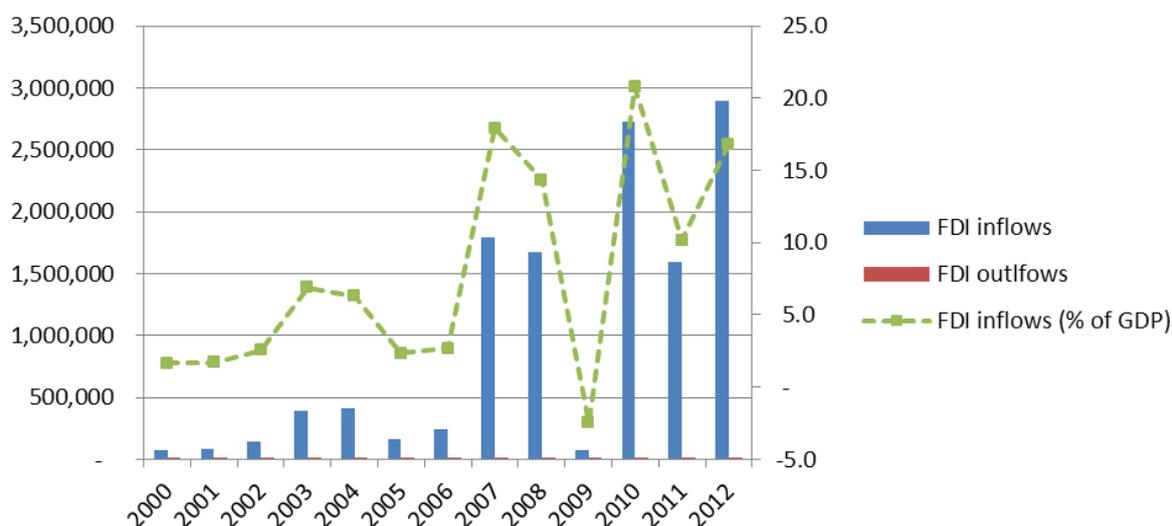
Table 1: DRC Regional Imports and Exports (USD\$m)

Exports		Imports	
Zambia	1,330,355	South Africa	1,491,357
Copper ores	819,431	Heavy petrol	120,471
Copper other	194,593	Iron/stl/alum	116,091
South Africa	9,085	Goods/ vehicles	73,863
Copper	3,585	Special mach	71,100
Zimbabwe	2,479	Zambia	584,111
Copper	1,832	Electric equip	207,099
Mozambique	107	Elements/oxid	71,912
Perfume/toilet/cosmtc	80	Zimbabwe	18,658
Malawi	70	Coke/semi-coke	14,740
Milk butter/cheese	68	Malawi	2,811
		Cereal /flour	2,468
		Mozambique	2,389
		Civil eng plant	1,428

e) Investment Flows

DRC has been the recipient of very large FDI inflows over the past couple of years, annual inflows reached almost USD\$ 20 billion in 2012, 17 per cent of the country's GDP. Although reliable data is not available it seems this Investment has been directed entirely into the mining sector, particularly into copper and cobalt production in Katanga province which contains 34 and 10 per cent of the world's cobalt and copper resources respectively⁵. Tenke Fungurume Mine (TFM), a partnership between Freeport-McMoRan Copper, Lundin Mining Corporation and the government of DRC, holds one of the world's largest known copper and cobalt resources, and is the largest private sector investment in the DRC's history, a cumulative investment of over US\$2 billion

Figure 7: FDI Inflows and Outflows (USD\$ '000)



Source: UNCTAD FDI/TNC database

⁵<http://www.opml.co.uk/sites/opml/files/DRC%20mining%20report%20-%20OPM%20-%20Final%20Eng.pdf>

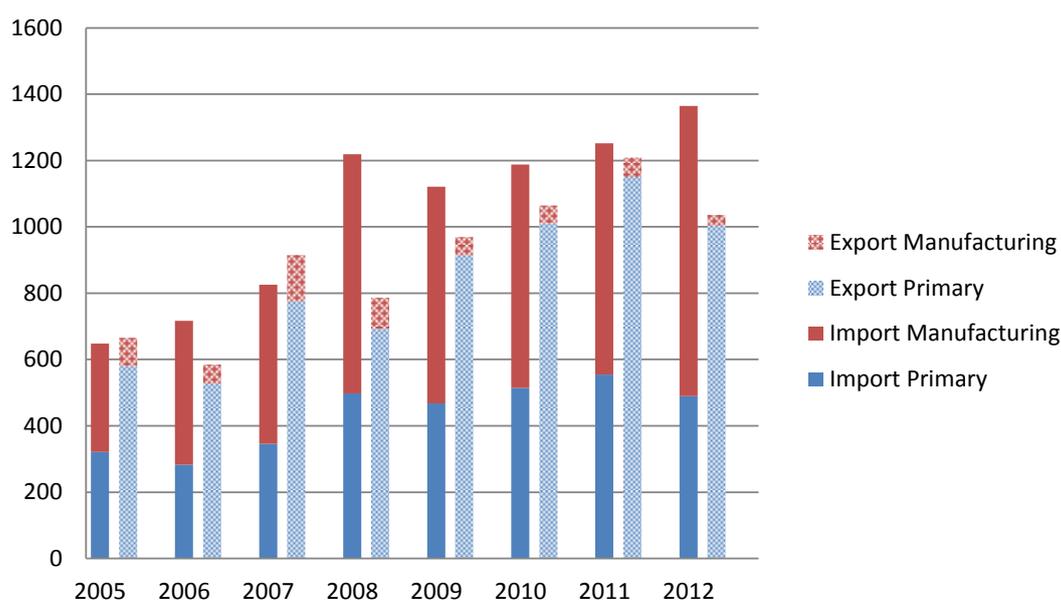
Again official data is not available but it seems like recent investment into DRC has come entirely from China. The most high profile investment was 2008 a deal worth US\$9 billion between Sicomin, a consortium of Chinese companies (Sinohydro and China Railway Engineering Corporation), and the Congolese government to grant mineral concessions in Katanga province in exchange for infrastructure investments - US\$6 billion would go to infrastructure development and US\$3 billion being invested in mining operations in Katanga, giving Sicomin access to an estimated 10.6 million tonnes of copper and over 600,000 tons of cobalt⁶. There is also significant smaller-scale Chinese activity in mining in Katanga province, 2008 research estimated that a total of 5,000 Chinese company owners and workers active in the mining sector in the province⁷.

1.2 Malawi

a) Export and Import Trends

Unsurprisingly as one of the smaller economies in the region and relatively resource-poor compared to its regional neighbours, Malawi's trade flows are comparatively low. For example, Zambia's imports and exports have been more than four times the size of Malawi's despite having the same population. Structurally its trade is the same as other countries in the region, in that the majority of imports are manufactured goods whilst most exports are predominantly primary commodities. This trend has not changed over the past decade, and trade volumes have only increased marginally. Import growth has outstripped that of exports over the past decade, increasing from USD\$633 million in 2005 to USD\$1.38 billion in 2012 (Figure 8).

Figure 8: Malawi Gross Exports and Imports (2005-2012 USD\$m)



Source: Comtrade SITC Rev 3 data, reported by Malawi, author's adaptation

b) Exports by Main Product Grouping and Destination

Malawi exports to a variety of partners, more than half of exports go to Europe, while about a quarter goes to the rest of Africa, including Zimbabwe, South Africa and Egypt. Agricultural commodities, particularly tobacco (to Russia, Germany, South Africa, Zimbabwe and China) and tea (to US, South Africa, and Zimbabwe) are the key export commodities (Figures 9 and 10)⁸.

⁶<http://www.osisa.org/books/regional/chinese-involvement-drc> & <http://www.africareview.com/Business--Finance/Sicomines-production-to-start-in-2015/-/979184/1866162/-/156for3z/-/index.html>

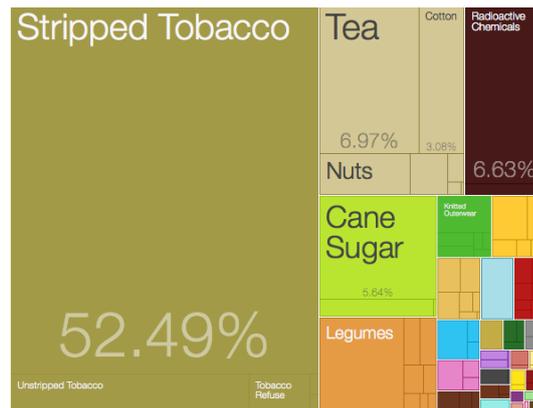
⁷http://www.pambazuka.org/en/category/africa_china/63573

⁸ See Table 10 in Annex 1 for further details on exported products and the destination of these exports. See Annex 2 for full product chart legend.

Figure 9: Malawi Export Destinations 2011



Figure 10: Malawi Exports by Products 2011



Source: Comtrade SITC Rev 3 data, adapted by MIT's Observatory of Economic Complexity

c) Imports by Product Grouping and Destination

Imports are primarily sourced from South Africa, and are highly diversified, but the most significant imports are machinery, medicines and construction materials. India is a source of agrochemicals, textiles and fabrics and a cheap source of medicines. China provides the same types of goods as India, and also provides electronics (Figures 11 and 12)⁹.

Figure 11: Malawi Imports Origin 2011

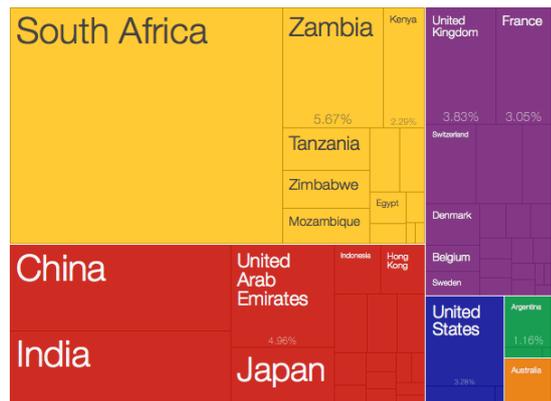
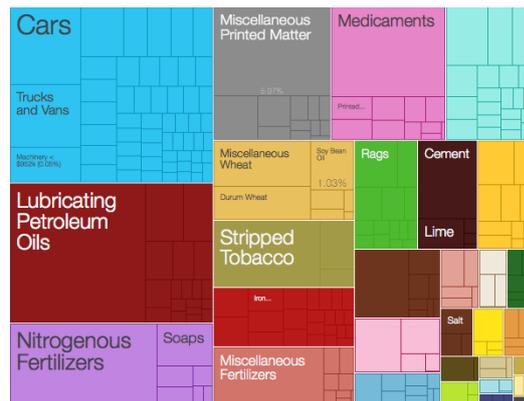


Figure 12: Malawi Imports by Product 2011



Source: Comtrade SITC Rev 3 data, adapted by MIT's Observatory of Economic Complexity

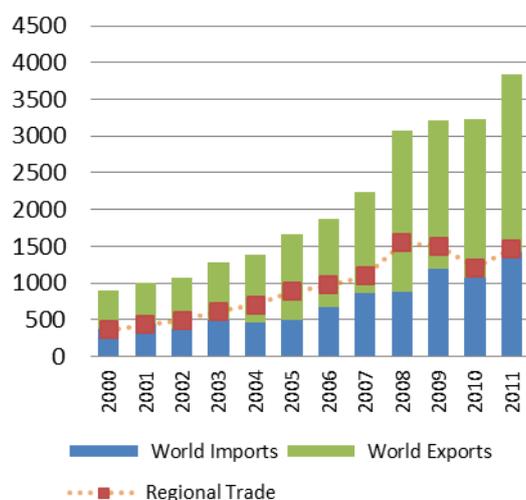
Similar to other countries in the region, Malawi imports a variety of products from South Africa, primarily vehicles, construction materials and processed food. Malawi primarily imports cement and tobacco from Zambia, steeply increasing imports from \$20 million in 2008 to \$110 million in 2010.

d) Regional Trade

Regional countries account for about a third of Malawi's total trade. South Africa is its most important regional trading partner, exporting agricultural commodities (tea and tobacco) and importing a variety of machinery, equipment and consumer goods (Table 2).

