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By:

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Transforming African Economies through Pan-Africanization

According to *AfricaNews*, the AU advocates a pan-Africanization of the economic system in order to strengthen intra-African trade. Africa's success in world markets depends on intensified regional integration. However, a disturbing observation is that intra-African trade only represents 17% of exchanges against 73% with European countries and 52% with Asian countries. In sub-Saharan Africa, women produce up to 70% of food for consumption and sale. However, agriculture remains a low value-added activity. To facilitate trade, the AfCFTA Secretary General and Rwanda recently signed an agreement for Kigali to headquarter the $10 billion adjustment fund for the free trade zone.

Zimbabwe's tobacco output on the rise

The size of the tobacco crop increased despite increased fertilizer prices caused by the war in Ukraine. Zimbabwe expects to harvest 254,000 tons of the golden leaf this season, up from 234,000 tons last year. Zimbabwe, Africa's largest tobacco producer, wants to make its tobacco industry more lucrative by manufacturing more cigarettes at home and limiting foreign funding of farmers.

China has been integral to Zimbabwe’s tobacco boom by establishing a grower contract system. Under the system, the China National Tobacco Corporation loans seeds, fertilizers, food, and money for labor and wood to farmers who now make up the majority of Zimbabwe's tobacco producers. The farmers, in turn, are obligated to sell their crops to the Chinese firm or its agents.

Australian firm to set up factory in Kenya

John Mutua from *The Business Daily* shares that Australian firm, Fortescue Metals will this year start constructing a 300 Megawatts green ammonia plant that will also produce fertilizer, boosting Kenya’s shift to clean energy and cutting fertilizer imports. The plant will upon completion boost Kenya’s growing production of clean energy to provide increased load during peak demand besides helping reduce Kenya’s fertilizer import bill and lower the cost of farming.

Egyptian venture fund raises $95 million for Africa tech deals

Elizabeth Kivuva from *The Business Daily* writes that Egypt-based venture capital firm Flat6Labs has announced a new $95 million fund to invest in early-stage tech start-ups in Kenya and other African countries. The Africa Seed Fund (ASF), which has been focused on the Middle East and North Africa (MENA) region, said it will be extending its reach into several new territories, including Nigeria, Ghana, Kenya, Morocco, and Senegal. The fund will invest in more than 160 early-stage new ventures over the next five years that operate in the technology sector in Africa, with a focus on accelerating digital inclusion using information technology.

Africa facing Chinese and Russian influence

By multiplying the heavy infrastructure projects in Africa, China, and Russia aim to establish their influence in the countries of the continent, *AfricaNews* reports. China is multiplying projects through new rail lines and civil infrastructure in cooperation with African states. In Kenya, one of the projects carried out by China is the railway line linking the city of Mombasa to the Rift Valley. China is Kenya's second-largest donor, after the World Bank. Additionally, the main country exporting arms to Africa is Russia. They are strengthening their presence on the continent thanks to mining projects granted to the private

paramilitary group Wagner. Experts warn Africa of the risks when dealing with these countries and over-committing to external loans.

Events- 03.16.2023

"**UK-Kenya Investment Forum**." Invest Africa. *London, United Kingdom.* 22 March 2023.

"**IA Connect at South Africa Investment Conference**." Invest Africa. J*ohannesburg, South Africa*. 12 April 2023.

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