Observatoire Europe-Afrique 2030

Case Study # 19

Initial findings from the

"Directory of Africa's Leaders in Green Industrialization"

April 15, 2024

1. Background and objective

The **"Directory of Africa's Leaders in Green Industrialization"** is developed and managed by the Observatoire Europe-Afrique 2030. To date, it has listed 48 African companies.

This note describes the initial findings of this survey, based on criteria such as the country to which the company belongs, its sector of activity and its profile.

The analysis below is based on companies identified by the Observatory as **"Leaders in green industrialization"**, i.e. companies with manufacturing activities in one (or more) green industry(ies) on African soil[1].
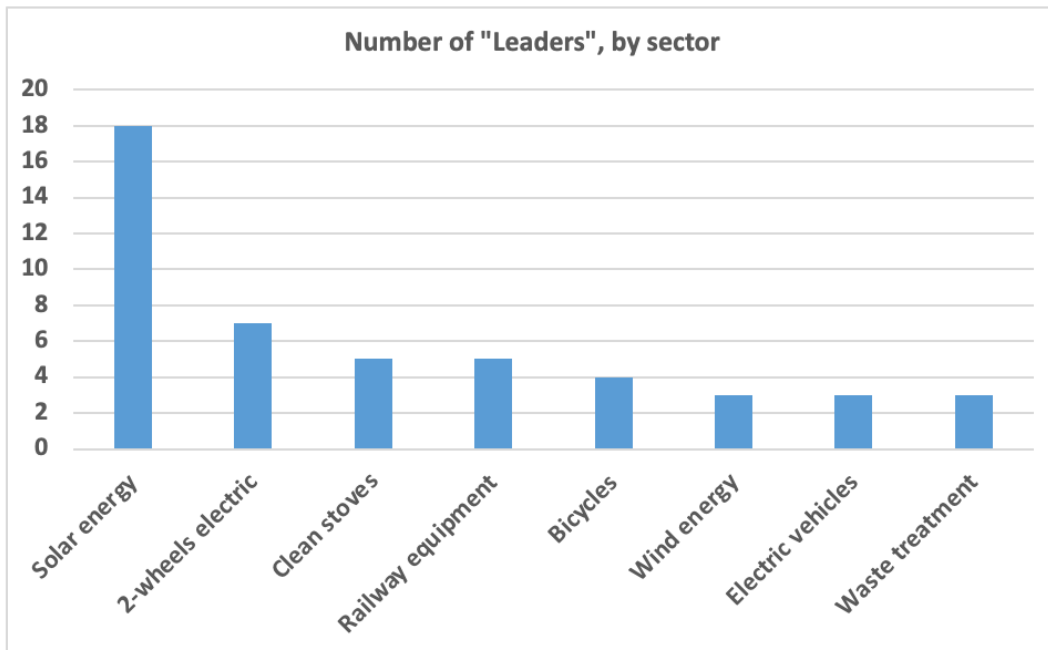
This list is not exhaustive. Week after week, it is enriched by the identification of new companies. In addition, the ongoing validation process implemented by the Observatory enables to progressively fill in any missing information relating to a given company.

It is therefore essential to note that the analysis presented in this note provides an initial picture of the African manufacturing enterprises in the green sectors but should in no way be considered statistically significant.

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[1] Examples of green industries include the manufacture of photovoltaic panels, wind turbines, tramways, ecological stoves, solar kits and waste sorting and recycling units.

2. Analysis by sector

With 18 companies in the Directory, the "solar energy" sector is the most represented. The majority are manufacturers of photovoltaic panels, as well as solar kits for individual home lighting and public lighting.

Number of "Leaders", by sector

Sector	Number
Solar energy	18
2-wheels electric	7
Clean stoves	5
Railway equipment	5
Bicycles	4
Wind energy	3
Electric vehicles	3
Waste treatment	3

3. Analysis by country

There are four groups of African countries:

- South Africa: This country accounts for 21% of the total number of companies in the Directory.

- Egypt, Kenya, Morocco, Nigeria and Tunisia: each accounting for around 10% of the total number of companies listed.

- Algeria, Burkina Faso, Ethiopia, Gabon, Ghana, Lesotho, Mozambique, Senegal and Zambia: Each of these countries accounts for 5% of the total number of companies listed.