⁹ See Table 10 in Annex 1 for further details on exported products and the detination of these exports. See Annex 2 for full product chart legend.

Figure 13: Malawi Regional Trade (USD\$m)



Source: Comtrade SITC Rev 3 data

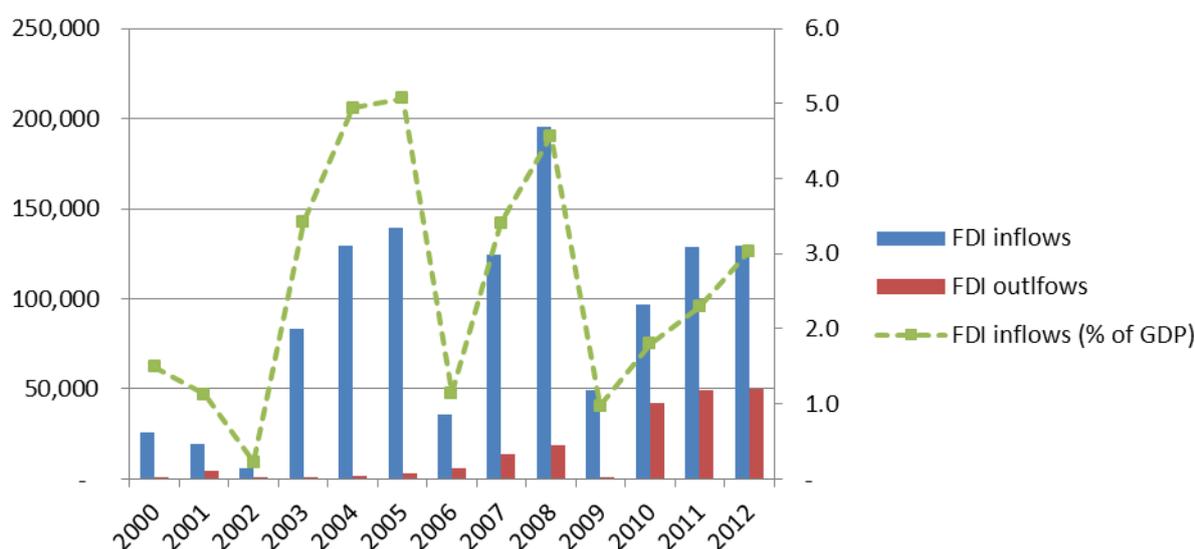
Table 2: Malawi Regional Imports and Exports (USD\$m)

Exports (USD'000)		Imports (USD'000)	
South Africa	68,373	South Africa	442,076
Tea and mate	23,583	Goods/ vehicles	26,894
Tobacco, raw and wastes	8,029	Plastics primary	18,671
Natural rubber/latex/etc	6,874	Paper/paperboard	13,633
Egypt, Arab Rep.	55,891	Zambia	104,131
Tobacco, raw and wastes	52,891	Tobacco	60,626
Tea and mate	2,222	Lime/cement/	16,788
Zimbabwe	43,916	Tanzania	104,131
Tobacco, raw and wastes	18,539	Glass	23,323
Mozambique	8,999	Mozambique	26,135
Tobacco	3,319	Petrol/bitum	10,997
Sugar/molasses/honey	1,518	Tobacco raw	7,567
		Zimbabwe	19,631
		Tobacco raw	7,567
		Cut paper/board/	3,301

e) Investment Flows

FDI inflows to Malawi are relatively small compared to its resource rich neighbours, FDI inflows were USD\$150 million in 2012, just 3 per cent of GDP (Figure 14).

Figure 14: FDI Inflows and Outflows (USD\$ '000)



Source: UNCTAD FDI/TNC database

Recent FDI inflows to Malawi have been diverse, although the largest recent investments have been concentrated on the extraction of metals, particularly uranium (Table 3).

Table 3: Recent FDI projects

Year	Company	Investment (\$ millions)	Home country	Sector
2009	Globe Metals & Mining	233.7	Australia	Metals
2009	Paladin	220	Australia	Metals
2009	Lafarge	200	France	Construction
2010	G-mobile	150	Mongolia	Communications
2010	Bharti Group	100	India	Communications
2010	Thumbay	47	UAE	Construction
2009	Lonhro	31	UK	Food and tobacco
2008	Ecobank	9	Togo	Financial services

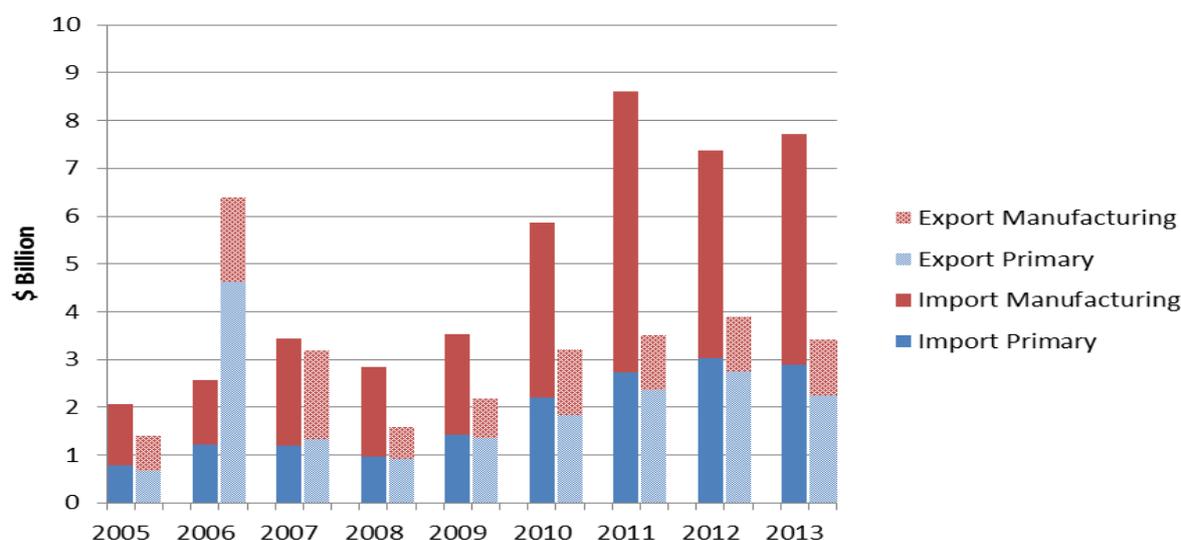
Source: UNCTAD

1.3 Zimbabwe

a) *Export and Import Trends*

The figure below presents export and import trends for Zimbabwe from 2005 to 2013 disaggregated by manufactured goods and primary commodities. Overall, although there have been variations, imports, primarily manufactured goods, have risen sharply during the period, reaching USD\$7.7 billion by 2012, almost double the level of exports, USD\$3.4 billion (Figure 15). Growth in the mining sector (copper, diamonds) has spurred the recent export recovery, whilst the manufacturing, which had been relatively well developed, has suffered from high production costs due to uncertain political and macroeconomic climate in the country over the past twenty years and exports from this sector have stagnated.

Figure 15: Zimbabwe Gross Exports and Imports (2005-2013 USD\$ billions)



Source: Comtrade SITC Rev 3 data, reported by Zimbabwe

b) *Exports by Main Product Grouping and Final Destination*

Agricultural exports, traditionally the country's strongest performing export sector, have declined over the past 15-20 years. The main agricultural exports are now tobacco (to China, South Africa and Netherlands) and cotton (to China). Mining has replaced agriculture as the main driver of economic activity and has made a very significant contribution to the recent economic turnaround. Mineral exports rose by about 230 per cent over the 2009-11 period, making mining the leading export sector. Nickel, copper and diamonds the key mineral

exports, with the EU, China and South Africa are the key destination of these exports (Figures 16 and 17)¹⁰.

Figure 16: Zimbabwe Export Destinations 2011 (%)

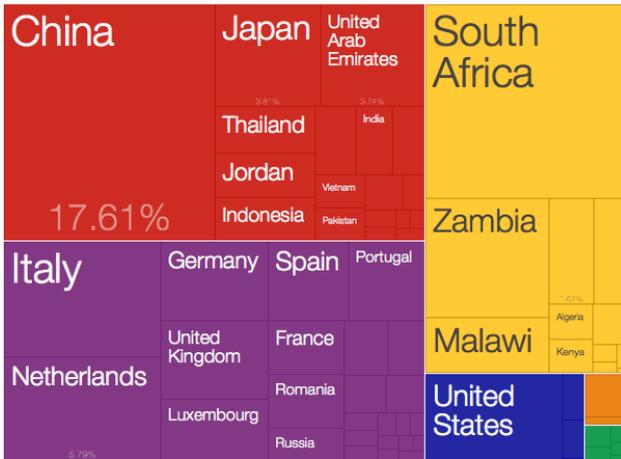
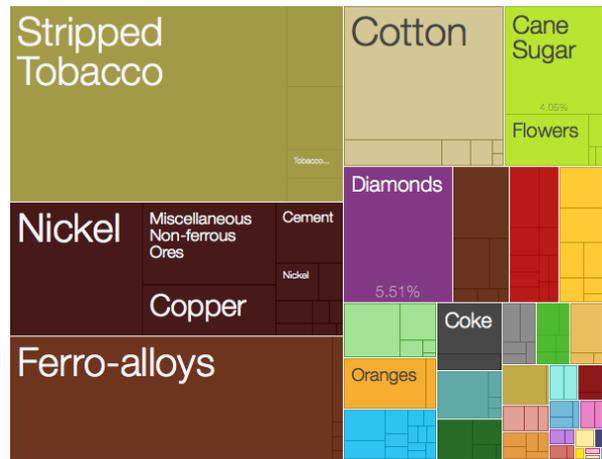


Figure 17: Zimbabwe Exports by Product 2011 (%)



Source: Comtrade SITC Rev 3 data, adapted by MIT's Observatory of Economic Complexity

c) Imports by Product Grouping and Source

Machinery makes up the largest share of import volumes, followed by mined products and fuels (Figure 18). The majority of these imports are from regional neighbours, notably South Africa which accounted for 50 per cent of imports in 2011 (Figure 19). Imports from South Africa are typically foodstuffs and machinery¹¹.

