



ANDAMAN
PARTNERS

Africa Navigator

Africa's Place in the Global Economy

Q4 2026

About ANDAMAN PARTNERS

ANDAMAN PARTNERS supports international business ventures and growth. We help launch global initiatives and accelerate successful expansion across borders. We work across selected industries in our chosen markets – and we get involved in three ways:

We Invest



ANDAMAN Investment

Providing seed and growth capital
to early-stage companies

We Advise



ANDAMAN Advisory

Transaction origination & execution support.
Strategy formulation & implementation support

We Trade



ANDAMAN Trade

We make complex international
value chains work

Executive Summary: Demographics, resources and growth are reshaping Africa's global position, while trade, investment, industrial development and economic scale remain highly uneven across the continent

	Africa in the World	Population and Resources	Trade	Investment and Industry	Africa's Regions
	- Africa accounts for 18% of the world's population but only 2.6% of GDP - Africa's growth is relatively strong, with the continent expected to outpace most major regions in 2026 - Yet GDP per capita remains far below emerging- and advanced-economy levels	- Africa's population is approaching 1.5 bn and continues to grow rapidly - The continent holds exceptional positions in PGMs, cobalt, manganese, bauxite and graphite - Rapid urbanisation and a growing working-age population are expanding both markets and labour supply	- African exports reached roughly USD 670 bn in 2025, but remain heavily commodity-led - China's role has expanded sharply, both as an export destination and source of imports - The central challenge for trade remains moving from commodity exports towards greater value addition	- Africa's FDI flows remain volatile and highly concentrated, despite significant underlying business opportunities - The continent's manufacturing is expanding, but remains concentrated in a handful of economies - Services have expanded faster than manufacturing, leaving industrialisation incomplete	- Africa is not one growth story: economic structures and trajectories differ sharply by region - North Africa combines scale and manufacturing depth; East Africa has stronger growth momentum - Southern, Central and West Africa combine very different mixes of resources, industry, services and trade
UPSHOT	Africa is gradually gaining global significance, even as its share of the world economy remains relatively small	Africa's demographic and resource endowment is enormous; turning endowment into productivity is the prize	Africa is trading more with the world, but exports remain concentrated in commodities and a handful of markets	Capital and industrial opportunities are real and tangible, but scale is concentrated and execution matters	There is no single "Africa opportunity;" business strategy must be regional and country-specific



Agenda

Africa in the World



Population and Resources

Trade



Investment and Industry

Africa's Regions

Conclusions and Implications

Prelude

Africa is steadily moving toward the centre of the global economic story. Its population is growing rapidly, its economies are expanding and the continent holds many of the resources increasingly important to global industry and the energy transition.

Yet Africa remains economically small relative to its demographic weight. Trade is still heavily commodity-led, investment is uneven, industrialisation remains concentrated and economic structures differ markedly across countries and regions.

This combination of scale, growth and structural gaps is precisely what makes Africa important. The opportunity is substantial, but it cannot be understood or approached as a single continental story.

ANDAMAN PARTNERS presents perspectives on selected key issues with a more granular view of where Africa is changing, where economic momentum is building and where the strongest opportunities and constraints lie.

Kobus van der Wath

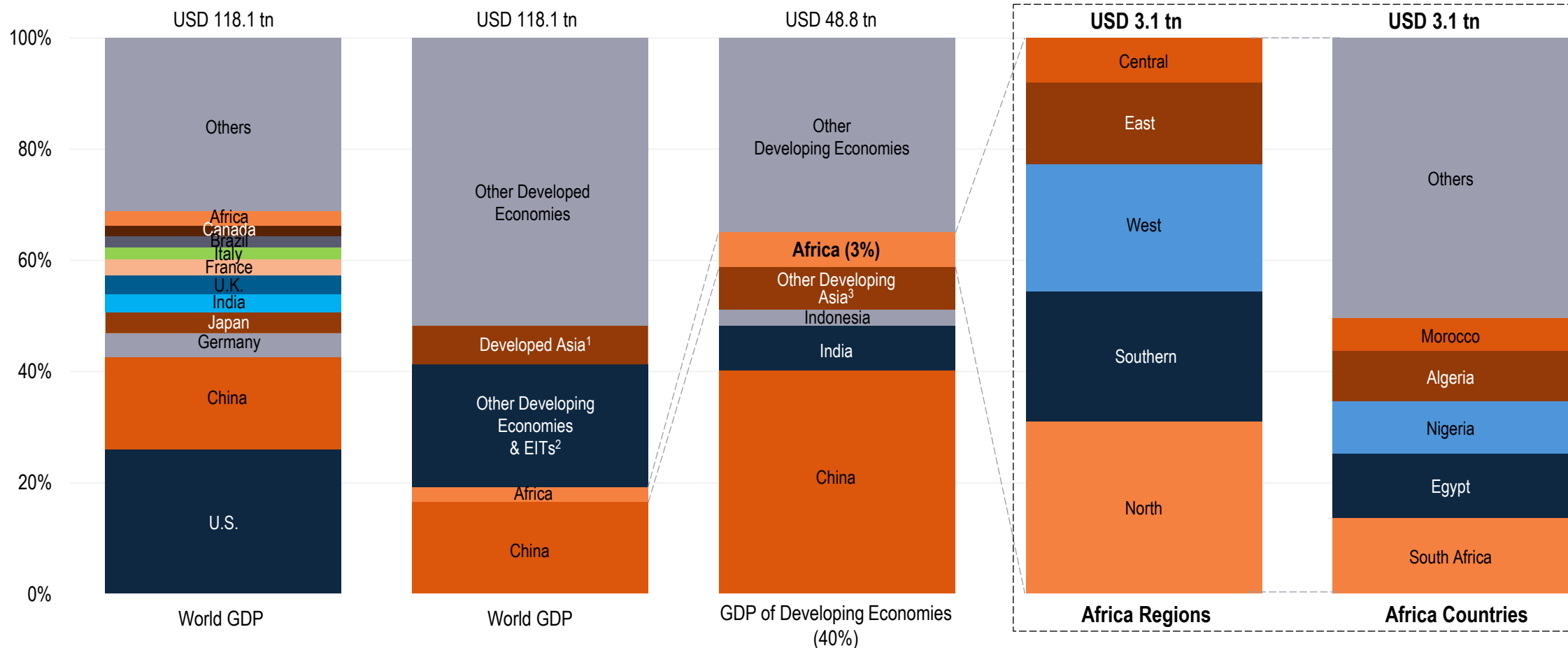
Co-Founder, **ANDAMAN PARTNERS**

Africa in the World: A Continent Gaining Economic Weight

*Africa is growing faster and becoming more consequential,
but its economic weight still trails its demographic scale*

Emerging markets & developing economies account for USD 49 trillion, or 40%, of global GDP
Africa contributes USD 3.1 tn or 2.6%, led by South Africa, Egypt, Nigeria, Algeria and Morocco, with North and Southern Africa driving the largest share of the continent's output

Africa and the Composition of Global GDP (2025)



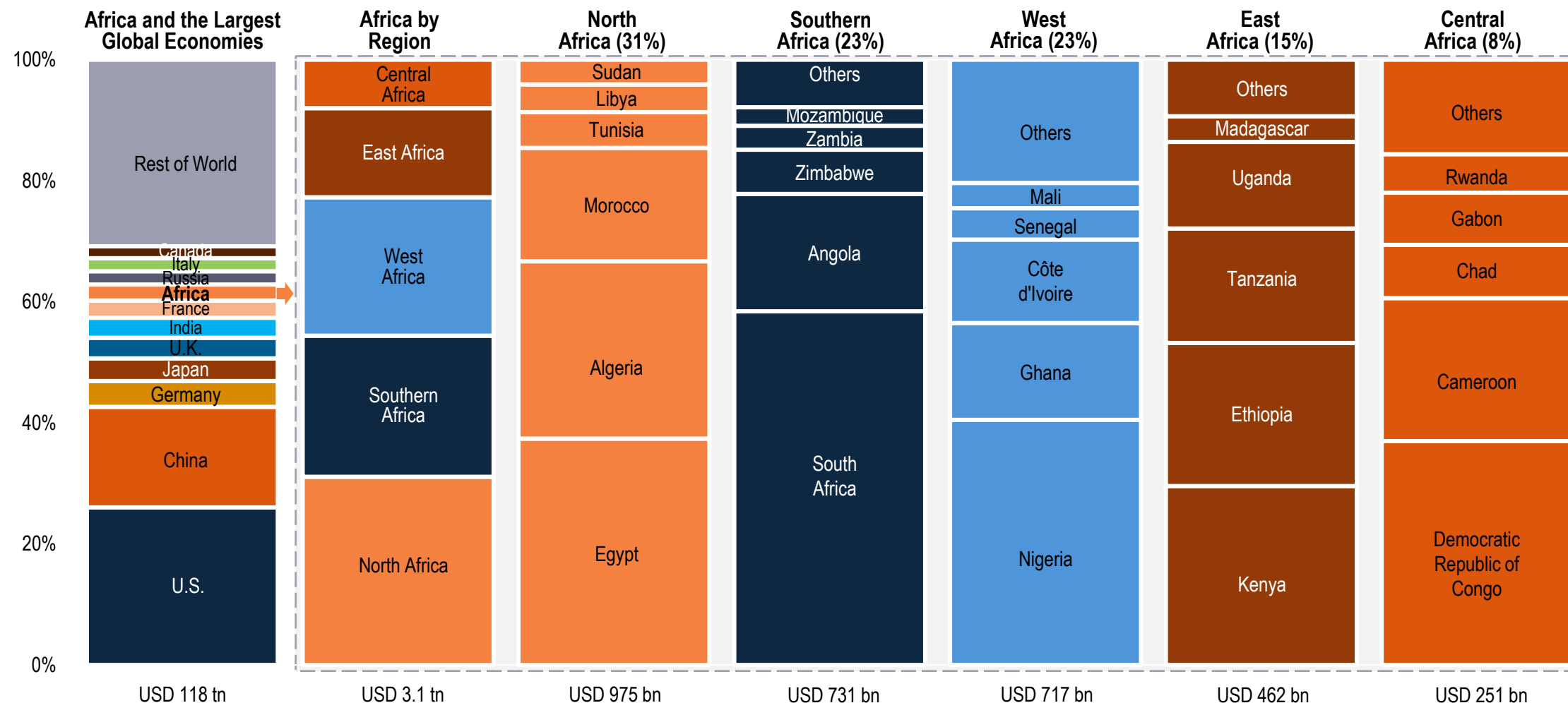
Notes: 1. Developed Asia includes Japan, South Korea, Singapore, Taiwan (China), Macao SAR (China) and Hong Kong SAR (China). 2. EITs are economies referred to by the UN as "Economies in Transition" and include Russian Federation, among other former Soviet states. 3. Other Developing Asia includes Türkiye, Saudi Arabia, Thailand, Iran, UAE, Israel, Malaysia, Philippines, Pakistan, Bangladesh, Vietnam, Iraq, Qatar, Kuwait, Sri Lanka, Oman, Myanmar, Lebanon, Bahrain, Nepal, Cambodia, Afghanistan, Lao PDR, Yemen, Brunei, Mongolia, Fiji, Maldives and Bhutan. 4. Africa regions defined per the UN geoscheme: Northern, Western, Eastern, Middle/Central and Southern Africa.

Source: IMF, ANDAMAN PARTNERS Analysis

Africa's USD 3.1 trillion economy is spread across five distinct regional centres

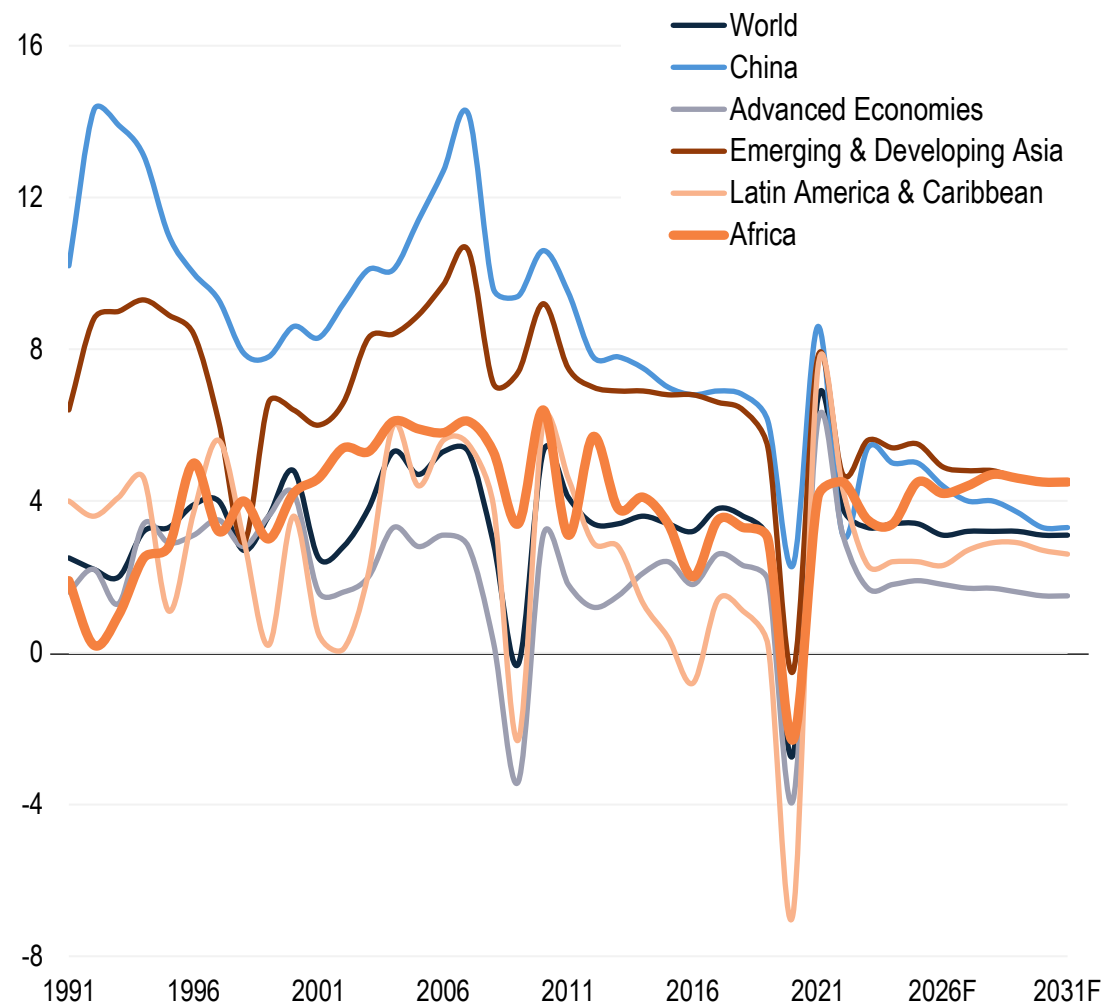
North Africa is the largest regional economy (USD 975 bn, or 32%), but substantial economic scale extends across the continent, with each region combining a different mix of dominant markets and smaller growth economies

Africa GDP by Region, USD bn, and % Share by Region (2025)



Africa's growth has rebounded strongly, but its share of the global economy has barely shifted
Africa's growth has strengthened to above 4%, yet its share of global GDP has remained around 2-3% for three decades

Real GDP Growth by Regions, % (1991-2031F)

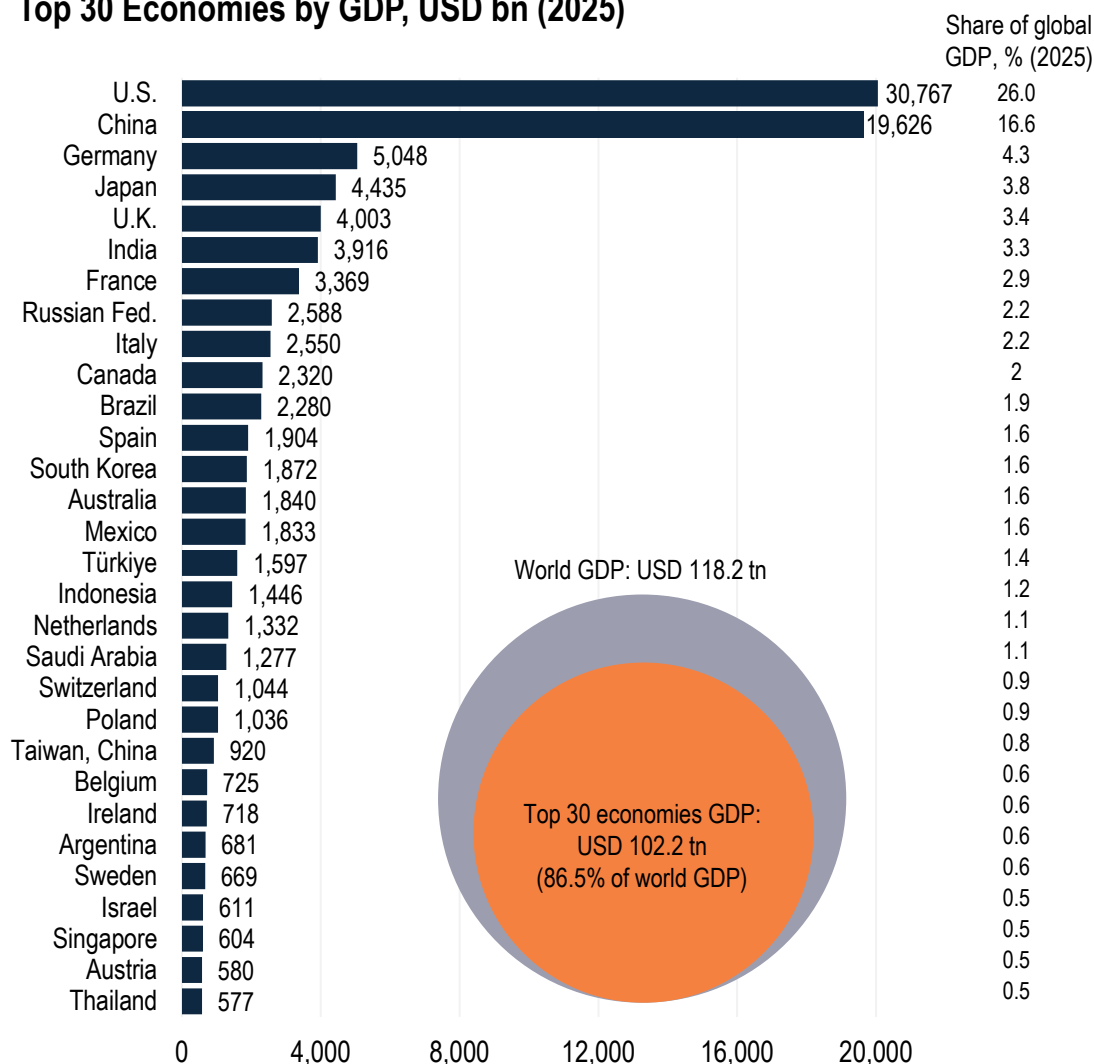


Global GDP Breakdown, % Share (1995-2026F)

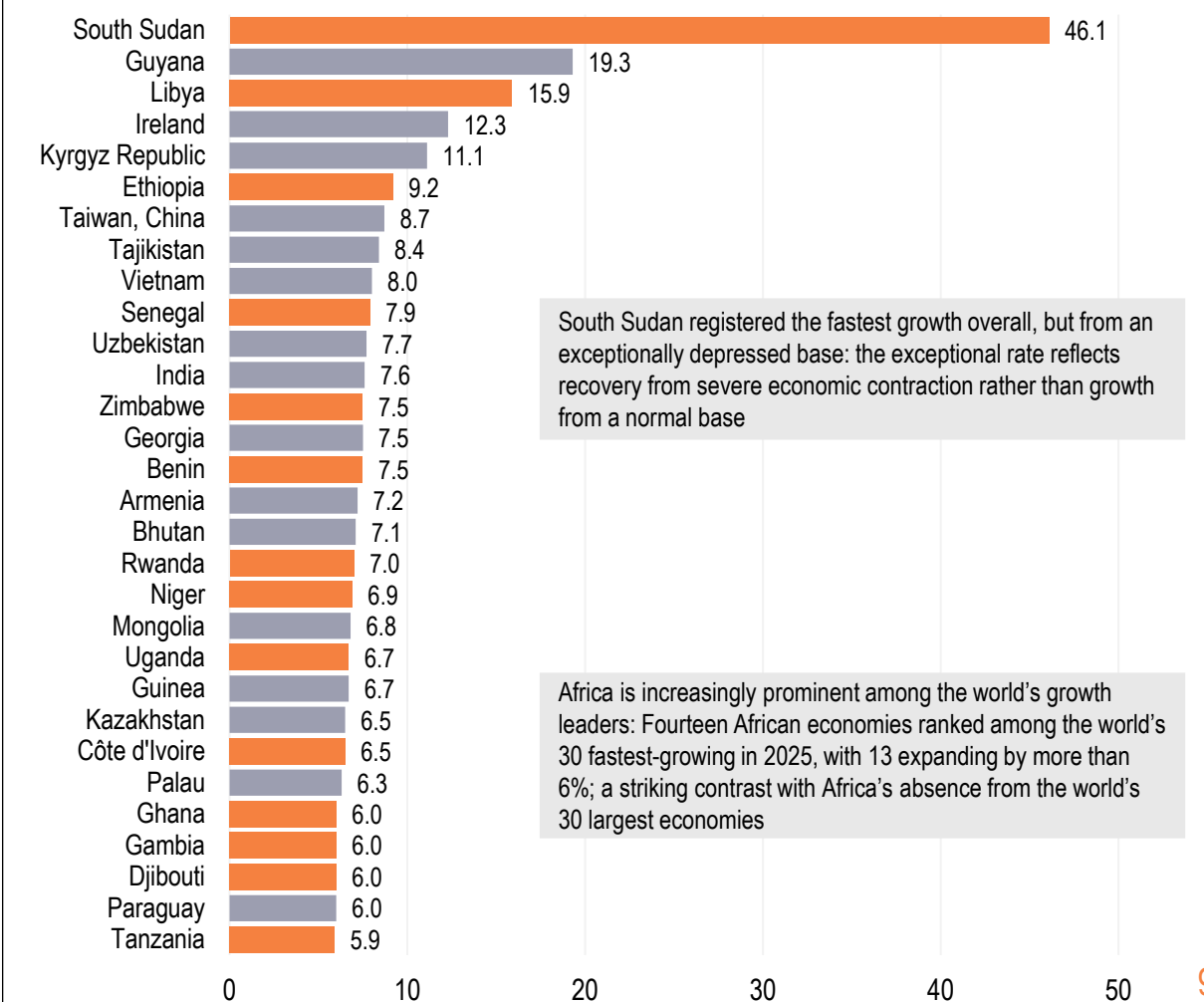
	1995	2000	2005	2010	2015	2020	2021	2022	2023	2024	2025	2026F
World GDP USD tn	31.35	34.26	48.09	67.03	75.83	86.05	98.22	102.40	106.93	111.60	118.18	126.30
World GDP	100	100	100	100	100	100	100	100	100	100	100	100
Advanced Economies	81	79	76	65	60	60	59	58	58	58	59	58
U.S.	24	30	27	22	24	25	24	25	26	26	26	26
Euro Area	24	19	22	19	16	15	15	14	15	15	15	15
Japan	18	15	10	9	6	6	5	4	4	4	4	4
Other Advanced Economies	9	8	9	9	9	9	9	9	8	8	8	9
EMDEs	19	21	24	35	40	40	41	42	42	42	41	42
China	2	4	5	9	15	18	19	18	17	17	17	17
Latin America & the Caribbean	6	7	6	8	7	5	5	6	6	6	6	6
Africa	2	2	3	3	4	3	3	3	3	3	3	3
Other EM&Ds	8	9	11	15	14	14	15	16	15	16	15	16

