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EFFECTS OF LOME CONVENTION ON NIGERIA'S AGRICULTURAL EXPORT TRADE

Introduction

Lome Convention, sometimes referred to as ACP-EEC[1] Trade Agreement was first ratified in February 1975 to define trading and other economic relations between ACP/EEC countries. The Convention has been renegotiated and renewed twice in 1980 and 1985, as second and third Lome Convention, respectively.

In many respects the Convention marks a sharp departure from previous trade agreements between the EEC and the associated developing countries. For instance, in addition to granting the usual soft loans and free access to exports from associated countries into the EEC, Lome Convention also makes provisions for the stabilization of export earnings of associated ACP countries. Furthermore, under the Convention, the EEC forfeit the right of reciprocal preferential treatment which it extends to ACP countries.

Consequently, Lome Convention has been seen as the most favourable of all trade agreements with associated developing countries. According to Hitiris[2], Lome Convention represents the best example of an ideal generalised system of preferences in trade relations between developed and developing countries.

However, there is a strong feeling which has been articulated by many critics[3] of the Convention that ACP countries have not gained much from Lome Convention. The pessimism is based on the fact that during the past two decades which the first and second Convention have been operated, the EEC countries like other industrialised countries, have had to grapple with severe internal economic problems such as the energy and exchange rate crises, which have resulted in acute shortage of international liquidity and balance of payments problems all of which have adversely affected the implementation of the Convention.

The objective of this paper, therefore, is to investigate the extent to which Lome Convention has affected the scope and pattern of agricultural export trade in Nigeria, a major member of the ACP group. The paper has been divided into four parts. In part 1, a brief background to the evolution and main provisions of the Lome Conventions are discussed; Part II examines the methodology adopted in the papers, while part III reviews the data used and the results of our analysis. Finally, part IV summarises the main findings and conclusions of the study

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[1] African, Caribbean and Pacific Countries/European Economic Community

[2] Theodore Hitiris, "Trade Effects of Economic Association with the Common Market the Case of Greece; N.Y., 1972.

[3] George Mensah; The Lome Convention; Course or Blessing; Daily Times, 6th June 1984.

PART I
EVOLUTION AND MAIN PROVISIONS OF THE LOME CONVENTION

History of Association System

The Frech request in 1956 to associate its overseas colonies and territories with the emergent Economic Community in Europe marked the beginning of the series of trade agreements between the EEC and some third world countries, especially in Africa. The request resulted in the addition of a fourth section to the Treaty of Rome, providing for the establishment of an Association System which defines the nature of relationship between member states of the EEC and their overseas colonies/territories. With the coming of independence in the colonies early in the 1960's, the original agreement was renegotiated to accommodate an enlarged group of associates under the Yaounde/Arusha Conventions. These were basically the same as the original agreement, except that the association was now optional for the newly independent states. The main thrust was the commitment to free-trade based on preferential and reciprocal access to exports from the EEC and the associated State. Furthermore, unlike the pre-independence arrangement which provided for a single free trade area between the EEC and all its associates, the Yaounde/Arusha Conventions established separate free trade areas between the EEC and each of the newly independent states.

Lome Convention

Following the entry of Britain, Denmark and Ireland into the EEC in 1972, it became necessary to review the Yaounde/Arusha conventions to make for a more comprehensive, all-embracing trade agreement which was ratified as Lome Convention in February 1975. The new agreement extended the association to all Commonwealth countries in Africa, the Caribbean and Pacific Sub-region. Consequently, Lome Convention is sometimes referred to as ACP-EEC Trade Agreement. The list of the 58 ACP and 9 EEC countries who are signatories to the Lome Convention is attached as Appendix A.

Main Provisions of the Convention

The main provisions of the first Lome Convention may be summarised under four broad categories, namely, Trade Cooperation, Stabilization of Export Earnings (STABEX), Industrial Cooperation and Financial/Technical Cooperation. In addition, the Convention made provisions for a number of protocols and institutions designed to facilitate its implementation.

