

# AFRICA INVESTMENT NOTES



**From Resource Frontier to Global Player: Africa's 2025 Recalibration**

- From Hydro to Hydrogen: Africa's Energy Shift
- Oil and Extraction: Old Wealth, New Maneuvers
- Digital Futures: AI, Innovation, and the Youths
- Shifting Trade Winds: Global Partners, New Corridors. And more...



## THE THIRD QUARTER

Botswana is tightening control over domestic resources amid shifting global demand, using extractive industries to spur industrialization and diversification at home rather than simply exporting raw materials.

Africa in 2025 navigates a delicate balance between opportunity and constraint on climate and sustainability. The continent is advancing ambitious energy and infrastructure projects—from massive hydro and solar developments to cross-border transmission lines, nuclear power, and hydrogen—reflecting efforts to close the 600-million-person energy access gap and position Africa as central to the global energy transition.

Extractives remain deeply intertwined with Africa's economic fortunes. Oil-producing states are recalibrating strategies to secure Asian market share, while countries like Gabon reframe the continent's role from vulnerable victim to proactive climate leader. Legal victories such as the ICJ ruling on climate accountability and COP30 negotiations give African leaders fresh leverage to demand ambitious finance and fairer partnerships. However, the financing gap remains daunting, with annual shortfalls exceeding \$200 billion. Private and blended capital, coupled with bold policy, will be key to unlocking resilience and growth.

Women and youth are emerging as critical voices shaping Africa's future—from agricultural innovations to inclusive energy leadership. Meanwhile, global events from TICAD to COP30 offer platforms to deepen strategic ties and showcase Africa's potential as both growth frontier and climate leader. 2025 is a year of urgency and possibility. Africa is reframing its global role as innovator, partner, and leader in energy, climate, and sustainable growth. The real test lies in execution: translating vision into tangible outcomes that transform livelihoods and secure long-term prosperity.



## From Hydro to Hydrogen: Africa's Energy Shift

- Zambia is also advancing its power agenda. ZESCO has launched a \$300 million joint venture with Anzana Electric Group to deliver first-time grid connections to nearly two million people along the Lobito Corridor by 2030. Backed by US private investors and the UK's Gridworks, the deal blends commercial and concessional capital to expand both generation and distribution, including run-of-river hydropower. A pilot in North-Western Province will begin in 2026 with \$50 million for 40,000 new connections and 8 MW of new capacity. The project highlights the Lobito Corridor's dual role as a mineral export artery and a regional development hub, linking energy access to industrial growth.
- In Namibia, abundant solar and wind resources are anchoring Africa's potential to produce up to 60 million tonnes of green hydrogen annually by 2050, worth an estimated \$120 billion. With Europe and Asia signaling strong demand, the opportunity is vast, but success requires \$100 billion in annual investment and greater policy clarity. The bigger question is whether Africa will simply export raw hydrogen or channel it into domestic industries to create jobs and higher-value exports.



- Angola is advancing regional integration with Hydro-Link, a \$1.5 billion transmission project backed by Symbion Power and Mitrelli Group. The 1,150km line will carry up to 1.2 GW of hydro power to the DRC's Copperbelt by 2029, supporting mines, boosting electricity access, and creating jobs. Hydro-Link is seeking US financing, which remains under review, but the project could cut reliance on diesel and imports, enhance mining efficiency, and strengthen US strategic access to Congolese minerals under a recent rights and peace agreement with Rwanda.
- In distributed energy, British company MOPO has secured backing from Octopus Energy to expand its pay-per-use solar battery model across Africa. Operating in Sierra Leone, Nigeria, DR Congo, and Liberia, MOPO offers solar-charged rentals to households and small businesses, providing a flexible alternative to mini-grids and solar home systems. Octopus has also launched a \$250 million Power Africa Fund to accelerate renewable investment and scale electricity access across the continent.
- *Meanwhile, solar imports are surging across the continent. In the year to June 2025, Chinese panel imports jumped 60% to 15 GW, led by South Africa with 3.8 GW and Nigeria with 1.7 GW. Algeria saw a 33-fold increase, while 20 countries set new records. Much of the capacity remains uninstalled, but the potential impact is transformative. In Sierra Leone, new imports could generate the equivalent of 61% of 2023's entire power output, while in Nigeria, panels can pay back their cost in just six months, underscoring Solar's growing role in Africa's energy transition.*
- *Energy poverty remains a barrier to Africa's agricultural transformation, limiting irrigation, storage, and processing. Diesel generators remain costly and polluting, while solar provides a cleaner and more practical alternative. Nigerian firm Nimsy Agro Solar is deploying affordable lease-to-own systems for farmers, enabling local value addition. Yet policy fragmentation and low awareness slow uptake, and providers still struggle to scale mini-grids without larger anchor customers. Projects such as CrossBoundary Access's \$20 million mini-grid in Madagascar are showing how solar can be tied directly to agribusiness, highlighting the potential to unlock growth if adoption accelerates.*



