



Regional trends

# Africa



## Highlights

Foreign direct investment (FDI) inflows to Africa fell by 3 per cent in 2023, to \$53 billion. Two of the largest recipient economies – Egypt and South Africa – drove the trend. Notable declines occurred in the number and value of international project finance deals from 2022 (by 26 and 50 per cent, respectively), which affected most countries. Announced greenfield projects were up in number but declined slightly in value (by 11 per cent). Cross-border merger and acquisition (M&A) sales, which account for about 15 per cent of inflows to Africa in recent years, remained flat at \$8.5 billion.

- In North Africa, FDI inflows decreased by 12 per cent. After large M&A sales in Egypt in 2022, M&A activity weakened there. Morocco saw lower flows but a significant number of greenfield projects. The overall number of projects was stable, and values increased for most countries, ignoring Egypt which had abnormally high project values in 2022.
- FDI inflows to West Africa were stable (down 1 per cent), with mixed results across countries. Greenfield investment value grew threefold, excluding a \$34 billion project in Mauritania, while project numbers remained stable.
- In Central Africa, FDI inflows decreased by 17 per cent. The number and value of greenfield projects both rose (by 56 and 119 per cent, respectively) but the subregion was strongly affected by the downturn in project finance deals.
- In East Africa, FDI inflows decreased by 3 per cent. This was mostly due to a downturn (11 per cent) in flows to Ethiopia. However, substantial increases in the numbers of greenfield projects (up 32 per cent) and international project finance deals (up 38 per cent) signal better prospects.
- In Southern Africa, fluctuations in Angola continued to affect the trend. Inflows in South Africa fell by 43 per cent despite higher M&A sales. The value of greenfield investment and project finance deals were down.


The largest year-to-year increases in greenfield project value by industry were in chemicals (to \$13 billion) and electronics (to \$7.6 billion), while in electricity and gas supply projects values dropped by \$33 billion compared with 2022. This drop alone explains much of the overall decline in greenfield projects value.

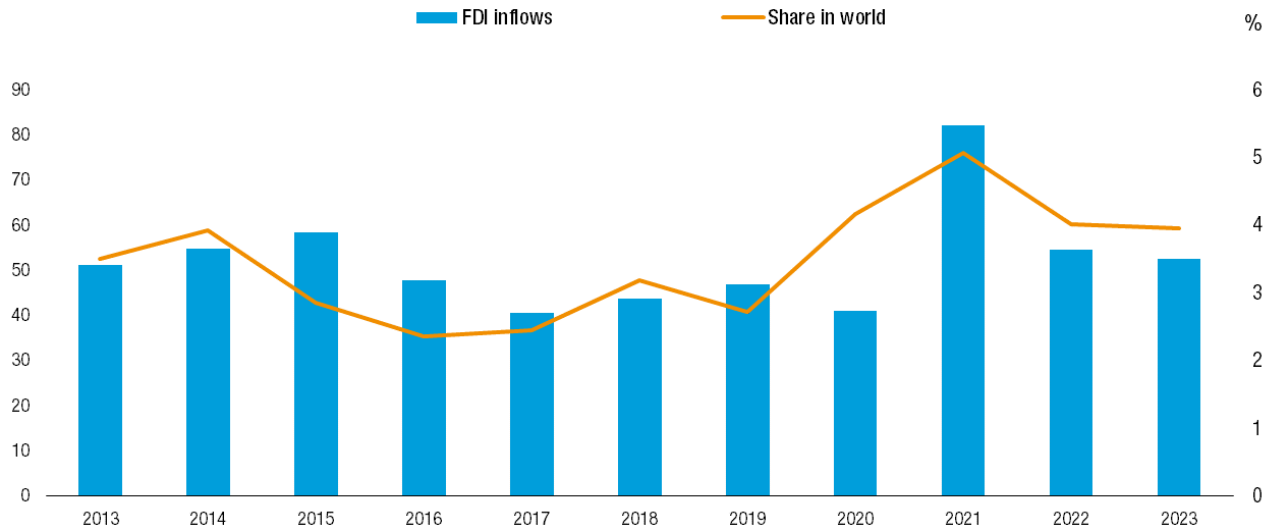
Africa attracted a growing share of greenfield megaprojects, with six valued at more than \$5 billion. The largest announcement for any country in 2023 was the green hydrogen project in Mauritania, expected to generate investment at several multiples of gross domestic product. Several other large hydrogen projects were also announced: The Suez Canal Economic Zone completed agreements for green ammonia and green hydrogen projects in Egypt totalling \$10.8 billion, three energy producers separately announced projects in South Africa for green hydrogen totalling \$7.1 billion, and substantial investment occurred in Morocco. Value chains for electric vehicles also prompted investment: Among the largest projects, a Chinese firm plans to build a \$6.4 billion facility for manufacturing electric vehicle batteries in Morocco.

