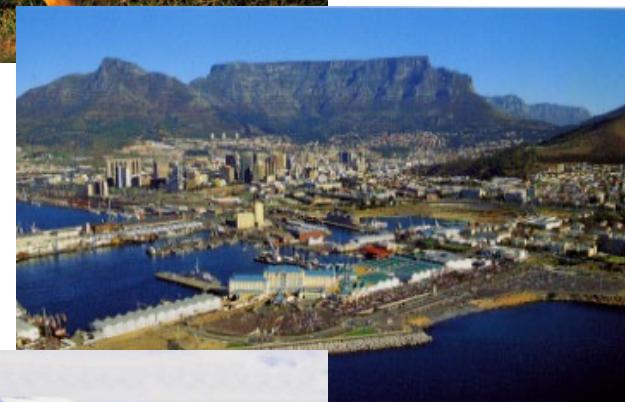




International Strategic Analysis
Understanding Tomorrow's World, Today

ISA Region Report Sub-Saharan Africa

September 2025



International Strategic Analysis
Understanding Tomorrow's World, Today

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Current Events and Recent Changes Overview

Sub-Saharan Africa: Recent Political Events and Changes

Key Political Events and Changes:

- Officials from the Democratic Republic of Congo and Rwanda met in Ethiopia to discuss the implementation of the peace deal that the two countries signed in June 2025 to bring peace to eastern Congo. Little progress was made in terms of implementing the peace deal and there were reports of continued fighting in areas of eastern Congo.
- An Islamist insurgency in northern Mozambique reignited, with the militants launching a new offensive in that region. Nearly 60,000 people were driven from their homes due to this insurgency.
- In Mali, large numbers of soldiers were arrested after that country's military junta accused them of attempting a coup. At the same time, there were reports that Islamist militants had seized more territory in northern parts of Mali.
- The United Nations Security Council discussed the volatile political situation in South Sudan, where fears of a new civil war remain in place. Fighting erupted in the Upper Nile state of South Sudan earlier this year, and that part of the country remains tense.
- Large-scale protests took place in Angola, where several people died in protests over rising fuel prices in that country.
- Protests took place across Cote d'Ivoire against the decision by President Alassane Ouattara to seek a fourth term in office. The 83-year-old president had vowed to step down after three terms in office, even as the constitutional limit is just two terms in office. Several leading opposition figures were recently barred from competing in Cote d'Ivoire's upcoming presidential election in October 2025.



Sub-Saharan Africa: Recent Economic Events and Changes

Key Economic Events and Changes:

- The economy of Nigeria expanded by 3.1% on a year-on-year basis in the first quarter of this year, in line with our forecasts. Most of this growth was driven by the country's service sector, while Nigeria's industrial sector also expanded at a faster pace. Overall economic growth in Nigeria slowed in the second quarter due to a slowdown in growth for the country's oil and gas sector, as oil prices declined.
- Nigerian President Bola Tinubu set an annual economic growth target of 7% by the year 2027 as his government aims to lift millions of Nigerians out of poverty. However, President Tinubu's economic reforms in recent years have failed to significantly raise economic growth rates in Nigeria. Most economists forecast the Nigerian economy to grow by between 3% and 4% in the coming years.

- Most Sub-Saharan African economies have underperformed in recent years and a big reason for this has been the region's lack of competitiveness. This has deterred foreign investors from making major commitments to the region, apart from the commodities sector. On one hand, the region's demographic outlook will boost its competitiveness, but energy shortages and regional instability will be a major setback.
- A recalculation of Nigeria's gross domestic product (GDP) has increased the size of Nigeria's economy by 30%. This recalculation means that the size of Nigeria's GDP is now \$243 billion, up from \$188 billion under the previous calculation. Nigeria remains the second-largest economy in Africa after South Africa, whose GDP currently stands at \$410 billion.



Sub-Saharan Africa: Other Recent Events and Changes

Other Key Events and Changes:

- The Ethiopian government announced that construction in the massive Grand Ethiopian Renaissance Dam (GERD) on the Blue Nile River was complete. This is the largest hydroelectric dam in Africa and will supply electricity for many areas of Ethiopia, a country where 60% of the population lacks electricity. This dam has angered Egypt and Sudan as they fear that it will disrupt the flow of the Nile River, which is both countries' main supply of water.
- As many as 140 migrants from Ethiopia and other countries in East Africa died when their boat capsized off the southern coast of Yemen. The boat capsized in the Gulf of Aden along a popular route for migrants from East Africa attempting to reach the Arabian Peninsula. Despite the civil war in Yemen, it remains the main landing point for migrants from Africa in the Middle East.
- The African Union (AU) launched a campaign for a new standard global map that shows the true size of Africa.

