

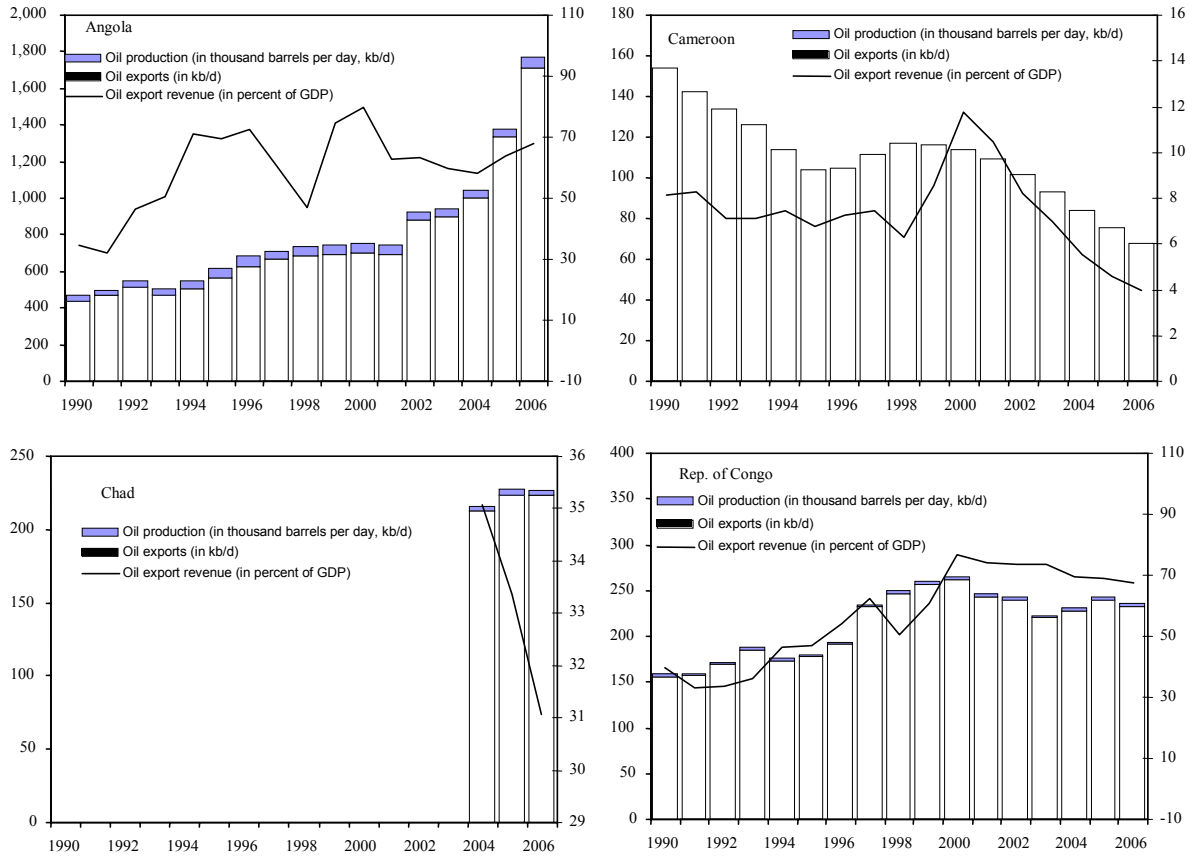
Country Overview

The seven countries in the group of oil-producing African countries together produced an average of 3.8 million barrels of oil per day in 2001, equivalent to 5 percent of world oil production. Their total production is projected to increase to an average of 5 million barrels per day by 2006. In the past, Nigeria, Angola, and Gabon were the three biggest oil producers in the region, but Gabon is projected to fall behind both Equatorial Guinea and the Republic of Congo (see Figure 1 for an overview of oil production and exports in this group of countries between 1990 and 2006). Oil exports in the region totaled more than US\$25 billion per year in the period 1997–2001 and are estimated to increase to \$30 billion during 2002–06.

