

# Invest in Africa



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# Invest in West Africa!

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USAID's West Africa Trade Hub connects companies in West Africa to international markets, helping business partnerships flourish to the benefit of many – from farmers and their families in small villages to consumers in countries around the world. Bringing investment to West Africa is a major part of this work and is why the Trade Hub has developed the "Invest in West Africa" series of guides.

Collectively, African economies are growing, at rates surpassing the developed world, and the continent has become the emerging market for international investors. In 2006, foreign investment (\$48 billion) in Africa surpassed foreign aid sent to the continent. Between 2004 and 2008, economies on the continent averaged a growth rate of more than 6%. Moreover, Africa may be one of the few regions that continues to grow despite the global economic downturn: it is projected that growth will remain strong in 2009 at 3.3%.

This guide to investing in West Africa provides investors information on the exciting opportunities in the cashew industry.



# Sector Overview

## Existing Market

Momentum and enthusiasm for cashew processing in Africa is growing due to current industry economics, the potential development impact and the international market outlook for cashews.

The market for cashew has been growing at a rate of about 5% over the past 15 years. Although prices do fluctuate, they tend to be relatively stable in the long-term, since the cashew nut is an up-market snack food. Demand for cashew is likely to increase in view of its health benefits (together with almonds, the healthiest and most nutritious nut), convenience, and taste, which are all top consumer themes in the US. In addition there is the rising purchasing power of emerging economies and the traditional use of cashew as an ingredient in many foods.

Currently, India and Vietnam account for a majority of the world market for processed cashews, both in terms of processing and exports (see chart below for 2005 figures). Cashew nuts processed in India and Vietnam are shipped to Europe and the US for roasting, salting and retailing. While Africa grows more than 40% world cashew crop, more than 85% of Africa's cashew crop is exported to India and Vietnam for processing. However, rising labor costs in Vietnam and India are problematic for their long-term prospects in processing, and it is expected that in the mid-term, India and Vietnam will be able to cover their raw material requirements domestically.

## Potential Market

Growing constraints in India and Vietnam combined with Africa's much lower labor costs and geographic proximity to the US and European markets present a significant opportunity for Africa to increase its processing capacity and process more of its crop. It is estimated that if Africa's crop was processed domestically, it would generate more than US\$150 million in added value and more than 250,000 new jobs, particularly benefiting women in rural areas.



# Sector Overview (continued)

## Cashew Value Chain



Cashew trees, *Anacardium occidentale*, bear fruit after five years. 90% of African cashews are harvested from small farms.



Picking cashews



Storing and drying raw nuts



African processing



Export and processing in India and other countries



Roasting and salting in Africa



Roasting and salting in North America & Europe



International markets



# Benin

## Country Overview<sup>i</sup>

**Political Context:** Benin gained independence in 1960 and was ruled by military governments until 1972. Mathieu Kerekou came to power in 1972 and brought with him a Marxist-Leninist government. After two years of transition to representative government, elections were held in 1991 and Nicephore Soglo was elected president. Kerekou was elected in 1996 and 2001 and stepped down in 2006. Thomas YAYI Boni, a political independent was subsequently elected and has begun fighting corruption and promoting the country's economic growth.

**Current Account Balance:** -US\$485 million (2008 est.)  
**Reserves:** US\$1.292 billion (31 December 2008 est.)

## Credit Rating

### Standard & Poor's:

Local Currency: B/Positive/B  
Foreign Currency: B/Positive/B  
Transfer & Convertibility Assessment: BBB-

### Fitch:

Local Currency: B  
Foreign Currency (long term/short term): B/B  
Country Ceiling: BBB-  
Long Term Rating Alert: Outlook Stable

## Economic Trends<sup>i</sup>

**Inflation:** 5.2% (2008 est.)  
**Depreciation:** FCFA is on parity with the Euro.  
**Export Commodities:** Cotton, cashews, shea butter, textiles, palm products, seafood  
**Infrastructure:** Bénin has 1 airport with paved runways and 4 airports with unpaved runways (2007). There are 758 km of railways (2006), 1,400 km of paved roads and 14,600 km of unpaved roads (2006). Bénin also has 150 km of waterways on River Niger along northern border (2007).

## Environment<sup>i</sup>

**Area: total:** 112,620 sq km; land: 110,620 sq km; water: 2,000 sq km  
**Climate:** Tropical; hot, humid in south; semiarid in north  
**Terrain:** Mostly flat to undulating plain; some hills and low mountains  
**Land Use:** Arable land: 23.53%; permanent crops: 2.37%; other: 74.1% (2005)  
**Total Renewable Water Resources:** 25.8 cu km (2001)

<b>Natural Hazards:</b>	Hot, dry, dusty harmattan wind may affect north from December to March
<b>Environment:</b>	Current issues: Inadequate supplies of potable water; poaching threatens wildlife populations; deforestation; desertification
<b>Geography - note:</b>	Sandbanks create difficult access to a coast with no natural harbors, river mouths, or islands