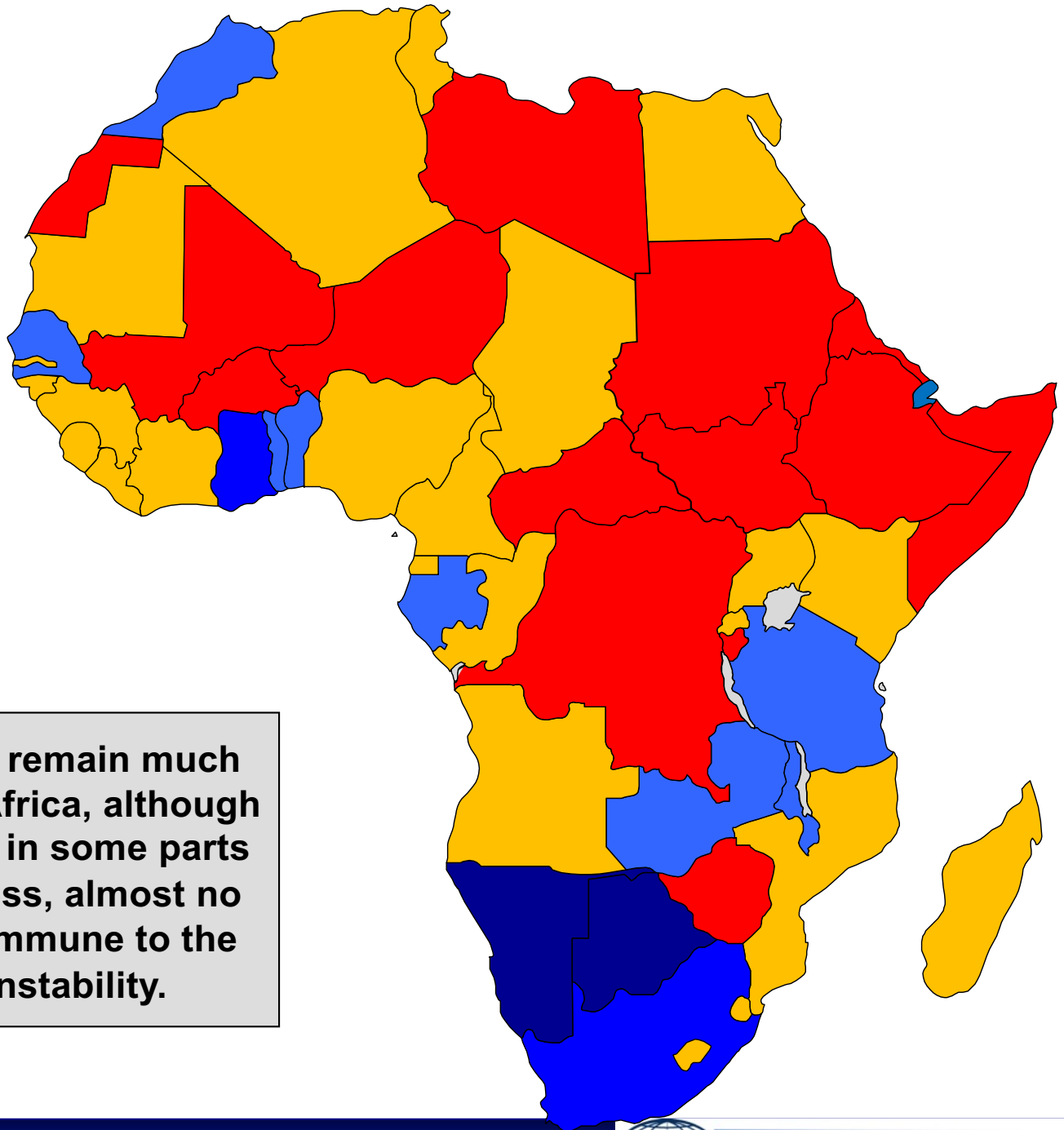


Regional Political Outlook

Africa: Political Stability Map

Dark Blue = Very stable
Blue = Largely stable
Light Blue = Slightly stable
Orange = Largely unstable
Red = Completely unstable

Political instability levels remain much too high across much of Africa, although stability levels have risen in some parts of the region. Nevertheless, almost no country in the region is immune to the threat of significant instability.



Gabon: Most Recent Elections

Presidential and Parliamentary Elections – April 2025

Summary of the Last Elections:

Gabon held its latest presidential election in April 2025, the first election since the 2023 military coup that ended the Bongo family's 56-year rule in Gabon.