- For the 39 other countries on the African continent, no Leader has been identified for the moment.
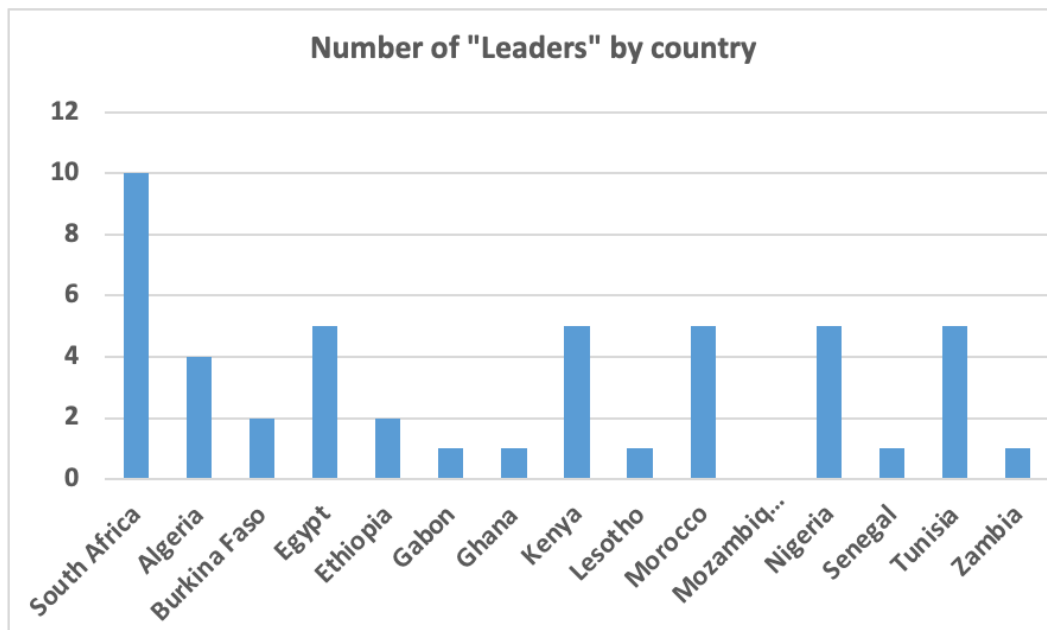
4. Cross-referencing "Country x Sector"

Cross-referencing the "Country" x "Sector" criteria reveals strong sector-specific features for certain countries.

The graph below shows that in several sub-Saharan African countries (Ethiopia, Ghana, Lesotho, Zambia), "ecological stoves" account for a significant proportion, if not all, of the companies in the Directory.
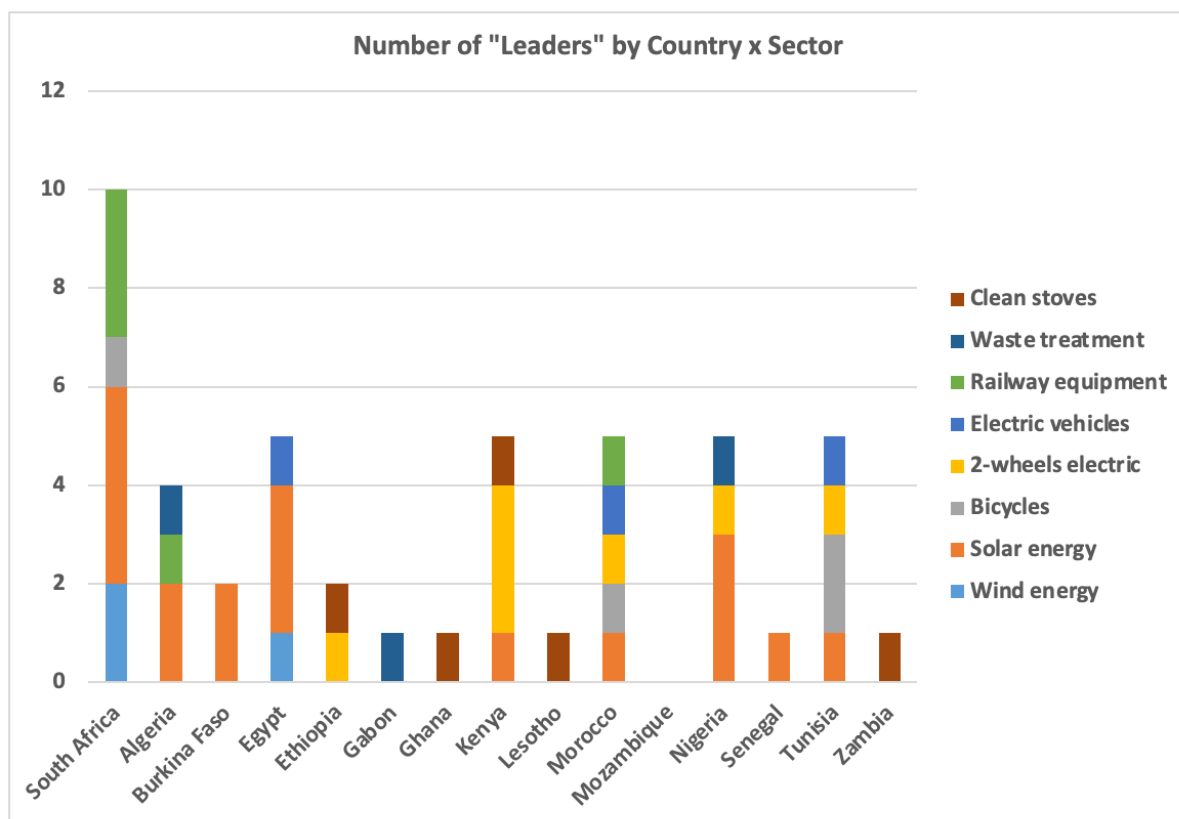
5. Analysis by geographical area

