



## Introduction

**T**he task of monitoring Africa's development progress and aid flows requires basic empirical data that can be readily used by analysts. This publication—which is the tenth in a series that began with *African Economic and Financial Data (AEFD)* and was followed by *African Development Indicators (ADI)* 1992, 1994/95, 1996, 1997, 1998/99, 2000, 2001, 2002, 2003, and 2004—is meant to provide a starting point to fulfill that task.

This volume has been able to extend the work of the previous volumes in this series in the following ways:

- Most macroeconomic data (in particular, national accounts, balance of payments, government finance statistics, and trade) reflect data maintained by World Bank country desks, often referred to as *operational data*. These data are often more up to date and offer better country coverage than the data stored in the Bank's central files, the Statistical Information Management and Analysis Database (SIMA), which were used in publications before 1998. SIMA is a large database that contains some, but not all, data produced by Bank staff—operational and other—and some, but not all, data produced by UN agencies.
- The coverage of many of the data series has been improved, reflecting enhancements in the

underlying data series, as well as estimates made by Bank staff.

- A new chapter on “Doing Business” has been added.

However, substantial data gaps remain, notably in areas such as public enterprises, gender, and labor. Strengthening the statistical capacity in African countries is an ongoing process, and greater efforts and institutional support will be required if substantial improvements are to be made.

This volume presents the available relevant data for 1980–2003, grouped into 17 chapters: background data; national accounts; prices and exchange rates; money and banking; external sector; external debt and related flows; government finance; agriculture; power, communications, and transportation; doing business; labor force and employment; aid flows; social indicators; and environmental indicators; HIPC; household surveys; and public enterprises. Chapter 14 (environmental indicators) was once again taken from the World Resources Institute's *World Resources 2002–2004: Decisions for Earth: Balance, Voice and Power*, which is a repeat from *ADI 2004*.

Each chapter begins with a brief introduction on the nature of the data, followed by a set of charts, statistical tables, and technical notes. These notes define the indicators and identify specific sources.

A companion CD-ROM, known as World Bank Africa Database 2005, provides year-by-year time series of most chapters back to 1970. These series will provide analysts with data needed to help place the most recent years in a historical context.

The data in this volume incorporate numerous revisions to those published previously in the series for several reasons:

- Many of the data that were based on estimates in the earlier volumes have been replaced with updated actual data or improved estimates. In most cases, these changes reflect revisions made by the original reporting authorities or sources, but this volume also includes corrections of errors in previous volumes.
- Data series expressed in constant U.S. dollars and exchange rates use a base year of 2000; previous *ADIs* were based on 1987 and 1995 exchange rates and prices, and *AEFD* used 1980 exchange rate and prices.
- Some series expressed in constant prices have been revised as a result of updated or revised deflators.
- As in the 2004 volume, macroeconomic data reflect country desk information. The difference is most noticeable in the chapter on government finance, as figures reflect consolidated government data instead of only central government data.

Considerable effort has been made to standardize and to harmonize related data sets drawn from diverse sources. Because statistical methods, coverage, practices, and definitions differ widely among sources, full comparability cannot be ensured, and the indicators must be interpreted with care. In addition, the statistical systems in many developing economies are still weak, which affects the availability and reliability of the data they report. Moreover, intercountry and intertemporal comparisons always involve complex technical problems, which have no full and unequivocal solution.

The data are drawn from sources thought to be the most authoritative, but many data sources are subject to considerable margins of error. To provide reasonably timely data required for meaningful monitoring, the World Bank, the International Monetary Fund

(IMF), and other agencies sometimes make estimates on the basis of available secondary information to fill critical gaps in national reporting, especially for the most recent years, when data cannot be readily produced by national statistical sources. Nonetheless, data gaps exist for many indicators, and some countries are covered only sporadically.

Readers are urged to take these limitations into account in using the data and interpreting the indicators, particularly when making comparisons across economies. Weaknesses in the data point to the need for strengthened statistical systems throughout the region.

As a visual aid to data interpretation and cross-country comparisons, figures for selected indicators are included. As with time series, the figures should also be interpreted with caution—in particular in cross-country analysis because countries with missing data are excluded from the charts.