- Hydropower remains central to Africa's energy future, but large dams carry heavy social and environmental costs. Run-of-the-river projects are emerging as a cleaner alternative, diverting flow without massive reservoirs. Uganda's Achwa I and the planned Ruzizi III illustrate their potential, drawing investor attention as less disruptive and more complementary to solar. With 7 GW already online and 11 GW in development—still just a fraction of Africa's vast untapped hydro potential—this model is gaining traction as a scalable way to expand electricity access.
- *On the financing side, the World Bank has lifted its ban on nuclear energy, opening the door for countries such as Ghana, Kenya, Morocco, and Egypt to pursue projects. The IFC will now allow nuclear investments, with US advocacy playing a role—particularly in advancing small modular reactors. NuScale has already signed a preliminary deal in Ghana, positioning nuclear as part of Africa's long-term energy mix. Restrictions on upstream natural gas remain, but the policy shift signals a broader openness to diversifying Africa's power options.*
- *Japan, long energy-poor yet highly industrialized, is increasingly turning to Africa to secure supply. Its main stake lies in Mozambique's LNG project, though security issues have delayed production until around 2030. Japanese financing is also supporting renewable projects in South Africa and turbines for Kenya's geothermal sector. Green hydrogen and ammonia are seen as longer-term plays, but Africa's high capital costs continue to slow progress. With TICAD as a platform, Tokyo's willingness to commit to long-term partnerships in Africa's energy landscape will be closely watched.*



## Oil and Extraction: Old Wealth, New Maneuvers

- In Gabon, state-owned Gabon Oil Company acquired Assala Energy—responsible for up to a quarter of the country's output—for \$1.3 billion in 2023. Assala maintains high operational standards and is preparing to bring its N'Gongui field onstream next year with 15,000 barrels per day, alongside exploration of three onshore blocks supported by a new drilling unit. While Gunvor has extended \$800 million in financing without equity participation, state backing enhances Assala's position in licensing negotiations. Oil continues to anchor Gabon's economy, accounting for one-third of GDP, 40 percent of government revenue, and more than two-thirds of exports, even as the state looks to diversify.
- In Botswana, the diamond sector faces mounting pressures. Output is set to fall by 16 percent in 2025 as global demand weakens and lab-grown stones gain traction. Diamonds account for 80 percent of exports, and Debswana—responsible for 90 percent of sales—saw its revenues nearly halve last year. Production at its flagship Jwaneng and Orapa mines has been temporarily suspended, while the government encourages local polishing and cutting to retain more value. Even so, Botswana's long-term stability will depend on accelerating diversification beyond diamonds.

- Nigeria has revoked 1,263 dormant mining licenses, targeting operators who failed to pay annual service fees, as part of efforts to sanitize the sector and curb speculative hoarding of mineral rights. The cancelled titles – spanning exploration, quarrying, and small-scale mining – will be struck from the electronic cadastre, while defaulters face recovery actions from the EFCC. Authorities stressed that paying the annual fee is the minimum proof of commitment to active operations. The clean-up, which followed a June 2025 gazette notice, saw 694 operators regularize their status, while the remainder lost their rights. By clearing out inactive players, the government aims to attract credible SMEs and serious investors, boost transparency, and unlock fresh opportunities to put Nigeria's mineral resources to more productive use.





