



**USAID**  
FROM THE AMERICAN PEOPLE

# **Analyses of trade flows of food products with the FtF countries in Africa**

**November 2018**

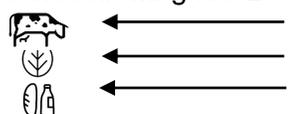
# Executive summary

- **Trade between FtF Africa countries and the US is an almost negligible portion of FtF Africa exports and of US imports, for both commodities and processed food products.** For all but one of the product categories<sup>1</sup>, the US's share of FtF Africa exports is less than 1%. For all but one of the product categories, FtF Africa countries provide less than 1% of the total US imports<sup>2</sup>
- **FtF Africa countries *do* export these products to developed countries which indicates logistical challenges and sanitary and phytosanitary standards (SPS) *may* not be the key constraints to trade with the US.** EU accounts for the largest share of developed country exports, with its imports of food products from FtF Africa countries ~14 times higher than that of the US
- **The US *does have* import demand for the products that FtF Africa countries produce and export, but imports mainly from countries in Latin America & Caribbean and East Asia & Pacific.** This indicates there may be opportunities to grow FtF Africa exports to the US provided that the FtF Africa offering is sufficiently competitive
- **FtF Africa countries as a *destination* for US exports are bigger than the reverse but still not leading.** Among the top products that are both produced in and imported by FtF Africa countries, the US accounts for 11% of the FtF Africa imports – with the US providing 22% of FtF Africa countries' wheat imports
- **Agricultural input imports to FtF Africa countries are dominated by fertilizers, pesticides & machinery,** with Asia and Europe accounting for many of those imports. The US's largest share is in seeds, at ~13% of the total seed imports
- **Individual categories show potential for growth in trade:** From the perspective of total US imports of non-food agriculture-based products (such as textiles and leather products), FtF Africa countries account for <1%. However, from the perspective of FtF Africa countries' total exports of those products, the US *is* the largest destination for textiles (at 49%)

1 The exception is tubers where US imports represent 5% of FtF Africa exports

2 The exception is coffee, where FtF Africa production represents 3% of US imports

# Methodology: We analyzed the export and import flows of food products with FtF Africa countries

|  |  |
|--|--|
| <b>Overview</b>  | We analyzed the largest export and import flows, by value (USD)  |
| <b>Source</b>  | <ul style="list-style-type: none"> <li>• <b>Trade:</b> UN COMTRADE data provided through World Bank’s World Integrated Trade Solution database</li> <li>• <b>Production:</b> FAOSTAT – Food and Agriculture Organization’s database</li> </ul>   |
| <b>Agricultural products and FtF countries covered</b> | <ul style="list-style-type: none"> <li>• <b>FtF countries:</b> All FtF target countries in Africa are included in the analyses, i.e. Ethiopia, Ghana, Kenya, Mali, Niger, Nigeria, Senegal and Uganda</li> <li>• <b>“Food products”:</b> We used the Harmonized System (HS) of nomenclature to classify traded products. The HS code consists of 6 digits. The first two digits (HS-2) identify the chapter the goods are classified in. The next two digits (HS-4) identify groupings within that chapter. The next two digits (HS-6) are even more specific. We have used HS-4 codes in the analyses. The four-digit HS codes in this deck are under the following HS-2 codes             <ul style="list-style-type: none"> <li>• Animal products: HS codes 01-05</li> <li>• Vegetable products: HS codes 06-15</li> <li>• Foodstuff (processed foods): HS codes 16-24</li> </ul> </li> </ul> <div style="display: flex; align-items: center; margin-top: 10px;">  <div style="margin-left: 20px;"> <p><i>Icons used in the deck to show the HS codes that the analysis on the slide refers to</i></p> </div> </div> |
| <b>Trade of agricultural products – different cuts</b> | <ul style="list-style-type: none"> <li>• Top 10 food product exports, by value – combined analysis for HS codes 1 to 24</li> <li>• Top 10 food products that have experienced the highest growth in US imports in the last ten years – separate analyses of HS codes 1 to 15, and 16 to 24</li> <li>• Top 10 food products imported by the US, by value – separate analyses of HS codes 1 to 15, and 16 to 24</li> <li>• Top 10 highest-priced food products (top 10 by USD/kg, top 5 by USD/unit) imported by the US – combined analysis for HS codes 1 to 24</li> <li>• Top 10 food products that are imported in FtF Africa countries, as well as produced domestically – analysis for HS codes 1 to 15</li> <li>• Top 10 food products that are produced in FtF Africa countries – analysis for HS codes 1 to 15</li> </ul>  |
| <b>Trade of agricultural inputs</b>                    | Provided imports of agricultural inputs to FtF Africa countries. Agricultural inputs categorized as seeds, fertilizer/manure, animal feed, machinery, pesticides.  |
| <b>Trade of non-food agricultural products</b>         | Added non-food agricultural products to reflect product categories that many African countries prioritise in their development. Following product categories are included: textiles & textile articles, leather including leather footwear, pharmaceutical products, prepared feathers<br>Note: “foodstuffs” above includes a few non-food products, such as vinegar, tobacco and animal fodder, per HS codes  |

# Table of contents

1. **Develop an early understanding of the constraints in trade by analyzing**
  - a) **FtF countries' food export destinations and draw inferences**
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

# Section summary

- **FtF Africa countries' exports to developed countries are ~3 times higher than those to the rest of the world.** EU accounts for the largest share of developed country exports, with its imports of food products from FtF Africa countries ~14 times higher than that of the US.
- **FtF Africa countries' exports within Africa are largely to their neighboring countries,** and constitute only ~10% of their total exports, according to COMTRADE data. However, there is informal trade at the borders that is currently not captured through formal trade channels
- **FtF Africa countries are responsible for less than 2% of all US imports** of animal and vegetable products and foodstuff
- **Developed countries' imports from FtF Africa countries are dominated by cocoa beans, coffee and cut flowers;** however emerging and developing countries import other products such as oil seeds, dried legumes and coconuts

This report includes all African FtF countries, i.e. Ethiopia, Ghana, Kenya, Niger, Nigeria, Mali, Senegal and Uganda  
Developed countries include high income countries as defined by the [world bank classification of countries by income level](#)  
,\*Issues in meeting SPS standards could be affecting overall exports to developed countries, which we will explore next week.

# FtF Africa countries' food exports to the EU are ~14 times higher than those to the US



Animal products (HS codes 1-5)

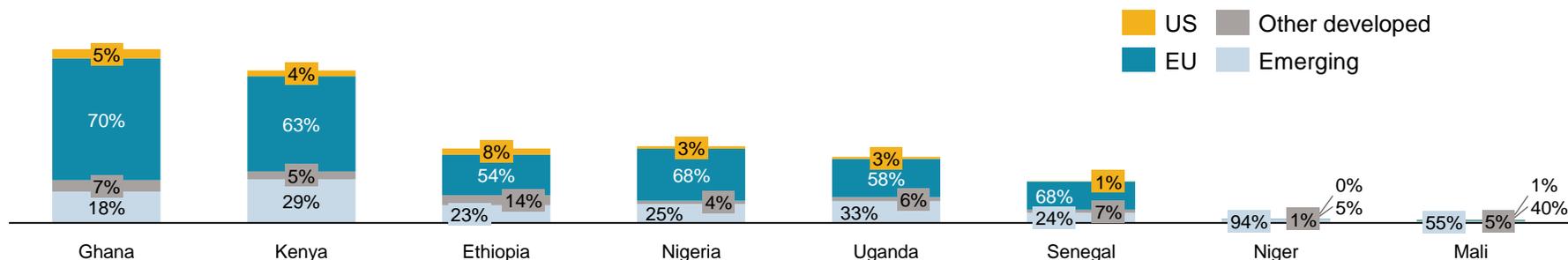


Vegetable products (HS codes 6-15)



Foodstuff (HS codes 16-24)

Export destinations of food products\* of FtF Africa countries, 2017, USD million



|                           | Ghana | Kenya | Ethiopia | Nigeria | Uganda | Senegal | Niger | Mali |
|---------------------------|-------|-------|----------|---------|--------|---------|-------|------|
| US                        | 266   | 167   | 182      | 69      | 58     | 10      | 0     | 1    |
| EU                        | 3516  | 2747  | 1170     | 1502    | 1103   | 813     | 6     | 35   |
| Other developed countries | 333   | 224   | 291      | 87      | 116    | 84      | 1     | 4    |
| Emerging countries        | 898   | 1257  | 505      | 549     | 623    | 291     | 110   | 48   |

## Takeaways

- FtF Africa countries' food exports to the EU are ~14 times higher than exports to the US and other developed countries. There are differences between countries, e.g. Ethiopian exports to the EU are 6 times higher than those to the US, while it is 86 times higher in the case of Senegal
- Emerging countries form a relatively smaller export market for FtF Africa countries, but are still larger markets compared to the US

\*Includes animal / vegetable products (HS codes 01–15) and foodstuffs (HS codes 16-24)

\*\*Emerging refers to BRICS countries

Source: COMTRADE data; World Bank; World Bank country income group classification, Dalberg Analysis

# FtF Africa countries' top exports to developed countries are valued ~3 times higher than those to the rest of the world



Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

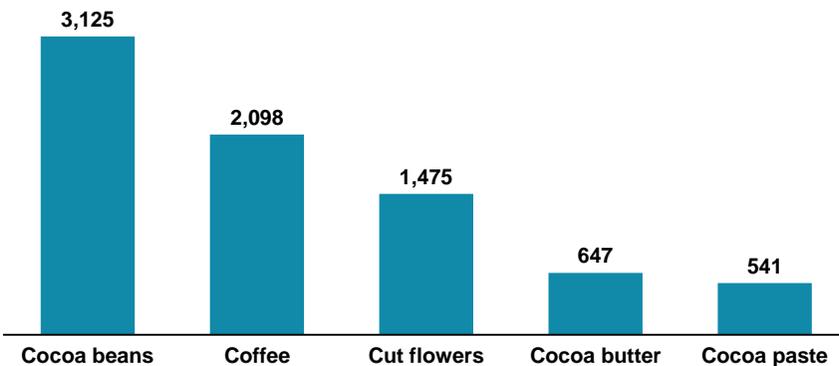


Foodstuff (HS codes 16-24)

Total value of FtF Africa countries' food exports to developed and emerging countries, 2017, USD million

## Developed countries

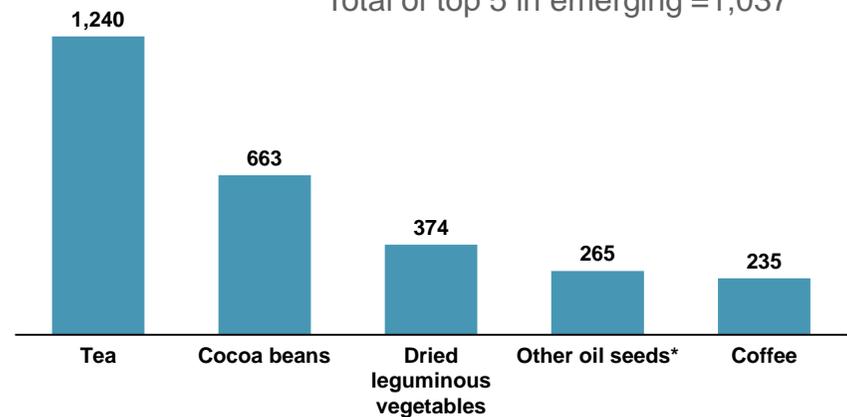
Total of top 5 in developed = 7,886



## Emerging countries

Total of top 5 in developing = 1,738

Total of top 5 in emerging = 1,037



## Takeaways

- FtF Africa countries are able to meet high quality standards. The value of exports to developed countries is almost three times that of exports to emerging countries,
- Cocoa-based products are exported to all country categories. Among other products, coffee and cut flowers dominate in developed countries, whereas tea, oil seeds, dried legumes are present in emerging countries. However most FtF Africa exports are still raw commodities

\*Other oil seeds based on HS Code 1207, includes palm nuts, cotton, castor oil, sesame, mustards, safflower, melon, poppy and shea seeds

# Among the top FtF Africa food exports to developed countries, the EU imports 16 times that of the US



Animal products (HS codes 1-5)

