

## Africa-EU Trading Relationship

By Rudi Beets<sup>1</sup>

This synopsis provides an evaluation of trade relations between Africa and the EU over the past 13 years (1999-2012). Unless otherwise specified, all trade data<sup>2</sup> is expressed in US dollars (millions) and is sourced from the Global Trade Atlas ([www.gtis.com/gta](http://www.gtis.com/gta))

This synopsis should be read in conjunction with the spreadsheet on **tralac**'s website (<http://www.tralac.org/2013/11/13/africa-eu-trading-relationship/>). The spreadsheet contains data on the following:

- The EU's total trade and trade balance with all African countries;
- EU imports from and exports to all African countries at the HS4 level, broken down by African country;
- EU trade with the Southern African Development Community (SADC), the Southern African Customs Union (SACU), the Common Market for Eastern and Southern Africa (COMESA) and the East African Community (EAC); and
- The top 20 exports to and the top 20 African imports from the EU at the HS4 level, for all African countries.

### Synopsis

- Total trade between the EU and Africa increased in value by 10.3% a year between 1999 and 2012. Over the same period, EU imports from Africa increased by 11.3% a year and exports to Africa by 9.3% a year.
- Between 2011 and 2012, the value of total trade between the EU and Africa increased by 8.4%, from approximately US\$ 398 billion in 2011 to US\$ 431 billion in 2012. Over the same period imports from Africa increased by 13.6%, while exports to Africa increased by only 2.5%. In value terms, this equated to an increase of approximately US\$ 29 billion for imports and approximately US\$ 5 billion for exports.
- In 2012, the top 10 EU imports from Africa (at the HS4 level) represented 75.7% of the EU's total imports from all African countries, while the top five import products (at

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<sup>1</sup> This analysis was done by Rudi Beets, an Operational Specialist at the South African Revenue Service during the **tralac** Geek Week (9-13 September 2013), and has been updated with the most recent trade data available from the Global Trade Atlas by Hugh van Niekerk, a **tralac** intern.

<sup>2</sup> EU imports are assessed at incoterm CIF (cost, insurance and freight). This is one of the reasons why the EU import data may not necessarily reconcile with African export data.

HS4 level) accounted for 70.8% of total EU imports from Africa in that year. This demonstrates that the EU's imports from Africa are highly concentrated.

- The table below depicts the main EU imports from Africa in 2012 by commodity group

**Table 1: Top EU imports from Africa by commodity group (2012)**

Import commodity group	Share of total EU imports from Africa
Mineral products	67.8%
Precious stones & metals	6.9%
Food, beverages & tobacco	4.0%
Machinery	3.8%
Textiles & clothing	3.4%

Source: Global Trade Atlas (2013)

- In terms of exports, the value of the top 10 products (at HS4 level) exported by the EU to Africa in 2012 accounted for only 32.5% of the value of total EU exports to Africa. This demonstrates the diversity of EU export products, reiterated by the fact that the EU's top five exports to Africa (at HS4 level) accounted for 26.1% of total EU exports to African countries in 2012.
- The table below depicts the main EU exports to Africa in 2012 by commodity group

**Table 2: Top EU exports to Africa by commodity group (2012)**

Import commodity group	Share of total EU exports to Africa
Machinery	24.2%
Mineral products	16.7%
Transport Equipment	12.3%
Chemical products	10.3%
Base metals	8.2%

Source: Global Trade Atlas (2013)

- The value of EU imports from COMESA<sup>3</sup>, SADC<sup>4</sup>, SACU<sup>5</sup> and the EAC<sup>6</sup> in 2012 amounted to approximately US\$ 61.2 billion, US\$ 46.2 billion, US\$ 31.7 billion and

<sup>3</sup> COMESA currently has 19 member countries. These are Burundi, Comoros, DRC, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe.

<sup>4</sup> SADC currently has 15 member countries. These are Angola, Botswana, DRC, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

US\$ 2.8 billion respectively. The value of EU imports from COMESA surpassed that of EU exports to COMESA in 2012. By contrast, EU exports to SADC, SACU and the EAC surpassed EU imports from SADC, SACU and the EAC.

