



Africa



Table of contents

1 Africa's growth

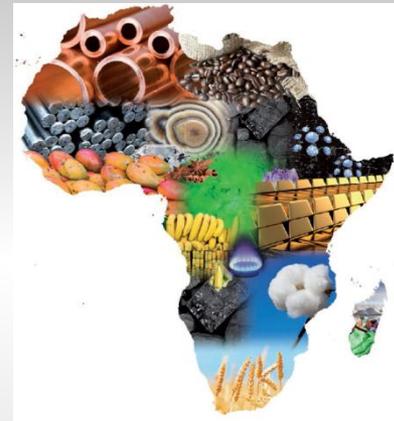
2 Africa - productivity

3 Africa - resources

4 Africa – development

5 Africa – poverty reduction

6 Africa – Trade opportunities

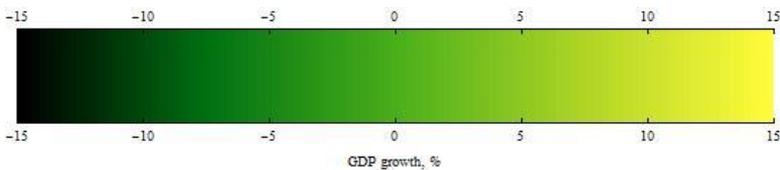


Africa's growth

Different approaches

- Africa is one of the most quickly growing continents measured by GDP growth

GDP growth

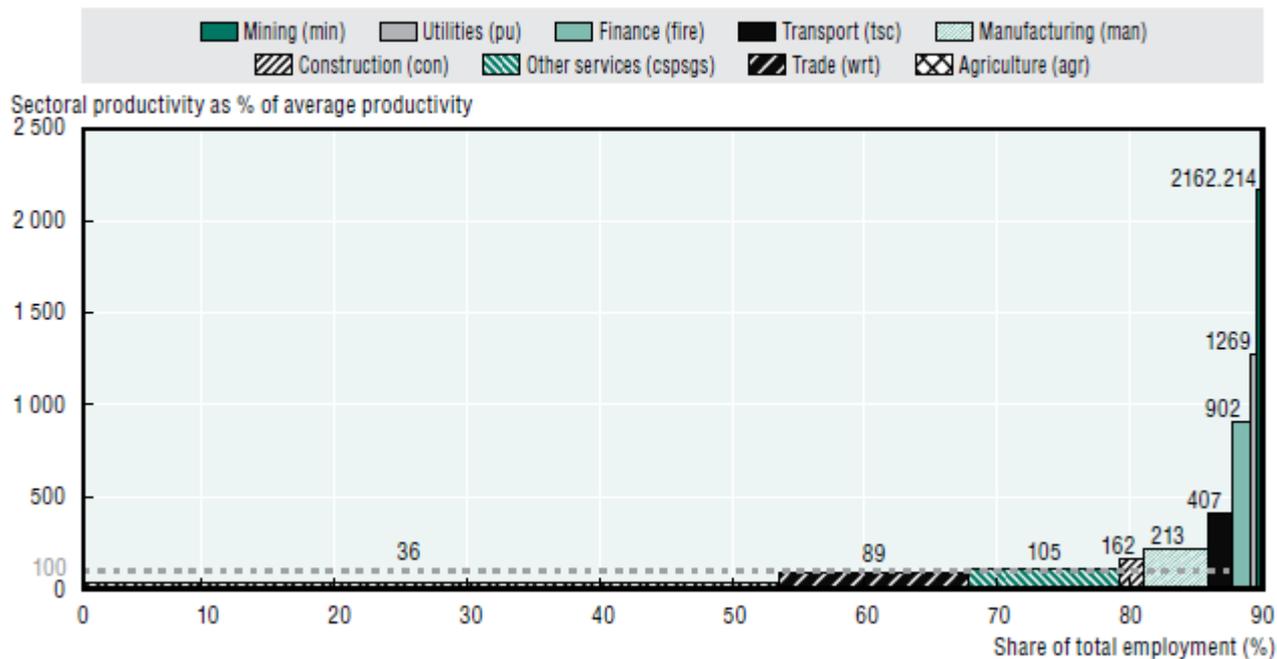


Africa - productivity

Still

- Agriculture remains at 36% of average productivity, it is by far the least productive sector in Africa.
- Manufacturing productivity is six times as high.
- Mining productivity is nearly 60 times higher.