(a) Trade Cooperation

Under the provision on Trade Cooperation, the EEC is to grant free access (from tariff and other non-tariff barriers) to all exports from the ACP countries into EEC markets, except for the so called sensitive items under the EEC's Common Agricultural Policies[4]. This was in return for a guarantee not to discriminate against individual EEC members in matter of trade. The EEC also forfeits the rights of reverse preference of free access to exports originating from the EEC, which is a right normally associated with free trade area. This

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[4] The sensitive products include maize, rice, millet sorghum, sugar fruits, vegetables and fresh meat.

concession is based on the recognition that the disparity in the level of development between the EEC and ACP countries demanded such concessions. The provision also formalised the "origin rule", which enables the EEC to identify products which can be regarded as originating from the ACP states.

(b) Stabilization of export earnings (STABEX)

With regards to the provision of the Stabilization of Export Earnings (STABEX). The Convention agrees that, where an ACP country's earnings from export of any of the product covered in the scheme[5] accounts for at least 7.5 per cent. (5 per cent. for sisal) of a country's total export earning, it will be entitled to request for financial compensation, if its earnings from the export of the product to the EEC fall by at least 5 per cent. (2.5 per cent. for the least developed, land-locked or island ACP states) below the reference level.[6]

(c) Industrial Cooperation

The objective of industrial cooperation provision is to encourage joint ventures, promote optimal dispersal of industries and facilitate the transfer of technology and the marketing of industrial products from ACP countries. Toward these goals, EEC is to help set up industrial infrastructure, training and research facilities and information exchange service in the ACP countries.

(d) Financial and Technical Cooperation

In the area of financial and technical cooperation, the aim is to help correct structural imbalance in the various economic sectors in ACP countries so as to enhance their economic development. To this end, each EEC member state is to allocate substantial funds annually to the European Development Fund (EDF) for the purpose of extending grants and soft loans to needy ACP countries.

To help implement the various provisions of the Lome Convention, a Council of Minister was established and is assisted by a Committee of Ambassadors and a Consultative Assembly of representatives of the European parliament and those of all ACP states. The Convention also provides for an arbitration machinery for settling disputes arising from the interpretation or implementation of the Convention.

Second and Third Lome Conventions

The Second Lome Convention (Lome II) came into effect in February 1980 with broadly similar provisions as the first Lome Convention, except for a few modifications which were introduced during the renegotiation. For instance, the list of free access exports has been expanded to include a few more of the sensitive agricultural products, thereby raising the level of free access from 94.8 to 99.5 per cent.. Secondly, the number of commodities covered under STABEX has risen from 12 in Lome 1 to 44, in Lome II, while the dependence ("trigger") thresholds[7] were reduced from 7.5 to 6.5 per cent. or 2.5 to 2 per cent. for land-lock/island states). The size of industrial and financial/technical cooperation was also raised largely to meet the increase in the number of ACP countries from 58 to 66. Finally, a special fund has been introduced to help the ACP states maintain the viability of their mining operations, in view of world market disturbances.

The third Lome Convention (Lome III) on the other hand has just recently (February 1985) been ratified, with very few changes. For instance, the scope of free access exports to EEC market has been further expanded to include a few more sensitive commodities, while the list of products under Stabex has also been expanded slightly. The Mining Fund is also to be increased and made open to more interested ACP countries. Finally, the promotion of regional cooperation among ACP states themselves is to be given greater emphasis under Lome III.

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[5] The products are groundnuts, cocoa, coffee, cotton, coconut, palm oil, palm-kernels, raw hides and skin and leather, wood products, fresh banana, tea, raw sisal and iron ore.

[6] The reference level is calculated on the basis of the country's average earnings from export of the affected product during the immediate preceding four years.

[7] The level of loss in export revenue to warrant the invocation of STABEX provision.

PART II
ANALYTICAL FRAMEWORK

The main focus of this paper is to evaluate the effects of the trade cooperation provision of the Lome Convention on Nigeria's agricultural export trade. By this provision Lome Convention has in principle created a unique Free Trade Area (FTA) between Nigeria as one of the ACP states on one hand and the EEC countries on the other. The uniqueness lies in the fact that unlike in standard free trade areas, the provision for free access is only in respect of exports from ACP countries.