## Labor<sup>ii</sup>

<b>Labor Force (age 15+):</b>	3,666,000 (2007 est.)
<b>Labor Force Participation Rate (age 15+):</b>	72.1% (2007)
	Male: 85.7%
	Female: 58.5%
<b>Employment to Population Ratio: (age 15+):</b>	71.6% (2007)
<b>Employment Status:</b>	Not available
<b>Employment by Sector:</b>	Not available
<b>Unemployment rate:</b>	0.7% (2002)
<b>Illiteracy Rate:</b>	Youth: 54.7%; adult: 65.3% (2004)
<b>Labor Productivity:</b>	Not available
<b>Population (%) Below US\$2 a day:</b>	73% (2003)
<b>Share of Working Poor at US\$2 a Day in Total Employment:</b>	87.8% (2003)

## Incentives

Benin has Free Zones which provide many tax and duty reductions and exemptions to export-oriented businesses that invest in Benin.

For more information on Free Zones and other investment incentives, see [www.a-zfibenin.com](http://www.a-zfibenin.com) and [www.cpiibenin.com](http://www.cpiibenin.com).

# Burkina Faso



## Country Overview<sup>i</sup>

Political Trends: Burkina Faso (formerly Upper Volta) won independence from France in 1960. After a series of military coups during the 1970s and 1980s, multiparty elections were held in the early 1990s. Current President Blaise Compoare first came to power in a 1987 military coup but has subsequently participated in multiparty elections and has won every election since. Burkina Faso is densely populated and has few natural resources, limiting the economic prospects for many citizens.

**Current Account Balance:** -US\$908 million (2008 est.)

**Reserves:** US\$1.264 billion

## Credit Rating

### Standard & Poor's:

Local Currency: B/Stable/B

Foreign Currency: B/Stable/B

Transfer & Convertibility Assessment: BBB-

## Economic Trends<sup>i</sup>

**Inflation:** 7.3% (2008)

**Currency:** FCFA is on parity with the Euro.

**Export Commodities:** Cotton, livestock, gold

**Infrastructure:** Burkina Faso has 2 airports with paved runways and 31 airports with unpaved runways (2007). There are 622 km of railway (2006), 3,857 km of paved roads, and 88,638 km of paved roads (2004).

## Environment<sup>i</sup>

**Total Area:** 274,200 sq km; land: 273,800 sq km; water: 400 sq km

**Climate:** Topical; warm, dry winters; hot, wet summers

**Terrain:** Mostly flat to dissected, undulating plains; hills in west and southeast

**Land Use: arable land:** 17.66%; permanent crops: 0.22%; other: 82.12% (2005)

**Natural Hazards:** Recurring droughts

**Total Renewable Water Resources:** 17.5 cu km (2001)

**Environment:** Current issues: recent droughts and desertification severely affecting

agricultural activities, population distribution, and the economy; overgrazing; soil degradation; deforestation

**Geography:** Landlocked savanna cut by the three principal rivers of the Black, Red, and White Voltas

## Labor Force

**Labor Force (age 15+):** 6,674,000 (2007 est.)

### Labor Force

**Participation Rate (age 15+):** 83.3% (2007)

Male: 89.8%

Female: 77.1%

### Employment to

**Population Ratio: (age 15+):** 81.3% (2007)

### Employment Status:

Wage and salaried Workers: 3.6%; self-employed: 26.3%; contributing family workers: 69.2% (1994)

### Employment by Sector:

Agriculture: 88.8%; industry: 3.3%; services: 7.5% (1994)

### Unemployment rate:

77% (2004)<sup>i</sup>

### Illiteracy Rate:

Youth: 67%; adult: 76.4% (2005)

### Labor Productivity:

GDP per person employed (1990 US\$): 2,624 (2005)

### Population (%)

**Below US\$2 a day:** 71.3% (2003)

### Share of Working Poor at US\$2 a Day in

**Total Employment:** 80.5%

## Incentives

Burkina Faso has recently adopted Free Zones to provide tax and duty reductions and exemptions to businesses investing in the country.

For more information about this and other investment incentives, see [www.tradepoint.bf](http://www.tradepoint.bf).

# Côte d'Ivoire

## Country Overview<sup>i</sup>

**Political Context:** Côte d'Ivoire has been one of West Africa's most prosperous countries since it gained independence in 1960. The country benefited from a strong cocoa industry, close ties to France and significant foreign investment. However, in 1999 the country had a military coup. In 2000, junta leader Robert Guei declared himself the winner of rigged elections, but handed power over to Laurent Gbagbo after much civilian protest. A second coup was attempted in 2002 but failed. In 2003 a unity government was formed as part of the Linas-Marcoussis Peace accord, which gave ministerial positions to the rebel forces who had controlled the north, but despite continued implementation of the peace accord, several issues such as land reform and citizenship were not resolved. In March 2007 President Gbagbo and former New Force rebel leader Guillaume Soro signed the Ouagadougou Political Agreement, which outlined a plan to reunite the country, incorporate rebel forces into the army and hold elections. International forces remain in the country to support these efforts.