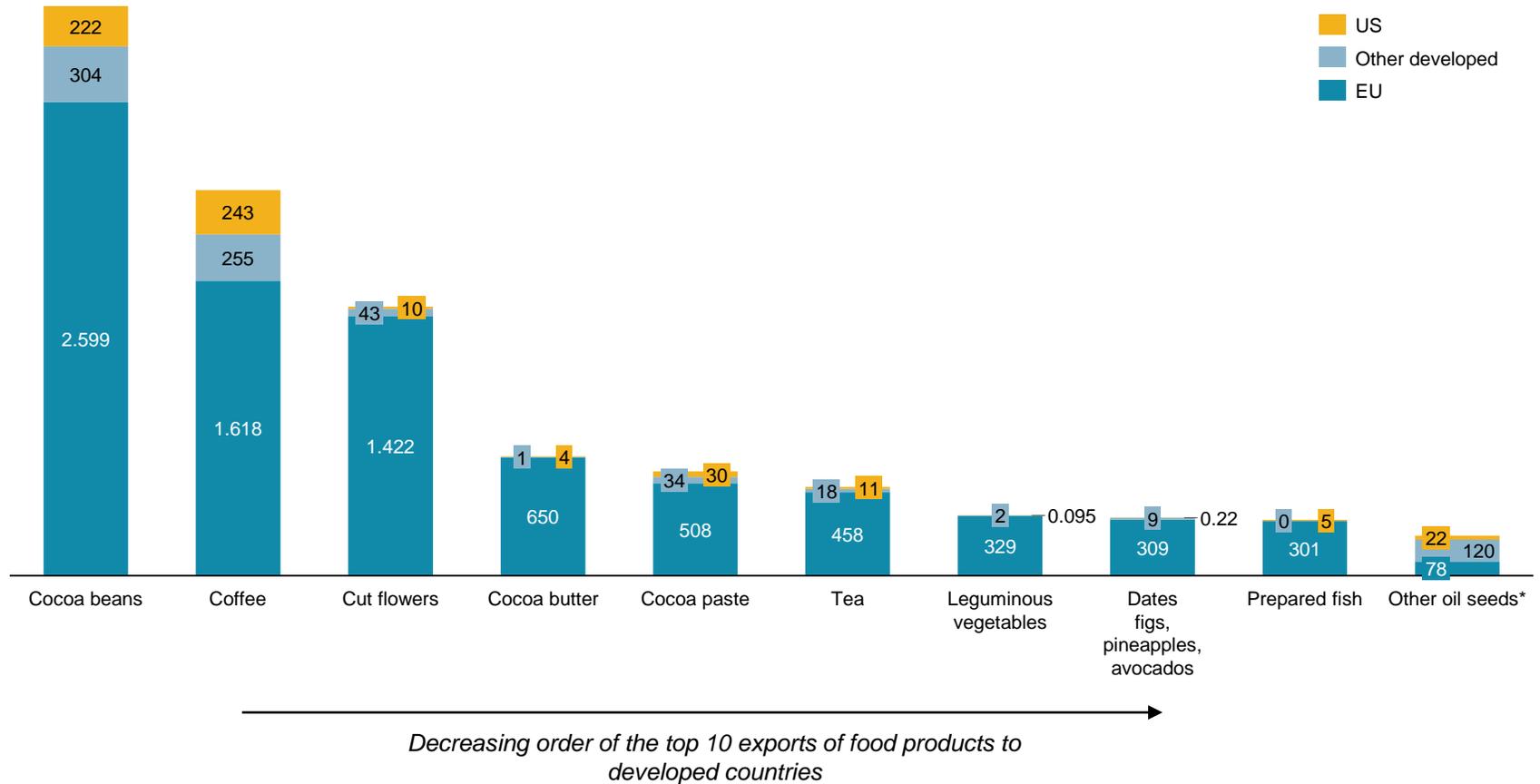


Vegetable products (HS codes 6-15)



Foodstuff (HS codes 16-24)

Top FtF Africa food exports to developed countries, 2017, USD million



\*Other oil seeds based on HS Code 1207, includes palm nuts, cotton, castor oil, sesame, mustards, safflower, melon, poppy and shea seeds

# While the US's imports from FtF Africa countries are low, the country has import demand for those products



Animal products (HS codes 1-5)

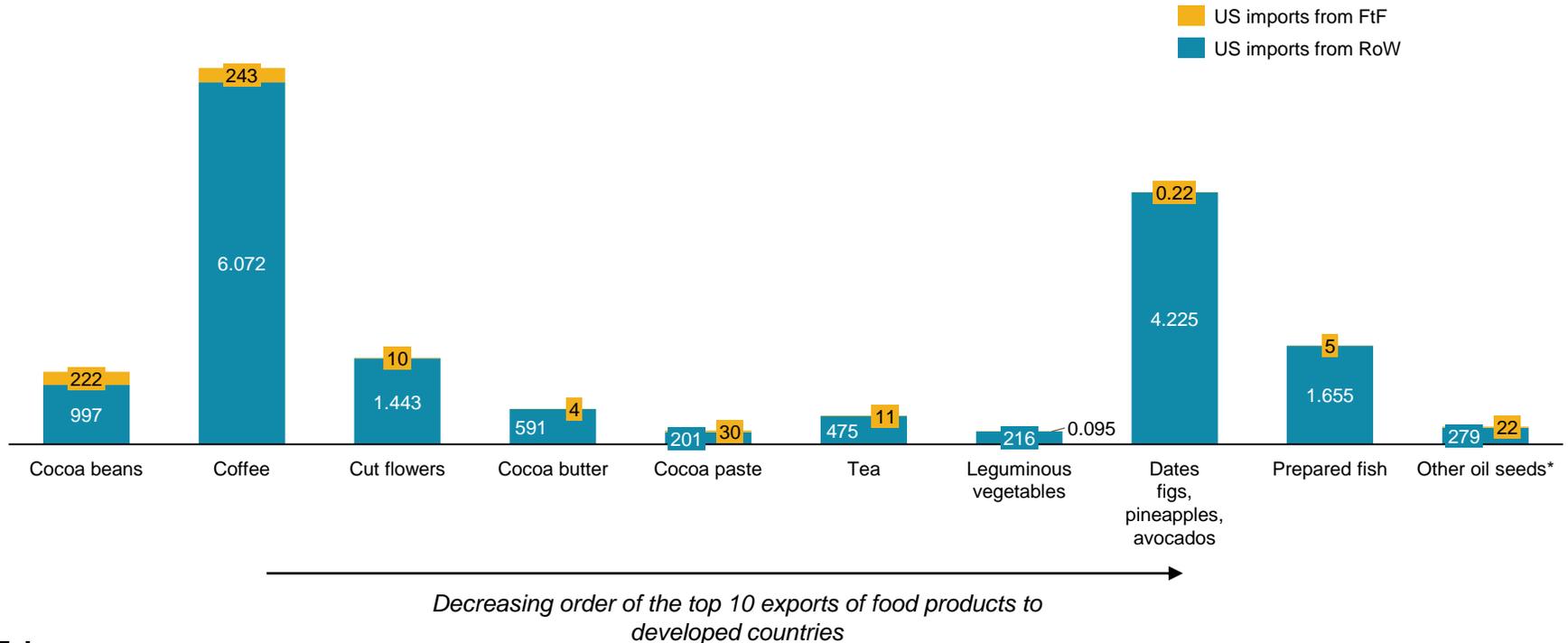


Vegetable products (HS codes 6-15)



Foodstuff (HS codes 16-24)

The US's imports among the top food products exported by FtF Africa countries, 2017, USD million



## Takeaways

- The US has import demand for the top food products exported by FtF Africa countries to developed countries, however imports those from other countries
- The US imports three times more coffee than is exported by the FtF Africa countries to developed countries, however only ~4% of US's import demand comes from FtF Africa countries

\*Other oil seeds based on HS Code 1207, includes palm nuts, cotton, castor oil, sesame, mustards, safflower, melon, poppy and shea seeds

# FtF Africa countries' food exports within Africa are mostly to neighbors, and constitute only ~10% of their total food exports

FtF Africa country exports to African regions in 2017, by value, USD millions



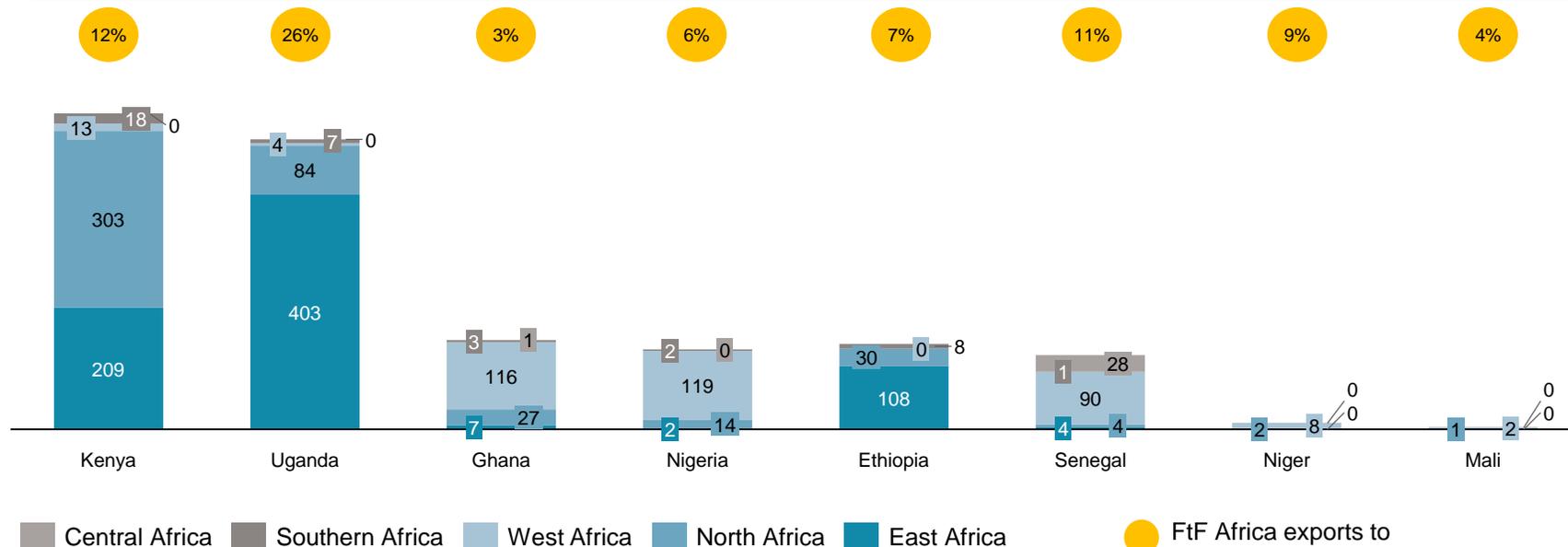
Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)



Foodstuff (HS codes 16-24)



## Takeaways

- With the exception of Uganda, most FtF Africa countries export only ~10% of their food products within Africa, i.e. ~90% of their food exports are destined to countries outside the continent – however informal cross border trade across African countries is often not accounted for
- Low trade between sub-regions in Africa, with countries mostly trading with their neighbors, e.g. Uganda and Ethiopia's exports are highest within East Africa, while Kenya's are second highest. In West Africa, Ghana, Nigeria and Senegal export largely within the sub-region

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

## Section summary

**While the US's share of food exports from FtF Africa countries are only 3-4%, the US has import demand for those food products.** The US fulfills this import demand largely from the countries in Latin America & Caribbean and East Asia & Pacific. Low US exports are also attributed to high SPS standards, weak value chains and stiff competition from US regional players.

**This shows potential opportunities to explore when considering growing FtF Africa food exports to the US:**

- The US has witnessed high growth in several food imports, still FtF Africa countries have 0.1-0.2% share in those imports
- Among the top US food imports, FtF Africa countries scarcely contribute. The largest contributor, coffee, has only 3% share; other products have a share of 1% or less
- Among the highest-priced animal/vegetable and foodstuff exports to the US, FtF Africa countries' share is <0.2%. The largest contributor is vanilla, with a 3% share
- Among the top products that are both produced and imported in FtF Africa countries, the US accounts for 11% of the imports. These products have low domestic production in FtF Africa countries due to unpredictable weather patterns, poor farming techniques and subsistence farming models, not suited for those products. Also, increased urbanization and rising incomes are leading to shifts in diets from local staples
- Among the top animal/vegetable products that FtF Africa countries produce, only one product group (manioc, arrowroot, salep) has US import share of >5%, the rest have <1%
- US sources ~50% of the top FtF Africa animal/vegetable products exports of from Latin America & Caribbean, while ~38% of the top FtF Africa foodstuff exports are sourced from East Asia & Pacific
- The US's share of FtF Africa's top exports of animal/vegetable products and foodstuffs exports is small, at ~3% and ~4% respectively, indicating significant opportunities for growth

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

# The US is the destination for ~3% of FtF Africa countries' exports of animal/vegetable products

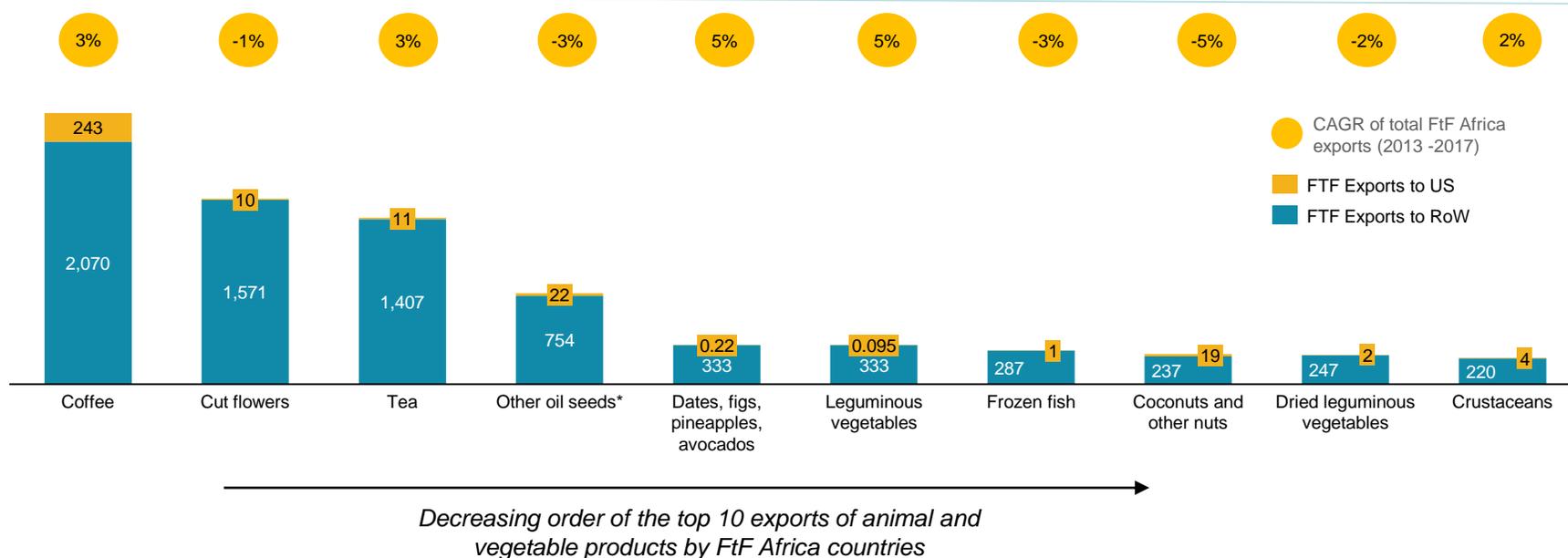


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

Top 10 agricultural animal/vegetable product exports of FtF Africa countries, USD millions