Africa has no economy in the world's top 30 by size, but 14 ranked among the fastest-growing in 2025
The continent remains absent from the global GDP heavyweights, yet African economies accounted for nearly half of the world's 30 fastest-growing economies in 2025

Top 30 Economies by GDP, USD bn (2025)



Top 30 Economies by Real GDP Growth, % (2025, African economies highlighted)

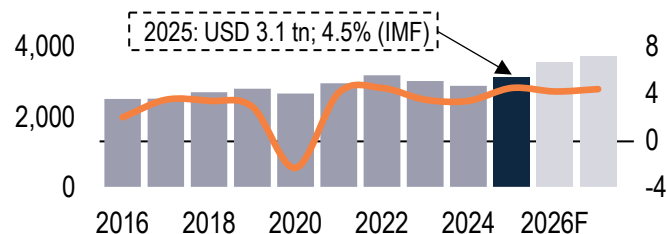


Africa's growth momentum differs sharply across regions

North, East and West Africa contribute disproportionately to growth, while Southern and Central Africa continue to lag the continental pace

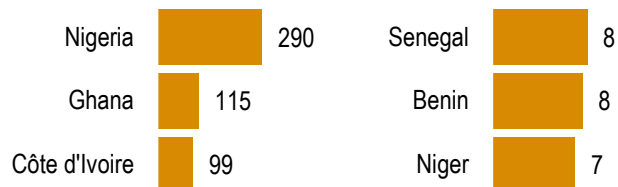
Africa Regional GDP Map: GDP, USD bn, and Real GDP Growth, % (2025)

Africa Nominal GDP, USD bn (LHS) and Real GDP Growth Rate, % (RHS) (2016-2027F)



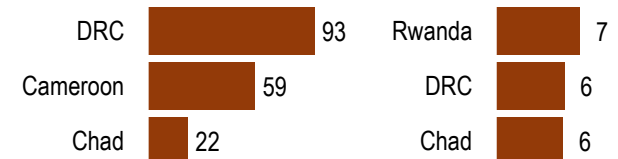
WEST AFRICA: USD 717 bn; 5.8%

Largest Regional Economies: GDP, USD bn Fastest-Growing Economies Above Regional Average, %



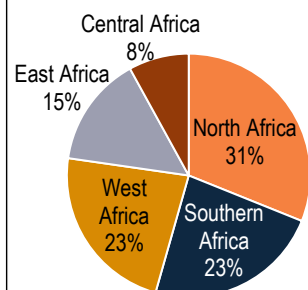
CENTRAL AFRICA: USD 251 bn; 3.1%

Largest Regional Economies: GDP, USD bn Fastest-Growing Economies Above Regional Average, %



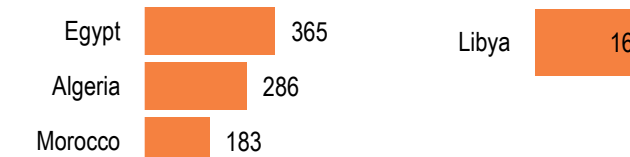
West and East Africa are punching above their GDP weight in driving incremental growth

Share of Total Africa GDP (2025)



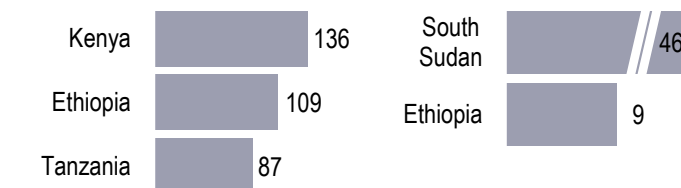
NORTH AFRICA: USD 975 bn; 5.8%

Largest Regional Economies: GDP, USD bn Fastest-Growing Economies Above Regional Average, %



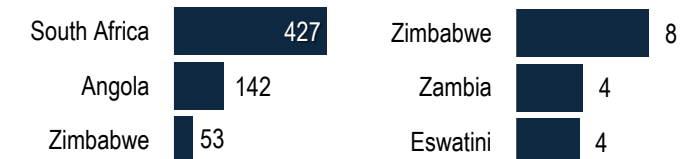
EAST AFRICA: USD 462 bn; 8.8%

Largest Regional Economies: GDP, USD bn Fastest-Growing Economies Above Regional Average, %



SOUTHERN AFRICA: USD 731 bn; 2.4%

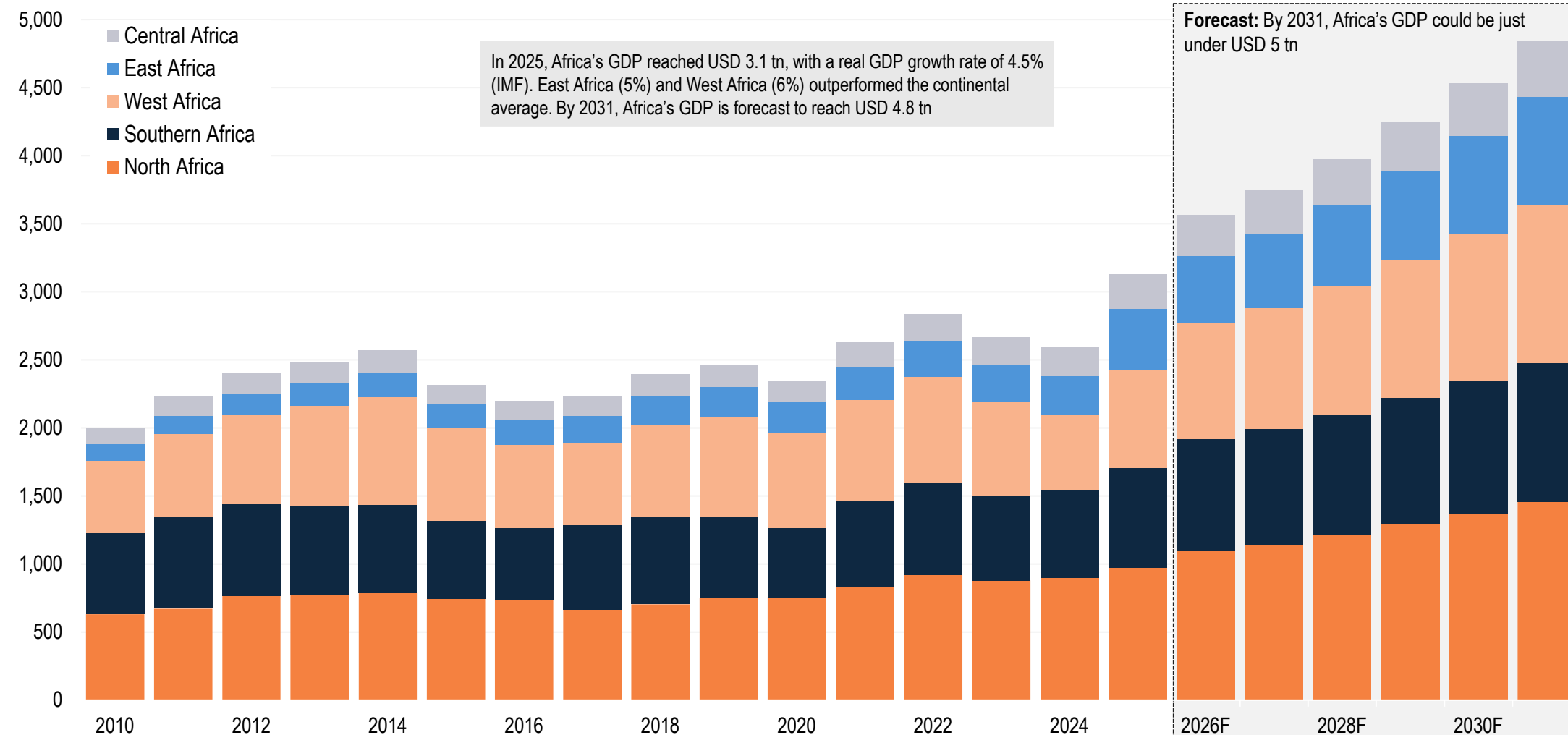
Largest Regional Economies: GDP, USD bn Fastest-Growing Economies Above Regional Average, %



Africa's growth outlook is resilient, with GDP forecast to reach USD 4.8 tn by 2031

GDP is projected to expand from USD 3.1 tn in 2025 to almost USD 5 tn by 2031. Africa would add roughly USD 1.7 tn of nominal economic output between 2025 and 2031; equivalent to more than half its current economy

Africa GDP by Region, USD bn (2010-2031F)



The ranking of Africa's largest economies is entering a period of reshuffling

Egypt is projected to overtake South Africa by 2031, while Ethiopia is rising rapidly and Nigeria remains among the continent's three largest economies

Africa Economic Forecast to 2031

- Africa's growth is expected to strengthen through 2026 as inflation eases, though performance remains uneven across the continent
- Ethiopia is the fastest-growing major African economy, projected to expand 8.4% annually through 2031, ahead of Egypt (4.8%) and Nigeria (4.2%)
- Egypt is projected to overtake South Africa as Africa's largest economy by 2031 in current-USD terms, while Ethiopia rises into the top six
- South Africa's growth has lagged the continent at just 1.5% annually, causing it to slip from Africa's #1 economy to #2 by 2031
- Key risks include commodity price volatility, currency pressures, and debt sustainability across several West and Central African economies

Top 15 African Economies, GDP USD bn (2000, 2025, 2031F)

Rank (2000)	Economy	Rank (2025)	Economy	USD bn (2025)	Rank (2031F)	Economy	USD bn (2031F)	Share of Africa GDP (2031F)	Avg. Real GDP Growth Rate (2025-2031)
1	South Africa	1	South Africa	427	1	Egypt	666	13.8%	4.8%
2	Egypt	2	Egypt	365	2	South Africa	578	11.9%	1.5%
3	Nigeria	3	Nigeria	290	3	Nigeria	496	10.3%	4.2%
4	Algeria	4	Algeria	286	4	Algeria	328	6.8%	3.0%
5	Morocco	5	Morocco	183	5	Morocco	283	5.9%	4.5%
7	Tunisia	6	Angola	142	6	Ethiopia	243	5.0%	8.4%
8	DR Congo	7	Kenya	136	7	Kenya	196	4.1%	4.9%
9	Kenya	8	Ghana	115	8	Angola	180	3.7%	2.8%
11	Côte d'Ivoire	9	Ethiopia	109	9	DR Congo	175	3.6%	5.5%
13	Angola	10	Côte d'Ivoire	99	10	Côte d'Ivoire	170	3.5%	6.6%
14	Tanzania	11	Congo	93	11	Tanzania	152	3.1%	6.2%
15	Ghana	12	Tanzania	87	12	Ghana	152	3.1%	5.1%
16	Cameroon	13	Uganda	66	13	Uganda	112	2.3%	6.9%
17	Ethiopia	14	Cameroon	59	14	Cameroon	92	1.9%	4.0%
18	Uganda	15	Tunisia	58	18	Tunisia	58	1.2%	1.7%

Population and Resources: Demographic and Resource Scale

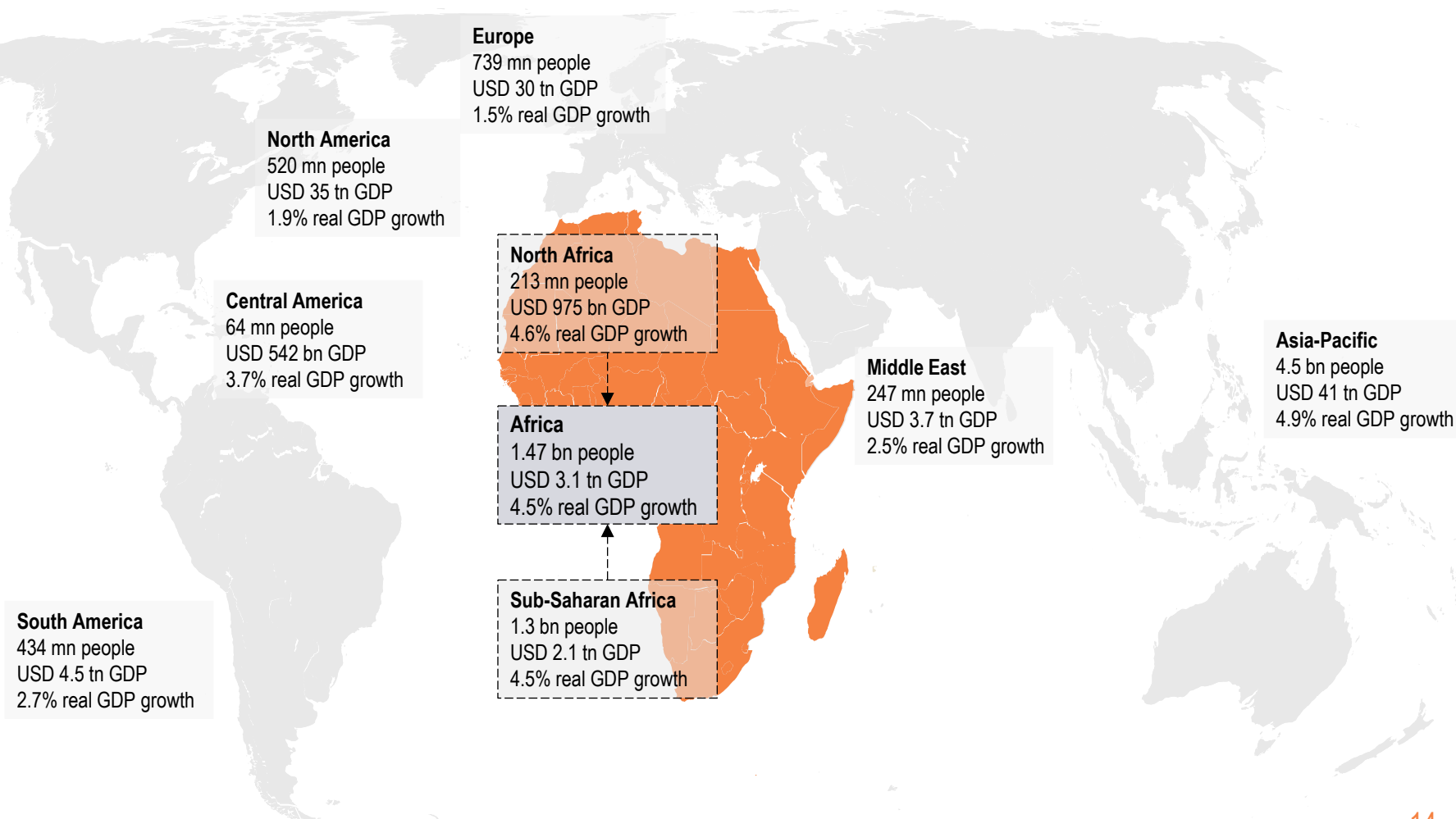
Africa is adding people, cities and workers while holding some of the world's most strategically important resources

Africa's demographic weight far exceeds its share of the global economy

Africa accounts for nearly one-fifth of the world's population but only around 2.6% of GDP, while growing faster than the global economy and all regions except Asia-Pacific

Population, mn, GDP, USD bn, and GDP Growth, % by Region (2025)

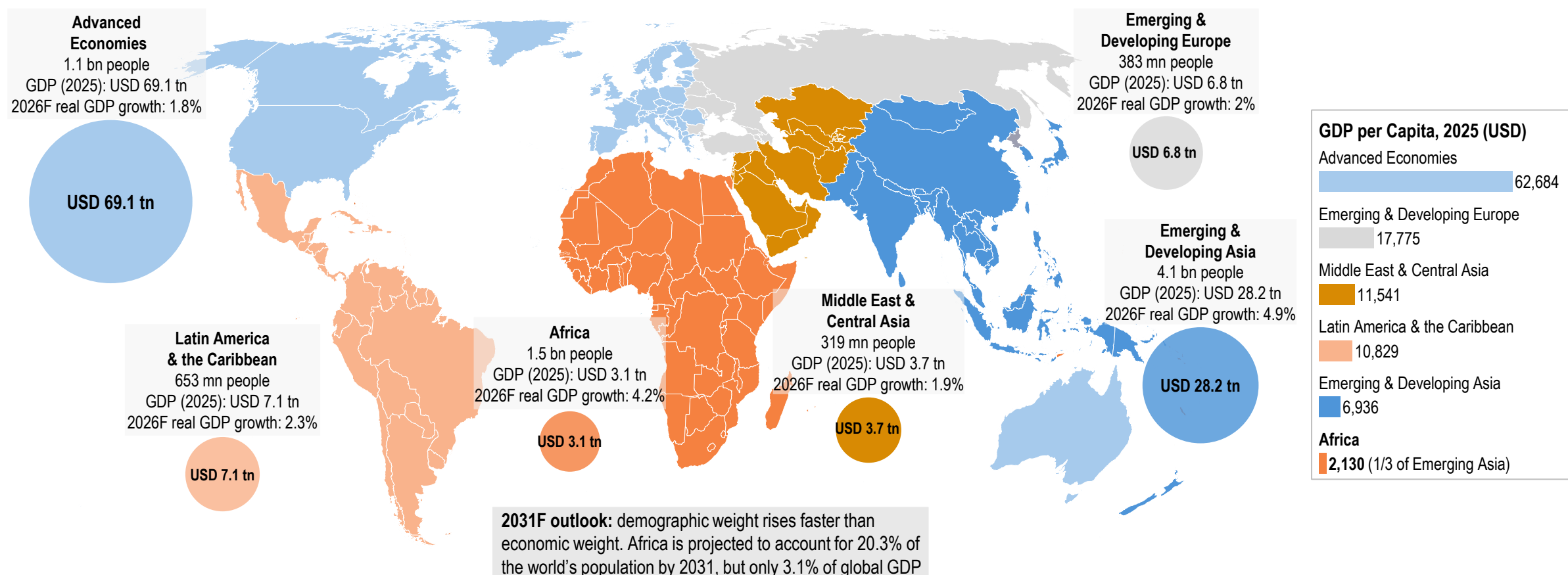
Africa in the Global Economy (2025)		
	Africa	World
Population	1.5 bn	8.2 bn
Population Share	18%	100%
GDP	USD 3.1 tn	USD 118.1 tn
GDP Share	2.6%	100%
Real GDP Growth	4.5%	3%



Africa is one of the world's fastest-growing regions, but from a much smaller economic base
Africa's 4.2% growth outlook exceeds most major regions, while GDP per capita remains less than one-third of Emerging Asia's

GDP and Population (2025) and Real GDP Growth (2026F) by Region

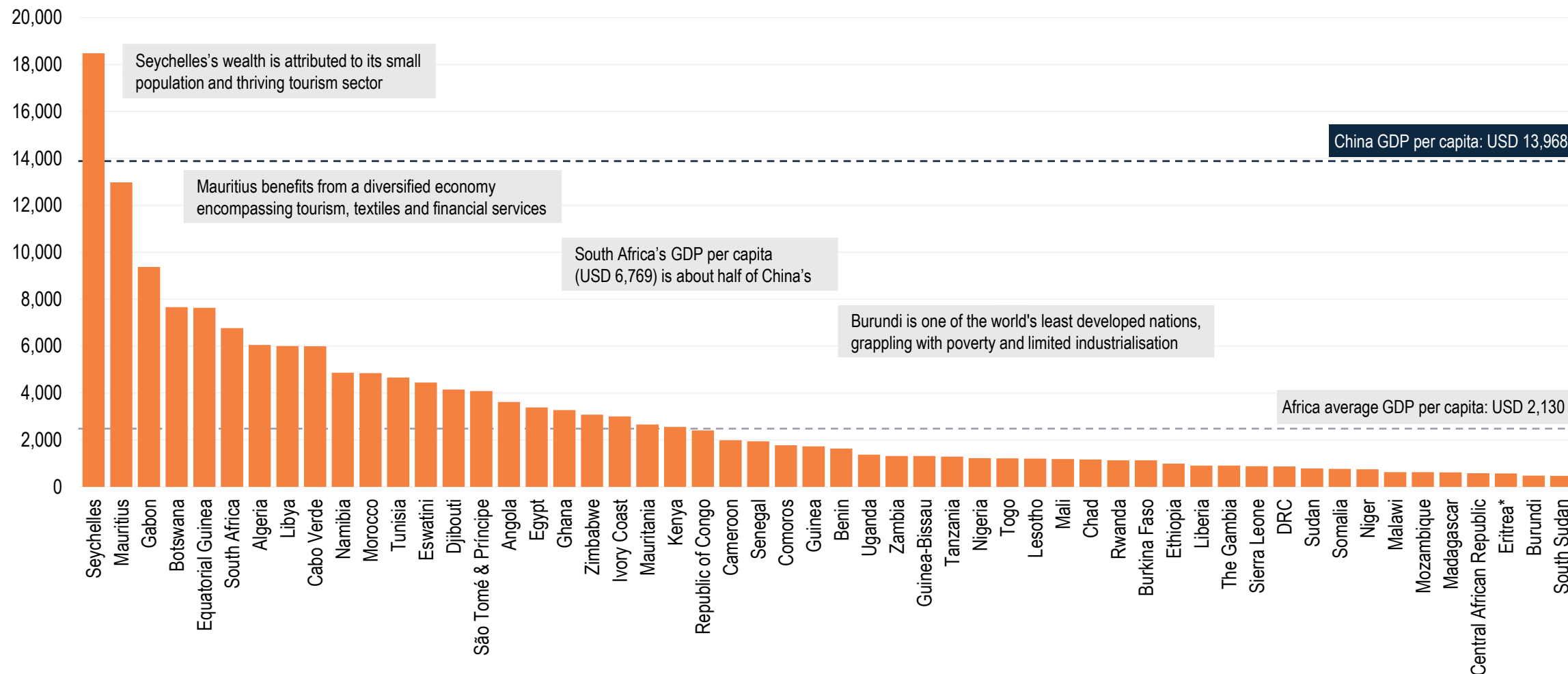
Advanced Economies Emerging & Developing Asia Emerging & Developing Europe Latin America & the Caribbean Middle East & Central Asia Africa



Africa's income gap is as striking within the continent as it is globally

GDP per capita ranges from nearly USD 20,000 in Seychelles to below USD 1,000 in many African economies, while the continent's average remains far below China's