**Current Account Balance:** US\$407 million (2008 est.)  
**Reserves:** US\$3.3 billion (31 December 2008 est.)

## Credit Rating

Not Available

## Economic Trends<sup>i</sup>

**Inflation:** 6.1% (2008 est.)  
**Depreciation:** FCFA is on parity with the Euro.  
**Export Commodities:** Cocoa, coffee, timber, petroleum, cotton, bananas, pineapples, palm oil, fish  
**Infrastructure:** Côte d'Ivoire has 7 airports with paved runways and 27 airports with unpaved runways (2007). There are 660 km of railways (2006), 6,500 km of paved roads and 73,500 km of unpaved roads (2006). Côte d'Ivoire also has 980 km of waterways on navigable rivers, canals, and numerous coastal lagoons (2008).

## Environment<sup>i</sup>

**Total Area:** 322,460 sq km; land: 318,000 sq km; water: 4,460 sq km  
**Climate:** Tropical along coast, semiarid in far north; three seasons - warm and dry (Nov. to Mar.), hot and dry (Mar. to May), hot and wet (Jun. to Oct.)  
**Terrain:** Mostly flat to undulating plains; mountains in northwest  
**Land Use: arable land:** 10.23%; permanent crops: 11.16%; other: 78.61% (2005)  
**Total Renewable Water Resources:** 81 cu km (2001)

<b>Natural Hazards:</b>	Coast has heavy surf and no natural harbors; during the rainy season torrential flooding is possible
<b>Environment - current issues:</b>	Deforestation (most of the country's forests - once the largest in West Africa - have been heavily logged); water pollution from sewage and industrial and agricultural effluents
<b>Geography - note:</b>	Most of the inhabitants live along the sandy coastal region; apart from the capital area, the forested interior is sparsely populated

## Labor<sup>ii</sup>

<b>Labor Force: (age 15+):</b>	Not available
<b>Labor Force Participation Rate (age 15+):</b>	62.5% (2007)
	Male: not available
	Female: not available
<b>Employment to Population Ratio: (age 15+):</b>	59.9% (2007)
<b>Employment Status:</b>	Not available
<b>Employment by Sector:</b>	Agriculture: agriculture: 68% <sup>i</sup>
<b>Unemployment rate:</b>	4.1% (1998); unemployment may have climbed to 40-50% as a result of the civil war
<b>Illiteracy Rate:</b>	Youth: 39.3%; adult: 51.3% (2000)
<b>Labor Productivity:</b>	GDP per person employed (1990 US\$): 3,335 (2005)
<b>Population (%) Below US\$2 a day:</b>	48.4% (2002)
<b>Share of Working Poor at US\$2 a Day in Total Employment:</b>	68.5% (2002)

## Incentives

Not available

# Ghana



## Country Overview<sup>i</sup>

**Political Context:** In 1957, Ghana became the first Sub-Saharan African country to gain independence. Lt. Jerry Rawlings took power in 1981 and banned political parties. In 1992, Rawlings approved a new constitution and brought back a multi-party system. Rawlings won the presidential elections in 1992 and 1996 and stepped down in 2000 in keeping with constitutional term limits. John Kufuor was elected in 2000 and again in 2004. After stepping down in 2008, Kufuor was succeeded by Prof. John Atta Mills. The 2008 elections were widely seen as a test of Ghana's democracy and resulted in the country's second successful democratic transition of power.

**Current Account Balance:** -US\$1.807 billion (2008 est.)  
**Reserves:** US\$2.301 billion (31 December 2008 est.)

## Credit Rating

### Standard & Poor's:

Local Currency: B+/Stable/B  
Foreign Currency: B+/Stable/B  
Transfer & Convertibility Assessment: BB-

### Fitch:

Local Currency: B+  
Foreign Currency (long term/short term): B+/B  
Country Ceiling: B+  
Long Term Rating Alert: Outlook Negative

## Economic Trends<sup>i</sup>

**Inflation:** 16.4% (2008 est.)  
**Currency:** Ghana Cedi (GHS); depreciation: 2.65% YTD (Feb. 2009)iv  
**Export Commodities:** Gold, cocoa, timber, tuna, bauxite, aluminum, manganese ore, diamonds, horticulture  
**Infrastructure:** Ghana has 7 airports with paved runways and 5 airports with unpaved runways (2007). There are 953 km of railways (2006), 9,955 km of paved roads and 52,266 km of unpaved roads (2006). Ghana also has 1,293 km of waterways, with 168 km for launches and lighters on the Volta, Ankobra, and Tano rivers and 1,125 km of arterial and feeder waterways on Lake Volta (2008).