Figure 6.2. Labour productivity gaps in Africa, 2005



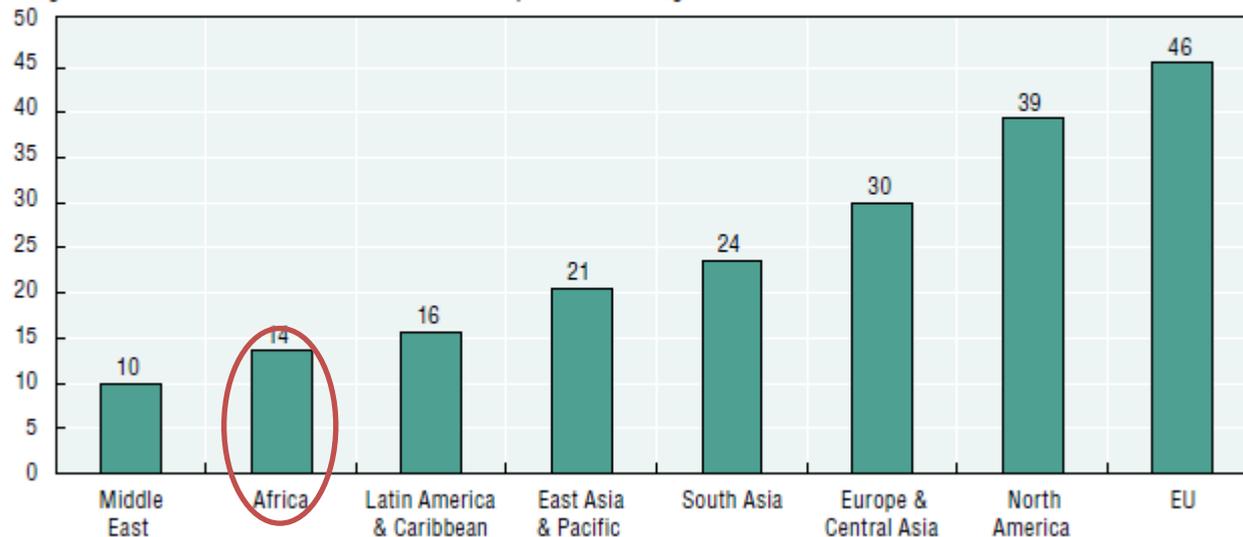
Africa-Resources

Still

- Geological abundance of resources does not automatically translate into a strong primary sector.
- Africa's natural resource exports are less diversified than those of other regions.
- Only 13 African countries export more commodities with RCA than the global average.

Figure 6.7. Africa's natural resource exports are less diversified than those of other regions

