



« The Letter »

(Observatoire Europe-Afrique 2030)

#34 – January/February 2023

PROMOTING "GREEN" INDUSTRIALIZATION IN SUB-SAHARAN AFRICA*.

The “Observatoire Europe-Afrique 2030” is a space open to all those interested in this issue.

* Promoting local design and local manufacturing of solar mini-grids, wind farms, heat pumps, electric mobility (two-wheelers, cars and buses), streetcars, trains, methanization units, waste sorting and recycling units

Events

EMWA – « **Equipment and manufacturing West Africa Conference** » – Lagos (Nigeria) – From 30th May to 1st June 2023
<https://www.emwestafrica.com>

« **Africa Energy Forum** » – Nairobi – From 20th to 23rd June 2023
<https://www.africa-energy-forum.com>

News

Africa

The top three PV manufacturers in Africa are ART Solar (South Africa), Sunprism (Egypt) and Borno (Nigeria), with annual production capacities of 300MW, 50 MW and 40 MW respectively - (Source: ICIR - International Centre for Investigative Reporting - 2022)

Egypt

Absolicon Solar Concentrator (Sweden) will install a solar collector production line for Creative Power Solutions (CPS, Switzerland) in Egypt. This equipment is used to produce heat through the concentration of the sun's rays. Investment: 5.4 M€. The unit will produce Absolicon T160 collectors and is scheduled to start up in 2024. Capacity: 14,000 m² of collectors, equivalent to a 7 MW power plant (*Afrik 21 - 23/12/22*).

Egypt

Agreement between the Egyptian Ministry of Transport and the Russian company TMH International to set up a wagon maintenance workshop in the Abu Zaabal industrial zone (22 km north of Cairo). The agreement also covers the installation, in a later stage, of a rolling stock factory in the same industrial zone. The factory is expected to manufacture spare parts with an integration rate ranging from 20 to 60% as well as up to 1,000 wagons to serve the Egyptian market and export part of the production to countries in the Middle East & North Africa region (*Ecofin - 06/02/2023*).

Gabon

A plant to recycle waste particleboard used in the manufacture of furniture has been commissioned. Named "Africa View", the facility has a production capacity of 8,750 m³ per month. Location: Nkok Special Economic Zone. The plant has been operational since January 2023. It is the first plant of its kind in the Central African sub-region. 400 tons of wood waste are supplied daily to the plant. This recycling project is the result of a public-private partnership between Gabon Special Economic Zone (GSEZ) and the Société Nationale de Bois du Gabon (SNBG). Investment: more than 15.2 M€ (*Afrik 21 - 02/02/23*).

Morocco

The overall traffic of the port of Tangier Med has reached 107.8 Mt of goods in 2023, up 6% compared to 2021. Container traffic amounted to 7.59 MEVP, against 7.17 MEVP in 2021, up 6% (*Ecofin*).

Morocco

A solar water heater manufacturing plant is being built in the Aïn Johra industrial park (Tiflet, Rabat-Salé-Kénitra region). Expected commissioning date: June 2023. The production unit, "MySol CES" is being implemented by the Cherifian company Green Innov Industry Investment (Gi3). Expected production: 40,000 solar water heaters per year. Employment: 880 direct and 30,000 indirect. A partnership has been established with the University Sidi Mohammed Ben Abdallah (Fez). Part of the production will be exported to Europe and the Middle East. The domestic market is 120,000 solar water heaters/year, currently all imported (*Afrik 21 - 18/01/2023*).

Morocco

The Office National des Chemins de Fer (ONCF) would like to acquire 100 new locally manufactured trains in the next 10 years. These trains should be delivered from 2025. This project is part of the reinforcement of the company's fleet, which needs 50 trains to replace depreciated railway units, 25 trains to meet the growth in demand for passenger transport, as well as 5 additional trains for maintenance needs (*Ecofin - 02/02/23*).

Nigeria

Maiduguri (Borno State) has been home to a photovoltaic panel manufacturing plant since April 2019. The aim is to generate 40 MW from solar photovoltaic energy each year. The factory can produce "quality certified solar panels" with a capacity of 300W each. Location: Jintilo Village (*Energies Media*).

Nigeria

The dry port of Dala (Kano State) was inaugurated in late January 2023. Area: 200 hectares, including a 20,000 TEU capacity container terminal. The port will be operated by Dala Inland Dry Port Nigeria Limited Kano, until its subsequent transfer to the government (*Ecofin - 01/02/23*).

South Africa

ARTsolar is South Africa's only locally owned PV manufacturer. The company provides turnkey, commercial and residential installation solutions. The factory is located in Durban. It houses a state-of-the-art production line for the manufacture of photovoltaic modules. ARTsolar also provides inverters, energy storage solutions and other components related to the installation of solar PV plants.

Zambia

One of the 6 African production sites for "Buffalo" bicycles is located in Lusaka province. This brand was founded by the NGO World Bicycle Relief, created by FK Day. The semi-assembled bicycles are imported from China by container. The "Universal" model is sold at a price of about US\$ 150.

