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One Planet, Two Worlds, Three Stories

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The following conventions are used in this publication:

- In tables, a blank cell indicates "not applicable," ellipsis points (. . .) indicate "not available," and 0 or 0.0 indicates "zero" or "negligible." Minor discrepancies between sums of constituent figures and totals are due to rounding.
- An en dash (–) between years or months (for example, 2019–20 or January–June) indicates the years or months covered, including the beginning and ending years or months; a slash or virgule (/) between years or months (for example, 2005/06) indicates a fiscal or financial year, as does the abbreviation FY (for example, FY2006).
- "Billion" means a thousand million; "trillion" means a thousand billion.
- "Basis points" refer to hundredths of 1 percentage point (for example, 25 basis points are equivalent to ¼ of 1 percentage point).

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Executive Summary

One Planet

The world remains in the grip of an ongoing pandemic and an accelerating pace of climate change, both of which underscore the need for increased global cooperation and dialogue. Solutions to these global problems must involve all countries and all regions, including sub-Saharan Africa, with the world's least vaccinated population, most promising renewable energy potential, and critical ecosystems.

Two Worlds

Sub-Saharan Africa is set to grow by 3.7 percent in 2021 and 3.8 percent in 2022. This rebound is most welcome and largely results from a sharp improvement in global trade and commodity prices. Favorable harvests have also helped lift agricultural production. But the recovery is expected to be slower than in advanced economies, leading to a widening rift in incomes. This divergence is expected to persist through the medium term—partly reflecting different access to vaccines, but also stark differences in the availability of policy support.

The outlook remains extremely uncertain, and risks are tilted to the downside. In particular, the recovery depends on the path of the global pandemic and the regional vaccination effort, and is also vulnerable to disruptions in global activity and financial markets.

Three Stories

First, divergence and inequality at a global level have also been mirrored within sub-Saharan Africa. Differences across the economies of the region again partly reflect differences in vaccination and policy support. But the crisis has also highlighted key disparities in resilience, amplifying preexisting vulnerabilities and worsening divergence across the region. Comparing resource-intensive countries with non-resource-intensive countries, the diversified economic structure of the latter has not only muted the impact of the crisis, but also allowed them to adapt relatively swiftly.

Moreover, widening divergence between countries has been accompanied by divergence within countries, as the pandemic has had a particularly harsh impact on the region's most vulnerable. With about 30 million people thrown into extreme poverty, the crisis has worsened inequality not only across income groups, but also across subnational geographic regions, which may add to the risk of social tension and political instability. In this context, rising food price inflation, combined with reduced incomes, is threatening past gains in poverty reduction, health, and food security.

Second, as the pandemic has continued, authorities in sub-Saharan Africa have faced an increasingly difficult and complex policy environment. Policymakers face three key fiscal challenges: (1) tackle the region's pressing development-spending needs, (2) contain public debt, and (3) mobilize tax revenues in circumstances in which additional measures are generally unpopular.

Meeting these goals has never been easy and entails a difficult balancing act. But the crisis has made all even more demanding.

Monetary policy has also been constrained. Regionwide, average inflation will edge up slightly in 2021, but should then ease in 2022 once pandemic-induced mismatches resolve and commodity prices moderate. Looking ahead, however, as economies start to recover, the context for monetary policy will change and will likely reflect growing regional heterogeneity.

Third, the crisis has underscored the critical importance of international solidarity and support. On COVID-19 in particular, the threat of new variants highlights the need for a global response, with a particular focus on the unvaccinated people of Africa. The IMF has proposed a plan to vaccinate at least 40 percent of the total population of all countries by the end of 2021 and 70 percent by the first half of 2022. For sub-Saharan Africa, these goals are ambitious and will require a marked change in strategy by both advanced economies and sub-Saharan African countries.

More broadly, without external financial and technical assistance, the divergent recovery paths of sub-Saharan Africa and the rest of the world may harden into permanent fault lines, jeopardizing decades of hard-won progress. So far, international organizations and donors have mobilized swiftly to support the

region. But further multilateral action is critical, considering the region's elevated financing needs and a widening gap with the rest of the world. The special drawing rights (SDR) allocation in August has boosted the region's reserves, easing some of the authorities' burden as they guide their countries' recovery. Moving forward, the voluntary channeling of SDRs from countries with strong external positions to those most in need can further magnify the new SDR allocation's impact. Furthermore, the Debt Service Suspension Initiative has provided much-needed breathing space and has been extended until the end of 2021. But the time is ripe for making the Common Framework fully operational.

Looking ahead, the region's potential remains undiminished. Over the next three decades, the global population is set to grow by about 2 billion people, with half of that increase in sub-Saharan Africa alone. This represents the region's single greatest challenge, but it also presents perhaps its greatest opportunity: it embodies a growing pool of human talent and ingenuity, with a billion more individuals all interacting and seeking new ways to better themselves and their communities.

Capitalizing on this potential will require bold transformative reforms. But the threat of climate change and the process of global energy transition also means that sub-Saharan Africa may need to adopt a significantly different growth model.

Although the region is the world's smallest contributor to carbon dioxide emissions—less than 3 percent of the global total—it is perhaps the most vulnerable to climate-related shocks. So policymakers in sub-Saharan Africa will have to address climate change through a mix of adaptation and mitigation. Unfortunately, both are costly.

Though these costs are large, they are significantly smaller than the costs of inaction. Without this spending, sub-Saharan Africa may find itself responding to a mounting series of climate-related humanitarian emergencies, diverting authorities' focus from longer-term development and constraining the region's ability to integrate into the global economy. Faced with few options, mobilizing external financing from both public and private sector sources will be a key priority for most sub-Saharan African nations. If successful, the region will be poised to fulfill the promise of the African century, contributing to a more prosperous, greener future.

One Planet, Two Worlds, Three Stories

A FRAUGHT RECOVERY

Despite some encouraging signs, another difficult year

Yet another wave

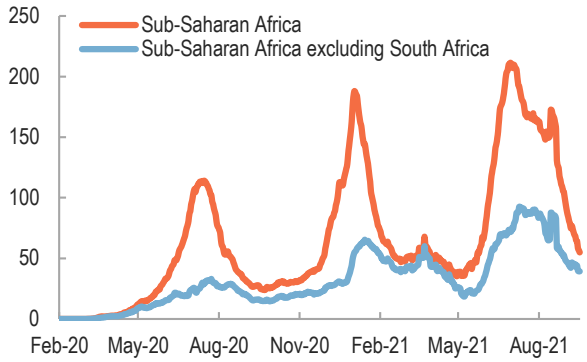
Sub-Saharan Africa was in the grip of an unprecedented health crisis just over a year ago in mid-2020: COVID-19 infections reached more than 100,000 per week, and local health systems were under severe strain. Nonetheless, swift action by the authorities helped prevent the types of infection rates seen elsewhere. As new cases started to ease, hopes were pinned on a careful reopening that would allow for the gradual restoration of economic activity and growth.

Yet the past 18 months have played out very differently. By January 2021, only six months after the initial crisis, the region experienced a second wave that swiftly outpaced the scale and speed of the first, with countries confronted by a new, more infectious Beta variant. Six months later, in July, sub-Saharan Africa faced a third wave and another even more dangerous Delta variant. Infections reached more than 210,000 per week—triple or quadruple the January peaks for some countries (Figure 1). With repeated surges from country to country, there is little reason to believe that the pandemic is over.

In this context, a return to normal will be far from easy and will hinge largely on two factors: vaccination and variants. So far, the pace of vaccination in sub-Saharan Africa has been significantly slower than in other regions—a direct consequence of stockpiling by advanced economies and export restrictions by major vaccine manufacturing countries. By early October, barely 2½ percent of the population has been fully vaccinated, well below the level needed to reach herd immunity and far short of rates seen in advanced economies (60 percent) and other emerging markets and developing economies (35 percent). Moreover, the waning efficacy of the vaccines over time is likely to increase the demand for booster shots in advanced economies, further compromising supply. Consequently, even though the world is set to produce about 12 billion doses in 2021, it will likely be more than a year before a meaningful number of people are vaccinated in sub-Saharan Africa.

Figure 1. Sub-Saharan Africa: New Confirmed Cases of COVID-19

(New cases per week, thousands, seven-day moving average)



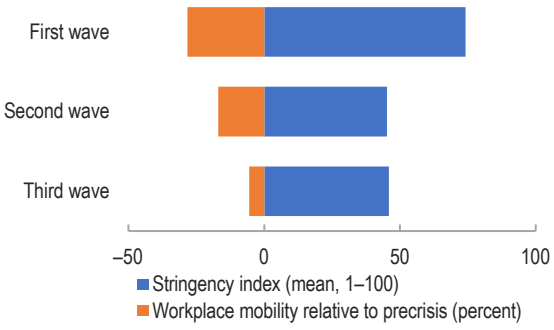
Source: Johns Hopkins University, Center for Systems Science and Engineering.

Without vaccines, lockdowns have been the only option for containing the virus. Yet the stringency of the latest lockdowns has been very different from those in the early days of the pandemic, and the impact of lockdowns on activity has faded (but not vanished) because of the high economic and social costs associated with long periods of inactivity and the attendant low rates of compliance and enforcement (Figure 2).

A welcome recovery, though weak by global standards

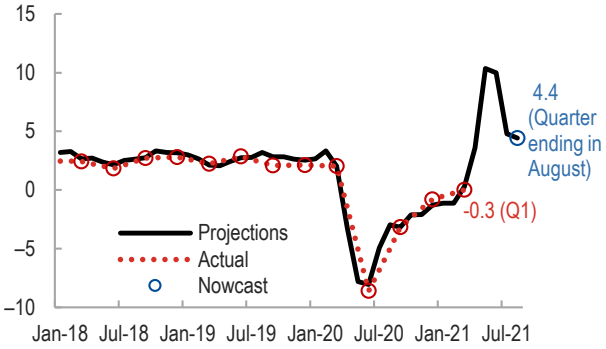
Sub-Saharan Africa is set to grow by 3.7 percent in 2021. This is a marked improvement over the extraordinary contraction of 2020 but nonetheless represents the slowest recovery in the world. High-frequency indicators point to a steady improvement in activity over the first half of 2021, buoyed by rising commodity prices (Figure 3). But momentum has slowed in recent months, partly because of the pandemic's latest wave. Activity has

Figure 2. Sub-Saharan Africa: Containment Measures and Activity, 2020–21



Sources: Google COVID-19 Community Mobility Reports; Oxford COVID-19 Government Response Tracker; and IMF staff calculations.

Figure 3. Sub-Saharan Africa: Year-Over- Year Rolling Quarterly Real GDP Growth, Data and Nowcasts
(Percent)



Sources: Haver Analytics; IMF internal databases; and IMF staff calculations.

slowed most in those countries with the fastest pickup in infection rates—and those facing social unrest—but has continued to strengthen in countries where new cases have been contained successfully. International business travel throughout the region has now surpassed pre-pandemic levels, but tourism travel remains subdued.

Headline inflation has been driven largely by higher food prices. Average food price inflation had been accelerating in sub-Saharan Africa even before the pandemic, from 2 percent year-over-year in 2019 to about 11 percent in 2021. This surge reflects domestic factors such as poor weather and conflict-related supply disruptions. It also mirrors global conditions, in which global food prices increased by about 30 percent in August (year-over-year) amid higher oil prices, weather-related shocks, export restrictions by key exporters, and stockpiling in some countries (Box 1).

Regionwide, social unrest and conflict increased significantly toward the middle of 2021, driven by legacies of armed conflicts; instability associated with political transitions; and high levels of unemployment, poverty, and inequality, all of which the pandemic has exacerbated further. Conflict-related instability has taken an ongoing toll on the region, displacing populations, constraining policymaking, and eroding households' ability to securely access key sources of food and income. The number of internally displaced persons in sub-Saharan Africa has more than doubled over the past five years, reaching 16.5 million in 2020, driven largely by conflicts and, to a lesser degree, by natural disasters (for example, Burkina Faso, the Democratic Republic of the Congo, Ethiopia, Mali, and Mozambique).

Despite a smaller number of natural disasters in the first half of 2021, some countries continue to suffer from adverse climate shocks. More conducive weather conditions in southern and east Africa resulted in bumper cereal outputs, but droughts and floods in Angola, Kenya, and Madagascar weighed on crop and livestock production, putting more pressure on inflation.

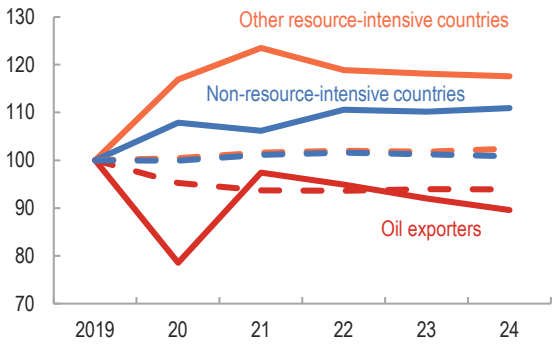
Supported by a more favorable external environment

Global trade has recovered strongly in 2021, supported by sizable base effects and robust demand from advanced economies. However, the composition of trade has changed. Despite ongoing supply-chain bottlenecks, merchandise trade has recovered swiftly, while pandemic-related restrictions and safety concerns have held back services. These remain anemic after bottoming out in the second quarter of 2020.

Commodity prices have surpassed pre-pandemic levels. For example, metals (copper, cobalt, lead, manganese, nickel, zinc) have surged over the past year, and global prices for many food commodities (coffee, sugar, wheat) have increased to record highs (Figure 4). Oil prices have also been buoyant, but oil production has yet to recover in many sub-Saharan African countries.

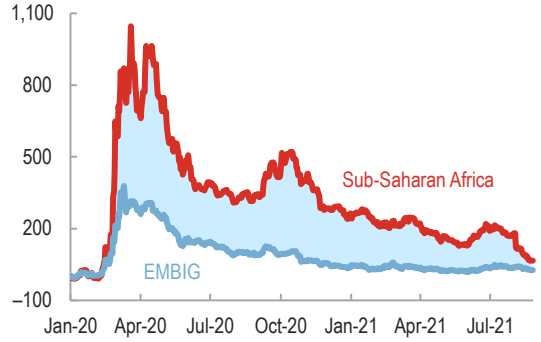
Global financial conditions remain accommodative, with several sub-Saharan African frontier economies returning to the market in 2021. International sovereign bond issuances by the region's frontier markets reached $13.2 billion through September. Oversubscribed sales signal a buoyant appetite for sub-Saharan African Eurobonds, which will likely spur further issuances. The difference between the spreads of sub-Saharan African frontier markets and comparable emerging markets has continued to narrow (Figure 5), but costs remain higher than in early

Figure 4. Sub-Saharan Africa: Terms of Trade
(Index 2019 = 100, dotted lines indicate precrisis projections)



Source: IMF, World Economic Outlook database.

Figure 5. Emerging Market Bond Index Spreads
(Cumulative relative to start of COVID-19 crisis, basis points)



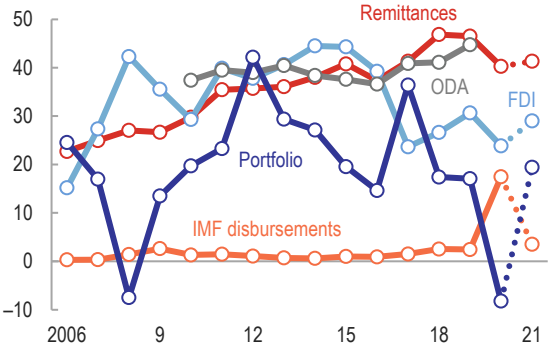
Sources: Bloomberg Finance L.P.; and IMF staff calculations.
Note: EMBIG = global emerging market bond index.

2020, with some variation across countries: Benin, Côte d'Ivoire, and Nigeria have enjoyed lower yields than before the crisis, while yields were at precrisis levels in Senegal and higher in Ghana.

Portfolio inflows have turned positive. Inflows to emerging and frontier markets in sub-Saharan Africa totaled $4.4 billion between January and August 2021 (Figure 6). Although foreign direct investment declined by 12 percent to $30 billion in 2020 (faring better than in other regions), it is expected to grow only modestly in 2021 and gain greater momentum beyond 2022, in line with an expected rise in commodity demand, the approval of key projects, and the finalization of the African Continental Free Trade Area's Sustainable Investment Protocol.

Remittances are expected to grow by 2.6 percent in 2021. The positive outlook comes on top of a better-than-expected outcome in 2020. Remittance flows fell by only 13.4 percent in 2020, driven by a dramatic

Figure 6. Sub-Saharan Africa: Selected Inflows
(Billions of US dollars)



Sources: IMF, World Economic Outlook database; World Bank; and IMF staff calculations.
Note: Excludes Mauritius. Dotted lines for 2021 are estimates; FDI = foreign direct investment; ODA = official development assistance.

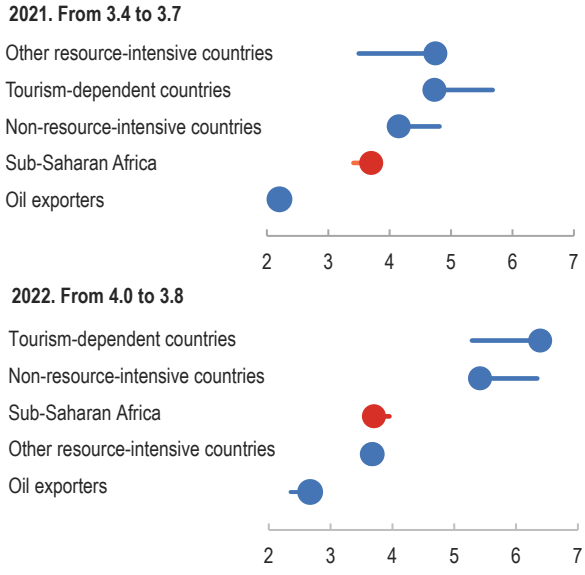
fall of 28 percent in Nigeria. Excluding Nigeria, the region's remittances increased by 1.6 percent in 2020. So far in 2021, some countries have already experienced huge spikes in remittance flows (for example, The Gambia by 60 percent and Kenya by 20 percent in the first half of 2021) because of continued fiscal support in host countries, and a shift in flows from cash-based to digital payments and from informal to formal channels.

A modestly improving outlook

In fits and starts, the wheels of the global economy are finally beginning to turn, though amid heightened uncertainty. Global growth is expected to reach 5.9 percent in 2021 before easing to a still respectable 4.9 percent in 2022. Growth in sub-Saharan Africa, however, is forecast to recover more gradually to 3.7 percent in 2021 and 3.8 percent in 2022.

The 2021 growth projection has been revised up, mainly because of better-than-expected prospects for non-oil resource-intensive countries, where growth has been upgraded by 1.2 percentage points to 4.7 percent, reflecting higher commodity prices (Figure 7). But this has been offset by a downgrade in the projection for non-resource-intensive countries—by –0.7 percentage points to 4.1 percent. Oil exporters have also been downgraded slightly, by –0.1 percentage points to 2.2 percent. The reduction reflects a lower forecast for Angola.

Figure 7. Real GDP Growth Revisions since April 2021
(Percent)



Source: IMF, World Economic Outlook database.