Figure 18: Zimbabwe Imports Origin 2011 (%)

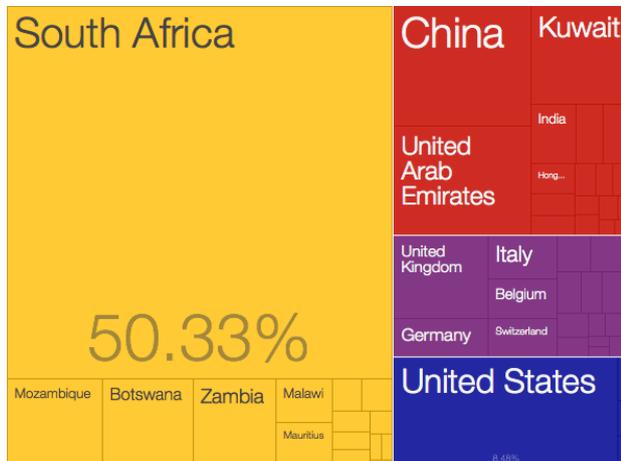
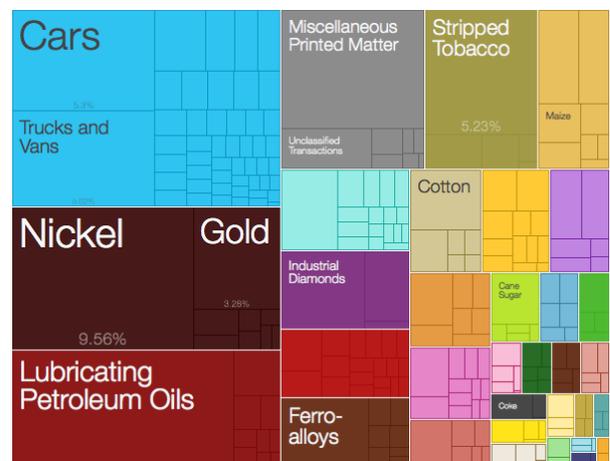


Figure 19: Zimbabwe Imports by Product 2011 (%)



Source: Comtrade SITC Rev 3 data, adapted by MIT's Observatory of Economic Complexity

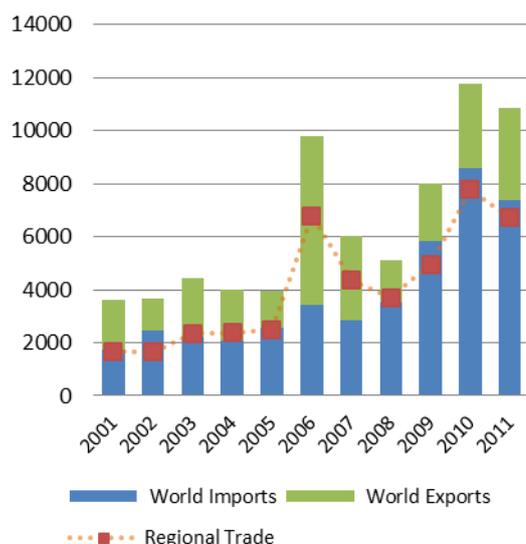
d) Regional Trade

Regional trade accounts for over two-thirds of its total trade, unsurprisingly South Africa is by far its most important trading partner. Zimbabwe exports minerals (platinum, diamonds, gold and nickel) to South Africa and as with other neighbouring countries imports machinery, equipment, and consumer goods from South Africa (Table 4).

¹⁰ See Table 11 in Annex 1 for further details on exported products and the destination of these exports. See Annex 2 for full product chart legend

¹¹ See Table 11 in Annex 1 for further details on imported products and the origin of these exports. See Annex 2 for full product chart legend

Figure 20: Regional Trade (USD\$m)



Source: Comtrade SITC Rev 3 data

Table 4: Zimbabwe Regional Imports and Exports (USD\$m)

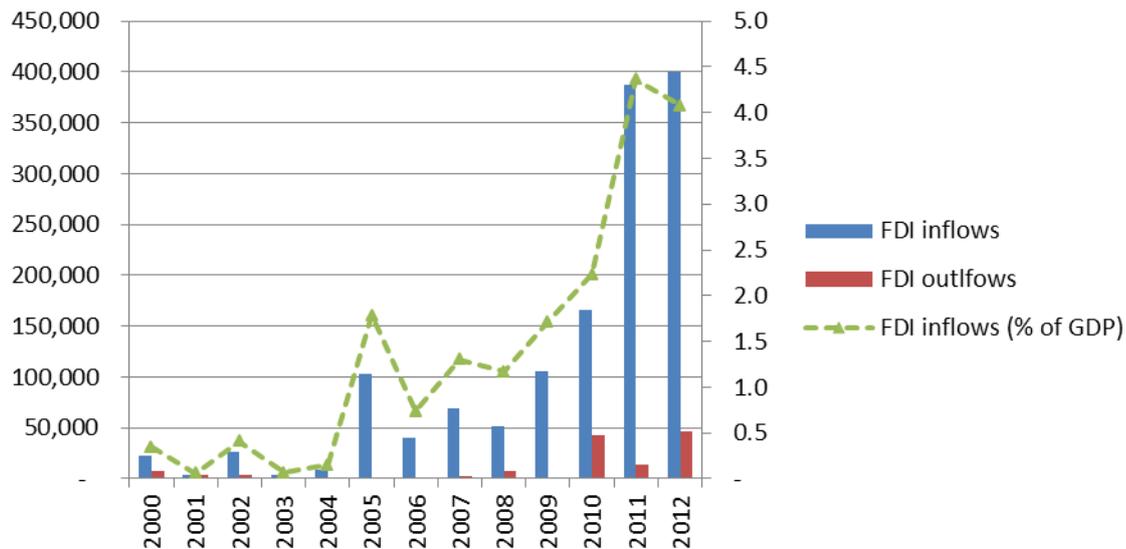
Exports (USD'000)		Imports (USD'000)	
South Africa	380,986	South Africa	2,439,596
Precious metal ore/conc.	109,789	Fixed veg oil/fat	184,273
Pearls/precious stones	35,658	Goods/vehicles	102,994
Nickel ores/concs/etc	32,649	Soaps/cleansers/	91,685
Zambia	72,033	Mozambique	177,273
Coke/semi-coke	10,934	Electric current	50,504
Lime/cement	6,524	Cereal meal/fl	30,604
Malawi	32,935	Botswana	173,137
Lime/cement	8,524	Nickel ores	71,327
Cut paper/board	7,166	Heavy petro	14,581
Mozambique	20,975	Zambia	162,530
Tobacco, raw	7,821	Maize	106,858
Cotton	2,808	Tobacco, raw	24,962
Botswana	18,425	Malawi	122,256
Lime/cement	13,239	Maize	33,022
Heavy petrol	9,319	Sugar/mollasses	32,736

e) Investment Flows

After peaking in the in the late 1980s and early 1990s when FDI inflows averaged almost 20 percent of GDP, the level of FDI inflows have since declined. FDI and investment in general has suffered as a result of the uncertain political climate in the country over the past 20 years, particularly since the fast tracking of land reform in the early 1990s and governance and conflict related problems which have followed. More recently the introduction of a number of controversial laws have impacted negatively on investors perception of the country, in particular the Indigenisation and Economic Empowerment Act (IEEA) of 2008, which requires foreign companies to divest of 51 percent of their shares to local investors, and the Reconstruction of State-Indebted Insolvent Companies Act which gives the State power to seize shareholding in local or foreign or foreign firms. The IIEA has been particularly controversial and has been one of the key factors underlying the FDI outflows in 2010 and 2012, although it must be noted that these outflows when compared to inflows during the period (Figure 21)¹². Nevertheless there has been very significant recent FDI inflows, the recent expansion in Zimbabwe's exports described above has been driven to a large extent by large-scale investment, primarily into extractive sector, with annual FDI inflows reached USD\$400 million in 2012, increasing from less and USD\$50 million a decade earlier.

¹² http://www.consultancyafrica.com/index.php?option=com_content&view=article&id=1646:economic-empowerment-and-foreign-direct-investment-the-cases-of-botswana-south-africa-and-zimbabwe&catid=87:african-finance-a-economy&Itemid=294

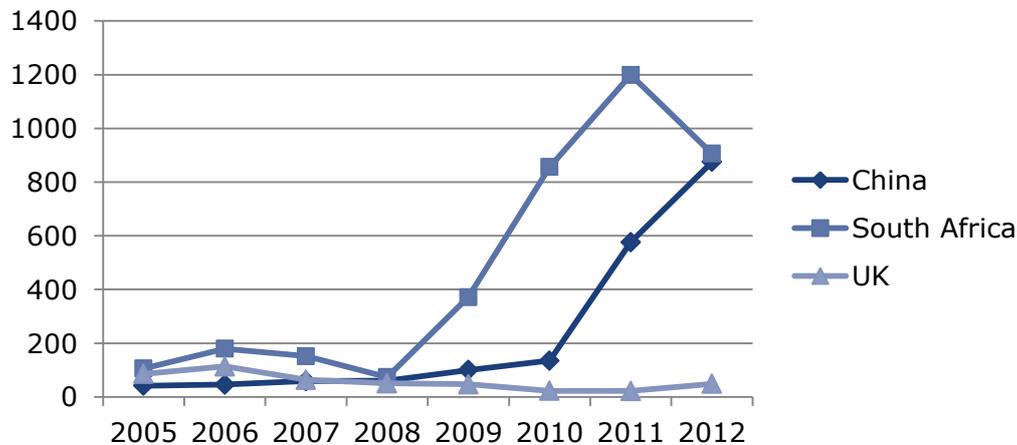
Figure 21: FDI Inflows and Outflows (USD\$ '000)



Source: UNCTAD

This recent investment has been virtually entirely South Africa and Chinese investment mining (Figure 22).

Figure 22: FDI Stock by Geographical Origin (USD\$ millions)



Source: UNCTAD

1.4 Zambia

a) Export and Import Trends

Overall both imports and exports have grown in Zambia in recent years, imports increased from USD\$1.4 billion in 2005 to just over USD\$5 billion in 2012, while exports rose from USD\$2.6 billion to USD\$6.1 billion in the same time period (Figure 23). It is important to note the drop in exports during the 2009-2010 period brought about as a result of the impact of the global financial crisis on the prices of copper, Zambia's most important export.

Figure 26: Zambia Imports Origin 2011

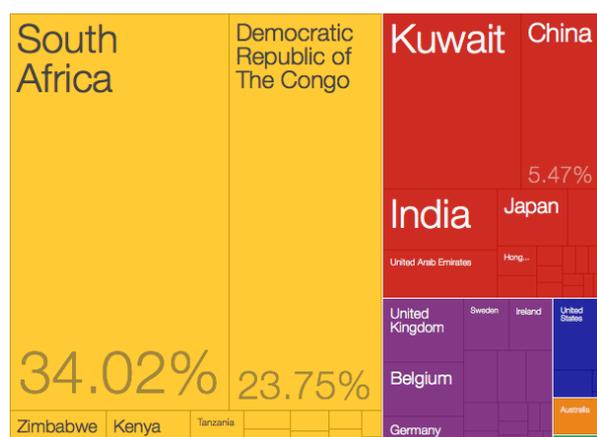
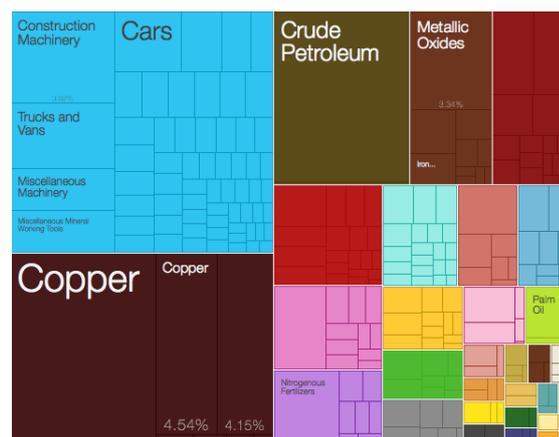


Figure 27: Zambia Import by Product 2011



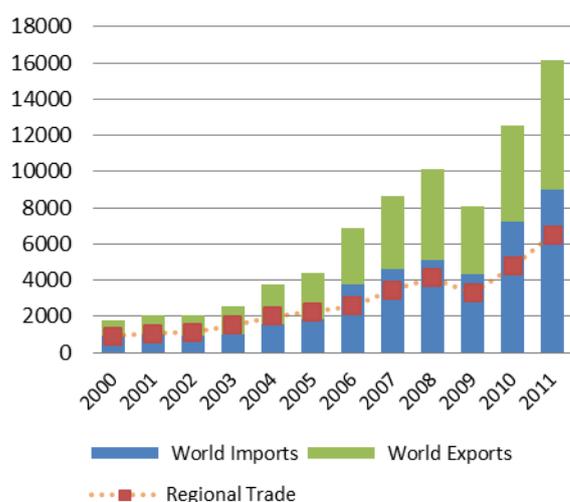
Source: Comtrade SITC Rev 3 data, adapted by MIT's Observatory of Economic Complexity

d) Regional Trade

In absolute terms Zambia's trade with its regional partners has more than doubled over the past decade and accounts for about 50 per cent of its total trade. South Africa is Zambia's main regional trading partner - exports are primarily copper whilst imports consist of a wide variety of machinery, equipment and consumer goods (Table 5).

