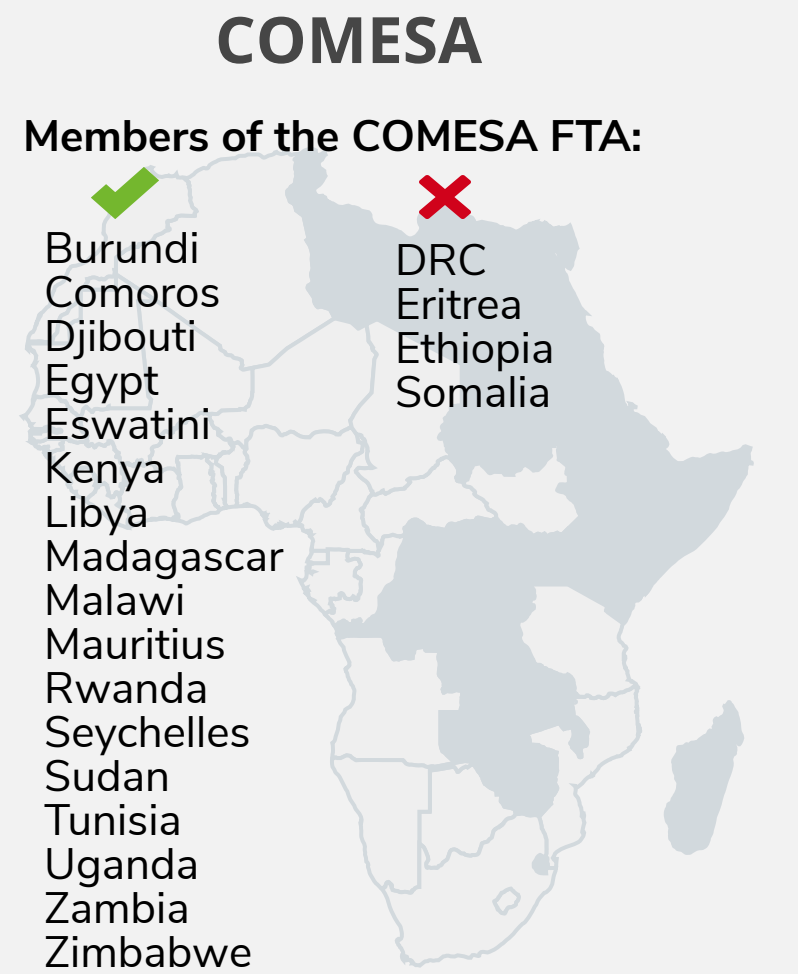


Madagascar: Intra-Africa trade and tariff profile 2020

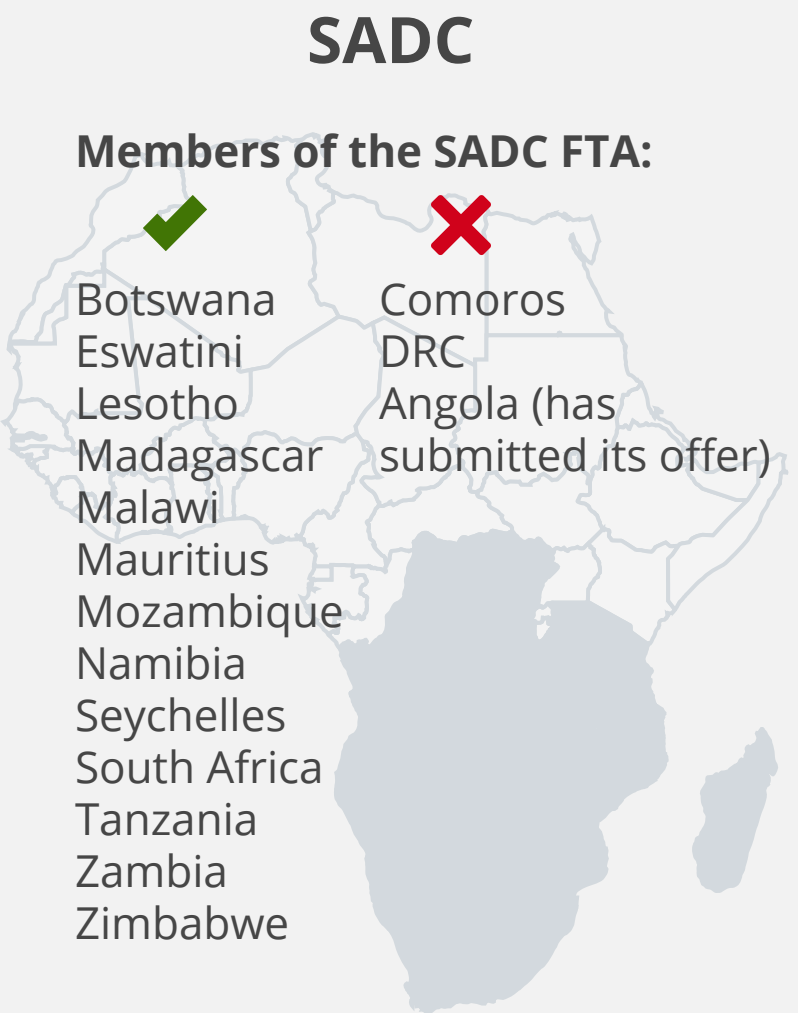


Regional Economic Communities

Madagascar is a member of the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). The African Continental Free Trade Agreement (AfCFTA) entered into force on 30 May 2019. Madagascar signed the AfCFTA but has not yet ratified the Agreement.