Average number of raw commodities with revealed comparative advantage in 2010

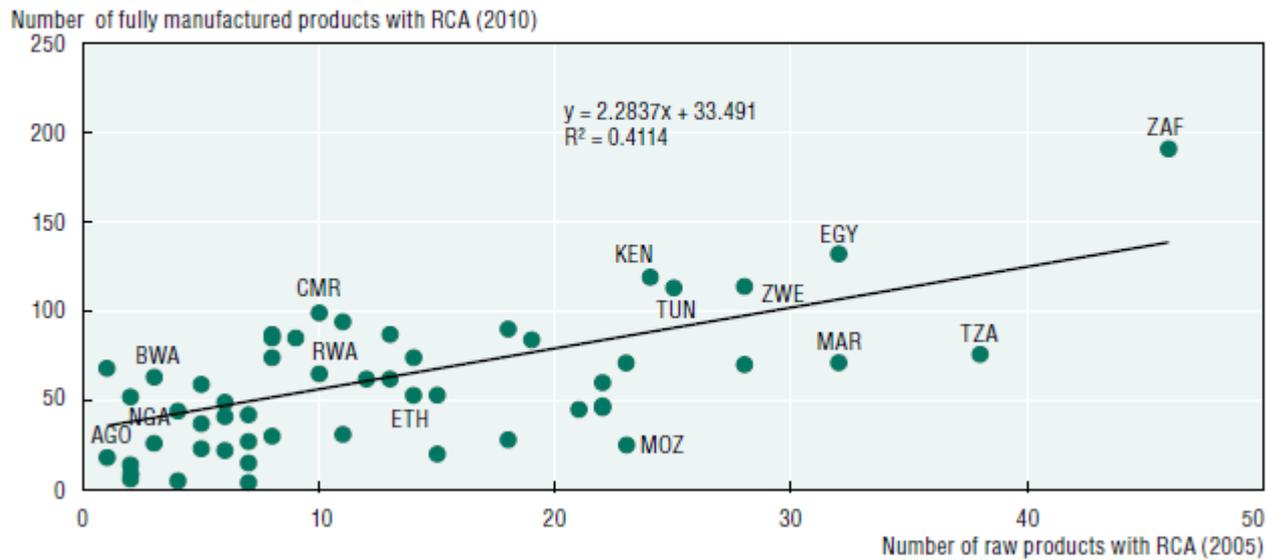


Africa -development

Still

- Countries that have comparative advantages in a wide range of raw commodities also tend to have comparative advantages in a wide range of higher value added products.
- Unfortunately this is not always the case for Africa, which will be demonstrated later.

Figure 6.6. Relative comparative advantage (RCA) in unprocessed commodities and manufactured products: Africa

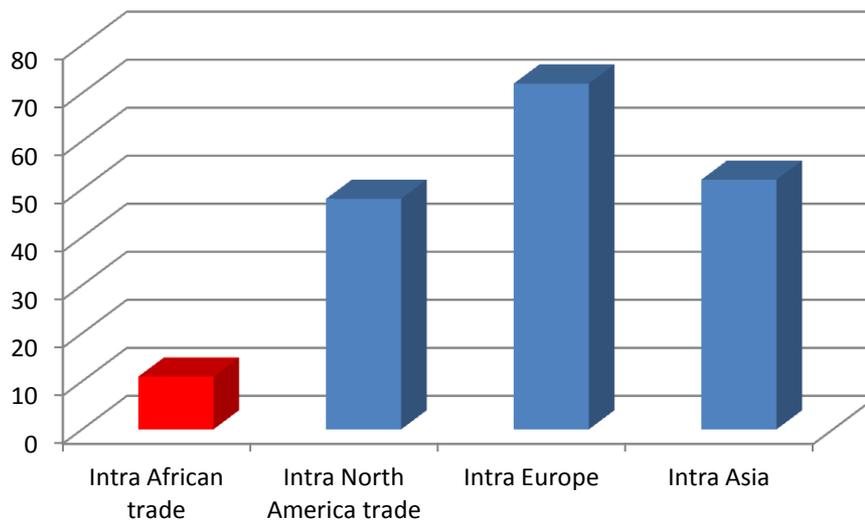


Africa -development

Still

- Intra-African trade integration is still lagging behind, compared to other continents.
- There is still enormous opportunity for economical development through dramatic increase of intra-African trade.

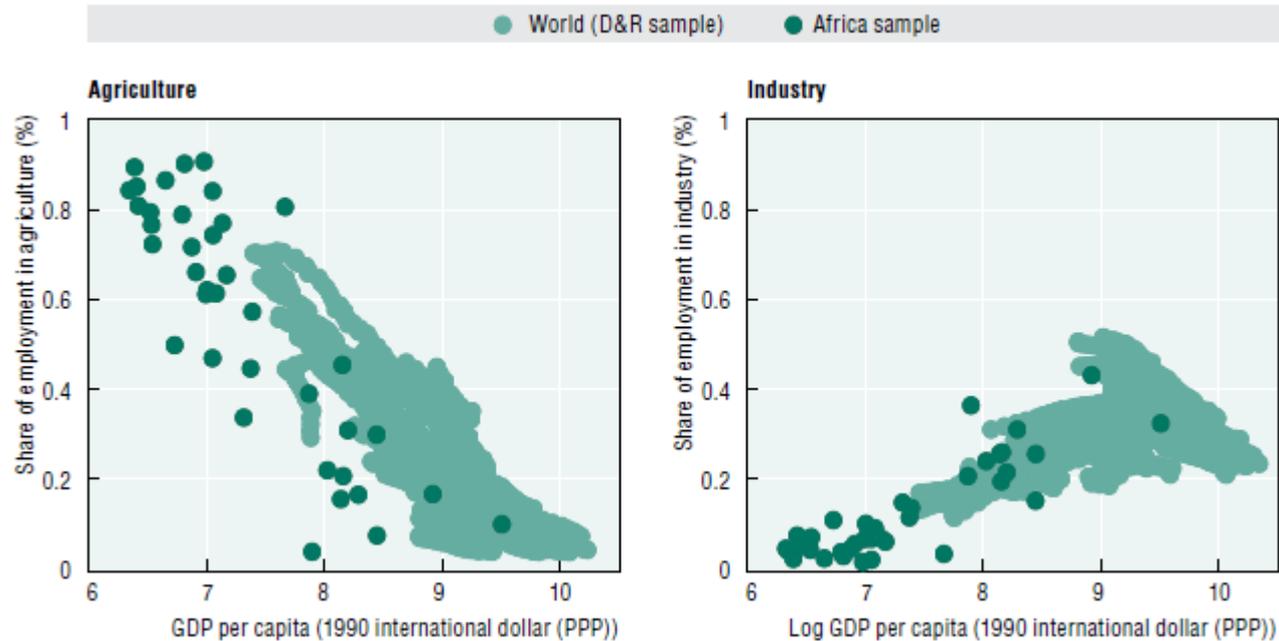
Intra-continental trade (%)



