

AFRICA AT A GLANCE

**ECONOMIC SNAPSHOT OF
SELECTED AFRICAN
COUNTRIES**

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**AFRICA
AT A 
GLANCE**



OUTLINE

CENTRAL AFRICA

DR CONGO

WEST AFRICA

NIGERIA

GHANA

SENEGAL



AFRICA AT A GLANCE

- ⦿ Africa is still the world's second-fastest growing economic region
 - Average real GDP is projected to grow 4.1 percent a year in 2018 and 2019
 - It is also urbanizing faster than any other region, which will boost productivity as people move from agriculture to manufacturing or service jobs.
- ⦿ About half of the world's fastest-growing economies will still be located on the continent
 - With over 20 economies expanding at an average rate of 5 percent or higher over the next five years, faster than the 3.7 percent rate for the global economy
 - Africa's large companies are growing faster and are generally more profitable than their global peers
 - Africa is expected to have a larger workforce than either China or India by 2035
 - Sub-Saharan economies are growing even faster than the continent as a whole; in 2013, their average GDP growth was 5.2 percent, and forecasters expect average annual GDP growth of 6.2 percent to 2019



CENTRAL AFRICA

DR CONGO

DR CONGO



CAPITAL
▶ **KINSHASHA**



MOBILE PHONE PENETRATION
▶ **39%**



POPULATION
▶ **83.3 Million (2017)**

POPULATION GROWTH RATE
▶ **3.3% (2017)**



EXCHANGE RATE
▶ **1602.5/\$ (2017)**



INFLATION RATE
▶ **50% (2017)**



EASE OF DOING BUSINESS
▶ **184 of 190 (2018)**



OFFICIAL LANGUAGE
▶ **FRENCH**

OTHER LANGUAGE(S)
▶ **Lingala, Kingwana, Kikongo, Tshiluba**



GDP (PPP)
▶ **\$67.99 Billion (2017)**

GDP GROWTH
▶ **2.8% (2017)**



OFFICIAL CURRENCY
▶ **Congolese Francs CDF**

DR CONGO SNAPSHOT

- ⦿ The Democratic Republic of Congo, just like a typical African economy is driven by natural resources with the mining sector and oil extraction contributing significantly to the GDP.
- ⦿ Currently, the DRC is the second largest producer of industrial diamond and supplies 63 percent of the world's cobalt. It is reported that the world will be relying on DRC's cobalt to power electric cars and this holds rising prospects as many mining companies are beginning to invest so much in the country.
- ⦿ The high rate of dollarization has severe impact on the banking system as about 90% of credits & 85% of banks' deposits are in dollars and that has led to the designing of ATMs to issue out dollars.
- ⦿ Amidst the obvious economic challenges, there seems to be a positive outlook for the country:
 - There has been growth in sectors like telecom sector which offers banks leverage. Although poor compared to developing countries like Nigeria, SA, Ghana, internet penetration rate has been increasing at 4.2%
 - The government has committed to foster sound economic governance and attract foreign direct investment (FDI) and also drive for diversification into target sectors; including agriculture, telecommunication and energy
 - The presence of sizeable & growing market is creating a bigtime opportunity for retail banking while the large informal market provides opportunity for financing of Small and Medium Enterprises (SMEs)
- Banking penetration compared to some years back has been rising steadily and now stands at 6%. There has also been increase in the number of bank branches (Increased from 265 in 2013 to over 400 in 2016. Mobile money has also taken root in the market.
- Economic recovery is projected to continue into 2018 and 2019 with rising commodity prices and increased activity in the extractive industry as new mining projects start
- Government plans to continue its effort to improve electricity grid at a national level in 2018, through the implementation of the 2017-2019 action plan by Societe Nationale d'Electricite du Congo (SNE)