The estimated value of international project finance deals in the region declined by 50 per cent in 2023, to \$64 billion, following a 20 per cent drop in 2022. Industries related to renewable energy and power generation registered large drops in both value and number. However, momentum continued in some parts of the power sector. Along with the projects mentioned earlier, the Suez Canal Economic Zone announced a deal for green hydrogen production totalling \$4 billion, and a European investor group is planning a \$2 billion hydrogen project in Morocco. Africa also attracted more than \$10 billion in project finance for wind and solar electricity production, with the largest projects located in Egypt, South Africa and Zimbabwe.

Project announcements in sectors relevant to the Sustainable Development Goals (SDGs) generally fell in number and value. The largest absolute drop in value of greenfield projects was in renewable energy (down by almost \$60 billion), although there was a slight uptick in the number of projects. The value of projects in other SDG-relevant sectors is much smaller and results were mixed. International participation in projects related to water, sanitation and hygiene was particularly low, with only two greenfield projects totalling \$7 million.


A large share of FDI to Africa comes from or is routed through the Netherlands, which was the top investor home country in the continent (by FDI stock). Investors from France, the United States, the United Kingdom and China (in that order) were also major contributors. Over the five years since 2018, FDI inflows expanded for all major regional groupings, most prominently the Economic Community of West African States and the Southern African Development Community.

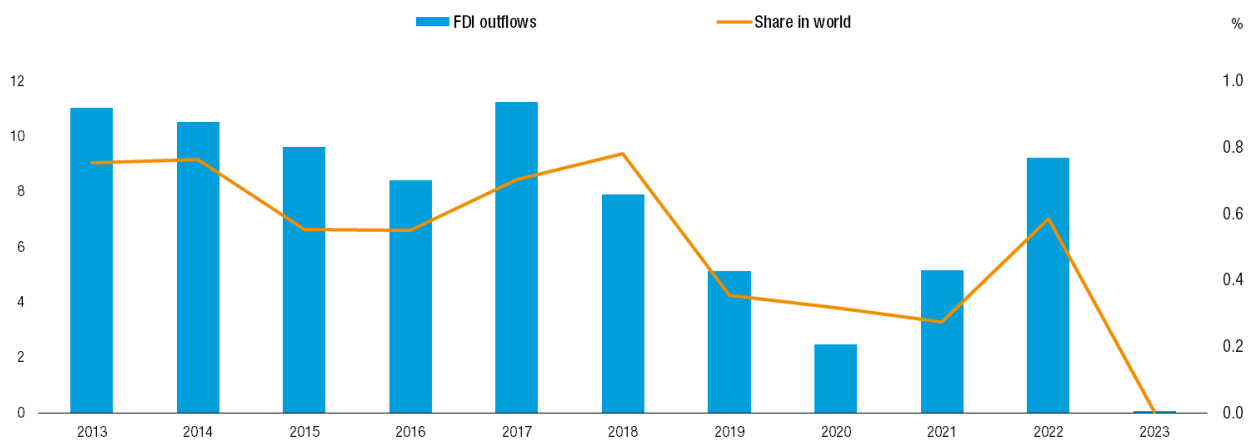

**Figure 1**  
**Africa: FDI inflows and share in world inflows**  
 (Billions of dollars and percentage)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.


**Figure 2**  
**Africa: FDI outflows and share in world outflows**  
 (Billions of dollars and percentage)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.