For 2022, growth has been revised down from the April 2021 forecast, reflecting worse-than-expected prospects for non-resource-intensive countries. Projected growth in non-resource-intensive countries in 2022 has been eased by –1.0 percentage points to 5.4 percent, while for oil exporters, 2022 growth has been upgraded by 0.3 percentage points to 2.7 percent.

Looking at the region's largest economies:

- South Africa is expected to grow by 5.0 percent in 2021, reflecting a better-than-expected growth in the first half of the year, and level effects from the recent update to its national accounts, which complemented the strong base effects from 2020. However, the outlook has been weighed down by the combined impacts of the third wave of COVID-19 and localized social unrest in July. With the pace of structural reforms expected to remain limited and the faster-than-expected rebound in 2021, South Africa will be constrained in its ability to sustain the 2021 growth pace, so growth is expected to slow to 2.2 percent in 2022.

- Nigeria's economy will grow by 2.6 percent in 2021, driven by recovery in non-oil sectors and higher oil prices, even though oil production is expected to remain below pre-COVID-19 levels. Growth will inch up slightly to 2.7 percent in 2022 and remain at this level over the medium term, allowing GDP per capita to stabilize at current levels, notwithstanding long-standing structural problems and elevated uncertainties.

- Angola is expected to contract by –0.7 percent in 2021 and then grow by 2.4 percent in 2022, ending its six-year recession streak. The 2021 growth has been revised downward significantly since April because of falling investments and recurring technical problems in the oil sector. Non-oil growth will remain the main driver of economic growth, with commerce and agriculture having recovered strongly to above pre-pandemic levels.

- Ethiopia's growth forecast for FY2021 remains unchanged at 2.0 percent, with growth in FY2022 facing headwinds from the slow pace of vaccination, a possible pickup in COVID-19 infections, and the Tigray conflict. An improved external environment will support key exports and foreign direct investment and remittance inflows. The ongoing conflict has increased the uncertainty around the country's growth outlook.

Tourism-dependent countries (Cabo Verde, Comoros, The Gambia, Mauritius, São Tomé and Príncipe, Seychelles) face a particularly challenging recovery. The pandemic has underscored the vulnerability of these economies to global shocks to travel and tourism, which represents about 18 percent of GDP on average. Although growth has returned to pre-pandemic levels, these countries face permanent income losses as large as 15 percent of GDP (Cabo Verde, Mauritius). Some countries have fared better because of significant remittance inflows (Comoros, The Gambia), which have supported private consumption. Global tourism remains subdued. Nonetheless, from a low base, tourist receipts have started to improve, assisted in some instances by large-scale vaccination programs (Cabo Verde, Seychelles).

In fragile economies, constrained public spending and private investment will weigh on growth in 2022 but will be offset by an uptick in consumption and continued externally financed investment. However, in some fragile economies—particularly Sahel countries—ongoing security challenges (Burkina Faso) and political instability (Chad, Guinea, Mali) may undermine the expected rebound in consumer and investor confidence.

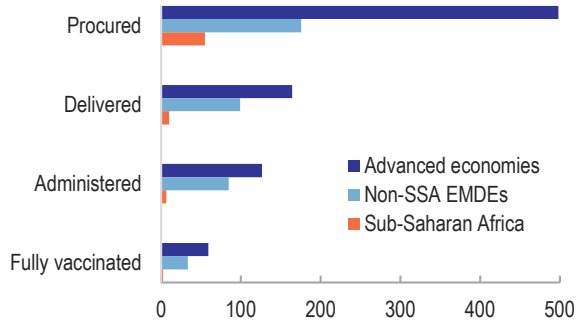
HEIGHTENED UNCERTAINTY

As the pandemic drags on, uncertainty remains elevated, keeping risks tilted to the downside

As emphasized in the April 2021 *Regional Economic Outlook: Sub-Saharan Africa*, the region faces the prospect of repeated COVID-19 waves before vaccines become widely available. The baseline assumes that further outbreaks will be accompanied by localized lockdowns, but that containment measures will generally be less stringent than they were in early 2020. Each wave is different, however, with potentially different variants and different containment requirements. By the same token, households and firms have all shifted their behavior over the past 1½ years, adapting as needed. Therefore, the impact of future waves on activity remains highly uncertain.

This uncertainty will persist for as long as the region remains unvaccinated (Figure 8). Although the baseline

Figure 8. COVID-19 Vaccine Inequality
(Percent of population, as of September 26, 2021)



Sources: Airfinity; Our World in Data; UN Population Division; and IMF staff calculations.

Note: Non-SSA EMDEs = non-sub-Saharan African emerging markets and developing economies.

outlook assumes that few countries in sub-Saharan Africa will achieve widespread vaccine availability before 2023, the global vaccine outlook is also unclear. On a positive note, vaccine production is expected to increase significantly toward the end of 2021, and there is a concerted effort by the international community (including the IMF) to ensure that the global supply of vaccines is distributed swiftly and fairly. In addition, local vaccine manufacturing is expected to expand further in 2022. However, as new variants emerge, the pressure for booster shots in countries with already high rates of vaccination will likely increase, potentially delaying access for countries still at the early stages of their vaccination efforts. Moreover, the success of the vaccine rollout depends critically on each country's distribution infrastructure and efforts to quell hesitancy—the latter is likely to be less of an issue once wide availability and accessibility of vaccines are secured. Further delays to the rollout would leave sub-Saharan Africa exposed to new, more virulent strains of the virus, raising the prospect that COVID-19 will ultimately become a permanent, endemic problem across the region— inevitably weighing on confidence, growth, and the strength of the recovery.

The baseline for sub-Saharan Africa has been revised upward significantly over the past year. But staff analysis suggests that the revision can be explained almost entirely by better-than-expected improvements in the external environment. This indicates that the region remains highly vulnerable to changes in the global outlook, where two risks currently stand out: (1) the threat of rising inflation expectations in the United States, and (2) the possibility that COVID-19 may become endemic (like the flu), resulting in a permanent restructuring of contact-intensive activities worldwide.[1]

- On the inflation threat, a tightening of US monetary policy may prompt a tightening of global financial conditions, a slowing of global activity, an increase in risk premiums for vulnerable emerging markets, reduced access to funding for vital social and investment programs, and a consequent toll on physical and human capital development. The cumulative loss for sub-Saharan Africa is estimated at about 1¾ percent of GDP over 2022–26, with the largest losses faced by oil exporters.

- On the possibility of an internationally endemic COVID-19, as firms and households adjust their behavior, and as some pre-pandemic investment is rendered unprofitable, the scarring effect of the crisis is likely to be amplified beyond that already included in the global baseline. In addition to any effect on the regional vaccine rollout, the impact on sub-Saharan Africa is estimated as equivalent to a cumulative loss of GDP over 2022–26 of an additional 1½ percent of GDP.

ONE PLANET

Living with the virus

Without adequate vaccine policies, the pandemic will continue to delay the recovery

For sub-Saharan African policymakers, the first priority is still to save lives. But the sheer speed of the most recent COVID-19 wave highlights the difficulty in heading off a crisis once it gets under way, leaving authorities with little option other than costly containment measures and the need for continued emergency support and health spending. Therefore, as long as the region's population remains vulnerable, policymakers will face the unenviable task of trying to boost their economies while simultaneously dealing with repeated COVID-19 outbreaks as they arise.

Swift implementation of the global vaccine proposal is essential

A recent IMF proposal aims to vaccinate at least 40 percent of the total population of all countries by the end of this year and 70 percent by the first

[1] See the assumptions for each scenario in the October 2021 *World Economic Outlook*, Chapter 1.

half of 2022.[2] For sub-Saharan Africa, these goals are ambitious and will require a marked change in strategy by both advanced economies and sub-Saharan African countries.[3]

First, it is essential to deliver vaccines to sub-Saharan Africa as soon as possible. The fastest way to get vaccines to them is for advanced economies to share their stockpiles bilaterally or through multilateral initiatives. COVID-19 Vaccines Global Access (COVAX) has already received pledges for more than half a billion doses, but these need to turn into actual deliveries as soon as possible.

Second, vaccine manufacturers should be encouraged to speed up supply to Africa.

Third, the African Vaccine Acquisition Trust should be fully financed to ensure coverage of 30 percent of the African Union's population. This requires an estimated $2 billion.

Fourth, the international community should remove cross-border export restrictions on raw materials and finished vaccines, ensuring that the Aspen facility in South Africa is operating at full capacity and that the Serum Institute of India resumes exports to COVAX.

Fifth, at least $2.5 billion will be needed to ensure that sub-Saharan African health systems can vaccinate the local population promptly as supplies start to increase. Many countries (Eswatini, Ghana, Kenya, Namibia, Rwanda) have had to delay their vaccine campaigns while waiting for the arrival of new supplies. It is these shortages, rather than the ability to administer shots, that has so far been the biggest constraint throughout the region.

Sixth, countries must also accelerate their acquisition of vital therapeutics, oxygen, and personal protective equipment. This will require urgent grant financing to pre-emptively procure and deliver a minimum package of critical supplies to countries at greatest risk.

Finally, few countries have the fiscal space to finance this effort on their own, so most of the international community's financial assistance will need to come in the form of grants or concessional loans. The IMF has formed a special task force with counterparts from the World Bank, the World Health Organization, the World Trade Organization, and others to ensure that countries get the resources and vaccines they need.

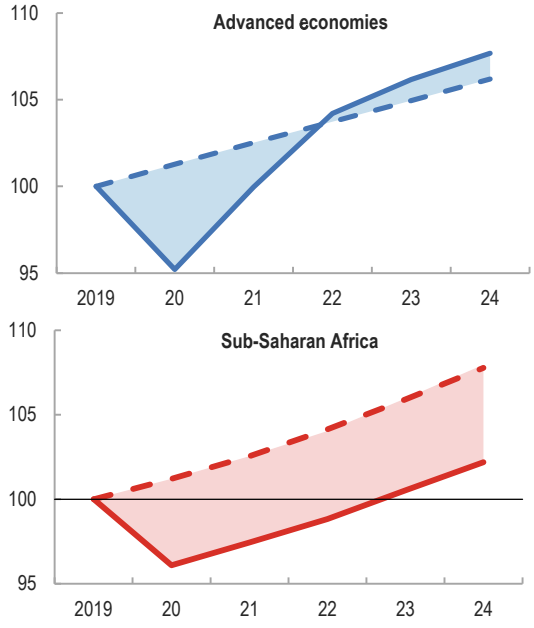
TWO WORLDS

Dangerous divergence

Global divergences are expected to persist over the medium term. Although advanced economies are projected to return to their precrisis path by 2023, the pandemic has permanently lowered the path of real GDP in sub-Saharan Africa, suggesting a loss of real per capita output of 5.6 percent (Figure 9). To match the type of performances seen in advanced economies, sub-Saharan Africa would have to grow twice as fast for the next three years.

Vaccine access remains the main fault line in the global recovery, exacerbated most recently by the resurgence of the pandemic. Many advanced economies have seen remarkable progress in vaccinations since the April 2021 *World Economic Outlook*. However, sub-Saharan

Figure 9. Selected Economies: Real GDP Per Capita, 2019–24
(2019 = 100, dashed lines indicate precrisis projections)



Source: IMF, World Economic Outlook database.

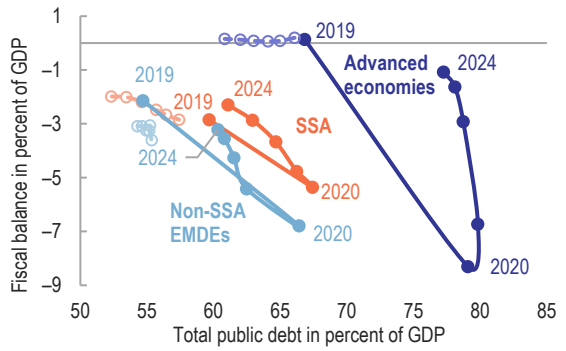
[2] Agarwal, Ruchir, and Gita Gopinath. 2021. "A Proposal to End the COVID-19 Pandemic." IMF Staff Discussion Note 2021/004, International Monetary Fund, Washington, DC.

[3] Cherif, Reda, and Shushanik Hakobyan. 2021. "Vaccinating against COVID-19 to Avert a Disaster in Africa." IMF Special Series COVID-19 Note (August 18), International Monetary Fund, Washington, DC.

Africa is still very much in the pandemic's grip and has faced a much slower rollout, hampered by lack of supply and export restrictions by key producers.

In addition, the two-speed global recovery also reflects stark differences in the availability of policy support, both at the onset of the crisis and moving forward. Going into the crisis, limited fiscal space in sub-Saharan Africa had already been a long-standing issue of concern and left most authorities with little room to cushion the shock (see October 2020 *Regional Economic Outlook: Sub-Saharan Africa*). This constraint has only tightened as the crisis has continued. Looking ahead, with limited financing options, the average fiscal deficit for the region is expected to narrow to the pre-pandemic level of 2.9 percent of GDP by 2023. Despite these shrinking deficits, sub-Saharan African debt will remain elevated, with the debt-to-GDP ratio remaining 4.4 percentage points higher by 2025 compared with pre-pandemic levels (Figure 10). Deficits in advanced economies and other emerging markets and developing economies, however, are not expected to return to pre-pandemic levels over the forecast horizon, with public debt-to-GDP ratios remaining more than 10 percentage points above the pre-pandemic levels at the end of the forecast horizon.

Figure 10. Sub-Saharan Africa: Average Fiscal Balance and Public Debt, 2019–24
(Dotted lines represent October 2019 World Economic Outlook)



Source: IMF, World Economic Outlook database.

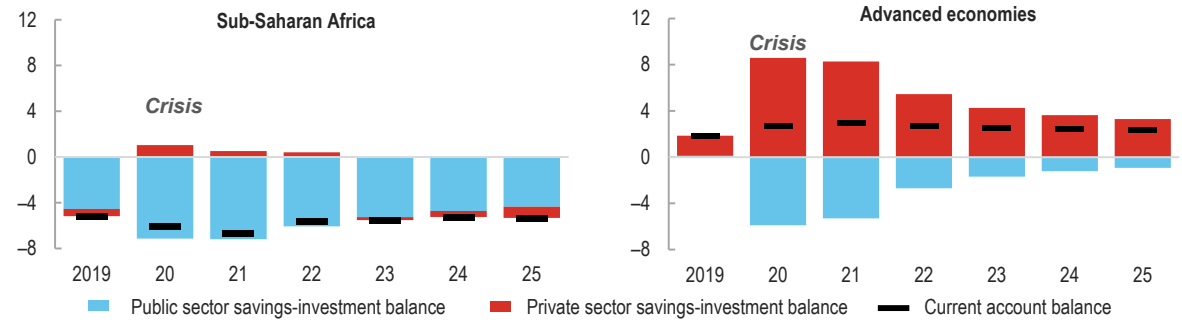
Note: Non-SSA EMDEs = non-sub-Saharan African emerging markets and developing countries.

A constrained recovery

A comparison with the experience of advanced economies may help shed further light on the challenges facing sub-Saharan African policymakers. Looking at the behavior of savings, the deployment of extensive fiscal measures in advanced economies allowed many households and firms to replenish or build up their savings, setting the stage for private demand to kickstart the projected recovery. In this context, the outlook for advanced economies envisions a smooth handoff from this extraordinary public support to private sector-led growth (Figure 11). The speed with which this happens—as excess private savings are drawn down to fund consumption and investment—will determine the pace of the recovery, with a slower handoff implying a slower recovery.

By contrast, the ability of governments to support private savings during the crisis in sub-Saharan Africa was relatively limited, because of a lack of fiscal space, notably the inability to issue more debt. This, in turn, likely added to the collapse in aggregate demand. The handoff to the private sector is also likely to be constrained. In contrast to advanced economies, private consumption picks up more gradually in sub-Saharan Africa. With ongoing spending needs related to the pandemic, development, and the recovery, most governments will have difficulty in reducing their borrowing requirements—bringing them face-to-face with a fiscal trilemma (see page 10).

Figure 11. Selected Economies: Current Account Balance, 2019–25
(Simple average, percent of GDP)



Source: IMF, World Economic Outlook database.

With limits on most countries' ability to run larger current account deficits—reflecting the traditional reluctance of foreign lenders to finance private investment—private-sector demand will be unable to support the recovery. These constraints should be very familiar. Without external financing, the public sector's borrowing from domestic markets will tend to crowd out private investment and hinder growth. But again, the scale of the recent crisis has exacerbated the problem significantly in sub-Saharan Africa, adding to the challenges policymakers face as they try to steer their economies forward.

THREE STORIES

Divergence at every level

Across sub-Saharan Africa

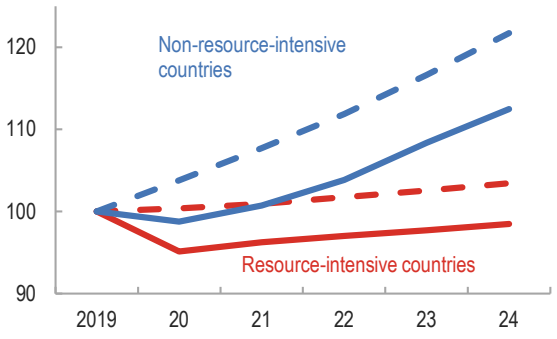
For countries within the region, the income loss because of the crisis is expected to vary significantly, ranging from a permanent loss of real output of more than 20 percent for Cabo Verde to less than 3 percent for Togo and Zimbabwe. Prior to the crisis, the growth outlook for the region had already displayed alarming signs of a two-speed recovery, with fragile and resource-intensive countries faring significantly worse than non-resource-intensive countries (see April 2019 *Regional Economic Outlook: Sub-Saharan Africa*). As a result of the crisis, these preexisting growth differentials have only worsened (Figure 12).

As with the global recovery, the divergence between recoveries in the region partly reflects differences in vaccination and policy support. Over the past year, growth forecasts across the region have generally been revised upward, relatively more for countries with greater vaccination success. Botswana and Seychelles, for example, have vaccination rates significantly higher than the regional average and have upgraded their 2021 growth forecasts accordingly.

On policy support, countries with greater fiscal consolidation over 2020–25 are expected to experience a larger loss of output (Figure 13). Differences across countries are even more pronounced when it comes to the composition of adjustment. Fiscal adjustment in oil exporters over the medium term is expected to occur largely through increases in non-commodity revenue and, to a lesser degree, by cutting current primary expenditure and increasing public investment (Figure 14). Other resource-intensive and non-resource-intensive countries are expected to make even greater progress on fiscal consolidation, mainly by reducing recurrent spending, along with a reprioritization of public investment in other resource-intensive countries and higher revenue efforts in non-resource-intensive countries.