## Digital Futures: AI, Innovation, and the Youths

- Global leaders gathered in Dakar to spotlight youth at the center of Africa's food system transformation. With 280 million already facing hunger and the population expected to reach 2.5 billion by 2050, the urgency is clear. AI and youth-led innovation are already reshaping agriculture, from digital fertilizer vouchers in Ghana to AI-powered advisory tools supporting 87,000 farmers in Nigeria. Yet the real multiplier remains government leadership—investing in digital infrastructure, embedding AI in national strategies, and enabling youth enterprises. With bold policy and innovation, Africa's food future can be secured.
- *Agriculture still accounts for a third of Africa's GDP, but yields remain less than half the global average due to low fertilizer use and soil degradation. OCP Nutri crops is tackling this with customized fertilizer blends, digital mapping, and AI-driven tools that both improve yields and preserve soil health. Having already mapped 54 million hectares and created more than 100 tailored formulas, the company plans to raise production capacity to 23 million tonnes by 2028, fully powered by renewable energy.*

- Morocco is placing artificial intelligence at the core of its “Digital Morocco 2030” strategy, positioning itself as a continental leader in digital transformation. Newly appointed minister Amal El Fallah Seghrouchini is driving reforms to expand eGovernment, digitize millions of records, and bridge literacy gaps. Beyond administration, Morocco is building at least three new data centers—including a \$16.6 billion Tangier project—and striking partnerships with Oracle, Nvidia, and the EU. By courting diaspora talent and exploring e-residency, the government is casting Morocco as Africa’s AI hub, blending political stability with rising investment momentum.
- *Canal+ has completed its R35 billion (\$2 billion) buyout of South Africa’s MultiChoice, owner of DSTV and GOTV. The merger creates a pay-TV giant with over 40 million subscribers in nearly 70 countries, 63% of them in Africa. Approved by South Africa’s Competition Tribunal, the deal includes R26 billion in commitments to support local content, sports, and Black-owned enterprises. MultiChoice will spin off its local unit into a majority Black-owned entity, while Canal+ gains a stronger foothold in Africa’s pay-TV market and global entertainment.*



## Shifting Trade Winds: Global Partners, New Corridors

- UK engagement with Africa continues to lag, with trade volumes slipping to just 2% as Chinese and Indian investment expands. Tanzania, one of Africa's fastest-growing economies, is pushing industrialization with major infrastructure, SEZs, and a resilient shilling, offering UK investors an opening to re-engage before the gap widens further.
- *Meanwhile, the UK's formal recognition of Morocco's sovereignty over Western Sahara opens new commercial channels, including a £33bn pipeline of infrastructure contracts tied to the 2030 FIFA World Cup. New MoUs in ports, water, and energy align with Morocco's strategy to develop Dakhla as a logistics hub, underscoring the country's stability and role as a strategic gateway into Africa.*
- *The Asian Infrastructure Investment Bank is scaling up in Africa with a planned \$1.5 billion commitment to Mission 300, an initiative aimed at connecting 300 million people to electricity by 2030. While the bank has already invested \$2.5 billion on the continent, just 5 percent of its portfolio currently lies outside Asia, despite authorization for up to 15 percent. With 19 African members and more lining up, AIIB is positioning Africa as central to its mandate of strengthening Asia-Africa ties.*



- *Tolaram's Lagos Free Zone anchors operations for Kellogg's and Colgate, while Pacific International Lines now carries nearly a third of Asia-Africa exports through 40 ports. CrimsonLogic is driving trade digitalization from Rwanda, and Valency International is investing in agro-processing.*
- *With trade reaching \$12.4bn in 2023 and more than 100 Singaporean companies active across 20 markets, Singapore sees Africa as its next growth engine. Finance is emerging as a bridge, with Afreximbank linking with Singaporean institutions to expand capital access, while African firms like Sasol and TymeBank use Singapore as their Asian base. The relationship, still young, is maturing into a two-way corridor of investment, infrastructure, and financial flows.*



## Climate Frontlines: Finance, Health, and Justice

- Climate and health are converging as core investment themes ahead of the Africa Climate Summit in Addis Ababa. Shifting weather patterns are fueling the spread of malaria and other vector-borne diseases, with fragile health systems overwhelmed and children most affected. Despite accounting for 94% of global malaria cases and 95% of deaths, most African governments remain below the Abuja Declaration's 15% health budget target. The summit offers a rare chance to translate momentum into commitments that protect lives while safeguarding economic resilience.
- *Africa is also reframing its climate narrative from victimhood to leadership. At Africa Climate Week in Addis Ababa, leaders launched the second phase of the Africa Adaptation Acceleration Program, already mobilising \$25 billion across 40 countries. Kenya's President William Ruto called for private-sector engagement at scale, while AUDA-NEPAD pledged delivery to the continent's 600 million most vulnerable. The Global Center on Adaptation's new Nairobi hub cements Africa's position at the heart of global resilience efforts. The challenge remains a \$2.8 trillion financing gap by 2030, but Africa is shifting from aid dependency to investment-led adaptation.*