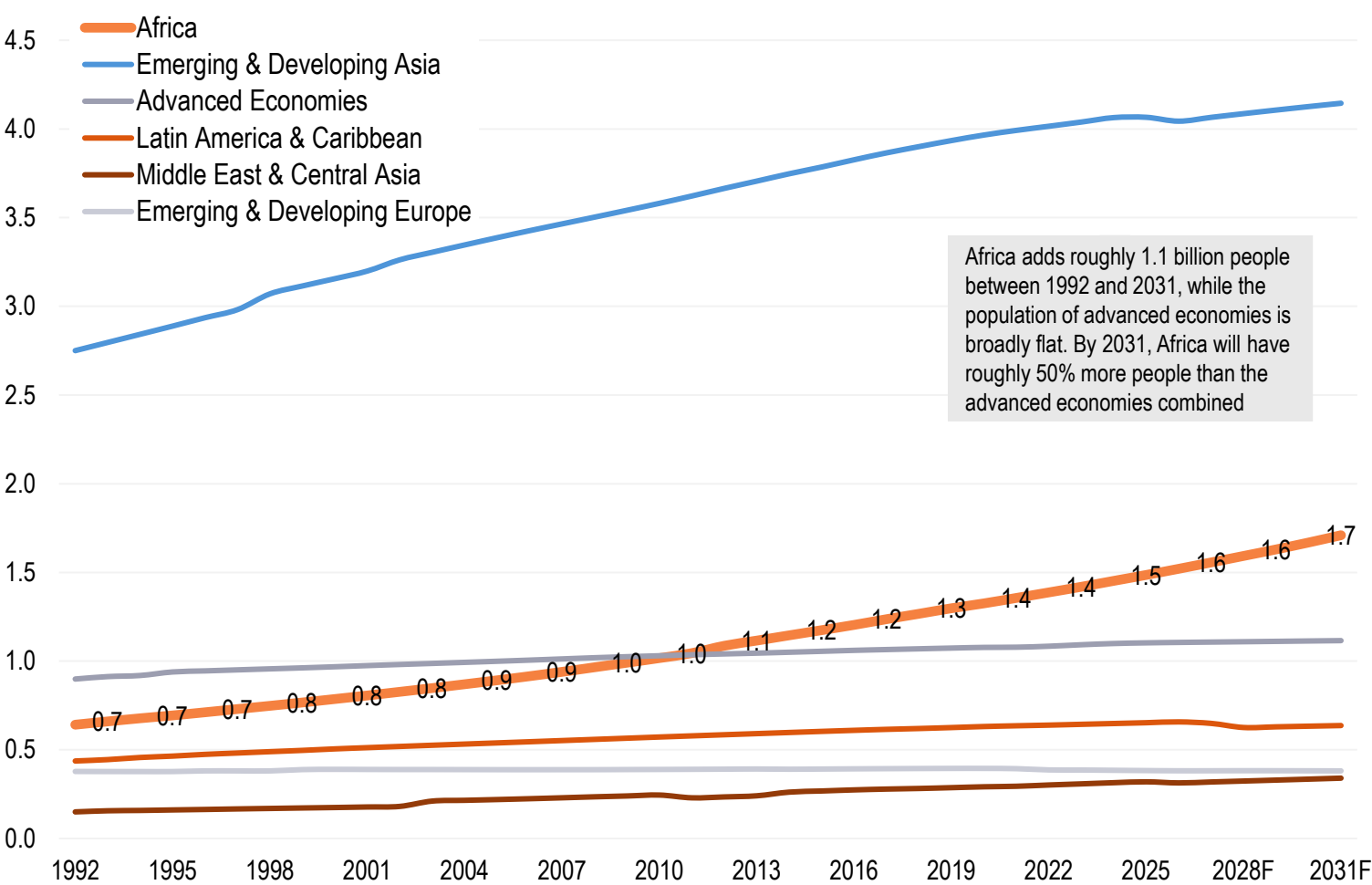
GDP Per Capita: Africa, USD (2025)



Africa's population is set to nearly triple from 1992 to 2031, reshaping the world's demographics

By 2031, Africa's population could reach 1.7 billion, around 2.7x its 1992 level, while most other regions will grow far more slowly or plateau

Population by Region, bn (1992-2031F)



Population Growth, 1992-2031F

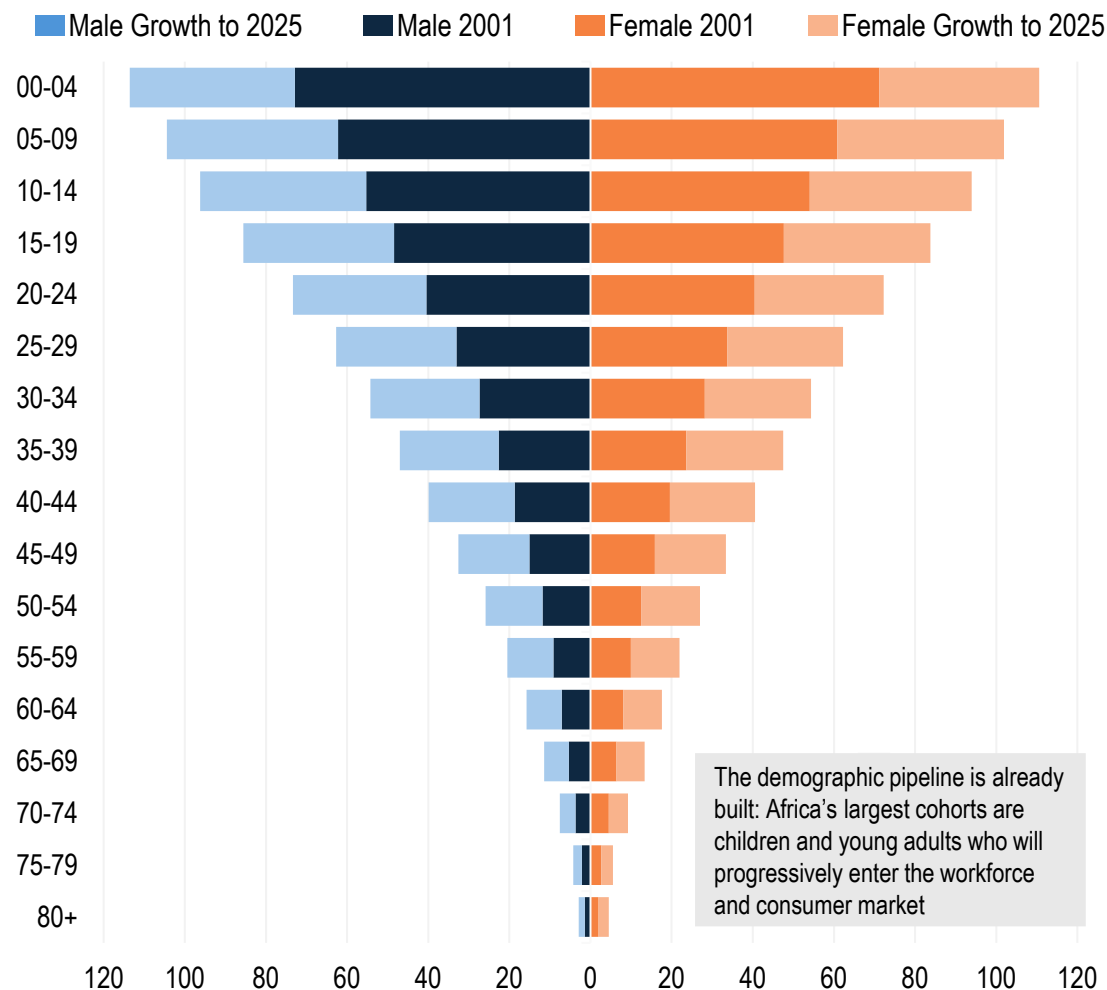
Region	Population (1992)	Population (2031F)	Growth, % (1992 to 2031F)
Africa	640 mn	1.7 bn	+166.7%
Emerging & Developing Asia	2.7 bn	4.1 bn	+50.7%
Advanced Economies	890 mn	1.1 bn	+24.1%
Latin America & Caribbean	430 mn	630 mn	+45.7%
Middle East & Central Asia	150 mn	340 mn	+126.8%
Emerging & Developing Europe	370 mn	380 mn	+0.9%

Note: Regional groupings follow IMF World Economic Outlook classifications. Advanced Economies include the U.S., Canada, Western Europe, Japan, South Korea, Australia and other high-income economies. Africa includes both North and Sub-Saharan Africa. Source: IMF World Economic Outlook, ANDAMAN PARTNERS Analysis

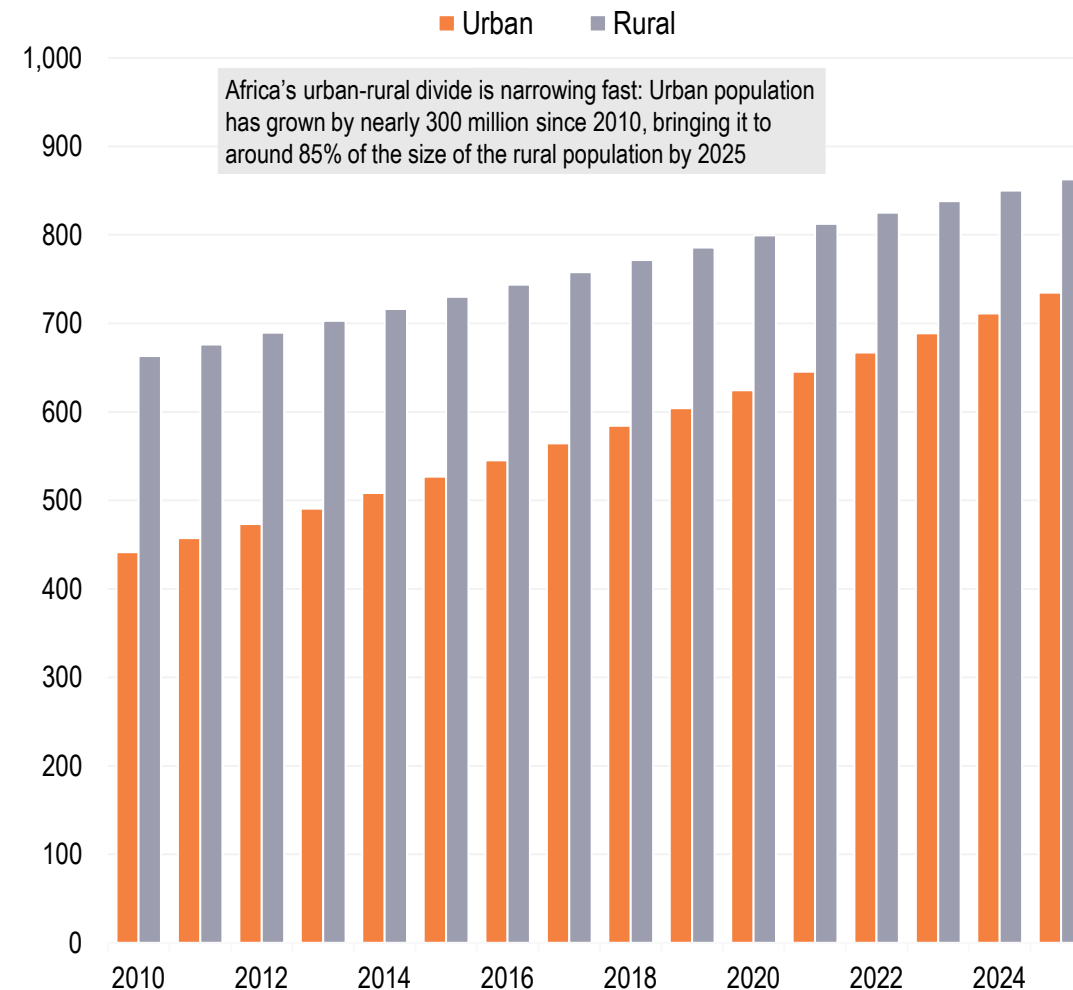
Africa's growing population is rapidly becoming more urban

The continent remains majority rural, but the gap is closing fast: Africa's urban population has risen from around 440 million in 2010 to 734 million in 2025, approaching its rural population of roughly 860 million

Africa Population Pyramid by Age & Sex, mn (2001 base and growth to 2025)



Africa Urban vs Rural Population, mn (2010-2025)



Africa’s strategic resource advantage is strongest in critical minerals

Africa accounts for 44% of the selected critical-mineral reserve base measured here, including 84% of global PGMs and 55% of cobalt, versus only ~7% of oil and gas reserves

Global Reserves by Region: Energy & Critical Minerals (2025)

Region	Energy Reserves	Mineral Reserves	Top Resources (by reserves)
Middle East	44%	0%	Oil 48%, Gas 40%
Africa	7%	44%	PGM 84%, Cobalt 55%
CIS*	19%	7%	Gas 30%, PGM 14%
Asia Pacific	6%	28%	Manganese 45%, Bauxite 39%
South & Central America	11%	6%	Graphite 22%, Oil 19%
North America	11%	1%	Oil 14%, Gas 8%
Europe	1%	0%	Graphite 2%, Gas 2%

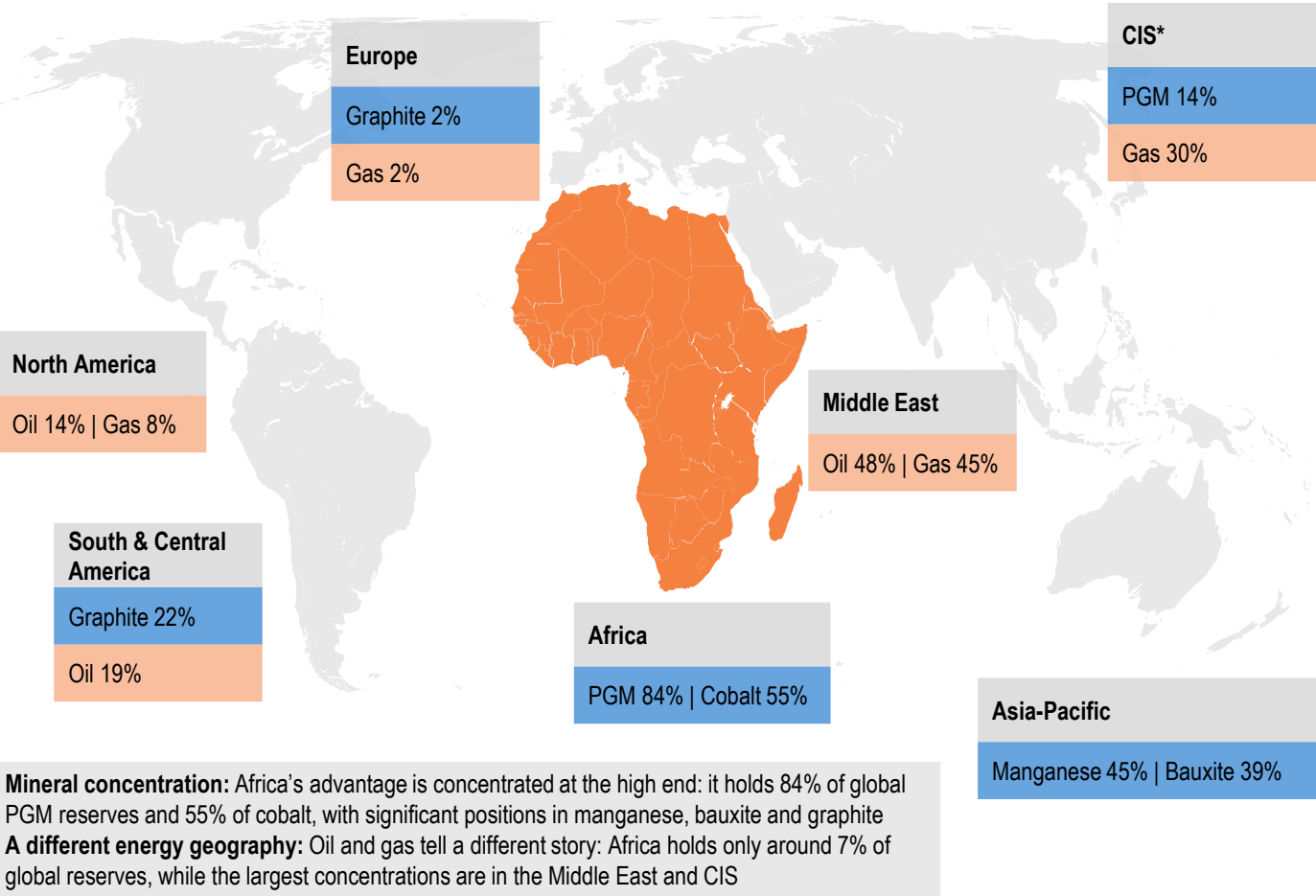
Critical Minerals Reserves (2025)

Resource	Africa Holding	World Total	Africa Share
PGM	64,300 t	77,000 t	83.5%
Cobalt	6.42 mn t	11.58 mn t	55.4%
Manganese	624 mn t	1,948 mn t	32.0%
Bauxite	7.4 bn t	28.5 bn t	25.9%
Natural graphite	70,000 t	338,948 t	20.7%

Energy Reserves (2025)

Resource	Africa Holding	World Total	Africa Share
Oil	125.1 bn barrels	1,732 bn barrels	7.2%
Natural gas	12.9 tn m³	188 tn m³	6.9%

Global Energy and Critical Mineral Reserves (2025), % Share by Region



Note: PGMs – Platinum Group Metals. "Critical minerals" reserves shown are cobalt, platinum-group metals, manganese, bauxite, and natural graphite. "Energy" refers to proved reserves of oil and natural gas at end-2025. *CIS – Commonwealth of Independent States has 11 member states: Russia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, Armenia, Azerbaijan, Moldova, Uzbekistan and Turkmenistan. Source: Energy Institute Statistical Review of World Energy 2025

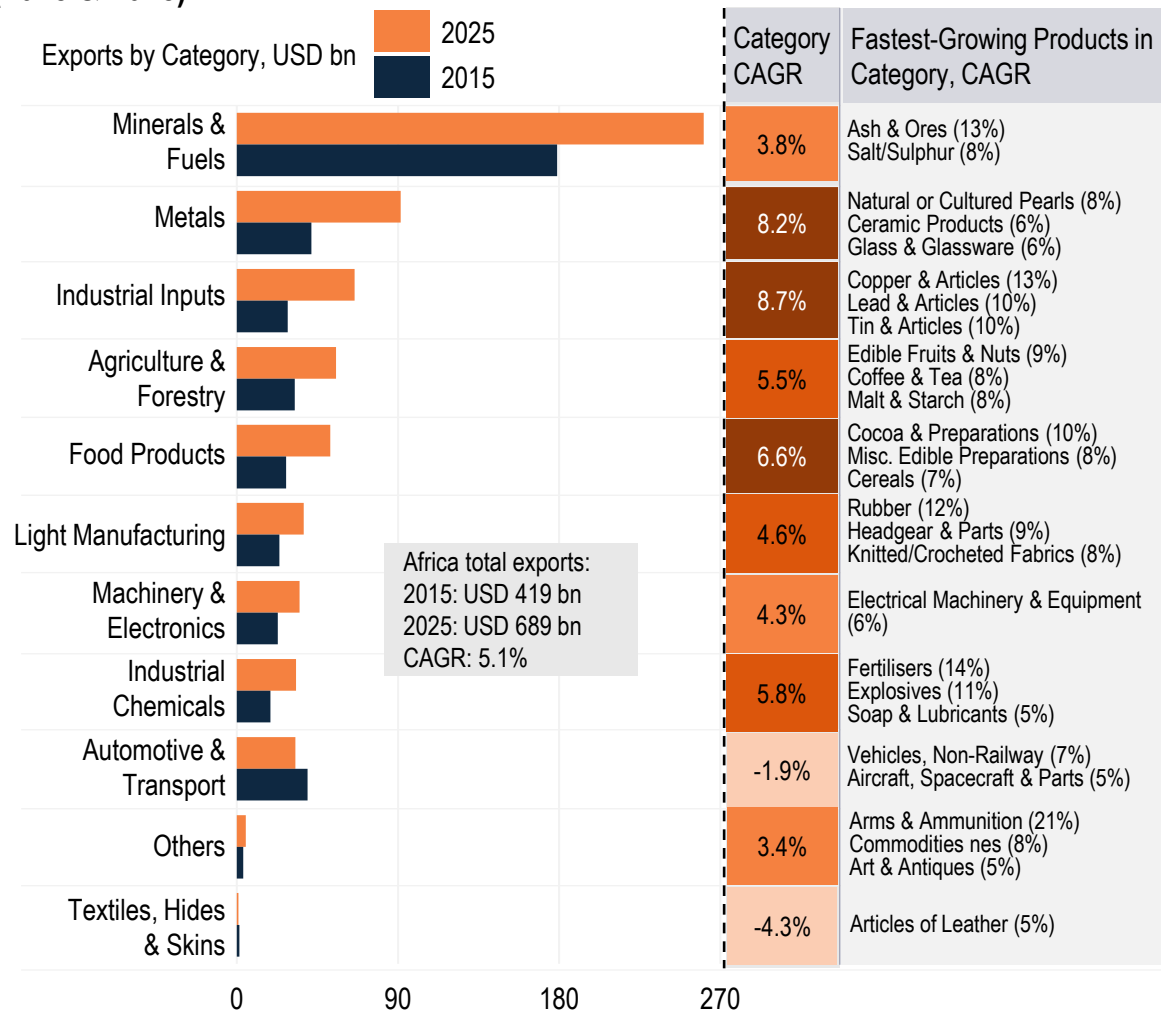
Trade: Expanding Flows, Persistent Concentration

*Africa is trading more with the world, but commodities still dominate exports,
and China is reshaping its trade geography*

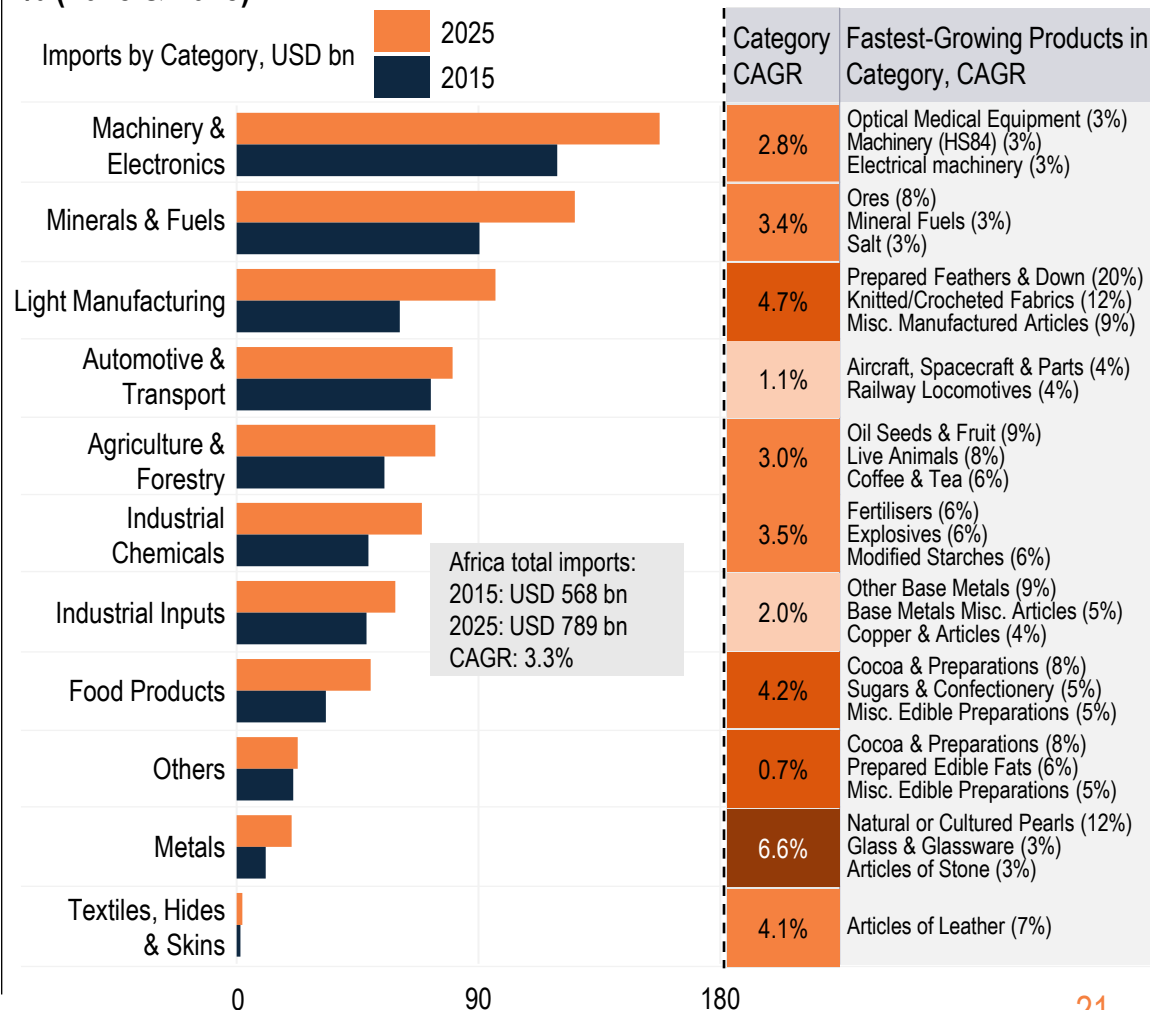
Africa's export growth is broadening beyond its traditional commodity base