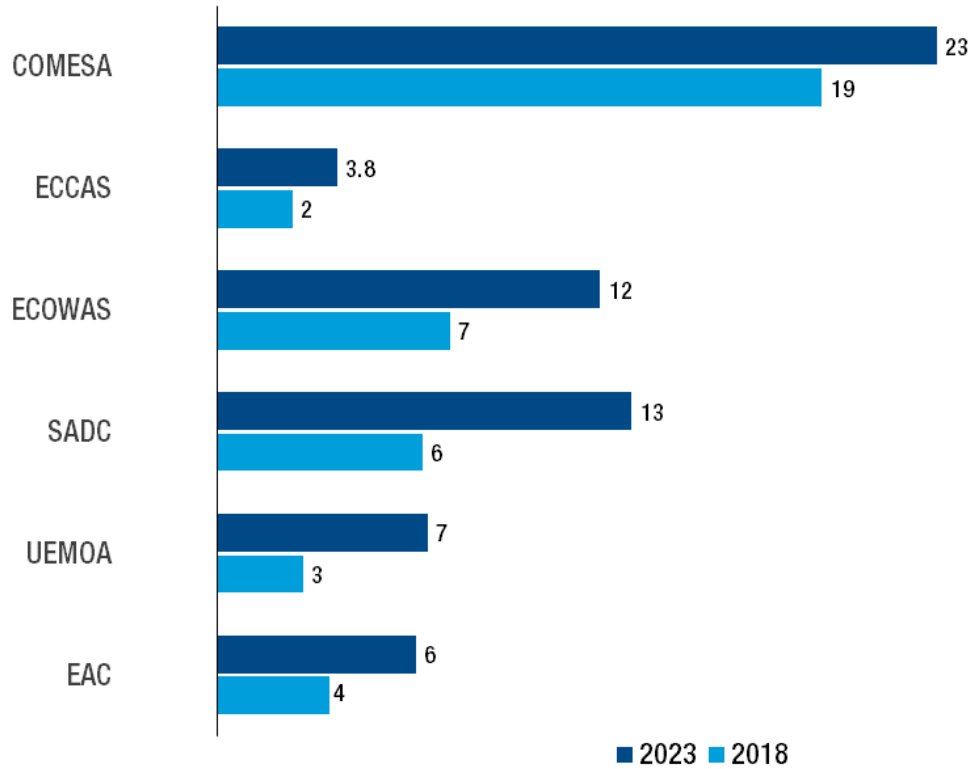




**Figure 3**

**Africa: FDI inflows by regional grouping**

(Billions of dollars)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

Abbreviations: COMESA = Common Market for Eastern and Southern Africa, EAC = East Africa Community, ECCAS = Economic Community of Central African States, ECOWAS = Economic Community of West African States, SADC = Southern African Development Community, UEMOA = West African Economic and Monetary Union.

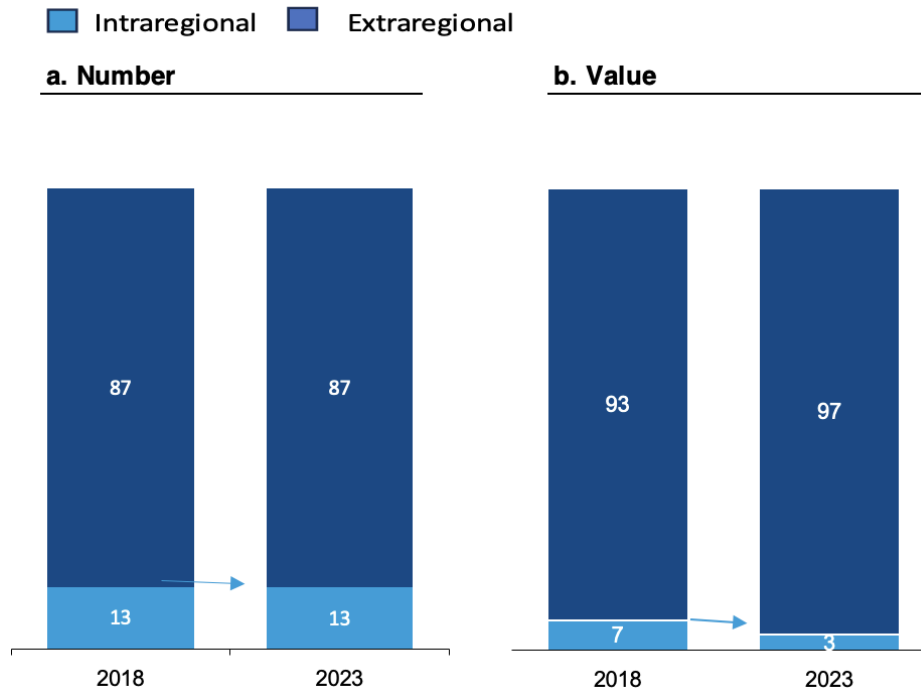




**Figure 4**

**Africa: announced intraregional greenfield investment projects**

(Percentage)



Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)).