Figure 28: Zambia Regional Trade (USD\$m)

Table 5: Zambia Regional Imports and Exports 2011 (USD\$m)



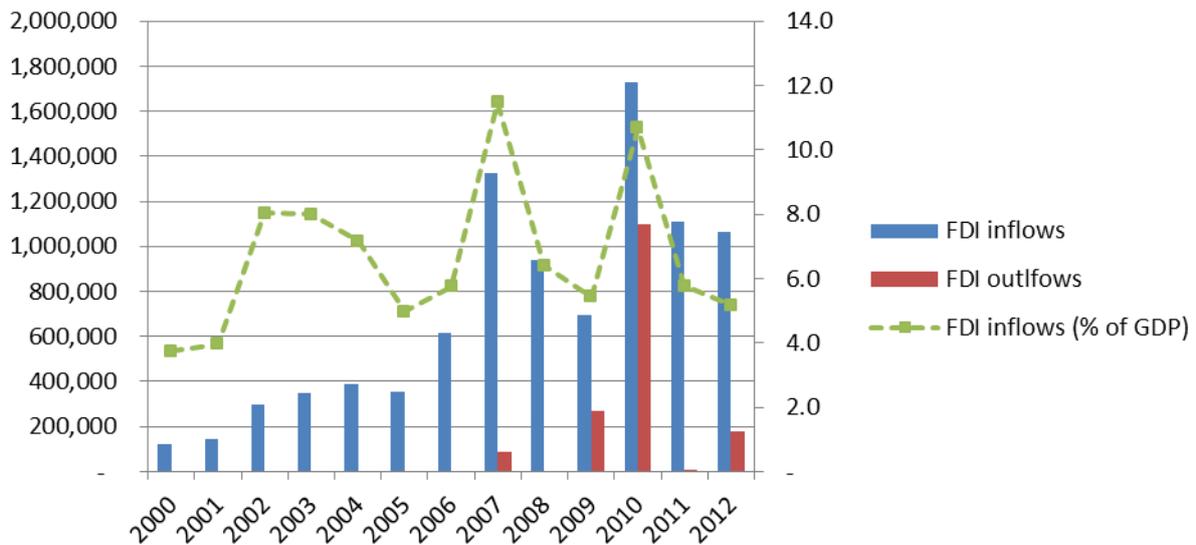
Exports (USD'000)		Imports (USD'000)	
South Africa	289,372	South Africa	1,750,864
Copper	165,160	Goods/service vehicles	94,751
Electrical distrib equip	34,502	Civil engineering plant	93,513
Cotton	29,226	Heavy petrol/bitum oils	84,730
Zimbabwe	146,353	Zimbabwe	74,239
Tobacco, raw and wastes	57,145	Coke/semi-coke/retort c	9,425
Maize except sweet corn.	14,222	Coal non-agglomerated	5,482
Malawi	120,506	Kenya	59,136
Tobacco, raw and wastes	64,879	Soaps/cleansers	9,017
Lime/cement/constr matl	31,098	Margarine/shortening	7,596
Namibia	75,269	Tanzania	55,783
Copper	68,152	Made-up textile articles	7,367
Animal feed ex unml cer.	2,487	Manufactured fertilizers	5,525
Kenya	30,996	Malawi	35,386
Copper	19,837	Non-electr machines	7,476

Source: Comtrade SITC Rev 3 data

e) Investment Flows

Annual FDI inflows to Zambia have increased sharply over the past decade, peaking at USD\$1.7 billion in 2010, almost 12 per cent of the country's GDP (Figure 29). Again though there was a noteworthy drop in 2008-2009 coinciding with the global financial crisis.

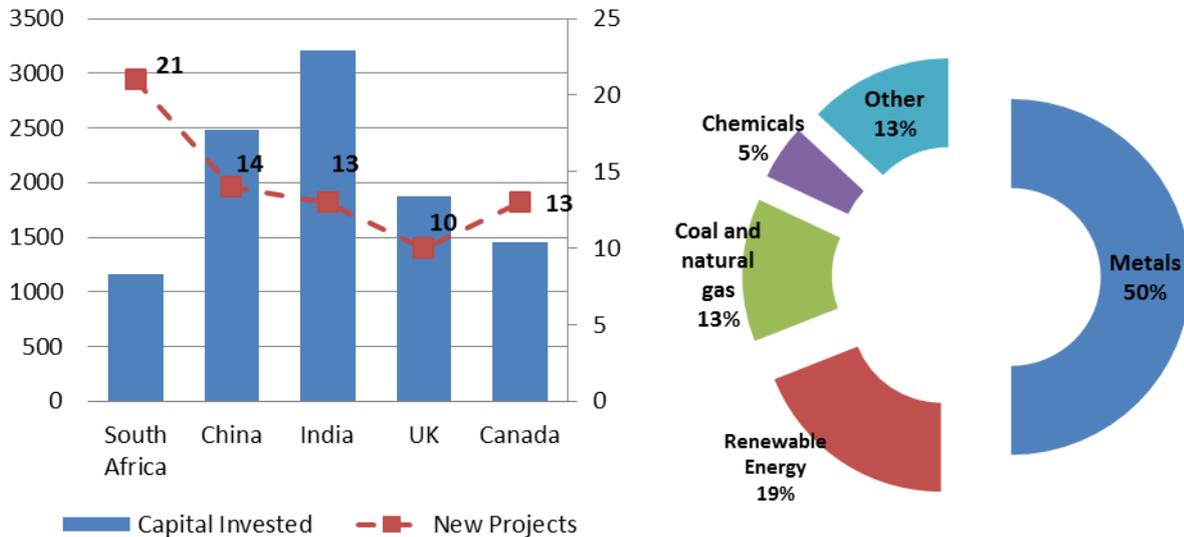
Figure 29: FDI Inflows and Outflows (USD\$ '000)



Source: UNCTAD FDI/TNC database

South Africa (financial services, metals, chemicals), China (metals, renewable energy), India (coal and natural gas, chemicals, renewable energy), UK (metals, beverages, renewable energy) and Canada (metals, transportation) are the top investors in Zambia. Over half of the FDI over the past decade has been in metals, primarily copper the country’s main export (Figure 30).

Figure 30: Sources of FDI 2003-2011 (USD\$ millions)



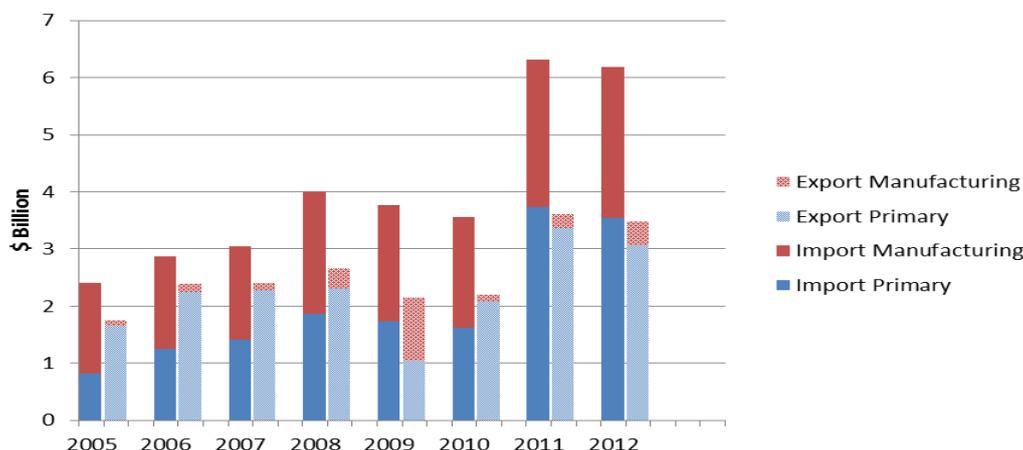
Source: Ernst and Young Zambia, <http://www.yalelo.com/wp-content/uploads/2013/04/Ernst-Young-Zambia.pdf>

1.5 Mozambique

a) Export and Import Trends

Mozambique’s import growth has outstripped that of exports in recent years, increasing from \$2.4 billion in 2005 to over \$6 billion in 2012 (Figure 31). Exports have also risen, though not to the same extent, driven primarily by exports of aluminium to Belgium for redistribution to the rest of Europe.

Figure 31: Mozambique Gross Exports and Imports (2005-2012 USD\$B)



Source: Comtrade SITC Rev 3 data, reported by Mozambique, adapted by author

b) Exports by Main Product Grouping and Destination

Aluminium has been the main driver of exports in recent years, accounting for almost half of total exports, with nearly all of these exports destined for Belgium, Spain, Germany and the UK (Figure 32). Mozambique is also a significant energy exporter, including natural gas and electricity to South Africa and as discussed further below major recent investment will result in large future increases in natural gas and coal exports in the coming years. Tobacco (primarily to the US and Germany), sugar (to US and EU markets), cotton (to China), and cashew nuts (to India) are the country’s traditional agricultural exports (Figure 33)¹⁶.

Figure 32: Mozambique Export Destinations 2011

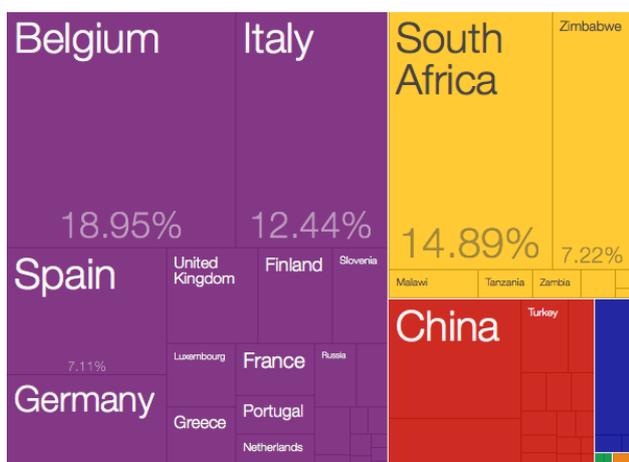
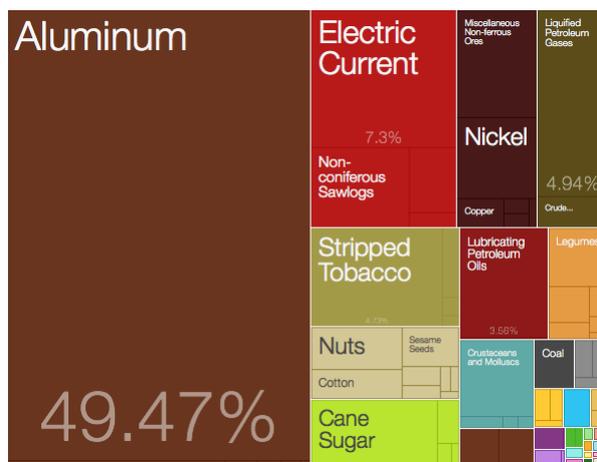


Figure 33: Mozambique Exports by Product 2011



Source: Comtrade SITC Rev 3 data, adapted by MIT’s Observatory of Economic Complexity

¹⁶ See Table 13 in Annex 1 for further details on exported products and the destination of these exports. See Annex 2 for full product chart legend

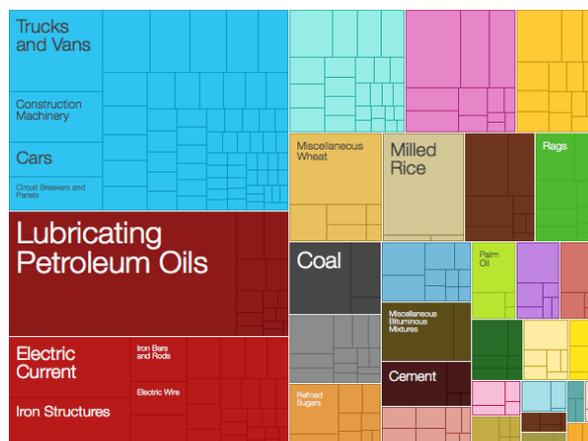
c) Imports by Product Grouping and Destination

South Africa, China and India are Mozambique’s main import partners, accounting for over half of country’s imports, which consist primarily of machinery, fuel, construction materials, electronics goods and food items (Figures 34 and 35)¹⁷.