The countries show enormous differences in population size (Nigeria's population of 130 million is 260 times that of Equatorial Guinea) and their degree of reliance on oil in terms of GDP (oil exports were valued at 96 percent of GDP in Equatorial Guinea and only 11 percent in Cameroon in 2001—see Figure 2, top panel). Yet in terms of administrative capacity, human resources, and living standards, the countries share many of the features of other developing countries.

Table 1 provides an overview of development performance for the countries in the group and compares this performance with indicators for sub-Saharan Africa (SSA) as a whole. In general, oil-producing countries in Africa have not achieved better social indicators than other African countries. In terms of per capita GDP, only Gabon and Equatorial Guinea rank significantly above the SSA average. Infant mortality in 2000 was higher in three countries in the group than in the SSA average. Only Cameroon, the Republic of Congo, Nigeria, and Gabon reduced infant mortality rates below the SSA average. Life expectancy at birth was lower in the Republic of Congo than the average for sub-Saharan Africa and about the same as the average in Angola and Nigeria. Only in Cameroon, Equatorial Guinea, and Gabon was it noticeably higher. Oil-producing countries also have not achieved higher literacy rates than SSA countries on average. The SSA oil-exporting countries have also performed worse than other oil-exporting countries. Table 2 shows that out of 32 oil-exporting countries worldwide, 6 of the 9 countries with the lowest human development indicators are in sub-Saharan Africa.

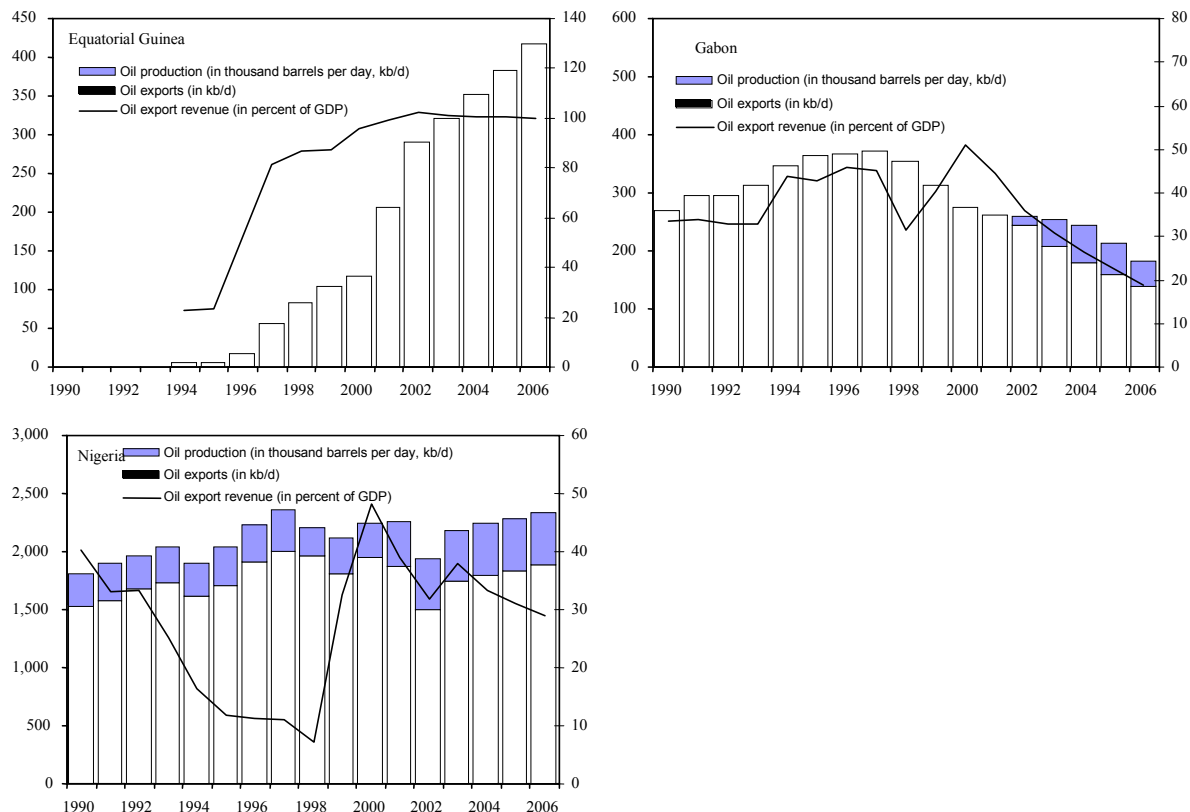
Figure 1. Oil Production, Exports, and Government Revenue, 1990–2006