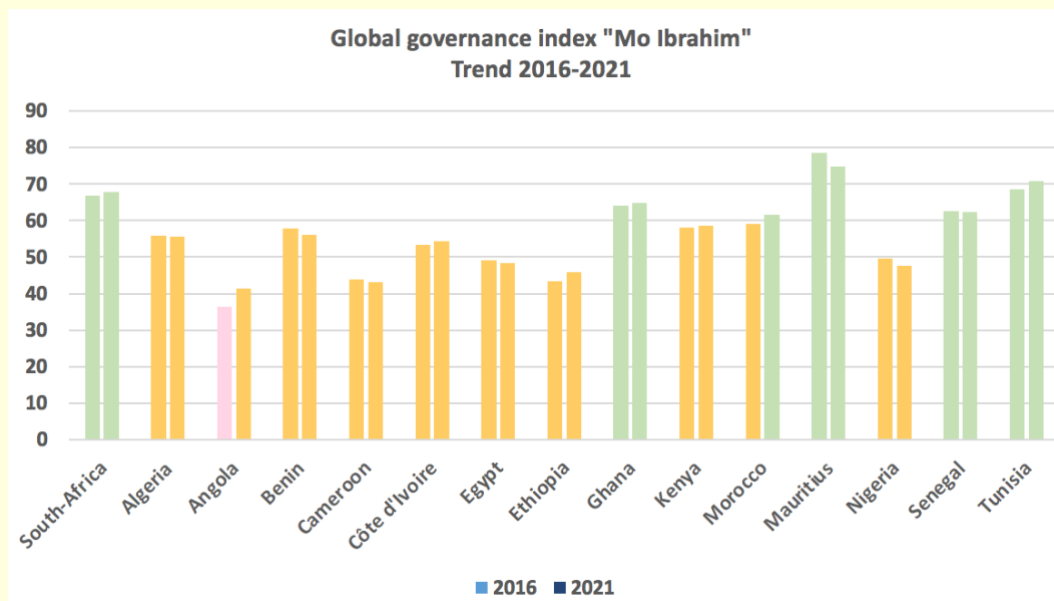
<https://worldbicyclerelief.org/who-we-are/>

Indicators

Global Governance Index (Mo Ibrahim Foundation)

In 2021, according to the African Governance Report (<https://mo.ibrahim.foundation/iiag>), the average global governance score for Africa as a whole has stagnated at 48.9/100. More than half of Africa's population lives in a country where overall governance improved between 2012 and 2021, but progress over the decade remains hampered by "divergent trajectories." While more than 40 countries made progress in the categories of "Foundations of Economic Opportunity" and "Human Development," more than 30 countries regressed in the categories of "Security" and "Rule of Law and Participation" and "Rights and Inclusion." Worryingly, progress in governance on the continent is most hampered by deteriorating security and democratic participation environments.

The chart below shows the evolution of the overall governance index over the last five years for the 15 countries covered by the Observatory (on a scale of 0 to 100).



Source : Mo Ibrahim Foundation

To read, to view...

Report: "Trends in Infrastructure Financing in Africa in 2019-2020" - Infrastructure Consortium for Africa - 14/12/2022.

The report shows that total commitments to infrastructure financing in Africa reached US\$81 billion in 2020, US\$4 billion less than in 2019. This is largely due to the impact of the Covid-19 pandemic and lower funding from China.

In 2020, the transportation sector concentrated the largest share of commitments with US\$34.4 billion (42%). Energy sector commitments reached \$23.5 billion in 2020. The energy sector's share of total commitments decreased from 43 percent in 2018 to 29 percent in 2020. Water and sanitation accounted for 10 percent of total commitments (\$8.1 billion) in 2020, significantly lower than the \$12.9 billion (16 percent) averaged over 2016-2018. Commitments to the ICT sector increased significantly from 2018, with \$7.1 billion (7% of total commitments) to \$10.4 billion in 2020 (13%). The private sector accounted for two-thirds of ICT financing in 2019 and one-third in 2020.

Of the \$85 billion committed to infrastructure development in Africa in 2019, \$22.5 billion in commitments went to West Africa, followed by East Africa (\$16.3 billion), North Africa (\$15.1 billion), Southern Africa-excluding South Africa (\$10.8 billion), South Africa (\$12.7 billion), and Central Africa (\$5 billion). In 2020, out of a total of \$81 billion in commitments, West Africa received \$22.3 billion, followed by North Africa (\$16.8 billion), East Africa (\$14.8 billion), Southern Africa - excluding South Africa - (\$10.1 billion), South Africa (\$9.5 billion), and Central Africa (\$5.3 billion).

<https://www.afdb.org/fr/documents/tendances-du-financement-des-infrastructures-en-afrique-2019-2020>

Report "Partnerships for a Just Energy Transition" with Senegal and South Africa.

The EU and its Member States are investing more than €280 million in grants in South Africa, including €87.75 million from the EU budget, to support strategic green recovery reforms, mobilize green investments and drive a knowledge-based transition under the Team Europe Fair and Green Recovery Initiative for South Africa, launched under the Global Gateway Strategy.

https://ec.europa.eu/commission/presscorner/detail/fr/ip_23_353

"The Green Hydrogen Market: The Industrial Equation of the Energy Transition" - Policy Center for the New South (Morocco) - Policy Brief 01/23 - 06/01/2023.

The cost of green hydrogen produced in Africa is expected to fall to between \$1.8 and \$2.6 per kg by 2030 from \$5 to \$10 per kg currently. The African continent should become one of the most competitive sources of green hydrogen in the world. The cost of producing this carbon-neutral energy on the continent could fall further thereafter to between \$1.2 and \$1.6 per kg by 2050. Africa can position itself in the green hydrogen market through four hubs: Morocco, Egypt, Mauritania and Southern Africa. These hubs could together produce 50 million tons of green hydrogen by 2035. The main African countries that are relatively advanced in the green hydrogen export market are Morocco, Egypt, South Africa, Mauritania and Namibia.

https://www.policycenter.ma/sites/default/files/2023-01/PB_01-23_Boucetta.pdf

About the Observatory.....

<http://observatoire-europe-afrique-2030.org/fr/accueil/>

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