

The “State of Commodity Dependence” report is an analysis published every two years by UNCTAD on the incidence of commodity exports on the total merchandise exports in the various regions of the world, including Africa.

According to the UNCTAD definition, a country is “commodity-dependent” when more than 60 per cent of its total exports consists in primary commodities with minimal or no value addition, the latter represented by 3 main categories of products: 1) agricultural products (including livestock, crops, forestry, and fishing products); 2) minerals, ores and metals, and 3) crude oil, gas and other hydrocarbons in a natural state (not-refined).

Commodity dependence is deemed a negative factor for the economic development of a country. Being commodity prices primarily determined by the forces of supply and demand in international markets, an excessive dependence on their exports exposes the country to high risks of reduction of foreign exchange earnings each time their prices go down.

The just-released [latest UNCTAD report](#) (2021) confirms Africa as the region with the greatest incidence of commodity dependence in the world. The report reveals that in 45 out of 54 African States, commodities exports account for 83.3 of their total exports, and generate 76,7 per cent of their total export revenues.

At sub-regional level, Southern Africa is the less commodity-dependant region, followed by Eastern Africa. In the first region, Botswana and Namibia are strongly dependent on exports of mining commodities, representing respectively 93.6% and 81.8% of their total exports. In South Africa, a country that together with Egypt, Cape Verde, Comores and Central African Republic, has achieved a higher level of diversification of its economy, commodity exports have reached instead 57.3%, from 53.3 percent in 2009. Mauritius, on the other hand is the only African country where commodity exports as share of merchandise exports is below 40%.

The Eastern Africa region follows Southern Africa in the list of the regional areas in Africa with the lowest level of commodity exports, although in the East Africa Community (EAC), all Partner States, with the only exception of Tanzania, have increased their commodity dependence in the last decade. In Kenya for instance, commodity exports have raised from 64.3% during the period 2008-2009 to 70% in 2018-2019. Similar increases happened in Uganda (from 70% to 84.4%), Rwanda (from 87.7% to 92.1%), and Burundi (from 86.4% to 93.2%). Tanzania seems

the only EAC partner State that has reduced the percentage of commodity exports from 78.6% (2008-2009) to 73.7% (2018-2019), while in South Sudan commodity dependence is 100%, which makes this country the most commodity-dependent in the world.