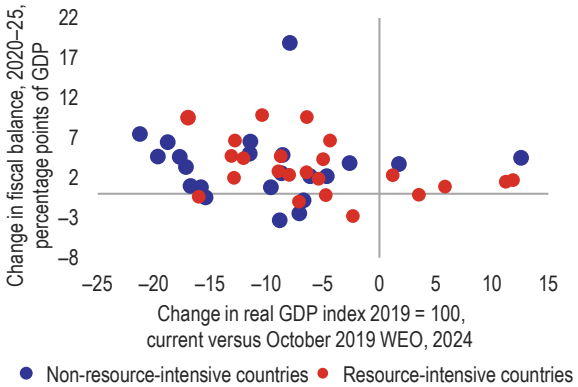
Aside from different levels of policy support, the crisis has also highlighted key differences in resilience across countries. Again, comparing resource-intensive countries with non-resource-intensive countries, the latter tend to have a significantly more diversified economic structure, which not only helped mute the initial impact of the crisis but also allowed these countries to adapt quickly and bounce back swiftly (Figure 15). However, resource-intensive economies were hit the hardest by the crisis and are expected to recover relatively slowly. The underlying mechanism is most likely multifaceted, as a country's quality of institutions, governance, fiscal credibility, administrative capacity, business climate, degree of

Figure 12. Sub-Saharan Africa: Real GDP Per Capita, 2019–24
(2019 = 100, dashed lines indicate precrisis projections)



Source: IMF, World Economic Outlook database.

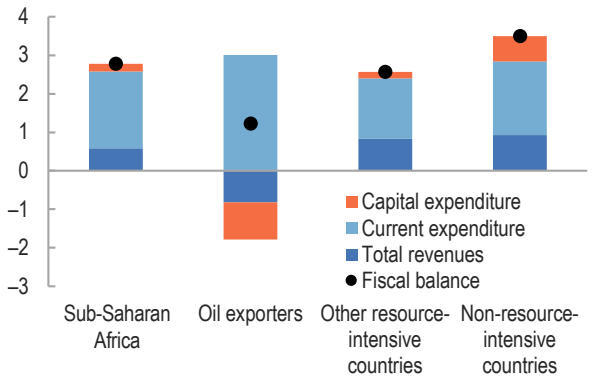
Figure 13. Sub-Saharan Africa: Changes in Real GDP Growth and Fiscal Balance



Source: IMF, World Economic Outlook database.
Note: WEO = World Economic Outlook.

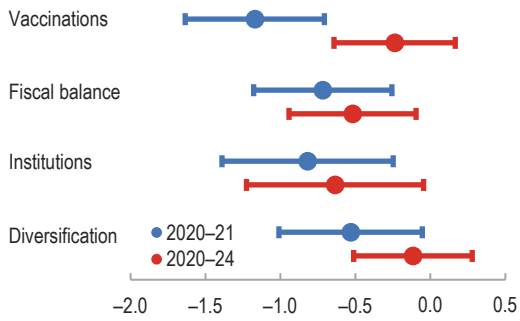
diversification, and resilience are all interrelated. But regardless of the cause, those countries that had been performing relatively well before the crisis are generally the countries that are expected to recover quickly. In essence, the crisis has underscored and amplified preexisting differences in country-level vulnerability, worsening the extent of divergence across the region.

Figure 14. Sub-Saharan Africa: Change in Fiscal Balance, 2021–25
(Percent)



Source: IMF, World Economic Outlook database.

Figure 15. Sub-Saharan Africa: Growth Projections Gap
(Percentage points)



Sources: IMF, World Economic Outlook database; World Bank, Worldwide Governance Indicators; Our World in Data; and IMF staff calculations.

Note: The chart shows point estimates and 90 percent confidence intervals (with heteroscedasticity consistent standard errors) for coefficients of a cross-sectional, cross-country regression (unweighted) of growth projections gap (current versus October 2019, averages) on vaccination, fiscal balance, institutions, and diversification, controlling for whether a country is a non-resource-intensive country (dummy = 1) or not. Vaccination is the number of vaccinated per 100 people, fiscal balance is the primary balance in percent of GDP in 2019, institutions is the rule of law index in 2019, and diversification is the IMF export diversification index in 2014. Explanatory variables are standardized to have zero mean and unit standard deviation.

Within individual countries

Within most countries, the impact of the pandemic has been relatively muted for capital-intensive extractive sectors compared with more labor-intensive services sectors. Moreover, many of the hardest-hit services sectors (such as wholesale and retail, food and hospitality, tourism, and transport) employ the largest proportion of informal workers, who are often the least well placed to deal with a shock of this scale. Informal employment affects about 85 percent of the region's workers and contains households and firms that tend to be less wealthy, with fewer buffers and reduced access to government support.

The net effect is that the crisis has also aggravated the degree of divergence within most countries. Across the region, working hours were cut by more than 7 percent in 2020—equivalent to a loss of about 22 million full-time jobs—with a disproportionate impact on women, young people, and the poor. In South Africa, for example, low-wage workers suffered almost four times more job losses than high-wage workers, while the gap between male and female earnings increased from 29 percent to 43 percent.[4, 5]

Furthermore, the combined effect of school closures and increased financial hardship has taken a toll on the region's children, compromising their education and longer-term prospects. Online learning was accessible to only very few children in sub-Saharan Africa, and past experience (for example, the 2014 Ebola pandemic in western Africa) suggests that even temporary school closures can have lifelong implications (particularly for girls).[6] In addition, rising food prices, combined with reduced incomes, mean that more and more households are having to cut down on the quantity and quality of their food consumption, threatening past gains in poverty reduction, health, and food security. Rising food, fuel, and other commodity prices pose significant fiscal risks, requiring substantial fiscal support not currently accommodated in countries' medium-term fiscal frameworks.

With about 30 million people thrown into extreme poverty regionwide, the crisis has not only worsened inequality across income classes but also resulted in

[4] Hill, Robert, and Tim Köhler. 2021. "Mind the Gap: The Distributional Effects of South Africa's National Lockdown on Gender Wage Inequality." Development Policy Research Unit Working Paper 202101, University of Cape Town, South Africa.

[5] World Bank. 2021. "South Africa Economic Update, Edition 13: Building Back Better from COVID-19 with a Special Focus on Jobs." Washington, DC.

[6] International Labour Organization. 2021. *World Employment and Social Outlook: Trends 2021*. Geneva.

a dangerous deterioration in subnational geographic inequality, which may add to the risk of social tension and political instability (Figure 16).[7]

A more complex policy environment

A familiar set of uncomfortable trade-offs…

Policymakers in sub-Saharan Africa face three key fiscal challenges: first, to address the region's pressing development-spending needs, second, to contain public debt, and third, to mobilize tax revenues in circumstances in which additional measures are generally unpopular (Figure 17).

Meeting these goals has never been easy and often entails a difficult balancing act because efforts to address one element will inevitably come at the expense of the other two. Higher spending, for example, will require that the authorities either take on more debt or mobilize additional tax revenues or both. Efforts to boost tax revenues, though politically and socially challenging, would provide much-needed resources to either increase spending or contain debt or both.

…has been made even more difficult by the crisis

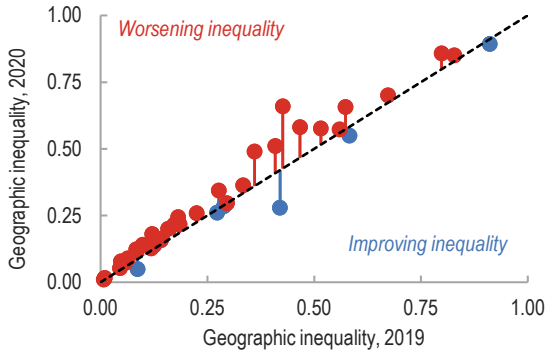
Given the pandemic's impact on the region's outlook, finding the right balance is now even more difficult. But inaction is not an option—every country faces its own set of specific needs and difficult trade-offs, but each must make its way forward as best it can, tailoring its policy responses as appropriate.

- Spending needs are growing. Sub-Saharan Africa's development needs were already sizable pre-pandemic but are now even more pressing. For example, regionwide employment fell by about 8½ percent in 2020, extreme poverty has spiked up sharply, and disruptions to education have jeopardized the prospects of an entire generation of schoolchildren. As highlighted in the April 2021 *Regional Economic Outlook: Sub-Saharan Africa*, the region's poorest countries will face $245 billion in additional external funding needs (or $425 billion for the entire region) over the next five years to recover ground lost during the crisis.

- Increasing debt vulnerabilities are a concern. Despite the spending needs associated with the pandemic, most countries will nonetheless need to undertake fiscal consolidation to contain rising debt vulnerabilities. Overall public debt levels are expected to improve slightly in 2021 to 56.6 percent of GDP, but this ratio remains elevated compared with a pre-pandemic level of 50.4 percent, and debt is still a concern in a significant number of countries. In 2021, half of the region's low-income developing economies (accounting for 25 percent of the region's GDP and 28 percent of the region's debt stock) are either in debt distress or at high risk of debt distress (Figure 18).

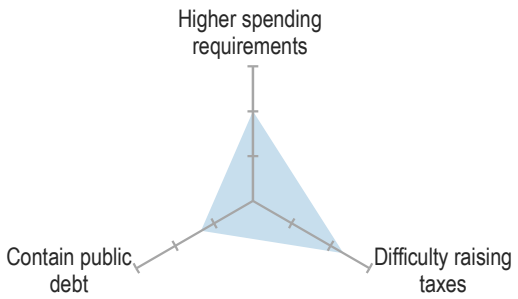
  There are also vulnerabilities related to the composition of public debt. About half of the region's public debt is external—split almost equally between bilateral creditors, multilateral creditors, and Eurobonds—while a small amount is from foreign commercial banks and others. Although China is a dominant player among bilateral creditors, accounting for about half of the debt to bilateral creditors, it accounts for only about 7.5 percent of total public debt. Furthermore, debt to China is highly

Figure 16. Sub-Saharan Africa: Geographic Inequality, 2019–20
(Index)



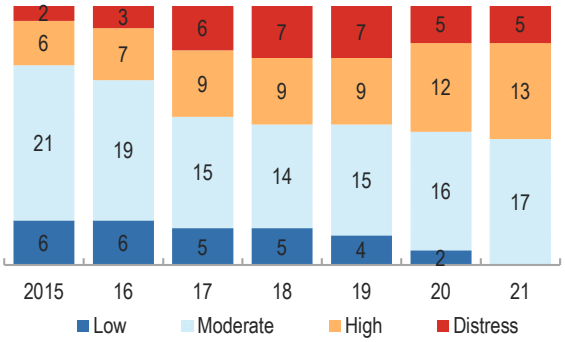
Sources: Earth Observation Group, Colorado School of Mines; and IMF staff calculations.

Figure 17. Fiscal Policy Trilemma
(Three conflicting policy goals)



[7] Fuje, Habtamu, Rasmane Ouedraogo, Jiaxiong Yao, Mohamed Diaby, and Franck Ouattara. Forthcoming. "Regional Inequality in Sub-Saharan Africa." Regional Economic Outlook Note, International Monetary Fund, Washington, DC.

Figure 18. Sub-Saharan Africa: Debt Risk Status for PRGT-Eligible Low-Income Developing Countries, 2015–21
(Number of countries)



Source: IMF, Debt Sustainability Analysis Low-Income Developing Countries database.

Note: Debt risk ratings in 2021 reflect the latest published debt sustainability assessments and may not reflect the current status. PRGT = Poverty Reduction and Growth Trust.

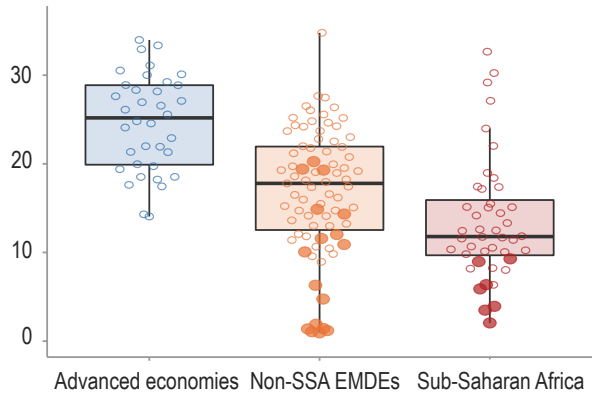
concentrated; five countries—Angola, Cameroon, Ethiopia, Kenya, and South Africa—account for 60 percent of China's outstanding loans to the region. The remaining half of the region's public debt is generally from domestic commercial borrowing sources, carries higher interest cost, and is of a shorter maturity.

- Raising additional revenue remains a challenge. Improvements in revenues outpaced expenditures in the first half of 2021, leading to improved fiscal balances in most countries. But revenue has not recovered to pre-pandemic levels. Historically, increased tax revenue mobilization has usually been the main policy lever for bridging the gap between spending pressures and public debt sustainability. Yet in sub-Saharan Africa, progress has often been disappointing and is likely to be even more politically difficult in current circumstances because the crisis has left many businesses and households with fewer resources (Figure 19). Indeed, in some countries, many have relied on tax forbearance or delayed tax payments to make it through the crisis (for example, Botswana, Burkina Faso, Cameroon, the Democratic Republic of the Congo, Ethiopia, and Senegal).

Measures to tackle the fiscal policy trilemma are urgently needed

On spending, many countries have been forced to maintain critical spending by cutting back on lower-priority items and delaying public investment. Regionwide deficits are expected to narrow by about 0.6 percent of GDP in 2021 and 1.1 percent in

Figure 19. Selected Economies: Non-Resource Tax Revenue
(Percent of GDP, filled points are fuel exporters)



Sources: International Centre for Tax and Development database; and IMF staff calculations.

Note: Data are for 2018 or latest available. Data exclude social contributions. Non-SSA EMDEs = non-sub-Saharan African emerging markets and developing economies.

2022, limiting the scope for addressing development needs. Nonetheless, authorities can create space by improving public investment efficiency and the quality of public procurement. In particular, investing in government digitalization now may provide a relatively cost-effective way of boosting efficiency and freeing up resources in the medium term (see April 2020 *Regional Economic Outlook: Sub-Saharan Africa*). Furthermore, reorienting some spending may yield important benefits in terms of inclusion and climate change mitigation. For example, the reduction of fuel subsidies to finance the extension of social protection could yield more inclusive growth (because those households would be able to consume more) and a possible reduction in carbon emissions.

The urgent and extraordinary nature of crisis-related spending increases the risk of wastage and fraud. Improved transparency and accountability can ensure that funds are helping the people who need it most. In the context of emergency financial support from the international community, many countries have committed to enhanced governance measures to ensure transparency and accountability of COVID-19-related spending. Eighteen months into the emergency response, information is becoming available on the progress in implementing these governance measures. On the publication of contract information, most commitments have or are being met, including, for example, in the Democratic Republic of the Congo, Guinea, and Kenya. Collecting and publishing the beneficial ownership of contracting companies is proving challenging, with only half of the countries (including Benin and Malawi) having implemented

this commitment or made substantial progress toward it. However, commitments made in the context of IMF financing during the pandemic will help countries, such as Kenya, adopt on a permanent basis reforms to enhance governance in the management of public funds and reduce corruption vulnerabilities. On audits of emergency spending, it is too early to assess the implementation. Nevertheless, some countries have already taken early action by conducting agile compliance or real-time audits (Kenya, Sierra Leone, South Africa, Zambia). On reporting of pandemic-related spending, most countries are publicly reporting on the execution of this spending or will begin to soon.[8]

The IMF, together with other development partners, has provided extensive capacity development support during the pandemic, shifting nimbly from in-person to online training, virtual missions, and regional workshops. These efforts helped address countries' fiscal, debt, and spending transparency needs, especially in the areas of public financial management, revenue administration, governance, and debt management. Looking ahead, close integration of capacity development with the IMF's surveillance and program lending will continue to ensure that such support can meet the dynamic demand for capacity development, addressing areas of increased interest such as climate change, debt sustainability, governance and anti-corruption, fintech, and expenditure and tax policy.

On public debt, the Debt Service Suspension Initiative has provided much-needed breathing space, and it has been extended until the end of 2021. Of the 37 eligible countries in the region, 30 countries have benefitted, with potential savings totaling $6.2 billion or 0.4 percent of regional GDP. The initiative helped countries increase COVID-19 spending and has also helped lower sovereign bond spreads for participating frontier economies.[9]

The time is also ripe for making the Common Framework fully operational. Three countries have sought debt relief under the Group of Twenty Common Framework: Chad, Ethiopia, and Zambia. Chad has already received financing assurances from its Group of Twenty bilateral creditors and now awaits commitments, on comparable terms, from private creditors and other official bilateral creditors. Successful implementation of the Common Framework in these cases is crucial for setting the stage for other countries with either unsustainable debt levels or liquidity pressures to seek early debt treatment.

As a key element of many countries' debt dynamics, the crisis has, in some cases, increased the fiscal risks emanating from government contingent liabilities and direct fiscal transfers to state-owned enterprises (SOEs). A number of authorities have taken steps to address the financial difficulties of SOEs and improve their oversight and management (for example, Kenya and Rwanda). In Ethiopia, authorities have established a dedicated special purpose vehicle to service legacy SOE debts after previously tightening SOE borrowing limits, government processes for granting SOE debt guarantees, and lending controls at the main state-owned bank (SOEs' primary source of domestic funding).

On revenue measures, depending on country circumstances, authorities intending to create fiscal space can consider increasing the efficiency of existing tax systems, lifting the progressivity and coverage of personal income taxes, eliminating distortionary corporate income tax exemptions and incentives, increasing the role of property and environmental taxes, or broadening the value-added tax base. For example, Kenyan authorities introduced a tax on digital services, among other measures. The success of these measures will ultimately depend on the strength of basic institutions and the effectiveness of tax policy and revenue administration. A key priority for revenue administrations is to develop a post crisis revenue collection action plan that sets out the necessary actions to restore compliance and secure additional revenue, while authorities should focus efforts on more sustained revenue mobilization through a medium-term revenue strategy.[10]

[8] International Monetary Fund. 2021. "Implementation of Governance Measures in Crisis-Related Spending." Washington, DC, May.

[9] Fuje, Habtamu, Franck Ouattara, and Andrew Tiffin. 2021. "Has the DSSI Helped Lower Sovereign Spreads of Participating SSA Countries?" IMF Special Series COVID-19 Note (August 24), International Monetary Fund, Washington, DC.

[10] International Monetary Fund. 2020. "Revenue Administration: Reinvigorating Operations to Safeguard Collection and Compliance." IMF Special Series on Fiscal Policies to Respond to COVID-19, Washington, DC.

External assistance can also help relax the binding trade-offs implied by the fiscal trilemma. In this context, a special allocation of special drawing rights (SDRs) which was put into effect in August will help boost reserves and create more budgetary space, helping authorities step up their fight against the pandemic without adding to their debt burden. Sub-Saharan Africa will receive $23 billion, with the region's two largest economies, Nigeria and South Africa, accounting for one-third of the total. The allocation is sizable for many countries relative to the size of their economy. For example, in Liberia and Zambia, the allocation is well above 5 percent of GDP (Box 2). Although the decision on how to use the allocation rests with each individual country, care should be taken not to postpone macroeconomic adjustment or reform. Enhanced transparency and accountability in the use of SDRs is essential in keeping up with best practices on central bank governance and operations, fiscal governance and public financial management, and debt sustainability.

Tailoring monetary and financial sector policies to a changing landscape

Monetary policy in sub-Saharan African countries has also been constrained in its ability to support the economy compared with other parts of the world. For example, many countries in the region experienced an uptick in inflation in 2020, whereas inflation declined in advanced economies (Figure 20).