## Takeaways

- The US's share of exports from FtF Africa countries among the top 10 animal/vegetable exports is only ~3%, indicating potential for growth
- FtF Africa countries predominately export cash crops such as coffee, tea, flowers, etc. compared to staples such as maize
- Annual growth rates of top animal/vegetable products' exports has largely been in single digits in the last five years
- Low US exports are attributed to multiple factors including high SPS standards, weak local value chains and stiff competition from US local and regional players as is the case for dates, figs and pineapples

\*Other oil seeds based on HS Code 1207, includes palm nuts, cotton, castor oil, sesame, mustards, safflower, melon, poppy and shea seeds

Source: COMTRADE data; Dalberg Analysis

# For the top animal/vegetable products FtF Africa countries export, the US imports mainly from LAC

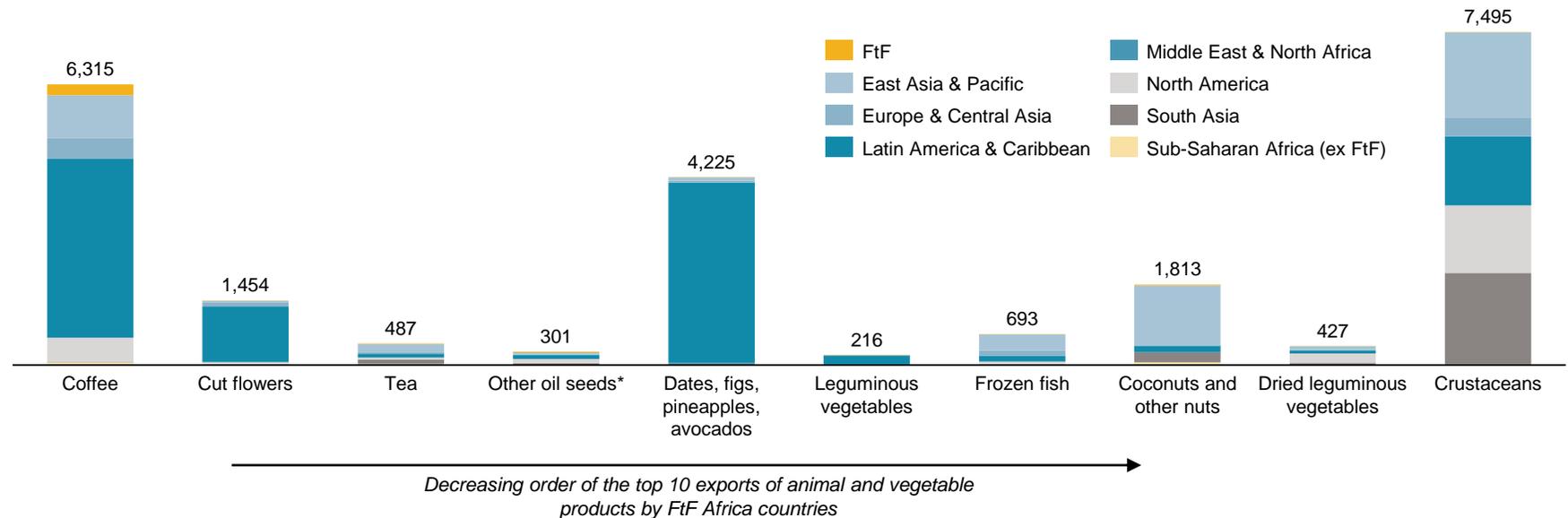


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

## Origin of US imports among the top 10 agricultural animal/vegetable product exports from FtF Africa countries USD millions



### Takeaways

- The US imports the top FtF Africa animal/vegetable product exports mainly from Latin America and the Caribbean “LAC” (52%), East Asia (21%) and North America (11%)
- There is an opportunity for the US to increase its imports of coffee, fruits (dates, figs, pineapples, avocados), crustaceans, fish fillets and vegetables, provided that exports from FtF Africa are competitive compared to current sources, e.g. Mexico is competitive in avocados and Central America in pineapples
- Among the top FtF Africa animal/vegetable product exports, the top US imports are crustaceans, coffee and fish fillets and other fish meat. Those products are mainly imported from Latin America and Caribbean

\*Other oil seeds based on HS Code 1207, includes palm nuts, cotton, castor oil, sesame, mustards, safflower, melon, poppy and shea seeds

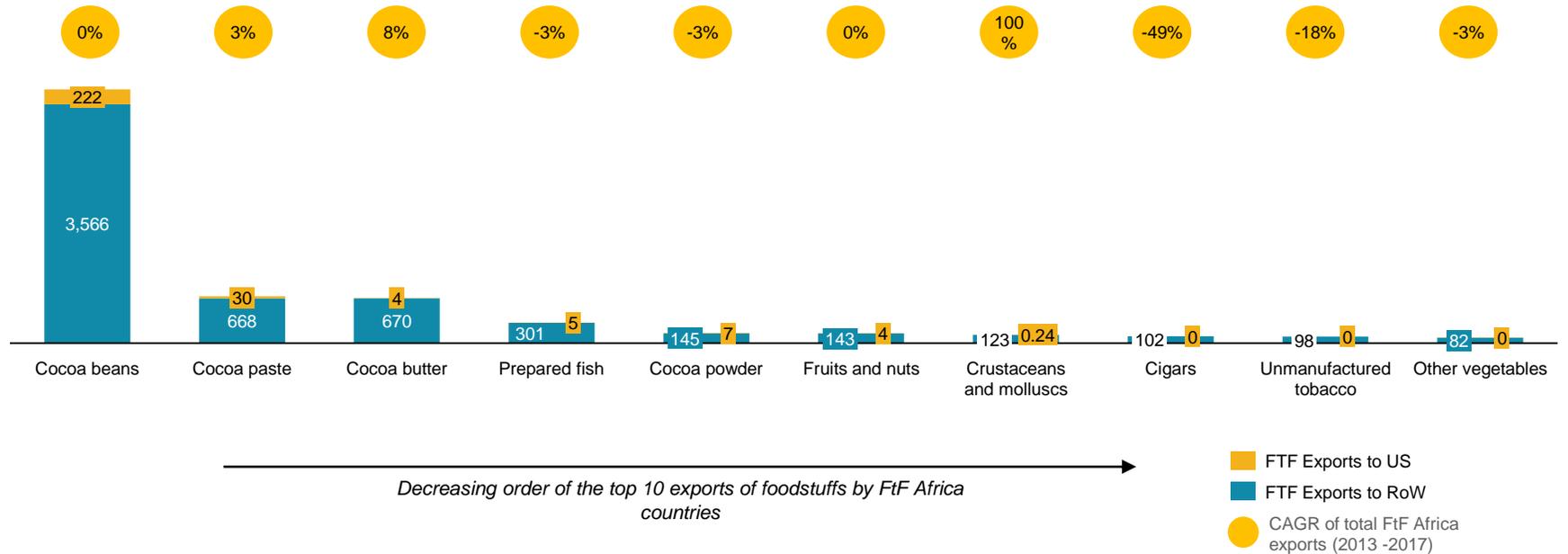
Source: COMTRADE data; Dalberg analysis

# The US is the destination for only ~4% of the top FtF Africa foodstuff exports



Foodstuff  
(HS codes  
16-24)

Top 10 foodstuff exports of FtF Africa countries, USD millions



## Takeaways

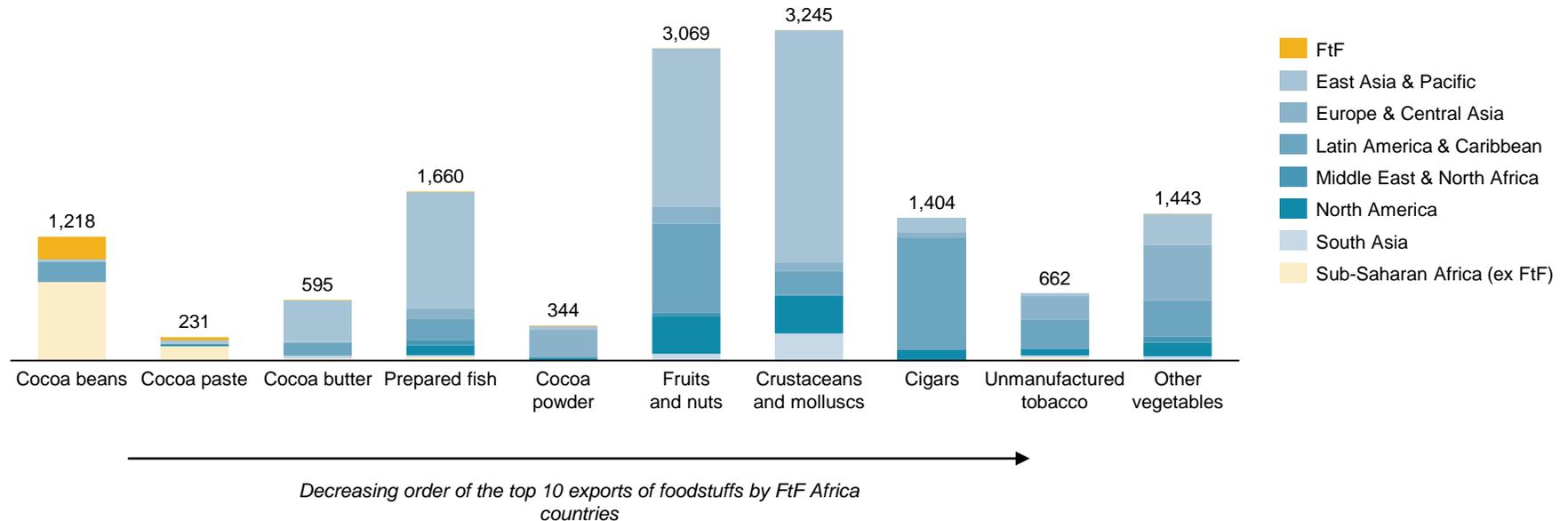
- The US's share of total exports from FtF Africa countries for top 15 foodstuff exports is ~4%, indicating the potential to grow
- Cocoa-based products dominate FtF Africa exports among foodstuffs, accounting for 82% of the total, and 86% for the US. Diversification of exports can help non-cocoa farmers in FtF Africa countries
- Despite current low volumes, exports of crustaceans, molluscs as well as pasta have experienced the highest annual growth rate over the last five years, suggesting a potential focus area for FtF Africa countries

# Of the products representing top FtF Africa foodstuff exports, the US sources ~40% from East Asia and the Pacific



Foodstuff  
(HS codes  
16-24)

Source of US imports of the top 10 foodstuff exports from FtF Africa countries, USD millions



## Takeaways

- Of the products representing the top FtF Africa foodstuff exports, the US sources 38% of its imports from East Asia & Pacific, 27% Latin America & Caribbean and 13% North America
- Among the top FtF Africa foodstuff exports, the top US imports are crustaceans & molluscs, fruits & nuts, fruit juices, prepared/preserved fish and cocoa and related products. There is an opportunity for US to increase import of these foodstuffs from FtF Africa countries

# The US sources animal/vegetable products mainly from LAC/Asia, though these products are also exported by FtF Africa countries

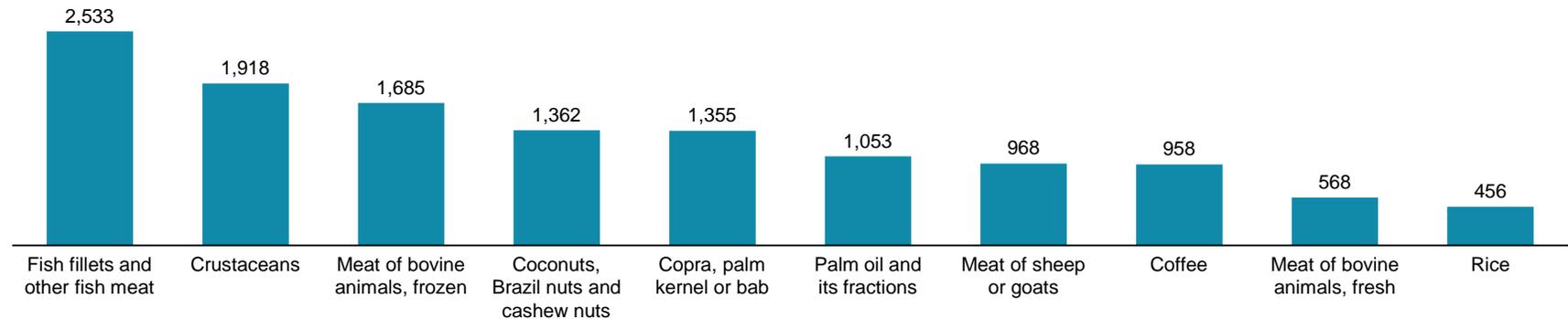


Animal products (HS codes 1-5)