**Table 1**
**Africa: FDI inflows and cross-border M&A sales**

Subregion/selected economy	FDI				Net cross-border M&A sales							
	Value (Millions of dollars)			Growth, 2022–2023 (%)	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023		2021	2022	2023	
<b>Africa</b>	<b>82 196</b>	<b>54 465</b>	<b>52 633</b>	<b>-3</b>	<b>-1 493</b>	<b>8 667</b>	<b>8 569</b>	<b>-1</b>	<b>125</b>	<b>122</b>	<b>96</b>	<b>-21</b>
North Africa	9 509	15 323	13 461	-12	10	3 530	1 223	-65	49	57	25	-56
Algeria	870	255	1 216	377	-	-	107	..	2	-	3	..
Egypt	5 122	11 400	9 841	-14	29	3 392	1 114	-67	26	42	11	-74
Morocco	2 266	2 260	1 095	-52	-19	138	1	-99	13	12	9	-25
Tunisia	660	714	768	8	-	0.3	0.7	160	8	2	2	0
Other Africa	72 687	39 142	39 171	0	-1 503	5 137	7 347	43	76	65	71	9
West Africa	13 626	13 065	12 962	-1	-348	273	317	16	14	12	14	17
Ghana	2 613	1 511	1 354	-10	96	-	-	..	1	1	3	200
Nigeria	3 313	895	1 873	109	-713	417	317	-24	2	4	7	75
Senegal	2 588	2 929	2 641	-10	188	-	-	..	1	3	-	..
Central Africa	6 607	7 083	5 875	-17	50	-	67	..	5	3	6	100
Congo, the	532	532	626	18	-	-	-	..	-	-	1	..
Democratic Republic of the Congo	1 870	1 846	1 635	-11	-	-	-	..	-	-	-	..
Gabon	1 529	1 105	1 151	4	50	-	-	..	1	-	1	..
Rwanda	399	496	523	5	-	-	67	..	3	1	6	500
East Africa	10 082	11 543	11 226	-3	609	34	14	-59	24	18	13	-28
Ethiopia	4 260	3 670	3 263	-11	-	-	-	..	-	-	-	..
Kenya	1 406	1 597	1 504	-6	386	33	13	-60	15	10	9	-10
Uganda	1 648	2 953	2 886	-2	37	-	-	..	2	1	1	0
United Republic of Tanzania	1 190	1 265	1 339	6	0.8	-	0.5	..	2	2	1	-50
Southern Africa	42 373	7 450	9 109	22	-1 814	4 829	6 948	44	33	32	38	19
Mozambique	5 102	2 458	2 509	2	-	-	-	..	-1	-1	-	..
Namibia	851	1 072	2 345	119	-	-9	3	..	-	-1	5	..
South Africa	40 215	9 231	5 233	-43	280	4 760	6 946	46	30	30	32	7
<i>Memorandum:</i>												
World	1621 808	1355 749	1331 813	-2	737 452	706 572	378 370	-46	8571	7763	6717	-13
Developed economies	731 843	426 198	464 397	9	624 070	599 315	301 936	-50	7610	6710	5862	-13
Developing economies	889 965	929 551	867 417	-7	113 382	107 257	76 434	-29	961	1053	855	-19

 Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>) and information from Refinitiv.

Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.

Abbreviations: FDI = foreign direct investment, M&amp;As = mergers and acquisitions.