Industrial inputs, metals and food led export gains over 2015-2025, while manufactured and intermediate goods expanded strongly on the import side

Africa Exports by Category and Fastest-Growing Products, USD bn and CAGR, % (2015 & 2025)



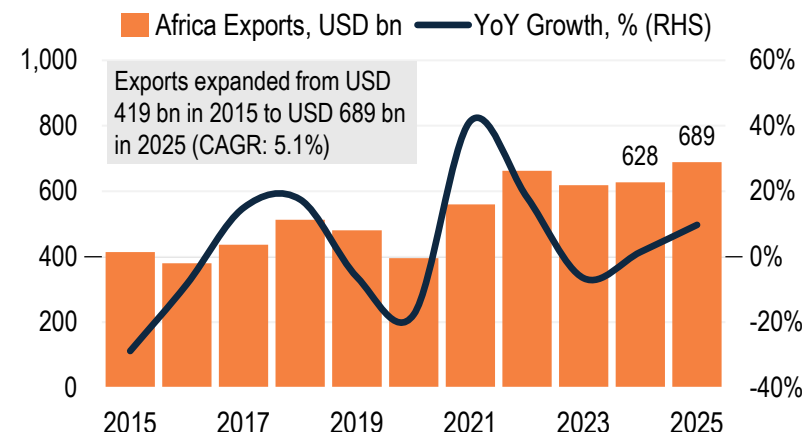
Africa Imports by Category and Fastest-Growing Products, USD bn and CAGR % (2015 & 2025)



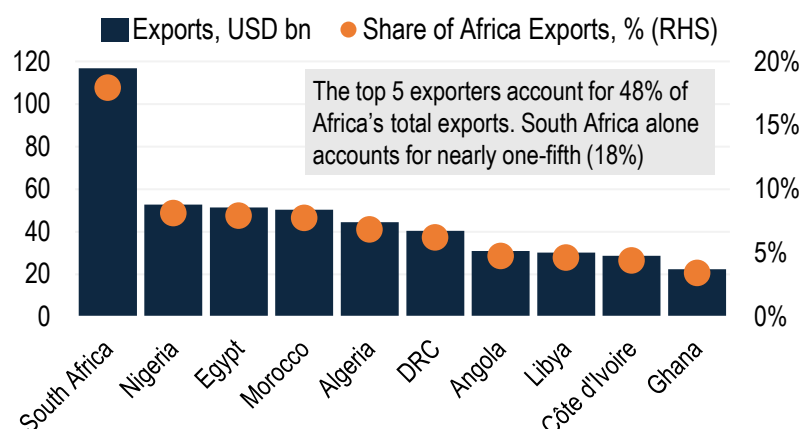
Africa's export growth remains commodity-led, with scale concentrated in a handful of economies

Exports have grown steadily since 2015, but minerals, fuels and metals still dominate, while five countries account for half of the total

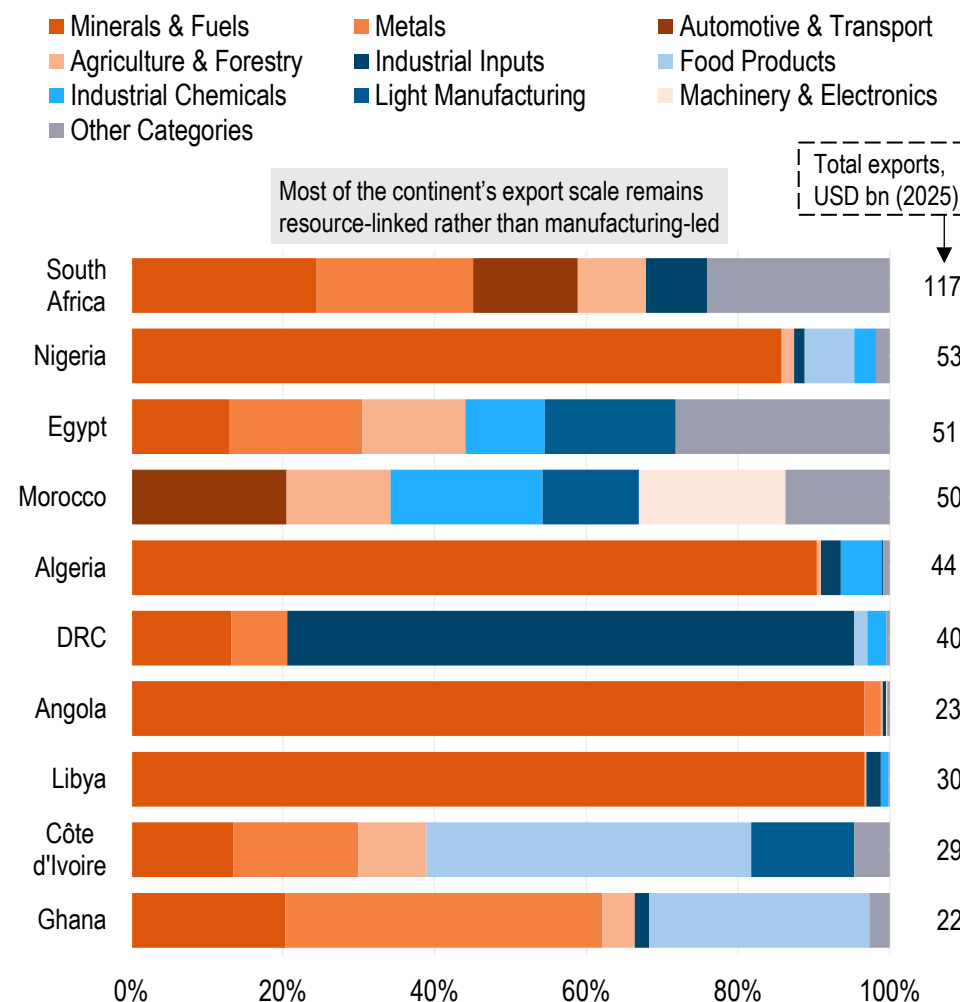
Africa Exports USD bn, YoY Growth % (RHS) (2015-2025)



Top 10 African Exporters USD bn, Share of Africa Exports % (RHS) (2025)

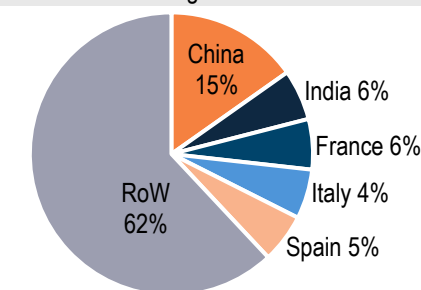


Top 10 African Exporters by Category, USD bn (2025)



Africa Top 5 Export Destinations % Share (2025)

China is Africa's largest single export destination, although exports remain diversified across a broad range of smaller markets



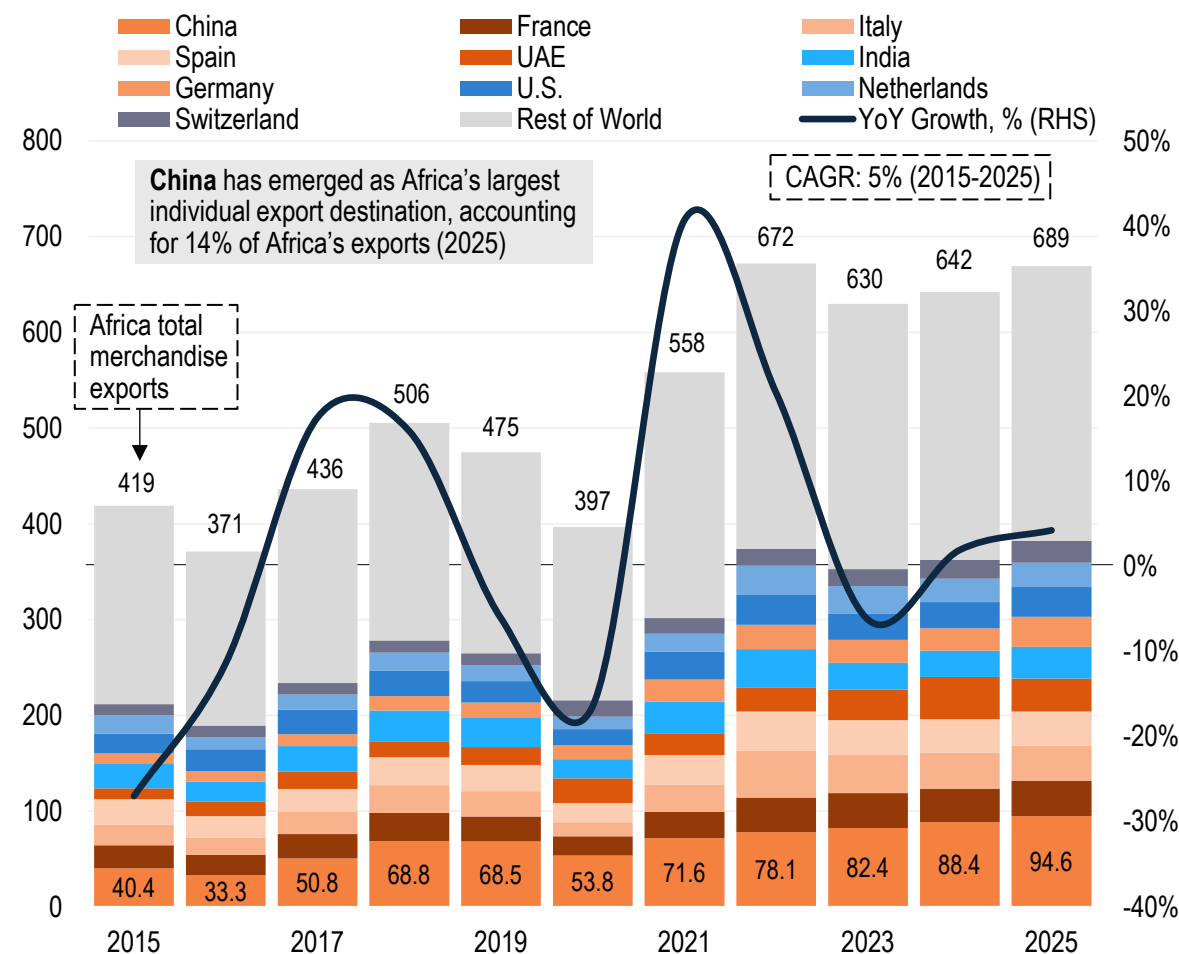
Africa's Export Structure in 2025-2026:

- High commodity exposure leaves export earnings highly sensitive to prices, currencies and external demand
- Manufacturing exports remain concentrated in a few economies, especially South Africa and Morocco
- African Continental Free Trade Area (AfCFTA) can deepen intra-African trade, but current export structures still show limited regional value-chain integration
- Logistics, port and border costs constrain competitiveness
- Export growth is rising, but value addition remains the central strategic gap

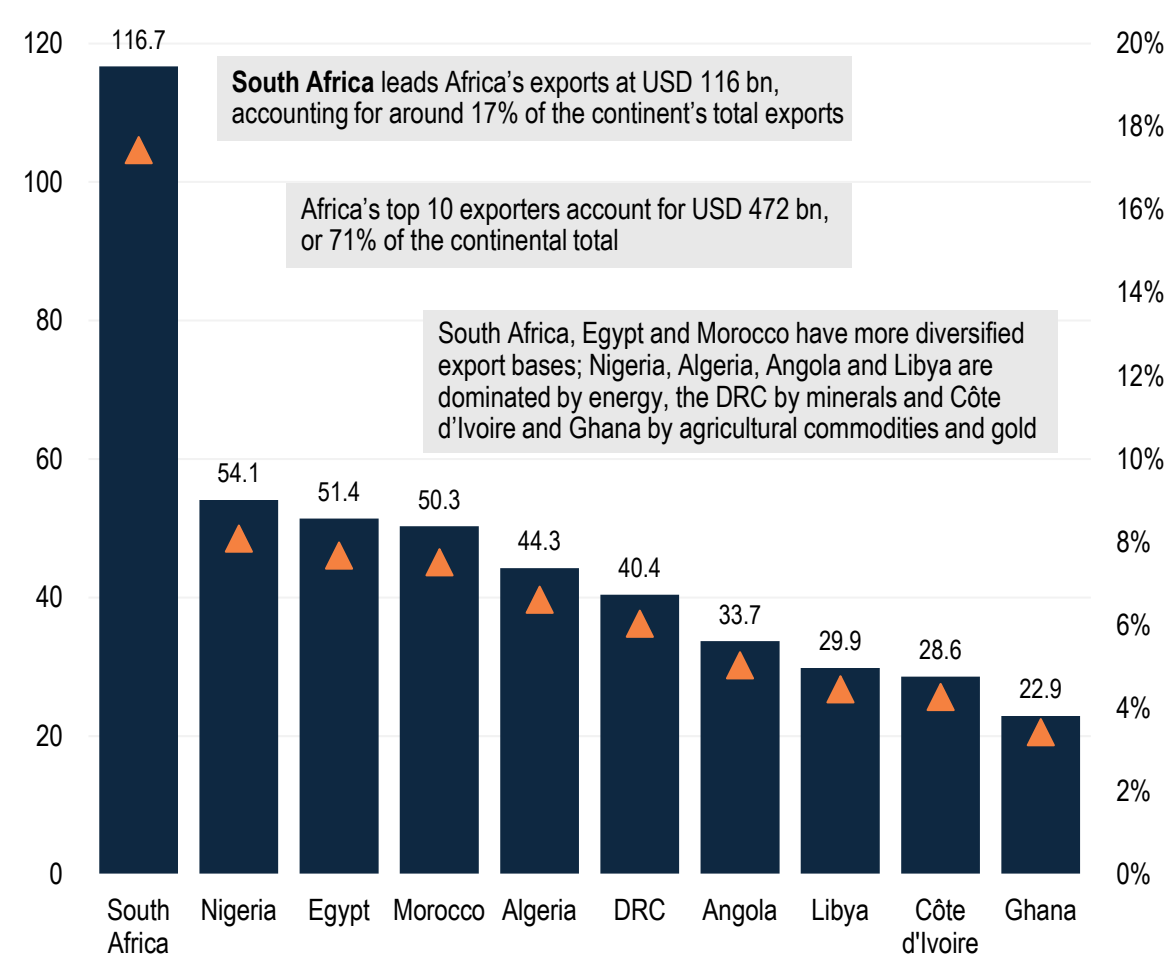
Africa's largest exporters are increasingly connected to a China-led trade geography

South Africa leads continental exports, while China has emerged as the largest single destination within a still-diversified global export base

Africa Merchandise Exports: Top 10 Destinations, USD bn, and YoY Growth, % (RHS) (2015-2025)



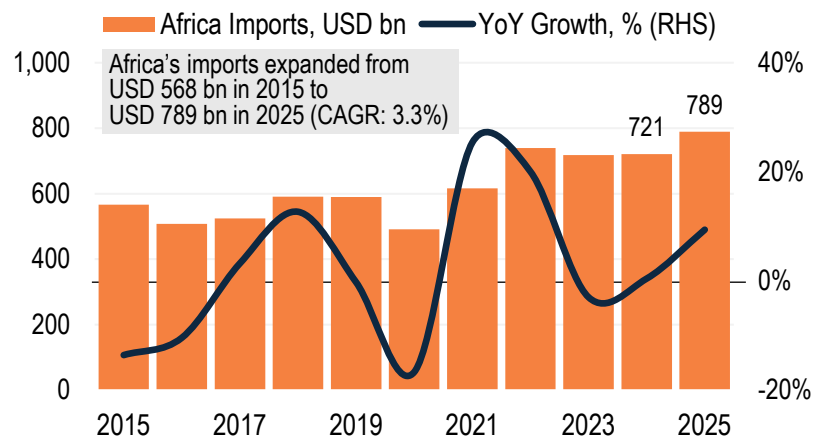
Top 10 African Merchandise Exporters, USD bn, and Share of Africa Total, % (RHS) (2025)



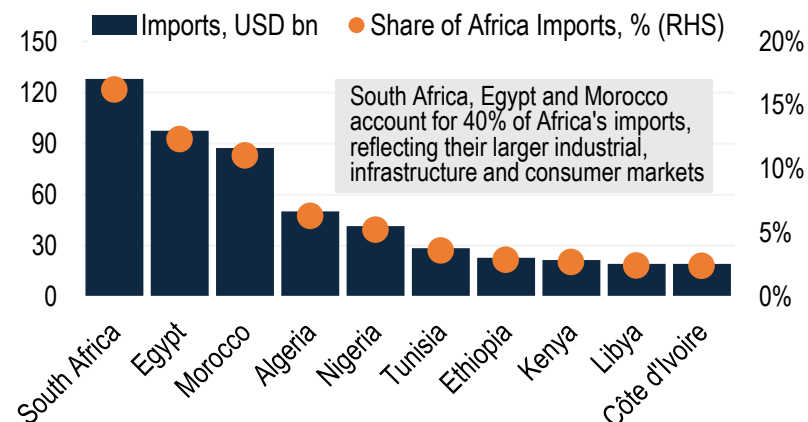
Africa's import demand continues to grow as industrial and consumer markets expand

Machinery, electronics, fuels and industrial inputs dominate Africa's imports, and China remains the continent's largest supplier

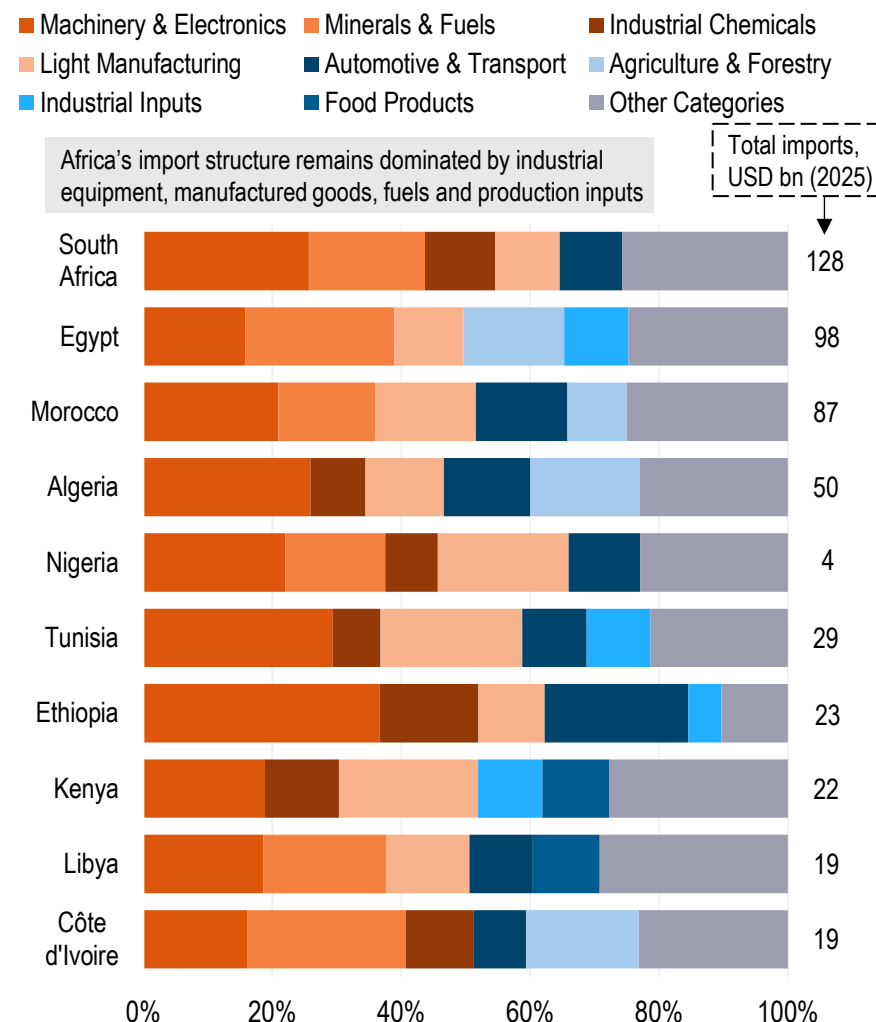
Africa Imports, USD bn, and YoY Growth, % (RHS) (2015-2025)



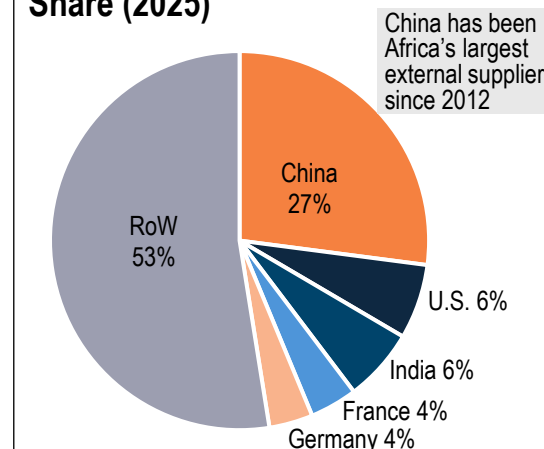
Top 10 African Importers, USD bn, and Share of Africa Imports, % (RHS) (2025)



Top 10 African Importers by Category, USD bn (2025)



Africa Top 5 Import Partners, % Share (2025)



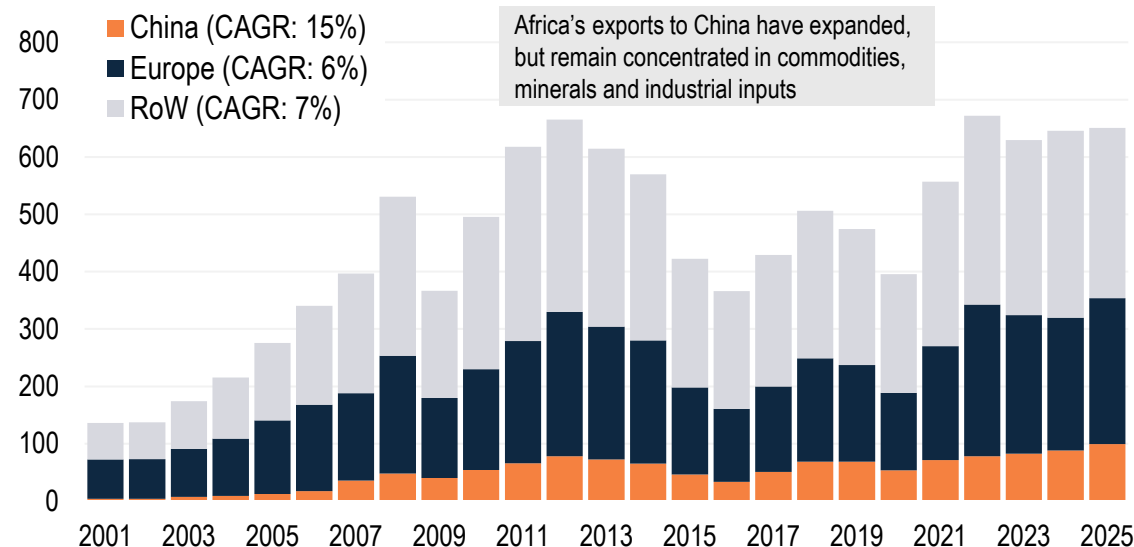
Africa's Import Structure in 2025-2026:

- Industrialisation continues to rely heavily on imported machinery, transport equipment and production inputs
- China has been Africa's dominant external supplier since 2012
- Import demand remains concentrated in a small number of larger economies led by South Africa, Egypt and Morocco
- Growing but still limited domestic manufacturing depth continues to constrain regional value-chain integration
- Infrastructure, logistics and currency volatility continue to elevate import costs

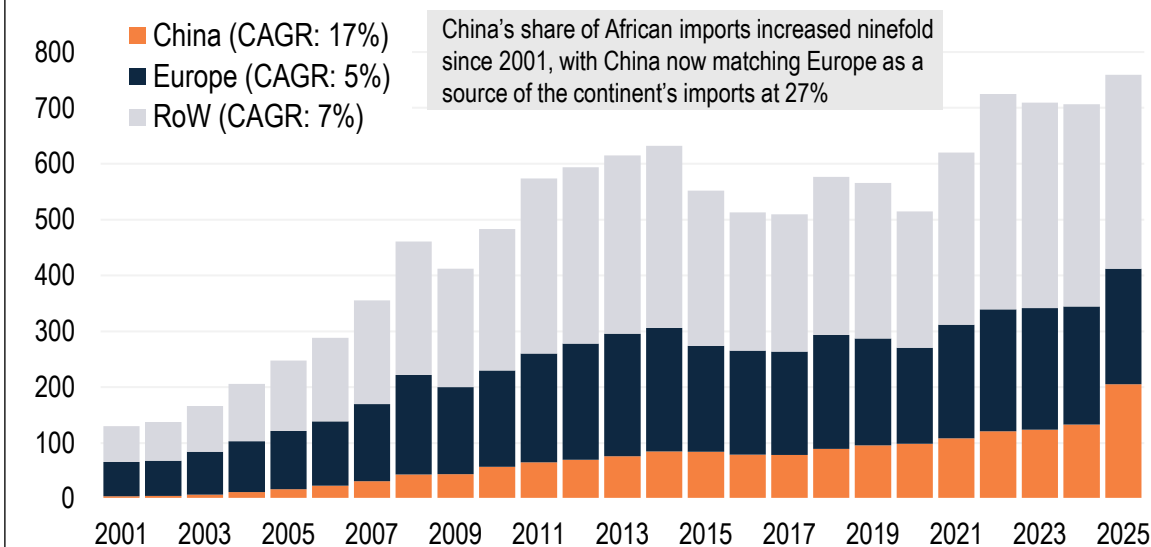
China has caught up with Europe as Africa's leading source of imports

China now supplies 27% of Africa's imports, up from just 3% in 2001, while Europe remains the continent's largest export market, taking a share of 39% (compared to 15% for China)

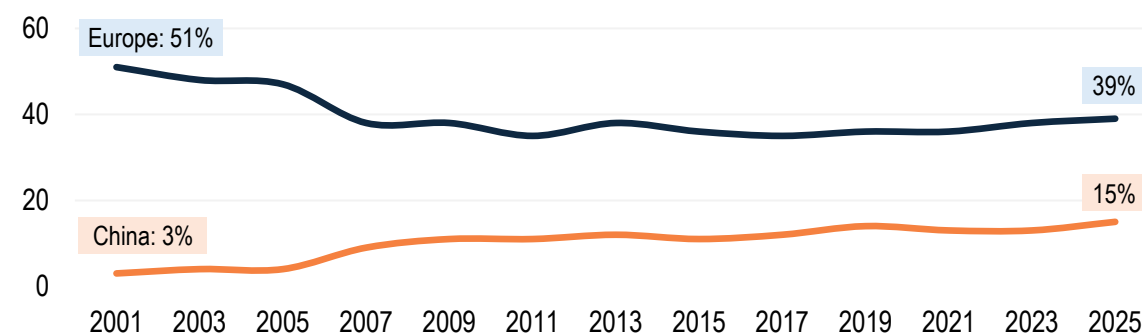
Africa Exports to China, Europe and Rest of World, USD bn (2001-2025)



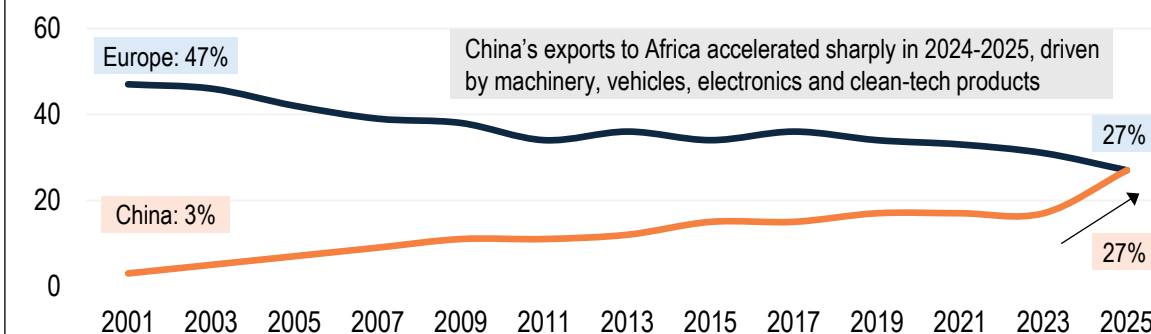
Africa Imports from China, Europe and Rest of World, USD bn (2001-2025)



Share of Africa Exports: Europe and China, % (2001-2025)



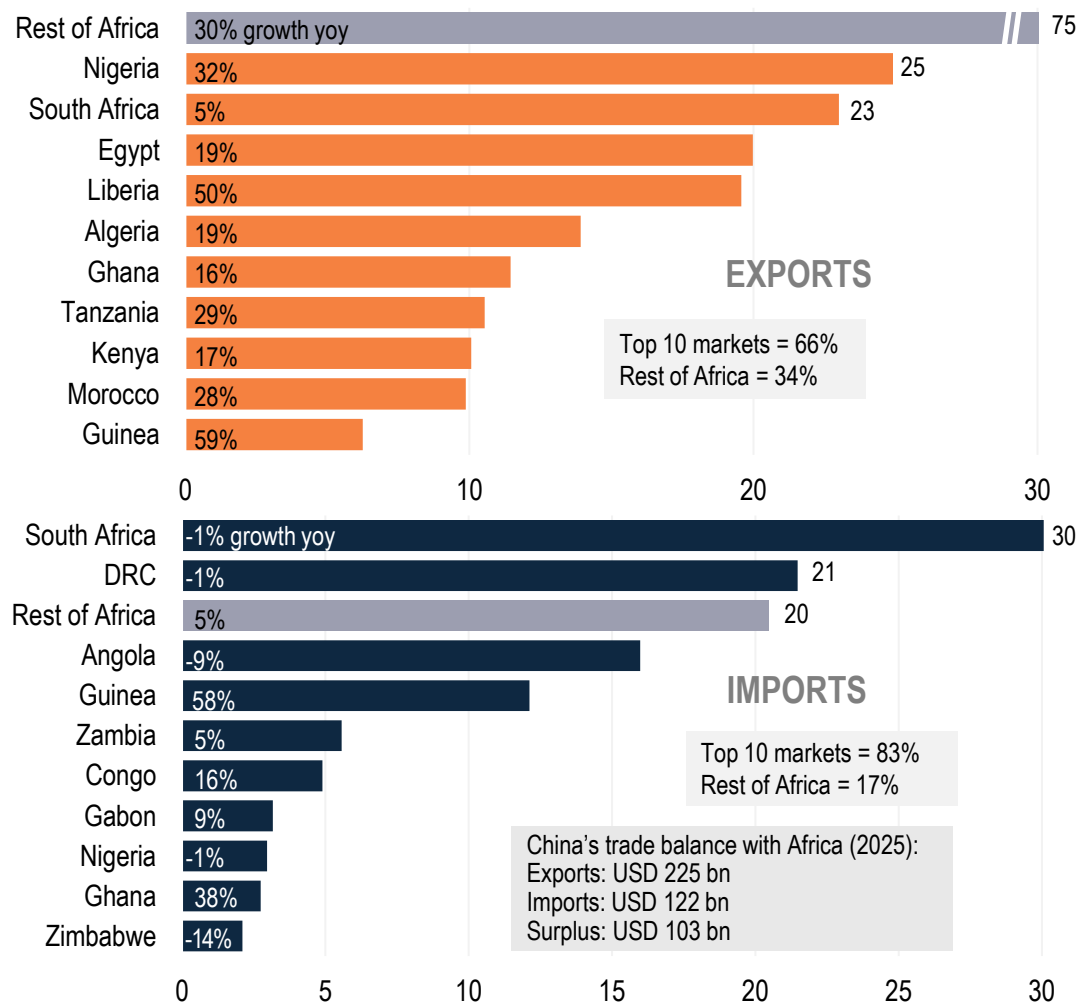
Share of Africa Imports: Europe and China, % (2001-2025)



China exported USD 103 bn more to Africa than it imported from the continent in 2025

China's exports to Africa grew 26% in 2025, led by machinery, vehicles and light manufacturing, while its imports expanded only modestly and remain concentrated in minerals & fuels, leaving exports nearly twice the size of imports

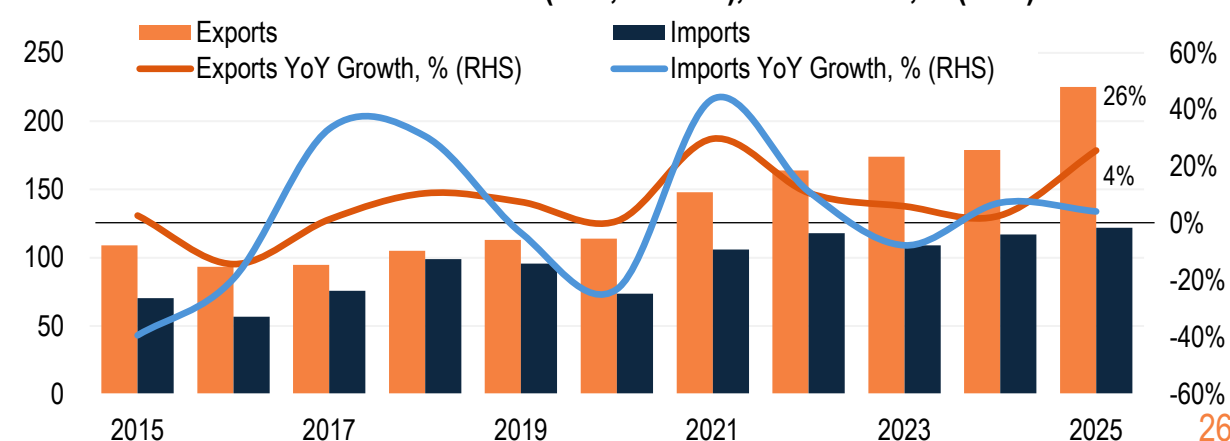
China 2025 Top Africa Trade Partners (USD bn), YoY Growth (%)



China 2025 Trade with Africa by Sector (USD bn), YoY Growth (%)

Sector	Imports (2025)			Exports (2025)		
	USD bn	Share, %	YoY Growth, %	USD bn	Share, %	YoY Growth, %
Agriculture & Forestry	3.9	3.0%	-14.0%	4	1.8%	26.5%
Automotive & Transport	0.04	0.04%	-13.0%	43	19.1%	71.8%
Food Products	1.3	1.0%	1.0%	2	1.0%	14.4%
Industrial Chemicals	0.3	0.2%	49.0%	5	2.3%	21.0%
Industrial Inputs	27.4	22.0%	-5.0%	34	14.9%	20.0%
Light Manufacturing	1.7	1.0%	22.0%	57	25.2%	11.0%
Machinery & Electronics	0.5	0.4%	-33.0%	68	30.0%	25.8%
Metals	14.1	12.0%	5.0%	4	2.0%	6.5%
Minerals & Fuels	72.3	59.0%	10.0%	3	1.4%	13.0%
Others	0.3	0.3%	9.0%	3	1.1%	18.7%
Textiles, Hides & Skins	0.1	0.1%	-12.0%	2	0.9%	7.9%
Total	122	100%	4.0%	225	100%	25.7%

China 2015-2025 Total Trade with Africa (LHS, USD bn), YoY Growth, % (RHS)

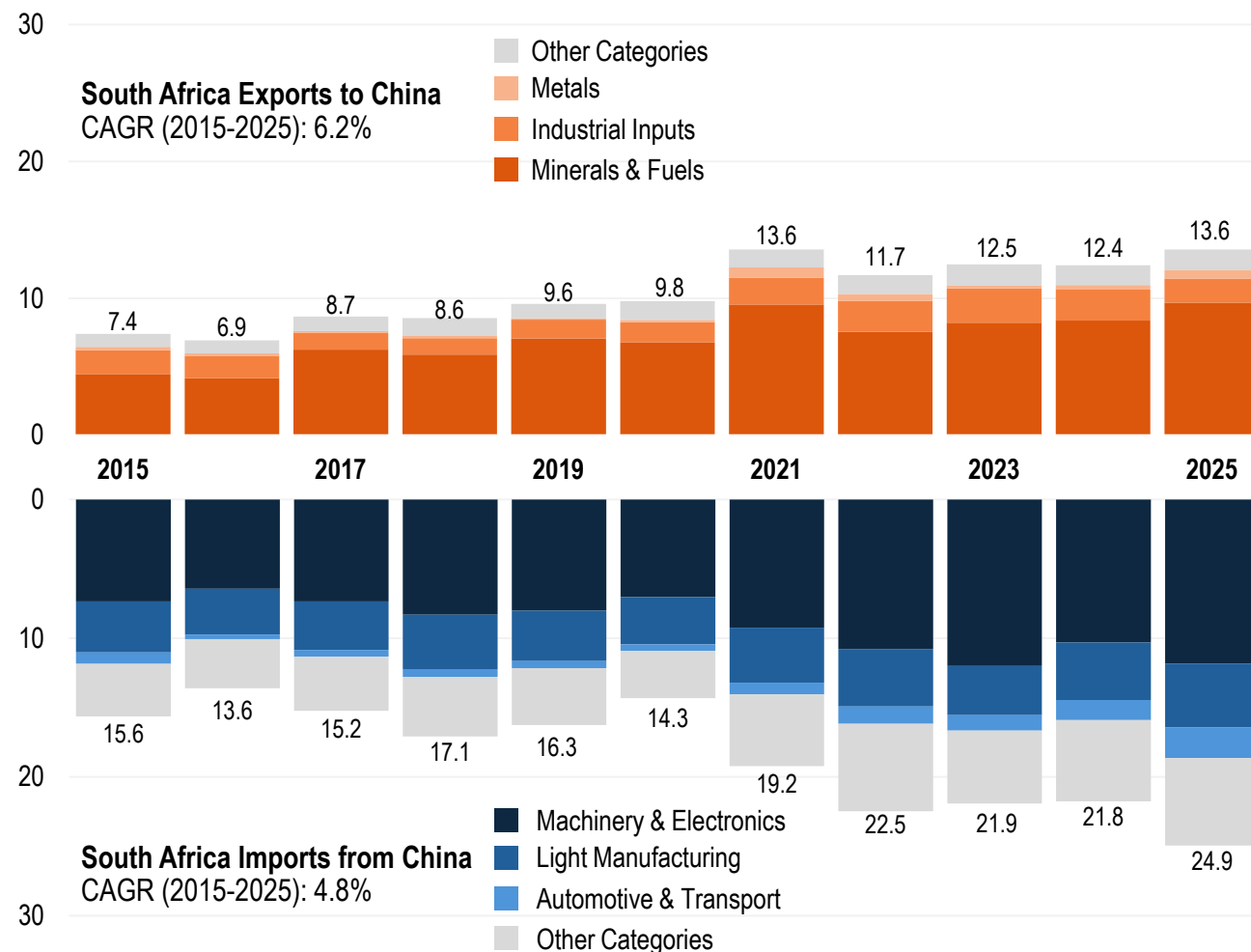


Note: Exports denote China's exports to Africa; imports denote China's imports from Africa. DRC: Democratic Republic of the Congo. Source: China Customs, TradeMap, UN Comtrade, ANDAMAN PARTNERS Analysis

South African exports have gained new access to China under a zero-tariff scheme

China's zero-tariff treatment took effect in May 2026, improving market access across South African agriculture, manufacturing and value-added mineral exports. 53 African countries now enjoy zero-tariff access to China

South Africa-China Trade, USD bn (2015-2025)



South Africa Export Upside Scenarios and Likely Winners

Current trade position (2025)

China is South Africa's largest trading partner globally; South Africa is China's top partner in Africa, although South Africa consistently runs a trade deficit with China (widened from USD 8.2 bn in 2015 to USD 11.3 bn in 2025).

Modest export growth would translate into meaningful upside

Based on South Africa's 2025 exports to China (USD 13.6 bn):

- 10% increase implies an additional USD 1.36 bn in exports
- 20% increase: +USD 2.72 bn
- 30% increase: +USD 4.08 bn

Potential new "winner" export industries

- Agriculture & processed foods (citrus, wine, meat)
- Automotive components & transport equipment
- Chemicals, plastics & industrial intermediates
- Metals and mineral value chains: beneficiated exports such as ferrochrome, manganese alloys, refined PGMs (platinum / palladium / rhodium) and processed metal products

South Africa is not an isolated deal: it joined 19 other non-LDC African economies in May 2026, extending China's zero-tariff treatment to all 53 African countries with diplomatic ties

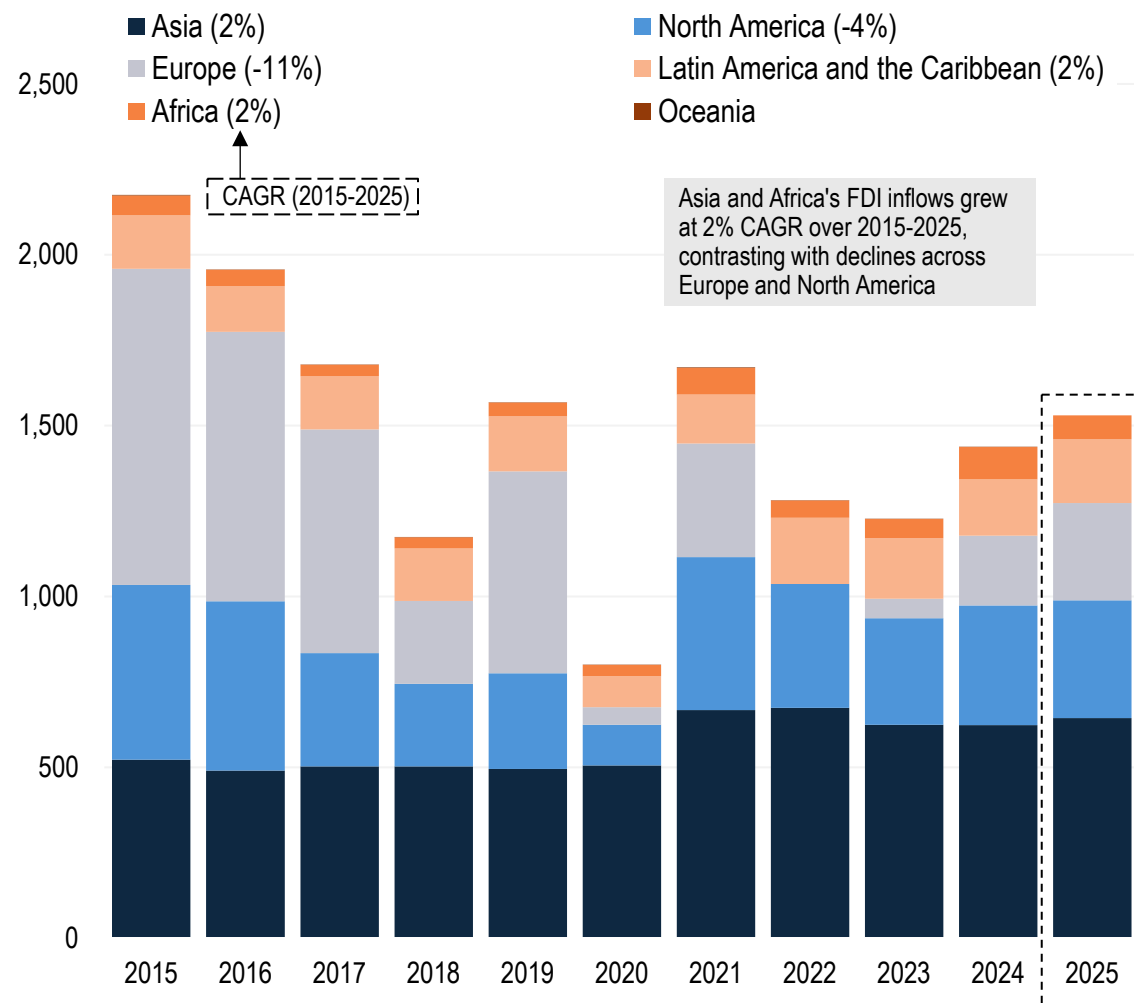
Investment and Industry: Capital, Capacity and Transformation

*Africa is attracting capital and building industrial capacity,
but investment and manufacturing remain highly concentrated*

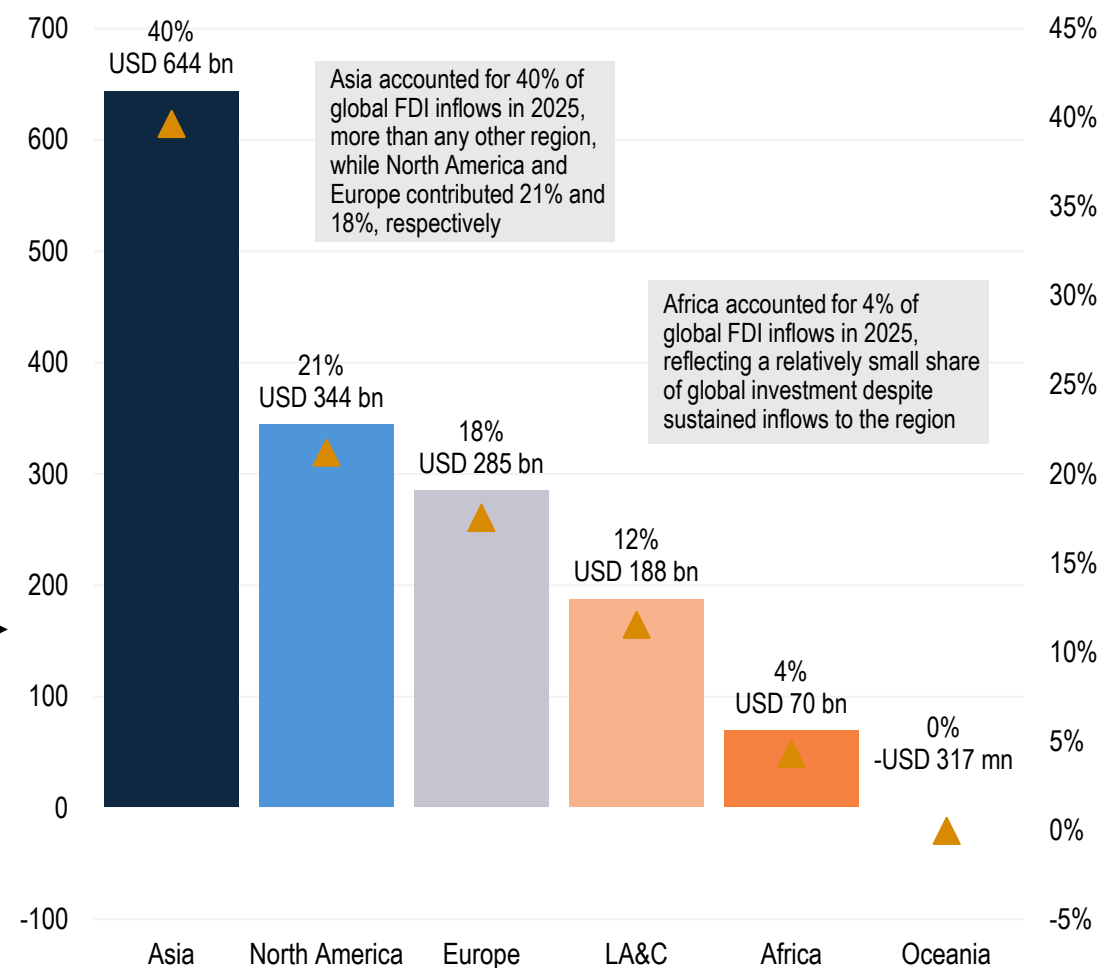
Global FDI rose in 2025, but investment remained heavily concentrated in Asia

