



# Stories That Matter | December 2021

## Africa

### Africa's Aviation Sector Recovery Prospects Looking Up

The aviation industry outlook is giving better prospects of recovery for African airlines compared with those in the Middle East and Europe. An analysis by the African Airlines Association (AFRAA) shows African carriers are on a recovery trajectory, having reopened 81.3% of their international routes. Sub-regional growth, however, is varied. The analysis further reveals that African airlines have been growing regional fleet since 2020, allowing a deeper market penetration. Cargo capacity has also grown by 33% since 2019, while cargo load factors improved by 9% from pre-pandemic levels. – Source: The EastAfrican

## Africa

### Turkey keeps US, China on Toes for Lucrative Arms Market in Africa

Geopolitics, imports of military hardware, security and Covid recovery topped the agenda in the most recent Turkey-Africa Partnership Summit held in Istanbul. The value of Turkey's arms sales to Africa in 2021 rose by 700% to USD 328 million, from USD 41 million in 2020, according to data from Turkey's General Assembly of Exporters.

Turkey and African countries agreed on a joint action plan for partnership in peace, security, infrastructure and trade. African leaders and Ankara adopted a joint declaration that committed them to "further strengthen and deepen the co-operation in the interest of the states and peoples." Kenya, Uganda, Ethiopia, Nigeria, Tanzania, Rwanda and Somalia are some of the Eastern African countries that have defence pacts with Ankara, offering a market for rifles, tankers and drones. – Source: The EastAfrican

## East – Southern Africa

### Promoting Energy Access and Trading in Eastern, Southern Africa

The African Minigrid Association (AMDA) and the Common Market for Eastern and Southern Africa (COMESA) have signed a Memorandum of Understanding (MoU) to promote sustainable energy access and mini-grid development across Eastern and Southern Africa.

Through the MoU, AMDA and COMESA agree to enhance the quality of data collection and dissemination about the minigrid sector in the region; support the availability of financial instruments that increase the sustainability to the sector; and support programmes that build synergies with the agriculture, health and education industries. This will be supported by AMDA's overarching commitment to work with COMESA states across the regions, to develop and implement policies and

regulations which support mini-grids as a tool to help Africa achieve Sustainable Development Goal 7 of universal access to affordable and clean energy by 2030. – Source: ESI Africa

#### East – Southern Africa

COMESA Leaders Focus on Up-Scaling Investments in Health  
The Common Market for Eastern and Southern Africa (COMESA) heads of state have urged member states to scale up investment in research and innovation in the health sector and to prioritise all programmes that would enhance socio-economic recovery and generate more resilient societies that are ready to respond to disasters that may come. In their communique issued at the end of their 21st COMESA Summit, the leaders noted the devastating socio-economic and cultural effects of the COVID-19 pandemic across various sectors of the economy and the low vaccine production and access in the region.

The focus on the impact of the COVID-19 pandemic and way forward is in line with the theme of the COMESA Summit: Building Resilience Through Strategic Digital Economic Integration, which advocates for the application of information and communications technology solutions in driving regional integration. – Source: COMESA

#### East Africa – United Kingdom

EAC Registers Trade Surplus With UK Despite COVID-19  
Despite the devastating impact of the COVID-19 pandemic last year, the East African Community (EAC) bloc recorded a rare trade surplus with the United Kingdom (UK). While the EAC imported goods worth USD 503.5 million in 2020, it exported goods valued at USD 523.9 million to the UK, one of Europe's largest economies. Exports from the six-nation EAC bloc increased by 14% last year from USD 458 million in 2019, according to the East African Business Council (EABC). This was revealed during a recent visit to the apex body of private sector associations' offices by the UK Prime Minister's Trade Envoy to Tanzania Mr John Lord Walney who pledged to steer dialogue between the UK businesses and the EABC "for mutual trade and investment businesses" – Source: The Citizen

#### Kenya – South Africa

Kenya Airways, South African Airways Sign Strategic Partnership Framework

Kenya's national carrier, Kenya Airways, signed a Strategic Partnership Framework with South African Airways, a key milestone towards co-starting a pan African Airline Group by 2023. The partnership framework follows the Memorandum of Cooperation that the two airlines signed to foster the exchange of knowledge, expertise, innovation, digital technologies, and best practice between the airlines.

The signing of the Strategic Partnership Framework will see both airlines work together to increase passenger traffic, cargo opportunities, and general trade by taking advantage of strengths in South Africa, Kenya and Africa. The partnership

framework aligns well with the aspirations of the Africa Continental Free Trade Area (AfCFTA) Agreement of providing a single market for goods and services, facilitated by movement of persons and goods to deepen the economic integration and prosperity of the African continent. – Source: Africa Business Communities

Report

Deal Drivers: EMEA Q3 2021

Mergermarket presents the Q3 editions of Deal Drivers Americas, EMEA and APAC, in association with Datasite.

These reports provide an in-depth review of 2021 M&A activity across these regions, as well as an outlook for 2022.

EMEA deal activity has seen strong year-on-year growth over the first nine months of 2021. Deal value for the year to end-Q3 2021 came in at EUR 980 billion, a 100% increase from the same period last year and, with a quarter of 2021 still to go, already far ahead of 2020's full-year sum of EUR 799 billion.

Deal volume has also climbed, increasing 49% for the year so far to 7,545 transaction announcements. – Source

Mergermarket, in association with Datasite

To find out which sub-regions and sectors enjoyed strong growth rates through 2021 – as well as GDP and trend predictions for 2022, [click here](#) to download the Deal Drivers report.