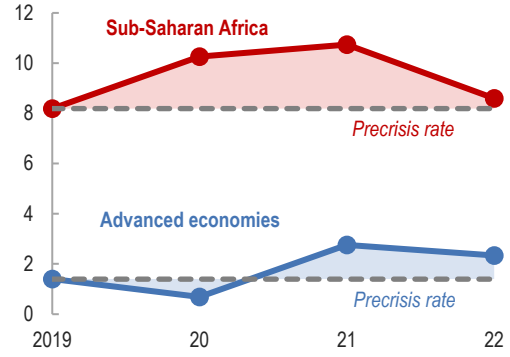
Regionwide, average inflation is poised to edge up further, from 10.3 percent in 2020 to 10.7 percent in 2021, but should then ease to 8.6 percent in 2022, once the pandemic-induced supply-demand mismatches resolve, and commodity prices moderate. Looking ahead, however, as economies throughout the region start to recover, the context for monetary policy decisions will change and will likely reflect the considerable country heterogeneity.

Some countries facing rising inflationary pressures have had to raise policy rates (Mozambique, Zambia), while others with declining or relatively stable inflation (Ghana, Nigeria, Uganda) have been able to lower or maintain rates to continue supporting the economy (Figure 21). Inflation is expected to remain low in the region's monetary unions (West African Economic and Monetary Union [WAEMU] and Central African Economic and Monetary Community [CEMAC]), despite heightened inflationary pressures caused by supply disruptions and a pickup in economic activity.

Exchange rate pressures have generally eased over the past year, particularly compared with the peak of the crisis in 2020 (Figure 22). Over this period, several countries have shifted toward more flexibility, but more can be done. For instance, in Nigeria, after welcome steps toward exchange rate unification earlier this year, the recent removal of parallel market data and measures to curtail foreign exchange supply led to uncertainties and a sharp rise in the parallel market premium. For those countries experiencing upward pressure on their exchange rates over 2021, some have taken advantage of the opportunity to build their reserves. Countries should generally try to ensure, through appropriate sterilization, that such interventions do not support an unsustainable policy mix. In the context of sub-Saharan Africa, where reserve levels are generally low and external balances are still weak in relation to desired policies and medium-term fundamentals, reserve accumulation may be warranted.

Figure 20. Selected Economies: Consumer Price Inflation, 2019–22

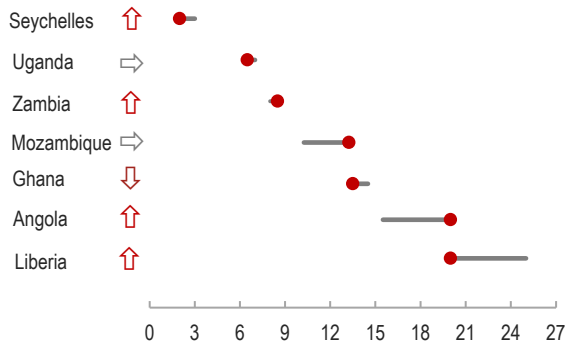
(Annual average, percent change)



Source: IMF, World Economic Outlook database.

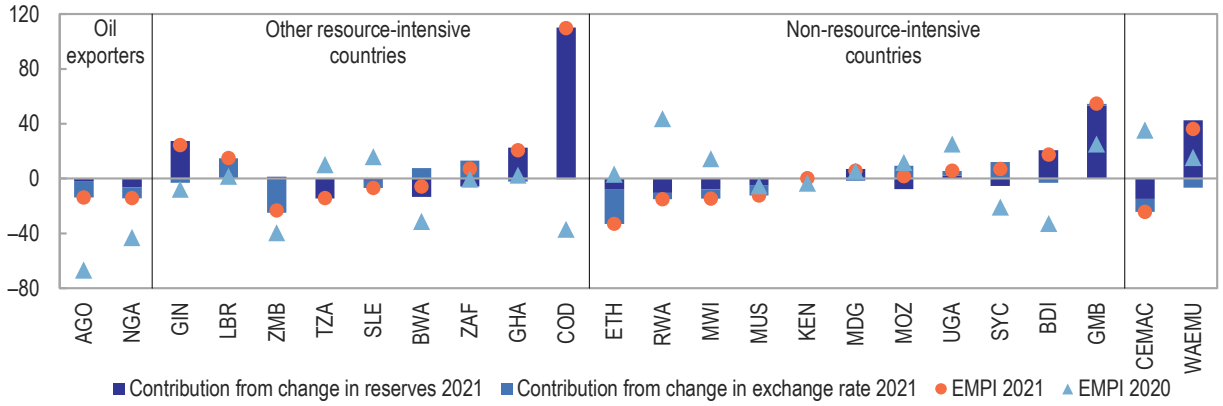
Figure 21. Sub-Saharan Africa: Policy Rate Changes, January–August 2021

(Percent, arrow = rising, declining, or flat inflation)



Sources: Haver Analytics; and IMF, World Economic Outlook database.

Figure 22. Sub-Saharan Africa: Exchange Market Pressure, 2020–21
(Percent)



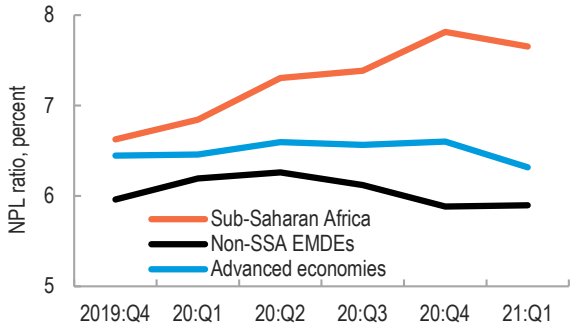
Sources: IMF, International Financial Statistics database; and IMF staff calculations.

Note: The indicator of exchange market pressure index is the sum of the negative percent change in US dollar per local currency unit exchange rate plus the percent change in reserves. The changes are July to July of the previous year. Negative values indicate pressure. Data labels use International Organization for Standardization country codes. CEMAC = Central African Economic and Monetary Community; EMPI = exchange market pressure index; WAEMU = West African Economic and Monetary Union.

Banking sector. Nonperforming loans (NPLs) in sub-Saharan Africa remain elevated, averaging about 8.0 percent of the total loan portfolio. For countries where data are available, the average NPL ratio has increased modestly during the crisis from 6.6 percent at the end of 2019 to 7.7 percent as of March 2021—still below the 2018 levels (Figure 23). But these ratios may increase once regulatory forbearance and other exceptional support measures expire, which would severely limit the banking sector's ability to provide new credit and support the economy.[11]

The crisis expanded bank exposures to the government, with credit growth to the government increasing on average by about 3 percent of GDP, compared with that to the private sector by 1½ percent of GDP. Similarly, regulatory forbearance has perhaps prevented many nonviable loans from being captured properly in existing financial soundness indicators. In some countries, regulatory forbearance is scheduled to end in 2021 (Botswana, Cabo Verde, CEMAC countries).

Figure 23. Selected Economies: Nonperforming Loans as a Ratio to Total Gross Loans



Source: IMF Financial Soundness Indicators.

Note: Non-SSA EMDEs = non-sub-Saharan African emerging markets and developing economies; NPL = nonperforming loans.

Debt sustainability concerns, coupled with an elevated degree of sovereign-bank codependence, could also increase systemic financial risk, ultimately jeopardizing the post-COVID-19 recovery (see October 2017 *Regional Economic Outlook: Sub-Saharan Africa*).

Looking ahead, it will be important for banks and supervisors to have an accurate picture of the financial system's health, including adequate loan classification and provisioning that reflect potential losses, and a realistic projection of capital shortfalls and recapitalization needs. Early recognition of potential problems is important, and enhanced supervision procedures may be warranted (CEMAC countries), including a risk-based assessment of banks and assets with weaknesses that predate the crisis. Supervisors will need to work with banks to develop a common framework for the resolution of NPLs in anticipation of the end of the forbearance measures. As economies recover and crisis-related measures are unwound, more targeted and time-bound measures could be introduced to ensure the financial system's health

[11] Eyraud, Luc, Irina Bunda, Jehann Jack, Tarak Jardak, Rasmané Ouedraogo, Zhangrui Wang, and Torsten Wezel. 2021. "Resolving Nonperforming Loans in Sub-Saharan Africa in the Aftermath of the COVID-19 Crisis." IMF Departmental Paper 2021/014, International Monetary Fund, Washington, DC.

and stability and the private sector's ability to support growth in the long term.

Sound policy frameworks remain as critical as ever

Medium-term fiscal frameworks. The unprecedented size of the fiscal response to the crisis has led many countries to deviate from their fiscal frameworks. Yet providing a sound medium-term perspective is a crucial element of maintaining credibility and anchoring expectations beyond the current period of stress. A renewed commitment to replenish fiscal buffers, especially by resource-rich countries benefitting from high commodity prices, could further enhance the credibility of fiscal trajectories by building a culture of macroeconomic risk management, smoothing spending through the cycle, and avoiding financing constraints in the future. The formulation of sound and credible fiscal frameworks may, in turn, require institutional reforms, including extending the budget horizon beyond the annual cycle. Authorities can commit to future fiscal efforts in different ways, but some up-front action may be needed where track records are weak. A temporary and time-bound suspension of the application of WAEMU fiscal rules seems appropriate, provided that countries fulfill their commitment to return to more sustainable fiscal positions by 2024. Structural fiscal reforms, which reduce deficits durably (for example, subsidy reforms and public employment and wage reforms), can be legislated but implemented gradually and designed so that their impact on activity and vulnerable populations is mitigated.

Monetary anchors. The need for a credible monetary framework and an independent and transparent central bank is as important as ever in the context of elevated inflation and volatile import prices, and as countries transition from emergency measures. To support the recovery, monetary authorities should maintain an accommodative stance where possible, while still ensuring that inflation expectations remain anchored. As economies recover and policy support is unwound, central banks should do so in a gradual and well-communicated manner to help prevent undue volatility. They should also provide guidance on prospective changes to policy frameworks if such changes are warranted.

International cooperation remains vital

Coordinated and sustained multilateral action is critical to help countries overcome the pandemic's impact and return to the pre-pandemic income convergence path with advanced economies.

In this context, the IMF has moved swiftly and decisively to cover a significant portion of the region's needs and to catalyze additional support from the international community. The IMF quickly extended loans under the Rapid Credit Facility and the Rapid Financing Instrument, increased access in the context of existing arrangements, and granted debt service relief to its most vulnerable members through the Catastrophe Containment and Relief Trust (CCRT). As of September 2021, the IMF has provided about $24 billion in financial support to the region, including $16.5 billion for emergency assistance, and CCRT debt service relief to 22 countries, amounting to $596 million (Box 5). Combined with similar initiatives from bilateral donors and other multilateral development banks, this funding effort has freed critical resources for health and social spending and has mitigated some of the worst effects of the crisis. In July 2021, the IMF also approved a package of reforms to continue supporting low-income countries' financing needs, including through higher access limits to facilitate the provision of more concessional financing for the poorest countries.

Recognizing that a crisis of this magnitude will require more resources, the $650 billion SDR allocation in August became an additional shot in the arm for the region, boosting reserves and providing additional resources for economic recovery and transformation. Looking ahead, the voluntary channeling of SDRs from countries with strong external positions to those most in need can further magnify the impact of the new SDR allocation. Options to channel these resources include through the Poverty Reduction and Growth Trust to expand the available pool of concessional lending for low-income countries; a new trust—the Resilience and Sustainability Trust—being considered to help poor and more vulnerable economies with structural transformations, including greener recovery and pandemic preparedness; or lending to multilateral development banks. Used wisely, these resources could shape the region's post-pandemic recovery path.

Ensuring accelerated vaccine distribution in sub-Saharan Africa is a global public good (Box 4). The longer the world allows a large proportion of its population to go unvaccinated, the greater the possibility that new variants of the virus will develop,

adding to the prospect of a more protracted pandemic everywhere. The global path to a COVID-19-free world runs through sub-Saharan Africa. A multilateral strategy to help track, coordinate, and advance delivery of COVID-19 vaccines, therapeutics, and diagnostics tools to the region—and to mobilize relevant stakeholders to remove critical roadblocks—is essential.

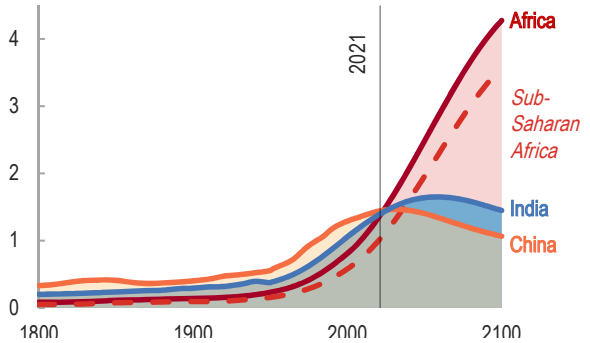
THE WAY FORWARD: SECURING THE REGION'S PLACE IN A CHANGING WORLD

Setting the stage for the African century

The global population is set to grow by about 2 billion people over the next three decades. Half of that growth will take place in sub-Saharan Africa, as the region's population is projected to double from about 1 billion to 2 billion people (Figure 24).

This trend represents the region's single greatest challenge, but it also presents perhaps its greatest opportunity: it embodies a vastly growing pool of human talent and ingenuity, with a billion individuals interacting at ever greater levels of intensity, all seeking new ways to better themselves and their communities. In this context, and in contrast to many other regions, sub-Saharan Africa's working-age population (25 to 64 years) is growing faster than any other age group,

Figure 24. Selected Economies: Population, 1800–2100
(Billions)



Sources: Our World in Data; and United Nations Population Prospects Revision (2019) Medium Scenario.

providing a valuable opportunity for accelerated growth. More than 1½ million people enter the labor force every month, and within 10–15 years, more than half of the world's new job market entrants will come from sub-Saharan Africa, making the region potentially one of the world's most dynamic economies and one of its most important markets.[12]

Capitalizing on this potential will require bold, transformative reforms

The first step in realizing any potential demographic dividend is to ensure that the population is sufficiently healthy and well-educated to participate in the global economy. In both areas, however, the COVID-19 pandemic has resulted in significant setbacks because of prolonged school closures and disruption of critical campaigns against measles, malaria, and other chronic diseases.[13] Recovering lost ground will be essential (and costly), but it cannot proceed while the population remains at risk from the virus. Therefore, a swift and comprehensive vaccination effort is a key precondition for successful longer-term reform.

In addition to a healthy and skilled workforce, sustained growth will require that new job entrants are matched with new job opportunities. This, in turn, will require reforms to ensure a growth-friendly business climate and greater private investment. These reforms have long been understood to be needed and include enhancing the contestability of markets, removing key bottlenecks (such as unreliable electricity), leveling the playing field between public and private firms, aligning the treatment of firms in the formal and informal sectors, reducing red tape, improving governance, and broadening financial inclusion (see April 2021 *Regional Economic Outlook: Sub-Saharan Africa*). In addition, the global diffusion of digital technologies promises to create new opportunities for progress and inclusion, so digital reforms and infrastructure will help boost sub-Saharan Africa's resilience and efficiency, expanding access to global markets, improving public service delivery, increasing transparency and accountability, and fostering the creation of new jobs. Furthermore, one of the region's most promising prospects stems from the new African Continental Free Trade Area, a potential market of 1.3 billion people, with a combined GDP

[12] Abdychev, Aidar, Cristian Alonso, Emre Alper, Dominique Desruelle, Siddharth Kothari, Yun Liu, Mathilde Perinet, Sidra Rehman, Axel Schimmelpfennig, and Preya Sharma. 2018. "The Future of Work in Sub-Saharan Africa." IMF Departmental Paper 18/18, International Monetary Fund, Washington, DC.

[13] Benedek, Dora, Edward Gemayel, Abdelhak Senhadji, and Alexander Tieman. 2021. "A Post-Pandemic Assessment of the Sustainable Development Goals." IMF Staff Discussion Note 2021/003, International Monetary Fund, Washington, DC.

of almost $2½ trillion. Ensuring the success of this trade-integration framework would not only reduce Africa's vulnerability to global disruptions but will boost regional competition, attract foreign investment, and promote food security (see October 2019 *Regional Economic Outlook: Sub-Saharan Africa*).

In light of a changing climate

An increasingly urgent global issue…

Without deliberate action to reduce global greenhouse gas (GHG) emissions, the planet is on course to reach temperatures not seen in millions of years, with potentially catastrophic implications. In this context, an overwhelming majority of countries adopted the Paris Agreement in 2015, with the aim of limiting the increase of global temperatures to 1.5 degrees Celsius (°C).

But most recently, the first installment of the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) has suggested that the pace of warming is proceeding faster than anticipated, and that without a dramatic and immediate reduction of emissions, the goal of limiting global warming by 1.5°C or even 2°C may be beyond reach.[14]

…with an outsized impact on the region

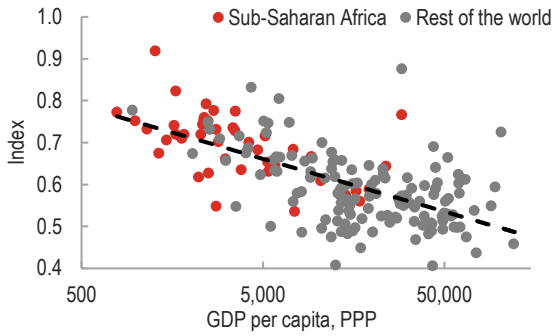
This has dramatic implications for sub-Saharan Africa. Although the region is the world's smallest contributor to carbon dioxide emissions (less than 3 percent of the global total), it is perhaps the most vulnerable to climate-related shocks (Figure 25). One-third of the world's droughts already take place in sub-Saharan Africa, and its dependence on rain-fed agriculture makes it particularly vulnerable to rising temperatures and extreme weather events. Moreover, the IPCC report notes that temperatures have increased more rapidly in Africa compared with the global average, and sea levels have similarly risen faster than the global average. In this context:

- IMF estimates suggest that a single drought can lower an African country's medium-term growth potential by 1 percentage point, about eight times larger than the impact in other emerging markets and developing economies (see April 2020 Regional Economic Outlook: Sub-Saharan Africa).
- Similarly, a spike in temperatures of 0.5°C in a given month can shrink activity by 1 percent, almost 60 percent more than in other emerging markets and developing economies.

Looking ahead, the IPCC report projects that (1) the frequency and intensity of heavy precipitation events will increase almost everywhere in Africa, (2) increasing hot extremes (including heatwaves) will continue, and (3) the continent's relative sea level rise will likely increase the frequency and severity of coastal flooding and erosion in low-lying areas. In addition, the frequency of droughts is projected to increase in southern and southeastern Africa and in Madagascar, which is already in the grip of a devastating drought and is reportedly on the brink of the world's first climate-change-induced famine.