Global FDI reached USD 1.6 trillion, with Asia attracting around 40% of total flows and remaining by far the largest destination

Regional FDI Inflows, USD bn, and CAGR, % (2015-2025)



Regional FDI Inflows, USD bn, and Share, % (2025)

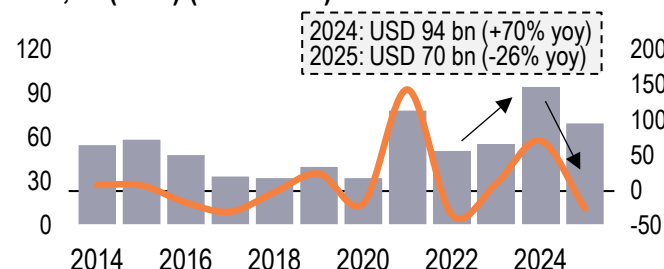


Africa is attracting historically high FDI, but the gains are unevenly distributed

Inflows reached USD 70 bn in 2025 (down 26% yoy), with North and West Africa capturing 60% of the total as investment momentum diverges sharply across the continent

Africa Regional FDI Inflows, USD bn (2025) and CAGR, % (2015-2025)

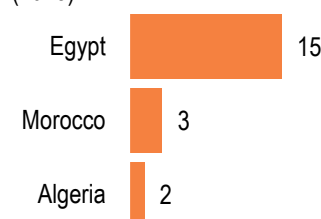
Africa FDI Inflows, USD bn (LHS) and YoY Growth Rate, % (RHS) (2014-2025)



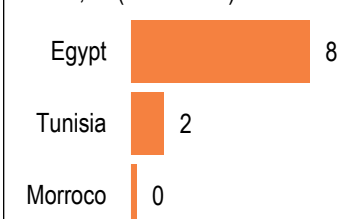
Africa FDI Inflows and YoY Growth (2024-2025)		
Region	2024	2025
Africa total	USD 94 bn (+70%)	USD 70 bn (-26%)
North Africa	USD 51.2 bn (+261%)	USD 22.4 bn (-56%)
West Africa	-16%	+44%
East Africa	+11%	+12%
Central Africa	+24%	-21%
Southern Africa	+24%	-21%

NORTH AFRICA: USD 22.4 bn (2025); 6.2% (CAGR 2015-2025)

Largest FDI Inflows, USD bn (2025)

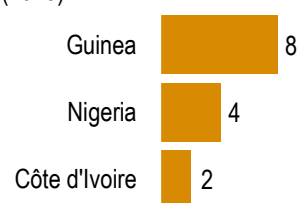


Fastest-Growing FDI Inflows, CAGR, % (2015-2025)

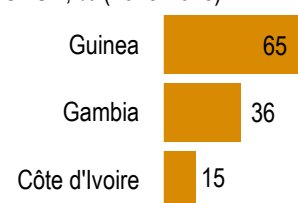


WEST AFRICA: USD 19.6 bn (2025); 7.2% (CAGR 2015-2025)

Largest FDI Inflows, USD bn (2025)

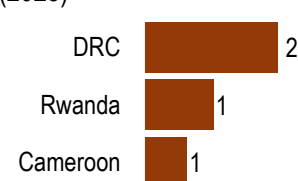


Fastest-Growing FDI Inflows, CAGR, % (2015-2025)

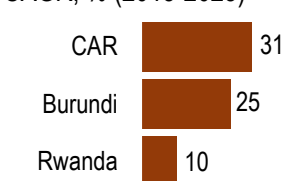


CENTRAL AFRICA: USD 4.8 bn (2025); -6.4% (CAGR 2015-2025)

Largest FDI Inflows, USD bn (2025)

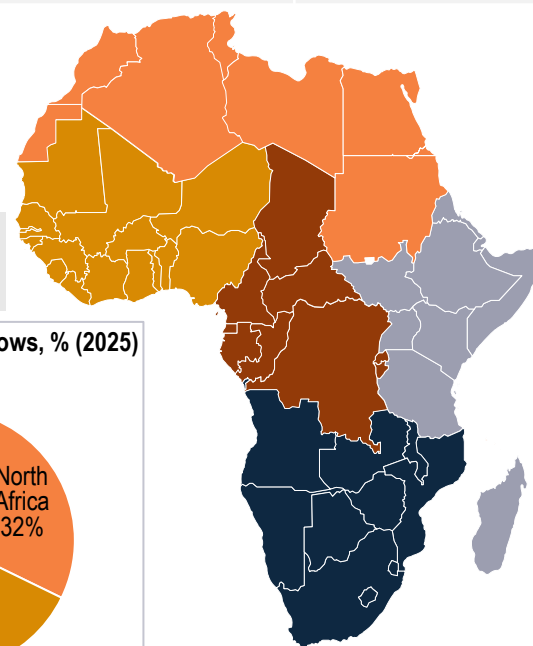
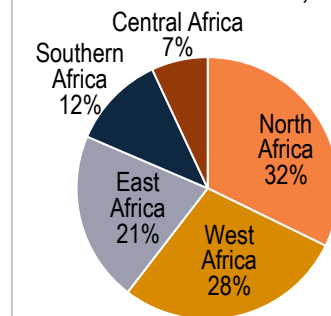


Fastest-Growing FDI Inflows, CAGR, % (2015-2025)



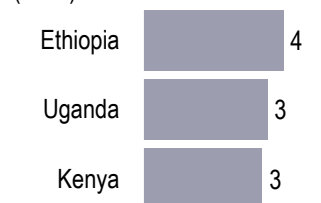
North Africa captured nearly a third of Africa's FDI inflows in 2025

Share of Africa FDI Inflows, % (2025)

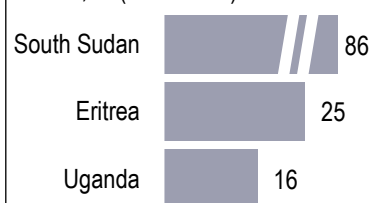


EAST AFRICA: USD 14.6 bn (2025); 6.6% (CAGR 2015-2025)

Largest FDI Inflows, USD bn (2025)

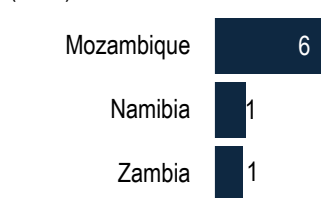


Fastest-Growing FDI Inflows, CAGR, % (2015-2025)

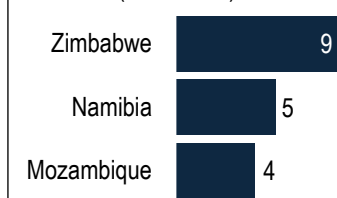


SOUTHERN AFRICA: USD 8.1 bn (2025); -8.3% (CAGR 2015-2025)

Largest FDI Inflows, USD bn (2025)



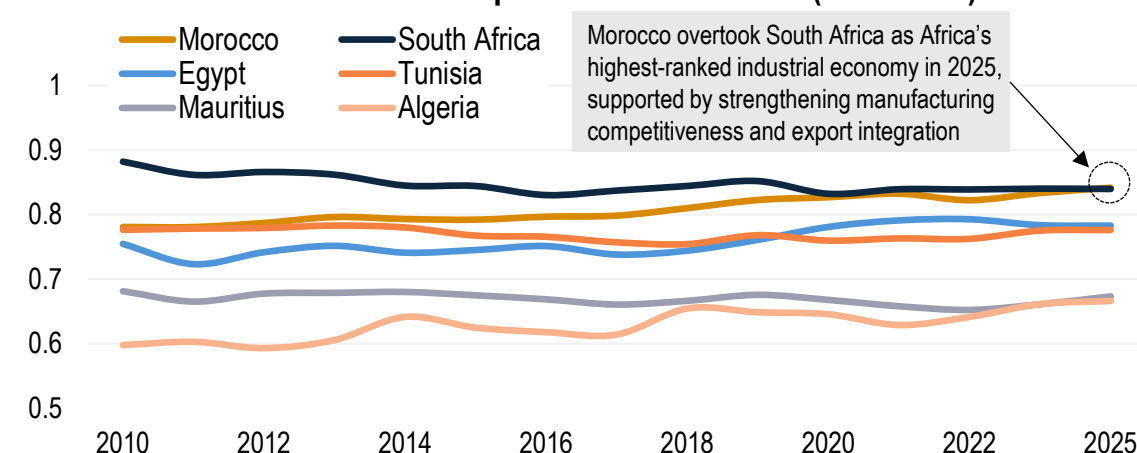
Fastest-Growing FDI Inflows, CAGR, % (2015-2025)



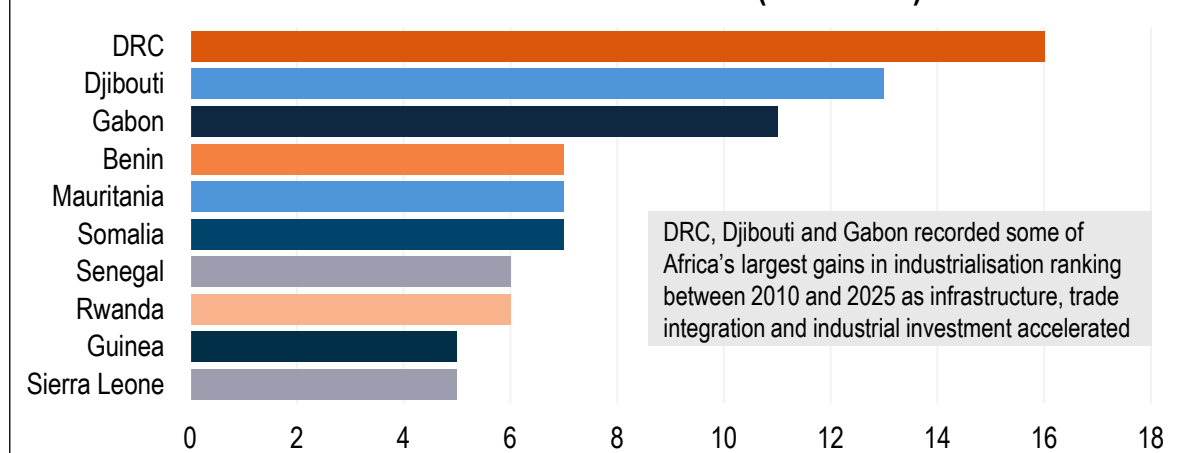
Africa's industrialisation is advancing beyond its traditional manufacturing leaders

Morocco, South Africa and Egypt remain the continent's strongest industrial economies, while several smaller markets are rapidly improving their industrialisation rankings, such as Senegal, Gabon and the DRC

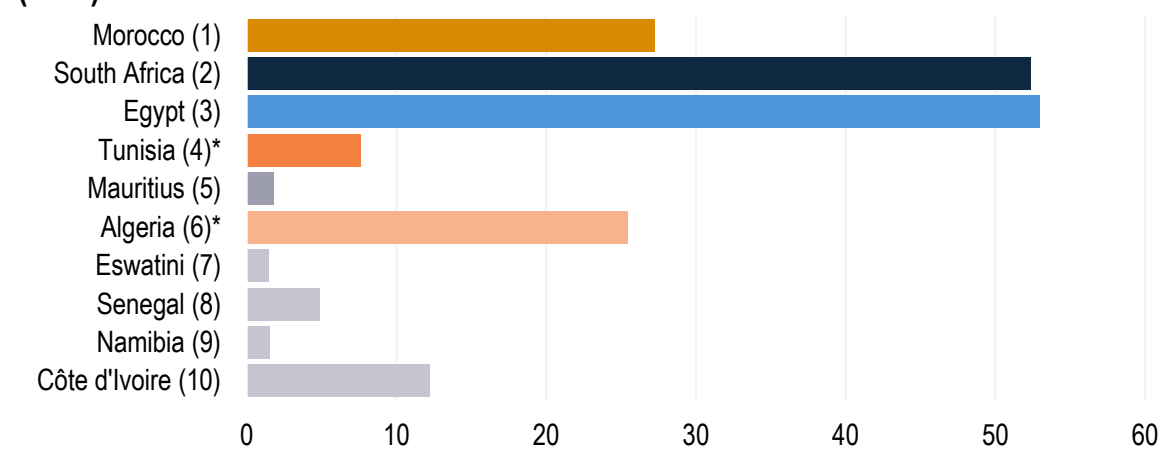
Africa Industrialisation Index: Top Ranked Economies (2010-2025)



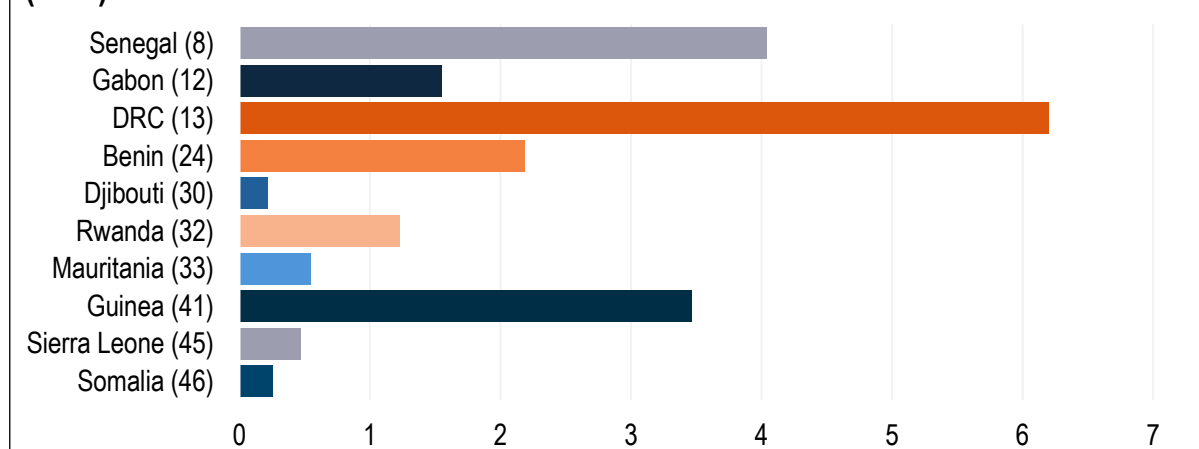
Africa Industrialisation Index: Most Ranks Gained (2010-2025)



Manufacturing Value Added of Top 10 Industrialisation Index Economies, USD bn (2025)



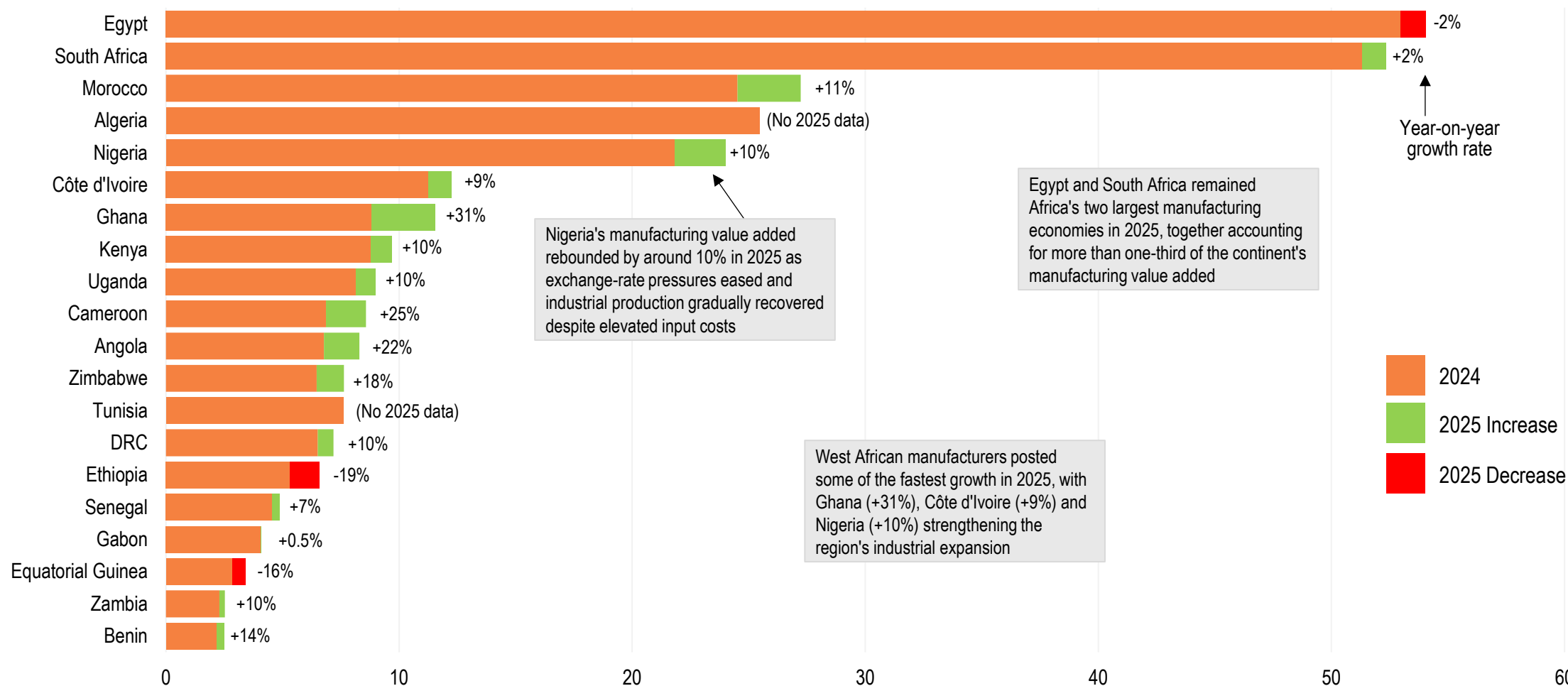
Manufacturing Value Added, USD bn: Countries With Most Improved Ranking (2025)



Manufacturing value added rose across most major African economies with 2025 data

Egypt and South Africa remain the largest manufacturing hubs, while Morocco, Nigeria and several West African markets recorded strong gains in current-USD value added

Top 20 African Countries by Manufacturing Value Added, USD bn (2024 and 2025)

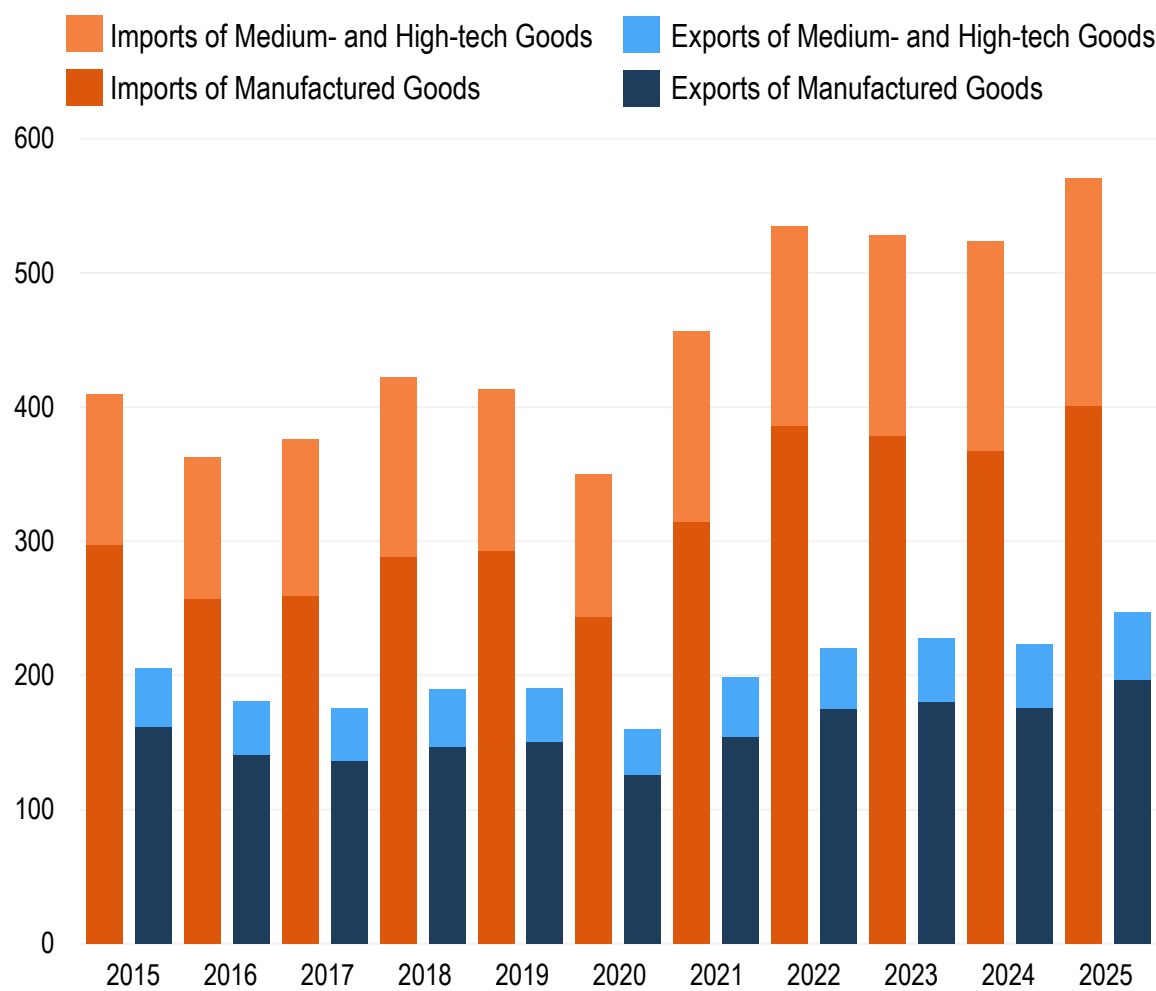


Note: No 2025 data available for Algeria and Tunisia. African manufacturing value added data for 2025 comprises 2025 data for 35 countries, 2024 data for 9 countries, and no data (2024 or 2025) for 11 countries. Changes in current-USD MVA reflect output, prices and exchange-rate movements. Source: World Bank, Various, ANDAMAN PARTNERS Analysis