Figure 34: Mozambique Imports Origin 2011



Figure 35: Mozambique Imports by Product 2011



Source: Comtrade SITC Rev 3 data, adapted by MIT’s Observatory of Economic Complexity

d) Regional Trade

Zimbabwe and South Africa are Mozambique’s main regional trading partners, exports consist primarily of fuel and electricity to both countries whilst imports consist of re-imported electricity, vehicles and similar to other regional countries a wide array of equipment and consumer goods (Table 6).

Figure 36: Mozambique Regional Trade (USD\$m)

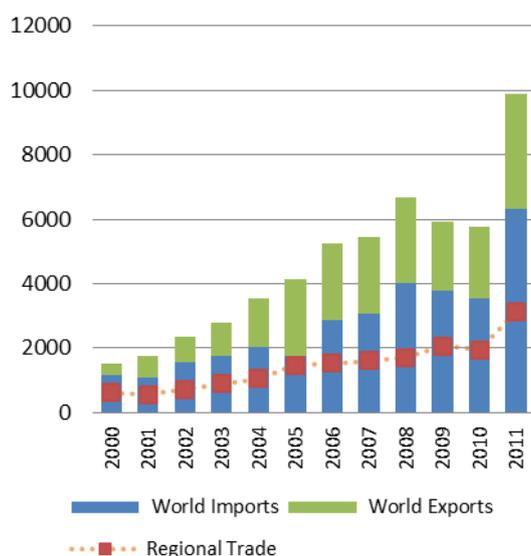


Table 6: Mozambique Regional Imports and Exports 2011 (USD\$m)

Exports (USD'000)		Imports (USD'000)	
South Africa	870,112	South Africa	2,401,029
Heavy petrol/bitum oils	630,690	Electric current	225,676
Natural gas	246,377	Coal non-agglomerated	161,579
Electric current	194,786	Goods/service vehicles	98,671
Zimbabwe	160,138	Zimbabwe	283,121
Heavy petrol/bitum oils	59,000	Sugar/mollasses/honey	102,745
Electric current	33,220	Pig iron etc ferro alloy	34,805
Namibia	33,668	Tanzania	56,174
Heavy petrol/bitum oils	28,838	Made-up textile articles	12,413
Coal non-agglomerated	4,816	Pigments/paints/varnish	8,731
Mauritius	28,289	Namibia	31,811
Cotton	14,471	Fish,live/frsh/chld/froz	24,774
Coal non-agglomerated	10,868	Alcoholic beverages	5,692
Botswana	20,552	Botswana	5,225
Electric current	10,447	Telecomms equip	1,028

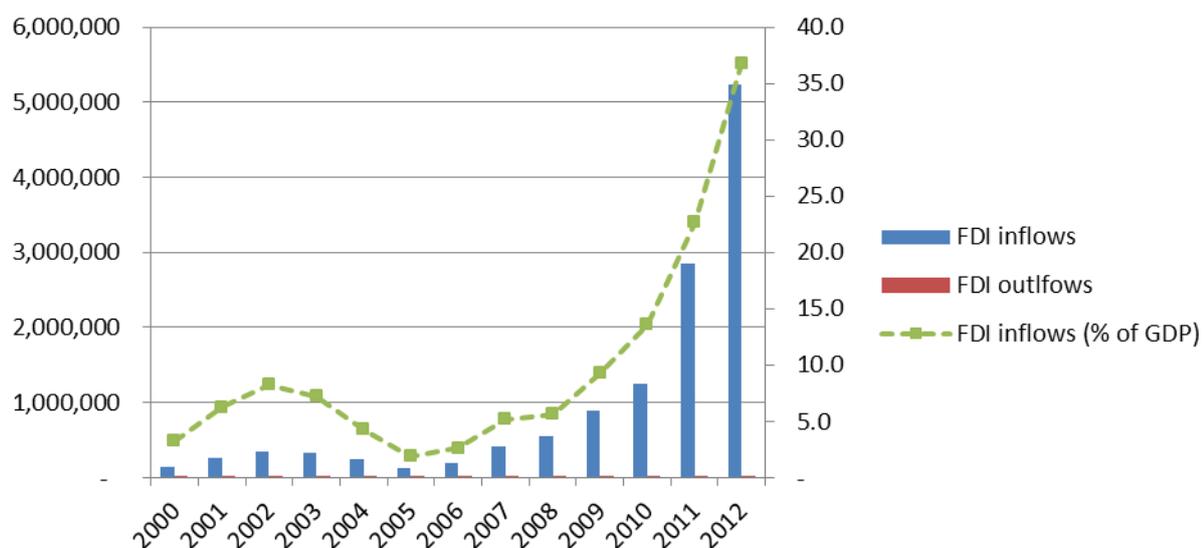
Source: Comtrade SITC Rev 3 data

¹⁷ See Table 13 in Annex 1 for further details on exported products and the detination of these exports. See Annex 2 for full product chart legend

e) **Investment Flows**

Mozambique has seen a very large increase in FDI inflows over the past decade, inflows were over USD\$5 billion in 2012 alone, 36 percent of the country's GDP (Figure 37). The Mozal aluminium smelting facility was the first major foreign investment project in the country and as emphasised above the output from the smelter accounts for almost half of the country's exports. Since then investment has been heavily concentrated in the extractive sector where companies like South Africa's SASOL, Brazil's Vale (which has investment USD\$1.7 billion in the Moatize coal mine), London-listed Rio Tinto and Italy's Eni are developing huge offshore gas and coal deposits.

Figure 37: FDI Inflows and Outflows (USD\$ '000)



Source: UNCTAD FDI/TNC database

These investments will change Mozambique's export profile in the coming years as the country is expected to become a major player in the international energy market, particularly in the natural gas sector where if present estimates prove correct Mozambique will have the fourth largest reserves of natural gas in the world behind Russia, Iran and Qatar¹⁸.

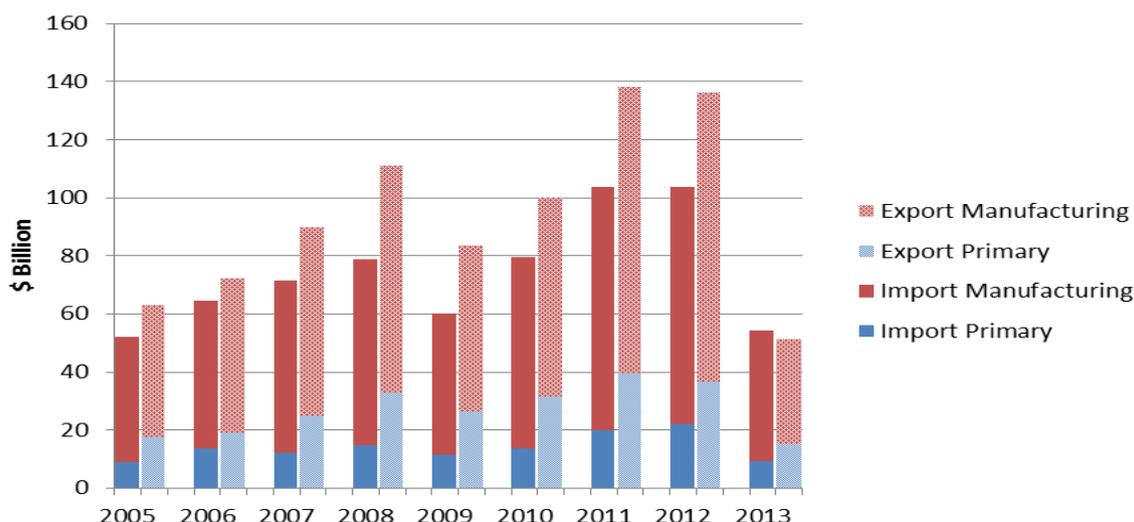
1.6 South Africa

a) **Export and Import Trends**

As the second largest economy in the continent the composition of South Africa's trade is far more complex than its regional counterparts. Unlike the other countries profiled here its trade is more diversified into manufacturing (though it still trades huge volumes of primary commodities), the services sector has also become increasingly important in recent years. Overall exports rose from \$63 billion in 2005 to nearly \$140 billion in 2012, while imports rose from \$52 billion to \$104 billion in the same period (Figure 38). Again though exports declined during the global financial crisis, 2009-10, but have since recovered in 2011 and 2012.

Though its trade with southern Africa is comparatively small, it is an important import and export partner for several countries. South Africa is also an important re-export hub for several of the surrounding landlocked nations, particularly Zimbabwe, Botswana and Zambia.

Figure 38: South Africa Gross Exports and Imports (2005-2013 USD\$B)¹⁹



Source: COMTRADE SITC 3 Data, reported by all countries, adapted by author

b) Exports by Main Product Grouping and Final Destination

As with other countries profiled South Africa is a large exporter of metals and minerals, it is the world’s biggest exporter of platinum, other important resource based exports include gold, coal, iron ore and diamonds. South Africa is also however a large-scale exporter of manufactured goods, in particular motor vehicles (to the US), vehicle parts (to the US) and processed agricultural products, including fruits and wine (Figure 40). South Africa has a diverse range of export partners, China has emerged as its most important export market over the past decade and is now the primary destination for South Africa’s gold, platinum and coal exports²⁰.

Figure 39: South Africa Export Destinations 2011

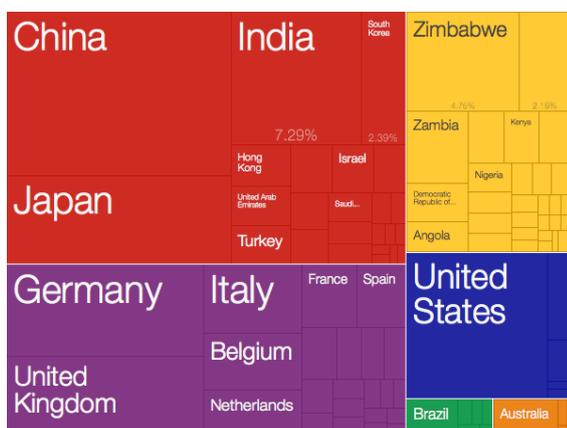


Figure 40: South Africa Exports Product 2011



Source: Comtrade SITC Rev 3 data, adapted by MIT’s Observatory of Economic Complexity

c) Imports by Product Grouping and Source

South Africa is a major importer of machinery and equipment, chemicals, petroleum products, and foodstuffs. The bulk of crude petroleum is imported from Nigeria, Qatar and Ghana.