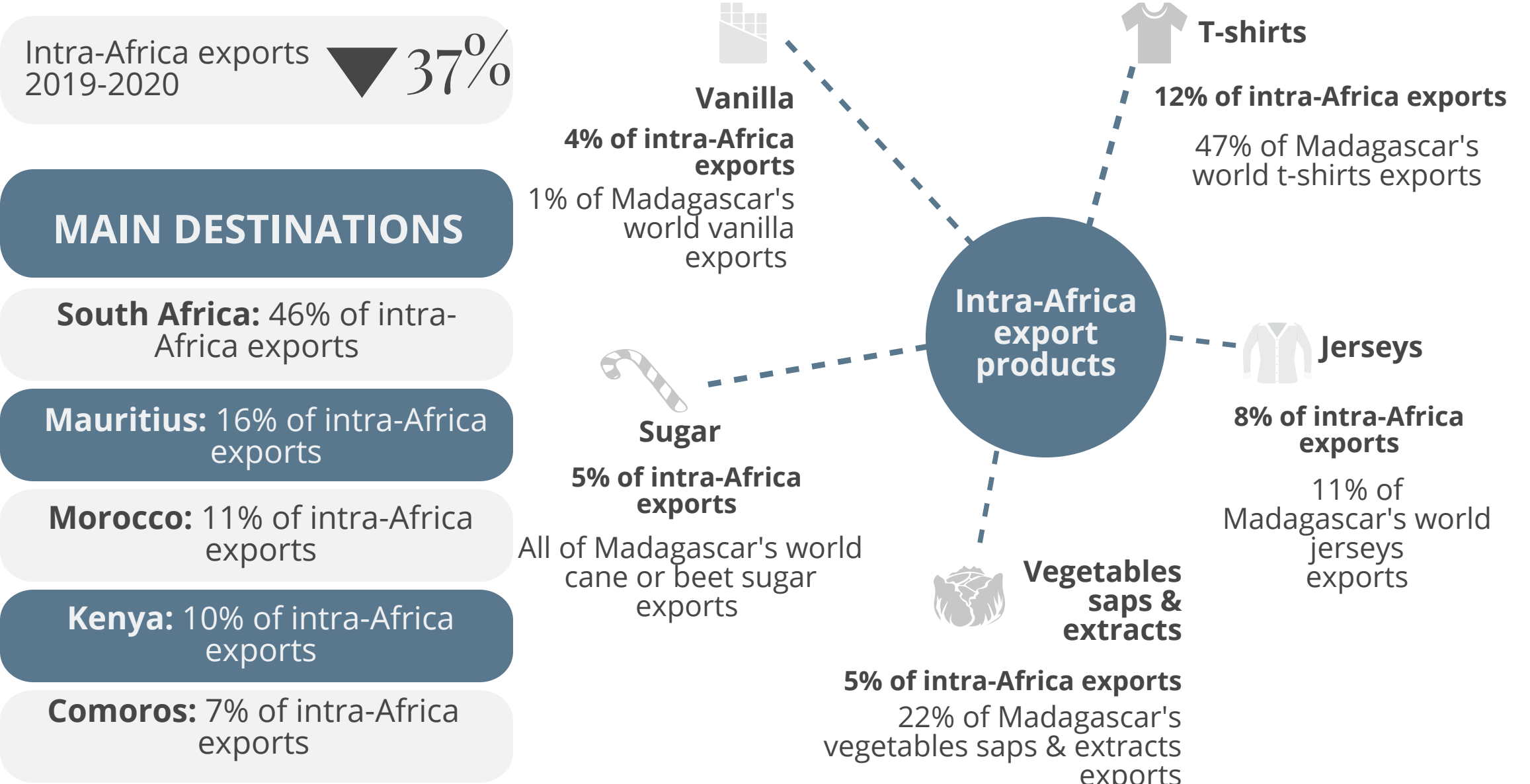
COMESA has 21 member states, 17 of which are part of the COMESA Free Trade Area – the DRC, Eritrea, Ethiopia and Somalia are all in the process of accession



SADC is a Regional Economic Community with 16 member states - all the SACU countries, Zimbabwe, Zambia, Mauritius, Mozambique and Malawi. 13 SADC member states are members of the SADC Free Trade Arrangement (FTA). Comoros and DRC are yet to join the FTA. Angola has submitted its tariff offer to join the FTA.