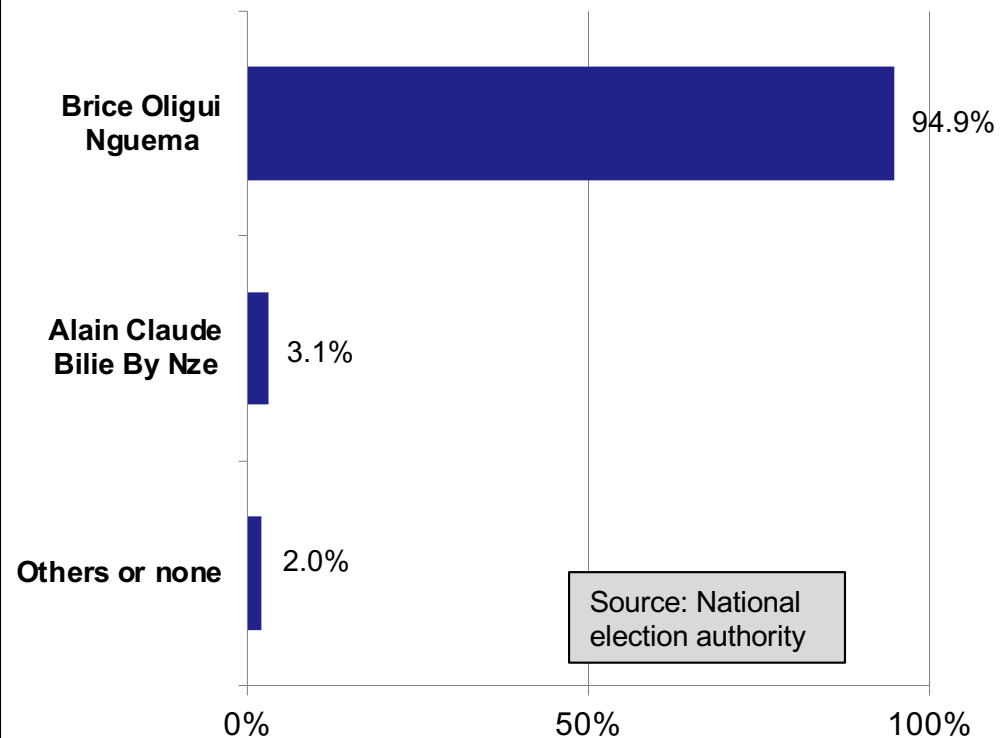
- Transitional president Brice Oligui Nguema, who led the coup, secured a decisive victory with 94.9% of the vote, according to official results.
- His closest rival, former Prime Minister Alain Claude Bilie By Nze, received just 3.1%.
- Voter turnout in this election was 70.69%, the highest since 1993.

The election followed constitutional reforms that were approved in a November 2024 referendum.

- These reforms introduced a seven-year presidential term (renewable once), abolished the prime minister's role, and tightened eligibility criteria.
- President Oligui, having resigned from the military, ran as an independent under the "Rally of Builders" platform, which later transitioned into a political party.

Results:

Percentage of the Popular Vote



Ghana: Most Recent Elections

Presidential and Parliamentary Elections – December 2024

Summary of the Last Elections:

Former President John Mahama won a comprehensive victory in December 2024's presidential election in Ghana.

- Mr. Mahama won 56.6% of the vote, easily defeating Mahamadu Bawumia, who managed to win just 41.6% of the vote.
- This was one of the widest margins of victory in a presidential election in Ghana in recent decades.

In December 2024's parliamentary elections, Mr. Mahama's National Democratic Congress (NDC) also won a sweeping victory.

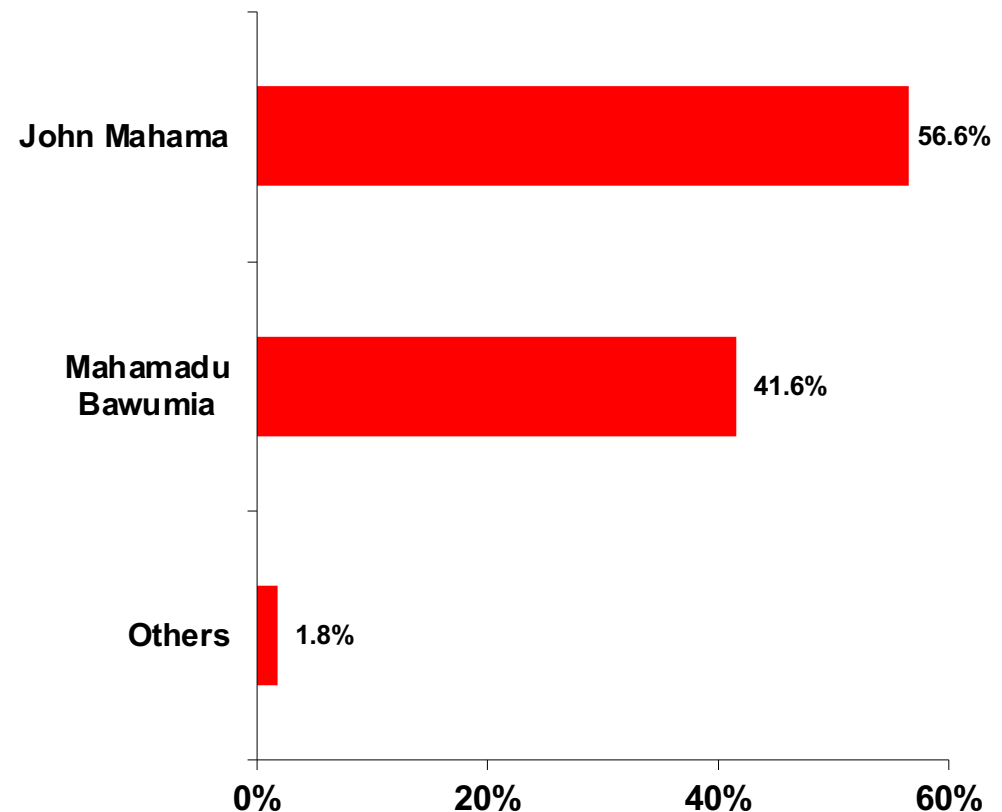
- The NDC won 182 of the 274 seats in the parliament in these elections.
- In contrast, Mr. Bawumia's New Patriotic Party (NPP) won just 88 seats in the parliament.