- In 2012, EU exports to SADC, COMESA, SACU and the EAC accounted for 24.7%, 20.3%, 18% and 2.4% respectively of the EU's total exports to all African countries.
- Between 2011 and 2012, the EU's total trade with COMESA increased by 43.5%, while total trade with SADC, SACU and the EAC declined by 6.8%, 10.2% and 6.2% respectively.
- The increase (43.5%) in EU trade with COMESA between 2011 and 2012 was mainly due to an increase (67.7%) in EU imports from COMESA. EU exports to COMESA increased by only 17.1% over the same period.
- The shares of the EU's total trade with Africa accounted for by COMESA, SADC, SACU and the EAC were not significantly different in 2012 to what they had been in 1999. The table below shows each region's share of total EU trade with Africa for both 1999 and 2012.

**Table 3: COMESA, SADC, SACU and EAC shares of total EU trade with Africa (1999, 2012)**

	Share of total EU trade with Africa (1999)	Share of total EU trade with Africa (2012)
<b>COMESA</b>	26.8%	23.2%
<b>SADC</b>	24.9%	21.7%
<b>SACU</b>	19.1%	15.4%
<b>EAC</b>	2.6%	1.8%

**Source: Global Trade Atlas (2013)**

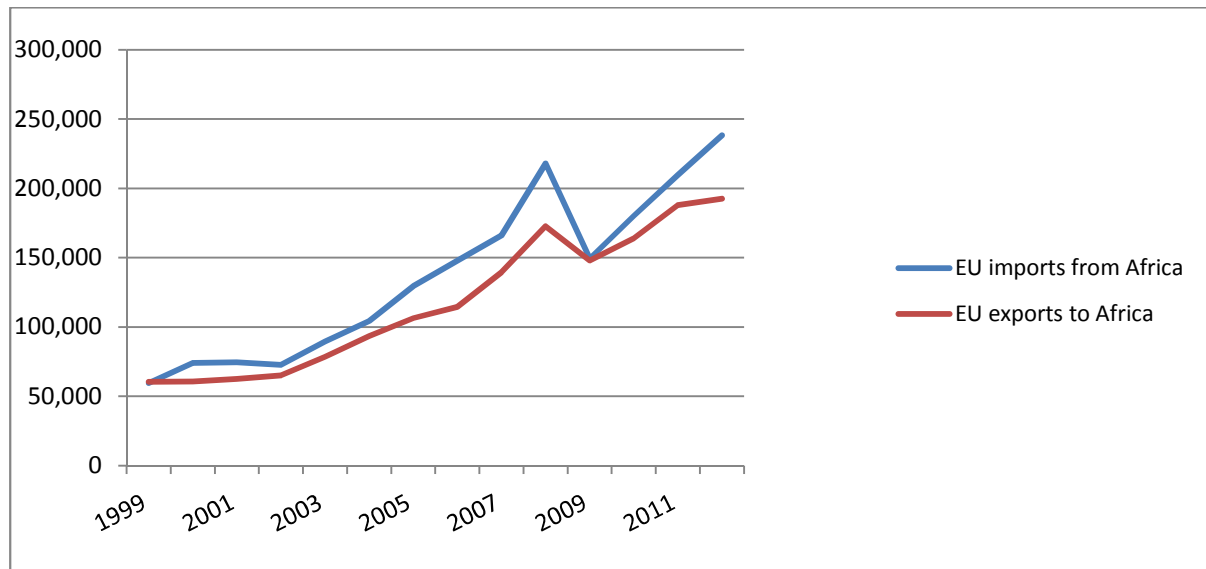
- The EU's top five African trading partners in 2012 were Algeria (accounting for 16% of the EU's total trade with Africa); South Africa (13.4%); Nigeria (13.2%); Libya (11.7%) and Morocco (7.7%). Trade with these countries accounted for 62% of the EU's total trade with Africa in 2012.
- The EU's top five sources of African imports in 2012 were Nigeria, Libya, Algeria, South Africa and Tunisia while the top five African destinations for EU exports in 2012 were South Africa, Algeria, Morocco, Egypt and Nigeria.

<sup>5</sup> SACU has five member countries. These are Botswana, Lesotho, Namibia and South Africa and Swaziland.

<sup>6</sup> The EAC has five member countries. These are Burundi, Kenya, Rwanda, United Republic of Tanzania and Uganda.