Note: Left-side vertical axes show thousand barrels per day; right-side show percent of GDP.

Governments in the group are highly dependent on oil revenue. On average, oil revenue constituted 68 percent of total government revenue in 2001, a share that is projected to decline slightly to 57 percent during 2002–06 (see Figure 3 for oil revenues in 2001). Government oil revenue amounted to 20 percent of the combined GDP of the region. All countries in the group with the exception of Cameroon and Chad depend heavily on oil revenue, with at least two-thirds of

Figure 1 (concluded)



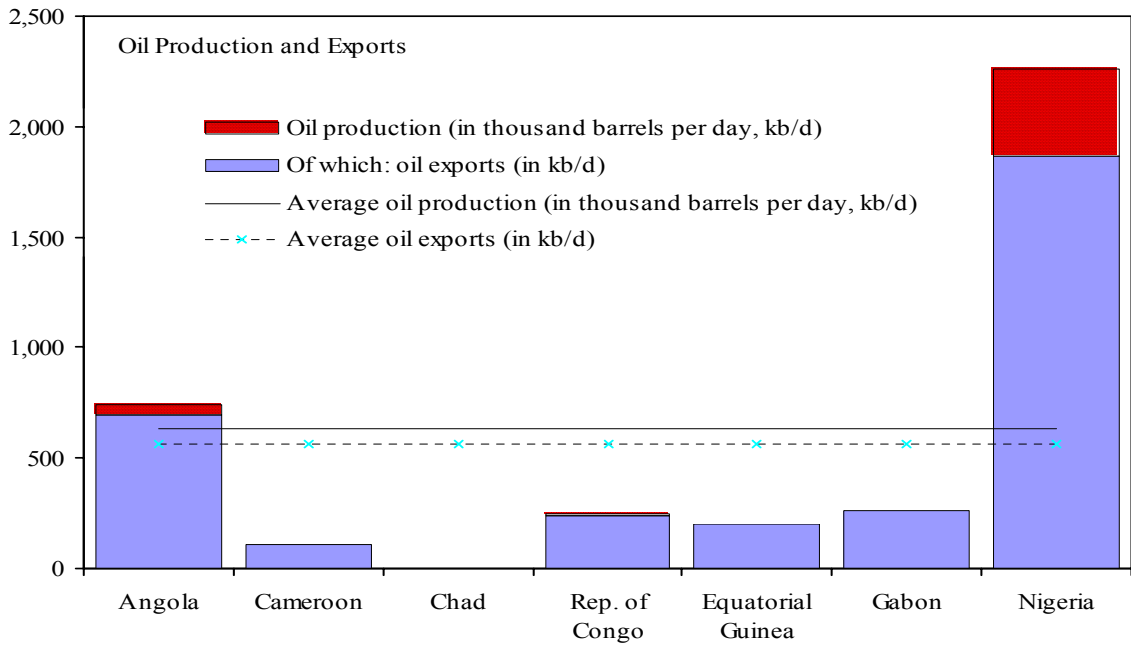
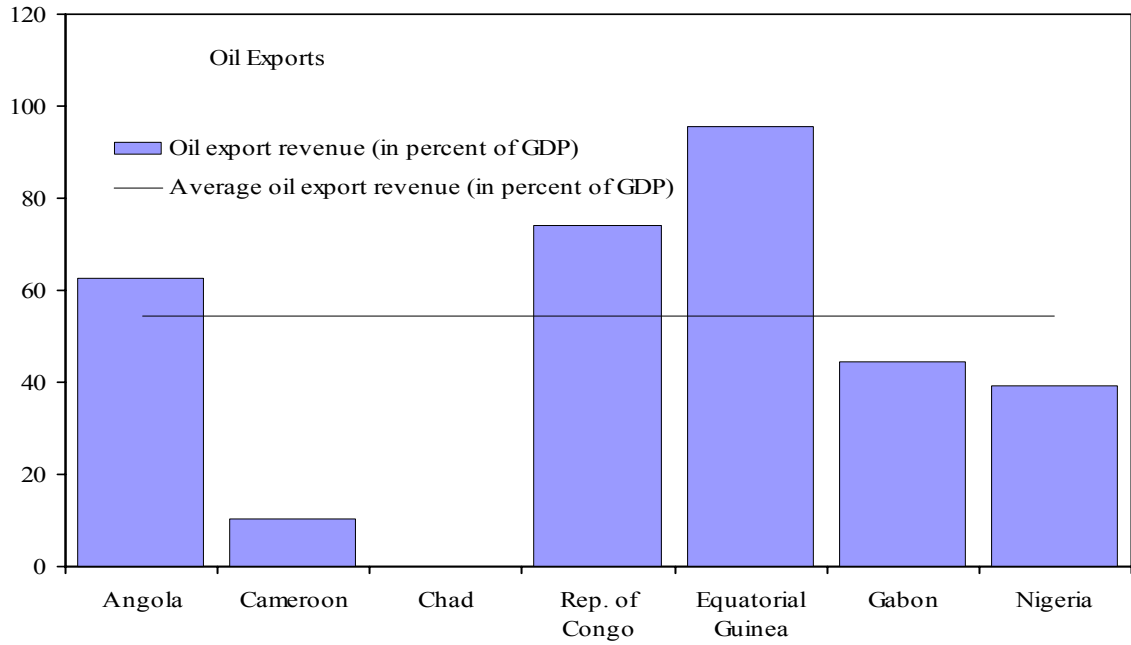
Sources: Country authorities; and IMF staff estimates.