**Table 2**
**Africa: announced greenfield projects and international project finance deals**

Subregion/selected economy	Announced greenfield projects					International project finance deals										
	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number		Growth, 2022–2023 (%)	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)	
	2021	2022	2023		2021	2022		2023	2021	2022		2023	2021	2022		2023
<b>Africa</b>	<b>52 211</b>	<b>195 957</b>	<b>174 745</b>	<b>-11</b>	<b>558</b>	<b>775</b>	<b>830</b>	<b>7</b>	<b>157 356</b>	<b>126 440</b>	<b>63 679</b>	<b>-50</b>	<b>138</b>	<b>178</b>	<b>132</b>	<b>-26</b>
North Africa	19 217	130 972	65 463	-50	144	261	266	2	57 341	56 846	18 710	-67	28	42	39	-7
Algeria	818	240	691	188	10	4	10	150	11 677	311	-	..	3	1	-	..
Egypt	14 190	108 072	41 904	-61	66	163	139	-15	16 011	40 102	15 017	-63	19	24	32	33
Morocco	3 797	15 590	20 362	31	52	71	100	41	29 194	7 579	2 997	-60	4	8	5	-38
Tunisia	298	407	412	1	8	14	13	-7	-	2 606	165	-94	-	4	1	-75
Other Africa	32 994	64 985	109 282	68	414	514	564	10	100 016	69 594	44 969	-35	110	136	93	-32
West Africa	7 613	6 855	56 824	729	127	145	141	-3	60 380	13 901	11 320	-19	38	32	30	-6
Côte d'Ivoire	610	1 072	1 088	1	16	22	16	-27	714	262	2 109	705	3	2	6	200
Ghana	1 320	1 331	2 560	92	29	39	29	-26	1 938	1 523	1 544	1	6	3	4	33
Guinea	8	63	8 600	..	1	5	2	-60	420	-	2 000	..	2	-	1	..
Mauritania	379	55	34 000	..	5	1	1	0	43 500	55	1 193	2070	2	1	4	300
Nigeria	1 759	1 986	8 500	328	44	50	61	22	9 365	3 588	239	-93	8	10	4	-60
Senegal	638	1 487	335	-77	8	14	14	0	829	4 586	1 818	-60	4	3	3	0
Central Africa	2 919	4 879	10 685	119	31	27	42	56	3 757	11 274	1 776	-84	10	14	4	-71
Congo	0	776	2 027	161	-	3	3	0	512	1 277	500	-61	2	1	1	..
Democratic Republic of the Congo	319	3 420	6 400	87	5	6	13	117	1 227	5 819	-	..	2	4	-	..
Gabon	2 085	209	1 196	474	5	2	2	0	1 971	1 811	730	-60	4	4	1	-75
Rwanda	277	371	402	8	10	11	13	18	-	-	10	..	-	-	1	..
East Africa	4 096	16 965	17 615	4	85	123	162	32	3 769	5 915	9 648	63	11	16	22	38
Ethiopia	139	555	3 597	548	7	7	12	71	1 147	540	600	11	5	1	1	0
Kenya	2 182	1 950	7 868	304	43	70	86	23	409	931	2 303	147	1	3	6	100
Uganda	284	10 208	1 501	-85	8	10	19	90	16	477	810	70	1	1	3	200
United Republic of Tanzania	1 143	1 370	1 689	23	16	24	25	4	1 129	2 900	2 654	-8	1	7	7	0
Southern Africa	18 366	36 286	24 158	-33	171	219	219	0	32 110	38 504	22 224	-42	51	74	37	-50
Mozambique	2 544	1 371	3 132	128	8	8	10	25	1 243	397	7 691	1838	5	3	5	67
Namibia	4 598	572	1 207	111	5	10	10	0	11 058	4 119	1 424	-65	4	7	4	-43
South Africa	5 200	26 784	14 325	-47	119	161	150	-7	13 148	22 349	6 375	-71	18	46	16	-65
Zambia	837	1 698	1 360	-20	11	9	18	100	37	2 566	2 377	-7	1	4	3	-25
<i>Memorandum:</i>																
World	829 693	1 309 067	1 380 401	5	15 514	18 061	18 442	2	#####	#####	958 210	-26	2 500	2 858	2 196	-23
Developed economies	536 858	687 018	630 989	-8	10 438	11 112	10 435	-6	674 059	728 289	562 055	-23	1 496	1 720	1 357	-21
Developing economies	292 835	622 048	749 412	20	5 076	6 949	8 007	15	766 000	572 894	396 155	-31	1 004	1 138	839	-26

 Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) and Refinitiv.

Note: Data exclude financial centres in the Caribbean.