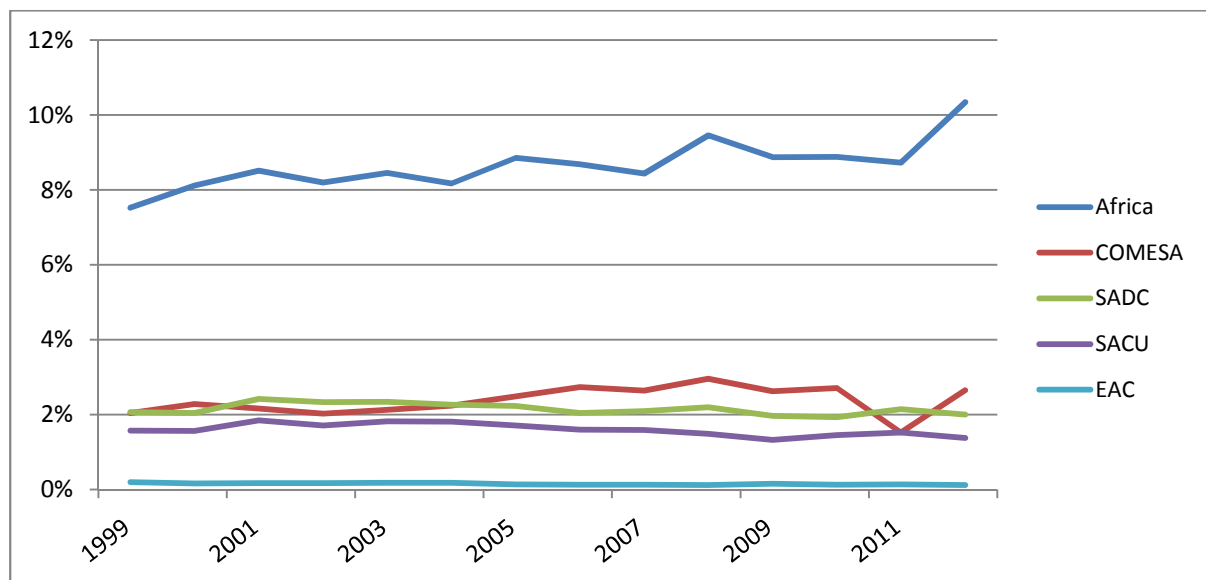
## Graphical representation of trade flows

**Figure 1: EU trade with Africa, 1999-2012 (US\$ millions)**



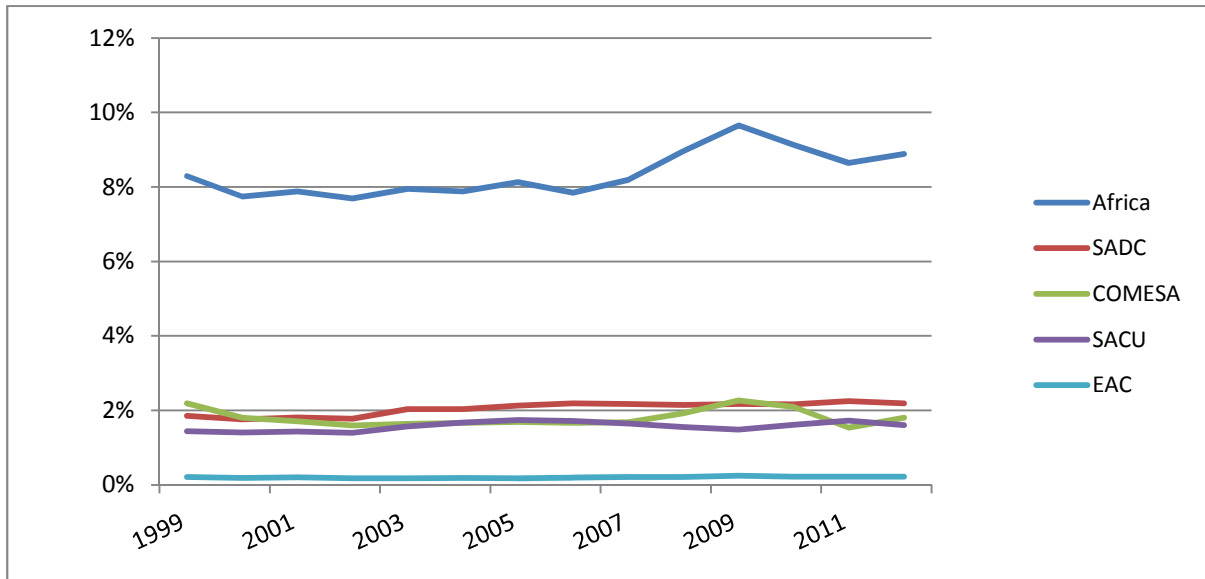
Source: Global Trade Atlas (2013)