Note: Left-side vertical axes show thousand barrels per day; right-side show percent of GDP.

total government revenue coming from oil. Of the established oil producers, Cameroon has the most diversified revenue base, and the share of oil in total revenue is projected to decline from an average of 26 percent during 1997–2001 to 16 percent during 2002–06. Regarding taxation of the oil sector, the governments collected about 50 percent of the total export value of oil on average during 2001, ranging from 90 percent in Nigeria to 21 percent for Equatorial Guinea.¹

¹Government revenue in Nigeria is gross revenue, that is, before the payment of the national oil company share in joint-venture operating and capital costs. The large government take, therefore, goes along with exposure to exploration and development risks.

Figure 2. Oil Exports and Government Revenue, 2001



Sources: Country authorities; and IMF staff estimates.

Table 1. Oil-Producing Countries in Africa: Selected Economic Indicators, 1960–2000

	Angola					Cameroon				
	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000
Economic development										
Nominal GDP per capita (in U.S. dollars)	...	492.1	776.2	1,027.8	664.5	...	154.1	774.7	967.7	577.7
GDP per capita, PPP (in U.S. dollars) ^{1/}	...	783.9	1,281.7	1,676.7	2,091.7	...	511.1	1,258.4	1,994.1	2,120.4
Social indicators										
Mortality rate, infant (per 1,000 live births)	206.0	178.2	153.8	130.2	127.6	161.2	125.8	102.6	81.0	75.8
Life expectancy at birth, total (years)	33.2	37.2	41.2	45.5	46.6	39.5	44.6	50.0	54.2	50.0
Illiteracy rate, adult total (percent of people ages 15 and above)	...	...	...	...	...	...	68.7	53.2	37.5	24.2
Oil and non-oil sectors										
Oil revenue (percent of total govt revenue)	...	...	...	...	89.4	...	...	...	33.7	31.7
Fuel exports (percent of merchandise exports)	3.0	13.4	78.0	93.5	...	0.0	0.0	30.7	49.9	35.0
Food imports (percent of merchandise imports)	19.3	15.7	18.4	...	...	18.5	12.2	8.6	18.5	18.9
	Chad					Rep. of Congo				
	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000
Economic development										
Nominal GDP per capita (in U.S. dollars)	...	72.0	147.9	285.7	188.0	...	...	559.9	244.5	95.9
GDP per capita, PPP (in U.S. dollars) ^{1/}	...	278.4	423.0	816.3	1,054.3	...	366.3	923.7	1,719.7	1,854.9
Social indicators										
Mortality rate, infant (per 1,000 live births)	193.4	171.2	123.0	118.0	101.2	152.2	131.0	112.2	95.8	84.9