Furthermore, climate change can act as a multiplier for conflict and fragility, worsening preexisting tensions, weak governance, and other socioeconomic concerns (Burkina Faso, Central African Republic, the Democratic Republic of the Congo, Mali, South Sudan). In this context, some studies have suggested that a 0.5°C warming is associated with a 10 to 20 percent increase in the risk of deadly conflict because deteriorating food security, population displacement, and water scarcity can trigger added insecurity and violence.[15,16]

Figure 25. Sub-Saharan Africa: Vulnerability to Climate Change, 2019



Sources: Notre Dame Global Adaptation Initiative; and IMF, World Economic Outlook database.

Note: PPP = purchasing power parity.

[14] Intergovernmental Panel on Climate Change. 2021. "Climate Change 2021: The Physical Science Basis." Geneva.

[15] Burke, Marshall, Solomon M. Hsiang, and Edward Miguel. 2015. "Climate and Conflict." *Annual Review of Economics* 7 (August): 577-617.

[16] Hegazi, Farah, Florian Krampe, and Elizabeth Smith. 2021. "Climate-Related Security Risks and Peacebuilding in Mali." SIPRI Policy Paper 60, Stockholm International Peace Research Institute, Solna, Sweden.

The world is moving forward to a greener future…

The COVID-19 pandemic has prompted a significant shift in the nature of global growth, accelerating the pace of digitalization for many and providing impetus for more serious and coordinated reform efforts to counter climate change. For example, the huge recovery programs announced in several advanced economies (European Union, United States) will give a boost to the much-needed green transformation of the global economy.

…presenting sub-Saharan Africa with new challenges and opportunities

The process of global energy transition may represent one of the most important challenges facing sub-Saharan Africa. On the one hand, worldwide efforts to slow the pace of climate change would have clear benefits in slowing the impact of global warming on Africa. On the other hand, implementing a parallel effort in sub-Saharan African countries may entail significant costs. Carbon taxes and the removal of fossil fuel subsidies, along with the addition of levies on electricity bills, could add to the cost of electricity and fuels, leading to affordability challenges for large portions of the population. Moreover, efforts by advanced economies to avoid carbon leakage by imposing a special levy on carbon-intensive imports may affect global trade and export opportunities (Box 3). An additional challenge may come from the transition's potentially prolonged impact on economic activity and employment in countries that rely heavily on fossil fuels.[17] Overall, the road ahead will require a delicate balancing act—weighing the increasingly alarming costs of inaction versus the sometimes-concentrated costs of adjustment, while simultaneously ensuring that the global burden of the transition is shared equitably.

More broadly, energy transition means that countries in the region will have to adopt a growth model different from the one embraced previously by many advanced economies: transitioning from fossil fuels to a low-carbon industrialization path. The region has unrivalled potential for renewable energy, particularly in using solar power for its own development needs and for export. The region can also capitalize on its abundance of strategic minerals. In this context, the global digital revolution, the adoption of wind and solar technologies, and the increasing reliance on fuel cells to power electric vehicles will drive up worldwide demand for key commodities such as cobalt, copper, and nickel. In the case of cobalt, the Democratic Republic of the Congo accounts for about 70 percent of global output and 50 percent of global reserves. In a scenario in which carbon emissions are brought to net zero by 2050, prices of cobalt, lithium, and nickel are projected to rise by several hundred percent compared with 2020 levels. For exporters, this may represent a sixfold boom in the value of metals production, potentially rivaling the value of oil production (see October 2021 *World Economic Outlook*, Chapter 1).

Local efforts to address climate change…

Policymakers in sub-Saharan Africa will have to address climate change through a mix of adaptation and mitigation. Adaptation can be understood as the process of adjusting to the current and future effects of climate change, while mitigation entails reducing the impact of climate change by preventing or limiting the GHG emissions.

Much of the region's policy efforts will need to be focused on adapting to a changing climate. Measures will need to be broad-ranging—from irrigation and introduction of drought-resistant crops to implementation of better risk-sharing and social security arrangements, from upgraded infrastructure to more efficient land management through digital solutions, and from private sector adaptation through standards to investment in health care and education.

Unfortunately, adaptation is costly. IMF estimates suggest that $30 billion to $50 billion will be needed every year, equivalent to 2–3 percent of regional GDP. Considering most economies' limited fiscal space, which will be stretched ever further for as long as the pandemic persists, few countries will be able to afford this easily.

But as large as these costs are, they are still significantly smaller than the costs of inaction. Affordable or not, without this spending, sub-Saharan Africa may find itself responding to a mounting series of climate-related humanitarian emergencies, diverting authorities' focus from longer-term development, and constraining the region's ability to integrate with the global economy.

[17] International Monetary Fund. 2021. "Climate Change Adaptation and Transition Issues in a Low-Income Country Oil Exporter." Republic of Congo, 2021 Article IV Consultation, Selected Issues Paper, October.

…will require substantial external funding…

Faced with few options, mobilizing external financing from both public and private sector sources will be a key priority for most sub-Saharan African nations.

- Climate funds can provide substantial grant financing for both adaptation and mitigation projects while catalyzing climate innovation and private sector participation.
- Green bonds can be earmarked for relatively high-return, low-risk projects. For countries with high risk premiums, the issuance of green bonds will often require a credible fiscal framework and improved debt management.
- A range of other innovative financing options may emerge as sub-Saharan African financial markets become more sophisticated and risk premiums decline. This should help governments, firms, and households in making the investments they need.[18]
- International markets for environmental or carbon credits could be another potential source of financing, depending on how they evolve. The region has sizable emissions sequestration potential. The Congo Basin, for example, houses one-quarter of the world's tropical forests, removing carbon dioxide from the atmosphere and regulating a large portion of the region's water cycle.

…and climate-centered development strategies

National development strategies should incorporate climate-related goals. They should, for example, reflect any long-term objectives or quantitative targets set out within a country's Nationally Determined Contributions under the Paris Agreement or climate-relevant Sustainable Development Goals. South Africa currently includes its climate-related targets and objectives within its national development plan.

Greater resilience requires greater diversification. In this context, authorities should ensure that their current diversification strategies are well aligned with the contours of a new post-COVID-19 global economy, laying the groundwork for a faster, smarter, greener recovery, and consistent with authorities' green-growth and climate-resilience goals. Oil-dependent countries should accelerate their efforts to develop alternative export industries, considering the accelerating global adoption of electric vehicles and the worldwide efforts to tackle climate change.

Medium-term fiscal strategies should incorporate climate-related risks. Given the impact of climate change, authorities need to ensure that their fiscal frameworks remain credible in the face of climate-related risks. These include the costs associated with mitigation, including any side effects from measures in other countries (for example, border adjustment taxes or restrictions on air travel), and the potential costs of adaptation, including any weather-related risk to infrastructure. These risks can create large borrowing needs and should be integrated into authorities' fiscal and debt management strategies and their debt sustainability analysis and medium-term budget frameworks.[19]

If successful, the region will be poised to fulfill the promise of the African century, contributing to a more prosperous, greener future for the region and for the world.

[18] Devine, Hilary, Adrian Peralta-Alva, Hoda Selim, Preya Sharma, Ludger Wocken, and Luc Eyraud. 2021. "Private Finance for Development: Wishful Thinking or Thinking Out of the Box?" IMF Departmental Paper 2021/011, International Monetary Fund, Washington, DC.

[19] Gonguet, Fabien, Claude Wendling, Ozlem Aydin Sakrak, and Bryn Battersby. 2021. "Climate-Sensitive Management of Public Finances—'Green PFM.'" IMF Staff Climate Note 2021/002, International Monetary Fund, Washington, DC.

Box 1. Food Inflation in Sub-Saharan Africa

Food inflation in the region has been steadily increasing since 2019, averaging 10.9 percent in August (year over year) across 25 countries where monthly data are available (Figure 1.1). The recent increase in food inflation partly reflects the pass-through from global food prices, which rose by about 30 percent in August (year over year; Figure 1.2). Higher global food prices likely reflect higher oil prices (implying rising biofuel demand and higher energy costs), droughts in and export restrictions by some major food exporters, and stockpiling in some countries.[1] In addition, during the pandemic, containment measures could have also disrupted production and imports of seeds and fertilizers and caused the shortages of work hands during planting seasons. Domestic factors, including the weather, exchange rates, transport costs, and conflicts, also played a role in the rise in food prices in the region.[2] They also explain the considerable heterogeneity in food inflation across countries, which ranges from near zero in Chad to more than 30 percent in Angola.

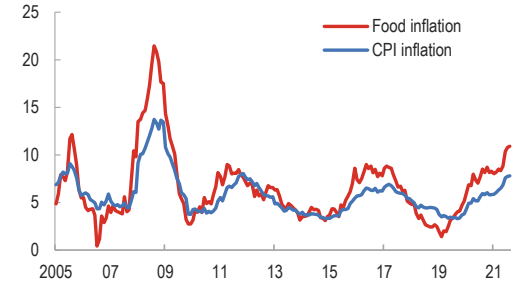
The pickup in food inflation has contributed to higher consumer price index (CPI) inflation. On average, CPI inflation in the region rose to 7.8 percent in August, year over year, up from 3–4 percent in early 2019. Rising food prices have pushed up CPI inflation, given the large share of food in the consumption basket in the region (about 40 percent). But food items were not the only factors driving aggregate CPI inflation higher. Global factors, such as pandemic-related supply chain disruptions and rising commodity prices, and changes in domestic administered prices have also affected the region's overall price level (see October 2021 *World Economic Outlook*, Chapters 1, 2).

The effects of food inflation on aggregate CPI inflation should dissipate over the medium term. For example, stabilization of oil prices would help relieve the pressure on food prices. Also, CPI inflation is expected to moderate as commodity prices ease and pandemic-induced global supply chain disruptions resolve. However, uncertainty around inflation prospects remains elevated. High food inflation could persist if inflation expectations become de-anchored or supply chain disruptions continue.

Higher food inflation could worsen food insecurity and shortages and exacerbate inequality by disproportionally affecting the poor in sub-Saharan Africa. The number of undernourished persons in the region is projected to have already increased by 20 percent in one year to 264 million in 2020. Risks of food insecurity could be lowered by:

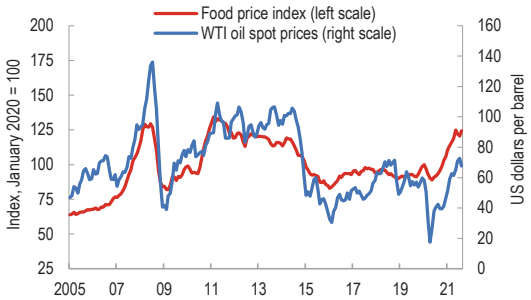
- Providing targeted social assistance and insurance to help populations cope (see April 2020 *Regional Economic Outlook: Sub-Saharan Africa,* Chapter 2). Coping mechanisms will also be enhanced by improving the access to finance, seed stocks, insecticide, fertilizer, anti-erosion measures, and irrigation. More reliable mobile phone coverage could also help address information asymmetries.
- Avoiding trade barriers, which can negatively affect incentives to produce food in the long term.

Figure 1.1 Sub-Saharan Africa: Food Inflation and CPI Inflation
(Percent)



Sources: Country authorities; and Haver Analytics.
Note: Average across 25 countries with available consumer price index data. CPI = consumer price index.

Figure 1.2 FAO Food Price Index and WTI Oil Spot Prices



Sources: Food and Agriculture Organization of the United Nations (FAO); and Haver Analytics.
Note: WTI = West Texas Intermediate.

This box was prepared by Seung Mo Choi.

[1] Food and Agriculture Organization of the United Nations. 2021. *Food Outlook – Biannual Report on Global Food Markets.* Rome, June.

[2] Alper, Emre, Niko A. Hobdari, and Ali Uppal. 2016. "Food Inflation in Sub-Saharan Africa: Causes and Policy Implications." IMF Working Paper 16/247, International Monetary Fund, Washington, DC.

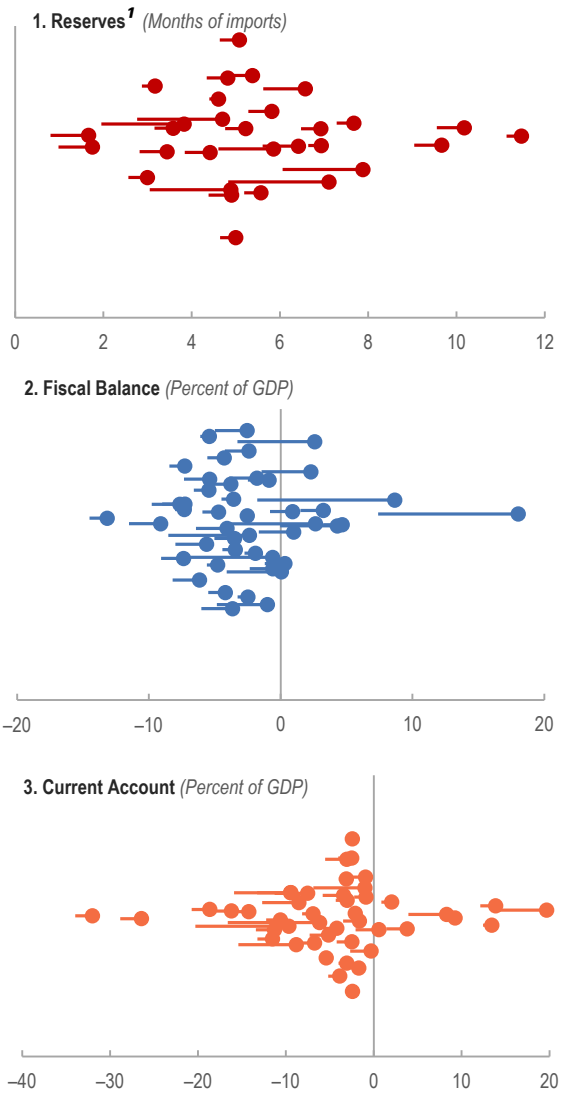
Box 2. Special Drawing Rights Allocation: A Shot in the Arm for Sub-Saharan Africa

On August 23, 2021, sub-Saharan African countries received about $23 billion of the $650 billion general allocation of special drawing rights (SDRs), the largest allocation of SDRs in the history of the IMF. The allocation is intended to help all IMF members—and particularly the most vulnerable ones—cope with the impact of the COVID-19 crisis. SDRs are being distributed to countries in proportion to their quota shares in the IMF, with sub-Saharan African emerging markets and low-income countries at $10 billion and $13 billion, respectively. The allocation is sizable for many countries relative to the size of their economy, for example, well above 5 percent of GDP for Burundi, Liberia, Sierra Leone, South Sudan, and Zambia. The region's two largest economies, Nigeria and South Africa, account for one-third of the total SDR allocation.

Because SDRs are unconditional reserve assets, their allocation provides additional liquidity to sub-Saharan African countries that face particularly difficult policy trade-offs because of higher vulnerability, lower capacity, and more limited policy space. As such, countries with reserves below adequate levels could use their allocated SDRs to rebuild reserves, maintain accommodative monetary policy to support economic recovery, or both. Countries could also use the SDR allocation to help finance public spending necessary to provide access to COVID-19 vaccines or other health care. Members are advised to use the SDR allocation in a manner consistent with macroeconomic sustainability and transparency, while not delaying needed macroeconomic adjustment, reforms, and debt restructuring.[1]

The SDR allocation could boost foreign exchange reserves in the region by about 25 percent (50 percent), excluding (including) outliers (South Sudan, Zambia, and Zimbabwe), on average (Figure 2.1.1). If sub-Saharan African countries choose to use the SDR allocation for budget support, for example, either to reduce the reliance on more expensive domestic or external debt or to create fiscal space, the SDR allocation could provide financing for about half of the region's fiscal deficits or finance about one-third of the current account deficit, on average (Figures 2.1.2 and 2.1.3).

Figure 2.1 Sub-Saharan Africa: Impact of SDR Allocation on Reserves, Fiscal Balance and Current Account, 2021



Sources: IMF, World Economic Outlook database; IMF Finance Department database; and IMF staff calculations.

[1] Excludes CEMAC and WAEMU member countries.

Note: CEMAC = Central African Economic and Monetary Community; WAEMU = West African Economic and Monetary Union.

This box was prepared by Mai Farid.

[1] For more details, see International Monetary Fund. 2021. "Guidance Note for Fund Staff on the Treatment and Use of SDR Allocations." IMF Policy Paper 2021/059, Washington, DC.

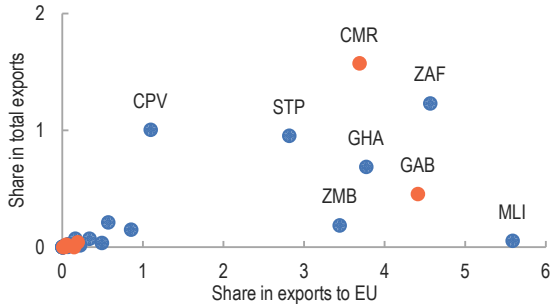
Box 3. Carbon Pricing: Implications for Sub-Saharan Africa

Countries are moving to implement carbon pricing to honor their commitments to reduce carbon dioxide (CO2) and other greenhouse gas (GHG) emissions under the 2015 Paris Agreement. Such measures—for example, emissions trading systems or carbon taxes—aim to increase the cost of CO2 emissions, motivating the development of technologies that are much less CO2 intensive. The European Commission proposes a new Carbon Border Adjustment Mechanism (CBAM), which aims to price the carbon emissions embodied in certain European Union (EU) imports at a carbon price equal to that faced by domestic EU producers. This is hoped to reduce the "carbon leakage" that can result when domestic carbon pricing encourages production to migrate to countries with less ambitious environmental policies.[1] In practice, however, it appears that the CBAM would largely be based on product- or country-specific estimates rather than the actual levels of embodied carbon. The CBAM is proposed to be phased in gradually starting in 2023 and initially apply to a select number of goods at high risk of carbon leakage: iron and steel, cement, fertilizers, aluminum, and electricity generation.

Carbon pricing policies abroad have the potential to penalize and restrict trade flows from sub-Saharan Africa over time. The uneven implementation of carbon pricing around the world raises concerns about trade distortions. In particular, firms facing high carbon prices could suffer a cost disadvantage over firms in low carbon price jurisdictions. The CBAM itself will initially target a small share (4 percent) of sub-Saharan Africa's exports to the EU (or about 1 percent of total sub-Saharan exports). However, by 2026, the EU is expected to extend the CBAM's scope to additional products and services. Furthermore, the CBAM's impact will vary greatly by country—even with limited coverage at the start, 59 percent of Mozambique's exports to the EU compared with 3.8 percent of Ghana's exports (18 and 0.7 percent of their total exports, respectively) will be affected (Figure 3.1). The CBAM will lead to declines in exports from developing countries in favor of developed countries, which tend to have less carbon-intensive production processes. The CBAM-equivalent import tariff was estimated to be as high as 33 percent for cement exports from West African countries and 10 percent for aluminum exports from South Africa.[2]

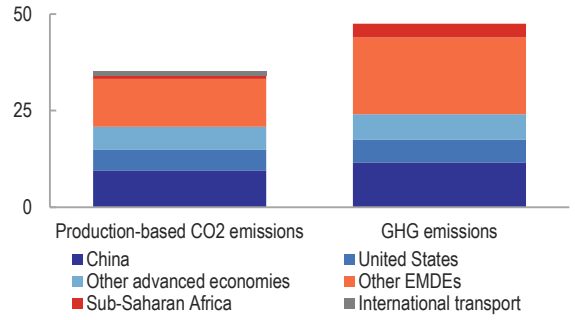
Domestic carbon pricing in sub-Saharan Africa is still in its infancy. South Africa is the only country in the region to have implemented a carbon tax back in June 2019, while Côte d'Ivoire and Senegal are still only exploring carbon pricing. Other countries rely on indirect instruments to reduce carbon emissions, such as taxes imposed on energy-inefficient technologies (Kenya, Malawi, Uganda, Zambia) or taxes on fossil fuels (Botswana, Mauritius, Zimbabwe). Given the region's low GHG emission profile (less than 3 percent of global CO2 emissions), non-traditional carbon pricing mechanisms (for example, forest conservation and reform of fossil fuel subsidies) may be more appropriate in the sub-Saharan African context (Figure 3.2). Countries also need to build capacity and the necessary institutions for efficient implementation and enforcement of carbon pricing, and consider the potential costs. This will require technology transfer from more advanced economies and support from the international community.

