



Stories that Matter | June 2023

Africa

Africa's Energy Investment Landscape Dominated by Renewable Projects

Renewable energy projects dominate Africa's energy sector in number, with a total of 153 projects between 2020 and 2023. Overall, ongoing infrastructure projects totalling USD 353 billion in investments spanning 165 projects have been committed to. But weak legislative frameworks and the perception of a lack of projects are hampering more investment in Africa. Hendrik Malan, Africa CEO – Frost & Sullivan, South Africa, said no investor will be interested without longer-term power agreements. He was speaking on the closing day of Enlit Africa 2023, focusing on the topic, Tracking Project Development in Africa. "Africa is truly the last growth frontier and is of great interest to many companies we deal with. But they are concerned about value versus risk." Despite the two main concerns, Malan said, "clearly, we have enough projects." It is more a case of a "lack of fit" in terms of a potential investor's risk and profit profile. "There are also certain parameters they have set up that create a mismatch." Despite these challenges, Malan said that Africa is well placed to service the European markets due to the decarbonisation drive there. Source: ESI Africa