**Table 3**
**Africa: announced greenfield projects, by sector and selected industries**

Sector/industry	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023	
<b>Total</b>	<b>52 211</b>	<b>195 957</b>	<b>174 745</b>	<b>-11</b>	<b>558</b>	<b>775</b>	<b>830</b>	<b>7</b>
Primary	4 343	22 195	16 657	-25	17	23	29	26
Manufacturing	10 684	9 985	41 590	317	160	206	278	35
Services	37 184	163 777	116 499	-29	381	546	523	-4
<i>Top 10 industries in value terms</i>								
Electricity and gas supply	22 664	120 656	87 993	-27	40	71	79	11
Extractive industries	4 125	22 160	16 554	-25	12	22	27	23
Chemicals	837	1 649	12 500	658	11	20	28	40
Information and communication	4 623	6 913	9 200	33	115	161	134	-17
Electronics and electrical equipment	465	699	7 588	986	39	37	46	24
Transportation and storage	2 399	7 161	7 547	5	63	78	61	-22
Construction	3 768	23 522	6 369	-73	7	7	10	43
Coke and refined petroleum	2 693	-	6 191	..	2	-	7	..
Non-metallic mineral products	2 525	1 868	5 268	182	12	13	14	8
Automotive	1 357	1 749	3 335	91	19	24	51	113

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fDimarkets.com).


**Table 4**
**Africa: announced international project finance deals, selected industries**

Sector/industry	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023	
<b>Total</b>	<b>157 356</b>	<b>126 440</b>	<b>63 679</b>	<b>-50</b>	<b>138</b>	<b>178</b>	<b>132</b>	<b>-26</b>
<i>Top 10 industries by number</i>								
Renewable energy	40 183	42 989	16 158	-62	47	82	53	-35
Industrial real estate	4 945	15 211	3 218	-79	9	15	13	-13
Mining	6 173	4 685	8 028	71	17	15	13	-13
Oil and gas	13 252	12 839	13 857	8	14	11	13	18
Residential/commercial real estate	5 858	1 066	2 307	116	13	2	8	300
Petrochemicals	16 070	4 639	4 725	2	3	7	8	14
Telecommunication	3 242	2 172	3 642	68	6	6	8	33
Power	54 524	28 600	7 200	-75	11	16	7	-56
Water and sewerage	256	4 831	2 892	-40	3	7	5	-29
Agriculture	7 543	1 869	1 118	-40	3	4	2	-50

Source: UNCTAD, based on information from Refinitiv.





**Table 5**
**Africa: net cross-border M&As sales, by sector and selected industries**

Sector/industry	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023	
<b>Total</b>	<b>-1 493</b>	<b>8 667</b>	<b>8 569</b>	<b>-1</b>	<b>125</b>	<b>122</b>	<b>96</b>	<b>-21</b>
Primary	-2 543	0.2	107	..	12	-3	8	..
Manufacturing	536	3 010	3 307	10	18	31	23	-26
Services	513	5 656	5 155	-9	95	94	65	-31
<i>Top 10 industries in value terms</i>								
Health services	-	-4	4 433	..	2	3	1	-67
Food, beverages and tobacco	-23	455	3 208	605	6	8	4	-50
Information and communication	166	2 323	439	-81	18	17	16	-6
Finance and insurance	778	1 540	308	-80	31	24	24	0
Trade	-1 453	-	179	..	8	12	10	-17
Extractive industries	-2 490	0.2	107	..	11	-3	6	..
Machinery and equipment	5	-18	51	..	2	-1	4	..
Pharmaceuticals	-	130	35	-73	2	4	6	50
Non-metallic mineral products	-	1000	11	-99	-	5	2	-60
Transportation and storage	50	1375	8	-99	6	7	2	-71

Source: UNCTAD, based on information from Refinitiv.

