

# FOCUS AFRICA



27 October  
2021

35°Nord is a link between Africa and the world, and a bridge to understanding communications codes, decoding interpretation methods and acting as opinion multipliers. Our weekly Africa Newsletter is designed to give you at-a-glance information on trends in African current affairs, and to shed light on noteworthy initiatives that have caught our attention. Each edition features a Covid-19 Africa dashboard.



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# 01. From the Top



## Statement of the week



### Terry He

President,  
Huawei Northern Africa

*"Africa is now the largest free trade area in the world. According to the African Development Bank, it represents a market of 1.2 billion people with an estimated growth rate of 3.4% for 2021, and half of its population will be under 25 years old in 2050.*

*Africa has all the cards in hand to be the engine of the 21st century, especially since the pandemic has been a real accelerator of digitalisation. The dynamism and resilience of its economic fabric are also one of its great strengths that we wish to encourage and boost."*



## Figure of the week

**\$23 bn**

**Foreign direct investment (FDI) flows to Africa increased by 16% to reach \$23 billion in the first half of 2021. Sub-Saharan Africa's share is estimated at \$18 billion, and North Africa accounts for \$5 billion of inflows.**



## Photo of the week



**The steel sector and engineering strike which had started at the beginning of October in South Africa came to an end. The National Union of Metalworkers of South Africa has accepted a wage offer of 6%. The agreement will benefit all workers in the metals and engineering sectors. The sector has an important role to play in the national economic recovery program.**



## Tweet of the week



## 02. Expert Insight: Mikir Shah

**A little more than a year ago, Africa Specialist Risks was launched. What is your assessment of the first year?**

Africa Specialty Risks launched in August 2020 with the goal to provide capacity to the underserved African insurance market and providing corporates and investors with the confidence to grow their business across the Continent. The group is backed by Helios Investment Partners, the largest Africa focused private investment firm. The first 12 months were marked by multiple achievements;

- Our team grew from 8 to 33 employees;
- We launched 8 business lines, including most recently Parametric, etc;
- We have written business in 26 African countries, and expect to expand in time;
- We achieved a capacity of up to \$35Mn across Lloyds and global reinsurance markets;
- We have licensed reinsurers in Bermuda and Mauritius, alongside our MGA

We are ambitious and excited about what the future holds for us, and will be announcing new developments over the coming months.

**ASR has announced to focus its activity on 8 lines of business. Among these specific areas of intervention, which are the main ones on which ASR has been active?**

Each individual business line at ASR forms an integral part of our comprehensive service offering. Our business model is centered on a 'one stop shop' approach where we provide our customers with a full suite of traditional and specialist insurable covers, thus giving them

the confidence to operate and expand their businesses and supporting overall African economic activity.

**ASR places great importance on local capacity building. What are you doing in this respect?**

We have identified a capacity gap on the continent for Corporate and Specialty (re)insurance business and we aim to work closely with local insurance and reinsurance companies. We see this as an opportunity, in collaboration with our clients, to enhance the insurance penetration across Africa. Our aim is to provide additional African-domiciled capacity to the continent, giving them the confidence to grow their businesses sustainably.

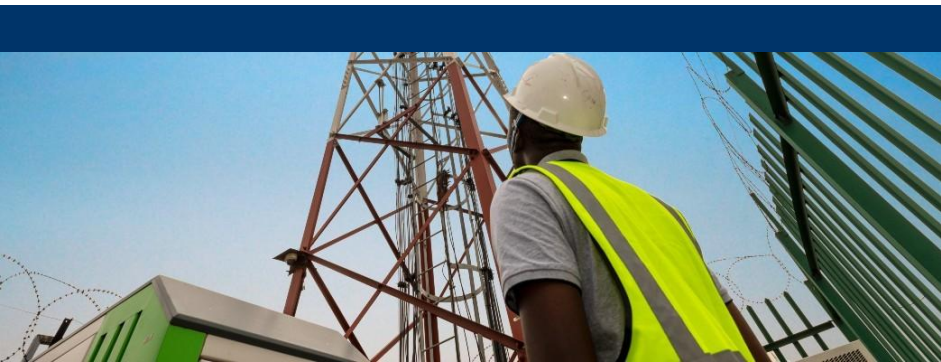
We partner with local reinsurance entities to deliver training sessions for industry professionals, and most recently held a seminar on Trade Credit in partnership with Continental Re with over 200 attendees and a two day Political Violence & Terrorism training session in French in partnership with Ghana Re which saw 300 participants attend from West Africa.



**Mikir Shah**

*CEO  
Africa Specialty Risks*

## 03. Focus on IHS Towers initial public offering (IPO) on the New York Stock Exchange



*“This is a watershed moment for African market capitalisation in the US and could set a precedent for other stock launches. The IPO is a strong validation not just for IHS Towers and its outstanding model but of the enormous opportunity in the telecommunications infrastructure across Africa and other emerging markets.”*

Carolyn Campbell, Co-Founder and COO of Emerging Capital Partners, an investor in IHS

IHS operates more than 30,000 towers in Nigeria, Cameroon, Côte d’Ivoire, Zambia and Rwanda, as well as in other markets in South America and the Middle East. The company was valued at almost **\$7 billion**, the **largest IPO ever for an African company on the New York Stock Exchange**.