¹⁹ Note that the 2013 data is incomplete

²⁰ See Table 14 in Annex 1 for further details on exported products and the destination of these exports. See Annex 2 for full product chart legend

Passenger cars and motor vehicles are primarily imported from Germany and Japan (Figures 42 and 43)²¹.

Figure 41: South Africa Imports Origin 2011

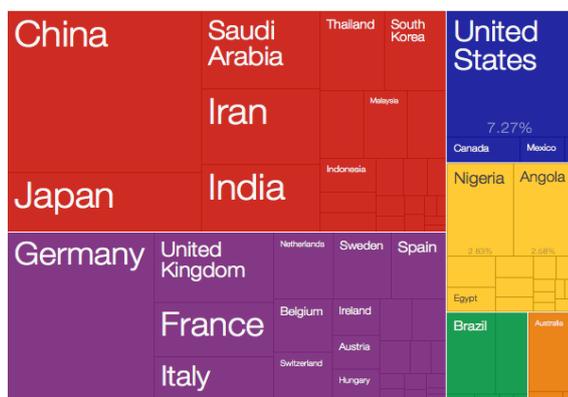


Figure 42: South Africa Imports by Product 2011

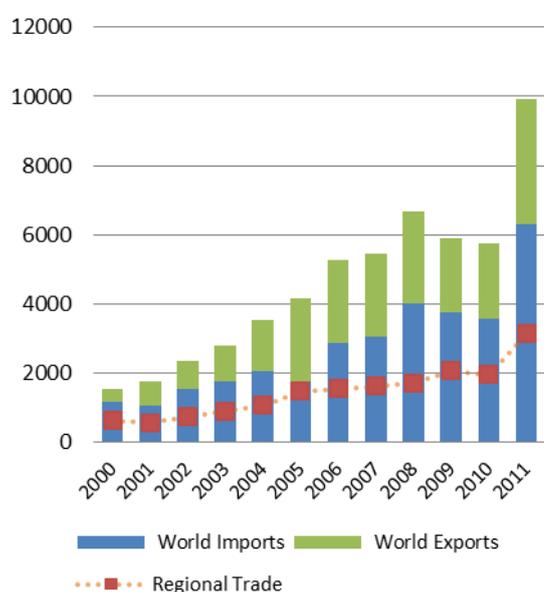


Source: Comtrade SITC Rev 3 data, adapted by MIT's Observatory of Economic Complexity

d) Regional Trade

As highlighted in the previous sections South Africa is a key trade partner of all countries in the region. South Africa absorbs a significant proportion of the region's resources and commodities (petrol from Nigeria and Ghana, platinum from Zimbabwe, gold from Ghana, Tanzania and Zimbabwe) and as emphasised above is an important supplier of machinery, equipment, industrial and consumer goods to all countries in the region (Table 7).

Figure 43: South Africa Regional Trade (USD\$m) Table 7: South Africa Regional Imports and Exports 2011 (USD\$m)



Source: Comtrade SITC Rev 3 data

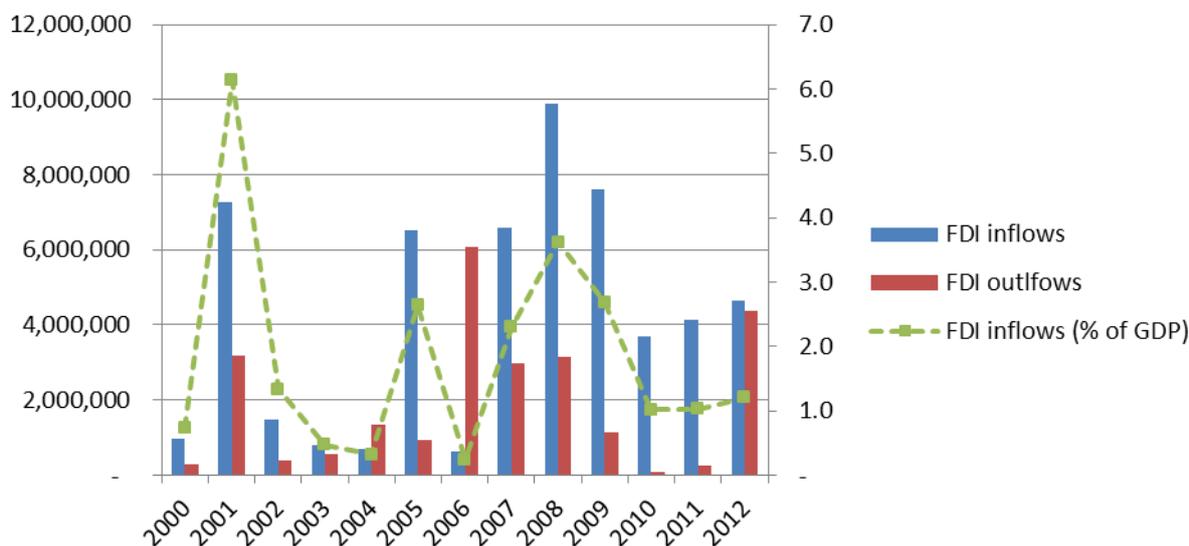
Exports (USD'000)		Imports (USD'000)	
Botswana	5,039,108	Nigeria	4,730,798
Heavy petrol/bitum oils	988,818	Petrol./bitum. oil,crude	3,414,886
Pearls/precious stones	295,940	Heavy petrol/bitum oils	931,778
Namibia	4,955,823	Ghana	4,544,180
Heavy petrol/bitum oils	668,334	Gold non-monetary ex ore	4,184,471
Passenger cars etc	392,313	Petrol./bitum. oil,crude	345,283
Zimbabwe	3,106,801	Zimbabwe	2,674,010
Manufactured fertilizers	286,453	Tobacco, raw and wastes	743,548
Fixed veg oil/fat, soft	186,119	Nickel ores/concs/etc	710,096
Goods/service vehicles	154,614	Gold non-monetary ex ore	624,854
Mozambique	1,940,502	Tanzania	982,828
Electric current	305,112	Gold non-monetary ex ore	939,245
Mech transmission equmnt	217,704	Tea and mate	5,777
Tanzania	934,863	Namibia	848,292
Heavy petrol/bitum oils	247,069	Alcoholic beverages	156,477
Goods/service vehicles	59,257	Gold non-monetary ex ore	123,148

²¹ See Table 14 in Annex 1 for further details on exported products and the detination of these exports. See Annex 2 for full product chart legend

e) Investment Flows

South Africa has traditionally been Africa's leading investment destination and currently is the recipient of about a fifth of total FDI flows into Africa²². Data for 2012 shows FDI inflows of USD\$4.6 billion, down from a high of USD\$9.8 billion in 2008 (Figure 44).

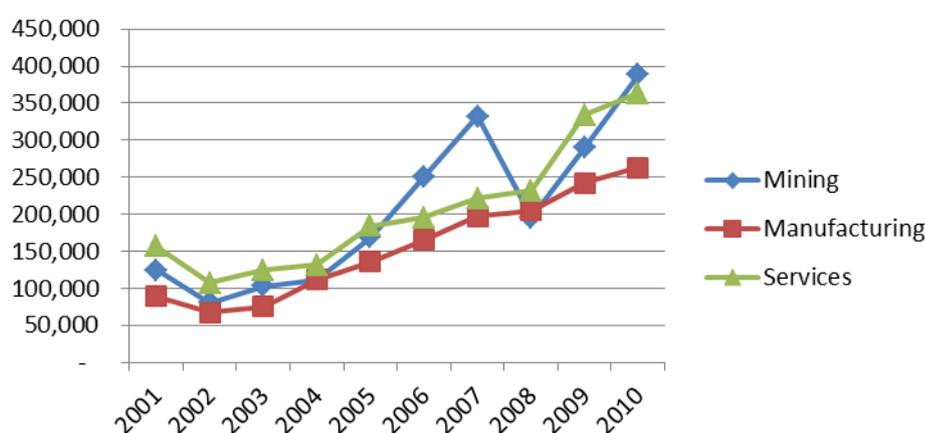
Figure 44: FDI Inflows and Outflows (USD\$ '000)



Source: UNCTAD FDI/TNC database

Unlike the other countries profiled here FDI into South Africa is diversified well beyond the resource extractive sector. Historically FDI inflows were focused on the mining sector, this pattern has changed over the past decade with the manufacturing and services sector in particular account for a similar share of FDI as that of the mining sector (Figure 45). The most significant manufacturing investment has been in the motor vehicle industry which has mentioned above is one of South Africa's major export sectors – Daimler AG and BMW recently invested more than USD\$290 million to expand their operations in South Africa²³. In the services sector by far the largest FDI activity in that sector has been in financial services.

Figure 45: FDI Stocks by Sector (South African Rands millions)



Source: South Africa Reserve Bank

Traditionally, the UK and other European economies have been the largest sources of FDI in South Africa. China has emerged as a major source of FDI and South Africa is the leading

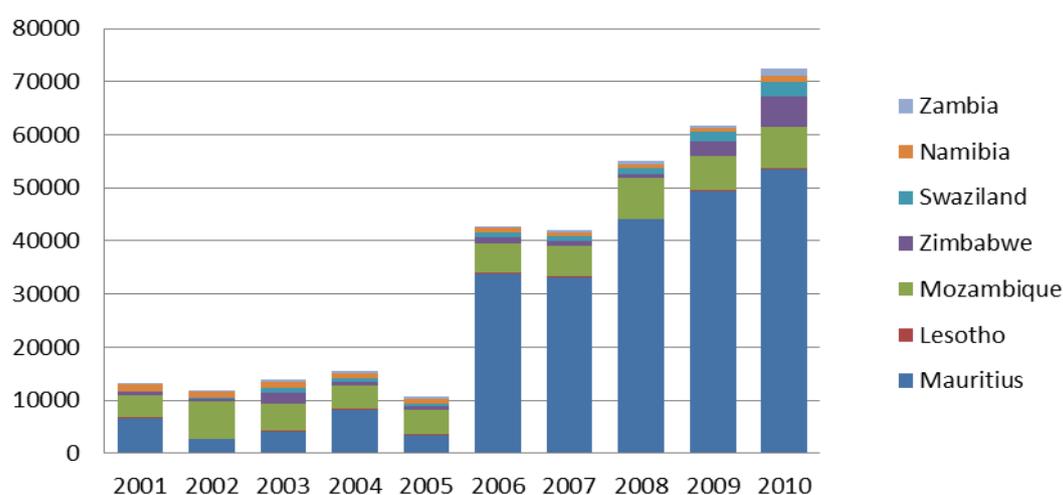
²² <http://www.reuters.com/article/2014/01/28/africa-fdi-idUSL5N0L23YF20140128>

²³ <http://stratsisincite.wordpress.com/2010/12/10/mercedes-benz-to-invest-290-million-in-south-africa/>

recipient of Chinese FDI on the continent²⁴. The largest investment was Industrial and Commercial Bank of China (ICBC) acquisitions of 20 percent of Standard Bank of South Africa in a deal worth USD5.5 billion. As with the other countries profiled here there has also been very significant Chinese investment in the mining sector, with estimates suggesting that Chinese assets in the South African mining sector were worth USD\$700 million by the end of 2007²⁵.

South Africa is not only a major recipient of FDI but also a significant outward investor, this investment has been traditionally focused on the UK, in recent years however more outward FDI from South Africa has flowed into neighbouring countries (Figure 46). Overall outward investment from South Africa increased from USD\$270 million in 2000 to over USD\$ 4 billion in 2012, the majority of this activity is focused on the mining, the wholesale sector and construction. The largest share of the country's outward FDI stock in Africa is in Mauritius, Mozambique and Zimbabwe are the other most significant locations for South African investment in the region.