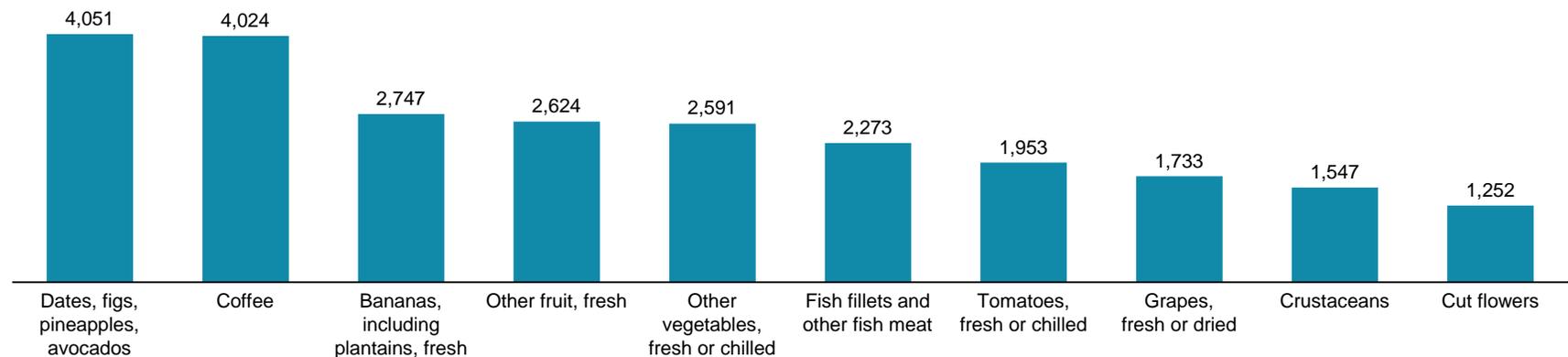


Vegetable products (HS codes 6-15)

Top 10 US imports of animal and vegetable products from East Asia and Pacific, USD millions



Top 10 US imports of animal and vegetable products from Latin America and Caribbean, USD millions

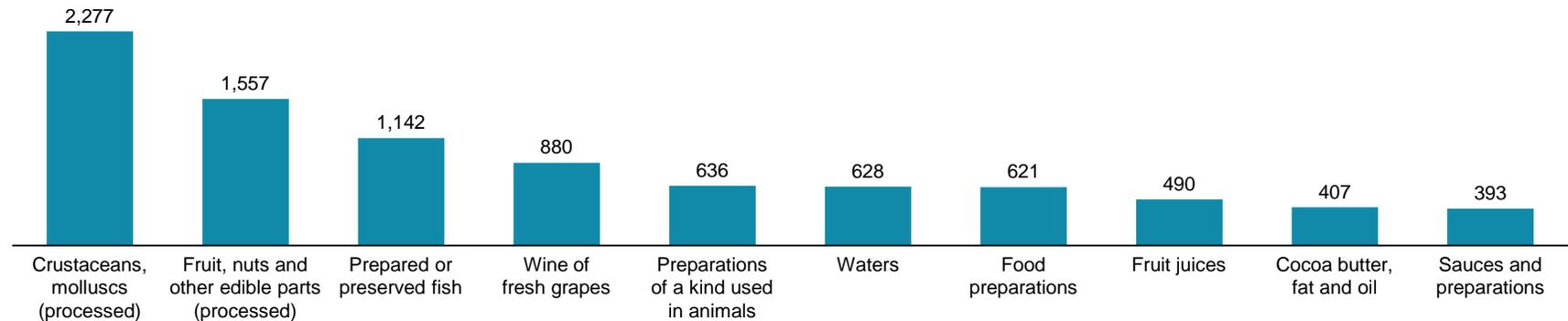


# The US sources foodstuffs from LAC and Asia, many of which are also exported by FtF Africa countries, though in lower quantities

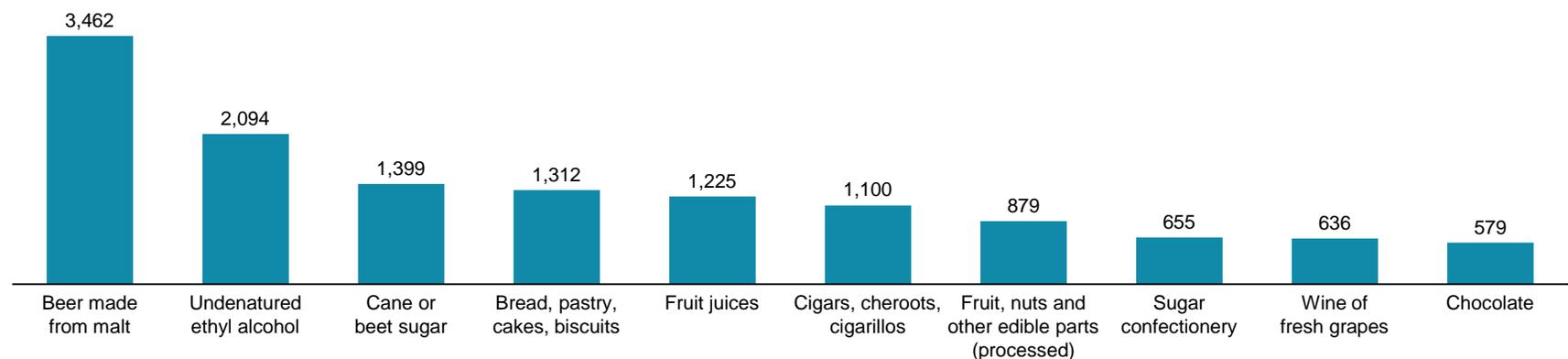


Foodstuff  
(HS codes  
16-24)

Top 10 US imports of foodstuff products from East Asia and Pacific, USD millions



Top 10 US imports of foodstuff products from Latin America and Caribbean, USD millions



## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

# The fastest growing food imports in the US animal products, followed by wine ingredients (e.g. lees)



Animal products (HS codes 1-5)

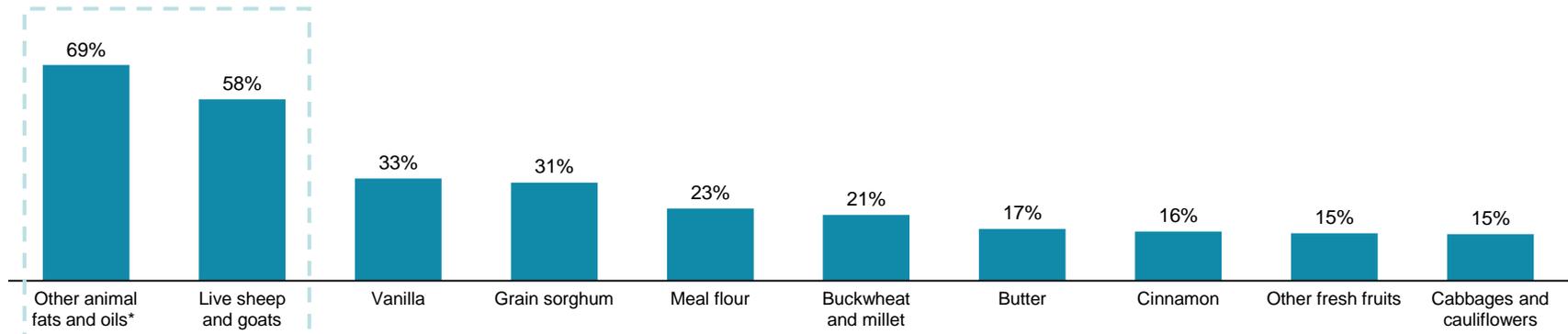


Vegetable products (HS codes 6-15)

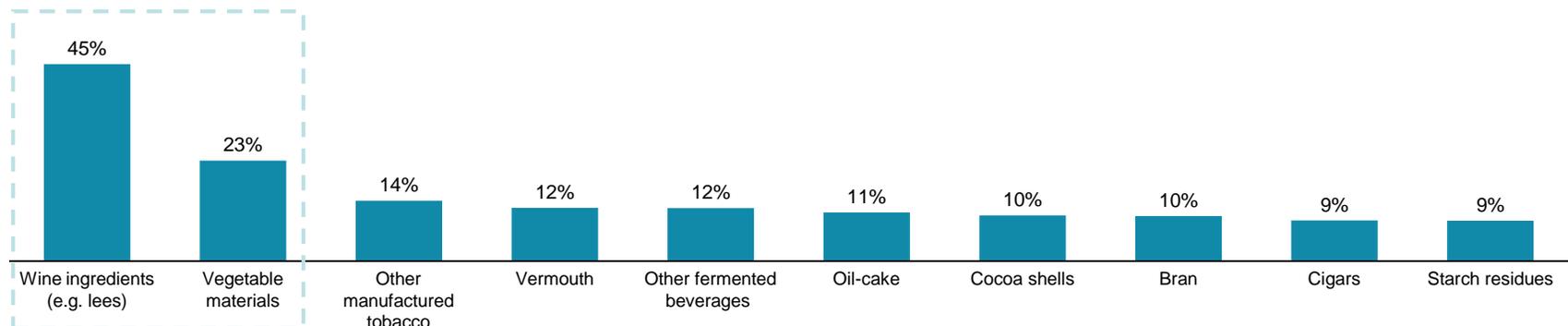


Foodstuff (HS codes 16-24)

## 10 fastest growing animal/vegetable imports to the US in the last ten years, CAGR



## 10 fastest growing foodstuffs imports to the US in the last ten years, CAGR



\* Other animal fats and oils, HS Code 1506 (Excludes pig fat, poultry fat, fats of bovine animals, sheep or goats, lard, fats and oils of fish or marine animals, wool great and fatty substances)

Source: COMTRADE; Dalberg Analysis

# FtF Africa countries' share of the US's fastest growing animal-/vegetable-product imports is ~0.2%

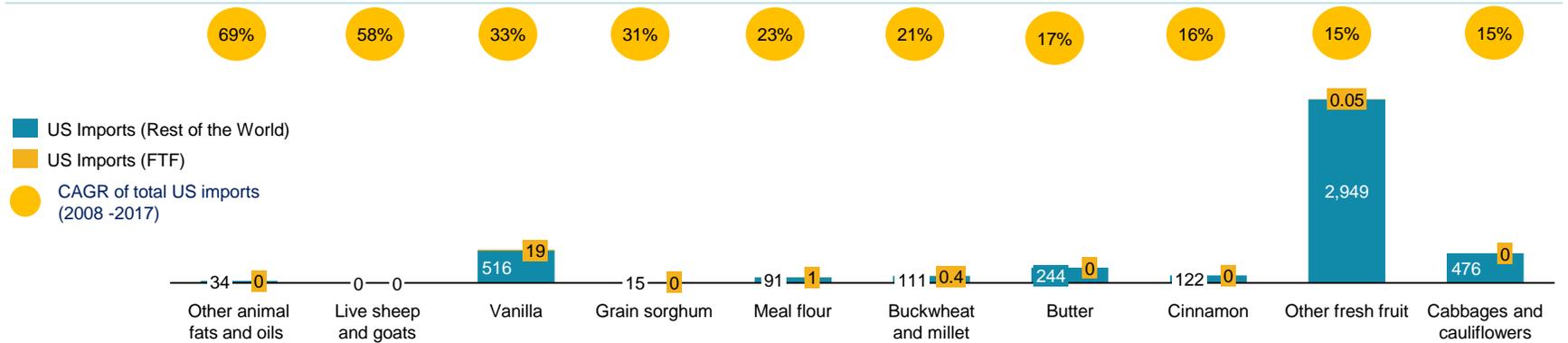


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

US top 10 fastest growing animal/vegetable products by import value, USD millions



|                                | Other animal fats and oils | Live sheep and goats | Vanilla | Grain sorghum | Meal flour | Buckwheat and millet | Butter | Cinnamon | Other fresh fruit | Cabbages and cauliflowers |
|--------------------------------|----------------------------|----------------------|---------|---------------|------------|----------------------|--------|----------|-------------------|---------------------------|
| US Imports (Rest of the World) | 34                         | 0.5                  | 516     | 15            | 91         | 111                  | 244    | 122      | 2949              | 476                       |
| US Imports (FtF Africa)        | 0                          | 0                    | 19      | 0             | 1          | 0.4                  | 0      | 0        | 0.1               | 0                         |

## Takeaways

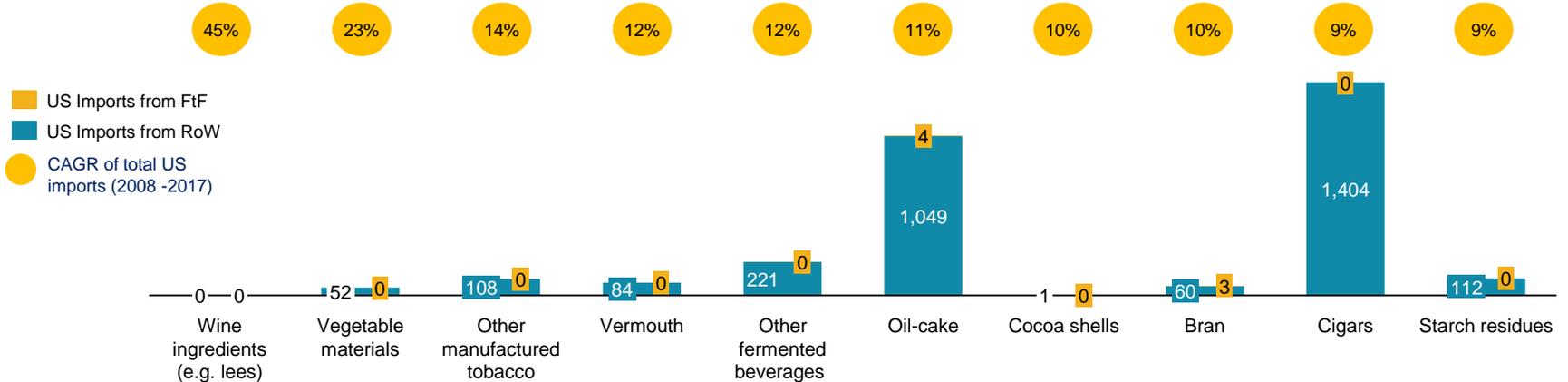
- Among the fastest growing US imports of animal-/ vegetable-products, FtF Africa countries' share is ~0.2%
- Among the fastest growing US imports, FtF Africa countries have ~3% share in vanilla, however in all other products, FtF Africa countries either have a <1% share or are absent. FtF Africa countries could investigate increasing production of these products to benefit from the growth
- Fruits, specifically dates, figs, pineapples and avocados have the highest import value among the top 15 fastest growing animal/vegetable imports, however FtF Africa countries' contribution remains insignificant