- *As climate negotiations advance, COP30 in Belém will test Africa's push for meaningful action. The \$300 billion pledge at COP29 fell far short of the \$1.2 trillion in annual needs, but Brazil's presidency offers scope for Global South solidarity and stronger Africa-Latin America cooperation. African negotiators are pressing for grant-based finance to fund low-carbon development without adding to debt.*
- Africa's energy deficit remains severe, with more than 600 million people lacking access, disproportionately affecting women and children. On Pan-African Women's Day, an all-female panel underscored the importance of women as leaders, entrepreneurs, and policymakers in the energy transition—not just beneficiaries. They called for a balance between development and decarbonization, with natural gas and renewables driving expansion, especially in rural areas. Initiatives such as TotalEnergies' STEM for Girls and Afreximbank's Showcase Her accelerator are opening pathways for women-led SMEs, while leadership programs increase representation.

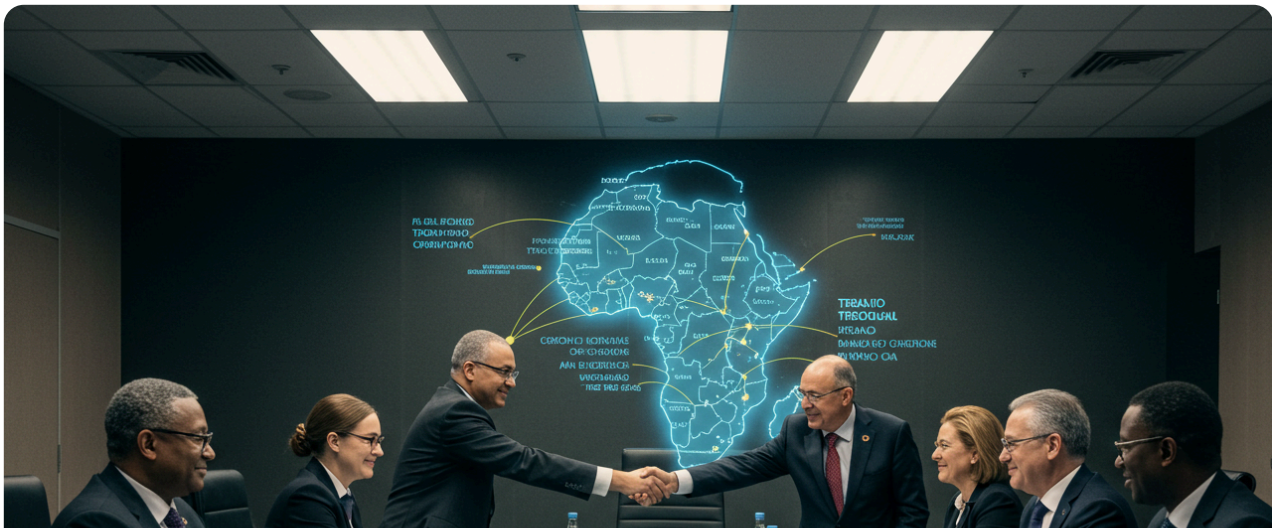




## Debt, Finance, and Development Pressures

- At the policy level, calls for global tax reform intensified at the UN Finance for Development conference after the G7 retreated from a global minimum tax framework. Joseph Stiglitz called it a reversal of 14 years of progress, while Aminata Touré warned that Africa loses \$50bn annually in illicit flows, forcing governments into expensive borrowing. A growing coalition is pushing for an UN-led tax convention, arguing that fairer taxation of multinationals is central to unlocking fiscal space and tackling inequality.
- Uganda offers a reminder of the challenges in the power sector. Electricity distributor Umeme is taking the government to arbitration over \$292 million in unrecovered investments after its 20-year concession expired. Distribution is now being handled by the state-owned UEDCL in a bid to cut costs and extend access. Umeme had improved service and reduced losses, but tariffs remained high and rural coverage was limited. UEDCL will serve as operator until around 2028, when a longer-term strategy is expected.