2024's elections were dominated by economic concerns.

- Ghana's economy was still in the recovery stage from a severe financial crisis that had caused severe damage to the economy in the years prior to these elections.

Results:

Share of the Popular Vote



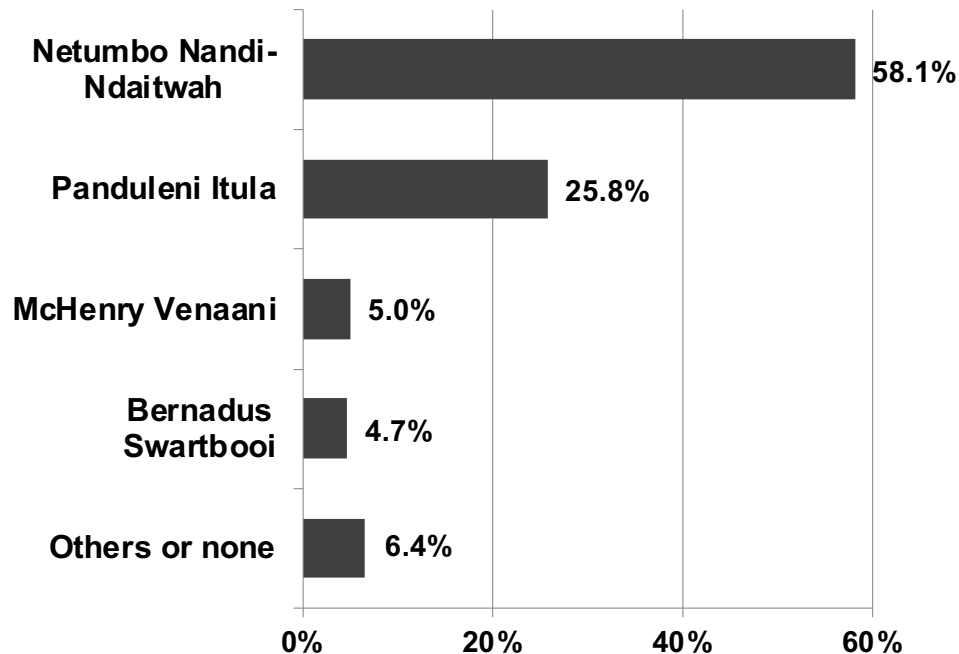
Source: National election authority

Namibia: Most Recent Elections

Presidential and Parliamentary Elections – November 2024

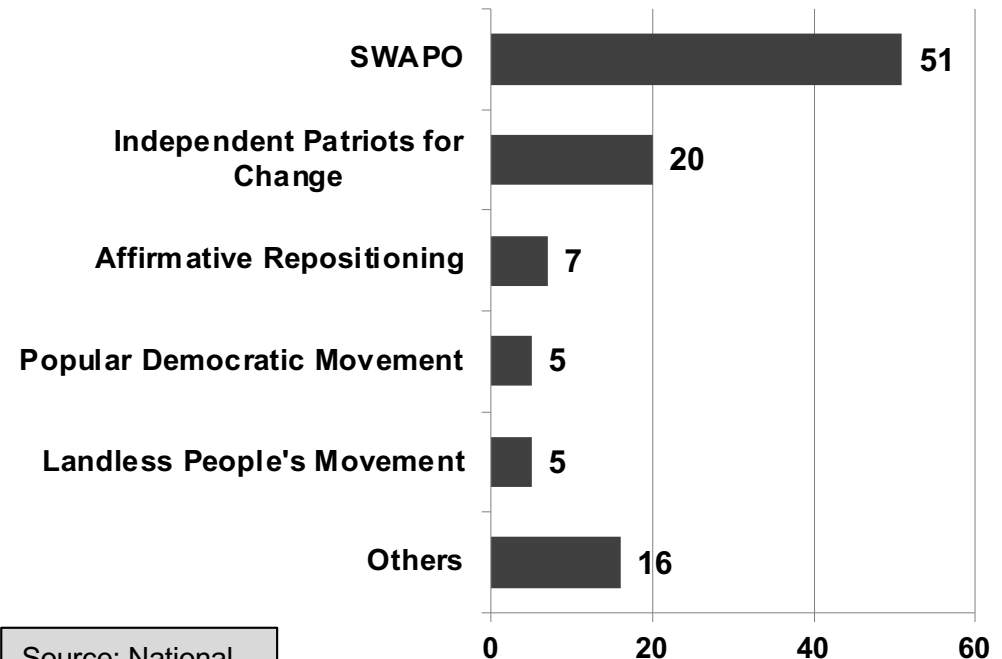
Presidential Election Results:

Percentage of the Popular Vote



Parliamentary Election Results:

Seats Won in the Parliament



Source: National
election authority

There were expectations that the long-dominant SWAPO party could lose power in 2024's national elections. Instead, its candidate, Netumbo Nandi-Ndaitwah was elected as Namibia's first female president by a healthy margin, while SWAPO remained the largest party in the parliament. These results were challenged by the political opposition, which cited widespread irregularities.