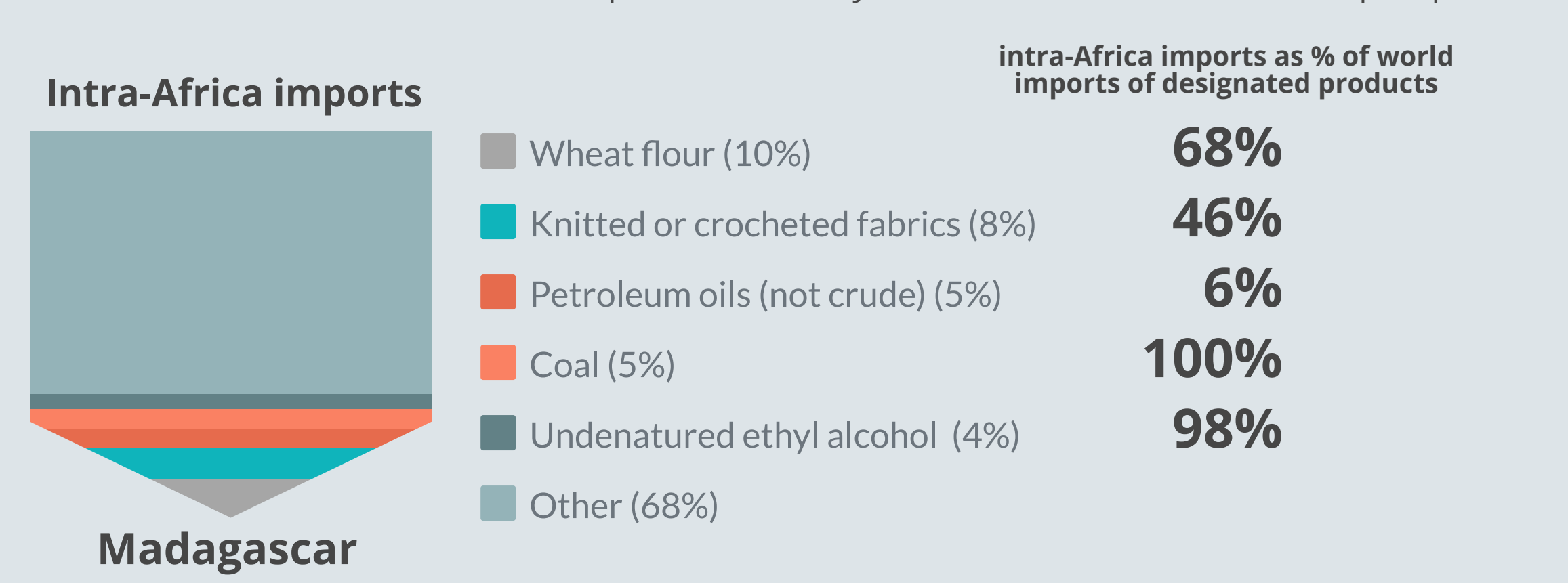
Intra-Africa exports

For 2020, 7% of Madagascar's world exports were to the rest of Africa. Except for Morocco, Madagascar's main African destination markets are other COMESA and SADC countries. The value of 2020 intra-Africa exports is US\$127 million. The main export products are t-shirts, jerseys, vegetable saps and extracts, and sugar.