## Environment<sup>i</sup>

**Total Area:** 239,460 sq km; land: 230,940 sq km; water: 8,520 sq km  
**Climate:** Tropical; warm and comparatively dry along southeast coast; hot and humid in southwest; hot and dry in north  
**Terrain:** Mostly low plains with dissected plateau in south-central area

<b>Land Use:</b>	Arable land: 17.54%; permanent crops: 9.22%; other: 73.24% (2005)
<b>Total Renewable Water Resources:</b>	53.2 cu km (2001)
<b>Natural hazards:</b>	Dry, dusty, northeastern harmattan winds occur from January to March; droughts
<b>Environment:</b>	Current issues: recurrent drought in north severely affects agricultural activities; deforestation; overgrazing; soil erosion; poaching and habitat destruction threatens wildlife populations; water pollution; inadequate supplies of potable water
<b>Geography:</b>	Lake Volta is the world's largest artificial lake

## Labor<sup>ii</sup>

<b>Labor Force (age 15+):</b>	10,522,000 (2007 est.)
<b>Labor Force Participation Rate (age 15+):</b>	72.5% (2007)
	Male: 73.3%
	Female: 71.6%
<b>Employment to Population Ratio: (age 15+):</b>	65.1% (2007)
<b>Employment Status:</b>	Not available
<b>Employment by Sector:</b>	Agriculture: 55%; industry: 14%; services: 31.1% (1999)
<b>Unemployment Rate:</b>	11% (2000 est.) <sup>j</sup>
<b>Illiteracy Rate:</b>	Youth: 29.3%; adult: 42.1% (2000)
<b>Labor Productivity:</b>	GDP per person employed (1990 US\$): 3,334 (2005)
<b>Population (%) Below US\$2 a day:</b>	Not available
<b>Share of Working Poor at US\$2 a Day in Total Employment:</b>	Not available

## Incentives

Ghana has Free Zones, providing tax and duty reductions and exemptions for businesses that invest in Ghana.

The Ghana Investment Promotion Council also offers additional incentives to businesses.

For more information about these programs, see [www.gfzb.com](http://www.gfzb.com) and [www.gipc.org.gh](http://www.gipc.org.gh).

# Guinea-Bissau

## Country Overview<sup>i</sup>

**Political Context:** Guinea-Bissau achieved independence from Portugal in 1974 and has had a tumultuous political history since then. Joao Bernardo Vieira has been in power during most of the country's existence. Vieira first came to power in 1980 through a military coup, and he was elected during the country's first open elections in 1994. Vieira was removed from power in 1999 during the country's civil war. In 2000, the country once again held open elections, and Kumba Yala was elected president. In 2003, a bloodless military coup brought Henrique Rosa to power. Vieira was once again elected in 2005, but was assassinated in March 2009. New elections are scheduled for June 2009.

**Current Account Balance:** -US\$6 million (2007 est.)

**Reserves:** Not available

## Credit Rating

Not available.

## Economic Trends<sup>i</sup>

**Inflation:** 3.8% (2007 est.)

**Currency:** FCFA is on parity with the Euro.

**Export Commodities:** Cashew nuts, shrimp, peanuts, palm kernels, sawn lumber

**Infrastructure:** Guinea-Bissau has 2 airports with paved runways and 7 airports with unpaved runways (2008). There are 965 km of paved roads and 2,490 km of unpaved roads (2002). Guinea-Bissau has multiple navigable waterways, and inlets and creeks provide shallow-water access to the interior of the country. The ports and terminals are Bissau, Buba, Cacheu, and Farim.

## Environment<sup>i</sup>

**Total Area:** 36,120 sq km; land: 28,000 sq km; water: 8,120 sq km

**Climate:** Tropical; generally hot and humid; monsoonal-type rainy season (June to November) with southwesterly winds; dry season (December to May) with northeasterly harmattan winds

**Terrain:** Mostly low coastal plain rising to savanna in east

**Land Use:** Arable land: 8.31%; permanent crops: 6.92%; other: 84.77% (2005)

**Total Renewable Water Resources:** 31 cu km (2003)

**Natural hazards:** hot, dry, dusty harmattan haze may reduce visibility during dry season; brush fires

**Environment:** Deforestation; soil erosion; overgrazing; overfishing

**Geography:** Note: the country is swampy along its western coast and low-lying inland

## Labor<sup>ii</sup>

<b>Labor Force (age 15+):</b>	480,000 (1999)
<b>Labor Force Participation Rate (age 15+):</b>	Not available
<b>Employment to Population Ratio: (age 15+):</b>	Not available
<b>Employment Status:</b>	Not available
<b>Employment by Sector:</b>	Not available
<b>Unemployment Rate:</b>	Not available
<b>Illiteracy Rate:</b>	57.6% (2003 est.)
<b>Labor Productivity:</b>	Not available
<b>Population (%) Below US\$2 a day:</b>	Not available
<b>Share of Working Poor at US\$2 a Day in Total Employment:</b>	Not available

## Incentives

Not available

# Kenya



## Country Overview<sup>i</sup>

**Political Context:** Kenya gained independence in 1963. Jomo Kenyatta served as president from 1963 until 1978, when Daniel Toroitich arap Moi succeeded. From 1969 to 1982 the Kenya African National Union was the only legal political party in Kenya, and responding to outside pressures, the country held its first open elections in 1992. President Moi was elected in 1992 and 1997 and stepped down in 2002. Mwai Kibaki was elected in 2002 and was reelected in 2007. However, the opposition candidate, Raila Odinga, alleged that the elections had been rigged, and substantial violence followed. UN-led negotiations in February 2008 resulted in a power-sharing agreement between Kibaki and Odinga, who was subsequently installed as prime minister.

