



Observatoire Europe-Afrique 2030

**PROMOTE GREEN MANUFACTURING INDUSTRY
« MADE IN AFRICA »**

The facts

Africa's "sustainable" industrialization presupposes a priority focus on green industries, mainly renewable energies, clean mobility and optimized waste management.

Throughout Africa, we are witnessing a great deal of investment in green industries.....

.....but almost all equipment is imported "turnkey" from China, Europe, North America or Japan.

Over the next twenty years, hundreds of billions of euros will be invested in these sectors in Africa.

« Green » manufacturing sectors

Renewable energies

Solar /hybrid mini-grids

Solar panels

Solar kits

Solar refrigerators

Wind farms

Water thermal desalting (solar)

Clean mobility

Bicycles

2-wheels (electric)

Electrical cars and buses

Tramways

Wagons, electric locomotives

Rail infrastructure

Waste management

Pyrolysis, anaerobic digestion, dry fermentation

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Waste sorting

Mechanical recycling

Other sectors

Clean cooking

Heat pump

AI systems for agriculture (seeding, irrigation)

Green hydrogen

Batteries

Example 1: Wind Farms

Installed wind power capacity on the African continent stood at 9 GW in 2023, less than 1% of global installed capacity.

Based on projects currently underway and those already announced, this capacity could rise to 86 GW over the next few years, representing an average increase of 15 to 25 GW per year.

However, the current cumulative capacity of wind turbine manufacturing facilities in Africa is less than 1GW.

As a result, "Made in Africa" can only meet 3-5% of projected investment needs. Only one manufacturer capable of supplying complete wind turbines has been identified on the African continent. This is Kestrel Wind Turbines, a South African company that manufactures medium-power wind turbines.

Source: *The status of wind in Africa - October 2023 - Global Wind Energy Council / GWEC*

Example 2: Clean Cooking

- Clean cooking is defined as "cooking solutions that achieve ISO level 4 or 5 for PM2.5 emissions and level 5 for carbon monoxide emissions. These typically include solar, electric, LPG, biogas, ethanol and some processed biomass and pellet stoves.
- In sub-Saharan Africa, 940 million people still lack access to clean cooking technology in 2023, with 29 countries having access rates below 20%. The dependence of the vast majority of people in sub-Saharan Africa on the collection or purchase of wood, charcoal and other biomass for cooking is severely damaging health, productivity and climate. Access to clean cooking could save up to 1.5 Gt CO₂eq by 2030, or 900 Mt CO₂eq, in sub-Saharan Africa alone.
- Despite some local initiatives, particularly in Kenya and Rwanda, most of the market is currently covered by imported products.

Sources:

<https://www.iea.org/reports/sdg7-data-and-projections/access-to-clean-cooking>

Clean Cooking Alliance.

Other examples (continued)

No "green" sector can escape this observation:

- Africa's railway infrastructure and rolling stock needs are enormous. With the exception of South Africa, there is currently no integrated manufacturer of electric locomotives and streetcars on the African continent.
- The market for hybrid mini-grids in sub-Saharan Africa by 2030 is estimated at between 100,000 and 150,000 units (to satisfy the "access to electricity for all" scenario). No country in Sub-Saharan Africa has the industrial capacity to manufacture mini-grids locally.

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A change of business model is needed

- To remedy this aberration, it would be necessary to break with the current "all-imported" economic model and switch to one in which solar panel factories, waste sorting plants and rail equipment manufacturing plants and other « Green » equipment would be designed and manufactured (at least in part) on African soil.
- Strategic partnerships based on co-design and co-production between African and European manufacturers could ensure the gradual transfer of know-how from major equipment manufacturers and maximize local added value.

Promote the “Leaders”

What is the common denominator between Elsewedy Electric Towers, a major Egyptian manufacturer of high-power wind turbine masts, Auxano, a Nigerian manufacturer of solar panels, and Gyapa entreprises, a small Ghanaian company specializing in the manufacture of clean, charcoal-saving stoves?

These three companies are "**Leaders**":

- They have developed manufacturing know-how in one (or more) »green" sector(s).
- They manufacture on African soil.
- They produce and sell on competitive markets.
- They contribute to the "clean" industrialization of the African continent, the creation of sustainable jobs, the acquisition of know-how and the reduction of the carbon footprint of manufacturing activities.

Promote the “Leaders”

- A growing number of African companies are positioning themselves in green sectors, playing the "Made in Africa" card.
- These leading companies are playing a pioneering role, showing the way for sustainable industrialization in African countries.
- They demonstrate that it is possible to manufacture competitively on African soil, especially when compared to manufactured goods imported from Asia.
- **It's important to publicize these "Leaders" and promote their activities.**

Observatory objectives

With this in mind, the « Observatoire Europe-Afrique 2030 » has set itself two objectives:

- Identify and publicize "Leaders" companies, particularly those that generate high local added value through advanced industrial integration.
- For each green industry, identify the links in the value chain most conducive to profitable investment in Africa.