Intra-Africa imports

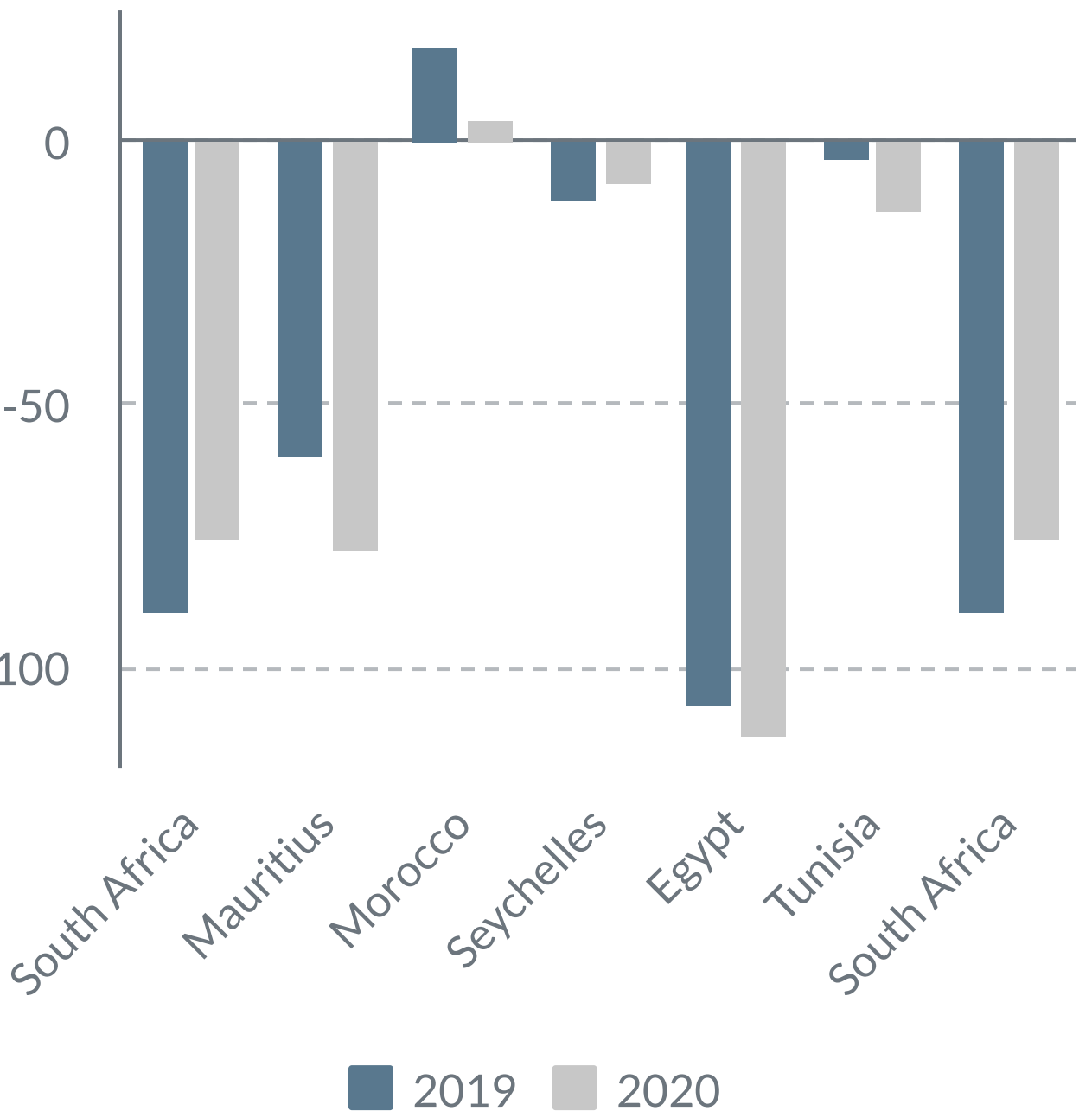
For 2020, 12% of Madagascar's world imports were intra-Africa imports. Apart from Morocco, Madagascar's intra-Africa imports are mainly from the rest of COMESA and SADC. Between 2019 and 2020, intra-Africa imports declined by 13%. Wheat flour is the main import product.



% change in exports and imports (2019 to 2020)