Theory of the effects of Free Trade Area (FTA)

Theoretically, the reduction in prices of exports resulting from the abolition/reduction in tariffs due to the formation of FTA should lead to increased demand for the goods, unless the price/income elasticities of the goods are zero or negative. The exporting country gains from the increase in the demand for the good through increased trade, especially if she has the capacity to readily increase the production of the affected goods. The importing country also gains to the extent that the opportunity to trade enables her to substitute cheaper imports for more expensive domestic alternatives, thereby releasing resources for the production of goods for which she has comparative advantage.

The resultant expansion in foreign trade resulting from tariff abolition/reduction is usually referred to as trade creation[8]. Since Lome Convention does not involve a reciprocal concession for exports from the EEC as well as the imposition of common external tariff against third world countries, as in the case with customs union, the negative effects of trade diversion would not apply under the Lome Convention.

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[8] Viner, Jacob; "The Customs Union Issues", New York, 1950.

Measuring the effects/gains from Free Trade Area

Since Jacob Viner[9] poineering work on the effects of trade creation and diversion due to establishment of free trade area/customs union, various empirical studies have been carried out on how to measure these effects statistically. The measurement could be ex-ante (before the implementation of the trade agreement) and ex-post (after the implementation of the agreement).

The methodologies adopted by various empirical studies on the subject may be classified into three broad categories. First, there is the *share of trade* approach which involves computing and analysing the share of intra-area trade as a proportion of total (intra- and extra-area) trade before and after the trade agreement. One popular study which utilised this approach is that by Alex Lamfalussey (11) in which he tried to determine the effects of the Common Market on the trade flows of participating member countries by comparing changes in the share of the EEC as an import market for the exports of participating and non-participating countries. His formulation of share of trade may be summarised as follows:

$$a_{ij} = \frac{M_{ij}}{X_j} \quad \dots \quad \dots \quad \dots \quad (i)$$

where a_{ij} = share of the union "i" in trade of country "j"
M_{ij} = imports of the union "i" from country "j"
X_j = exports of country "j"

Secondly, there is the Bela Balassa[10] approach which is based on the comparison of *ex-post income elasticity of import in intra- and extra-area* trade for periods preceding and following the trade agreement.

His assumption is that both elasticities would remain unchanged overtime, unless some external shocks such as the abolition/reduction of tariff on trade as a result of the formation of a FTA/Custom Union occurred. Under this assumption, a rise in the income elasticity of demand for intra-area imports could indicate gross trade creation, while a fall in the elasticity for extra area imports would be evidence of the trade-diverting effects of the union. In other words it assumes that the trade agreement was the single largest influence affecting trade flows in the FTA and that long-run influences for special factors would not have appreciably altered the relationships between imports and GNP as expressed by the income elasticities of import demand for the period preceding the trade agreement. This indicator ensures comparability of estimates of trade-creating/diversion. The elasticity may be measured by the formula:

$$e_{ij} = \frac{M_{ij}}{Y_i} \quad \dots \quad \dots \quad \dots \quad (ii)$$

where e_{ij} = ex-post income elasticity of import demand for good from country "j"

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[9] Verdoorn, P.J. (25) provides an excellent example of an ex-ante empirical study, while Balassa, B(3) is an example of an ex-post study.

[10] See Balassa, B. (1967). Trade Creation and Diversion in the European Common Market. The Economic Journal, U.S.A.

M_{ij} = average annual rate of change in Union "i"'s imports of country "j"'s goods
Y_i = average annual rate of change in Gross National Product (GNP) of Union "i".

Finally, a number of authors, including Jean Waelbroeck (26), Jan Tinbergen (21) and P. Polyhonen (18) have attempted/suggested the application of *regression analysis* in explaining effects of geographical distance between the trading partners as the principal determining variables. The regression equation describing the factors influencing the flow of exports between country "i" and country "j" may be summarised as follows:

$$X_{ij} = CC_iC_j \quad Y_i^a \quad Y_j^b \quad \dots \quad \dots \quad \dots \quad (iii)$$
where Y_i, Y_j = gross national product of two trading countries "i" and "j"
X_{ij} = the size of trade flows of countries "i" and "j"
C = the scale factor
C_iC_j = the degree of openess of the two economies i and j.