Figure 46: South Africa FDI Stocks in Region (South Africa Rands Millions)



Source: South Africa Reserve Bank

²⁴ http://unctad.org/en/publicationslibrary/wir2013_en.pdf

²⁵ http://www.tips.org.za/files/foreign_direct_investment_links_between_south_africa.pdf

Overview of Findings

With the exception of Malawi total trade (exports plus imports) in all six countries has grown strongly in recent years. It must be emphasised though that this was not a sustained period of trade expansion, the exports sectors of most of these countries declined as a result of weakening global demand (particularly for commodities) during the 2008-09 global financial crisis. As the region's largest economy South Africa's total trade at almost USD\$240 billion in 2012 is almost 20 times that of Zimbabwe, Zambia, DRC and Mozambique and more than 100 times that of Malawi, the regions smallest and comparatively resource poor country (Table 8).

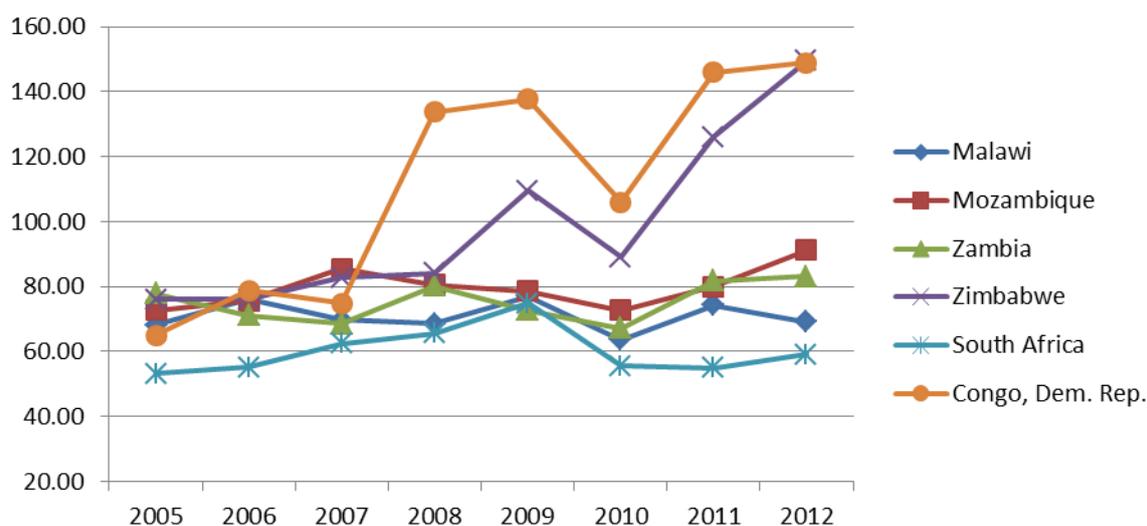
Table 8: Total Trade (USD\$ millions)

	2005	2006	2007	2008	2009	2010	2011	2012
South Africa	114,823	136,456	161,223	189,769	143,655	179,324	241,935	239,871
Mozambique	4,403	5,250	6,455	6,712	6,520	8,308	10,877	11,922
DRC	3,016	4,397	4,816	7,554	5,915	9,977	12,057	10,763
Zambia	3,985	6,407	6,162	7,215	5,951	8,857	12,011	11,239
Zimbabwe	3,466	8,954	6,627	4,413	5,705	9,051	12,111	11,245
Malawi	1,313	1,301	1,739	2,004	2,089	2,251	2,460	2,400

Source: Comtrade SITC Rev 3 data

Measured as a percentage of GDP DRC, Zimbabwe, Mozambique and Zambia are the strongest performers, and as explored in further detail in the individual country profiles, this has been driven by large-scale investment and exports in the extractive/mineral sectors of these countries (Figure 47).

Figure 47: Trade (% GDP)



Source: Comtrade SITC Rev 3 and World Development Indicators data

The structure of trade of all six countries (with the exception of South Africa) are broadly the same in that they are all primarily exporters of primary commodities and importers of manufactured goods (particularly consumer goods and machinery). South Africa, as the most sophisticated of the six economies is not only a major exporter of minerals, but also manufactured products, in particular motor vehicles - South Africa currently accounts for about 25 per cent of all current BMW "3 series" models manufactured globally²⁶.

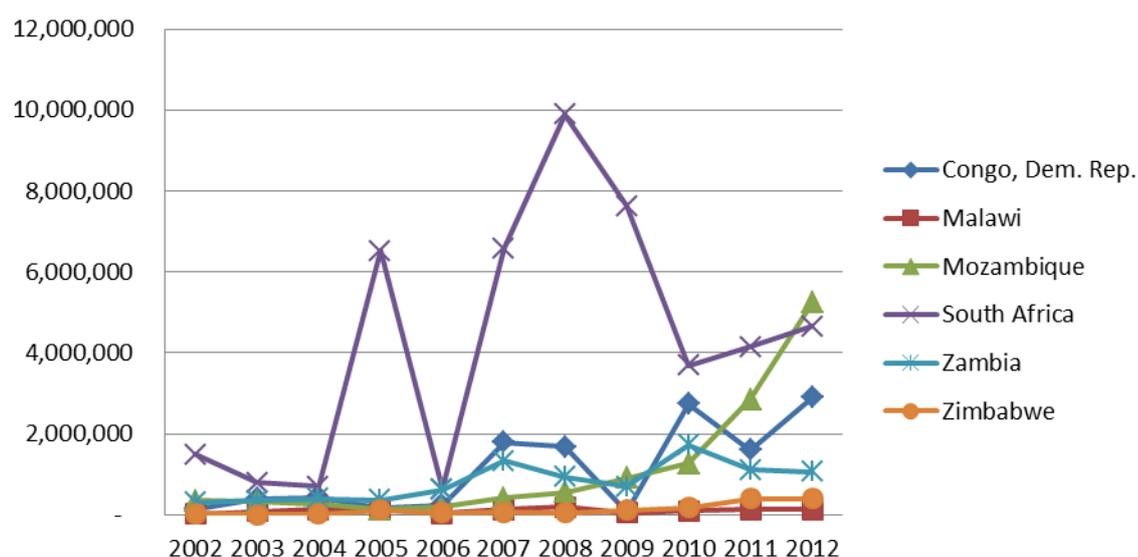
In terms of the direction of trade these countries have traditionally exported commodities to developed markets and imported manufactured goods. This pattern has changed in recent

²⁶ <http://www.vcc.columbia.edu/files/vale/documents/South Africa IFDI - May 8 2013 - FINAL.pdf>

years as China has emerged as the most significant trade (and also investment) partner these countries. In particular China has emerged as the primary export destination for the mineral resources of these countries – copper from Zambia and DRC, diamonds from Zimbabwe, chromium from South Africa – and on the import side China has become a major supplier of cheap consumer goods. Across the continent as a whole from 2000 to 2012, the proportion of China-Africa trade volume as a part of Africa's total foreign trade volume increased from 3.8 per cent to 16.1 per cent: the proportion contributed by Africa's exports to China increased from 3.7 per cent to 18.1 per cent, and that by Africa's imports from China from 3.8 per cent to 14.1 per cent²⁷.

China has not only become a major trade partner for these countries but has also emerged as a major source of investment into these countries, this investment has been heavily concentrated in mining related activities. South Africa is the largest recipient of Chinese FDI in Africa, there has also been very significant recent Chinese investment in DRC (copper and cobalt), Zambia (copper) and Zimbabwe (diamonds). Overall all six countries have experienced recent increases in inward FDI - South Africa has been the main destination for this FDI, DRC and Mozambique in particular have been the recipients of very large recent FDI inflows (Figure 48). South Africa is also a major outward investor into neighbouring countries, the major South African multi-nationals have expanded rapidly into the region over the past twenty years, particularly in the resource (SASOL in Mozambique, Impala Platinum in Zimbabwe), retailing (Shoprite has outlets in all five countries) and banking (Standard Bank is present in all five countries and 14 other countries across the continent) sectors.

Figure 48: FDI Inflows (USD\$'000)



Source: UNCTAD FDI/TNC database

²⁷ <http://www.safpi.org/sites/default/files/publications/China-AfricaEconomicandTradeCooperation.pdf>

ANNEX 1: Import and Export Tables

Table 9: DRC Imports and Exports 2011 (USD\$m)

Imports	USD\$m	Exports	USD\$m
South Africa	1,491,357	China	3,527,095
Heavy petrol/bitum oils	120,471	Copper	1,923,827
Iron/stl/alum structures	116,091	Petrol./bitum. oil,crude	724,624
Goods/service vehicles	73,863	Misc non-ferr base metal	382,891
Special indust machines	71,100	Base metal ore/conc nes	375,282
Pumps for liquids	67,225	Wood in rough/squared	62,809
Civil engineering plant	62,967	Copper ores/concentrates	41,587
Iron/steel pipe/tube/ etc.	53,117	Zambia	1,330,355
Base metal manufactured	49,497	Copper ores/concentrates	819,431
Electric circuit equipmt	40,702	Copper	194,593
China	837,486	Elements/oxides/hal salt	181,311
Cotton fabrics, woven	59,745	Base metal ore/conc nes	119,017
Telecomms equipment nes	51,560	United States	442,262
Electrical equipment nes	43,785	Pearls/precious stones	420,214
Misc manuf articles nes	36,084	Belgium	416,212
Motorcycles/cycles/etc	35,947	Pearls/precious stones	211,466
Belgium	449,953	Saudi Arabia	365,191
Goods/service vehicles	33,319	Copper	360,801
Motor veh parts/access	28,288	Korea, Rep.	236,584
Civil engineering plant	27,970	Copper	235,513
France	275,416	Finland	175,316
Medicaments include vet	85,154	Misc non-ferr base metal	174,205
Wheat/meslin	34,000	Italy	124,153
Rotating electr plant	17,882	Copper	99,341
Telecomms equipment nes	14,089	Liquid propane/butane	19,494

Table 10: Malawi Imports and Exports 2011 (USD\$m)

Imports	USD\$m	Exports	USD\$m
South Africa	442,076	Germany	99,357
Goods/service vehicles	26,894	Tobacco, raw and wastes	89,402
Plastic nes-primary form	18,671	Russian Federation	73,574
Paper/paperboard	13,633	Tobacco, raw and wastes	71,909
Household/garden chemical	10,636	United States	69,300
Edible products n.e.s.	9,898	Tobacco, raw and wastes	45,316
China	249,067	Tea and mate	6,459
Furniture/stuff furnishg	39,686	Articles of apparel nes	5,779
Telecomms equipment nes	15,306	South Africa	68,373
Footwear	13,484	Tea and mate	23,583
Medical etc el diag equi	10,724	Tobacco, raw and wastes	8,029
Articles nes of plastics	10,447	Natural rubber/latex/etc	6,874
Rubber tyres/treads	10,012	China	47,503
India	130,834	Cotton	28,367
Medicaments include vet	42,703	Tobacco, raw and wastes	18,578
Rolled plated m-steel	11,774	Zimbabwe	43,916
Motorcycles/cycles/etc	10,023	Tobacco, raw and wastes	18,539
Food processing machines	6,417	Articles nes of plastics	6,023
Man-made woven fabrics	5,567	Cotton	4,054
Pharmaceut exc medicamnt	3,742	Sugar/mollasses/honey	3,220
Plastic sheets/film/etc	3,380	Animal feed ex unml cer.	2,202
Zambia	104,131	Milk pr exc buttr/cheese	1,915
Glass	23,323	Vegetables,frsh/chld/frz	1,852
Made-up textile articles	19,546	India	42,489
Manufactured fertilizers	14,809	Vegetables,frsh/chld/frz	34,776
Residual petrol. Prods	9,492	Cotton	3,310
Lime/cement/constr matl	7,906	Tea and mate	1,666
Tobacco, raw and wastes	6,858	Netherlands	40,396
Stone/sand/gravel	6,421	Tobacco, raw and wastes	30,440
United States	56,373	Sugar/mollasses/honey	7,103
Pharmaceut exc medicamnt	19,303	Poland	38,306
UN Special Code	10,269	Tobacco, raw and wastes	35,101
Wheat/meslin	5,550	Fruit/nuts, fresh/dried	2,125
Edible products n.e.s.	4,898	United Kingdom	35,949
France	51,243	Tea and mate	16,001
Medicaments include vet	44,984	Sugar/mollasses/honey	9,686
UN Special Code	2,598	Tobacco, raw and wastes	7,605
Special indust machn nes	659	Spain	32,585
Pharmaceut exc medicamnt	434	Sugar/mollasses/honey	25,974
Japan	40,333	Japan	29,813
Passenger cars etc	8,248	Tobacco, raw and wastes	22,356