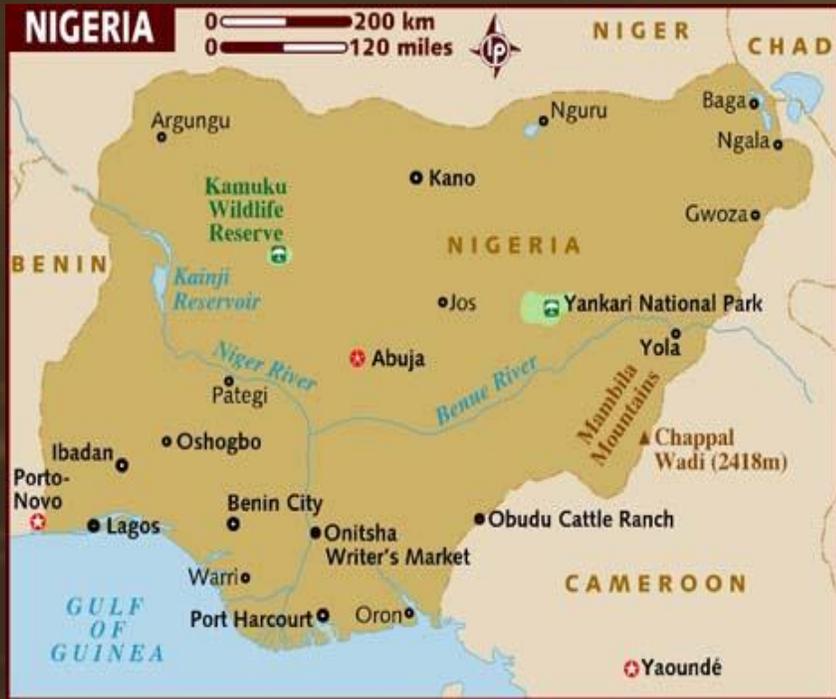
WEST AFRICA

NIGERIA

GHANA

SENEGAL

NIGERIA



CAPITAL
▶ **ABUJA**



MOBILE PHONE PENETRATION
▶ **82%**



POPULATION
▶ **190 Million (2017)**



EXCHANGE RATE
▶ **323.5/\$ (2017)**

POPULATION GROWTH RATE
▶ **2.43% (2017)**



INFLATION RATE
▶ **16.3% (2017)**



EASE OF DOING BUSINESS
▶ **145 of 190 (2018)**

GDP (PPP)
▶ **\$1.118 trillion (2017)**



OFFICIAL CURRENCY
▶ **NAIRA NGR**

GDP GROWTH
▶ **0.8% (2017)**



OFFICIAL LANGUAGE
▶ **ENGLISH**

OTHER LANGUAGE(S)
▶ **IGBO, HAUSA, YORUBA**



NIGERIA SNAPSHOT

- ⦿ The government of Nigeria in its economic diversification strategy has proposed a record national budget of \$27.3bn, with a third of it devoted to investments.
- ⦿ In early 2017, Nigerian billionaire, Aliko Dangote announced projects to invest a total of \$4.6bn in dairy, rice and sugar projects.
- ⦿ Investments in the upstream and downstream sectors are ongoing;
 - French supermajor Total's Engina field is due to come on-stream in 2018, adding 200,000bpd to the company's production.
- The Dangote 650,000bpd oil refinery is also projected to commence operation by the end of 2019.
- ⦿ In the government's quest to address pricing problems in the power sector and increase grid capacity, the Chinese Export-Import bank recently signed a deal to finance 85% of the \$5.8bn megaproject in Taraba state: Mambilla hydroelectric power plant with the capacity to produce 3,050MW, more than half of the country's current electricity production.

GHANA



CAPITAL
▶ ACCRA



MOBILE PHONE PENETRATION
▶ 139%



POPULATION
▶ 28.3 Million (2017)



EXCHANGE RATE
▶ 4.385/\$ (2017)



POPULATION GROWTH RATE
▶ 2.17% (2017)



EASE OF DOING BUSINESS
▶ 120 of 190 (2018)

INFLATION RATE
▶ 12.1% (2017)



GDP (PPP)
▶ \$130.2 Billion (2017)



OFFICIAL CURRENCY
▶ Cedi GHC

GDP GROWTH
▶ 5.8% (2017)