Waelbroeck assume that the coefficients "C", "Ci" and "Cj" remained unchanged overtime. The values of coefficients "a" and "b" were then estimated from cross-sectional world trade and used in extrapolating hypothetical trade figures which are then compared with actual data to determine the extent of trade creation/diversion.

Methodology of the Study

Because of data constraint, the regression analysis approach could not be explored. The study is therefore based on the first and second methodologies by Lamfalussy (11) and Balassa (3), respectively which are summarised in equations (i) and (ii) above.

The relevant data for the study based on the equations (i) and (ii) in Part II are as follows:

(a) Nigeria's agricultural export of scheduled and unscheduled produce analysed by direction of trade: 1971-1984;

(b) Egypt's agricultural exports trade analysed by direction of trade 1971-1984.

(c) Gross National Product (GNP) of all European Economic Community (EEC) Countries; and

(d) Gross National Product (GNP) of all European Free Trade Area (EFTA) Countries: 1971-1984.

Statistics in (i) were used in computing EEC's share (as an import market) of Nigeria's (a participating ACP member country) agricultural export trade; those in (ii) were used for Computing EEC's share of Egypt's (a non-participating country) agricultural exports; while statistics in (iii) and (iv) were used along with those in (i) to compute the income elasticities of demand by intra-area (EEC) and extra-area (EFTA) for Nigeria's agricultural exports. The results of all the above computations are summarised in Tables 1-4 attached.

PART III
ANALYSIS OF RESULTS

Trend in EEC's shae of the agricultural export trade of participating (Nigeria)/non-participating (Egypt) States in Lome Convention

As shown in Table 1, EEC's share of Nigeria's agricultural export trade has been oscilating downwards during the review period. From about 68.7 per cent. in 1971, the share has dropped to about 44.1 per cent. in 1984. Taking 1975 (the year the first Lome Convention was ratified) as bench-mark, available statistics indicate that EEC's share of Nigeria's agricultural exports dropped from a pre-Convention periods (1971-74) average of about 73.0 per cent. to the first and second Lome Convention periods' averages of 53.0 and 53.5 per cent., respectively. The pattern was broadly similar in each of the nine EEC member countries, except Belgium/Luxembourg, where the average for the Convention period was slightly higher than that of the post-Convention period. In the case of UK, the shares dropped from the post-Convention average of 28.8 to 22.2 and 20.2 per cent. for the first and second Lome Conventions, respectively; while for Italy it dropped from 5.1 per cent. to 1.0 and 0.9 per cent., respectively. There were however some improvements in the shares during the Second Lome Convention in respect of France and Western Germany.

Similar analysis with Egypt[11], however, indicates a more stable trading relationship with the EEC than in the case for Nigeria. For instance EEC's share of Egypt's agricultural exports has risen from the post Lome Convention period's average of 27.1 per cent. to 48.8 and 48.9 during the first and Second Lome Convention periods, respectively (See Table 2). The pattern was broadly similar in each of the nine EEC member states with even more spectacular growth rates in the shares going to the UK, Netherlands, West Germany, France and Italy. Although one principal item (cotton) has dominated the trade, the probable inference from the above finding is that formal participation in the Lome Convention has not significantly influenced the flow of trade between the EEC's and its trading partners.

Trend in ex-post income elasticities of demand for Nigeria's agricultural exports

Table 3 shows EEC's ex-post income elasticities of demand for Nigeria's agricultural exports from 1971-84. Taking 1975 (when the Lome Convention came into force) as the bench-mark between the pre- and post-Lome Conventions period, our estimates show that the all-commodity income elasticities of import demand declined from 0.3 in the pre-Convention period (1971-74) to 0.2 and 0.1 in the first and second Lome Convention periods of (1975-80) and (1981-84), respectively. The low and declining coefficients reflect the negligible impact of the Lome Convention on the flow of agricultural trade from Nigeria to the EEC and

corroborate the hypothesis that income elasticity for most primary agricultural products especially food and food-related commodities are usually low. The above pattern was broadly similar with regard to individual commodities and for each of the nine EEC countries. In the case of individual products, the only exceptions ginger and rubber, where the coefficients actually rose during the Convention period. Coefficients for cocoa, coffee, cotton (seed), groundnuts and palm kernel on the other hand declined very sharply during the period, probably as a result of the additional factor of the existence of very close substitutes for these items.