Throughout this volume (except when otherwise stated), the symbol “..” indicates that data are not available or not applicable. A zero (0) indicates either zero value or an insignificant value, that is, less than one-half of the smallest unit shown. The abbreviation “MR” indicates “most recent year available.” In Chapter 13, columns headed by a period (for example, 1993–97) show data for the latest available year in the period.

To facilitate cross-country comparisons, this book has converted values of many national series from the national currencies to U.S. dollars, using the *World Bank Atlas* methodology.

Indicators in this volume generally follow standard definitions as far as possible and cover years through 2003 or 2003, depending on the chapter. Data for 2003 are preliminary and therefore may not be internally consistent within and across accounts; and data may not be available for all countries. Because data are continually updated, the statistics here may be different from those in other publications.

Shares and ratios are always calculated using current price series; when gross domestic product (GDP) is used as the denominator for these calculations, it is always expressed at market prices (except in Figure 2-3).

In all but the household survey chapter, the data are arranged by indicator to facilitate cross-country comparisons. For country-specific work, data can be

arranged to show all indicators together for each country.

In this volume, the statistical tables are usually arranged as time series, by country and by country groups. The largest country group is All Africa, consisting of two subgroups: North Africa and Sub-Saharan Africa (including South Africa). In turn, the Sub-Saharan Africa group is shown, excluding South Africa and Nigeria. These two are subgroups within the SSA group, and correspond to the Sub-Saharan Africa and Sub-Saharan Africa, excluding Nigeria groups shown in the *AEFD* and *ADI 1992*, where South Africa was listed separately.

Annual data shown for country groups are totals, averages, or medians for the countries included in the group, as indicated on the table. These group aggregates can be either simple arithmetic—where missing data are not imputed or gap-filled—or weights are used to adjust group totals for missing countries. In the latter case, when values are missing for a country or a year, estimates are made to maintain the same country composition of the groups through time. However, the implicit estimated values for the countries with missing data are not shown separately in the tables. These gap-fill estimates are made and the aggregate statistics are shown only if the countries for which data are available for a given year account for at least two-thirds of the full group, as defined by benchmarks in 1995. This procedure is standard for many World Bank statistical publications.

Most group averages are weighted according to the relative importance of the countries in the group total for that indicator, based on simple addition across countries when the indicator is expressed in reasonably comparable units. Group averages for analytical ratios (for example, imports to GDP) can be either weighted or simple (arithmetic). Usually they are calculated from the group totals for both the numerator and the denominator, which is analytically equivalent to calculating weighted averages, where the

weight for each country is its share in the group total for the denominator. Sometimes, however, when it is appropriate to treat the experiences of different countries equally in determining a representative value for the group, these group averages are arithmetic—that is, each country has equal weight.

Period averages—shown for 1975–1984, 1985–1994, and 1995 to most recent year—are calculated from time series (levels, ratios, growth rates, or medians) for both countries and country groups. They are either simple averages or average annual percentage growth rates. These growth rates always use the least-squares method and are usually computed from real-term series. In this publication, the least-squares growth rates are computed using the level for the year before the first year shown in the label. The least-squares growth rate,  $r$ , is estimated by fitting a least-squares linear regression trend line to the logarithmic annual values of the variable in the relevant period. More specifically, the regression equation takes the form:  $\log X = a + bt + e$ , where this is equivalent to the logarithmic transformation of the compound growth rate equation,  $X = X(1 + r)^t$ . In these equations  $X$  is the variable,  $t$  is time, and  $a = \log X$  and  $b = \log(1 + r)$  are the parameters to be estimated;  $e$  is the error term. If  $b^*$  is the least-squares estimate of  $b$ , then the annual average growth rate,  $r$ , is obtained as  $[\text{anti log}(b^*)] - 1$  and multiplied by 100 to express it in percentage terms. The least-squares growth rate dampens the influence of exceptional values, particularly at the end points. Least-square growth rates are calculated only if more than two-thirds of consecutive data—carrying the same sign—are present in the time series.

Throughout this volume, data for Ethiopia include Eritrea up to 1992, except when otherwise indicated. Mauritius data are reported for fiscal years ending June 30. The data are published under the second year of the reporting period—for example, July 2000 to June 2001 is published under 2001.