The graph below sheds light on the distribution of Leaders by major geographical zone (North Africa, Sub-Saharan Africa, Southern Africa).

All three zones have a significant presence in the Directory, but with very different distributions depending on the sector.

Number of "Leaders" by geographical area and by sector

■ North Africa   ■ Subsaharan Africa   ■ Austral Africa
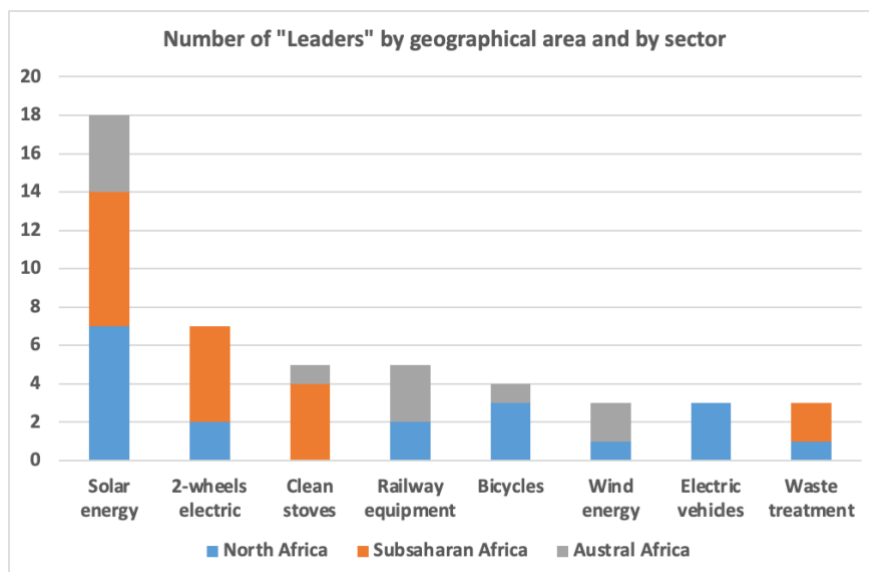
A number of lessons can be drawn from the graph:

Sub-Saharan African countries have little (or no) presence in technologically complex sectors such as wind turbine manufacture, railway equipment, electric vehicles and bicycles. Solar panel manufacturing is an exception, with a significant presence of companies from Nigeria and Burkina Faso.

Sub-Saharan African countries play a major role in the production of electric two-wheelers. A verification process is currently underway to ensure that these companies are indeed manufacturers and do not limit themselves to simple assembly operations.

The manufacturing of ecological stoves differs from the other sectors in the Directory in that its technological content and the added value of the products manufactured are significantly lower. In many cases, they are even handcrafted products.

North African companies are present in all the sectors in the Directory, with the exception of ecological stoves.

South Africa has a strong presence in sectors with a high degree of technological complexity.

6. Analysis by profile of enterprise

The graph below shows the preponderance (59%) of independent domestic companies in the Directory. These are companies that have been created and developed by domestic players.

Subsidiaries (of a domestic or foreign group) account for 35% of Leaders.

Among the 31% of subsidiaries of foreign groups, the breakdown of parent companies by country is as follows:

- China (4 companies)
- France (4 companies)
- United States (2 companies)
- Germany (1 company)
- Netherlands (1 company)
- Sweden (1 company)
- Italy (1 company).