Table 4 on the other hand shows comparable coefficients in respect of Nigeria's trade with the European Free Trade Area (EFTA)[12] for which there is no formal trade cooperation agreement such as the Lome Conventions. The table shows the elasticities for the products which trading was done were generally on the increase, particularly during the post Convention periods. This indicates some gains in trade between Nigeria and EFTA during the period in respect of the range of commodities under reference. For instance, unlike for the EEC, the elasticities in respect of cocoa cake rose from – 2.0 to 28.6, those of kolanuts from 2.5 to 42.1, while those for rubber (crepe) rose from 2.0 to 10.8. The obvious inference from the above statistics is that the Lome Conventions have so far not exerted significant influence on the flow of trade in agricultural exports from Nigeria to the EEC. On the other hand, it would appear that more trade seems to have been generated between Nigeria and the EFTA countries than with the EEC over the range of commodities that were common in the trade between Nigeria and the two blocs.

Probable reasons for the negligible impact of Lome Convention on the trade between Nigeria and the EEC

The negligible impact of the Lome Convention on Nigeria's agricultural export trade with the EEC may be attributable to several factors. First, there is the fact that the bulk of the affected commodities are either food or food related products whose price and income elasticities are usually very low and sometimes even negative particularly for high income consumers. Secondly, exports of non-food items such as processed and semi-processed raw materials, appear to have been constrained by the discriminatory nature of the Common Agricultural Policy (CAP) which provides for substantial subsidy/protection for strategic/sensitive commodities. Thirdly, there is the problem of stiff competition for synthetic raw materials, especially in respect of such items as fibres and rubber. This has adversely affected the demand for the natural products from ACP countries. Furthermore, it is possible that the price incentive provided by the Lome Conventions has not been sufficiently high as to provide incentive to farmers to expand their production of the affected commodities. This hypothesis has been collaborated by the fact that output of most of the reviewed commodities has in fact been declining during the reference period. Finally, the unfavourable, international environment during the periods of the first and second Lome Conventions has adversely affected the economic prospects of the EEC and consequently the effectiveness of the Community as a market for ACP goods.

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[11] The choice of Egypt for our analysis is based on the fact that its economy broadly resembles that of Nigeria in that it is an oil producing country with a substantial agricultural sector; but it is not yet covered by the Lome Convention, even though it has bilateral agreement with some EEC countries.

[12] EFTA Countries include Norway, Sweden, Austria, Switzerland and Portugal.

PART IV
SUMMARY OF FINDINGS AND CONCLUSION

In the attempt to expand their exports of primary produce, many developing countries such as Nigeria have entered into a number of bilateral as well as multinational trade agreements with industrialised countries. One such trade agreement is the Lome Convention between a number of countries in Africa, Caribbean and Pacific sub-region, providing, among other things for free access into the EEC markets for a wide range of ACP exports, without the conventional reciprocal commitments on the part of ACP countries. There is also the provision for the stabilisation of export earnings of ACP countries, in addition to those on industrial, financial and technical cooperation between the EEC and ACP countries.

The main focus of this paper is to examine the extent to which the free access provision of the Lome Convention has so far influenced the export trade of a major ACP country, Nigeria. The impact of the other provisions of the trade agreement such as Stabex, financial and technical co-operation were therefore not considered in the study.

Available data show that EEC's share of Nigeria's agricultural export trade from 1971-84 has not been significantly influenced by the Lome Trade Agreement. Apart from the fact that EEC's share of Nigeria's agricultural exports has been declining over the reference period, the average shares for the periods of the first and second Lome Conventions (1975-84) were significantly lower than that for the pre-Convention period (1971-74). The situation was in fact more favourable with regards to EEC's trade with Egypt which happen not to participate in the Lome Convention.