# FtF Africa countries' share of the US's fastest growing foodstuff imports is ~0.1%



Foodstuff  
(HS codes  
16-24)

US imports of the top 10 fastest growing foodstuffs, USD millions



|                                | Wine ingredients (e.g. lees) | Vegetable materials | Other mfd. tobacco | Vermouth | Other fermented beverages | Oil-cake | Cocoa shells | Bran | Cigars | Starch residues |
|--------------------------------|------------------------------|---------------------|--------------------|----------|---------------------------|----------|--------------|------|--------|-----------------|
| US Imports (Rest of the World) | 0.084                        | 52                  | 108                | 84       | 221                       | 1,049    | 1            | 60   | 1,404  | 112             |
| US Imports (FtF Africa)        | 0                            | 0                   | 0                  | 0        | 48                        | 4,021    | 0.043        | 3    | 0      | 0               |

## Takeaways

- Among the fastest growing US imports of foodstuff, FtF Africa countries' share is ~0.1%
- Among the fastest growing US imports of foodstuffs, FtF Africa countries have ~4% share in bran, sharps etc., but in all other processed products, FtF Africa countries either have an even lower share or are absent. FtF Africa countries could investigate increasing production of these foodstuffs to benefit from growth
- Despite the substantial growth of wine lees and argol imports over the last 10 years, the volumes are still low compared to bread, pastry, cakes etc.; waters; and cigars – these products have the highest import value among the top 15 fastest growing foodstuffs imports

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

# FtF Africa countries' share of the top US imports of animal / vegetable products is negligible

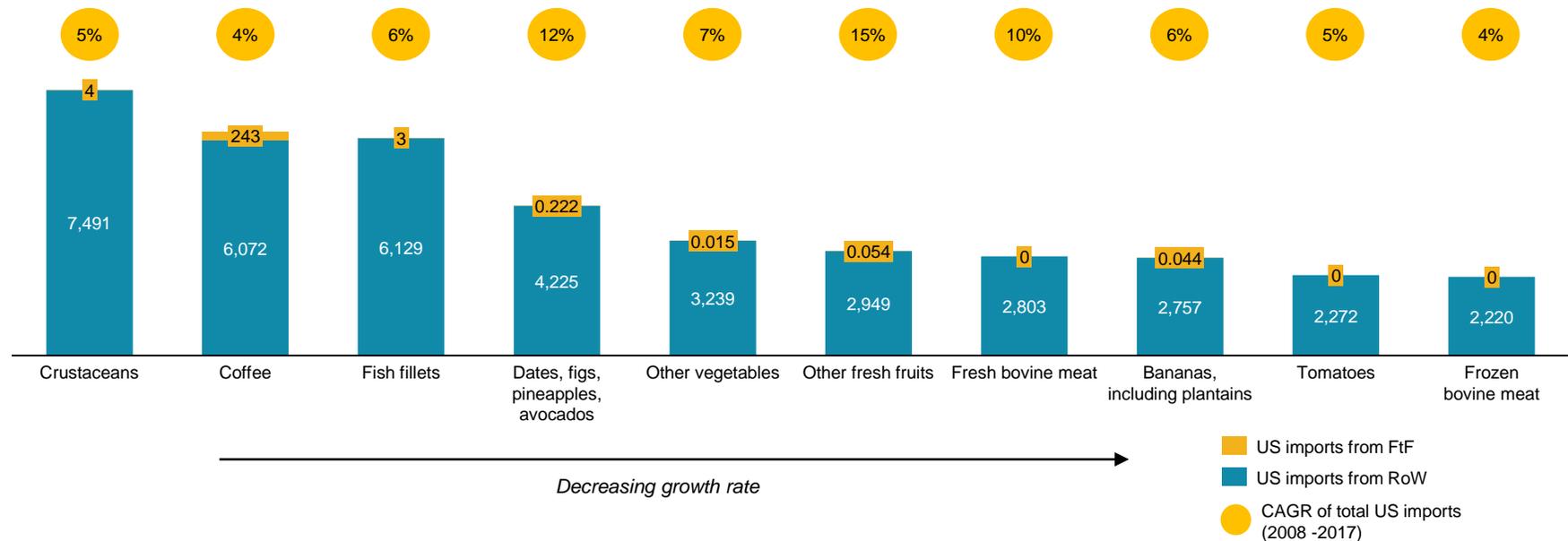


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

US imports of the top 10 animal/vegetable products, USD millions



## Takeaways

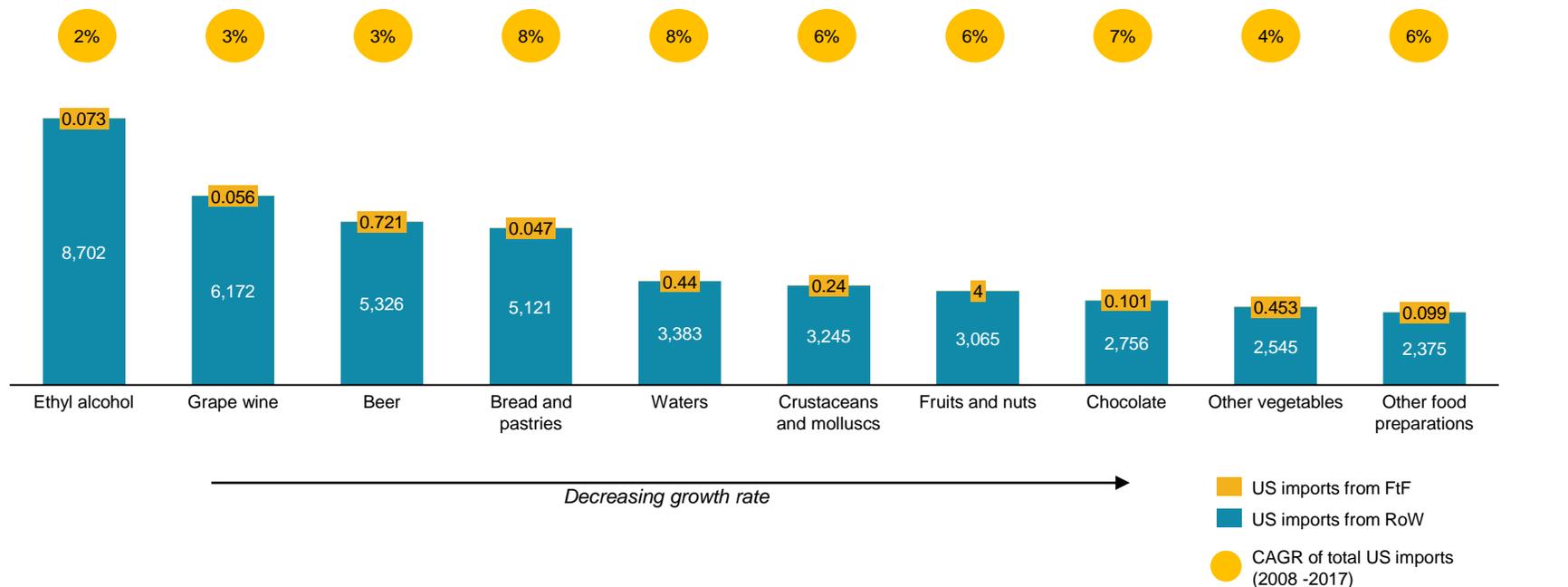
- Among the top US animal/vegetable product imports, FtF Africa countries contribute little. Coffee is the largest contributor accounting for 3% of imports. US imports of coconuts, brazil nuts and cashew nuts from FtF Africa countries account for 1%, whilst fish fillets account for 0.05%
- Fruit including fresh fruit, dates, figs, pineapples etc as well as nuts and bovine meat have grown the fastest since 2008, presenting an opportunity for FtF Africa countries to export these products

# FtF Africa countries' share of the top US imports of foodstuffs is nearly non-existent



Foodstuff  
(HS codes  
16-24)

US import of the top 10 foodstuffs, USD millions



## Takeaways

- Among the top US processed product imports, FtF Africa countries contribute little; prepared/preserved fish and fruit juices are the largest contributors accounting for 0.31% and 0.23% of total imports
- Waters, including mineral waters; and bread, cakes and pastry imports have grown the fastest since 2008, presenting an opportunity for FtF Africa countries to consider these products

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

# Vanilla is the highest-priced US import, while horses are the highest among live animals



Animal products (HS codes 1-5)



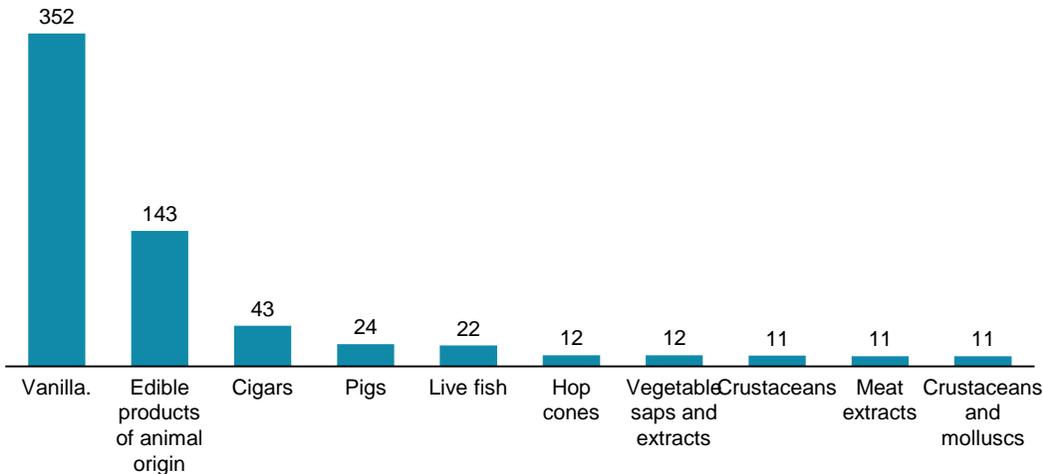
Vegetable products (HS codes 6-15)



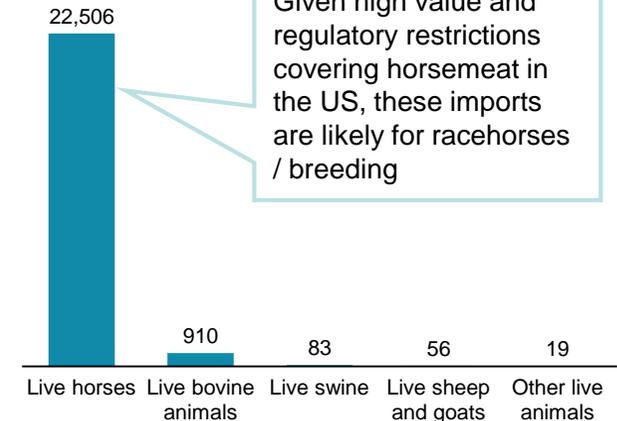
Foodstuff (HS codes 16-24)

## Highest-priced US animal/vegetable products and foodstuffs imports (/kg and /unit) from all countries in 2017

### Ten highest-priced imports by USD/kg\*\*



### Five highest-priced imports by USD/unit



## Takeaways

- The most valuable plant-based products are vanilla, edible products of animal origin and cigars. Vanilla is a strength of some FtF Africa countries such as Uganda, and could be targeted for exports to the US

Note: \*Most valuable imports were computed by dividing commodity value by quantity imported for each measurement unit (item and kg); Imports measured in item and kg were computed separately due to non-comparability; \*\* The most valuable import by USD/kg is "human hair" which has been excluded here as it is not an agricultural commodity

Source: COMTRADE data; Dalberg Analysis

# FtF Africa countries' share among the highest-priced US imports is <0.2%



Animal products (HS codes 1-5)



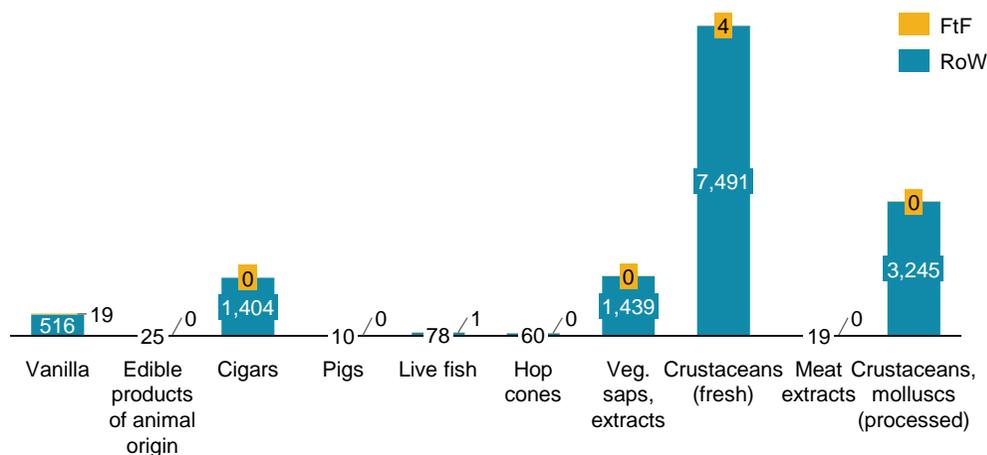
Vegetable products (HS codes 6-15)



