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AFRICA FREE ZONES

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INVESTMENTS IN AFRICAN FREE ZONES



A recent study on African starting companies working in the agricultural sector revealed that Kenya dominates the continental scene in attracting Foreign Direct Investment with a startling Sh 1.3 billion, thus leading in talent expertise and product development. "The African agri-tech space is booming, with the number of startups operating in the market growing 110 per cent over the past two years, and over \$19 million (Sh1.9 billion) invested into the sector in that period," read the report from Disrupt Africa. The report tracked annual startup activity in the agricultural space over the past few years and found 82 enterprises in operation across Africa by the beginning of 2018. More than half of the companies were launched over the past two years, indicating that the sector is still in the nascent stage. Kenya is in the leading position along with Nigeria and accounts for 23.2 % of all newly created African agri-tech companies (19 companies) in the list, with Ghana ranking third.

source : www.africanarguments.org

Ghana Cocoa Board, Cocobod, in a bid to meet its target of a million tonnes by 2020 and expand its processing capacity, has turned to the China Eximbank for financing for the sum of \$1.5 billion. The country is currently at an attempt to improve its cocoa farms and irrigation systems along with other projects in order to aid cocoa production. Not to mention the current funding of \$35 billion from the Chinese bank which finances a 40, 000-tonnes cocoa processing plant. As the world's second-largest cocoa exporter after the Ivory Coast, "Ghana produces an average of 800,000 tonnes of beans per year, with plans to reach 1 million tonnes by 2020. Currently, the country only



processes about 250,000 tonnes", Aidoo said. The Food and Agriculture Minister, Dr Owusu Afriyie Akoto, disclosed earlier this year at an investors forum that Ghana only earns about \$ 2.5 billion from cocoa annually even though the global market is worth over \$100 billion. Over the last year, the total volume of import and export between the country and China was \$6.6 billion with China's export at \$4.8 billion and the import from Ghana at around \$1.8 billion.

Source : www.ecofinagency.com



The African Guarantee Fund plans to boost its capital (currently at \$100 million) by fivefold to \$500 million by 2021. This was reported on May 9th by Reuters which quoted a senior official of the fund whose goal is to help African SMEs secure financing. "We are in the middle of a fundraising campaign to boost the fund's capital five-fold to half a billion dollars by 2021," Adidja Zanouvi, the fund's managing director for West Africa, said. He also added: "We need a lively SME sector to play the role of the economic growth engine." This capital increase should be provided by existing shareholders such as African Development Bank (AfDB), the Danish International Development Agency (DANIDA), the Spanish Agency for International Development Cooperation (AECID) and the Nordic Development Fund (NDF)

Source : www.reuters.com



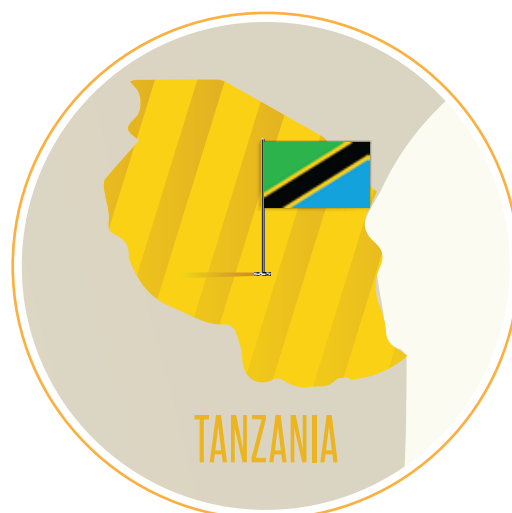
DEVELOPMENT AND MANAGEMENT IN AFRICA FREE ZONES



Kenya and Nigeria have been named top three among 115 countries providing the environment for businesses to thrive in the digitalization era. Euler Hermes in its report "Enabling Digitalization Index (EDI) 2018", illustrates each country's ability to provide the necessary environment for business in order to succeed in an increasingly digitalized global economy. Coming second after South Africa and 70th on the world ranking, Kenya is showing a steady increase in infrastructural development. It is the business leader in East Africa with an economy estimated to be slightly over US\$70 billion. The country also owns an impressive trade infrastructure and a supportive business environment, which outweighs the country's political instability and its below average connectivity quality. Third on the continent and 100th on the world ranking is Nigeria. The country has alternated between the first and second position in terms of economic size in Africa. However, it remains Africa's most populated country which gives it the largest number of technology users. According to the report, Nigeria scored 100 out of 115 despite a substantial market score.

Source : www.businessdayonline.com

Over the past three years, the Tanzanian government has been focused on industrialization and encourages Chinese companies to discover investment opportunities in their country. The country has come up with new programs and strategies related to growth that seek to de-bottle constraints of growth and provide tremendous new investment opportunities. As of now, the trade between the two countries continues to grow healthily, explaining that China remains as Tanzania's largest trading partner, with bilateral trade amounting to \$3.88 billion in 2016. Let's recall that "China is Tanzania's second-largest source of Foreign Direct Investment (FDI) and about 724 Chinese companies are registered with the TIC while more and more Tanzanians are entering into partnership in trade and investment with their Chinese counterparts", says the TIC CEO. TIC is the primary agency of the Tanzanian government that coordinates, encourages, promotes and facilitates investment in Tanzania and advises the government regarding all investment related matters.



Source : www.xinhuanet.com

These are Africa's fastest-growing economies

Sub-Saharan Africa, 2018 forecast, percentage GDP growth



2018 is scheduled to be a fruitful year for sub Saharan African economies. The World Bank forecasts a staggering growth of 3.2% for the year as opposed to 2.4% in 2017. It also predicts slightly higher growth for 2019, 3.5%. Most of 2018's top performers are non-commodity intensive economies. The list is led by Ghana (8.3%), a country boosted by oil & gas expansion, Ethiopia (8.2%), Côte d'Ivoire (7.2%), Djibouti (7%), Senegal (6.9%) and Tanzania (6.8%). The World Bank further states that Africa has six of the world's ten fastest growing economies this year.

Source : www.africanews.com