Botswana: Most Recent Elections

Parliamentary Elections – October 2024

Summary of the Last Elections:

Politics in Botswana underwent a dramatic shake-up as a result of October 2024's parliamentary elections.

- In these elections, the ruling Botswana Democratic Party (BDP) was ousted from power for the first time since the country became independent in 1966.
- Voters were frustrated by the state of Botswana's economy, leading to voter turnout that exceeded 80%.

The country's main opposition coalition, the Umbrella for Democratic Change (UDC), won a sweeping victory in 2024's elections.

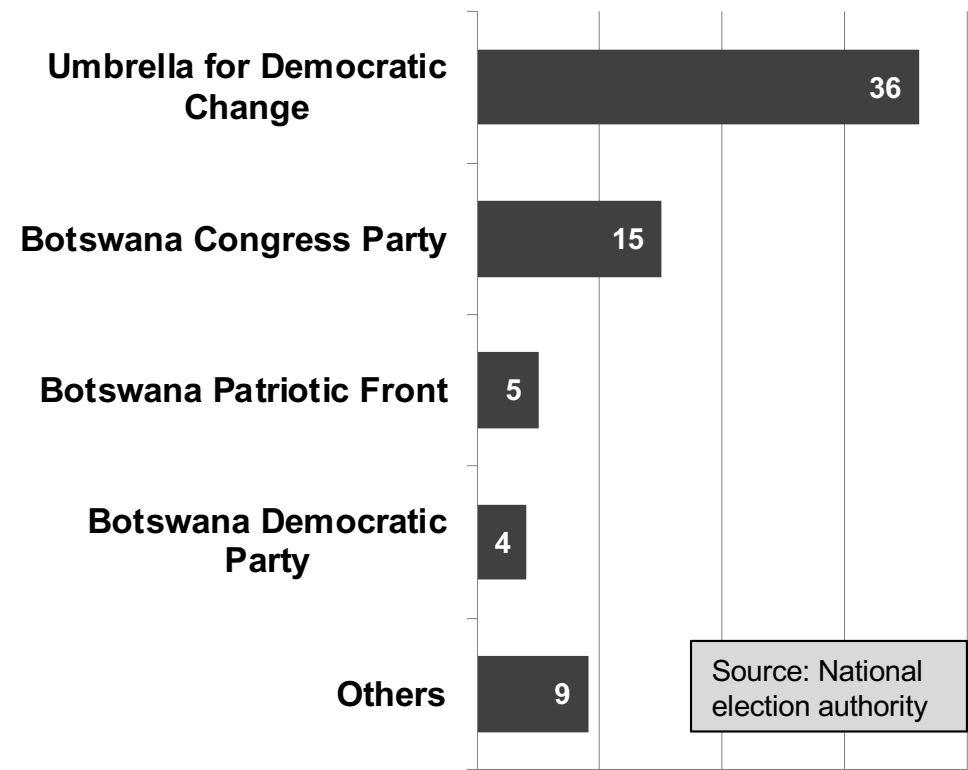
- The UDC won 37.2% of the vote in these elections, giving it 36 of the 61 seats in the parliament.
- Meanwhile, the ruling BDP party won 30.5% of the vote, but just four seats in the parliament.
- The Botswana Congress Party (BCP) finished in third place with 21.0% of the vote and 15 seats in the parliament.

As a result of these elections, the Umbrella for Democratic Change (UDC) was able to form a new government.

- The head of the UDC, Duma Boko, was named as Botswana's new president following these election.

Results:

Seats Won in the Parliament

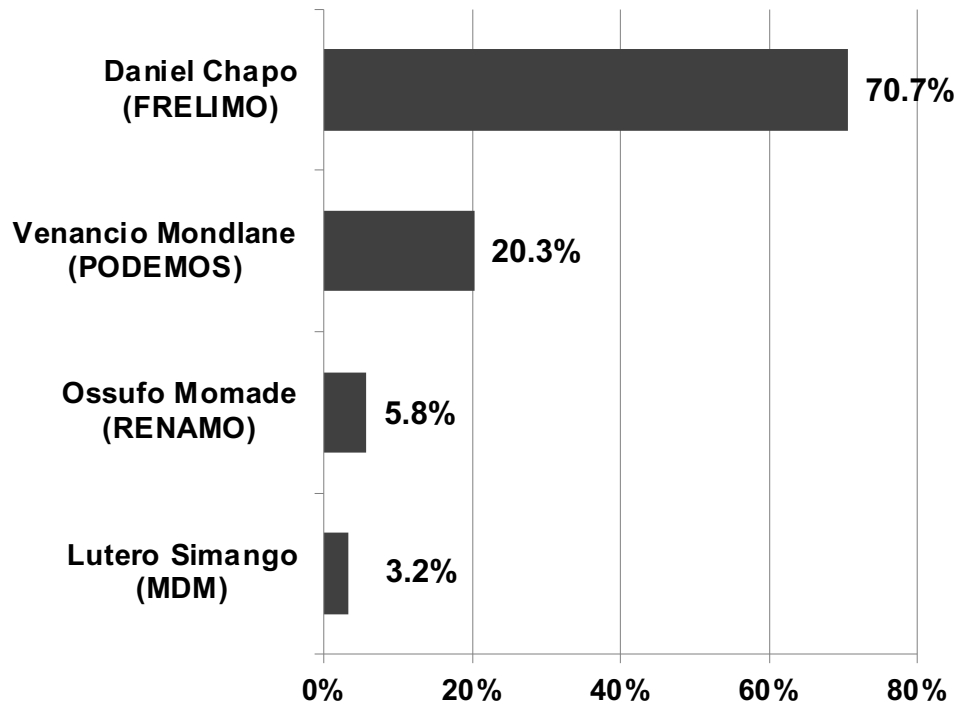


Mozambique: Most Recent Elections

Presidential and Parliamentary Elections – October 2024

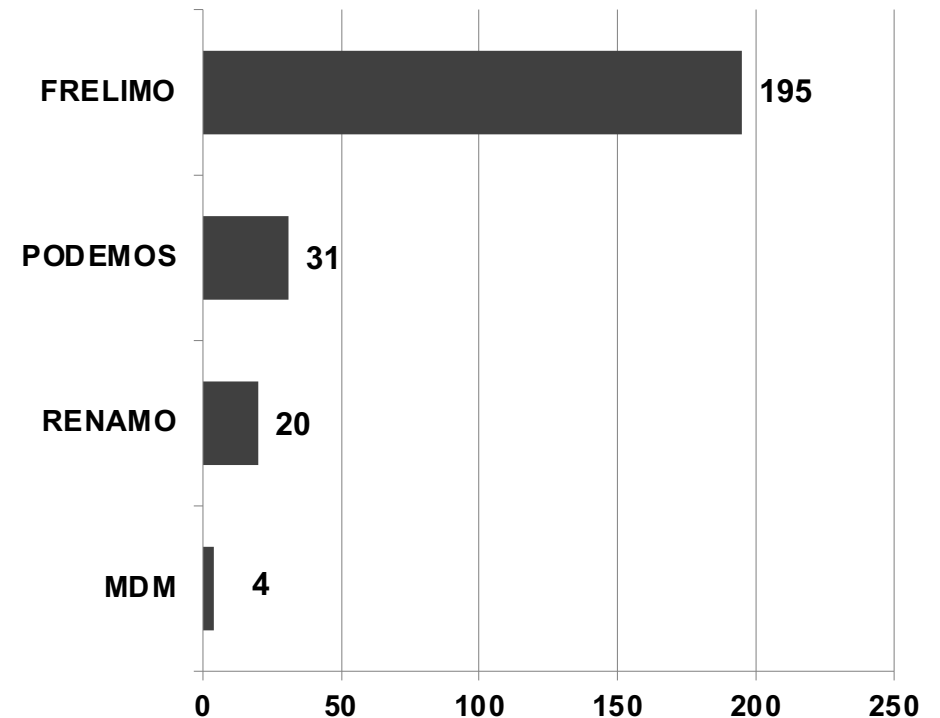
Presidential Election Results:

Percentage of the Popular Vote



Parliamentary Election Results:

Seats Won in the Parliament



2024's presidential election was fraught with controversial, as both the political opposition and international observers claimed that there were widespread irregularities throughout the election. In the end, the candidate of the ruling FRELIMO party, Daniel Chapo, was declared the winner of this election, prompting major protests by supporters of the opposition.

South Africa: National Assembly Elections

May 2024

Election Analysis

May 2024's National Assembly elections in South Africa were notable for the fact that this was the first time that the dominant African National Congress (ANC) lost its parliamentary majority since it took power under Nelson Mandela in 1994.

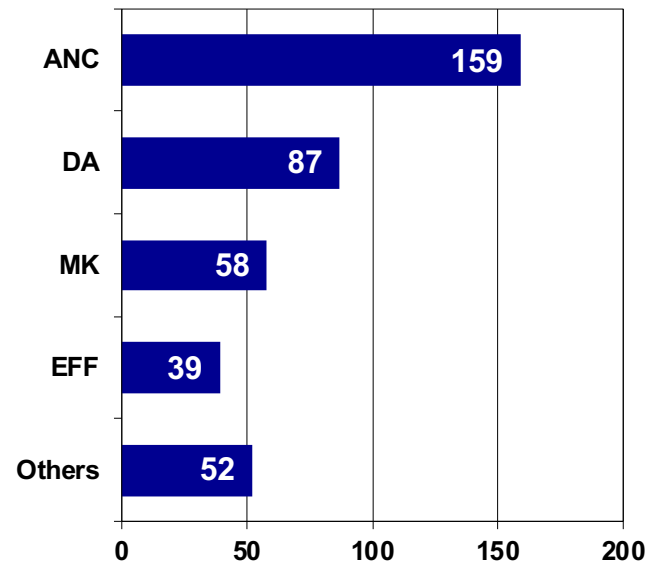
The ANC saw its share of the vote fall to just 40.2% in these elections, while its number of seats in the 395-seat parliament fell from 230 to just 159.