IHS Towers will issue **18 million shares at \$21 per share** and will then give investors one month to purchase an additional **2.7 million shares**. Overall, the deal could raise about **\$435 million**.

The South African operator MTN holds 29% of the capital of IHS, whose other shareholders include Goldman Sachs and the French investment company Wendel.

The IPO should also allow IHS to **raise capital to finance other tower acquisitions**. Last year, the company landed in Kuwait by buying 1,600 towers from local operator Zain and another 2,300 towers in Latin America. The operator is also diversifying by buying fiber networks.

This transaction reflects the **growing interest** of the markets in these infrastructure companies.

# 04. Map : Covid-19 pandemic in Africa

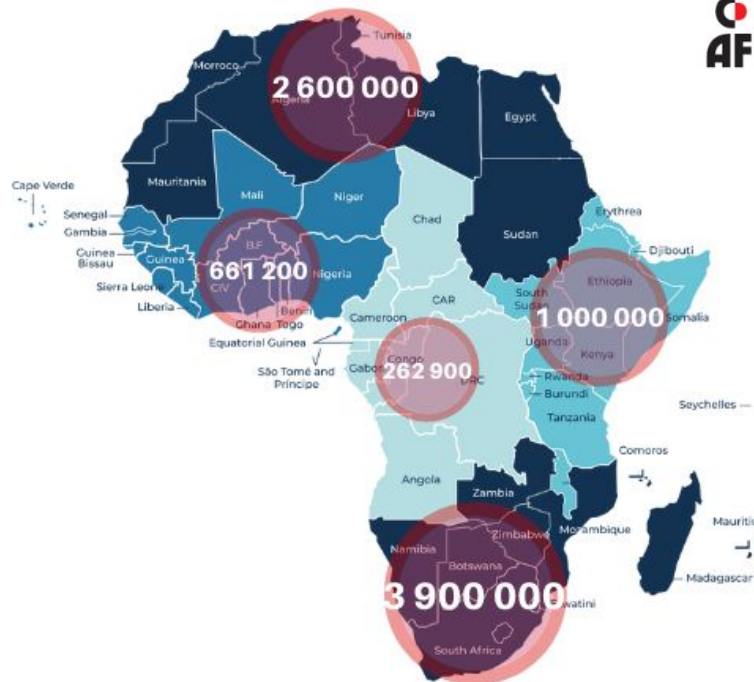


## The 10 most affected countries

	Number of cases detected
South Africa	2 919 778
Morocco	944 803
Tunisia	712 013
Ethiopia	363 240
Libya	363 240
Egypt	326 379
Kenya	252 839
Nigeria	211 330
Zambia	209 648
Algeria	205 990

## The ten most vaccinated countries

	Vaccinated population
Seychelles	81,5%
Mauritius	69,3%
Morocco	62,2%
Cape Verde	50,9%
Tunisia	45,3%
Sao Tomé and Príncipe	34%
Comoros	24%
Rwanda	23,5%
Botswana	22,1%
South Africa	21,5%



**8 476 312**

Number of confirmed cases on the continent

**217 483**

Number of deaths in Africa since 14 February 2020

# 05.

## Google will invest in Africa to enable faster internet speeds and lower connectivity costs

Google announced it would **invest \$1b over the next five years** to increase African Internet access and support start-ups. The investment will include the landing of the Equiano cable which will enable faster internet speeds and lower connectivity costs. The cable will run from Portugal through Nigerian, Namibia, South Africa and St. Helena.

Nitin Gajra, Managing Director for Africa, said that the Equiano cable would help reduce data cost in Africa. Furthermore, Gajra estimates that 300 million people will have access to internet in SSA in the next five years.



"We have become the first country in Africa and one of the first in the world to introduce a digital currency to our citizens," said Nigeria President Muhammadu Buhari as he launched the eNaira, a digital currency, on October 24



### Covid-19 updates

- 1. The Namibian government announced the ban of the russian Sputnik 5 vaccine on its territory**, following health concerns, days after a similar decision by the South African Health Products Regulatory Authority (SAHPRA).
- 2. The Guinean authorities announced on the 21st the complete lifting of the nationwide curfew** in response to a reduction in the number of cases detected. However, testing for COVID-19 remains mandatory.

## South Africa will move on rates if inflation persists

South Africa's key interest rate stands at a record low of 3.5%. This year, the monetary policy committee has consistently indicated that the next move will be up. Annual inflation rate rose to 5.0% in September from 4.9% in August, above the midpoint of the central bank's target range of 3% to 6%.

## Senegal will reach double-digit GDP growth by 2023, says IMF

The IMF forecasts a growth rate of 10.8 for Senegal in 2023, making the country the most dynamic economy in terms of growth.



### Meeting of the week

SIM Senegal, organized by AMETrade  
02 -04 November 2021

Theme : "Promotion and development of Local Content, a lever for the optimization socio-economic benefits in the extractive sector"

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