**Current Account Balance:** -US\$1.859 billion (2008 est.)  
**Reserves:** US\$3.116 billion (31 December 2008 est.)

## Credit Rating

### Standard & Poor's:

Local Currency: B/Positive/B  
Foreign Currency: B/Positive/B  
Transfer & Convertibility Assessment: BB-

## Economic Trends<sup>i</sup>

**Inflation:** 25.5% (2008 est.)  
**Currency:** Kenya Shilling  
**Export Commodities:** Tea, horticultural products, coffee, petroleum products, fish, cement  
**Infrastructure:** Kenya has 16 airports with paved runways and 164 airports with unpaved runways (2008). There are 2,778 km of railways, 8,933 km of paved roads and 54,332 km of unpaved roads (2004). The primary port is Mombasa.

## Environment<sup>i</sup>

**Total Area:** 582,650 sq km; land: 569,250 sq km; water: 13,400 sq km  
**Climate:** Varies from tropical along coast to arid in interior  
**Terrain:** Low plains rise to central highlands bisected by Great Rift Valley; fertile plateau in west  
**Land Use:** Arable land: 8.01%; permanent crops: 0.97%; other: 91.02% (2005)  
**Total Renewable Water Resources:** 30.2 cu km (1990)

<b>Natural Hazards:</b>	Recurring drought; flooding during rainy seasons
<b>Environment:</b>	Water pollution from urban and industrial wastes; degradation of water quality from increased use of pesticides and fertilizers; water hyacinth infestation in Lake Victoria; deforestation; soil erosion; desertification; poaching
<b>Geography:</b>	Note: the Kenyan Highlands comprise one of the most successful agricultural production regions in Africa; glaciers are found on Mount Kenya, Africa's second highest peak; unique physiography supports abundant and varied wildlife of scientific and economic value

## Labor<sup>ii</sup>

**Labor Force: (age 15+):** 16.94 million (2008 est.)

**Labor Force Participation Rate (age 15+):** Not available

**Employment to Population Ratio: (age 15+):** Not available

**Employment Status:** Not available

**Employment by Sector:** Not available

**Unemployment rate:** Not available

**Illiteracy Rate:** 40% (2001 est.)

**Labor Productivity:** Not available

**Population (%) Below US\$2 a day:** Not available

**Share of Working Poor at US\$2 a Day in Total Employment:** Not available

## Incentives

Not available

# Mozambique



## Country Overview<sup>i</sup>

**Political Context:** Mozambique achieved independence from Portugal in 1975. The country was ruled by the Marxist Front for the Liberation of Mozambique (FRELIMO), and in 1989 the party adopted a new constitution and held multi-party elections. In 1992 FRELIMO and rebel Mozambique National Resistance (RENAMO) forces signed a peace agreement to end fighting. In 2004, Armando Emilio Guebuza continued to focus on economic policy that promotes foreign direct investment. Economic growth has been very strong in the country since the end of the civil war.

**Current Account Balance:** -US\$981 million (2008 est.)  
**Reserves:** US\$2.067 billion (31 December 2008 est.)

## Credit Rating

### Standard & Poor's:

Local Currency: B+/Stable/B  
Foreign Currency: B+/Stable/B  
Transfer & Convertibility Assessment: B+

## Economic Trends<sup>i</sup>

**Inflation:** 11.2% (2008 est.)  
**Currency:** Meticals  
**Export Commodities:** Aluminum, prawns, cashews, cotton, sugar, citrus, timber; bulk electricity  
**Infrastructure:** Mozambique has 23 airports with paved runways and 88 airports with unpaved runways (2008). There are 3,123 km of railways (2006), 5,685 km of paved roads and 24,715 km of unpaved roads (2000). Mozambique has 460 km of waterways (2008). The country has ports in Beira, Maputo, Nacala.