South Africa	Exports: 32% decline Imports: 24% decline
Mauritius	Exports: 52% decline Imports: 3% decline
Egypt	Exports: 77% increase Imports: 6% increase
Morocco	Exports: 48% decline Imports: 12% increase
Kenya	Exports: 21% decline Imports: 83% decline
Tunisia	Exports: 74% decline Imports: 268% increase

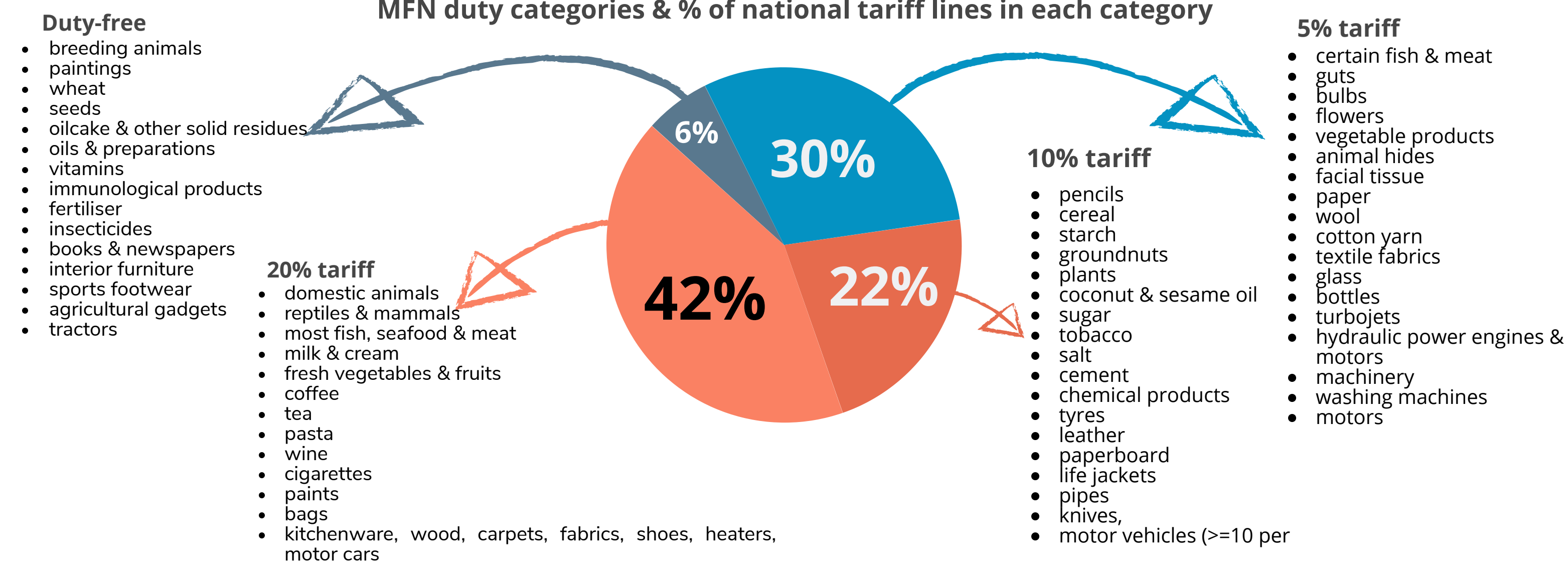
Trade balance with designated countries (US\$m)