Africa -development

Still

- Nevertheless, the patterns observed in Africa are in line with those of other regions, when the stage of its development is taken into consideration.
- There is no Africa curse.



Africa -development

Our aims

The primary sector can drive structural transformation through:

- i) linkages and diversification into adjacent activities.**
- ii) source of employment for large numbers of low-skilled workers.**
- iii) source of demand for potential new products from new activities.**
- iv) source of government revenue, mainly from extractive industries which can then be invested in creating the right conditions and pushing structural transformation.**
- v) attracting foreign investment that brings capital and know-how.**



Africa – Poverty reduction

Our aims

- If structural change had been faster, faster poverty reduction could have been achieved.



Note: The graph compares actual poverty reduction with the results from a simulation assuming labour had moved to high-productivity sectors.





Export and Investment opportunities



Ministerstvo zahraničních věcí
České republiky

Export opportunities (CR point of view)

Definition

- Items, which are not yet exported regularly by the Czech Republic on the market
- However the local market for given items are growing by an average of more than 50%
- And the Czech Republic has the comparative advantage and importer competitive disadvantage



Engineering

Kód	Položka - Český název	Podíl trhu	Růst trhu	Import 2010 USD	Vývoj LFI reportéra 2003 - 2010	Vývoj LFI ČR 2003 - 2010
840420	Kondenzátory pro parní stroj na vodní aj páru	0,0028%	81,73%	343 609		
840810	Motory pohonné lodní pístové vznětové	0,0012%	105,39%	137 602		
840910	Části,součásti pro motory letecké	0,0002%	115,43%	241 367		
841090	Části,souč,turbin,kol vodních,vč regulátorů	0,0030%	100,29%	3 435 541		
841121	Pohony turbovrtulové,do 1100kW	0,0000%	79,95%	6 302		
842531	Rumpály ost,navijáky,s elektrickým motorem	0,0025%	121,15%	2 726 477		
842649	Stroje,přístroje zvedací ost,s pohonem	0,0053%	161,23%	5 052 545		
843360	Stroje k čištění,třídění vajec,ovoce aj	0,0008%	53,19%	7 230		
843390	Části str,žacích,třídících,sekaček trávy ap	0,0011%	55,49%	233 262		
843810	Stroje,přístroje k výrobě makaronů,špaget ap	0,0108%	67,06%	7 721 052		
844120	Stroje k výrobě pytlů,sáčků,obálek	0,0003%	50,99%	29 184		
844180	Stroje ost,k zpracování buničiny,papíru ap	0,0087%	52,07%	1 304 645		
844520	Stroje textilní spřádací,dopřádací	0,0000%	219,98%	1 320		
844851	Platiny,jehly aj(na oka)k stavům ap platacím	0,0001%	50,31%	6 729		
845150	Str,k navijení,skládání,střihání ap textilií	0,0003%	55,82%	33 617		
845630	Stroje obráběcí elektroerozivní	0,0001%	78,50%	160 728		
845819	Soustruhy horizontální k obr,kovů,ne čísl,říz	0,0021%	70,77%	316 571		
845929	Stroje obráběcí pro vrtání,ne čísl,řízené	0,0521%	129,90%	103 712 397		
846721	Ruční vrtačky všech druhů s vlastním elektrickým motorem	0,0011%	538,15%	910 119		
846729	Ostatní ruční nástroje a nářadí s vlastním elektrickým motore	0,0018%	99,75%	428 464		
847150	Digitální zpracovatelské jednotky	0,1583%	54,82%	52 420 390		
848030	Modely pro formy na kovy,sklo,kaučuk ap	0,0047%	67,39%	688 632		
848050	Formy na sklo	0,0001%	55,53%	9 983		