Further evidence on the income elasticities of demand for EEC's import of Nigeria's agricultural commodities has also shown negligible effect of the Lome Convention as these elasticities were low and declining during the reference period. On the other hand, the elasticities were relatively higher and rising with respect to similar trade with EFTA countries where there is yet no formal trade agreement such as the Lome Convention.

On the basis of all the above findings, it may be inferred that Nigeria and perhaps most other ACP countries have not gained much tradewise from the Convention. Consequently, one would argue that developing countries should concentrate their efforts in measures aimed at facilitating production and evacuation of their exportable commodities to overseas markets, rather than in negotiating ineffective trade agreements. The strongest attraction of Lome Convention are perhaps its other provisions such as industrial, financial and technical cooperations which Nigeria has, unfortunately, not yet explored effectively. Finally it may be pertinent to add that in place of agreement on free access, future negotiations of trade agreement could stress *minimum price* programme as a means of reducing fluctuations in producer incomes. Given the inelastic demand for and random fluctuations in agricultural exports, guaranteeing minimum prices will most likely result in higher gross income than would be obtained from free access into competitive markets.

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Table 1

EEC's SHARE OF NIGERIA'S AGRICULTURAL EXPORTS[1]: 1971-1984

COUNTRY/YEAR	1971 (1)	1972 (2)	1973 (3)	1974 (4)	1975 (5)	1976 (6)	1977 (7)	1978 (8)	1979 (9	1980 (10)	1981	1982	1983	1984	AVERAGE FOR		
															'71-75	'77-80	1981-84
BELGIUM/LUXEMBOURG	1.5	1.3	0.2	0.3	0.3	0.0	0.1	0.7	0.6	2.0	1.8	0.6	0.2	0.4	0.7	0.8	0.8
DENMARK	0.5	1.1	0.2	0.6	1.0	0.0	0.1	0.5	0.2	0.4	0.2	0.3	0.1	0.3	0.7	0.3	0.3
FRANCE	6.9	7.0	2.6	7.2	0.2	0.0	0.0	0.0	2.3	3.5	2.8	2.6	1.8	2.2	4.8	1.5	2.4
IRELAND	0.7	0.5	1.0	1.8	1.6	1.2	0.5	0.0	0.3	0.8	0.6	0.3	0.2	0.4	1.1	0.4	0.4
ITALY	8.7	6.6	3.3	4.7	2.0	1.2	1.4	0.8	1.2	0.7	0.8	1.0	1.1	0.6	5.1	1.0	0.9
NETHERLAND	11.2	24.9	19.4	13.3	17.6	10.8	17.3	19.2	11.8	13.4	12.2	10.8	15.4	10.2	17.3	15.4	12.2
UNITED KINGDOM	28.0	34.3	27.3	22.9	31.6	23.3	23.1	21.8	22.7	21.0	20.0	19.4	22.1	18.6	28.8	22.2	20.2
WEST GERMANY	11.2	12.6	16.6	17.4	14.9	9.3	10.2	10.2	12.7	12.6	13.8	14.4	16.2	16.0	14.5	11.4	15.1
EEC	68.7	88.3	70.6	68.3	69.3	45.9	52.8	53.3	51.8	54.4	60.0	51.1	58.9	44.1	73.0	53.0	53.5

[1] Defined to include all scheduled and unscheduled agricultural produce.
SOURCE: Computed from data from Federal Office of Statistics and Central Bank of Nigeria.