**Table 6**
**Africa: investment project announcements in sectors relevant to the Sustainable**

(Millions of dollars, number and percentage)

Goals-relevant sector	Announced greenfield projects				International project finance deals			
	2021	2022	2023	Growth, 2022–2023 (%)	2021	2022	2023	Growth, 2022–2023 (%)
<b>Total</b>								
<b>Value</b>	<b>30 934</b>	<b>133 625</b>	<b>104 194</b>	<b>-22</b>	<b>111 058</b>	<b>87 571</b>	<b>31 544</b>	<b>-64</b>
<b>Number of projects</b>	<b>212</b>	<b>295</b>	<b>239</b>	<b>-19</b>	<b>82</b>	<b>127</b>	<b>77</b>	<b>-39</b>
Power <sup>a</sup>								
Value	2 672	1 717	766	-55	54 524	28 600	7 200	-75
Number of projects	3	2	4	100	11	16	7	-56
Renewable energy								
Value	19 994	118 938	87 252	-27	40 183	42 989	16 158	-62
Number of projects	38	69	76	10	47	82	53	-35
Transport services <sup>b</sup>								
Value	1 906	3 661	7 382	102	4 718	6 304	532	-92
Number of projects	60	77	60	-22	9	8	2	-75
Telecommunication								
Value	3 662	5 417	7 349	36	3 242	2 172	3 642	68
Number of projects	45	60	34	-43	6	6	8	33
Water, sanitation and hygiene (WASH)								
Value	903	202	7	-97	256	4 831	2 892	-40
Number of projects	3	5	2	-60	3	7	5	-29
Agrifood systems								
Value	1 177	2 438	906	-63	7 543	1 869	1 118	-40
Number of projects	36	48	42	-13	3	4	2	-50
Health								
Value	350	936	345	-63	200	-	-	..
Number of projects	12	17	12	-29	1	-	-	..
Education								
Value	271	316	188	-41	392	805	-	..
Number of projects	15	17	9	-47	2	4	-	..

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fdimarkets.com) and Refinitiv.

<sup>a</sup> Excluding renewable energy.

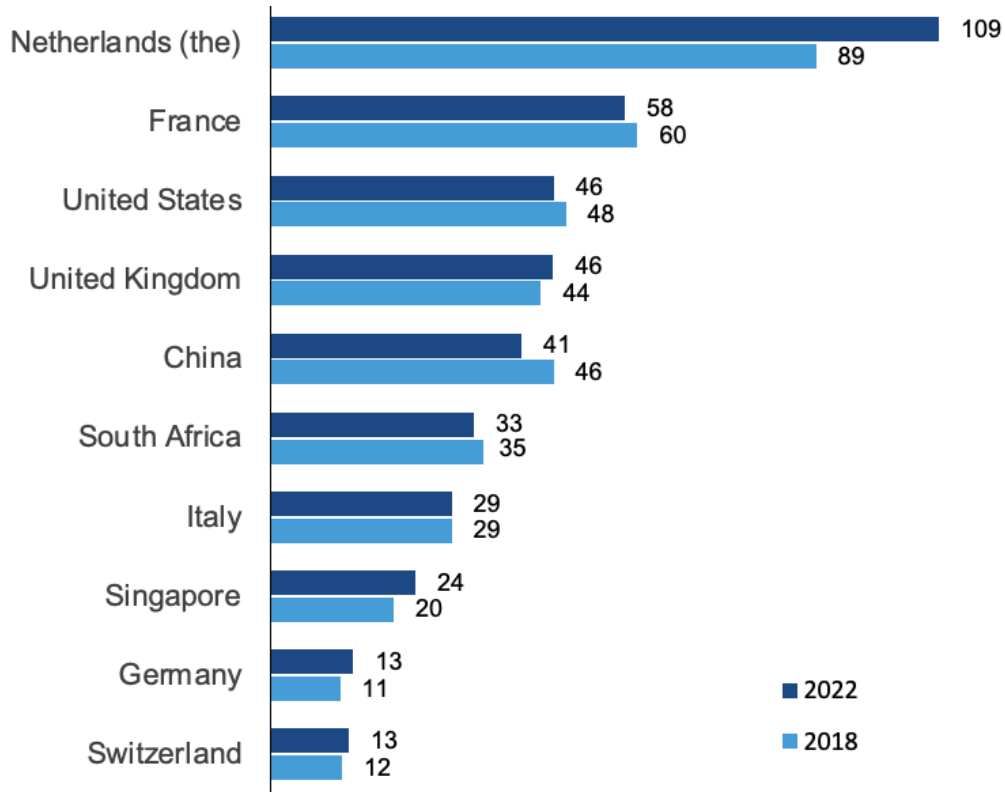
<sup>b</sup> Transport services for greenfield projects and transport infrastructure for project finance.



**Figure 5**

**Africa: Top 10 investor economies by FDI stock**

(Billions of dollars)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