Intra-Africa tariffs

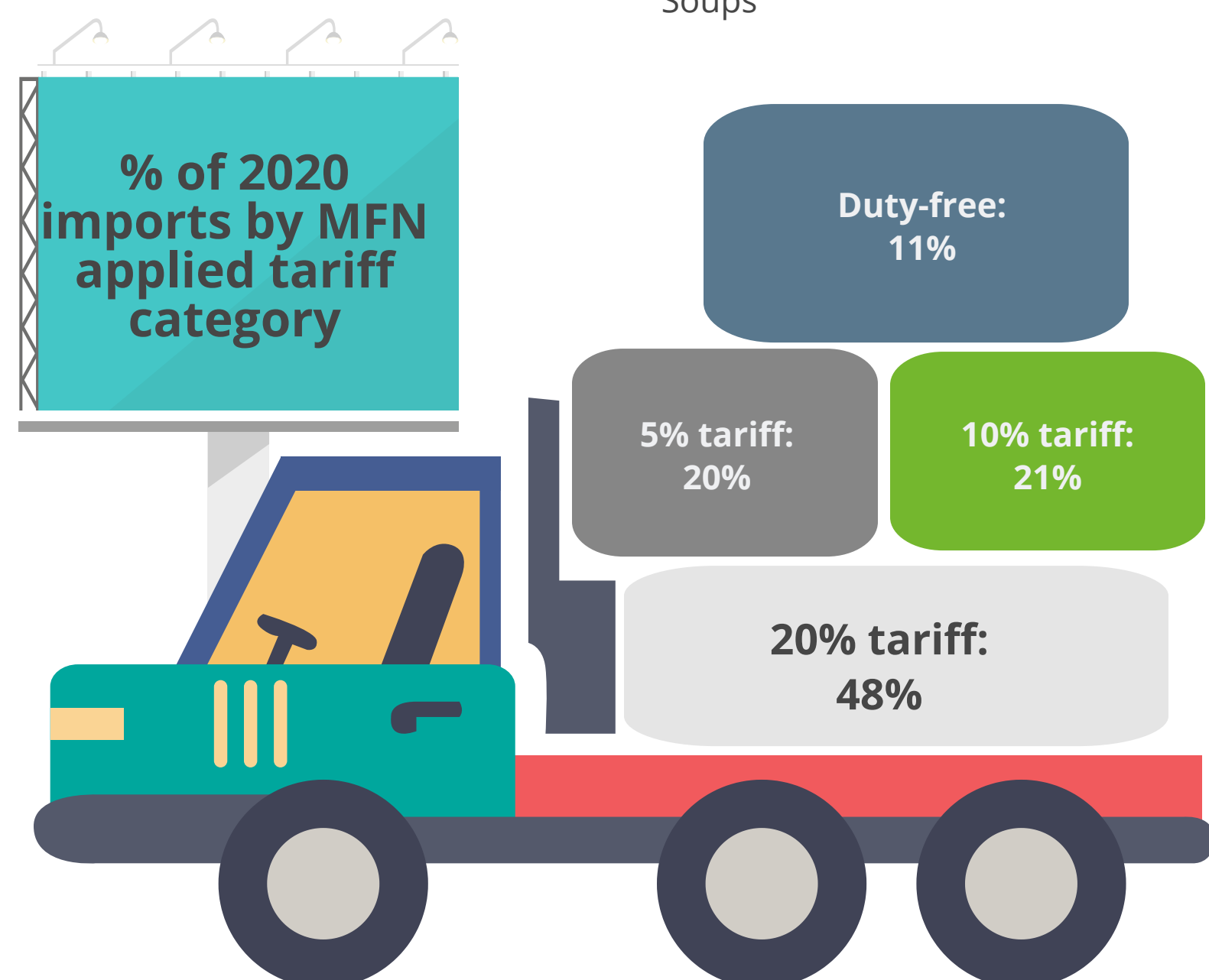
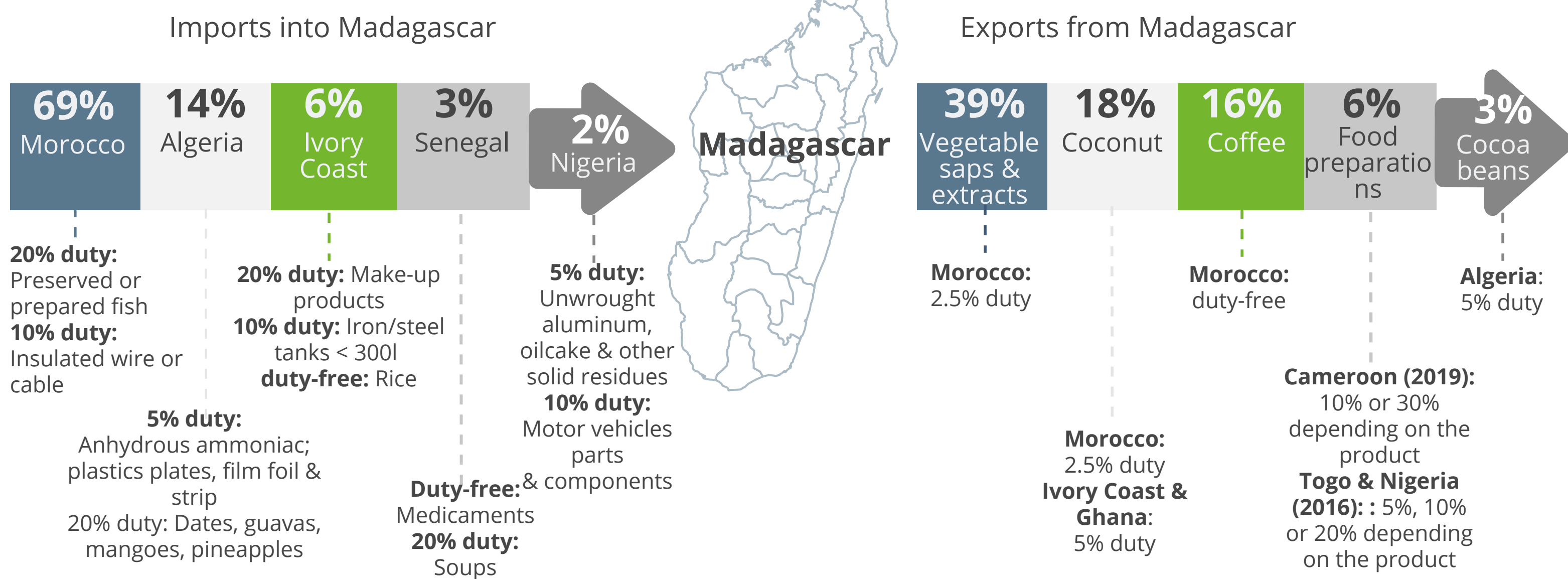
Most of the goods imported into Madagascar from other SADC and COMESA member states enter duty-free. Furthermore, imports from Mauritius, Seychelles & Comoros are granted preferential access in the Madagascar market under the Commission of the Indian Ocean (COI) Agreement. DRC, Eritrea, Ethiopia & Somalia are all in the process of accession to the COMESA FTA. Accordingly, the Madagascar MFN applied rate is still levied on imports from these countries.