Table 2

EEC's SHARE OF EGYPT'S AGRICULTURAL EXPORTS[1]: 1971-1984

COUNTRY/YEAR	1971 (1)	1972 (2)	1973 (3)	1974 (4)	1975 (5)	1976 (6)	1977 (7)	1978 (8)	1979 (9	1980 (10)	1981	1982	1983	1984	AVERAGE FOR		
															'71-75	'77-80	1981-84
UNITED KINGDOM	2.6	3.1	6.2	1.5	1.2	1.2	1.4	6.2	5.8	5.3	5.2	4.8	4.6	5.1	2.9	4.7	4.9
ITALY	6.6	8.5	16.1	5.1	6.2	6.3	7.1	14.9	18.8	13.1	13.6	14.0	12.8	12.6	8.5	13.5	13.3
BELGIUM/LUXEMBOURG	0.7	1.7	4.3	0.4	1.2	1.3	1.0	1.4	1.1	0.9	1.2	1.8	2.9	1.6	1.7	1.1	1.9
WEST GERMANY	8.2	7.2	13.2	0.8	4.4	7.4	9.8	26.2	25.9	25.3	20.8	26.4	18.4	18.6	6.8	21.8	21.0
FRANCE	5.5	5.5	13.7	6.5	4.6	7.7	6.2	9.0	8.9	6.8	6.6	9.2	8.4	6.8	7.2	7.7	7.8
EEC (TOTAL)	23.6	26.0	53.5	14.3	17.6	23.9	25.5	57.7	60.5	51.4	47.4	56.2	46.2	44.7	27.1	48.8	48.9

[1] Comprises mostly of cotton
SOURCES: Computed from data from the Central Bank of Egypt's Economic Review (Various Years).

Table 3

EEC'sQEX-POST ELASTICITIES OF DEMAND FOR NIGERIA'S AGRICULTURAL EXPORTS[1]: 1971-1984

TYPE OF COMMODITY/YEAR	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	AVERAGE FOR		
															'71-74	'75-80	1981-84
Benniseed	-3.0	-5.3	-3.2	28.6	24.4	—	—	0.6	–	0.4	0.2	—	—	—	8.3	0.8	0.2
Coffee	10.2	-3.5	-0.3	-6.6	87.4	110.6	-0.1	-2.6	3.8	1.2	0.9	0.6	-2.1	0.8	7.4	0.6	0.1
Cocoa (Beans)	-1.6	-1.0	-0.9	-0.5	10.3	14.0	1.6	1.5	-3.2	0.8	0.6	0.7	0.4	0.3	1.3	0.2	0.5
Cocoa (Butter)	1.3	1.6	1.0	7.8	-2.5	0.4	6.2	-2.3	-1.3	0.4	0.3	-1.6	2.8	0.1	1.8	0.8	0.4
Cocoa Cake	3.3	-0.6	7.1	35.1	-9.2	22.6	13.2	-2.7	-5.5	-1.2	0.8	0.4	0.3	-2.1	7.1	1.0	-0.2
Cocoa Powder	-7.2	—	—	61.6	-7.5	28.3	14.2	—	—	—	-1.2	0.8	0.6	0.4	9.4	2.6	0.2
Ginger	-5.4	-1.3	0.0	8.6	-6.2	79.1	0.0	—	—	—	0.5	0.4	0.4	0.6	-4.3	0.0	0.5
Spices (others)	32.3	-6.9	1.0	19.9	0.9	—	—	1597.1	—	—	6.2	-1.4	0.2	0.4	9.4	399.3	1.4
Kolanuts	-4.4	5.1	-2.5	4.6	-5.2	3.3	—	—	6.0	—	1.2	0.6	0.4	0.3	-0.5	1.5	0.3
Coconuts	-4.9	0.8	0.0	3.5	-13.4	—	—	—	—	—	—	0.8	—	—	-2.8	—	0.8
Copra	-3.5	-8.6	18.0	-3.8	—	—	—	—	—	—	—	—	—	—	-0.6	—	—
Cotton (Raw)	-2.4	-8.6	-0.7	—	—	—	—	-1.8	10.9	—	-4.2	—	—	—	-2.3	-2.3	-4.2
Cotton (Seed)	—	—	30.8	23.3	—	—	—	7.0	-1.4	0.6	-0.2	—	0.6	—	10.8	1.6	0.2
Groundnut Cake	-3.3	-1.5	10.2	-2.4	-15.7	-79.8	-2.0	—	—	—	—	—	—	—	-2.5	-0.5	—
Groundnuts	2.9	-3.8	15.3	-11.0	—	—	—	—	—	—	1.2	0.8	0.6	-2.4	0.7	—	0.1
Palm kernels	2.4	-8.6	25.5	23.9	-10.8	9.0	0.7	-1.9	-1.9	1.2	1.1	-0.6	0.2	0.6	6.5	-0.5	0.3
Palm kernel oil & Meal	287.4	-9.4	54.8	100.5	-16.2	-12.2	—	—	-1.3	0.2	0.4	0.8	0.4	6.2	83.4	0.3	2.0
Sheanuts	-5.9	-4.1	49.4	5.2	7.7	-1.8	-1.6	-0.6	15.7	2.2	1.4	1.2	-1.4	-4.2	9.4	3.9	-0.8
Rubber Cuttings & Paste	-2.6	-4.2	10.1	25.0	-1.1	-5.0	0.1	1.4	4.6	1.2	0.6	0.4	6.2	2.2	5.4	1.8	2.4
Rubber (Crepe)	-5.1	0.7	0.0	7.4	-12.8	-1.8	-0.9	-1.6	-6.2	0.8	0.4	0.8	0.7	0.4	-0.2	2.0	0.6
Timber	-1.8	1.9	3.8	-1.0	11.0	-9.4	-2.1	-4.0	—	—	-1.2	—	—	—	2.8	-1.5	-1.2
Soya beans	-4.3	-6.3	-0.8	-1.9	16.3	2633.3	-2.8	—	—	—	0.8	0.6	0.4	0.4	0.6	-0.7	0.6
TOTAL ALL COMMODITIES	-0.7	3.2	3.4	-0.8	-3.7	12.9	1.3	0.4	-2.5	1.4	0.8	0.6	1.3	-2.2	-0.2	0.2	0.1