**Figure 2: EU imports from Africa, SADC, SACU, COMESA and the EAC (as share of total EU imports)**



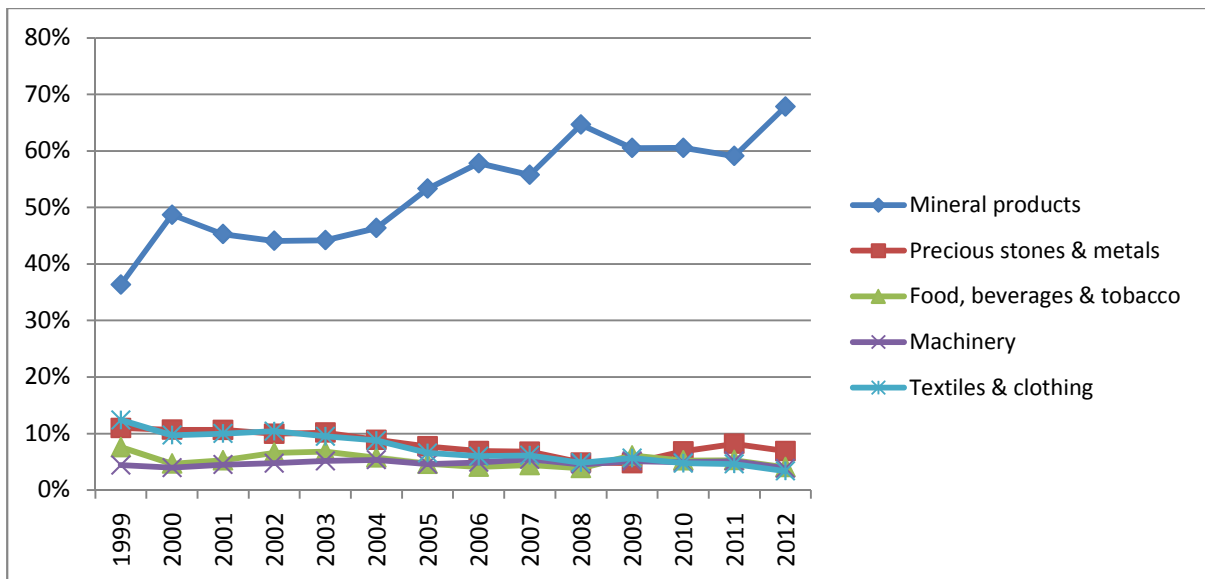
Source: Global Trade Atlas (2013)