Export opportunities - Example

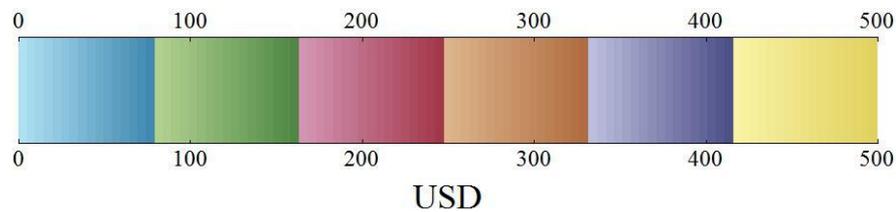
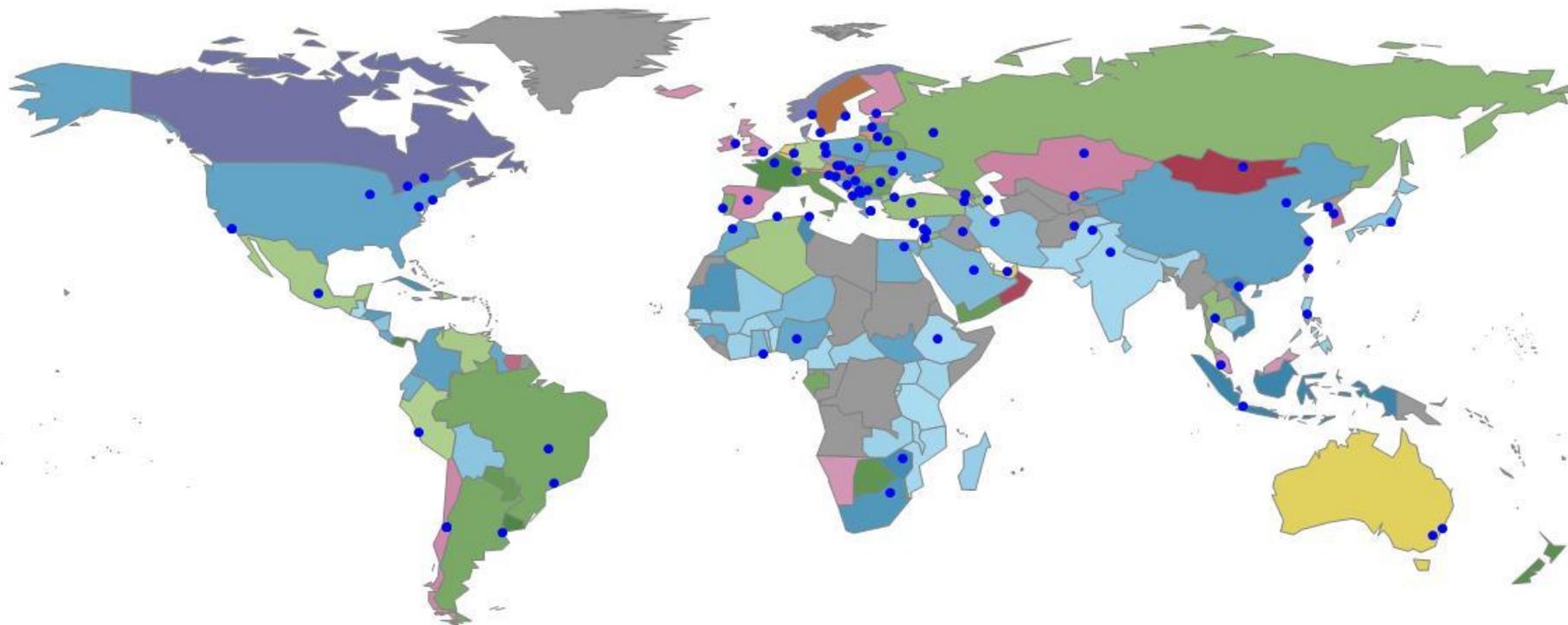
Total amount by industry (USD):