## Environment<sup>i</sup>

**Total Area:** 801,590 sq km; land: 784,090 sq km; water: 17,500 sq km  
**Climate:** Tropical to subtropical  
**Terrain:** Mostly coastal lowlands, uplands in center, high plateaus in northwest, mountains in west  
**Land Use:** Arable land: 5.43%; permanent crops: 0.29%; other: 94.28% (2005)  
**Total Renewable**

<b>Water Resources:</b>	216 cu km (1992)
<b>Natural Hazards:</b>	Severe droughts; devastating cyclones and floods in central and southern provinces
<b>Environment:</b>	Current issues: a long civil war and recurrent drought in the hinterlands have resulted in increased migration of the population to urban and coastal areas with adverse environmental consequences; desertification; pollution of surface and coastal waters; elephant poaching for ivory is a problem
<b>Geography:</b>	The Zambezi flows through the north-central and most fertile part of the country

## Labor<sup>ii</sup>

<b>Labor Force: (age 15+):</b>	10.04 million (2008 est.)
<b>Labor Force Participation Rate (age 15+):</b>	Not available
<b>Employment to Population Ratio: (age 15+):</b>	Not available
<b>Employment Status:</b>	Not available
<b>Employment by Sector:</b>	Not available
<b>Unemployment rate:</b>	21% (1997 est.)
<b>Illiteracy Rate:</b>	52.2% (2003 est.)
<b>Labor Productivity:</b>	Not available
<b>Population (%) Below US\$2 a day:</b>	Not available
<b>Share of Working Poor at US\$2 a Day in Total Employment:</b>	Not available

## Incentives

Not available

# Nigeria



## Country Overview<sup>i</sup>

**Political Context:** Nigeria gained independence from Britain in 1960. The country adopted a new constitution in 1999 and transitioned to civilian government after almost two decades of military rule. Nigeria is working to institutionalize democracy and end the corruption and mismanagement that have at times been an issue in this petroleum-based economy. Longstanding ethnic and religious tensions continue in parts of the country as well. Although both the 2003 and 2007 presidential elections were not absent of irregularities and violence, Nigeria is currently experiencing its longest period of civilian rule since independence. The general elections of April 2007 marked the first civilian-to-civilian transfer of power in the country's history.

**Current Account Balance:** US\$7.722 billion (2008 est.)  
**Reserves:** US\$72.04 billion (31 December 2008 est.)

## Credit Rating

### Standard & Poor's:

Local Currency: BB/Stable/B  
Foreign Currency: BB-/Stable/B  
Transfer & Convertibility Assessment: BB-

### Fitch:

Local Currency: BB  
Foreign Currency (long term/short term): BB-/B  
Country Ceiling: BB-  
Long Term Rating Alert: Outlook Stable

## Economic Trends<sup>i</sup>

**Inflation:** 10.6% (2008 est.)  
**Currency:** Naira  
**Export Commodities:** Petroleum and petroleum products 95%, cocoa, rubber  
**Infrastructure:** Nigeria has 36 airports with paved runways and 34 airports with unpaved runways (2007). There are 3,505 km of railways (2006), 28,980 km of paved roads and 164,220 km of unpaved roads (2004). Nigeria also has 8,600 km waterways on the Niger and Benue rivers and on smaller rivers and creeks (2008).

## Environment<sup>i</sup>

**Total Area:** 923,768 sq km; land: 910,768 sq km; water: 13,000 sq km  
**Climate:** Varies; equatorial in south, tropical in center, arid in north  
**Terrain:** Southern lowlands merge into central hills and plateaus; mountains in southeast, plains in north  
**Land Use:** Arable land: 33.02%; permanent crops: 3.14%; other: 63.84% (2005)  
**Total Renewable**

<b>Water Resources:</b>	286.2 cu km (2003)
<b>Natural Hazards:</b>	Periodic droughts; flooding
<b>Environment:</b>	Current issues: soil degradation; rapid deforestation; urban air and water pollution; desertification; oil pollution - water, air, and soil; has suffered serious damage from oil spills; loss of arable land; rapid urbanization
<b>Geography:</b>	The Niger enters the country in the northwest and flows southward through tropical rain forests and swamps to its delta in the Gulf of Guinea

## Labor<sup>ii</sup>

<b>Labor Force: (age 15+):</b>	45,298,000 (2007 est.)
<b>Labor Force Participation Rate (age 15+):</b>	54.5% (2007)
	Male: 70.6%
	Female: 38.7%
<b>Employment to Population Ratio: (age 15+):</b>	65.1% (2007)
<b>Employment Status:</b>	Not available
<b>Employment by Sector:</b>	Agriculture: 70%; industry: 10%; services: 20% (1999 est.)
<b>Unemployment rate:</b>	Not available
<b>Illiteracy Rate:</b>	Youth: 15.8%; adult: 30.9% (2004)
<b>Labor Productivity:</b>	GDP per person employed (1990 US\$): 3,576 (2005)
<b>Population (%) Below US\$2 a day:</b>	92.3% (2003)
<b>Share of Working Poor at US\$2 a Day in Total Employment:</b>	95% (2003)

## Incentives

Nigeria offers Free Zones, which provide tax and duty reductions and exemptions to businesses that invest in the country.

The Nigerian Investment Promotion Commission offers a number of incentives, including tax abatements for projects that involve significant job creation.

For more information about these and other programs, see [www.nipc.gov.ng](http://www.nipc.gov.ng).

