

# NEWSLETTER

N° 26



Free zones  
**AFRICA**

---

AFRICA FREE ZONES

JUNE 2018



[www.africafreezones.com](http://www.africafreezones.com)  
Based in Tangier Morocco



AFRICA FZO



AFZORGANIZATION



AFZO

# DEVELOPMENT AND MANAGEMENT IN AFRICA FREE ZONES



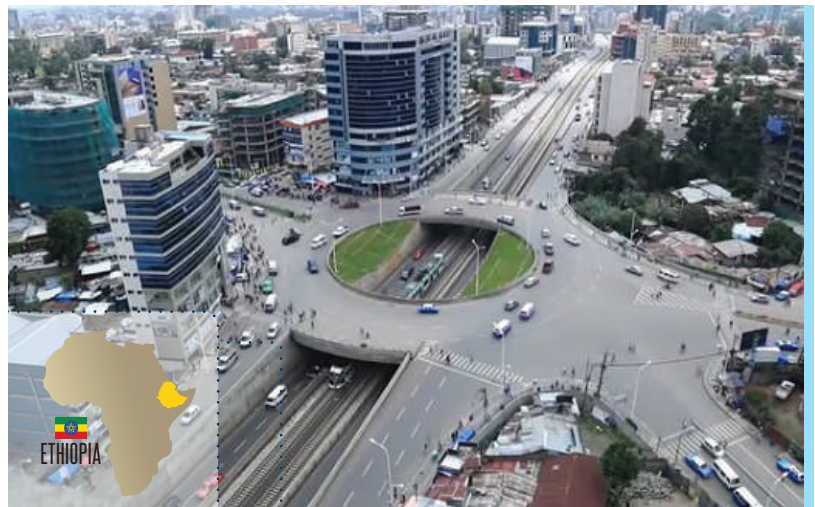
The West African Development Bank (BOAD) approved a \$72 million financing to Burkina Faso for the implementation of development projects. The amount will be steered towards water and local development projects under the National Economic and Social Development Plan (PNDES) initiated by the government. \$18 million will thus be earmarked to implement the third phase of Ouagadougou city's Storm Water Drainage System Project which is set to generate 6,858 indirect jobs. It will also help establish a sustainable waste management system within

the Burkinabe Capital. The remaining \$54 million should be injected into the local economic development support program (PADEL), which includes the implementation of a micro-credit scheme for 15,000 micro and very small businesses (MTPE) across the country. Through this program, authorities hope to provide the population with quality facilities by 2020.

Source: <https://www.ecofinagency.com>

The Ethiopian government plans, within the next three months, an Urban Institutional and Infrastructural Development Program (UIIDP) set to reach 6.6 million people. Estimated at \$860 million, this 5-year program will be implemented in 117 towns across the country. Amlaku Adamu, head of Urban Income Improvement Office, said the program targets the local economic development, including youth-centered job creation, gender promotion, and construction of climate-change-resilient cities. The new development plan follows two urban local communities' development programs previously launched as of 2009. The programs were estimated at \$300 million and \$556.5 million, respectively.

Source: <https://www.ecofinagency.com>



Angola's government announced it will benefit from \$700 million under a credit line granted by Credit Suisse to develop "strategic" projects, without specifying the projects involved. This information published in the country's official journal was relayed by Macauhub. This new financing comes few weeks after the government announced a \$2 billion bond issuance, and reaffirms government's desire to raise funds and develop the economy through reviving and diversification projects. Furthermore, the finance minister concluded an agreement with the country's investment bank to obtain a \$64 million loan. The latter will help meet food and medicine's needs.

Source : <https://www.ecofinagency.com>

# INVESTMENTS IN AFRICAN FREE ZONES

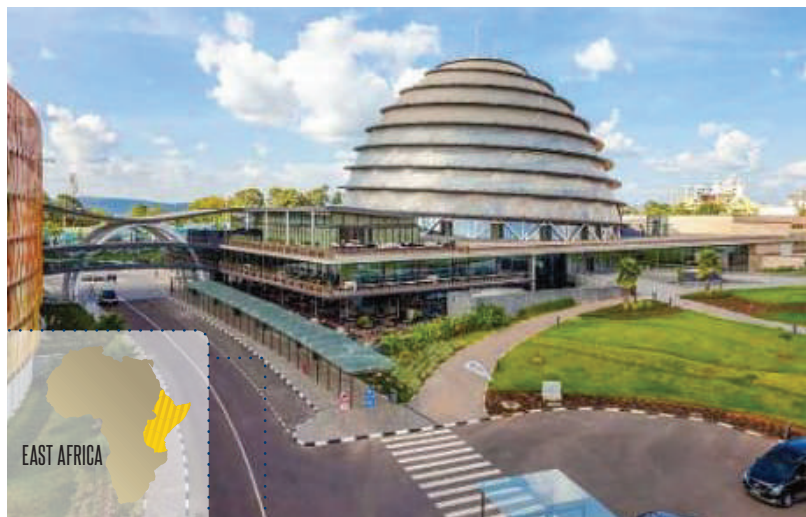


Foreign direct investments (FDI) into Morocco reached \$2.7 billion in 2017, up 23% compared with last year, according to the United Nations Conference on Trade and Development (UNCTAD). FDI flows to North Africa were down 4 per cent to \$13 billion," notes the World Investment Report 2018. It also points out that Morocco still attracts considerable investments in the financial sector, especially in new car technologies (electrical, battery, cameras). "By the end of 2017, the Government had confirmed 26 auto industry investments worth \$1.45 billion, including a deal with Renault (France) to increase local sourcing of components to 55%," adds the same source. The boom of FDI in Morocco comes at a time when flows to Africa continued to slide, reaching \$42 billion, down 21% from 2016, the report underlines.

Source: <http://allafrica.com>

East African countries are increasingly becoming a suitable alternative for foreign investors and large consumer companies. Ethiopia, Kenya, Tanzania and Rwanda have been enjoying growth rates not less than 5%. Within sub-Saharan Africa, East African countries—especially Ethiopia and Kenya, and to a lesser extent Uganda and Tanzania — have seen an increase in investments from consumer goods' companies. The region's positive economic growth, political stability, an improved regulatory environment and a big market of over 120 million people is attracting foreign investment. Another is the region governments' investment in infrastructure and transportation. One such example is Ethiopia's investments in Special Economic Zones (SEZ). Industrial parks or SEZ enable investors to directly commence production in two or three month duration without bothering about the supply of land, water, electricity and other infrastructures.

Source: <https://www.africa.com>



Foreign direct investment (FDI) in Mauritius grew faster in 2017 than earlier reported, driven by inflows into real estate, revised central bank data showed on Tuesday. The Bank of Mauritius said in a statement FDI grew 28 percent year-on-year to 17.49 billion rupees (\$507.69 million). Last month the bank put the figure at 14.22 billion rupees in 2017 compared with 13.64 billion in 2016. "The biggest chunk of direct investment came from Europe with France and Luxembourg combined accounting for over 40 per cent of total gross direct investment inflows," it said. France was the biggest source, accounting for 4.38 billion rupees, followed by Luxembourg, with 3.31 billion. Mauritius is moving from an economy traditionally focused on sugar, textiles and tourism towards offshore banking, business outsourcing, luxury real estate and medical tourism.

Source: <https://www.reuters.com>

