

# **UK-Africa Trading Relationship**

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### TRADE DATA ANALYSIS

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This trade data update documents the trading relationship between Africa and the United Kingdom from 2007 to 2016. The analysis uses UNCOMTRADE data sourced from the International Trade Centre (ITC) Trade Map<sup>1</sup>, and is expressed in United States Dollars.

This synopsis should be read in conjunction with the spreadsheet on tralac's website (available at <u>https://www.tralac.org/resources/our-resources/11896-united-kingdom-africa-trading-relationship.html</u>) and contains the following data:

- UK's trade balance with African countries, by country;
- Africa's total imports from the UK, disaggregated by importing country at the HS4 level;
- Africa's total exports to the UK, disaggregated by importing country at the HS4 level;
- Africa's imports and exports products at HS4 level;
- The trade profiles for COMESA<sup>2</sup>, EAC<sup>3</sup>, SACU<sup>4</sup>, SADC<sup>5</sup>, ECOWAS<sup>6</sup>, and Maghreb<sup>7</sup>;

<sup>&</sup>lt;sup>1</sup> <u>http://www.intracen.org/</u>

<sup>&</sup>lt;sup>2</sup> The Common Market for Eastern and Southern Africa consists of 19 member states, namely Burundi, Comoros, D.R. Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, and Zimbabwe

<sup>&</sup>lt;sup>3</sup> The East African Community consists of 5 member states, namely Burundi, Kenya, Rwanda, Tanzania and Uganda

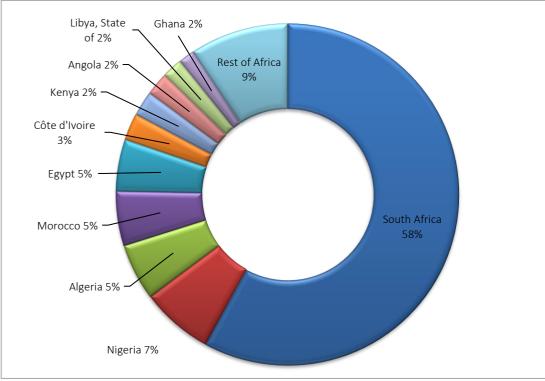
<sup>&</sup>lt;sup>4</sup> The Southern African Customs Union consists of 5 member states, namely Botswana, Lesotho, Namibia, South Africa and Swaziland. Prior to 2010, South Africa-SACU trade data is shaky, and not available

<sup>&</sup>lt;sup>5</sup> The Southern Africa Development Community consists of 15 member states, namely Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

- The top 20 African exports to UK, and top 20 African imports from UK at the HS4 level, by country for all African countries;
- Graphical illustrations of UK's trading relationship with Africa's Regional Economic Communities.

## SYNOPSIS

- In 2016, Africa's exports to the UK stood at US\$16.89 billion, registering a marginal 1.96% increase from previous year's total of US\$16.57 billion.
- The top 20 export commodities comprise of gold and platinum, petroleum oil, petroleum gas, motors (mainly from South Africa), cocoa beans, diamonds, citrus fruits, grapes, tea, coffee, cocoa beans, and wine of fresh grapes.
- Major exporting countries in 2016 were South Africa accounting for (58%), Nigeria (7%), Algeria (5%), Morocco (5%), Egypt (5%), Cote D'Ivoire (3%), Kenya (2%), Angola (2%), Libya (2%), and Ghana (2%) as shown by Chart 1 below<sup>8</sup>.



#### Chart 1: Africa's Export Shares to the UK, 2016

#### Source: Author's computations using ITC data

<sup>&</sup>lt;sup>6</sup> The Economic Community of West African States consists of 15 member states. The founding members of ECOWAS were: Benin, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania (left 2002), Niger, Nigeria, Senegal, Sierra Leone, Togo, and Burkina Faso (which joined as Upper Volta).

<sup>&</sup>lt;sup>7</sup> The Maghreb consists of 5 member states, namely Algeria, Libya, Mauritania, Morocco, and Tunisia.

<sup>&</sup>lt;sup>8</sup> Rest of Africa (Exports) is a grouping of Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central Africa Republic, Chad, Comoros, Congo, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Guinea Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Namibia, Niger, Rwanda, Senegal, Seychelles, Sierra Leone, Somalia, Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia and Zimbabwe.

- In 2016, Africa's imports from the UK stood at US\$11.40 billion, representing a 5.69% decline from the previous year's total imports of US\$112.08 billion.
- Top 20 major imported commodities include motor cars, petroleum oils, turbojets, powered aircraft, medicaments, taps and cocks, alcoholic spirits, aircraft parts, worn clothing, and electric generators.
- Major importing countries in 2016 were South Africa (16%), Morocco (15%), Egypt (14%), Algeria (14%), Tunisia (7%), Nigeria (6%), Libya (2%), Angola (2%), Ghana (2%), Togo (2%), Cote D'Ivoire (2%), Senegal (2%), Ethiopia (1%), and Kenya (1%), as shown by Chart 2 below<sup>9</sup>.

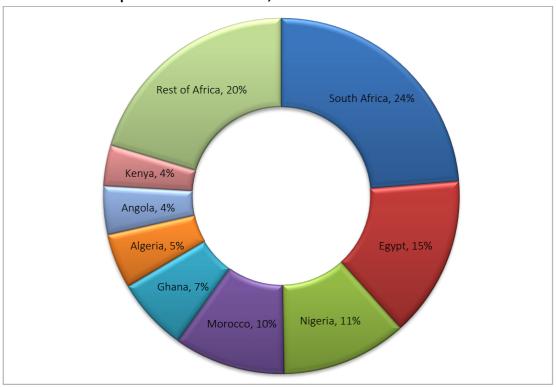
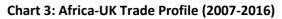


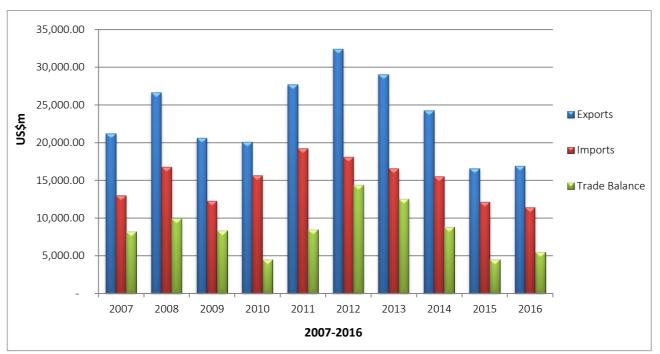
Chart 2: Africa's Import Shares from the UK, 2016

Source: Author's computations using ITC data

- In general, Africa's exports to the UK have been declining since 2012, mainly due to falling commodity prices and global economic slowdown. The commodity driven economic growth driven by a boom in commodity prices has impacted on Africa-UK trade profile, as shown the Chart 3 below.
- Since 2012, Africa's exports to the UK have declined by nearly 50%, from US\$US\$32.43 billion to the 2016 levels of US\$16.89 billion. The declining export position has culminated into a shrinking balance of trade surplus for African countries.

<sup>&</sup>lt;sup>9</sup> Rest of Africa (Imports) is a grouping of Benin, Botswana, Burkina Faso, Burundi, Cape Verde, Cameroon, Central Africa Republic, Chad, Congo, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Guinea Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Rwanda, Senegal, Seychelles, Sierra Leone, Somalia, Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia and Zimbabwe





Source: Author's computations using ITC data

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