# Senegal



## Country Overview<sup>i</sup>

**Political Context:** Senegal gained independence from France in 1960. The country has enjoyed a relatively stable political environment since then. The Casamance region in the south has experienced occasional interruptions of this stability from the Movement of Democratic Forces in the Casamance (MFDC) since 1980. The activities of the MFDC have largely subsided in recent years. Regardless, Senegal is one of the regions most secure democracies. The current president, Abdoulaye Wade was elected in 2000 and reelected in 2007.

**Current Account Balance:** -US\$2.078 billion (2008 est.)  
**Reserves:** US\$1.765 billion (31 December 2008 est.)<sup>iii</sup>

## Credit Rating

Not available

## Economic Trends<sup>i</sup>

**Inflation:** 6.6% (2008 est.)  
**Currency:** FCFA is on parity with the Euro.  
**Export Commodities:** Fish, groundnuts (peanuts), petroleum products, phosphates, cotton  
**Infrastructure:** Senegal has 9 airports with paved runways and 8 airports with unpaved runways (2008). There are 906 km of railways (2006), 3,972 km of paved roads and 9,604 km of unpaved roads (2003). Senegal also has 1000 km of waterways on the Senegal, Saloum, and Casamance rivers (2008). The primary port is Dakar.

## Environment<sup>i</sup>

**Total Area:** 196,190 sq km; land: 192,000 sq km; water: 4,190 sq km  
**Climate:** Tropical; hot, humid; rainy season (May to November) has strong southeast winds; dry season (December to April) dominated by hot, dry, harmattan wind  
**Terrain:** Generally low, rolling, plains rising to foothills in southeast  
**Land Use:** Arable land: 12.51%; permanent crops: 0.24%; other: 87.25% (2005)  
**Total Renewable Water Resources:** 39.4 cu km (1987)  
**Natural Hazards:** L owlands seasonally flooded; periodic droughts  
**Environment:** Current issues: wildlife populations threatened by poaching; deforestation; overgrazing; soil erosion; desertification; overfishing  
**Geography:** Senegal is the westernmost country on the African continent

## Labor<sup>ii</sup>

**Labor Force (age 15+):** 4.973 million (2008 est.)

**Labor Force Participation Rate (age 15+):** Not available

**Employment to Population Ratio: (age 15+):** Not available

**Employment Status:** Not available

**Employment by Sector:** Not available

**Unemployment Rate:** 48% (2007 est.)

**Illiteracy Rate:** 60.7%

**Labor Productivity:** Not available

**Population (%) Below US\$2 a day:** Not available

**Share of Working Poor at US\$2 a Day in Total Employment:** Not available

## Incentives

Senegal has Free Zones which provide many tax and duty reductions and exemptions to export-oriented businesses that invest in Senegal.

For more information on this and other business incentives, see [www.investinsenegal.com](http://www.investinsenegal.com).

# Tanzania



## Country Overview<sup>i</sup>

**Political Context:** The country of Tanzania was formed in 1964 after Tanganyika and Zanzibar merged. In 1995, the country held its first elections since 1970s. Two additional elections have been held since 1995, although there have been claims of irregularities.

**Current Account Balance:** -US\$2.275 billion (2008 est.)  
**Reserves:** US\$2.624 billion (31 December 2008 est.)

## Credit Rating

Not Available

## Economic Trends<sup>i</sup>

**Inflation:** 9.3% (2008 est.)  
**Depreciation:** Tanzanian shilling  
**Export Commodities:** Gold, coffee, cashew nuts, manufactures, cotton  
**Infrastructure:** Tanzania has 9 airports with paved runways and 115 airports with unpaved runways (2008). There are 3,690 km of railways (2006), 6,808 km of paved roads and 72,083 km of unpaved roads (2003). The primary port is Dar es Salaam.

## Environment<sup>i</sup>

**Total Area:** 945,087 sq km; land: 886,037 sq km; water: 59,050 sq km  
**Climate:** Varies from tropical along coast to temperate in highlands  
**Terrain:** Plains along coast; central plateau; highlands in north, south  
**Land Use:** Arable land: 4.23%; permanent crops: 1.16%; other: 94.61% (2005)  
**Total Renewable Water Resources:** 91 cu km (2001)  
**Natural Hazards:** Flooding on the central plateau during the rainy season; drought  
**Environment - current issues:** Soil degradation; deforestation; desertification; destruction of coral reefs threatens marine habitats; recent droughts affected marginal agriculture; wildlife threatened by illegal hunting and trade, especially for ivory  
**Geography** Note: Kilimanjaro is highest point in Africa; bordered by three of the largest lakes on the continent: Lake Victoria (the world's second-largest freshwater lake) in the north, Lake Tanganyika (the world's second deepest) in the west, and Lake Nyasa in the southwest

## Labor<sup>ii</sup>

**Labor Force (age 15+):** 20.38 million (2008 est.)

**Labor Force Participation Rate (age 15+):** Not available

**Employment to Population Ratio: (age 15+):** Not available

**Employment Status:** Not available

**Employment by Sector:** Not available

**Unemployment rate:** Not available

**Illiteracy Rate:** 30.6% (2002 census)

**Labor Productivity:** Not available

**Population (%) Below US\$2 a day:** Not available

**Share of Working Poor at US\$2 a Day in Total Employment:** Not available

## Incentives

Not available

# Togo

## Country Overview<sup>i</sup>

**Political Context:** Togo gained independence in 1960 and has been ruled Gen. Gnassingbe Eyadema for most of its existence. Gen. Eyadema came to power in 1967 as a military ruler and remained in power even through elections which were instituted in the 1990s. Eyadema's son, Faure Gnassingbe was given power, first through military installation and then through elections, after Eyadema's death in 2005. In 2007 Togo held its first round of free and fair legislative elections. After years of difficulties, Togo is being re-welcomed into the international community.