The country's main opposition party, the Democratic Alliance (DA) made only marginal gains, winning 21.8% of the vote and 87 seats in the parliament.

The big winner was former President Jacob Zuma's new uMkhonto weSizwe (MK) party which won 14.6% of the vote and 58 seats in the parliament.

In contrast, Julius Malema's far-left Economic Freedom Fighters (EFF) suffered a surprising loss, winning just 9.5% of the vote and 39 seats in the parliament.

Seats Won in the Parliament



Winners

- **The Democratic Alliance:** Despite failing to make major gains, the Democratic Alliance closer to becoming the leading political party in South Africa.
- **Jacob Zuma:** Once disgraced, former Jacob Zuma showed that he remains a leading force in South African politics.

Losers

- **The African National Congress:** The ANC and President Cyril Ramaphosa paid the price for South Africa's economic woes and the country's worsening living standards.
- **The Economic Freedom Fighters:** The EFF's hopes of becoming South Africa's leading opposition political party were dealt a major setback in 2024's elections.

Senegal: Most Recent Elections

Presidential Elections – March 2024

Summary of the Last Elections:

There were growing concerns over the fate of Senegal's democracy after President Macky Sall called off February 2024's presidential election due to a dispute over the eligibility of certain candidates.

- Instead, the president's term was extended until the presidential election could be held.
- This delay led to violent protests by Senegal's political opposition that left a number of people dead.

Meanwhile, the country's Constitutional Council ruled that President Sall's decision to postpone February 2024's presidential election was unconstitutional.

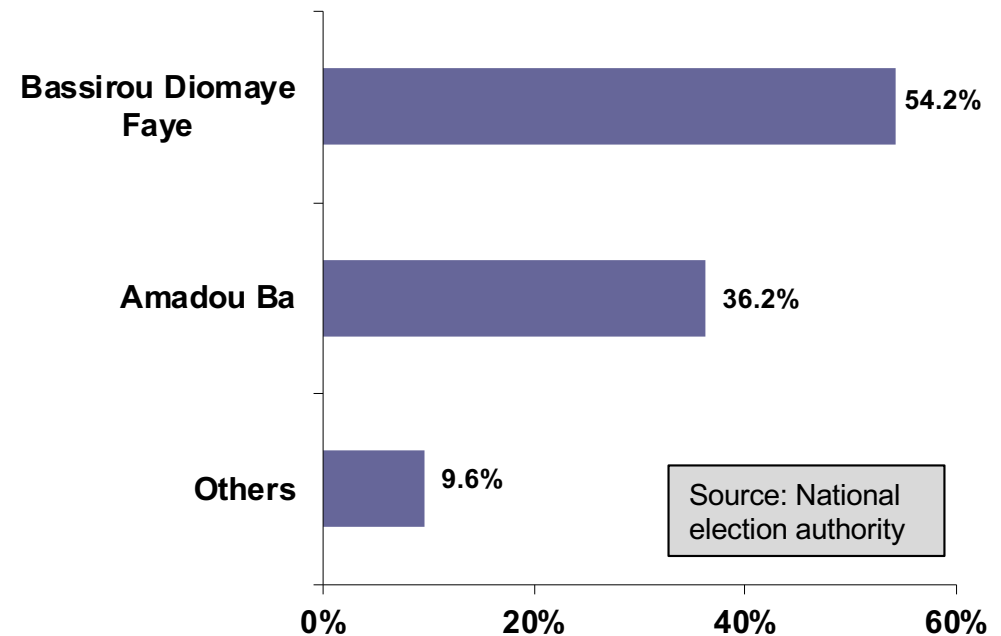
- Afterwards, President Sall announced that this election would be held in March 2024.

After numerous delays and widespread uncertainty, Senegal's presidential election finally took place in March 2024.

- In the end, the political outsider, Bassirou Diomaye Faye, was declared the winner.
- He defeated the ruling party's candidate, Amadou Ba, by a margin of 53.7% to 36.2%.
- President-elect Faye worked as a tax collector before entering politics and had been imprisoned prior to the election.

Results:

Percentage of Popular Vote



Madagascar: Most Recent Elections

Presidential Election – November 2023

Summary of the Last Elections:

2023's presidential election proved to be highly controversial.