- The scale of the challenge remains stark: millions still lack reliable electricity, while Africa receives just 3 percent of global climate finance, leaving a \$200 billion annual gap for energy and climate goals. Country platforms are emerging as a way to align public and private capital, develop pipelines of bankable projects, and give African governments greater ownership of the transition. Initiatives like Mission 300 and the Global Energy Alliance for People and Planet are already enabling access for hundreds of millions, underscoring Africa's ability to shape its own path to sustainable energy and resilience.



## Global Diplomacy and Investment Corridors

- South Africa intensified its courtship of Japanese investment during TICAD 9 in Yokohama, with President Cyril Ramaphosa pitching the country as a gateway to Africa's 1.3bn consumers. Opportunities highlighted included infrastructure, industrialization, and renewable energy, with \$25bn needed for transmission expansion. Japan already counts 270 firms employing 250,000 people in South Africa, and executives expressed optimism about scaling ties under AfCFTA. Implementation will be key to converting goodwill into tangible investment.
- Zambia signed a \$19bn MoU with Qatar's Al Mansour Holdings—equivalent to more than 70% of its GDP—spanning mining, housing, energy, and finance. While the scale suggests transformative potential, the non-binding nature of such deals raises questions about execution. Delivery, not pledges, will determine whether this agreement diversifies Zambia's economy or joins a list of unfulfilled mega-projects.
- *In Japan, the Yokohama Chamber of Commerce and Industry (YCCI) is mobilizing its 12,000 members across sectors from logistics to life sciences ahead of TICAD 9, reinforcing Yokohama's role as a hub for sustainability and innovation. Established in 1880, YCCI continues to act as a key advocate for SMEs while positioning local firms to engage more deeply with Africa through trade and green growth initiatives.*





## Spotlight on the Horizon: Africa's Key Events

- Climate Chance Africa 2025 Summit will be held in Cotonou, Benin, on October 27-28. The two-day event will focus on renewable energies, adaptation, and biodiversity under the theme “Renewable Energies, Adaptation, Biodiversity: Which Development Strategies?” It provides networking, workshops, and strategy sessions for local and regional climate actors.
- *The 15th Africa PPP Infrastructure Finance, Investment, and Partnership Summit is set for October 28-31 in Windhoek, Namibia. This summit will bring together private and public sector stakeholders to accelerate investment in energy access, transport, water, sanitation, digital, and industrial infrastructure under PPP (public-private partnership) models.*
- *The Africa Renewables Investment Summit (ARIS) 2025 is scheduled for November 4-5 in Cape Town. The summit aims to connect investors with bankable clean energy projects, facilitate the policy conversations needed, and bridge the capital-project gap that has held back renewable investment across the continent.*



- The Africa Investment Forum 2025 Market Days will take place in Rabat, Morocco, from November 26-28. Organized by AfDB, Afreximbank, Africa50, and partners, the event will gather governments, financiers, and project sponsors to push infrastructure, energy, agribusiness, and digital projects toward financial close.

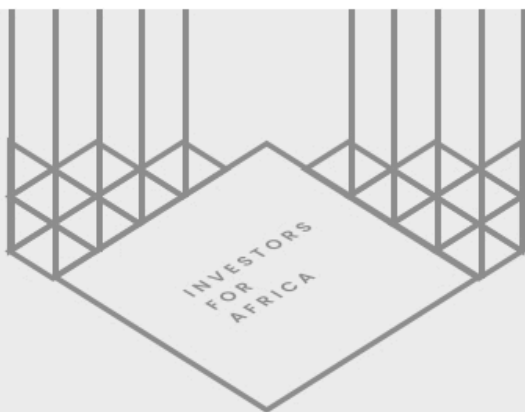


## ABOUT PEDESTAL AFRICA

Pedestal Africa Limited (Pedestalafrica.com) is a specialized investment promotion firm that works with global investment networks to design, promote, and deliver large-scale investment programs in Africa.

Founded by senior technocrats with over 75 years combined executive-level pedigree in international corporations such as ExxonMobil, British Gas, Petrobras, and more, our focus is on energy and infrastructure development, particularly in Sub-Saharan Africa. We have expertise in energy, infrastructure projects, international law, investment financing, project design, policy development, business strategy, corporate law, and commercial negotiation.

Our role is typically to assist government or private parties in defining priorities, converting policy to investment-ready programs, and taking them to capital markets. Thereafter, we draw linkages with the best available expertise in policy-to-project design, investment targeting, and capital raising networks across the globe. We anchor our work with a deep understanding of the priorities of the developing economies, such as Nigeria.




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