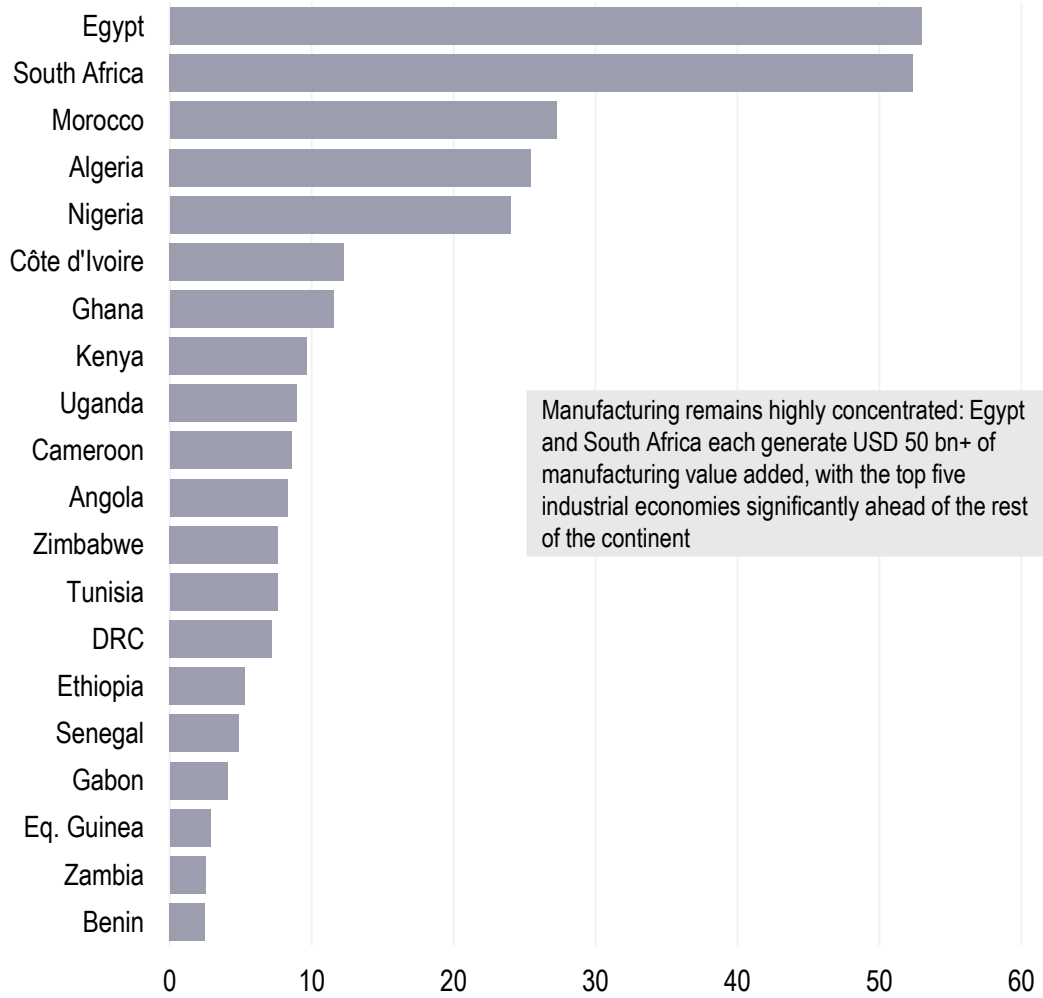
Africa's manufacturing trade gap remains wide despite a growing industrial base

Manufactured-goods trade has expanded rapidly, but imports continue to far exceed exports while production remains concentrated in a handful of economies

Sub-Saharan Africa Trade in Manufactured Goods, USD bn (2010-2025)



Top 20 African Countries by Manufacturing Value Added, USD bn (2025)

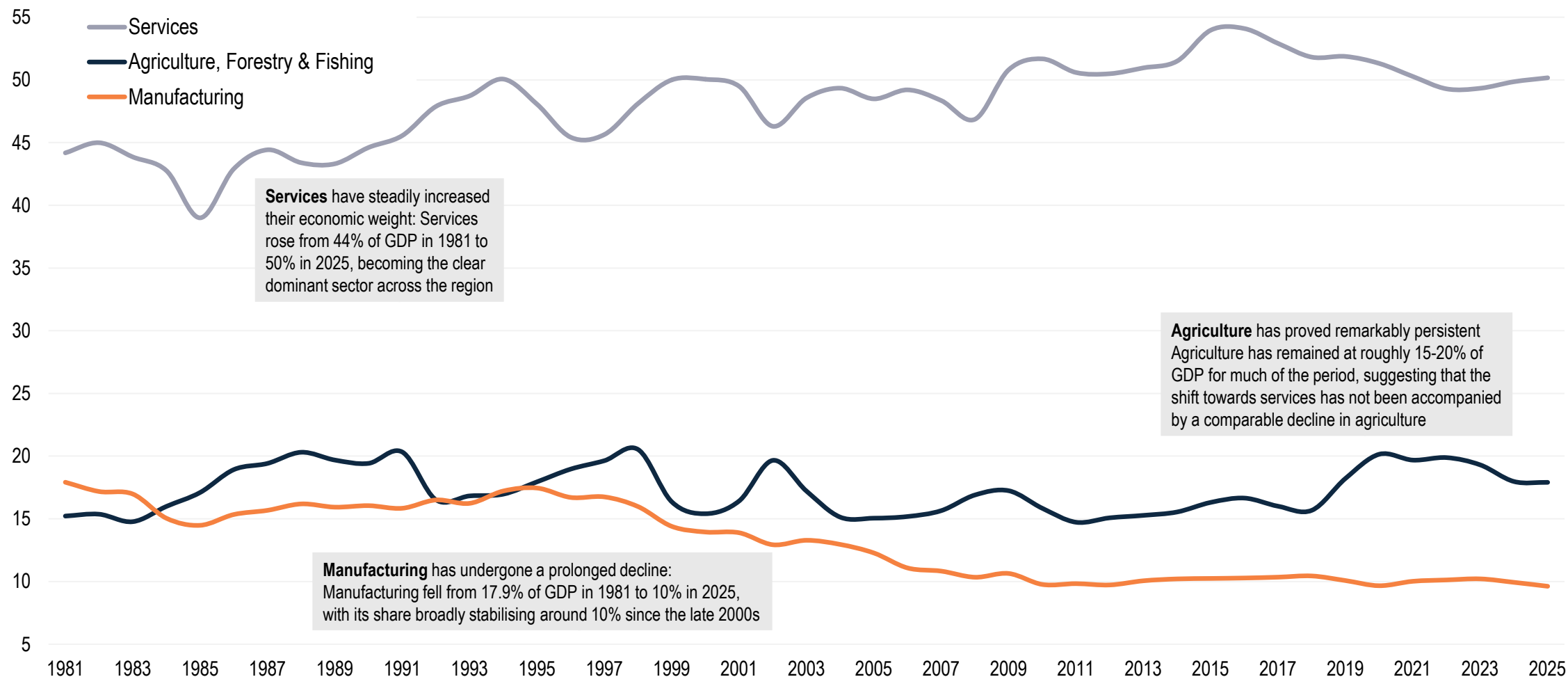


Note: Data for Algeria and Tunisia is of 2024. Source: UNIDO Manufacturing Trade Database, World Bank, OECD, Various, ANDAMAN PARTNERS Analysis

Sub-Saharan Africa's structural shift has favoured services over manufacturing

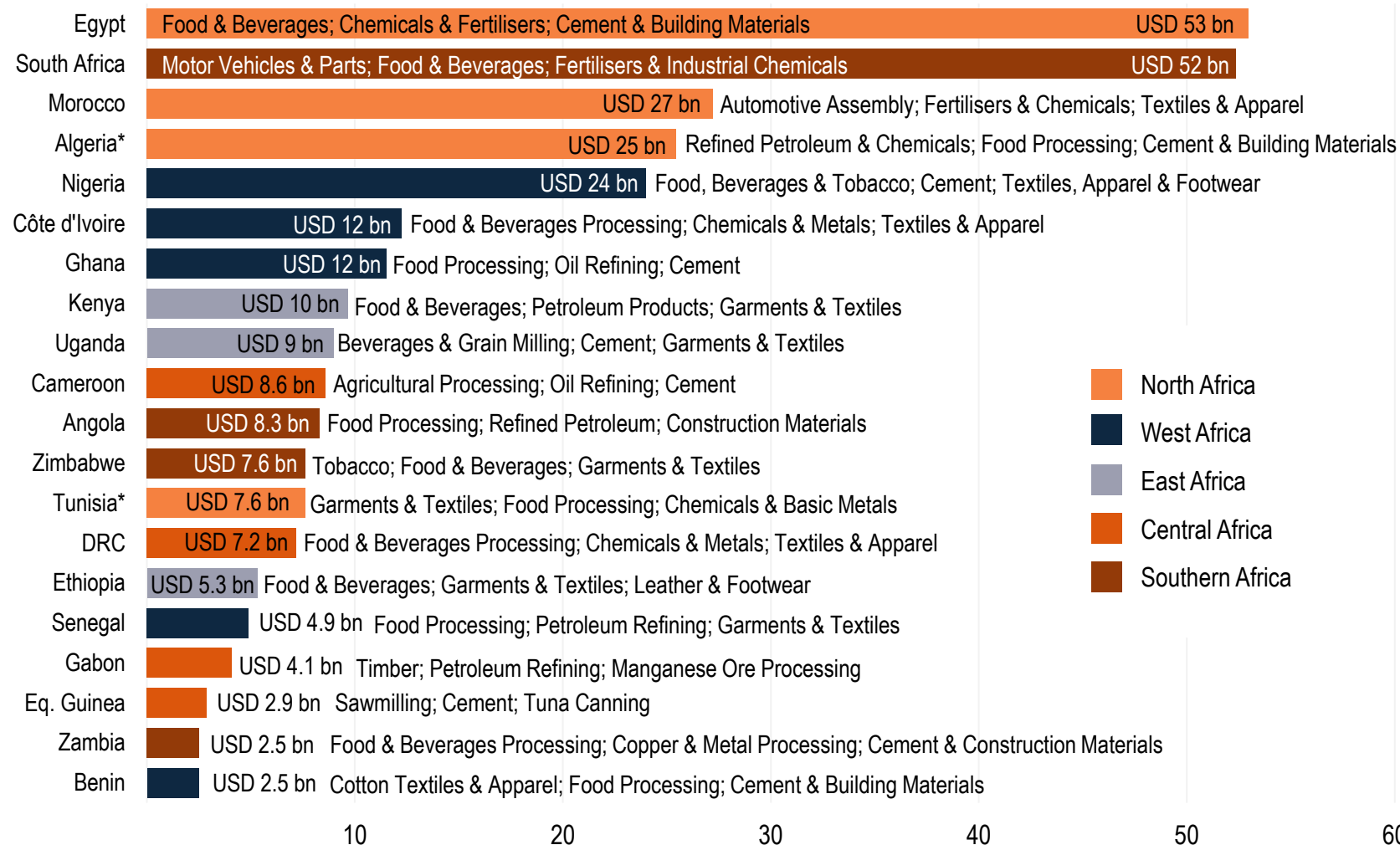
Services now account for around half of GDP, while manufacturing has fallen from 18% in 1981 to around 10% and agriculture remains comparatively persistent

Sub-Saharan Africa Selected Sectors Value Added as % of GDP: Agriculture, Manufacturing and Services (1981-2025)



Africa's manufacturing base is concentrated, but sector opportunities are broad-based
North Africa leads in scale and diversification, while agro-processing and resource-based industries create significant opportunities for deeper local value addition across the continent

Top 20 African Countries by Manufacturing Value Added, Current USD bn (2025) and Indicative Major Industries



Key Insights

- **Manufacturing is highly concentrated:** Egypt & South Africa lead the continent, with the four largest economies accounting for ~55% of manufacturing value added among the 20 economies shown
- **North Africa leads in scale & diversification:** Strong presence across automotive, chemicals, food processing and construction materials
- **Agro-processing is ubiquitous:** Food & beverage processing is a common industrial anchor across regions
- **Resources drive downstream industry:** Petroleum, metals and minerals underpin manufacturing in several markets
- **Textiles & apparel remain important:** Particularly across North, West and East Africa
- **Value-addition is the opportunity:** Significant headroom exists to deepen local processing of agricultural and mineral resources

Africa's Regions: Different Economies, Different Opportunities

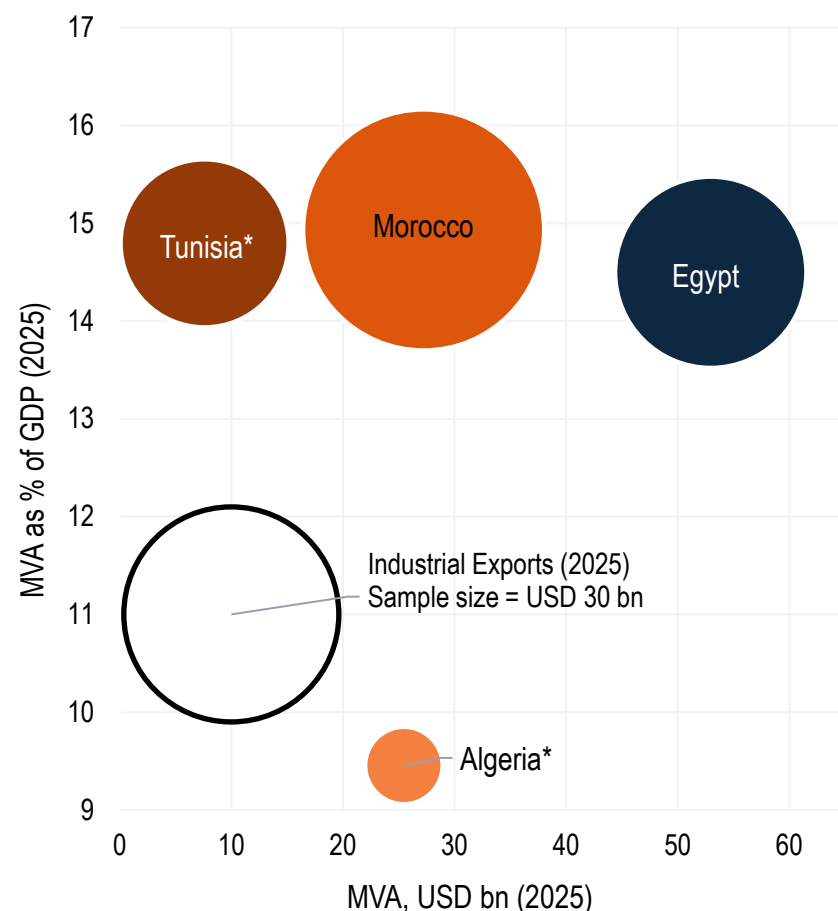
*Africa is not one market: Growth, resources,
industry and trade differ fundamentally across regions*

Top left: Tanzania; Top right: Kenya; bottom left: South Africa; bottom right: Morocco

North Africa: The continent's largest manufacturing and export platform

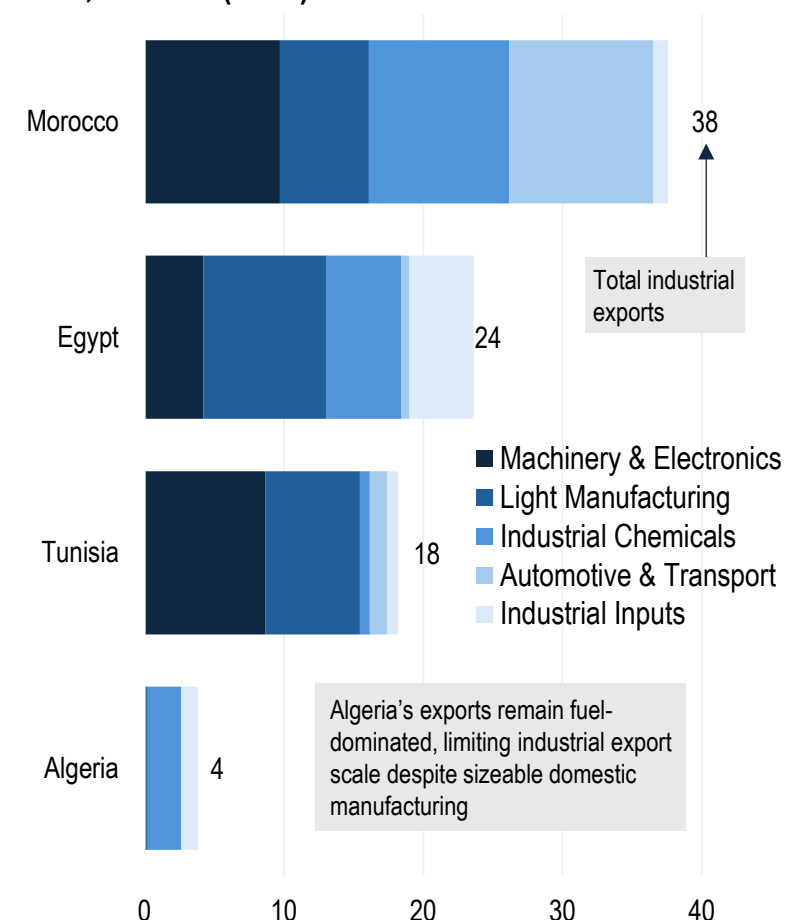
Egypt leads in manufacturing scale; Morocco combines a sizeable industrial base with the region's strongest export platform, while Tunisia is highly industrialised relative to its size and Algeria remains domestically oriented

North African Economies: Manufacturing Value Added (MVA), USD bn and as % of GDP, and Industrial Exports, USD bn (2025)



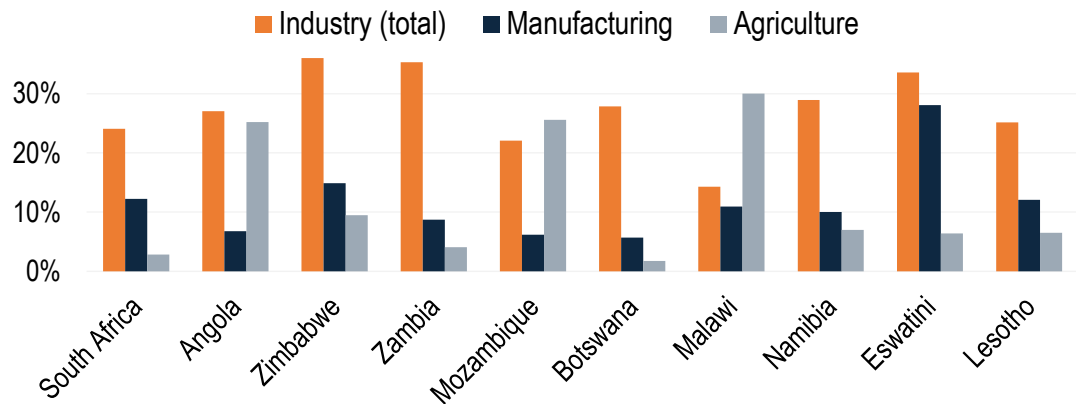
North Africa: Export and Manufacturing Leaders (2025)	
Egypt: Domestic Scale Anchor Strong scale; export sophistication still catching up MVA: USD 53.0 bn MVA share: 14% of GDP Industrial exports: USD 23.6 bn Specialisation: Light manufacturing, chemicals	Morocco: Export Platform Best positioned for EU supply-chain integration and upgrading MVA: USD 27.2 bn MVA share: 15% of GDP Industrial exports: USD 37.6 bn Specialisation: Automotive & transport, chemicals, electronics
Tunisia: Specialised Exporter High industrial intensity but limited scale MVA: USD 7.6 bn* MVA share: 15% of GDP Industrial exports: USD 18.2 bn Specialisation: Electronics, light manufacturing	Algeria: Domestic Industrial Base Export scale is fuel-driven; diversification remains low MVA: USD 25.5 bn* MVA share: 9% of GDP Industrial exports: USD 3.8 bn Specialisation: Hydrocarbons and energy industries

North African Economies: Industrial Exports by Sector, USD bn (2025)

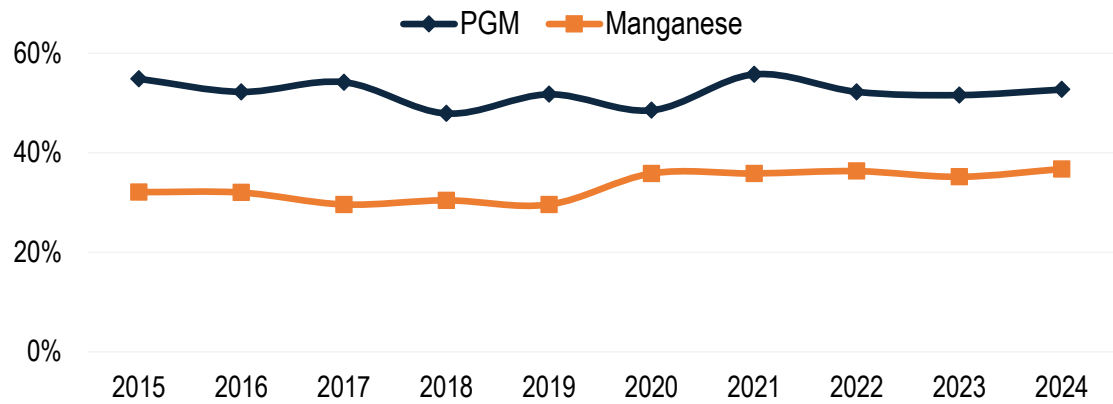


Southern Africa: The continent’s most established industrial and mineral base
South Africa anchors regional industry and world-class mineral reserves, while Zambia, Zimbabwe and Mozambique add major resource positions and Angola brings oil scale

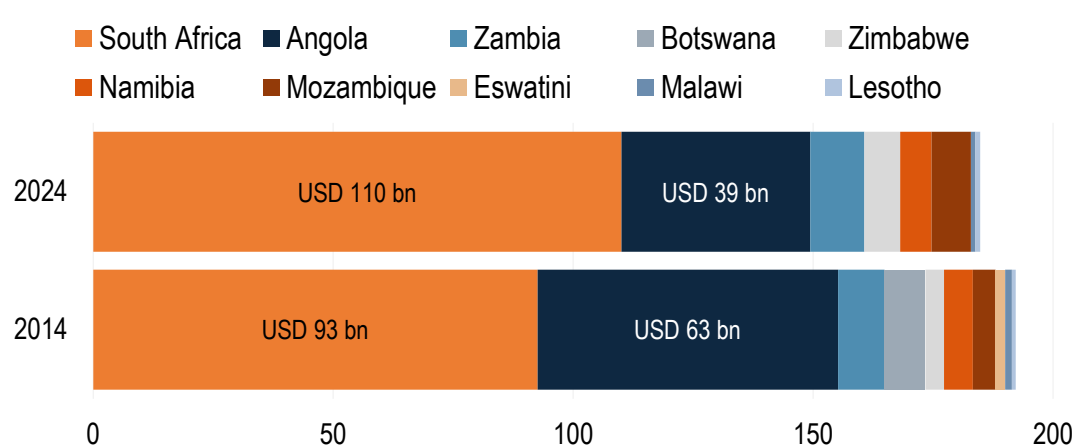
Southern Africa: Economic Structure by Country, % of GDP (2025)



South Africa: Share of World Mineral Production, % (2015-2024)



Southern Africa: Exports by Category & Country, USD bn (2014 vs 2024)