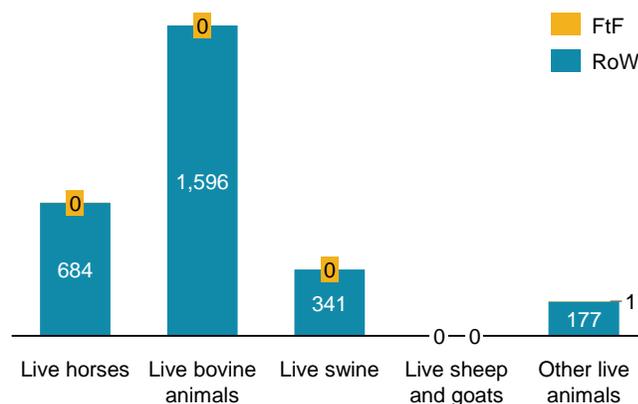
Foodstuff (HS codes 16-24)

## Share of highest-priced US food product imports from FtF Africa countries and rest of world in 2017

### Overall value of ten highest-priced imports by USD/kg



### Overall value of five highest-priced imports by USD/unit



## Takeaways

- FtF Africa countries' supply among the highest-priced US animal/vegetable and foodstuffs imports is <0.2%. Of the top 15 products, FtF Africa countries share of US's imports is highest for vanilla, with the share of 3% of total US vanilla imports. FtF Africa share of live fish imports in the US is ~1%
- Live bovine animals and cut flowers have the highest overall value of the highest-priced US imports. Cut flowers are a strength of some FtF Africa countries e.g. Kenya and Ethiopia and could be targeted for exports to the US

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

# Demand for wheat, palm oil, rice is driven by rising incomes, urbanization and shifts from traditional staples

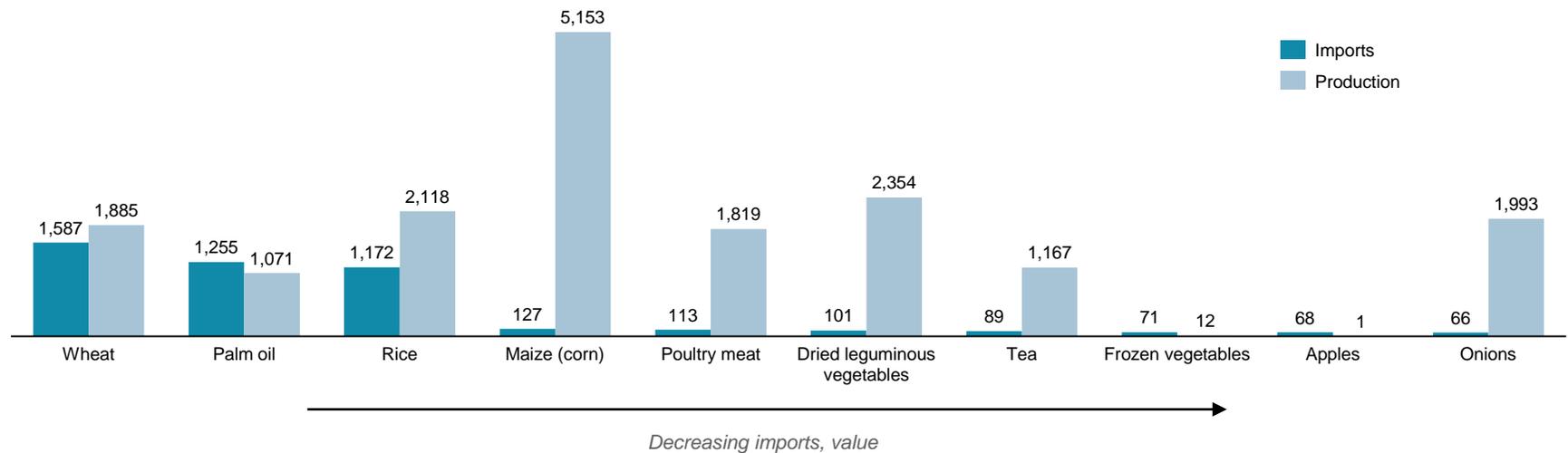


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

Animal/vegetable products produced and imported by FtF Africa countries, by largest imports of those produced, USD millions



## Takeaways

- In terms of value, wheat and meslin, palm oil and rice are the top 3 products imported, among those produced in FtF Africa countries
  - FtF Africa consumption of wheat, palm oil and rice is rising due to higher incomes/ urbanization which is shifting diets towards these products and away from local staple crops such as maize, sorghum
  - However, production remains low due to unpredictable weather patterns (e.g., low rainfall), poor farming techniques (poor seed varieties, poor access to machinery), largely subsistence farming and restrictive government policies (resource allocation, interest rates etc.)
- Maize, meat, vegetables and milk have low import numbers suggesting that production is sufficient to meet internal demand

# In terms of volume, wheat, rice and palm oil are the top products both produced in FtF Africa countries and imported by them

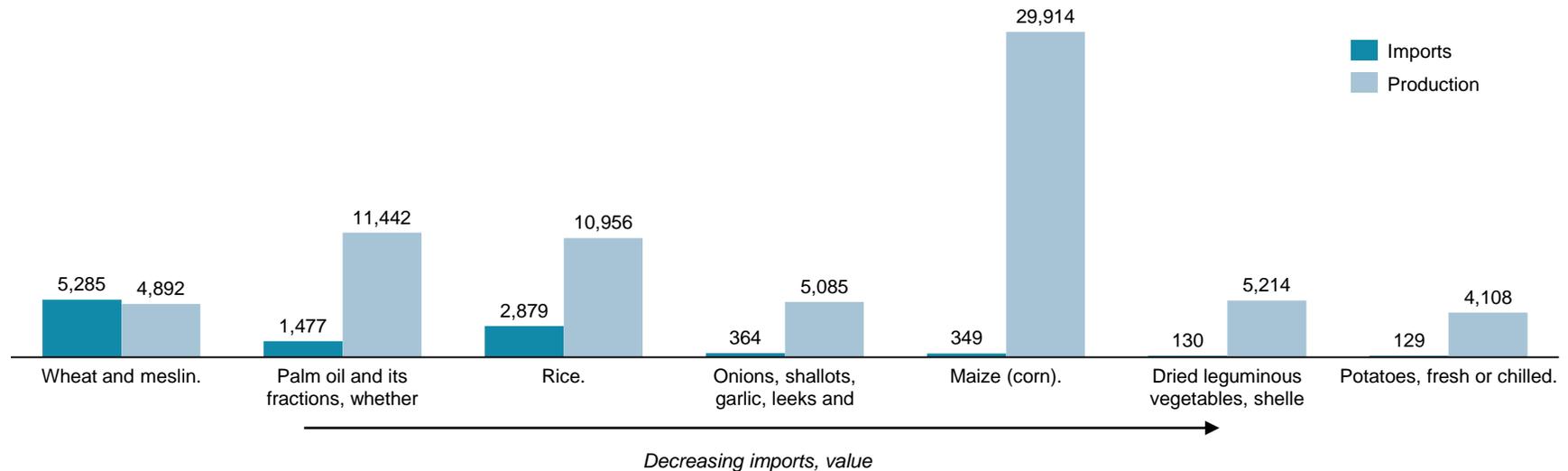


Animal products  
(HS codes 1-5)



Vegetable products (HS codes 6-15)

Animal/vegetable products produced and imported by FtF Africa countries by largest imports of those produced in 2016, 000, tonnes



## Takeaways

- In terms of volume, wheat, rice and palm oil are the top 3 agricultural products that are imported as well as produced in FtF Africa countries
- Maize is produced abundantly as it is considered a critical staple for food security in the FtF Africa countries, with only ~1% of production being imported

# The US accounts for 11% of imports by FtF Africa countries of products they also produce

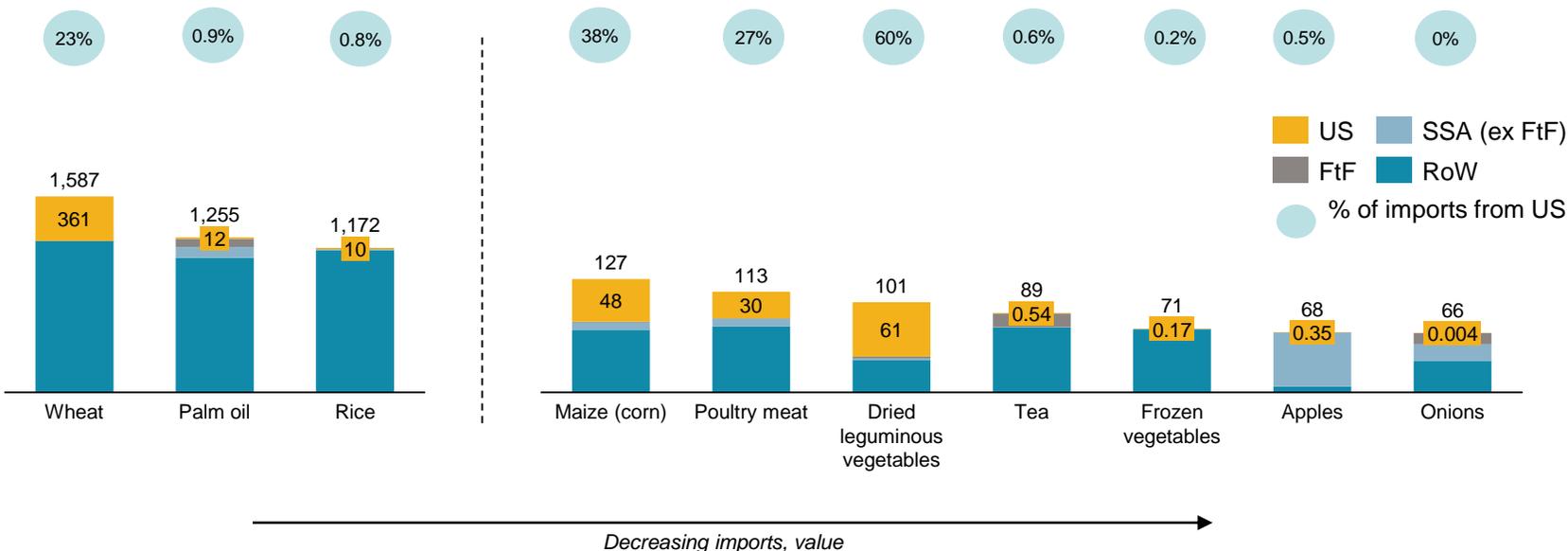


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

Top animal/vegetable products produced and imported by location, USD millions



## Takeaways

- Of those commodities that are produced and imported, 2% are imported from FtF Africa countries, 5% from other Sub-Saharan African countries and 11% from the US
- Wheat imports from the US to FtF Africa countries accounts for 22% of total wheat imports
- Among the other two products, 87% palm oil imports and 98% of rice imports are sourced from outside SSA and the US