Life expectancy at birth, total (years)	34.9	38.2	42.2	46.2	48.5	41.4	45.2	49.0	51.5	45.7
Illiteracy rate, adult total (percent of people ages 15 and above)	...	90.7	83.3	72.3	57.4	...	77.2	65.9	52.5	38.6
Oil and non-oil sectors										
Oil revenue (percent of total govt revenue)	0.0	0.0	0.0	0.0	0.0	...	...	...	58.0	77.4
Fuel exports (percent of merchandise exports)	4.0	0.1	0.0	...	...	...	0.2	8.0	...	...
Food imports (percent of merchandise imports)	16.4	20.6	23.0	...	...	...	15.7	9.4	...	...
	Equatorial Guinea					Gabon				
	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000
Economic development										
Nominal GDP per capita (in U.S. dollars)	...	129.6	116.9	379.3	3,039.9	...	1,097.6	5,621.5	6,400.2	4,213.9
GDP per capita, PPP (in U.S. dollars) ^{1/}	...	315.2	623.1	910.9	6,032.5	...	2,306.3	4,423.2	6,453.3	7,277.9
Social indicators										
Mortality rate, infant (per 1,000 live births)	187.0	164.0	142.4	121.0	101.8	169.4	137.2	104.4	71.6	58.0
Life expectancy at birth, total (years)	36.9	39.9	43.2	47.2	51.0	40.9	44.2	48.2	51.9	52.7
Illiteracy rate, adult total (percent of people ages 15 and above)	...	54.0	40.0	26.7	16.8	...	...	...	...	...
Oil and non-oil sectors										
Oil revenue (percent of total govt revenue)	...	...	...	...	83.5	...	...	...	45.8	67.5
Fuel exports (percent of merchandise exports)	...	...	...	...	...	...	42.6	87.9	89.3	...
Food imports (percent of merchandise imports)	...	...	36.4	...	...	...	14.3	19.1	19.4	...
	Nigeria					Sub-Saharan Africa				
	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000
Economic development										
Nominal GDP per capita (in U.S. dollars)	...	120.3	913.3	314.2	324.1	473.4	609.0	658.4	587.4	564.4
GDP per capita, PPP (in U.S. dollars) ^{1/}	...	249.9	573.4	777.3	956.6	...	814.1	1,122.2	1,453.0	1,683.2
Social indicators										
Mortality rate, infant (per 1,000 live births)	188.6	139.4	99.4	86.4	84.4	164.0	138.2	115.6	102.5	91.2
Life expectancy at birth, total (years)	39.7	42.9	45.8	49.1	46.8	40.2	44.2	47.6	50.0	46.5
Illiteracy rate, adult total (percent of people ages 15 and above)	...	79.9	67.1	51.4	36.1	...	72.0	61.9	50.2	38.5
Oil and non-oil sectors										
Oil revenue (percent of total govt revenue)	...	26.3	81.1	72.6	82.2	...	...	...	...	...
Fuel exports (percent of merchandise exports)	...	58.1	96.9	96.6	99.6	...	15.6	26.6	27.9	28.4
Food imports (percent of merchandise imports)	...	8.3	15.1	6.4	20.2	...	10.8	9.7	...	10.3