Southern Africa: Selected Mineral Reserves and Production Positions

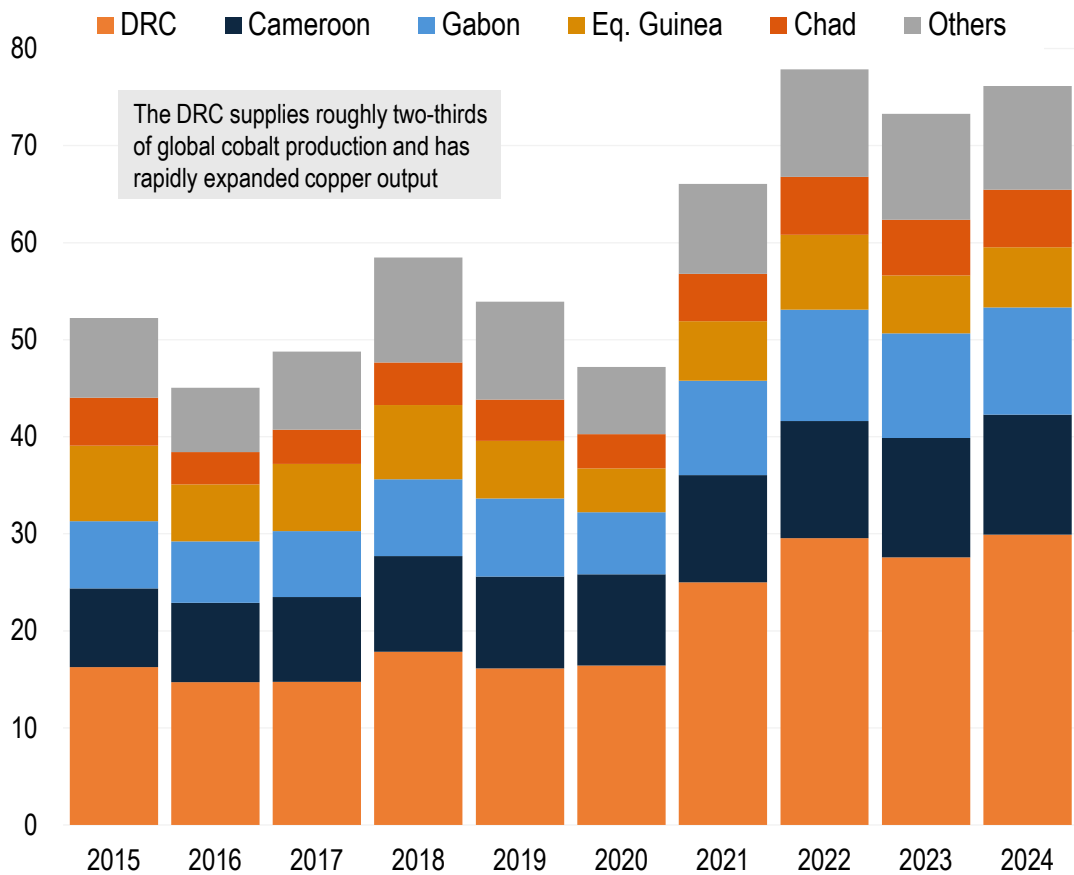
Country	Mineral	World Share
South Africa	PGM (reserves)	81.8%
Mozambique	Titanium (production)	21.1%
South Africa	Manganese (reserves)	28.2%
Zimbabwe	Industrial Diamonds (production)	7.2%
Mozambique	Graphite (reserves)	7.4%
Zimbabwe	Chromium (production)	6.2%
Zambia	Copper (production)	3.4%
Zimbabwe	PGM (reserves)	1.7%

Note: PGM – Platinum Group Metals. Region defined per UNCTAD's official classification (South Africa, Botswana, Namibia, Eswatini, Lesotho, Angola, Malawi, Mozambique, Zambia, Zimbabwe). Export composition shown in absolute USD for 2014 and 2024 only, the only two years with reliable total export values. Botswana and Eswatini did not report 2024 trade data. Reserves and PGM/Manganese production from Energy Institute Statistical Review (South Africa only); other mineral production from BGS World Mineral Statistics. Regional definitions vary by source. Source: UNCTAD, World Bank, IMF, Energy Institute, BGS World Mineral Statistics, UN Comtrade, ANDAMAN PARTNERS Analysis

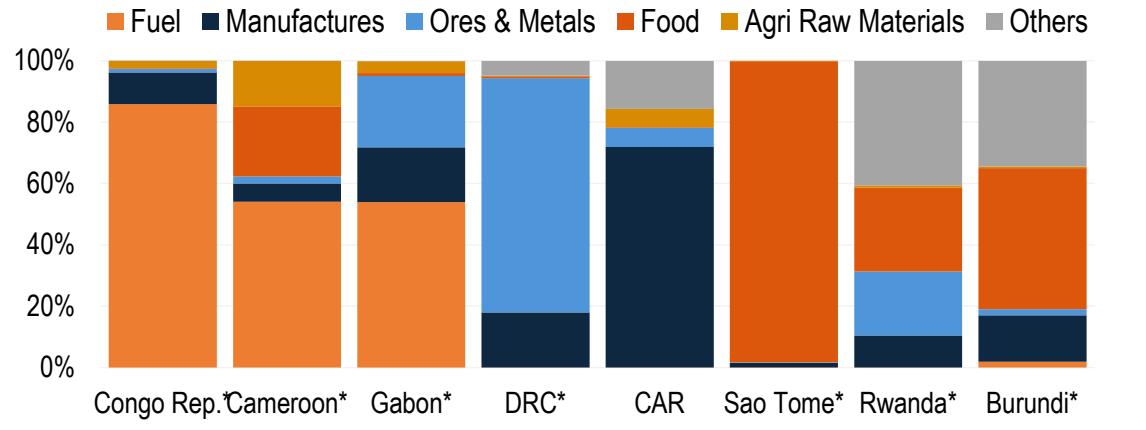
Central Africa: Strategic minerals dominate a highly concentrated economic base

The DRC anchors regional industry and global cobalt supply, while rapidly rising copper output reinforces the region's importance to critical mineral supply chains

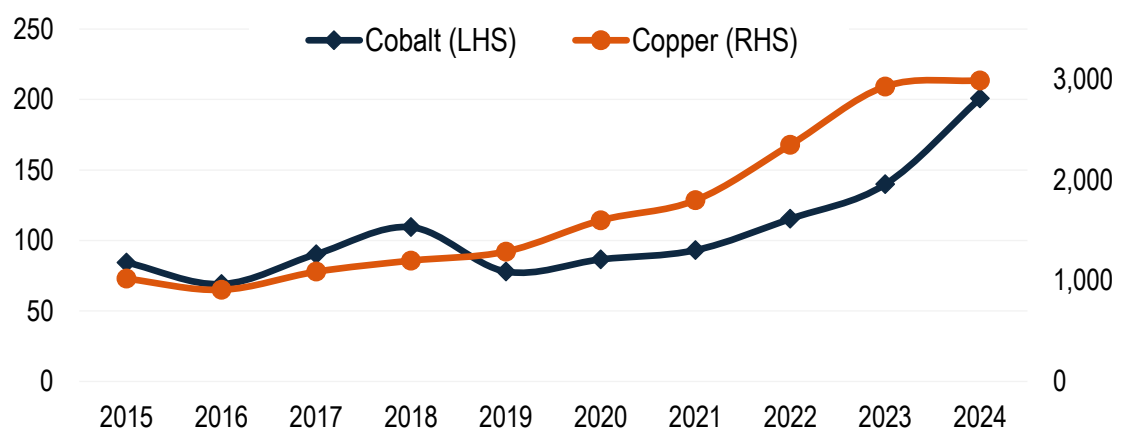
Central Africa: Industry Value Added by Country (incl. Mining), USD bn (2015-2024)



Central Africa, Export Composition by Country, % (2024*)



DRC Cobalt (LHS) & Copper (RHS) Production, '000 tonnes (2015-2024)

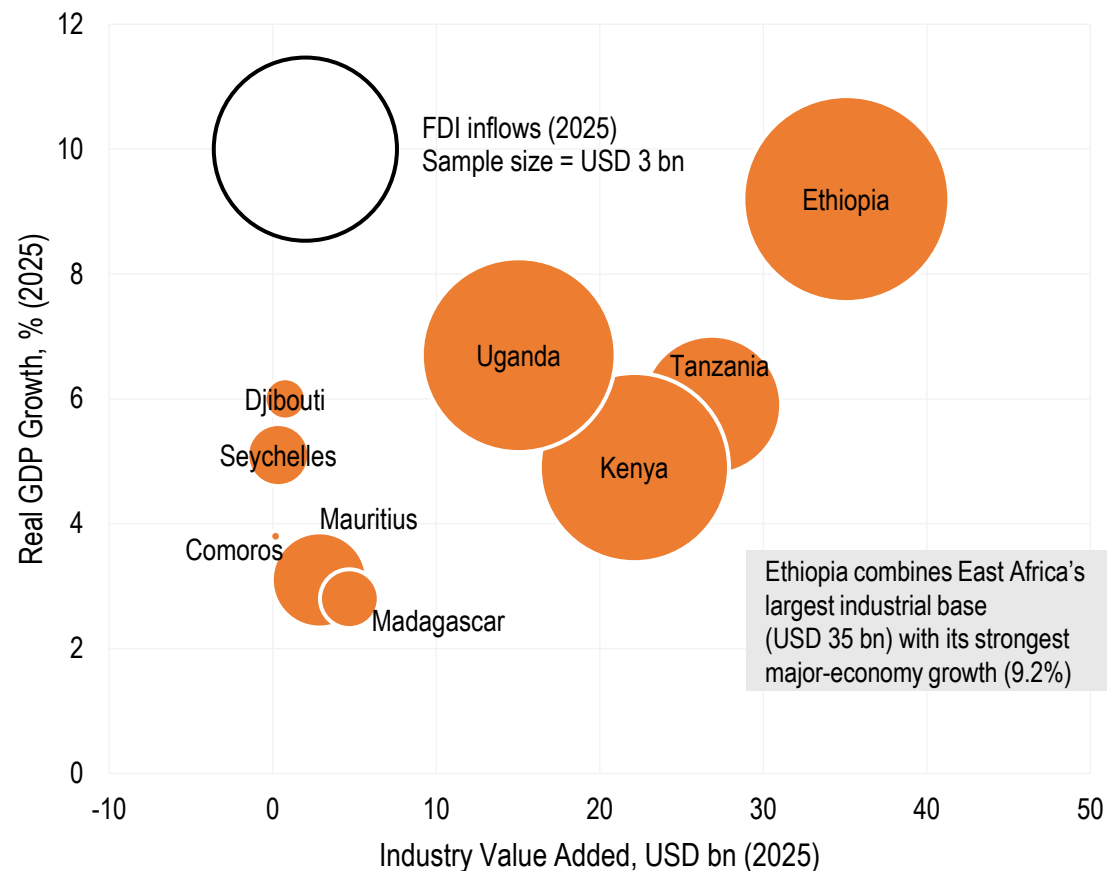


Note: DRC – Democratic Republic of the Congo. Region per UNCTAD's classification (includes Burundi and Rwanda; excludes Angola). *Export composition uses each country's latest available year (2022-2024); not consistent across countries. Chad and Equatorial Guinea have no export data. Industry value added = World Bank Industry % of GDP × IMF GDP. Reserves/production from Energy Institute and BGS World Mineral Statistics. Regional definitions vary by source. Source: World Bank, IMF, UNCTAD, Energy Institute, BGS, ANDAMAN PARTNERS Analysis

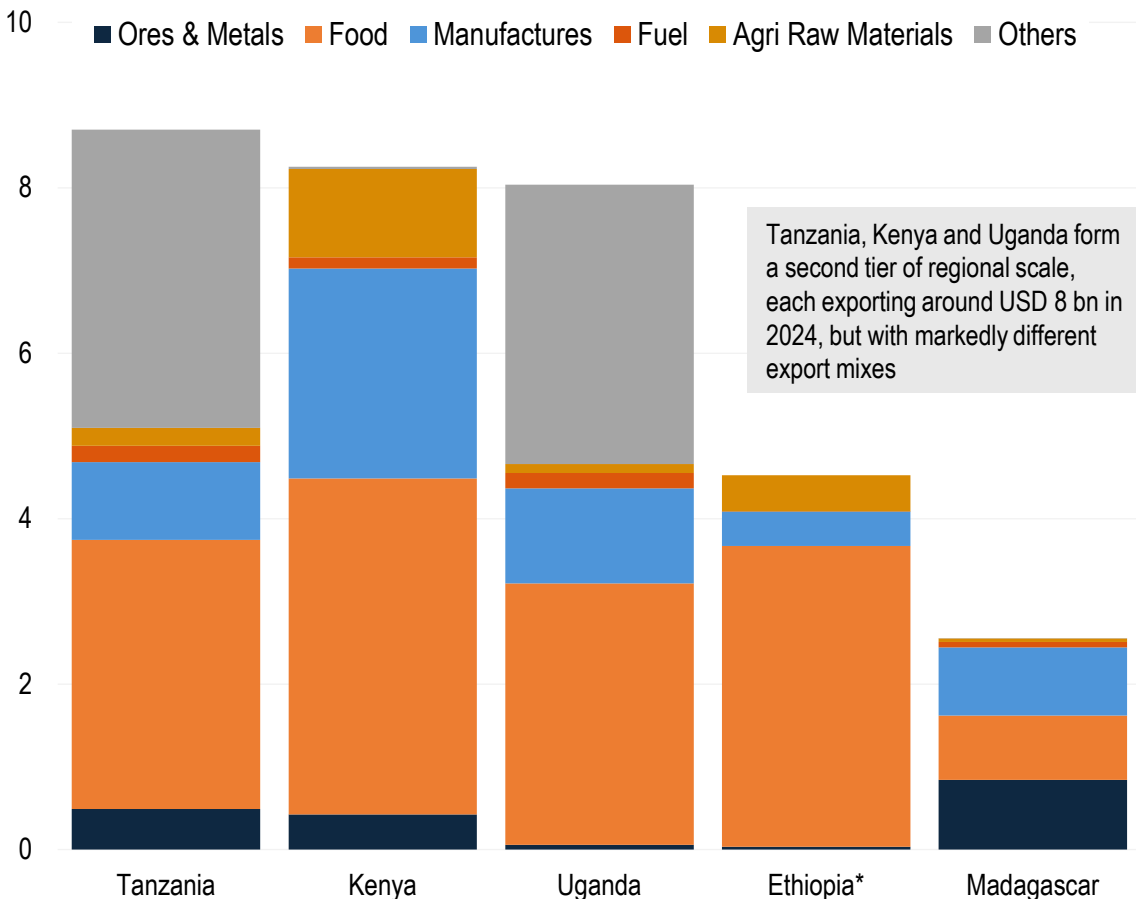
East Africa: The continent's growth engine building greater economic scale

Ethiopia leads regional industry and growth, while Tanzania, Kenya and Uganda form a broader cluster of increasingly significant economies

East Africa: Top 9 by Industry Value Added, USD bn, vs. Real GDP Growth, % (2025)



Top 5 Countries, Export Composition, USD bn (2024)

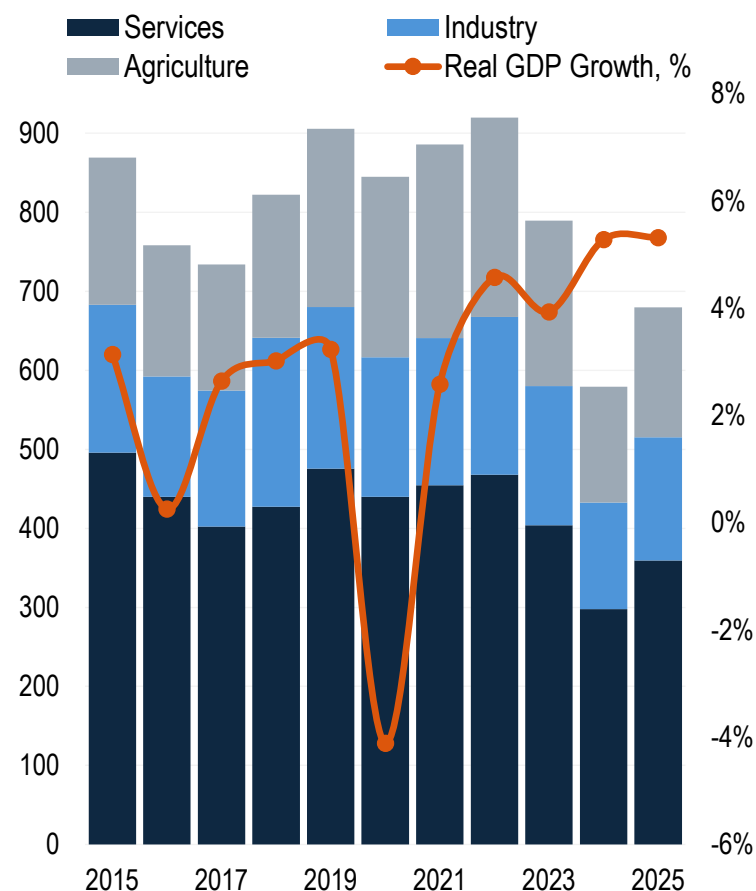


Note: Export composition = Comtrade total export value (2024) × World Bank export category share (2024). Top 5 countries by 2024 export value. *Ethiopia's World Bank export category share is of 2023. Resource shares from Energy Institute Statistical Review (reserves) and BGS World Mineral Statistics (production, computed vs. world totals across 169 countries). Regional definitions vary by source.
Source: IMF, UNCTAD, World Bank, UN Comtrade, Energy Institute, BGS World Mineral Statistics, ANDAMAN PARTNERS Analysis

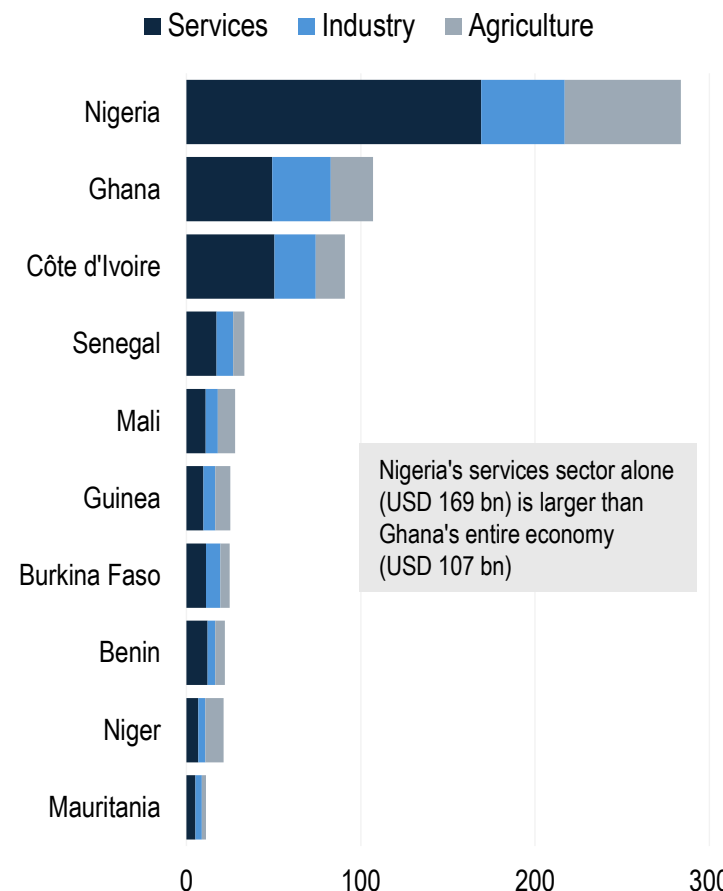
West Africa: A regional economy driven by services, while commodities dominate exports

Services are the largest sector across the region's major economies, led by Nigeria, where they generate USD 169 bn, even as fuel accounted for 89% of Nigeria's exports in 2024

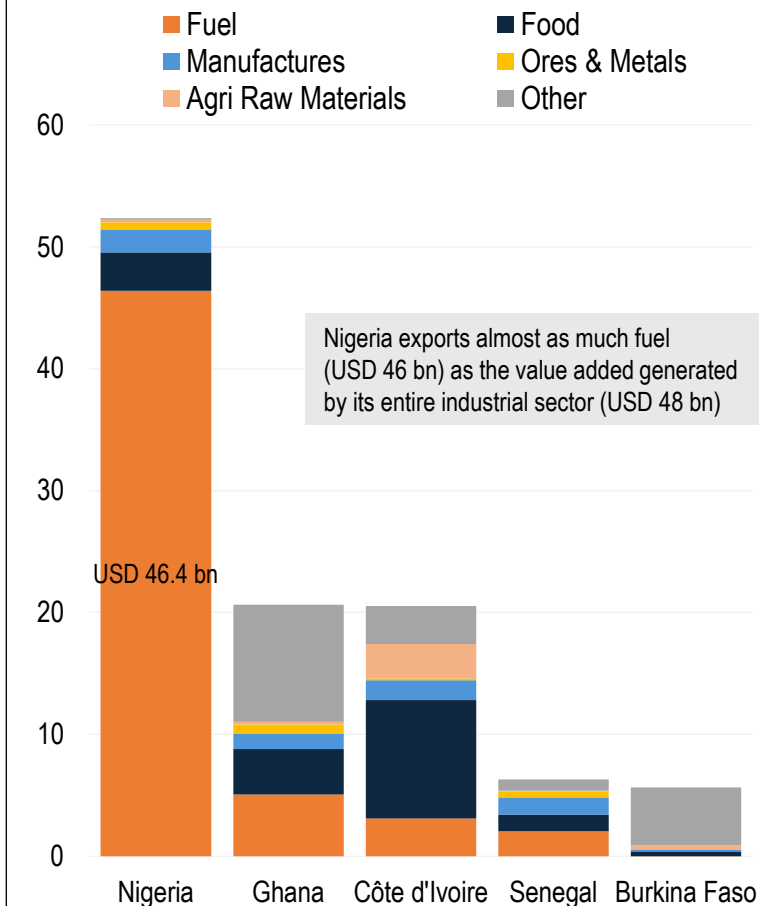
West Africa: GDP by Sector, USD bn, and Real GDP Growth, % (RHS) (2015-2025)



Top 10 West African Economies: GDP by Sector, USD bn (2025)



Top 5 Countries, Export Composition, USD bn (2024)



Note: GDP by sector = World Bank Industry/Agriculture/Services % of GDP × IMF GDP; region totals sum across all 16 countries where data is available (Manufacturing is a subset of Industry, not shown separately here). Export composition = Comtrade total export value (2024) × World Bank export category share (latest available year; Ghana uses 2023); Top 5 countries by 2024 export value. Regional definitions vary by source.

Source: World Bank, IMF, UNCTAD, UN Comtrade, ANDAMAN PARTNERS Analysis



Conclusions and Implications

Africa's global importance is rising faster than its economic weight

Nearly one-fifth of humanity already lives in Africa, and that share will keep rising, yet the continent generates only a small fraction of global GDP. The gap is both Africa's central development challenge and its long-term economic opportunity.

Demographics and resources provide scale, but do not guarantee transformation

A rapidly expanding workforce, urbanisation and exceptional mineral endowments create powerful advantages. Converting them into productivity, income and domestic value addition is the critical next step.

Africa needs to capture more value from what it already trades

Exports are growing, but commodities still dominate. The larger opportunity lies in processing, manufacturing and deeper regional value chains rather than simply increasing volumes of raw-material exports.

China is becoming increasingly important to Africa's economic integration with the world

China is now a major destination for African exports and a leading source of manufactured imports. That relationship is expanding, but Africa's challenge is to translate greater trade into greater investment, industrial capability and value addition.

Capital and industrial capacity are growing, but highly unevenly

FDI can move sharply from year to year, while manufacturing scale remains concentrated in relatively few economies. Opportunity therefore depends less on the continental average than on specific sectors, locations and operating environments.

The decisive unit of analysis is Africa's regions and countries

North Africa's manufacturing platforms, Southern Africa's resource and industrial base, Central Africa's mineral concentration, East Africa's growth momentum and West Africa's large service economies represent fundamentally different propositions.

Africa's trajectory is increasingly difficult to ignore. The opportunity is real; capturing it requires choosing the right countries, sectors and positions in the value chain

Africa Navigator: Images from the cover

African people, places and landscapes





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