Figure 3.1 Sub-Saharan Africa: Trade Subject to CBAM, 2019
(Percent, orange = oil exporters)



Sources: United Nations International Trade Statistics database (COMTRADE); and IMF staff calculations.
Note: Mozambique and Zimbabwe are omitted as outliers, with shares in EU (total) exports of 59 (18) and 23 (3.4), respectively. Data labels use International Organization for Standardization country codes. CBAM = Carbon Border Adjustment Mechanism; EU = European Union.

Figure 3.2 Selected Regions: CO2 and GHG Emissions, 2016
(Billion tonnes)



Sources: Our World in Data; and IMF staff calculations.
Note: CO2 = carbon dioxide; EMDEs = emerging markets and developing economies; GHG = greenhouse gas.

This box was prepared by Shushanik Hakobyan.

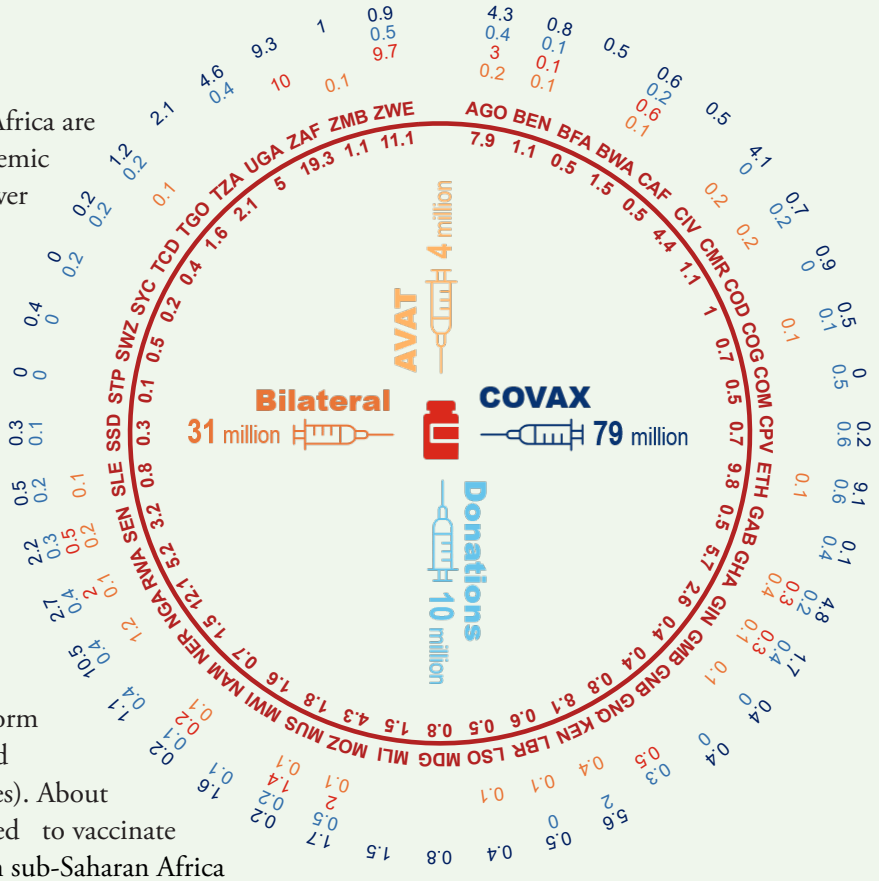
[1] Parry, Ian, Peter Dohlman, Cory Hillier, Martin Kaufman, Kyung Kwak, Florian Misch, James Roaf, and Christophe Waerzeggers. 2021. "Carbon Pricing: What Role for Border Carbon Adjustments?" IMF Staff Climate Note 2021/004, International Monetary Fund, Washington, DC.

[2] UNCTAD. 2021. "A European Union Carbon Border Adjustment Mechanism: Implications for Developing Countries." Geneva.

Box 4. COVID-19 Vaccine Delivery and Rollout in Sub-Saharan Africa

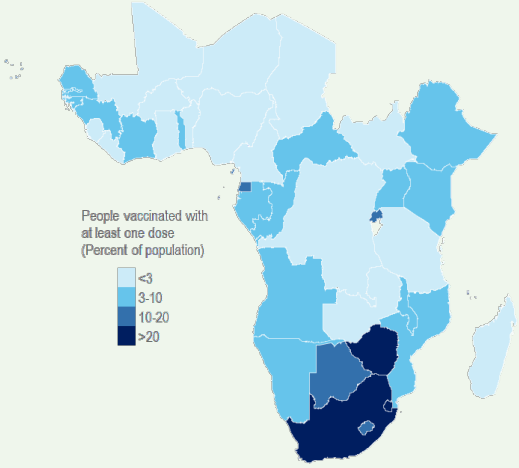
125 million doses delivered

Countries in sub-Saharan Africa are still in the grip of the pandemic and have faced a much slower vaccine rollout, hampered by lack of supply and export restrictions by key producers. So far, 125 million doses of the vaccine have been delivered, many of which have come from multilateral initiatives, such as COVID-19 Vaccines Global Access (COVAX) and the African Vaccine Acquisition Trust (AVAT), including in the form of donations from advanced economies (50 million doses). About 880 million doses are needed to vaccinate 40 percent of population in sub-Saharan Africa



Vaccine Access Remains Difficult, Threatening A Delayed Recovery

Seychelles administered its first COVID-19 vaccination on January 10, 2021. Since then, 73 million doses have been administered in the region. However, sub-Saharan Africa's vaccination rate lags behind the rest of the world.



Lowest vaccination rate in the world

49 million people or **4.5%** of population have received at least one dose of COVID-19 vaccine

Fully vaccinated

29

million people

2.6%

of population

São Tomé and Príncipe

Highest daily vaccination rate in the first week of October 2021

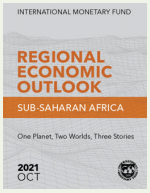
Mass vaccination has not started yet in **Burundi** and **Eritrea**

Sources: Airfinity, UNICEF COVID-19 Vaccine Market Dashboard, Our World in Data, and IMF staff calculations.
Note: Data are as of October 7.

Box 5. IMF Highlights in Sub-Saharan Africa

SURVEILLANCE

5 Regional Economic Outlooks



FSAP underway in **South Africa** **WAEMU**

5 Departmental Papers

5 Special COVID-19 Notes

35 Working Papers

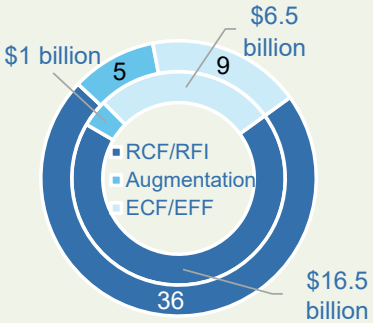
15 Article IV Consultations

31 Program Reviews

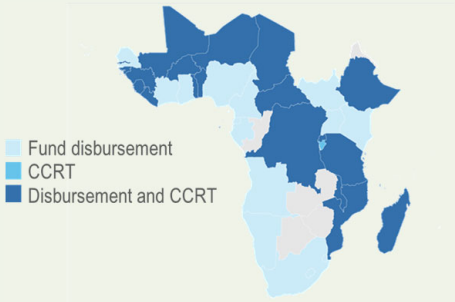
Visits to Blogs & Country Focus Articles
196,106

LENDING

$24 billion financial assistance to **38** countries



Emergency assistance
$16.5 billion **36** countries



CCRT Debt Service Relief
3 tranches
22 countries
$596 million

New SDR allocation
$23 billion to sub-Saharan Africa

CAPACITY DEVELOPMENT

Over **3,000** CD engagements

3,366 government officials completed training

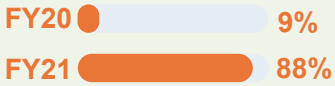
1,672 field missions

1,567 virtual missions

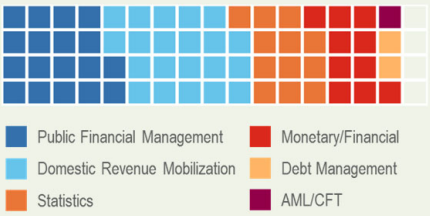
575 regional workshops

92 online trainings

Switch to virtual missions



AFR CD Spending
(High demand areas in FY22, 1 square = 1 million US$)



Missions to

Fast-Growing Areas
climate change
debt management
anti-corruption/governance

Source: IMF staff calculations.
Note: Data cover the period between January 2020 and September 2021. Data on capacity development cover FY2020–21.

Statistical Appendix

Unless otherwise noted, data and projections presented in this *Regional Economic Outlook* are IMF staff estimates as of September 30, 2021, consistent with the projections underlying the October 2021 *World Economic Outlook.*

The data and projections cover 45 sub-Saharan African countries in the IMF's African Department. Data definitions follow established international statistical methodologies to the extent possible. However, in some cases, data limitations limit comparability across countries.

Country Groupings

Countries are aggregated into three (nonoverlapping) groups: oil exporters, other resource-intensive countries, and non-resource-intensive countries (see table on page 26 for the country groupings).

The oil exporters are countries where net oil exports make up 30 percent or more of total exports.

The other resource-intensive countries are those where nonrenewable natural resources represent 25 percent or more of total exports.

The non-resource-intensive countries refer to those that are not classified as either oil exporters or other resource-intensive countries.

Countries are also aggregated into four (overlapping) groups: oil exporters, middle-income, low-income, and countries in fragile situations (see table on page 26 for the country groupings).

The membership of these groups reflects the most recent data on per capita gross national income (averaged over three years) and the World Bank, Country Policy and Institutional Assessment score (averaged over three years).

The middle-income countries had per capita gross national income in the years 2018–20 of more than $1,045.00 (World Bank, using the Atlas method).

The low-income countries had average per capita gross national income in the years 2018–20 equal to or lower than $1,045.00 (World Bank, Atlas method).

The countries in fragile situations had average Country Policy and Institutional Assessment scores of 3.2 or less in the years 2016–18 and/or had the presence of a peacekeeping or peace-building mission within the last three years.

The membership of sub-Saharan African countries in the major regional cooperation bodies is shown on page 26: CFA franc zone, comprising the West African Economic and Monetary Union (WAEMU) and CEMAC; the Common Market for Eastern and Southern Africa (COMESA); the East Africa Community (EAC-5); the Economic Community of West African States (ECOWAS); the Southern African Development Community (SADC); and the Southern African Customs Union (SACU). EAC-5 aggregates include data for Rwanda and Burundi, which joined the group only in 2007.

Methods of Aggregation

In Tables SA1 and SA3, country group composites for real GDP growth and broad money are calculated as the arithmetic average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the World Economic Outlook (WEO) database.

In Table SA1, country group composites for consumer prices are calculated as the geometric average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the WEO database.

In Tables SA2–SA4, country group composites, except for broad money, are calculated as the arithmetic average of data for individual countries, weighted by GDP in US dollars at market exchange rates as a share of total group GDP.

Sub-Saharan Africa: Member Countries of Groupings

Oil Exporters	Other Resource-Intensive Countries	Non-Resource-Intensive Countries	Middle-Income Countries	Low-Income Countries	Countries in Fragile Situations
Angola	Botswana	Benin	Angola	Benin	Burundi
Cameroon	Burkina Faso	Burundi	Botswana	Burkina Faso	Central African Republic
Chad	Central African Republic	Cabo Verde	Cabo Verde	Burundi	Chad
Congo, Republic of	Congo, Democratic Republic of the	Comoros	Cameroon	Central African Republic	Comoros
Equatorial Guinea	Ghana	Côte d'Ivoire	Comoros	Chad	Congo, Democratic Republic of the
Gabon	Guinea	Eritrea	Congo, Republic of	Congo, Democratic Republic of the	Congo, Republic of
Nigeria	Liberia	Eswatini	Côte d'Ivoire	Eritrea	Côte d'Ivoire
South Sudan	Mali	Ethiopia	Equatorial Guinea	Ethiopia	Eritrea
	Namibia	Gambia, The	Eswatini	Gambia, The	Gambia, The
	Niger	Guinea-Bissau	Gabon	Guinea	Guinea
	Sierra Leone	Kenya	Ghana	Guinea-Bissau	Guinea-Bissau
	South Africa	Lesotho	Kenya	Liberia	Liberia
	Tanzania	Madagascar	Lesotho	Madagascar	Malawi
	Zambia	Malawi	Mauritius	Malawi	Mali
	Zimbabwe	Mauritius	Namibia	Mali	São Tomé and Príncipe
		Mozambique	Nigeria	Mozambique	Sierra Leone
		Rwanda	São Tomé and Príncipe	Niger	South Sudan
		São Tomé and Príncipe	Senegal	Rwanda	Togo
		Senegal	Seychelles	Sierra Leone	Zimbabwe
		Seychelles	South Africa	South Sudan	
		Togo	Zambia	Tanzania	
		Uganda		Togo	
				Uganda	
				Zimbabwe	

Sub-Saharan Africa: Member Countries of Regional Groupings

The West African Economic and Monetary Union (WAEMU)	Economic and Monetary Community of Central African States (CEMAC)	Common Market for Eastern and Southern Africa (COMESA)	East African Community (*EAC-5)	Southern African Development Community (SADC)	Southern African Customs Union (SACU)	Economic Community of West African States (ECOWAS)
Benin	Cameroon	Burundi	*Burundi	Angola	Botswana	Benin
Burkina Faso	Central African Republic	Comoros	*Kenya	Botswana	Eswatini	Burkina Faso
Côte d'Ivoire	Chad	Congo, Democratic Republic of the	*Rwanda	Comoros	Lesotho	Cabo Verde
Guinea-Bissau	Congo, Republic of	Eritrea	South Sudan	Congo, Democratic Republic of the	Namibia	Côte d'Ivoire
Mali	Equatorial Guinea	Eswatini	*Tanzania	Eswatini	South Africa	Gambia, The
Niger	Gabon	Ethiopia	*Uganda	Lesotho		Ghana
Senegal		Kenya		Madagascar		Guinea
Togo		Madagascar		Malawi		Guinea-Bissau
		Malawi		Mauritius		Liberia
		Mauritius		Mozambique		Mali
		Rwanda		Namibia		Niger
		Seychelles		Seychelles		Nigeria
		Uganda		South Africa		Senegal
		Zambia		Tanzania		Sierra Leone
		Zimbabwe		Zambia		Togo
				Zimbabwe		

Sub-Saharan Africa Country Abbreviations

AGO	Angola	COG	Congo, Republic of	KEN	Kenya	RWA	Rwanda
BEN	Benin	CIV	Côte d'Ivoire	LSO	Lesotho	STP	São Tomé and Príncipe
BWA	Botswana	GNQ	Equatorial Guinea	LBR	Liberia	SEN	Senegal
BFA	Burkina Faso	ERI	Eritrea	MDG	Madagascar	SYC	Seychelles
BDI	Burundi	SWZ	Eswatini	MWI	Malawi	SLE	Sierra Leone
CPV	Cabo Verde	ETH	Ethiopia	MLI	Mali	ZAF	South Africa
CMR	Cameroon	GAB	Gabon	MUS	Mauritius	SSD	South Sudan
CAF	Central African Republic	GMB	Gambia, The	MOZ	Mozambique	TZA	Tanzania
TCD	Chad	GHA	Ghana	NAM	Namibia	TGO	Togo
COM	Comoros	GIN	Guinea	NER	Niger	UGA	Uganda
COD	Congo, Democratic Republic of the	GNB	Guinea-Bissau	NGA	Nigeria	ZMB	Zambia
						ZWE	Zimbabwe

Statistical Appendix Tables

SA1. Real GDP Growth and Consumer Prices, Average 28
SA2. Overall Fiscal Balance, Including Grants and Government Debt 29
SA3. Broad Money and External Current Account, Including Grants 30
SA4. External Debt, Official Debt, Debtor Based and Reserves 31

List of Sources and Footnotes for Statistical Appendix Tables

Tables SA1.–SA3.

Sources: IMF, Common Surveillance database; and IMF, World Economic Outlook database, October 2021.

[1] Fiscal year data. Projections for 2022 are omitted due to an unusually high degree of uncertainty.

[2] In 2019 Zimbabwe authorities introduced the real-time gross settlement (RTGS) dollar, later renamed the Zimbabwe dollar, and are in the process of redenominating their national accounts statistics. Current data are subject to revision. The Zimbabwe dollar previously ceased circulating in 2009, and between 2009–19, Zimbabwe operated under a multicurrency regime with the US dollar as the unit of account.

Note: "..." denotes data not available.

Table SA4.

Sources: IMF, Common Surveillance database; and IMF, World Economic Outlook database, October 2021.

[1] As a member of the West African Economic and Monetary Union (WAEMU), see WAEMU aggregate for reserves data.

[2] As a member of the Central African Economic and Monetary Community (CEMAC), see CEMAC aggregate for reserves data.

[3] Fiscal year data. Projections for 2022 are omitted due to an unusually high degree of uncertainty.

[4] In 2019 Zimbabwe authorities introduced the real-time gross settlement (RTGS) dollar, later renamed the Zimbabwe dollar, and are in the process of redenominating their national accounts statistics. Current data are subject to revision. The Zimbabwe dollar previously ceased circulating in 2009, and between 2009–19, Zimbabwe operated under a multicurrency regime with the US dollar as the unit of account.

Note: "..." denotes data not available.

