BIZCOMMUNITY

Chocolate puts lvory Coast on top in Africa's agriculture trade

By Wandile Sihlobo

10 May 2019

Chocolate can certainly get one some brownie points, and no way is this truer than in Ivory Coast which in 2018 reported the largest agricultural trade balance in value terms in Africa, an amount of \$5.1bn.



Image via Wandile Sihlobo

The West African nation exported a higher value of agricultural products than it imports, a situation that is rare in a continent of predominantly net food importers. Trailing Ivory Coast was South Africa with a positive trade balance of \$3.9bn.

To be clear though, this is not to suggest that Ivory Coast somehow has higher agricultural exports than South Africa – no, it doesn't. Its agricultural exports were valued \$7.0bn in 2018 — according to data from Trade Map — which is 33% lower than what South Africa exported. But the trade balance was boosted by the fact that Ivory Coast imported \$1.8bn worth of agricultural products, compared to South Africa's agricultural imports of \$6.7bn in 2018. Hence, the Ivory Coast had a larger agricultural trade balance compared to South Africa.

Now, what exactly is this West Africa nation agricultural exports aside from cocoa and cocoa products (their largest agricultural export product)?

The other products are edible fruits, cotton, animal and vegetable fats, coffee, tea, and tobacco, amongst other products. The leading buyers of these products include the Netherlands, Vietnam, United States, France, Germany, India, and Belgium. Thus it is unsurprising some of the aforementioned countries are amongst the <u>leading producers of chocolate</u>, of which Ivory Coast is a leading producer of its central ingredient — cocoa.

From an import perspective, Ivory Coast mainly imports rice, wheat, crude palm oil, onions, beef, pork products, milk and oil cake (meal for animal feed), amongst other products.

Besides the "brownie points" of having the largest agricultural trade balance in Africa in 2018, agriculture plays an important role in Ivory Coast's economy. The sector makes up about 21% of the country's GDP and employs about 48% of its working population.

Given the aforementioned figures, one of the aspects that Ivory Coast's government might have to consider in the coming years is boosting the country's agro-processing so that some of the exportable raw agricultural commodities can be processed within the country. This would not only boost the economy, but also employment and ensure that some people transition from primary agriculture to manufacturing jobs which might have better pay, and boost living standards.

ABOUT WANDILE SIHLOBO

Wandile Sihlobo is an agricultural economist and head of agribusiness research at the Agricultural Business Chamber (Agbiz) in South Africa. He is a columnist for Business Day and Farmers Weekly magazine.

- 30 years into democracy: How has South Africa's agricultural sector performed? 15 Jan 2024
- Agribusiness confidence remains subdued in Q2 20 Jun 2023
 #Biz Trends2023: SA agricultural trends to watch in 2023 9 Jan 2023
 The effects of the Covid-19 pandemic on agricultural employment in South Africa 23 Jun 2020
- Southern Africa could face another season of poor agricultural output 9 Dec 2019

View my profile and articles...

For more, visit: https://www.bizcommunity.com