OFFICIAL LANGUAGE
▶ ENGLISH

OTHER LANGUAGE(S)
▶ Ewe, Asante, Fante

GHANA SNAPSHOT

- ⦿ Richly endowed with natural resources, Ghana is seen as one of the more stable countries in West Africa ever since it changed over to multi-party democracy in 1992.
- ⦿ The Government of Ghana has committed to creating a conducive environment for business and amongst others has proposed to abolish a number of taxes and levies which are intended to create a business-friendly environment to enhance production
- ⦿ 2018 budget will target agriculture and industrialization projects that are part of the ‘One District, One Factory’ plan
 - Nearly 200 factories are ready to be launched, all of which will be privately owned
- ⦿ The government and China recently agreed on a \$15bn facility
 - \$2bn will go towards the ‘One District, One Factory’ project
 - China Export-Import Bank has in principle agreed to provide \$1bn for infrastructure projects and \$10bn for development of the bauxite and aluminium industry
- ⦿ The government also plans to use \$2bn of the controversial \$3bn China Development Bank loan for infrastructure projects in the oil and gas sectors
- ⦿ Oil and gas sector remains the country’s biggest hope for an economic growth spurt
 - The Tullow’s TEN project is aiming to reach full capacity of 80,000bpd up from 50,000bpd in 2017
- Production at the Jubilee Field remain around 100,000bpd
- The Sankofa gas field will come online in February, 2018 and reach 300m cubic feet of gas per day in national production
- Government recently signed an agreement with Russia’s Gazprom for the supply of liquefied natural gas and targets to add 3,000MW capacity to national grid by 2020
- ⦿ Towards its ambitious target of reaching food self-sufficiency by 2020, the agriculture ministry is seeking to get improved seeds to 300,000 small-scale farmers by end 2018

SENEGAL



CAPITAL
▶ Dakar



MOBILE PHONE PENETRATION
▶ 117%



POPULATION
▶ 16.0 Million (2017)



EXCHANGE RATE
▶ 617.4/\$ (2017)

POPULATION GROWTH RATE
▶ 2.4% (2017)



INFLATION RATE
▶ 12.1% (2017)



EASE OF DOING BUSINESS
▶ 140 of 190 (2018)



OFFICIAL LANGUAGE
▶ FRENCH

Wolof, Pular, Jola,
Mandinka, Serer, Sonike



GDP (PPP)
▶ \$43.07 Billion (2017)



OFFICIAL CURRENCY
▶ CFA Franc

GDP GROWTH
▶ 6.8% (2017)

SENEGAL SNAPSHOT

- ⦿ Senegal is the second fastest growing economy in West Africa and the fourth in Africa as a whole.
- ⦿ The overall outlook for the Senegalese economy is positive with recent oil & gas discoveries which will help alleviate some of the energy shortages and spur FDI inflows, diversified economy, both in terms of export products and partners and much more.
- ⦿ The next few years of growth will depend on the agriculture sector and infrastructure investments that are part of the government's *Plan Senegal Emergent*
 - Targets include modernizing agriculture, improving roads and meeting demand for electricity
 - The government's new department of industry is focusing on creating agric-business opportunities.
- ⦿ Dakar's plan is for the country to be self-sufficient in rice production, requiring a total harvest of 1.7m tonnes of paddy rice.
- ⦿ The government has reformed the state-owned electricity utility, and the country is due to have seven new solar power plants by 2018.
- ⦿ The 125MW coal-fired plant at Sendou is due to launch operations in 2018.
- ⦿ The government launched the Comite d'Orientation Strategique du Petrole et du Gaz in 2017 to craft a national vision for oil and gas activity.
- ⦿ The Institut National du Petrole et du Gaz was set up to train workers for the new jobs to be created in oil and gas.
- ⦿ A consortium led by Cairn is due to make a final investment decision by 2019 about three blocks (estimated to contain 2.7bn barrels of oil).
- ⦿ By end of 2018, nearly 20,000 housing units out of a planned 40,000 in the city of Diamniadio are due to be completed.
- ⦿ A textile plant projected to employ up to 5,000 people in Diamniadio is due to be operational this 2018.
- ⦿ Technology infrastructure in Senegal is relatively advanced and serves as regional hub for telemarketing services and Fintech start-ups.

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REFERENCES

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ABOUT NEXTZON

Nextzon Business Services Limited is an emerging market management consulting and enterprise development company, inspired by a collective mission of building and transforming business enterprises for phenomenal success in the markets they operate in.

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