Table SA1. Real GDP Growth and Consumer Prices

	Real GDP (Annual percent change)						Consumer Prices, Annual Average (Annual percent change)					
	2010–17	2018	2019	2020	2021	2022	2010–17	2018	2019	2020	2021	2022
Angola	3.1	–2.0	–0.5	–5.4	–0.7	2.4	15.5	19.6	17.1	22.3	24.4	14.9
Benin	4.3	6.7	6.9	3.8	5.5	6.5	1.6	0.8	–0.9	3.0	3.0	2.0
Botswana	5.0	4.0	3.0	–8.5	9.2	4.7	5.3	3.2	2.7	1.9	5.8	5.0
Burkina Faso	6.0	6.7	5.7	1.9	6.7	5.6	1.2	2.0	–3.2	1.9	3.0	2.6
Burundi	2.3	1.6	1.8	–1.0	1.6	4.2	7.4	–4.0	–0.7	7.3	5.6	4.6
Cabo Verde	2.2	4.5	5.7	–14.8	4.0	6.5	1.2	1.3	1.1	0.6	1.5	1.6
Cameroon	4.7	4.1	3.7	–1.5	3.6	4.6	1.8	1.1	2.5	2.4	2.3	2.0
Central African Republic	–1.1	3.8	3.0	1.0	–1.0	4.0	5.1	1.6	2.7	2.3	3.7	2.5
Chad	3.6	2.3	3.0	–0.8	0.9	2.4	1.5	4.0	–1.0	4.5	2.6	2.8
Comoros	3.3	3.6	1.8	–0.5	1.6	3.8	1.8	1.7	3.7	0.8	–1.0	1.2
Congo, Democratic Republic of the	6.5	5.8	4.4	1.7	4.9	5.6	10.1	29.3	4.7	11.4	9.4	6.4
Congo, Republic of	1.2	–4.8	–0.4	–8.2	–0.2	2.3	2.4	1.2	2.2	1.8	2.0	2.8
Côte d'Ivoire	6.2	6.9	6.2	2.0	6.0	6.5	1.7	0.4	0.8	2.4	3.0	2.5
Equatorial Guinea	–2.7	–6.2	–6.0	–4.9	4.1	-5.6	3.1	1.3	1.2	4.8	0.5	3.1
Eritrea	4.5	13.0	3.8	–0.6	2.9	4.8	5.8	–14.4	–16.4	4.8	4.3	4.2
Eswatini	2.7	2.4	2.2	–2.4	1.5	1.7	6.2	4.8	2.6	3.9	4.3	4.7
Ethiopia[1]	9.9	7.7	9.0	6.1	2.0	...	13.5	13.8	15.8	20.4	25.2	...
Gabon	4.4	0.8	3.9	–1.8	1.5	3.9	1.9	4.8	2.0	1.3	2.0	2.0
The Gambia	1.9	7.2	6.2	–0.2	4.9	6.0	6.0	6.5	7.1	5.9	7.0	6.3
Ghana	6.7	6.2	6.5	0.4	4.7	6.2	11.9	9.8	7.1	9.9	9.3	8.8
Guinea	6.0	6.4	5.6	7.1	5.2	6.3	12.4	9.8	9.5	10.6	11.6	9.9
Guinea-Bissau	4.1	3.4	4.5	–1.4	3.3	4.0	1.5	0.4	0.3	1.5	1.9	2.0
Kenya	5.0	5.6	5.0	–0.3	5.6	6.0	7.6	4.7	5.2	5.2	6.0	5.0
Lesotho	2.7	–1.0	–1.5	–5.4	2.8	1.6	4.9	4.8	5.2	5.0	5.8	5.3
Liberia	4.1	1.2	–2.5	–3.0	3.6	4.7	8.6	23.5	27.0	17.0	5.9	11.8
Madagascar	2.7	3.2	4.4	–6.1	2.9	4.8	7.3	8.6	5.6	4.2	6.0	6.4
Malawi	4.2	4.4	5.4	0.9	2.2	3.0	17.9	9.2	9.4	8.6	9.5	9.0
Mali	4.3	4.7	4.8	–1.6	4.0	5.3	1.4	1.7	–2.9	0.5	3.0	2.0
Mauritius	3.8	3.8	3.0	–14.9	5.0	6.7	3.3	3.2	0.5	2.5	5.1	6.6
Mozambique	6.2	3.4	2.3	–1.2	2.5	5.3	8.6	3.9	2.8	3.1	6.2	6.4
Namibia	3.9	1.1	–0.6	–8.0	1.3	3.6	5.5	4.3	3.7	2.2	4.0	4.5
Niger	6.1	7.2	5.9	3.6	5.4	6.6	0.9	2.8	–2.5	2.9	2.9	2.5
Nigeria	4.2	1.9	2.2	–1.8	2.6	2.7	11.8	12.1	11.4	13.2	16.9	13.3
Rwanda	6.7	8.6	9.5	–3.4	5.1	7.0	4.2	1.4	2.4	7.7	2.4	4.9
São Tomé & Príncipe	4.7	3.0	2.2	3.0	2.1	2.9	8.8	7.9	7.7	9.8	8.3	7.8
Senegal	4.7	6.2	4.4	1.5	4.7	5.5	1.1	0.5	1.0	2.5	2.4	2.0
Seychelles	5.0	1.3	1.9	–12.9	6.9	7.7	2.4	3.7	1.8	1.2	10.0	3.7
Sierra Leone	5.2	3.5	5.5	–2.2	3.2	5.9	8.3	16.0	14.8	13.4	11.3	13.3
South Africa	2.0	1.5	0.1	–6.4	5.0	2.2	5.4	4.6	4.1	3.3	4.4	4.5
South Sudan	–6.6	–1.9	0.9	–6.6	5.3	6.5	111.2	83.5	51.2	24.0	23.0	24.0
Tanzania	6.6	7.0	7.0	4.8	4.0	5.1	8.2	3.5	3.4	3.3	3.2	3.4
Togo	5.8	5.0	5.5	1.8	4.8	5.9	1.3	0.9	0.7	1.8	2.7	2.5
Uganda	5.3	5.6	7.7	–0.8	4.7	5.1	7.6	2.6	2.3	2.8	2.2	5.0
Zambia	5.4	4.0	1.4	–3.0	1.0	1.1	9.1	7.0	9.2	15.7	22.8	19.2
Zimbabwe[2]	7.8	4.8	–6.1	–4.1	5.1	3.1	1.1	10.6	255.3	557.2	92.5	30.7
Sub-Saharan Africa	**4.3**	**3.3**	**3.1**	**–1.7**	**3.7**	**3.8**	**8.3**	**8.3**	**8.2**	**10.3**	**10.7**	**8.6**
Median	4.6	4.0	3.8	–1.4	4.0	4.8	4.8	3.9	2.7	3.9	4.4	4.6
Excluding Nigeria and South Africa	5.3	4.6	4.7	0.0	3.7	4.8	7.9	8.0	8.2	11.4	10.3	8.0
Oil-exporting countries	**3.8**	**1.2**	**1.8**	**–2.4**	**2.2**	**2.7**	**11.3**	**12.2**	**11.1**	**13.1**	**15.8**	**12.0**
Excluding Nigeria	2.8	–0.6	0.7	–4.1	1.1	2.7	10.2	12.4	10.4	12.6	13.0	8.8
Oil-importing countries	**4.5**	**4.5**	**3.9**	**–1.2**	**4.5**	**4.4**	**6.6**	**6.2**	**6.6**	**8.7**	**8.1**	**6.8**
Excluding South Africa	6.0	5.9	5.6	0.9	4.3	5.3	7.3	6.9	7.7	11.1	9.7	7.8
Middle-income countries	**3.7**	**2.4**	**2.1**	**–3.0**	**3.7**	**3.4**	**8.3**	**8.0**	**7.3**	**8.5**	**10.3**	**8.3**
Excluding Nigeria and South Africa	4.5	3.4	3.5	–1.9	3.8	4.7	7.4	6.8	6.1	7.9	8.8	6.8
Low-income countries	**6.3**	**6.0**	**6.0**	**2.1**	**3.7**	**5.0**	**8.4**	**9.4**	**10.8**	**15.3**	**12.0**	**9.3**
Excluding low-income countries in fragile situations	6.9	6.6	7.4	2.9	3.5	5.1	8.5	7.3	7.1	9.5	11.0	9.7
Countries in fragile situations	**5.1**	**4.9**	**3.9**	**0.5**	**4.4**	**5.3**	**6.3**	**9.7**	**12.9**	**19.6**	**10.3**	**6.7**
CFA franc zone	4.5	4.4	4.4	0.3	4.5	5.0	1.7	1.4	0.3	2.4	2.6	2.3
CEMAC	2.8	1.0	2.0	–2.5	2.6	2.8	2.2	2.1	1.8	2.7	2.1	2.3
WAEMU	5.5	6.4	5.7	1.8	5.5	6.1	1.4	1.0	–0.6	2.2	2.9	2.3
COMESA (SSA members)	6.2	5.9	5.7	0.6	3.8	4.9	8.7	9.4	12.3	17.6	14.3	10.8
EAC-5	5.6	6.1	6.3	1.0	4.9	5.6	7.7	3.6	3.9	4.3	4.2	4.5
ECOWAS	4.8	3.5	3.5	–0.6	3.6	4.0	9.6	9.3	8.2	10.2	12.4	9.9
SACU	2.1	1.6	0.2	–6.5	5.0	2.3	5.4	4.6	4.0	3.2	4.5	4.5
SADC	3.3	2.2	1.3	–4.3	3.9	3.0	7.4	8.1	8.7	11.0	9.3	7.0

See footnote on page 27.

Table SA2. Overall Fiscal Balance, Including Grants and Government Debt

	Overall Fiscal Balance, Including Grants (Percent of GDP)						Government Debt (Percent of GDP)					
	2010–17	2018	2019	2020	2021	2022	2010–17	2018	2019	2020	2021	2022
Angola	–0.6	2.3	0.8	–1.9	3.2	2.8	46.1	93.0	113.6	136.5	103.7	90.8
Benin	–2.3	–3.0	–0.5	–4.7	–4.5	–3.9	26.2	41.1	41.2	46.1	52.3	48.9
Botswana	–0.4	–5.1	–8.6	–9.9	–5.0	–6.4	18.5	15.7	16.3	19.5	22.8	27.2
Burkina Faso	–3.3	–4.4	–3.4	–5.7	–5.6	–4.8	28.5	38.0	42.0	46.5	48.2	48.9
Burundi	–4.6	–6.7	–6.4	–6.7	–7.2	–4.6	42.5	53.0	60.3	67.0	72.4	71.2
Cabo Verde	–7.0	–2.7	–1.8	–9.1	–9.1	–5.6	105.3	125.6	124.9	158.1	160.7	152.1
Cameroon	–3.5	–2.5	–3.3	–3.3	–2.8	–1.5	23.7	39.6	42.3	45.8	45.8	43.8
Central African Republic	–1.7	–1.0	1.4	–3.4	–3.3	–1.0	43.6	50.0	47.2	44.1	46.5	44.0
Chad	–1.8	1.9	–0.2	2.1	–1.2	1.1	38.1	49.1	52.3	47.9	44.0	44.3
Comoros	1.8	–1.3	–4.3	–1.0	–4.2	–4.8	19.2	16.9	19.5	22.3	26.6	29.9
Congo, Democratic Republic of the	0.3	–0.0	–2.0	–2.1	–1.7	–1.2	21.1	15.1	15.0	15.2	11.9	10.1
Congo, Republic of	–1.8	5.7	4.7	–1.2	1.5	3.1	55.5	77.1	81.7	101.0	85.4	76.9
Côte d'Ivoire	–2.3	–2.9	–2.3	–5.6	–5.6	–4.7	33.3	36.0	38.8	47.7	50.2	51.1
Equatorial Guinea	–6.4	0.5	1.8	–1.7	–0.8	–1.0	18.8	41.2	43.0	48.9	42.7	45.4
Eritrea	–6.1	4.2	–1.6	–5.0	–4.4	–0.6	173.5	185.6	189.3	184.9	175.1	159.3
Eswatini	–4.2	–9.6	–7.0	–6.7	–8.0	–8.6	17.8	33.9	40.0	41.2	46.0	50.9
Ethiopia[1]	–2.0	–3.0	–2.5	–2.8	–3.0	...	48.7	61.1	57.9	55.4	57.1	...
Gabon	0.8	–0.2	2.1	–2.2	–2.5	0.7	37.6	60.9	59.8	77.4	72.1	63.7
The Gambia	–4.2	–5.7	–2.5	–2.1	–4.1	–3.1	63.5	83.6	83.0	83.5	82.3	79.1
Ghana	–6.6	–6.8	–7.2	–15.7	–14.5	–11.1	45.1	62.0	62.6	78.9	83.5	84.9
Guinea	–3.7	–1.1	–0.5	–2.9	–2.3	–3.1	44.1	39.3	38.4	43.8	47.5	45.8
Guinea-Bissau	–2.2	–4.9	–3.9	–9.5	–5.0	–4.5	53.1	59.2	65.9	79.3	79.1	78.1
Kenya	–5.8	–7.0	–7.3	–8.1	–8.0	–6.7	42.6	57.3	59.0	67.6	69.7	70.2
Lesotho	–4.6	–4.4	–7.6	0.4	–4.8	–1.7	39.8	49.6	50.6	50.4	50.0	50.2
Liberia	–3.5	–5.1	–4.6	–2.6	–1.8	–1.6	25.3	40.1	54.8	61.9	56.6	54.8
Madagascar	–2.1	–1.3	–1.4	–4.3	–6.4	–4.5	36.4	40.4	38.5	46.0	48.8	49.3
Malawi	–3.1	–4.3	–4.5	–8.1	–8.2	–8.3	31.4	43.9	45.3	54.7	59.3	65.4
Mali	–2.6	–4.7	–1.7	–5.4	–5.5	–4.5	28.8	36.1	40.6	47.4	51.0	50.6
Mauritius	–2.8	–2.2	–8.4	–11.9	–9.0	–6.8	59.8	66.2	84.6	96.9	101.0	99.8
Mozambique	–4.7	–5.6	–0.1	–5.1	–7.3	–8.2	66.6	107.1	105.4	128.5	133.6	127.6
Namibia	–6.0	–5.1	–5.5	–9.4	–9.8	–8.0	31.0	50.4	59.6	65.3	69.9	72.6
Niger	–3.4	–3.0	–3.6	–5.3	–6.6	–5.3	23.6	36.9	39.8	45.0	48.6	49.5
Nigeria	–2.9	–4.3	–4.7	–5.8	–6.1	–6.0	18.7	27.7	29.2	35.0	35.7	36.9
Rwanda	–2.1	–2.6	–5.1	–6.2	–3.9	–3.6	27.7	44.9	50.2	60.1	74.8	78.2
São Tomé & Príncipe	–6.5	–1.9	–0.1	2.2	–1.5	–0.5	80.8	93.9	71.6	81.4	60.7	59.1
Senegal	–3.9	–3.7	–3.9	–6.4	–5.4	–4.2	41.0	61.5	63.8	68.7	71.9	70.1
Seychelles	1.7	0.2	0.9	–18.4	–11.5	–6.7	73.0	59.1	57.7	96.5	81.9	82.8
Sierra Leone	–5.3	–5.6	–3.1	–5.6	–3.8	–3.3	45.8	69.1	71.7	73.7	71.1	68.0
South Africa	–4.0	–3.7	–4.8	–10.8	–8.4	–7.0	41.0	51.6	56.3	69.4	68.8	72.3
South Sudan	–8.0	–0.6	0.0	–1.8	7.4	9.0	41.2	46.3	31.3	35.8	64.4	35.1
Tanzania	–3.2	–1.9	–1.7	–1.8	–3.3	–3.4	34.3	40.5	39.0	39.1	39.7	39.6
Togo	–4.2	–0.6	1.6	–6.9	–6.0	–5.0	45.5	57.0	52.4	60.3	62.9	62.6
Uganda	–3.0	–3.0	–4.8	–7.6	–5.9	–4.4	24.5	34.8	37.0	44.1	49.1	50.2
Zambia	–5.2	–8.3	–9.4	–12.9	–8.5	–7.8	40.2	80.4	97.4	128.7	101.0	106.8
Zimbabwe[2]	–2.9	–8.5	–1.2	1.7	–0.0	–0.6	44.9	61.5	113.9	86.1	54.0	60.3
Sub-Saharan Africa	**–3.2**	**–3.5**	**–3.9**	**–6.6**	**–6.0**	**–5.2**	**33.5**	**47.5**	**50.4**	**57.3**	**56.6**	**56.4**
Median	–3.2	–3.0	–2.5	–5.3	–5.0	–4.4	37.5	50.0	52.4	60.1	59.3	59.7
Excluding Nigeria and South Africa	–3.0	–3.0	–3.2	–5.5	–4.8	–4.0	38.3	54.9	58.3	63.3	61.7	60.2
Oil-exporting countries	**–2.5**	**–2.6**	**–3.3**	**–4.8**	**–4.4**	**–4.1**	**25.4**	**41.9**	**43.9**	**48.8**	**46.1**	**44.5**
Excluding Nigeria	–1.8	1.2	0.3	–1.9	0.4	1.3	39.5	71.9	80.5	88.4	74.8	67.2
Oil-importing countries	**–3.8**	**–4.0**	**–4.3**	**–7.6**	**–6.8**	**–5.7**	**39.3**	**50.7**	**54.1**	**61.8**	**62.2**	**63.2**
Excluding South Africa	–3.6	–4.2	–4.1	–6.2	–6.0	–5.1	38.2	50.2	52.9	58.3	58.8	58.7
Middle-income countries	**–3.4**	**–3.7**	**–4.4**	**–7.7**	**–6.7**	**–5.7**	**32.7**	**47.7**	**50.9**	**59.6**	**58.6**	**58.8**
Excluding Nigeria and South Africa	–3.2	–3.2	–4.0	–7.3	–5.8	–4.6	39.2	61.0	66.0	74.9	71.3	69.7
Low-income countries	**–2.7**	**–2.8**	**–2.3**	**–3.4**	**–3.7**	**–3.3**	**37.0**	**46.8**	**49.0**	**50.4**	**50.4**	**49.0**
Excluding low-income countries in fragile situations	–2.9	–2.9	–2.7	–3.9	–4.3	–4.0	38.0	50.9	50.4	52.7	55.3	53.4
Countries in fragile situations	**–2.3**	**–2.2**	**–1.5**	**–3.4**	**–3.2**	**–2.6**	**36.3**	**41.7**	**46.8**	**49.7**	**46.9**	**46.3**
CFA franc zone	–2.7	–2.0	–1.5	–4.4	–4.2	–3.0	31.9	45.2	47.4	53.8	54.5	53.2
CEMAC	–2.7	0.0	–0.1	–2.0	–1.8	–0.2	31.8	50.3	52.2	58.2	54.8	51.7
WAEMU	–2.9	–3.3	–2.4	–5.7	–5.5	–4.6	32.6	42.0	44.4	51.3	54.3	54.1
COMESA (SSA members)	–3.2	–4.4	–4.7	–5.5	–5.2	–4.4	39.2	51.8	55.8	59.5	57.8	57.5
EAC-5	–4.3	–4.6	–5.2	–6.0	–6.0	–5.1	35.6	47.9	48.9	54.7	57.4	57.8
ECOWAS	–3.2	–4.3	–4.3	–6.7	–6.7	–6.0	24.3	35.4	36.8	44.2	45.8	46.2
SACU	–4.0	–3.9	–5.0	–10.6	–8.3	–7.0	39.6	50.0	54.6	66.9	66.7	70.2
SADC	–3.2	–2.9	–3.7	–7.6	–6.0	–5.1	40.3	55.4	61.6	70.2	65.7	66.7

See footnote on page 27.