MFN duty categories & % of national tariff lines in each category



Trade with African countries outside SADC and SACU

Only 1% of the world and 14% of intra-Africa exports are to African countries not members of COMESA & SADC. 39% of these exports are vegetables saps & extracts, 18% is coconut, and 16% coffee. Other exports include food preparation, cocoa beans, and peppers. In terms of imports, 0.4% of the world and 3% of intra-Africa imports are sourced from African countries outside COMESA & SADC. Imports are mainly prepared or preserved sardines, charitable donations of goods, and anhydrous ammonia. These account for 48% of Madagascar's imports from African countries not members of COMESA & SADC.



All of Madagascar's world imports of cut flowers are sourced from African countries outside COMESA & SADC; also 91% of prepared or preserved fish, 67% of mathematical sets and orthopedic appliances & 64% of gravel.

Of the top 20 import products, the highest tariffs (20% duty) are applicable to imports of preserved or prepared fish, make-up products, office wooden furniture, builder's plastic ware, and discs & tapes.

10% duty is applied on imports of insulated wire or cable, iron/steel tanks < 300l, plants, electrical apparatus, switches <= 1000 V, and aluminum structures and parts.

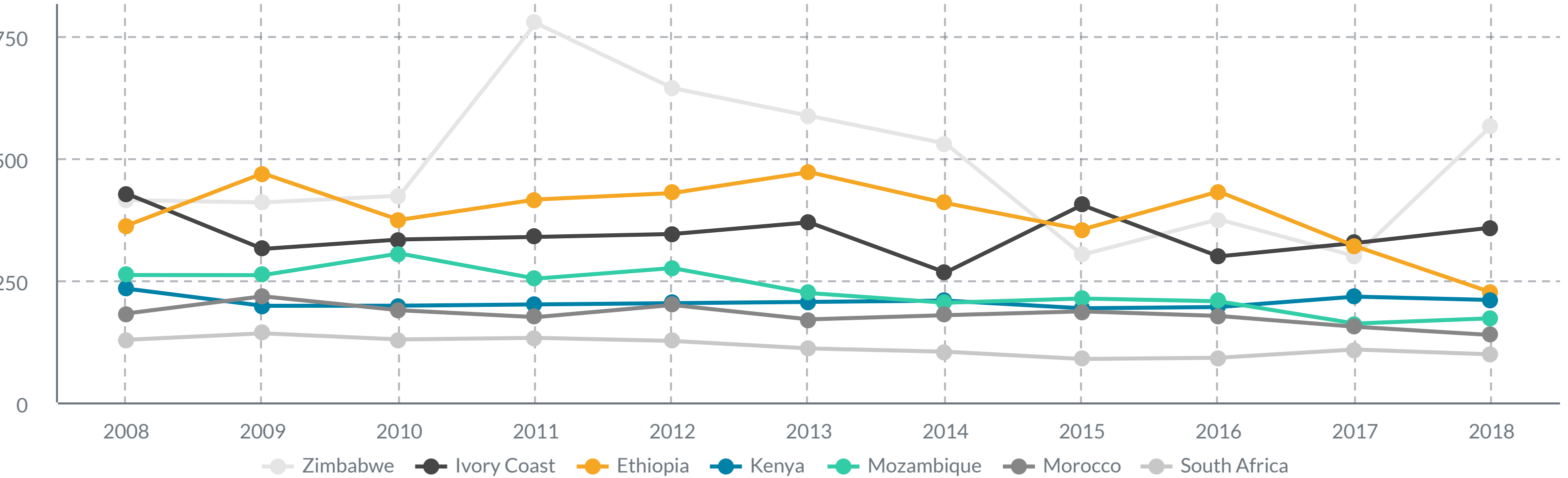
Imports of anhydrous ammonia, unwrought aluminum alloys, toilet/facial tissues, and transformers are charged 5% duty.

Medicaments and rice are imported into Madagascar duty-free.

Non-tariff trade costs

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. Madagascar's trade with Zimbabwe is more costly than trade with north, east and west African countries (including Ivory Coast, Ethiopia, Kenya & Morocco). Trade between Madagascar and African countries (including Zimbabwe, Coast, Ethiopia & Kenya) is more costly than trade between Madagascar and the UK, Germany, India, China & France.

Cost of bilateral trade between South Africa and designated countries; 2010-2018



The most expensive product to export to Angola via air transport is voice transmission apparatus (US\$138.9 per unit).

Air transport costs for vanilla exports:

- South Africa (US\$9.57 per unit)
- Ivory Coast (US\$3.95 per unit)
- Algeria (US\$2.55 per unit)

Propane exports:

- Ghana (US\$13.8 per unit)
- Angola (US\$0.62 per unit)
- Namibia (US\$0.049 per unit)

Per unit cost of transporting men's trousers:

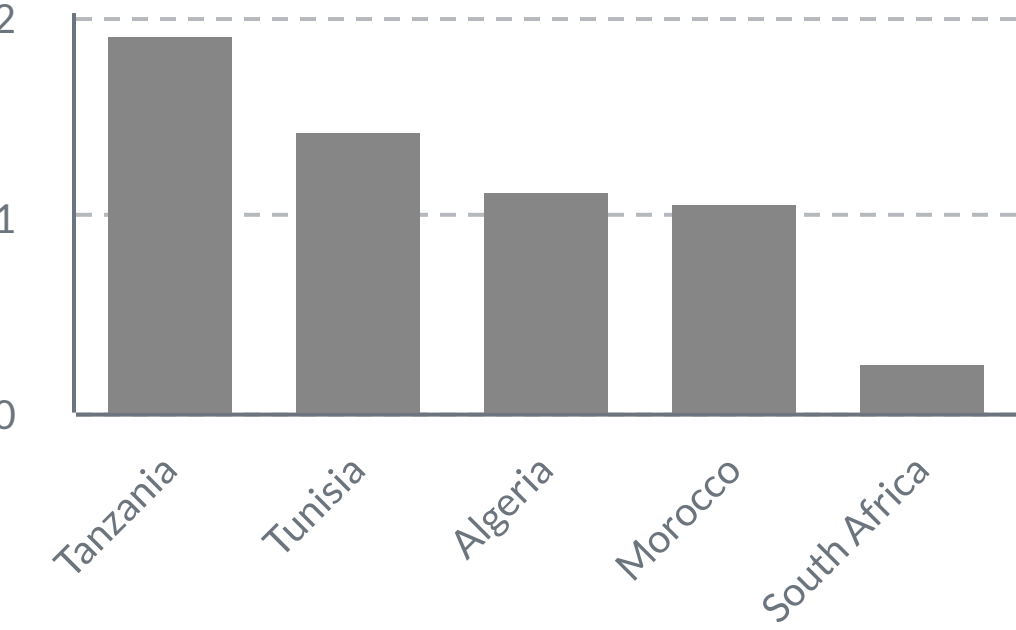
- Algeria (US\$3.45)
- Tanzania (US\$3.18)
- South Africa (US\$0.48)

The per unit cost of transporting ladies' trousers by air (US\$4.30) to Nigeria, is higher than the cost of transporting men's trousers (US\$3.45).