Table 11: Zimbabwe Imports and Exports 2011 (USD\$m)

Imports	USD\$m	Exports	USD\$m
South Africa	2,439,596	China	584,427
Fixed veg oil/fat, soft	184,273	Tobacco, raw and wastes	369,024
Goods/service vehicles	102,994	Pearls/precious stones	92,843
Soaps/cleansers/polishes	91,685	Cotton	63,432
Heavy petrol/bitum oils	73,691	Pig iron etc ferro alloy	39,788
Manufactured fertilizers	64,899	South Africa	380,986
Civil engineering plant	60,491	Precious metal ore/conc.	109,789
China	430,484	Pearls/precious stones	35,658
Telecomms equipment nes	76,095	Nickel ores/concs/etc	32,649
Man-made woven fabrics	22,732	Tobacco, raw and wastes	31,245
Civil engineering plant	20,113	Italy	126,779
India	133,153	Pig iron etc ferro alloy	106,537
Medicaments include vet	51,491	Netherlands	78,220
Elect power transm equip	11,272	Tobacco, raw and wastes	24,233
Mozambique	177,273	Pig iron etc ferro alloy	19,605
Electric current	50,504	Fruit/nuts, fresh/dried	15,700
Cereal meal/flour n.e.s	30,604	Crude veg materials nes	10,705
Flour/meal wheat/meslin	19,297	Zambia	72,033
Botswana	173,137	Coke/semi-coke/retort c	10,934
Nickel ores/concs/etc	71,327	Lime/cement/constr matl	6,524
Heavy petrol/bitum oils	14,581	Coal non-agglomerated	5,138
Passenger cars etc	12,063	United States	60,063
Live animals except fish	10,659	Pig iron etc ferro alloy	23,723
Zambia	162,530	Nickel	16,170
Maize except sweet corn.	106,858	Sugar/mollasses/honey	14,921
Starches/glues/etc.	25,520	Malawi	32,935
Tobacco, raw and wastes	24,962	Lime/cement/constr matl	8,524
		Cut paper/board/articles	7,166

Table 12: Zambia Imports and Exports 2011 (USD\$m)

Imports	USD\$m	Exports	USD\$m
South Africa	1,750,864	China	2,578,407
Goods/service vehicles	94,751	Copper	2,396,977
Civil engineering plant	93,513	Misc non-ferr base metal	56,881
Heavy petrol/bitum oils	84,730	Copper ores/concentrates	34,434
Manufactured fertilizers	80,214	Tobacco, raw and wastes	28,107
Pumps for liquids	48,615	Nickel ores/concs/etc	25,575
Base metal manufactures	46,596	Base metal ore/conc nes	24,803
Special indust machn nes	43,419	Cotton	8,027
China	301,676	United Arab Emirates	594,494
Telecomms equipment nes	50,056	Copper	359,282
Goods/service vehicles	35,560	Base metal manufactures	216,581
Medical etc el diag equi	29,124	Gold non-monetary ex ore	18,484
Civil engineering plant	16,038	Saudi Arabia	411,545
Special indust machn nes	10,737	Copper	411,545
Iron/stl/alum structures	9,161	Korea, Rep.	376,704
Elect power transm equip	8,612	Copper	373,786
India	97,822	Nf base metal waste nes	1,952
Medicaments include vet	39,414	Base metal ore/conc nes	575
Goods/service vehicles	3,585	South Africa	289,372
Iron/stl/alum structures	2,412	Copper	165,160
Special indust machn nes	2,393	Electrical distrib equip	34,502
Motorcycles/cycles/etc	2,322	Cotton	29,226
Rolled plated m-steel	1,942	Pearls/precious stones	19,787
Zimbabwe	74,239	Pig iron etc ferro alloy	4,711
Coke/semi-coke/retort c	9,425	Egypt, Arab Rep.	260,537
Coal non-agglomerated	5,482	Copper	213,668
Articles nes of plastics	4,517	Indust heat/cool equipmt	35,852
Tobacco, manufactured	4,323	Iron/steel pipe/tube/etc	3,943
Lime/cement/constr matl	2,945	Zimbabwe	146,353
United States	54,735	Tobacco, raw and wastes	57,145
Civil engineering plant	11,490	Maize except sweet corn.	14,222
UN Special Code	5,300	Malawi	120,506
Rubber tyres/treads	4,629	Tobacco, raw and wastes	64,879
Germany	40,433	Lime/cement/constr matl	31,098
Wire prod exc ins electr	6,377	Soaps/cleansers/polishes	3,063
Worn clothing etc	6,115	Maize except sweet corn.	2,687

Table 13: Mozambique Imports and Exports 2011 (USD\$m)

Imports	USD\$m	Exports	USD\$m
South Africa	2,401,029	Belgium	958,182
Electric current	225,676	Aluminium	945,478
Coal non-agglomerated	161,579	Tobacco, raw and wastes	9,239
Goods/service vehicles	98,671	South Africa	870,112
Civil engineering plant	85,693	Heavy petrol/bitum oils	630,690
Briquettes/lignite/peat	77,203	Natural gas	246,377
Iron/steel bars/rods/etc	57,736	Electric current	194,786
Iron/stl/alum structures	55,052	Iron/steel pipe/tube/etc	26,318
China	940,887	Fruit/nuts, fresh/dried	20,392
Telecomms equipment nes	62,643	Misc manuf articles nes	19,267
Manufactured fertilizers	51,726	Animal feed ex unml cer.	17,038
Footwear	36,844	Coke/semi-coke/retort c	16,500
Civil engineering plant	34,606	Coal non-agglomerated	12,981
Rolled plated m-steel	30,652	China	403,320
Rubber tyres/treads	28,961	Wood in rough/squared	149,011
Furniture/stuff furnish	28,170	Base metal ore/conc nes	94,976
India	888,370	Wood simply worked	59,834
Heavy petrol/bitum oils	459,404	Spain	353,832
Rice	36,311	Aluminium	253,498
United States	389,337	Sugar/mollasses/honey	47,583
Heavy petrol/bitum oils	84,295	Base metal ore/conc nes	29,708
Residual petrol. Prods	64,038	Germany	281,137
Iron/steel pipe/tube/etc	31,144	Aluminium	169,805
Portugal	370,452	Sugar/mollasses/honey	59,092
Civil engineering plant	27,483	Base metal ore/conc nes	24,429
Iron/stl/alum structures	17,474	India	267,569
Zimbabwe	283,121	Coal non-agglomerated	174,216
Sugar/mollasses/honey	102,745	Vegetables, frsh/chld/frz	41,647
Pig iron etc ferro alloy	34,805	Base metal ore/conc nes	23,315
Thailand	163,476	Zimbabwe	160,138
Rice	102,242	Heavy petrol/bitum oils	59,000
Singapore	141,083	Electric current	33,220
Heavy petrol/bitum oils	90,740	Flour/meal wheat/meslin	18,289
Rotating electr plant	26,492	Rice	13,619
		United Kingdom	147,778
		Aluminium	92,949
		Tobacco, raw and wastes	27,988
		Finland	89,035
		Aluminium	62,403
		Sugar/mollasses/honey	10,647
		France	81,945
		Aluminium	44,408

Table 14: South Africa Imports and Exports 2011 (USD\$m)

Imports	USD\$m	Exports	USD\$m
China	15,323,312	China	44,653,737
Footwear	1,037,631	UN Special Code	28,958,008
Furniture/stuff furnish	840,675	Iron ore/concentrates	5,538,097
Computer equipment	610,849	Silver/platinum etc	2,199,181
Telecomms equipment nes	567,082	Base metal ore/conc nes	1,877,330
Articles of apparel nes	467,000	Coal non-agglomerated	1,569,337
Domestic equipment	412,847	Pearls/precious stones	1,409,997
Women/girl wear knit/cro	368,407	Pig iron etc ferro alloy	894,961
Mens/boys wear, woven	367,015	United Kingdom	9,938,350
Trunks and cases	364,003	UN Special Code	5,434,494
Germany	11,447,619	Gold non-monetary ex ore	773,831
Passenger cars etc	1,406,676	Precious metal ore/conc.	689,390
Motor veh parts/access	1,283,568	Silver/platinum etc	602,607
Internal combust engines	571,086	Fruit/nuts, fresh/dried	491,591
UN Special Code	381,553	Pearls/precious stones	317,654
Goods/service vehicles	342,930	United States	8,814,616
Electric circuit equipmt	291,245	Passenger cars etc	1,919,844
Other inorganic chemical	284,890	Silver/platinum etc	1,803,836
United States	7,106,267	Pearls/precious stones	823,460
UN Special Code	781,374	Pig iron etc ferro alloy	735,220
Gold non-monetary ex ore	539,432	Base metal ore/conc nes	372,537
Civil engineering plant	473,672	Nf base metal waste nes	264,605
Goods/service vehicles	412,638	Hydrocarbons/derivatives	246,743
Passenger cars etc	281,900	India	8,034,741
United Kingdom	5,423,834	Gold non-monetary ex ore	4,575,728
Pearls/precious stones	1,549,290	Coal non-agglomerated	1,715,206
Passenger cars etc	538,688	Ferrous waste/scrap	484,942
Alcoholic beverages	285,850	Base metal ore/conc nes	257,957
Heavy petrol/bitum oils	187,537	Japan	6,417,368
India	4,973,300	Silver/platinum etc	2,737,523
Heavy petrol/bitum oils	1,796,272	Iron ore/concentrates	988,258
Passenger cars etc	563,422		
Medicaments include vet	307,067		
Motor veh parts/access	208,582		
Nigeria	4,730,798		
Petrol./bitum. oil,crude	3,414,886		
Heavy petrol/bitum oils	931,778		
Natural gas	273,570		
Natural rubber/latex/etc	63,208		

ANNEX 2: Chart Legend

 Construction Mater and Equip	 Tobacco	 Cereals and Vegetable Oils
 Chemicals	 Trecrops and Flowers	 Food Processing
 Mining	 Garments	 Oil
 Inorganic Salts and Acids	 Leather	 Meat and Eggs
 Home and Office Products	 Textile & Fabrics	 Cotton, Rice, Soy Beans and Other
 Metal Products	 Electronics	 Beer, Spirits and Cigarettes
 Processed Minerals	 Fish & Seafood	 Milk & Cheese
 Misc Agriculture	 Aircraft	 Ships
 Fruit	 Machinery	 Agrochemicals
 Pulp and Paper	 Boilers	 Precious Stones
 Petrochemicals	 Coal	 Other Chemicals