**Current Account Balance:** -US\$433 million (2008 est.)  
**Reserves:** US\$502 million (31 December 2008 est.)

## Credit Rating

Not Available

## Economic Trends<sup>i</sup>

**Inflation:** 9.8% (2008 est.)  
**Depreciation:** FCFA is on parity with the Euro.  
**Export Commodities:** Reexports, cotton, phosphates, coffee, cocoa  
**Infrastructure:** Togo has 2 airports with paved runways and 7 airports with unpaved runways (2007). There are 568 km of railways (2006), 2,376 km of paved roads and 5,144 km of unpaved roads (2000). Togo also has 50 km of waterways on Mono River that are navigable seasonally depending on rainfall (2008).

## Environment<sup>i</sup>

**Total Area:** 56,785 sq km; land: 54,385 sq km; water: 2,400 sq km  
**Climate:** Tropical; hot, humid in south; semiarid in north  
**Terrain:** Gently rolling savanna in north; central hills; southern plateau; low coastal plain with extensive lagoons and marshes  
**Land Use:** Arable land: 44.2%; permanent crops: 2.11%; other: 53.69% (2005)  
**Total Renewable Water Resources:** 14.7 cu km (2001)  
**Natural Hazards:** Hot, dry harmattan wind can reduce visibility in north during winter; periodic droughts  
**Environment - current issues:** Deforestation attributable to slash-and-burn agriculture and the use of wood for fuel; water pollution presents health hazards and hinders the fishing industry; air pollution increasing in urban areas

**Geography**

Note: the country's length allows it to stretch through six distinct geographic regions; climate varies from tropical to savanna

**Labor<sup>ii</sup>**

**Labor Force (age 15+):** 2,598,000 (2007 est.)

**Labor Force**

**Participation Rate (age 15+):** 68.9% (2007)

Male: 86.7%

Female: 51.8%

**Employment to**

**Population Ratio: (age 15+):** 63.9% (2007)

**Employment Status:** Not available

**Employment by Sector:** Not available

**Unemployment rate:** Not available

**Illiteracy Rate:** Youth: 25.6%; adult: 46.8% (2000)

**Labor Productivity:** Not available

**Population (%)**

**Below US\$2 a day:** Not available

**Share of Working Poor  
at US\$2 a Day in**

**Total Employment:** Not available

**Incentives**

Togo has Free Zones, providing tax and duty reductions and exemptions to businesses that invest in the country.

For more information on this and other programs, see [www.zonefranchetogo.tg](http://www.zonefranchetogo.tg).

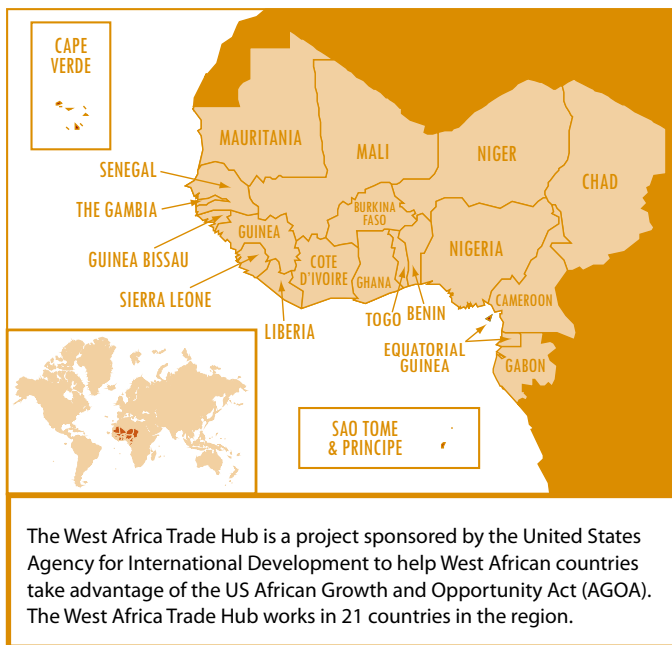
**References**

<sup>i</sup> CIA World Factbook

<sup>ii</sup> International Labour Organization

<sup>iii</sup> [www.nationmaster.com](http://www.nationmaster.com) (data from World Bank)

<sup>iv</sup> Ghana Central Bank



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