**Figure 3: EU Exports to Africa, SADC, SACU, COMESA and the EAC (as share of total EU exports)**



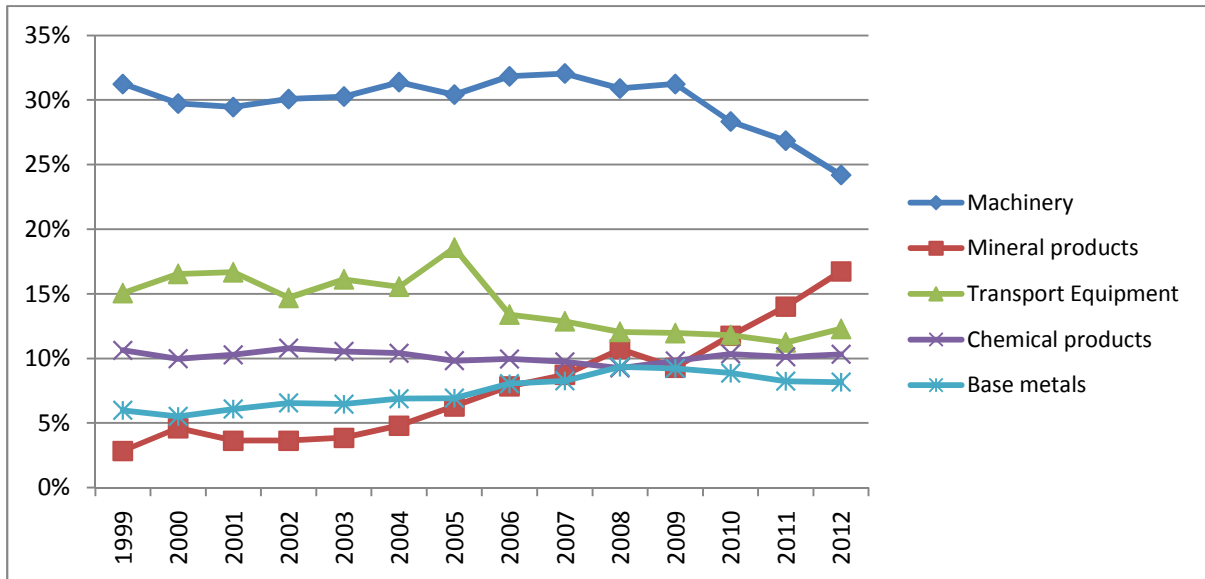
Source: Global Trade Atlas (2013)

**Figure 4: Top EU imports from Africa, by commodity group (as share of total EU imports from Africa)**



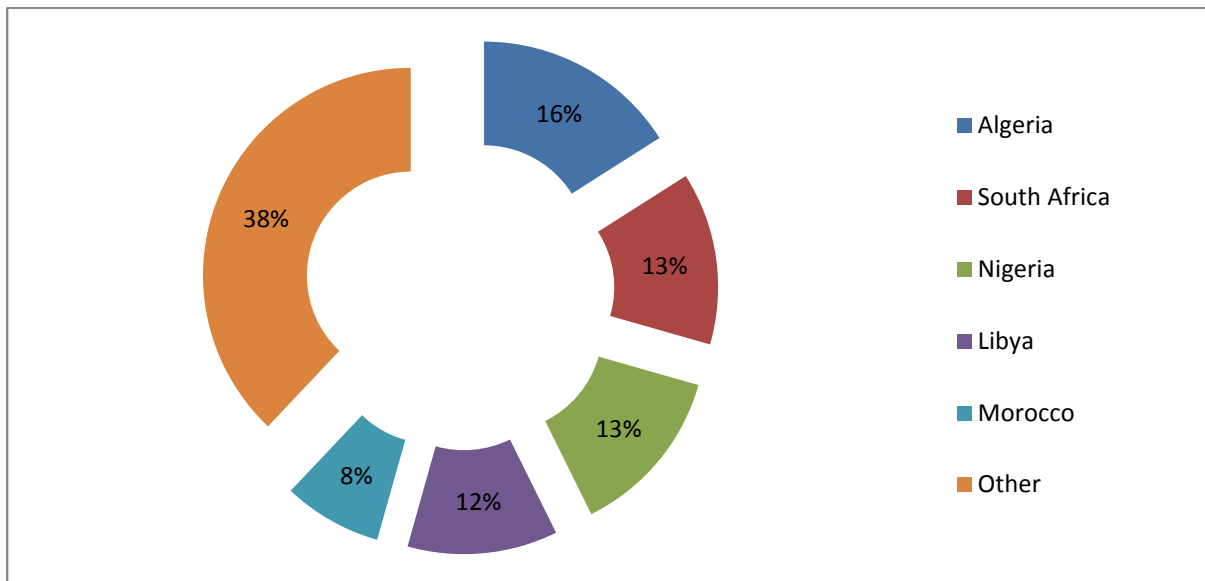
Source: Global Trade Atlas (2013)

**Figure 5: Top EU exports to Africa by commodity group (as share of total EU exports to Africa)**



Source: Global Trade Atlas (2013)

**Figure 6: The EU's top trading partners in Africa in 2012, by share of total EU trade with Africa**



Source: Global Trade Atlas (2013)