Table SA3. Broad Money and External Current Account, Including Grants

	Broad Money (Percent of GDP)						External Current Account, Including Grants (Percent of GDP)					
	2010–17	2018	2019	2020	2021	2022	2010–17	2018	2019	2020	2021	2022
Angola	35.3	30.6	33.1	37.6	31.1	30.4	2.8	7.3	6.1	1.5	7.3	5.7
Benin	27.8	27.9	27.8	30.5	30.5	30.5	–5.1	–4.6	–4.0	–3.9	–4.0	–4.3
Botswana	45.1	45.5	47.5	52.0	50.3	49.8	2.4	0.7	–8.4	–10.6	–4.0	–1.9
Burkina Faso	29.4	39.3	40.7	45.0	47.5	50.8	–5.0	–4.1	–3.3	–0.1	–2.5	–4.1
Burundi	24.7	30.1	35.7	42.1	45.2	50.1	–14.5	–11.4	–11.6	–10.4	–15.4	–14.4
Cabo Verde	91.5	100.0	102.0	125.3	121.3	118.2	–8.8	–5.2	–0.4	–15.9	–13.2	–8.7
Cameroon	21.8	24.4	24.4	27.2	28.8	29.3	–3.3	–3.6	–4.3	–3.7	–2.8	–2.2
Central African Republic	22.2	27.1	28.0	30.2	29.5	29.3	–7.5	–8.0	–4.9	–8.6	–6.9	–6.1
Chad	13.9	14.3	17.0	20.6	20.8	20.9	–8.9	–1.4	–4.8	–8.1	–5.2	–4.7
Comoros	23.7	28.2	28.1	31.2	35.6	34.2	–2.7	–2.9	–3.3	–1.7	–4.1	–7.6
Congo, Democratic Republic of the	11.8	12.5	15.5	20.7	21.1	22.1	–5.6	–3.5	–3.2	–2.2	–2.1	–1.8
Congo, Republic of	27.8	22.4	24.4	36.4	41.1	46.8	–6.0	–0.1	0.4	–0.1	12.1	6.3
Côte d'Ivoire	11.1	10.2	11.7	13.9	13.2	12.8	0.6	–3.9	–2.3	–3.5	–3.8	–3.4
Equatorial Guinea	15.1	15.7	16.0	17.3	16.2	18.0	–8.6	–5.3	–6.1	–6.3	–4.2	–5.2
Eritrea	193.9	239.7	241.5	235.2	230.3	220.1	11.7	15.4	12.1	10.9	12.4	12.7
Eswatini	26.1	29.2	28.4	32.4	33.5	33.6	5.0	1.3	4.3	6.7	1.4	–0.7
Ethiopia[1]	27.9	33.7	33.0	30.8	33.1	...	–7.0	–6.5	–5.3	–4.6	–2.9	...
Gabon	23.2	24.3	23.3	28.0	27.4	29.0	5.8	–2.1	–0.9	–6.0	–3.8	–2.0
The Gambia	36.1	41.9	47.2	54.4	54.6	52.8	–7.8	–9.5	–6.1	–3.6	–12.7	–13.3
Ghana	23.5	24.8	26.1	31.4	33.0	32.7	–6.4	–3.0	–2.7	–3.1	–2.2	–3.5
Guinea	24.5	23.2	24.5	25.4	24.7	25.0	–15.2	–19.5	–11.5	–13.7	–8.5	–11.2
Guinea-Bissau	35.8	43.7	43.4	48.4	46.1	45.9	–2.1	–3.6	–8.8	–8.3	–5.5	–5.0
Kenya	37.0	35.7	34.4	37.1	37.0	37.0	–7.1	–5.5	–5.5	–4.4	–5.0	–5.1
Lesotho	34.6	35.1	36.5	43.1	41.8	40.3	–7.1	–1.4	–2.2	–2.1	–13.3	–9.6
Liberia	20.3	19.6	20.9	25.5	22.9	22.3	–17.7	–21.5	–19.4	–17.5	–16.6	–20.5
Madagascar	22.7	25.7	24.8	28.4	32.4	33.9	–3.9	0.7	–2.3	–5.3	–5.8	–4.6
Malawi	17.2	16.5	15.7	17.4	17.4	17.4	–9.2	–14.4	–11.9	–14.2	–15.8	–15.1
Mali	26.2	29.0	29.6	36.5	37.0	37.0	–5.7	–4.9	–7.5	–0.2	–5.3	–5.0
Mauritius	102.9	115.3	120.8	163.7	185.5	156.1	–6.8	–3.9	–5.4	–12.6	–18.6	–8.9
Mozambique	31.6	34.7	36.9	43.3	43.5	45.4	–30.7	–30.3	–19.6	–27.2	–34.0	–23.0
Namibia	58.4	57.6	63.5	70.7	70.7	70.7	–8.9	–3.4	–1.8	2.4	–7.3	–3.9
Niger	17.3	15.8	17.1	19.2	19.8	20.9	–12.9	–12.6	–12.6	–13.5	–15.4	–16.1
Nigeria	21.7	25.4	23.9	25.7	25.2	25.8	1.9	1.5	–3.3	–4.0	–3.2	–2.2
Rwanda	21.0	24.9	25.7	28.9	29.8	29.9	–9.9	–10.1	–12.1	–12.2	–13.4	–12.2
São Tomé & Príncipe	37.6	35.6	31.8	32.4	33.2	33.3	–17.4	–12.3	–12.1	–14.1	–11.3	–7.5
Senegal	32.2	40.9	41.6	45.1	45.3	45.6	–6.4	–8.8	–8.1	–10.2	–12.2	–11.6
Seychelles	64.5	79.5	87.8	125.8	122.8	121.3	–19.7	–18.9	–16.1	–29.5	–28.9	–24.1
Sierra Leone	21.8	23.0	23.0	28.5	28.4	26.7	–24.9	–18.6	–22.2	–16.7	–15.9	–14.3
South Africa	66.5	66.2	67.1	74.6	72.7	72.1	–3.4	–3.2	–2.7	2.0	2.9	–0.9
South Sudan	18.9	13.5	15.6	21.7	23.0	18.8	2.9	7.3	2.1	–5.8	–19.7	0.8
Tanzania	22.8	20.4	20.4	21.3	21.6	21.6	–8.1	–3.1	–2.5	–1.8	–3.2	–3.8
Togo	35.3	43.1	42.0	46.1	47.8	48.0	–5.7	–2.6	–0.8	–1.5	–2.7	–2.7
Uganda	17.1	18.4	19.4	22.1	23.6	23.2	–5.7	–5.7	–6.4	–9.6	–8.9	–7.3
Zambia	19.8	22.9	23.6	29.3	29.9	32.2	1.4	–1.3	0.6	10.4	13.5	14.9
Zimbabwe[2]	23.8	42.6	21.9	18.1	18.9	21.0	–10.6	–5.9	4.7	5.8	4.9	3.8
Sub-Saharan Africa	**34.7**	**35.7**	**35.6**	**38.8**	**38.6**	**38.4**	**–2.5**	**–2.4**	**–3.4**	**–3.0**	**–2.2**	**–2.7**
Median	25.6	28.2	28.0	31.2	33.0	33.0	–6.0	–3.9	–4.3	–4.6	–5.2	–4.9
Excluding Nigeria and South Africa	27.7	29.2	29.6	32.6	33.0	32.7	–4.6	–3.8	–3.7	–4.3	–3.9	–3.6
Oil-exporting countries	**23.5**	**25.6**	**25.0**	**27.4**	**26.3**	**26.8**	**1.4**	**1.8**	**–2.0**	**–3.5**	**–1.9**	**–1.4**
Excluding Nigeria	27.8	26.0	27.5	31.7	29.0	29.2	0.1	2.6	1.2	–2.2	1.7	1.3
Oil-importing countries	**41.9**	**41.5**	**41.5**	**45.1**	**45.3**	**44.5**	**–5.3**	**–4.8**	**–4.2**	**–2.7**	**–2.4**	**–3.4**
Excluding South Africa	27.7	30.0	30.1	32.8	33.9	33.4	–6.7	–5.6	–4.9	–4.7	–5.1	–4.6
Middle-income countries	**37.7**	**38.5**	**38.5**	**42.4**	**41.8**	**41.5**	**–1.1**	**–1.2**	**–2.7**	**–2.1**	**–1.0**	**–1.8**
Excluding Nigeria and South Africa	30.7	30.8	31.7	36.1	35.8	35.3	–2.0	–1.7	–2.2	–3.2	–2.1	–2.1
Low-income countries	**23.9**	**27.2**	**27.1**	**28.8**	**29.9**	**29.7**	**–8.6**	**–6.7**	**–5.6**	**–5.5**	**–6.0**	**–5.4**
Excluding low-income countries in fragile situations	24.0	27.2	27.3	28.3	29.8	29.4	–9.6	–7.2	–6.3	–6.5	–7.0	–6.2
Countries in fragile situations	**20.8**	**22.5**	**22.4**	**25.7**	**25.8**	**26.0**	**–5.2**	**–5.3**	**–3.9**	**–3.8**	**–3.5**	**–3.5**
CFA franc zone	21.4	23.8	24.6	28.1	28.6	29.3	–3.6	–4.5	–4.3	–4.6	–4.5	–4.6
CEMAC	20.5	21.8	22.3	26.2	27.2	28.5	–3.5	–2.9	–3.3	–4.6	–1.7	–1.9
WAEMU	22.1	24.9	25.8	29.1	29.3	29.6	–3.9	–5.6	–4.9	–4.6	–6.1	–6.1
COMESA (SSA members)	29.5	32.9	32.1	34.4	36.1	35.1	–6.1	–5.2	–4.5	–4.1	–3.9	–3.2
EAC-5	27.3	27.3	26.9	29.1	29.6	29.6	–7.4	–5.1	–5.2	–5.0	–5.7	–5.6
ECOWAS	22.2	25.3	24.8	27.4	27.3	27.7	–0.4	–1.2	–3.9	–4.4	–4.1	–3.6
SACU	64.8	64.5	65.6	72.9	71.1	70.4	–3.3	–3.0	–2.8	1.5	2.2	–1.0
SADC	50.2	49.0	49.5	54.9	53.9	53.2	–3.4	–2.4	–2.0	–0.1	0.7	–1.0

See footnote on page 27.

Table SA4. External Debt, Official Debt, Debtor Based and Reserves

	External Debt, Official Debt, Debtor Based (Percent of GDP)						Reserves (Months of imports of goods and services)					
	2010–17	2018	2019	2020	2021	2022	2010–17	2018	2019	2020	2021	2022
Angola	26.8	48.6	59.5	88.9	77.6	74.0	8.3	8.7	13.6	9.7	9.6	9.5
Benin[1]	13.6	18.6	23.8	27.7	35.0	34.5	…	…	…	…	…	…
Botswana	16.0	12.4	11.8	11.7	10.9	11.8	11.8	10.7	10.1	7.3	7.3	7.4
Burkina Faso[1]	21.2	20.9	23.2	25.4	23.6	22.7	…	…	…	…	…	…
Burundi	20.4	16.9	18.3	17.7	20.3	19.4	3.0	0.8	1.3	0.9	3.1	2.6
Cabo Verde	78.2	100.2	101.9	135.2	129.6	123.3	5.0	5.8	8.9	6.6	6.6	6.4
Cameroon[2]	15.3	27.6	29.7	33.2	32.6	32.0	…	…	…	…	…	…
Central African Republic[2]	24.9	35.9	35.8	37.0	35.5	34.6	…	…	…	…	…	…
Chad[2]	24.0	24.9	24.4	27.0	24.8	25.1	…	…	…	…	…	…
Comoros	18.0	15.3	19.6	24.1	25.6	29.3	7.0	7.0	7.0	8.4	9.0	8.6
Congo, Democratic Republic of the	16.1	12.6	12.8	12.4	10.2	8.7	1.1	0.5	0.8	0.6	1.0	1.4
Congo, Republic of [2]	23.2	28.8	31.0	36.2	29.2	28.0	…	…	…	…	…	…
Côte d'Ivoire[1]	24.1	27.3	30.0	34.2	34.0	33.5	…	…	…	…	…	…
Equatorial Guinea[2]	7.6	12.2	13.9	16.4	16.2	20.7	…	…	…	…	…	…
Eritrea	63.3	64.4	61.7	58.1	54.1	49.2	3.9	2.6	2.1	1.8	2.9	4.2
Eswatini	8.0	10.0	12.7	15.5	18.5	20.0	4.0	2.8	3.2	3.1	3.8	3.3
Ethiopia[3]	23.2	30.6	28.5	29.1	31.1	…	2.0	1.7	2.2	2.0	1.8	…
Gabon[2]	26.0	38.5	38.9	49.0	42.6	41.8	…	…	…	…	…	…
The Gambia	33.8	45.5	46.4	48.0	47.5	47.1	3.9	2.7	3.9	4.7	5.6	5.4
Ghana	22.3	34.0	29.6	36.1	36.2	36.9	2.8	2.4	3.2	3.2	3.2	3.0
Guinea	27.6	19.9	19.7	25.1	33.4	34.9	2.2	2.3	1.5	1.8	2.6	2.6
Guinea-Bissau[1]	23.9	21.0	24.0	27.1	26.2	24.6	…	…	…	…	…	…
Kenya	21.3	29.7	30.7	31.6	34.2	34.7	4.2	4.9	6.1	4.7	5.2	4.6
Lesotho	34.4	38.5	40.0	42.0	31.9	28.6	4.9	4.0	3.9	3.8	4.6	4.6
Liberia	13.6	29.2	35.2	40.7	39.8	39.5	2.1	2.2	2.3	2.6	4.8	4.9
Madagascar	22.9	25.8	26.9	33.5	35.4	35.6	3.0	4.3	5.3	5.2	5.6	5.2
Malawi	16.5	24.9	28.0	31.7	31.2	30.4	2.2	3.0	3.0	2.9	2.8	2.6
Mali[1]	22.0	22.5	26.3	31.9	30.0	27.7	…	…	…	…	…	…
Mauritius	14.0	11.2	10.9	21.1	29.0	28.9	6.5	10.3	16.9	13.4	11.1	9.9
Mozambique	56.1	89.9	90.9	100.5	90.8	89.1	3.2	3.8	5.5	4.7	4.6	3.7
Namibia	10.2	15.5	20.2	23.7	19.6	18.2	3.0	4.5	5.4	4.5	4.4	4.5
Niger[1]	16.2	23.2	25.4	33.0	32.0	31.8	…	…	…	…	…	…
Nigeria	2.6	6.8	6.7	8.4	8.3	8.3	6.0	5.1	6.3	5.1	4.8	4.4
Rwanda	24.5	43.7	49.2	53.7	61.1	64.9	3.7	4.2	4.8	5.0	4.8	4.4
São Tomé & Príncipe	77.9	66.3	65.4	64.9	60.7	59.1	4.0	2.7	3.3	4.8	4.6	4.9
Senegal[1]	28.2	45.1	47.6	48.6	45.9	43.4	…	…	…	…	…	…
Seychelles	39.7	29.1	28.1	43.8	55.3	50.3	3.3	3.7	5.2	4.4	4.4	4.2
Sierra Leone	29.4	38.9	40.9	46.6	46.4	44.9	2.8	3.3	4.1	4.9	6.1	5.1
South Africa	13.3	16.6	20.2	26.1	22.7	23.3	5.3	6.0	8.6	6.8	6.5	6.1
South Sudan	…	…	…	…	…	…	2.1	0.1	0.3	0.5	0.8	0.8
Tanzania	24.4	28.9	28.1	28.2	28.0	27.3	4.5	5.8	5.8	5.7	5.3	5.5
Togo[1]	12.6	14.9	17.6	24.5	25.3	25.0	…	…	…	…	…	…
Uganda	14.6	23.2	25.4	30.2	31.9	33.1	4.7	3.9	3.7	3.9	4.3	3.8
Zambia	19.8	38.2	48.7	62.4	59.1	49.4	2.9	2.1	2.5	1.3	2.8	0.4
Zimbabwe[4]	35.3	30.0	36.7	32.6	27.6	25.5	0.5	0.2	0.4	0.1	2.0	1.8
Sub-Saharan Africa	**14.6**	**21.7**	**23.1**	**27.1**	**26.0**	**25.3**	**5.0**	**4.7**	**6.1**	**4.8**	**4.9**	**4.6**
Median	21.1	27.5	28.1	32.2	32.0	32.0	3.7	3.7	3.9	4.5	4.6	4.4
Excluding Nigeria and South Africa	22.4	30.8	32.4	36.4	36.0	35.1	4.3	3.9	4.9	3.9	4.2	4.1
Oil-exporting countries	**9.1**	**16.7**	**17.1**	**20.4**	**19.3**	**18.3**	**6.1**	**5.3**	**6.9**	**5.2**	**5.2**	**5.0**
Excluding Nigeria	23.1	38.4	43.7	55.9	50.2	48.9	6.4	5.7	8.3	5.6	6.4	6.8
Oil-importing countries	**18.6**	**24.4**	**26.4**	**30.6**	**29.5**	**29.3**	**4.2**	**4.4**	**5.6**	**4.5**	**4.7**	**4.4**
Excluding South Africa	22.4	28.8	29.7	32.6	33.0	32.3	3.4	3.4	4.1	3.5	3.8	3.6
Middle-income countries	**12.6**	**19.8**	**21.4**	**25.8**	**24.5**	**23.9**	**5.5**	**5.3**	**7.0**	**5.4**	**5.4**	**5.1**
Excluding Nigeria and South Africa	21.8	32.8	35.2	41.4	40.5	39.6	5.2	4.8	6.4	4.7	5.2	5.0
Low-income countries	**23.6**	**28.2**	**28.8**	**30.8**	**30.7**	**29.9**	**2.8**	**2.7**	**3.0**	**2.9**	**3.1**	**3.1**
Excluding low-income countries in fragile situations	24.1	32.1	32.1	34.1	34.9	34.2	3.4	3.6	3.9	3.7	3.7	3.7
Countries in fragile situations	**23.0**	**23.8**	**25.6**	**28.2**	**27.1**	**26.2**	**2.6**	**1.7**	**2.1**	**2.1**	**2.6**	**2.6**
CFA franc zone	20.1	27.2	29.6	33.9	32.7	32.2	4.8	3.9	5.0	4.8	5.6	5.1
CEMAC	18.3	27.5	29.1	33.7	31.1	31.3	4.5	2.7	3.6	3.1	4.0	4.4
WAEMU	21.8	27.0	29.9	34.0	33.7	32.7	5.0	4.7	5.9	5.8	6.6	5.5
COMESA (SSA members)	20.8	26.9	28.1	30.3	31.3	30.4	3.1	3.1	3.9	3.1	3.5	3.2
EAC-5	21.0	28.8	29.7	31.2	33.0	33.4	4.3	4.9	5.5	4.8	5.0	4.7
ECOWAS	8.6	15.0	15.0	18.3	18.3	17.8	5.1	4.2	5.3	4.4	4.3	4.0
SACU	13.4	16.5	19.9	25.4	22.2	22.7	5.5	6.1	8.5	6.7	6.4	6.1
SADC	18.2	24.3	27.8	33.8	30.3	29.7	5.3	5.7	7.8	6.0	5.9	5.6

See footnote on page 27.