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

# Top animal/vegetable products produced in FtF Africa countries include staples, meat and milk

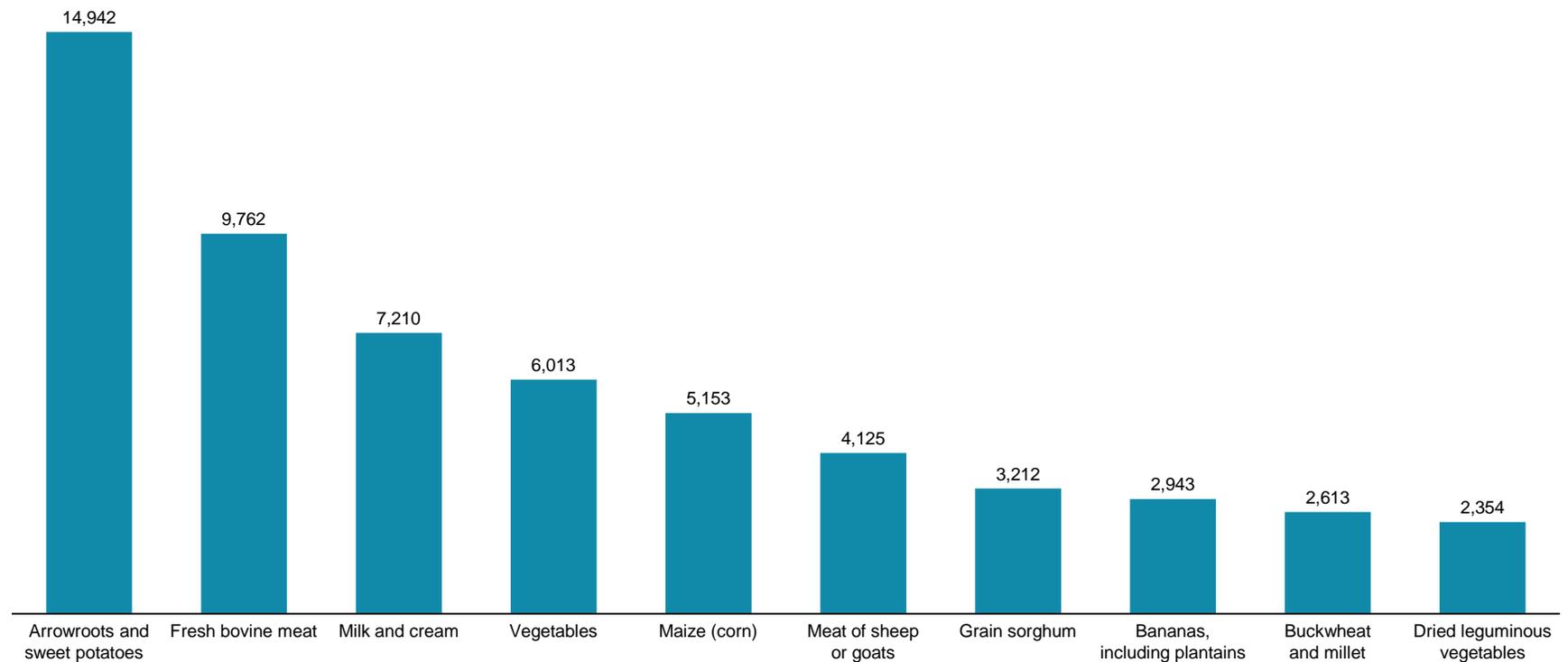


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

Top 10 animal/vegetable products produced by FtF Africa countries, USD millions



# Of the top animal/vegetable products that FtF Africa countries produce, their share of US imports is just 0.1%

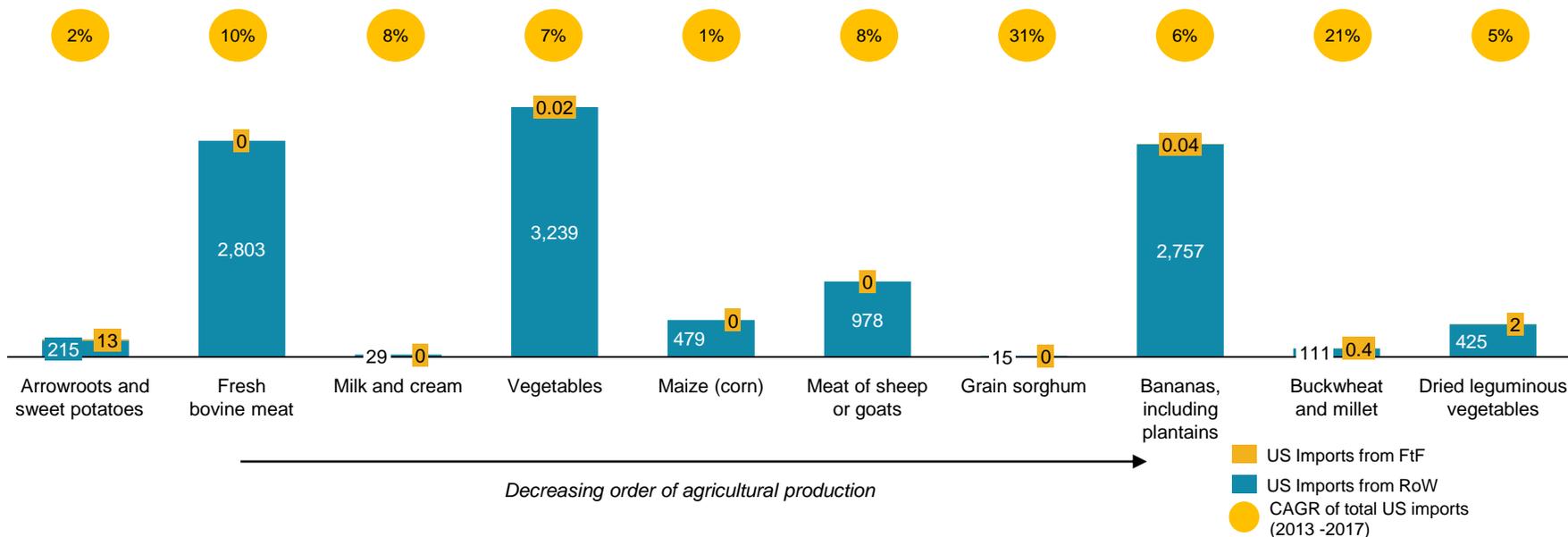


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

US imports of the top 10 animal/vegetable products produced by FtF Africa countries, USD millions



## Takeaways

- Among the top 15 agricultural commodities that FtF Africa countries produce, only one commodity group has the US import share at >5% – sweet potato, manioc, arrowroot, salep, etc. Most other commodities are not imported into the US or have a low share, e.g. the second highest import share is for dried leguminous vegetables, at 0.47%.
- FtF Africa countries could look into displacing US imports from other countries and increasing their exports of
  - Commodities that have experienced high growth of imports in the US, such as sorghum and buckwheat. Though milk has experienced a high growth of 8%, it is highly perishable
  - Commodities that have low US import share, despite high overall import figures, e.g. vegetables

# Similarly of exports of FtF Africa countries' top produced animal/vegetable products, the US receives a tiny share

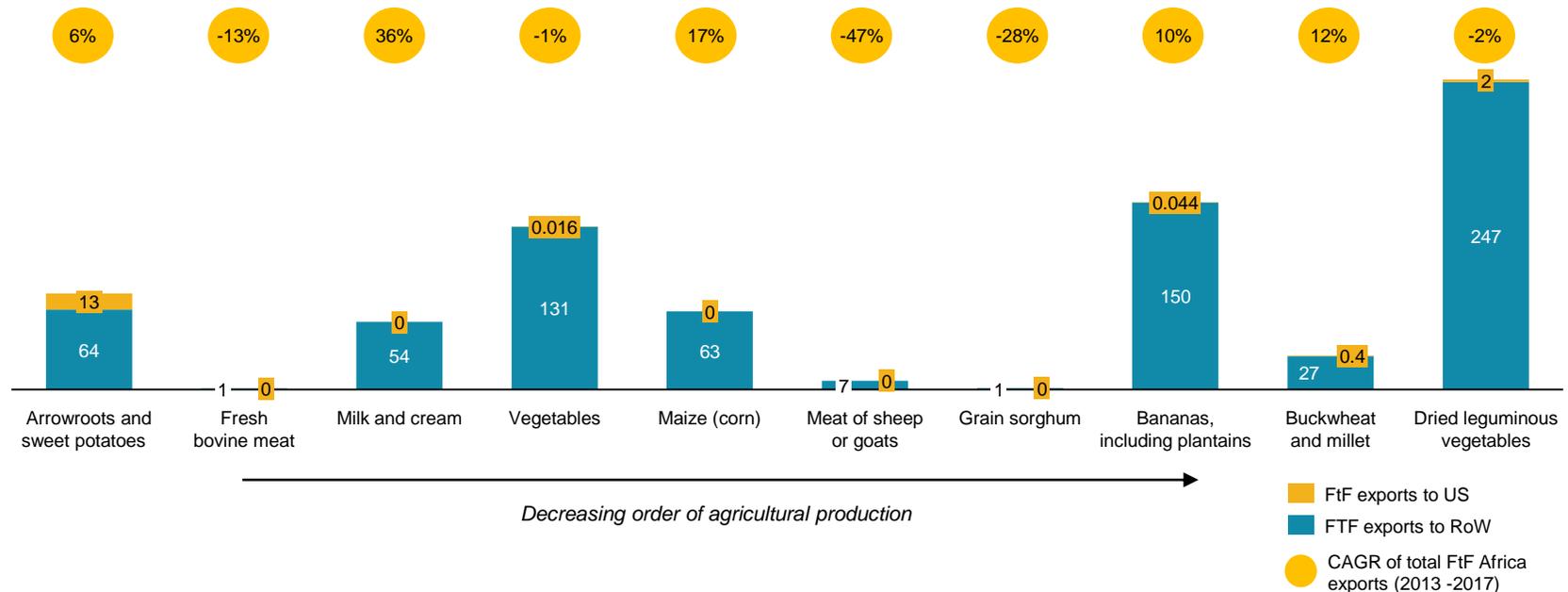


Animal products (HS codes 1-5)



Vegetable products (HS codes 6-15)

Exports by FtF Africa countries of the top 10 animal/vegetable products produced, USD millions



## Takeaways

- Among exports from FtF Africa countries, the US has a 20% share (13 out of 64) in one commodity group (sweet potatoes, manioc, arrowroot, salep etc.). In all other commodities, the US's share is either much lower or absent. FtF Africa countries could investigate increasing exports to the US of commodities that they already export to the rest of the world
- Milk, poultry meat and maize have experienced the highest increase in exports over the last five years, however exports to the US of those crops remain low or absent

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
- 3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries**
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins**
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports
5. Annex

## Section summary

- **The main agricultural inputs imported by FtF Africa countries are fertilizers, pesticides and machinery - accounting for 90% of the agricultural inputs in 2017**
- While the imports of agricultural inputs in FtF Africa countries have varied over the years, **Europe & Central Asia as well as East Asia & Pacific account for 68% of the agricultural inputs imports** into FtF Africa countries
- **The US accounts for <2% of the imports of agricultural inputs by FtF Africa countries. The US's largest share is in seed imports by FtF Africa countries, at ~13% of the total agricultural seeds imports**

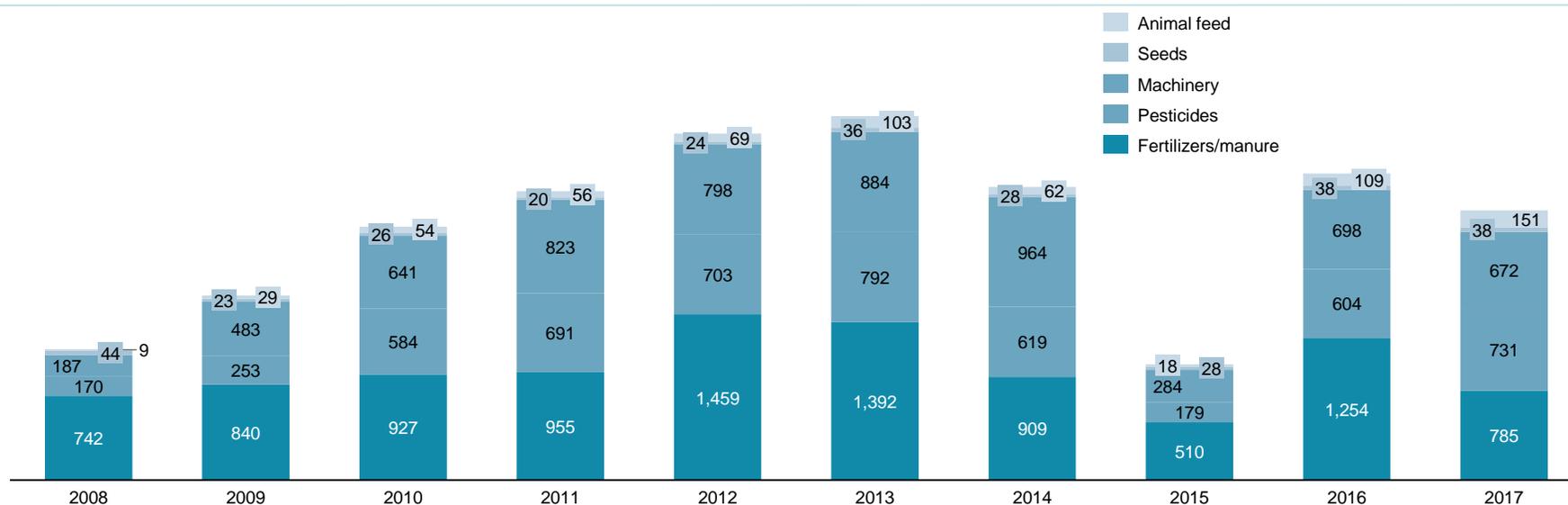
Approach:

Identified the main types of agricultural inputs as seeds, animal feeds, fertilizer, pesticides and machinery \*

Issues in meeting SPS standards could be affecting the overall export to developed countries, which we will explore next week.