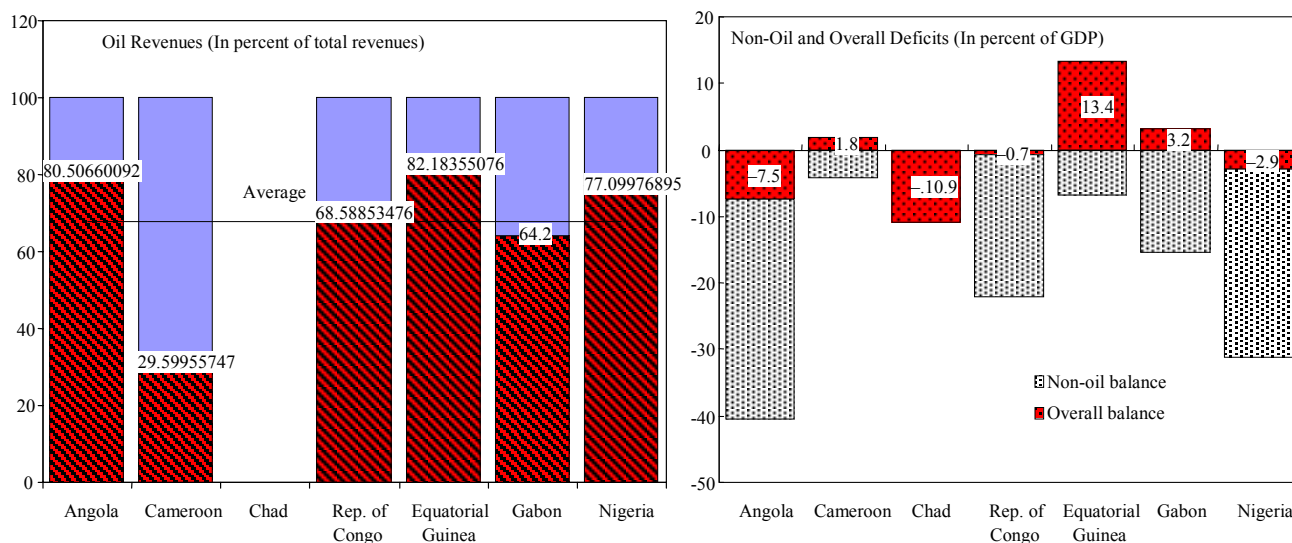
Sources: IMF, 2002, *World Economic Outlook (WEO)*, Washington, and World Bank, 2002, *World Development Indicators (WDI)*, Washington.^{1/} PPP refers to purchasing power parity.

Table 2. Human Development Indices (HDI) for Oil-Producing Countries, 2001

Country	HDI Value 2000	HDI Rank	Country	HDI Value 2000
Norway	0.942	87	Turkmenistan	0.741
Brunei Darussalam	0.856	88	Azerbaijan	0.741
Bahrain	0.831	98	Iran, Islamic Rep. of	0.721
Kuwait	0.813	106	Algeria	0.697
United Arab Emirates	0.812	110	Indonesia	0.684
Trinidad and Tobago	0.805	111	Equatorial Guinea	0.679
Qatar	0.803		Developing countries	0.654
Mexico	0.796	115	Egypt	0.642
Malaysia	0.782	117	Gabon	0.637
Russian Federation	0.781	135	Cameroon	0.512
Libyan Arab Jamahiriya	0.773	136	Rep. of Congo	0.512
Venezuela	0.770	139	Sudan	0.499
Saudi Arabia	0.759		Sub-Saharan Africa	0.471
Oman	0.751	148	Nigeria	0.462
Kazakhstan	0.750		Least developed countries	0.445
Ukraine	0.748	161	Angola	0.403
		166	Chad	0.365

Source: United Nations Development Program (UNDP).
 Note: Sub-Saharan African oil-exporting countries are highlighted.

Figure 3. Oil Revenues and Government Deficits, 2001



Sources: Country authorities; and IMF staff estimates.