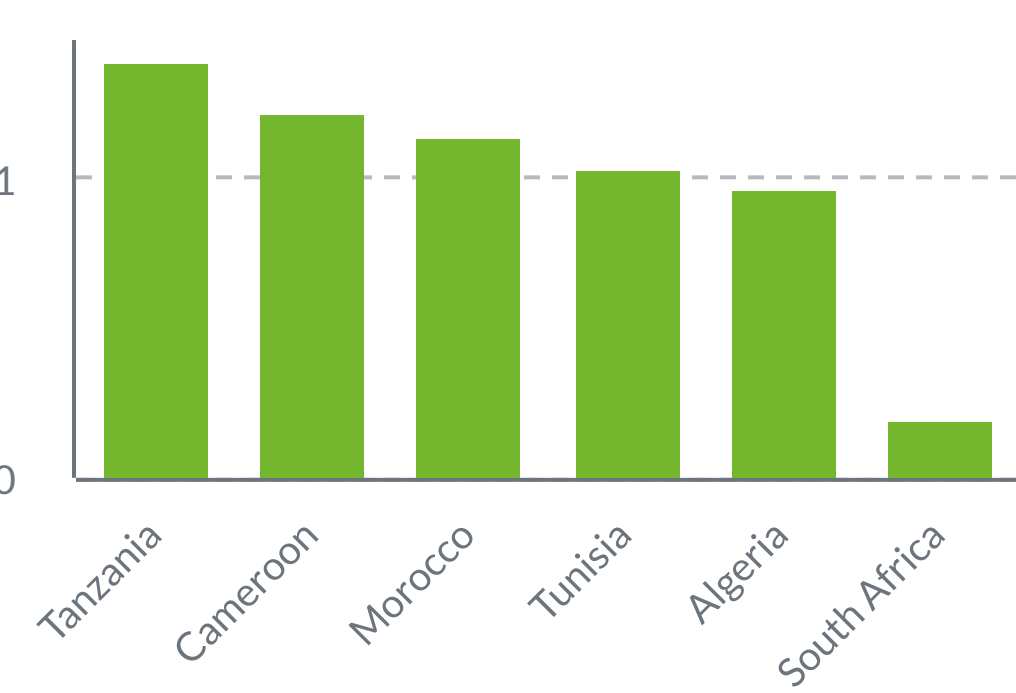
Air transport costs of food preparations exports:

- South Africa (US\$11.64 per unit)
- Morocco (US\$4.85 per unit)

US\$ per unit cost of air transport for jerseys



US\$ per unit cost of air transport for t-shirts



Transportation costs

The UNCTAD transport cost database measures the cost of bilateral transport by product. Transport cost is defined as the difference between the Cost, Insurance and Freight value and Free on Board value of goods. Transport cost across all modes of transport (road, rail, air, and sea) is included. The initial data is for 2016, but is in the process of being updated.

Air transportation of voice transmission apparatus or machines is the most expensive. Air transport to Angola is the highest because of the high costs of transporting voice transmission apparatus or machines via air transport.

Trade in services

The WTO-OECD Balanced Trade in Services Dataset (BaTiS) is an experimental dataset which contains a complete, consistent and balanced matrix of international trade in services. Statistics cover the period 2005-2019, for over 200 reporters and partners, and 12 EBOPS 2010 categories in addition to total services.

Transport

South Africa: US\$9 million
Angola: US\$6 million
Nigeria: US\$4 million
Mauritius: US\$4 million

Travel

Mauritius: US\$9 million
South Africa: US\$7 million
Nigeria: US\$6 million
Angola: US\$4 million

Commercial services

South Africa: US\$16 million
Mauritius: US\$13 million
Nigeria: US\$10 million
Angola: US\$10 million

Ghana

Construction: US\$1 million
Other commercial services: US\$1 million

Services exports 2019

Services imports 2019

COMMERCIAL SERVICES

Mauritius: US\$23 million
Egypt: US\$18 million
South Africa: US\$13 million

TRANSPORT SERVICES

Egypt: US\$10 million
South Africa: US\$5 million
Mauritius: US\$4 million

TRAVEL

Mauritius: US\$19 million
Egypt: US\$9 million
South Africa: US\$8 million
Morocco: US\$3 million

MAURITIUS

Telecoms, other communication services & other services: US\$1 million each