# Agricultural input imports to FtF Africa countries are dominated by fertilizers, pesticides & machinery

Trends in imports to FtF Africa countries of agricultural inputs, USD millions

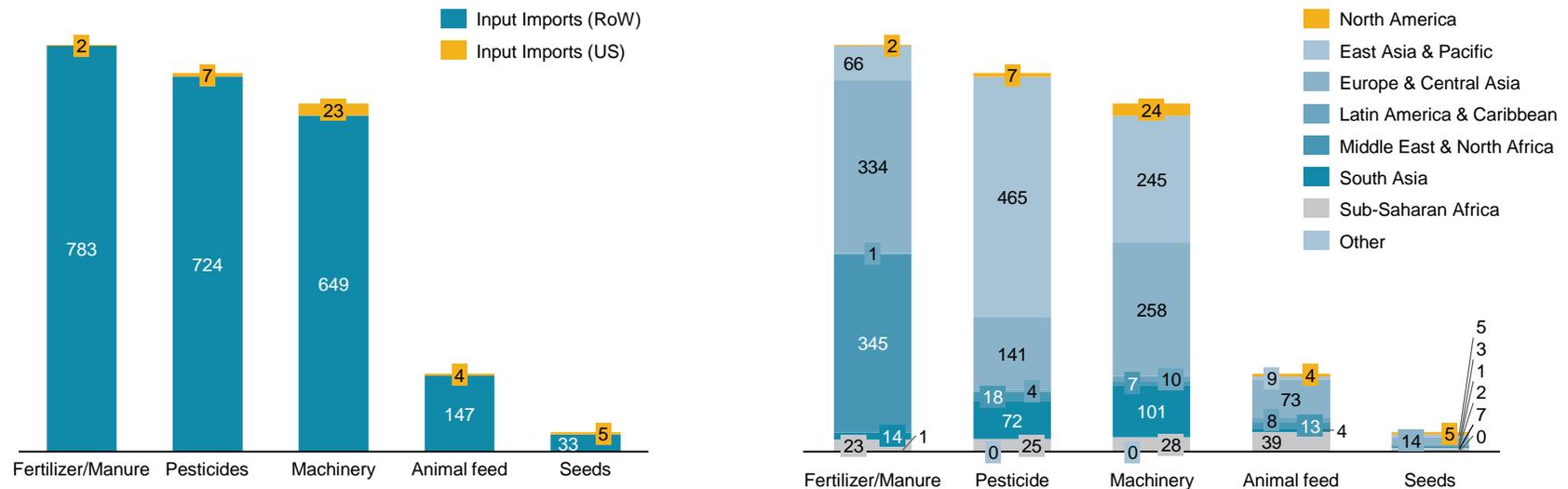


## Takeaways

- Overall, imports of agricultural inputs have increased from 2008 – 2013, however dipped in 2014 and 2015 before rising again; importation of fertilizer, machinery and pesticides has been showing a similar trend with peaks between 2012-2013
- In the last three years (2015-2017) animal feed imports have experienced an increase of ~200%, whilst seed imports have maintained a linear growth rate with imports values remaining lower than other inputs

# Majority of FtF Africa agricultural input imports come from Asia and Europe

FtF Africa imports of agricultural inputs, 2017, USD millions



## Takeaways

- The main agricultural inputs that are imported are fertilizers, pesticides and machinery accounting for 90% of the agricultural inputs in 2017
- Less than 2% of total agricultural inputs in FtF Africa countries come from the US. The US's largest share is in seeds and it accounts for ~13% of total agricultural seeds imports
- 34% of agricultural inputs to FtF Africa countries are imported from Europe & Central Asia and 33% from East Asia & Pacific
- Middle East and North Africa account for 44% of fertilizer imports, which is the largest share among the different regions

## Table of contents

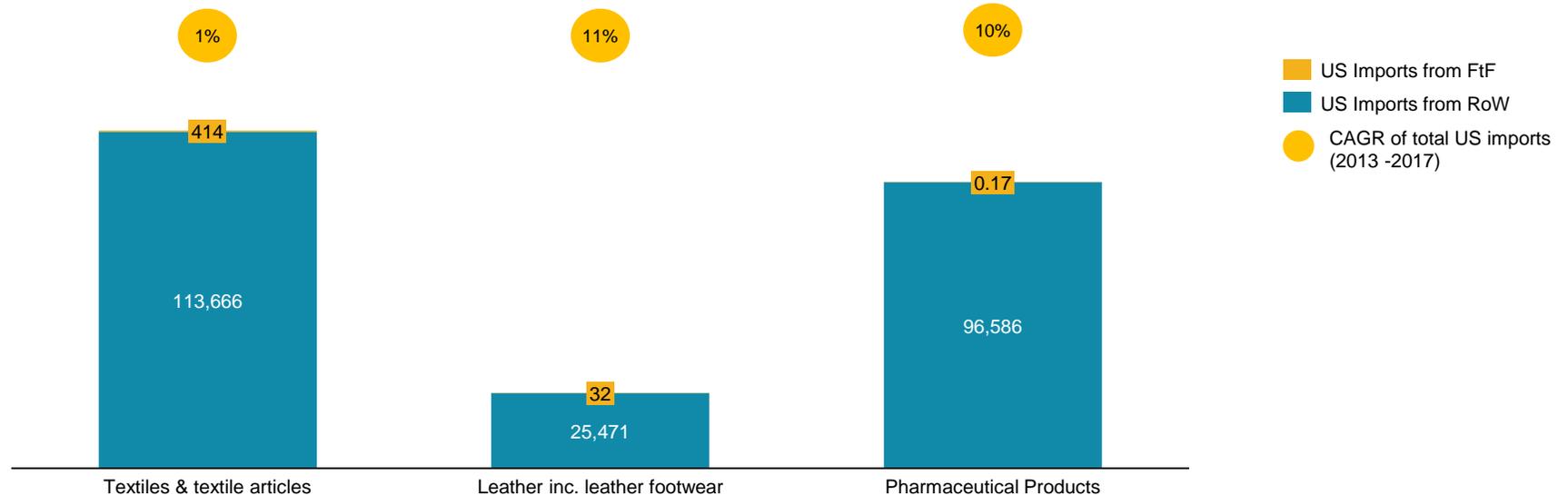
1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
- 4. Identify opportunities to increase trade in non-food agriculture-based products**
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports**
5. Annex

## Section summary

- Many African countries prioritize non-food agriculture products in their development. **The US imports of key non-food agriculture-based products from FtF Africa countries is low (<1%).** Among these products, textiles and pharmaceutical products account for 82% of the total US imports
- **The US is the largest textile importer from FtF Africa countries, accounting for 49% of the total**
- **FtF Africa exports of leather have grown by 3% over the five year period (2013-2017), and prepared feathers have grown by 24%, indicating areas of focus for FtF Africa countries**

# Imports of key non-food agriculture-based products from FtF Africa countries represent <1% of US's total imports

Total US imports of key non-food agriculture-based products in 2017, USD million

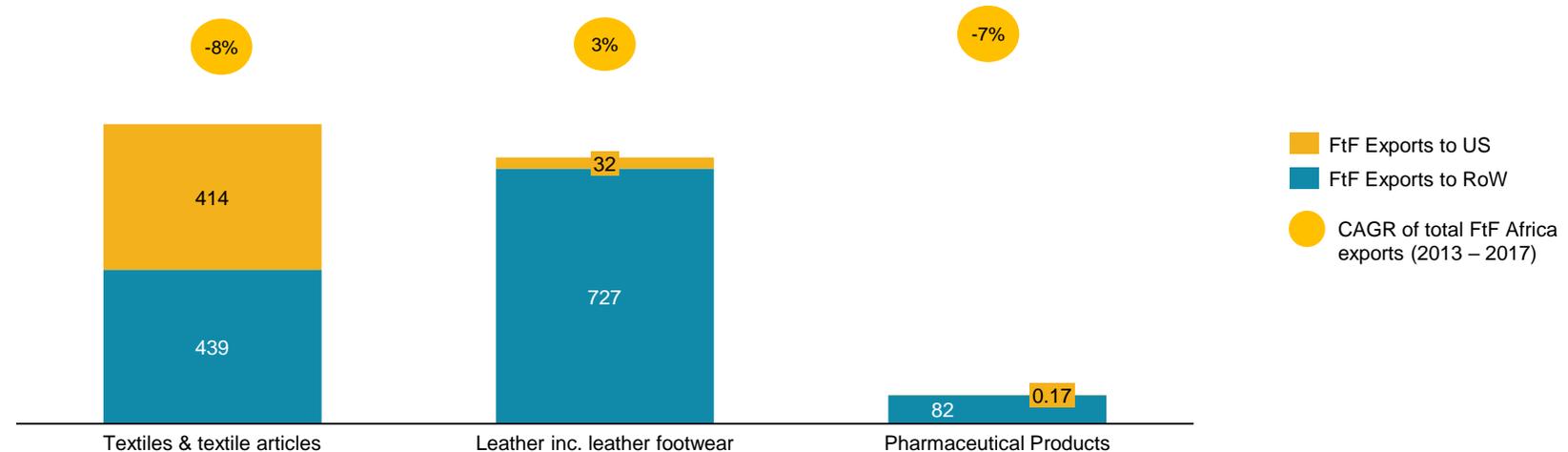


## Takeaways

- The US imports of key non-food agriculture-based products from FtF Africa countries is low (<1%). These products include leather, pharmaceutical products, prepared feathers and textiles. Among these products, textiles and pharmaceutical products account for 82% of the total US imports
- Import share and absolute value from FtF Africa countries are both greatest in textiles and textile articles
- Over the past 5 years, US imports of pharmaceutical products have seen the greatest increase, at 11%, indicating a potential area of future focus for FtF Africa countries

# The US is the largest textile importer from FtF Africa countries, accounting for 49% of their total exports

FtF Africa exports of key non-food agriculture-based products in 2017, USD million



## Takeaways

- Textiles and leather products are the highest non-food agriculture-based exports of FtF Africa countries, accounting for 89% of the FtF Africa exports of these products
- The US is the highest importer of textiles (at 49%) from FtF Africa countries, importing USD 414 million worth of textiles in 2017
- FtF Africa exports of textiles and pharmaceutical products have experienced negative growth over the past five years (2013 – 2017). However, leather has grown by 3% over the same period, and prepared feathers have grown by 24%, indicating areas of focus for FtF Africa countries

## Table of contents

1. Develop an early understanding of the constraints in trade by analyzing
  - a) FtF countries' food export destinations and draw inferences
2. Identify opportunities to increase trade by analyzing trade trends of FtF Africa countries with the US and the rest of the world by analyzing the following
  - a) Among the top FtF exports, by value – US imports as % of FtF exports
  - b) Among US imports that have experienced the highest growth in the last ten years – share of FtF products as % of those imports
  - c) Among the largest US imports, by value – share of FtF products as % of imports
  - d) Among the highest-priced food products imported by the US – share of FtF products as % of imports
  - e) Among food products that are both produced and imported by FtF countries – share of US exports
  - f) Among the export of top FtF production, by value – US imports as % of exports
3. Identify opportunities for the US to contribute in agricultural development in FtF Africa countries
  - a) Analyze imports of agricultural inputs to FtF countries – Type of products and origins
4. Identify opportunities to increase trade in non-food agriculture-based products
  - a) Analyze trade trends of key non-food agriculture-based products – US imports as % of FtF exports

## 5. Annex

## Methodology: Commodities and food stuff analyzed, by HS code

| Animal Products |  | Vegetable Products |   | Foodstuffs (Processed Foods) |  |
|-----------------|--|--------------------|---|------------------------------|--|
| 01              | Live animals                                   | 06                 | Trees and other plants, bulbs, cut flowers etc. | 12                           | milling industry   |
| 02              | Meat and edible meat offal                     | 07                 | Edible vegetables and certain roots and tubers  | 13                           | Oil seeds fruits; industrial or medicinal plants; straw and fodder |
| 03              | Fish, crustaceans, other aquatic invertebrates | 08                 | Edible fruit and nuts, fruit peel               | 14                           | Lac; gums, resins and other vegetable saps and extracts            |
| 04              | Dairy produce, eggs, honey, etc.               | 09                 | Coffee, tea, mate and spices                    | 15                           | Vegetable plaiting materials, etc.                                 |
| 05              | Other animal originated products               | 10                 | Cereals   | 16                           | Animal or vegetable fats, oils and waxes                           |
|                 |  | 11                 | Products of the                                 | 17                           | Meat, fish or crustacean preparations                              |
|                 |  |                    |   | 18                           | Sugars and sugar confectionery                                     |
|                 |  |                    |   | 19                           | Cocoa and cocoa preparations                                       |
|                 |  |                    |   | 20                           | Cereal, flour, starch or milk preparations                         |
|                 |  |                    |   | 21                           | Vegetable, fruit, nuts or other plant part preparations            |
|                 |  |                    |   | 22                           | Miscellaneous edible preparations                                  |
|                 |  |                    |   | 23                           | Beverages, spirits and vinegar                                     |
|                 |  |                    |   | 24                           | Food industry residues and wastes                                  |
|                 |  |                    |   |                              | Tobacco and manufactured tobacco substitutes                       |

## Import data has been used in the analyses to ensure accuracy

There is lack of harmonization between exporter (origin) country data and importer (destination) country data in UN COMTRADE, one of the most extensive datasets. Additionally, aggregate regional datasets differ from the sum of the respective countries' datasets. The data used in this analyses consists only of import data, as it is tracked closely by governments and reported more accurately due to tax/import duty calculations.

### A sample of data checks from different sources

| Metric   | Our data      | Other reports | Source   |
|--|---------------|---------------|--|
| 2017 US imports of coffee globally                               | 6,314,927,470 | 6,300,000,000 | World's Top Exports Website  |
| 2017 US imports of coffee, tea and spices (HS Code 9) from Kenya | 70,003,296    | 69,000,000    | Office of the US Trade Representative Website  |
| 2017 US imports of cocoa from Ghana                              | 230,386,350   | 224,000,000   | Office of the US Trade Representative Website  |
| 2017 Flowers exports from Ethiopia                               | 378,765,147   | 218,000,000   | Bloomberg Business News Website  |
| 2017 Nigeria Imports of wheat and meslin                         | 1,348,291,000 | 1,240,606,000 | ITC Trace Map Website/ World's Top Export Website  |
| 2017 Kenya agricultural exports to the EU                        | 2,747,184,619 | 1,302,950,000 | European Commission, Directorate-General for Agriculture and Rural Development - Agri-food trade statistical factsheet |
| 2017 EU imports from Ghana                                       | 3,516,469,176 | 1,511,100,000 | European Commission, Directorate-General for Trade, Ghana -EU trade report   |

 Consistency in data

 Inconsistency in data

### Takeaways

- US import/export data is consistent with data provided by the office of the US Trade Representatives
- Mismatches between sources, especially news articles, may arise due to the use of different datasets and the lack of harmonization between export and import data, e.g., use of export data to a country versus mirror import data from the partner country
- Trade between African countries is underestimated given that the statistical data does not take into account informal cross-border trade. This type of trade is hard to measure due to its nature; it is either unrecorded or does not go through custom processes