883 840 916

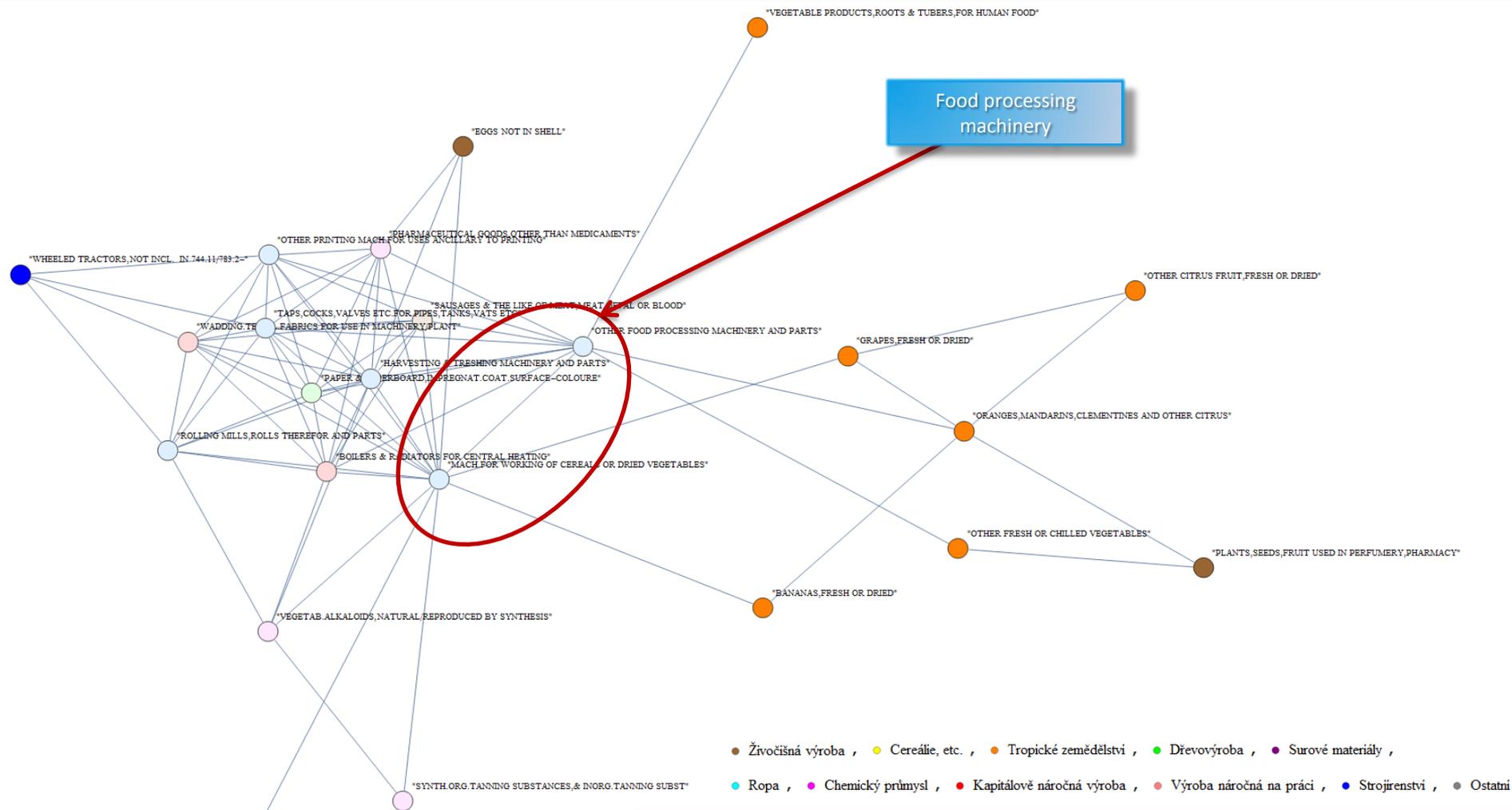
Chemical industry		296 981 806
Textile industry		11 635 872
Metal processing		184 294 703
Engineering		179 927 766
Electro Engineering		62 509 866
Transport Equipment		148 490 903



Trade opportunities (CR perspective)



Investment opportunities example: Supply chain maturity within the food industry



Description

- Dark points represent the item with a comparative advantage according to the LFI
- Colours points divided according to type of commodities



Thank you