[1] Includes all scheduled and unscheduled.
SOURCE: Computed from data from the Federal Office of Statistics Central Bank of Nigeria and Stastical Office of the EEC (Brussels).

Table 4

EFTA's EX-POST INCOME ELASTICITIES OF DEMAND FOR NIGERIA'S AGRICULTURAL EXPORTS[1]: 1971-1984

TYPE OF COMMODITY/YEAR	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	AVERAGE FOR		
															'71-74	'76-80	1981-84
Benniseed	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Coffee	1.2	−2.3	1.8	−22.2	209.1	−4.2	—	—	—	—	−1.8	0.2	—	—	−37.5	—	−0.8
Cocoa (Butter)	2.4	0.8	0.1	95.4	−10.5	—	—	—	—	—	—	—	—	—	+22.1	—	—
Cocoa Cake	—	—	—	−14.7	4.9	−6.8	−2.0	117.6	−2.6	1.4	0.8	0.6	0.4	−2.4	−2.0	28.6	−0.4
Cocoa Powder	—	—	—	155.4	−10.9	—	—	—	—	—	—	—	—	—	+28.9	—	—
Ginger	—	—	—	45.2	−0.7	−4.7	−4.5	—	—	—	—	—	—	—	+8.9	−1.1	—
Spices (others)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Kolanuts	—	—	—	17.8	−5.3	−1.3	−1.0	176.1	−7.8	0.9	1.2	0.8	0.6	0.8	+2.5	2.1	0.9
Coconuts	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Copra	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cotton (Raw)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cotton (Seed)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Groundnut Cake	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Groundnuts	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Palm kernels	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Palm kernel oil & Meal	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sheanuts	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rubber Cuttings & Paste	—	—	—	—	—	7.6	—	—	—	—	—	—	—	—	—	—	—
Rubber (Crepe)	−1.2	0.8	0.4	0.1	−10.3	−7.8	45.4	−3.0	−	0.8	0.6	0.4	−1.2	0.8	−2.0	10.8	0.2
Timber	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Soya beans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
TOTAL ALL COMMODITIES	1.2	0.4	0.8	1.2	−1.7	2.7	0.5	4.6	−0.8	0.4	0.8	0.6	0.4	0.8	+0.4	1.2	0.7

[1] Includes all scheduled and unscheduled agricultural produce.
SOURCE: Computed from data the Federal Office of Statistics Central Bank of Nigeria and Stastical Office of the EEC (Brussels).

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