



Stories that Matter | March 2023

Africa

Two African Banks Stake USD 16 Billion in Oil, Gas Projects

About USD 16 billion is being invested in oil and gas projects across Africa by the African Export-Import Bank (Afreximbank) and the African Finance Corporation (AFC). This was recently disclosed at the Cape Town, South Africa African Refiners and Distribution Association (ARDA) conference. This is coming as stakeholders at the conference urged Africans to keep funds within the continent to finance the over USD 190 billion yearly energy investment needed. Of the banks' investment, USD 15 billion of the funds is invested by Afreximbank. AFC has already invested over USD 800 million, with an additional over USD 200 million expected to be finalised. Global Head, Client Relations at Afreximbank, Rene Awembeng, said the company's oil and gas portfolio exceeds USD 15 billion with a healthy pipeline across the continent. Speaking on the sideline of the conference, he noted that the continent must focus on shared infrastructure and be ready to finance itself; otherwise, projected development may remain elusive. Awembeng stated that the continent is in a critical situation where demand for energy continues to rise on the backdrop of a surging population. With the continent relying mainly on the importation of petroleum products at a time when foreign exchange demand is hovering at USD 100 billion yearly and required energy investment annually stands at USD 190 billion, Awembeng said large infrastructure development, including refineries that would meet demand on the continent, must be prioritised and supported.

Source: The Guardian