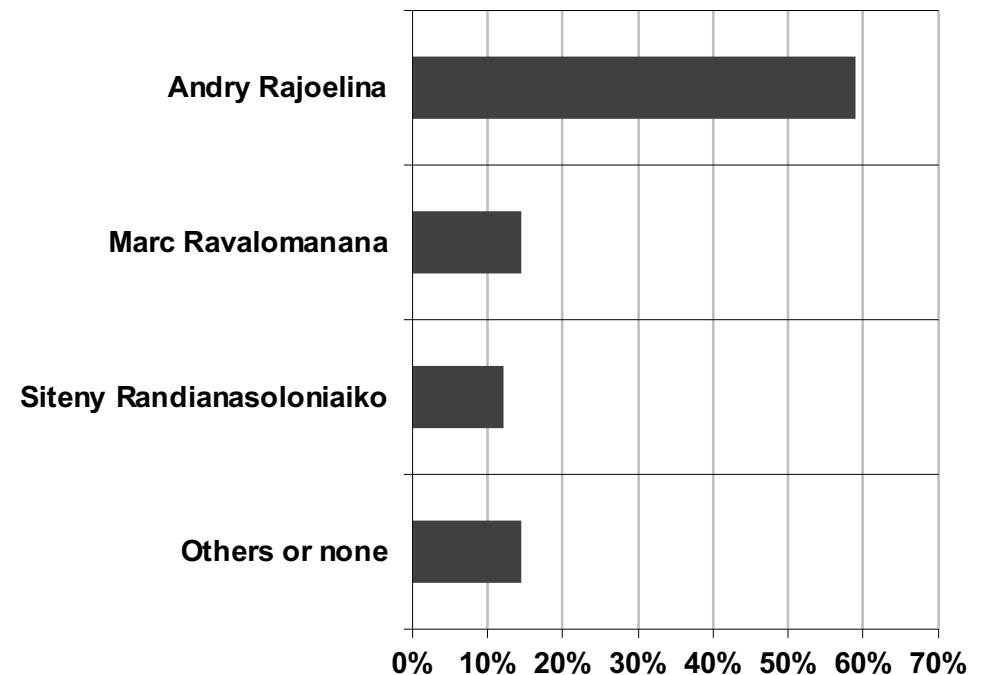
- First, it was revealed that President Andry Rajoelina held dual French nationality, causing many to question his policies towards that country.
- Normally, anyone who acquires a foreign nationality automatically loses his Malagasy nationality.
- Later, the leading opposition candidate in 2023's presidential election, former President Marc Ravalomanana, was injured when police used teargas to break up a gathering of his supporters.

When the election was held, President Rajoelina was declared the winner.

- President Rajoelina won 59% of the vote in this election, easily outdistancing his main rivals.
- However, voter turnout was just 46% as most of the leading opposition candidates withdrew from this election.

Results:

Percentage of the Popular Vote



Source: National election authority

Zimbabwe: Most Recent Elections

Presidential Elections – August 2023

Summary of the Last Elections:

Zimbabwe held its latest presidential election in August 2023.

- The main candidates in this election were Emmerson Mnangagwa, the incumbent president and leader of the ZANU-PF party, and Nelson Chamisa, the leader of the Citizens Coalition for Change (CCC) party.

President Mnangagwa was declared the winner of the election, with 52.6% of the vote to Chamisa's 44%.

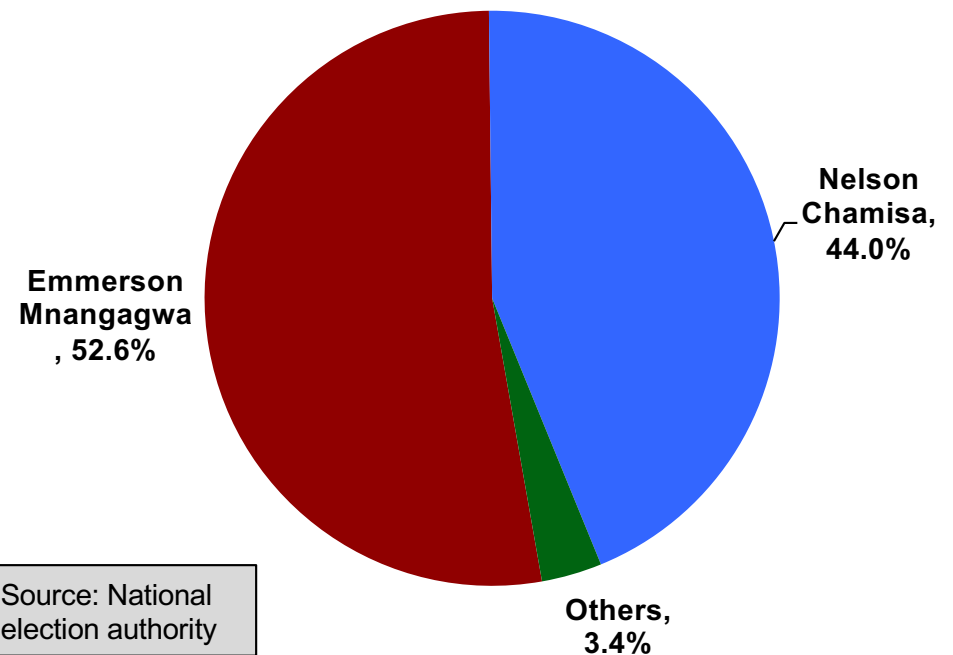
- Afterwards, the CCC party rejected the results, alleging that there had been widespread irregularities and vote rigging.

The election was held against a backdrop of economic crisis in Zimbabwe and a crackdown on the country's political opposition.

- The country was experience one of the world's highest rates of inflation at the time of the election.
- In addition, the government launched a major crackdown on the activities of opposition political parties in the months leading up to this election.

Results:

Percentage of the Popular Vote



Nigeria: Most Recent Elections

Presidential Elections – February 2023

Summary of the Last Elections:

February 2023's presidential election was a highly contentious and controversial race.

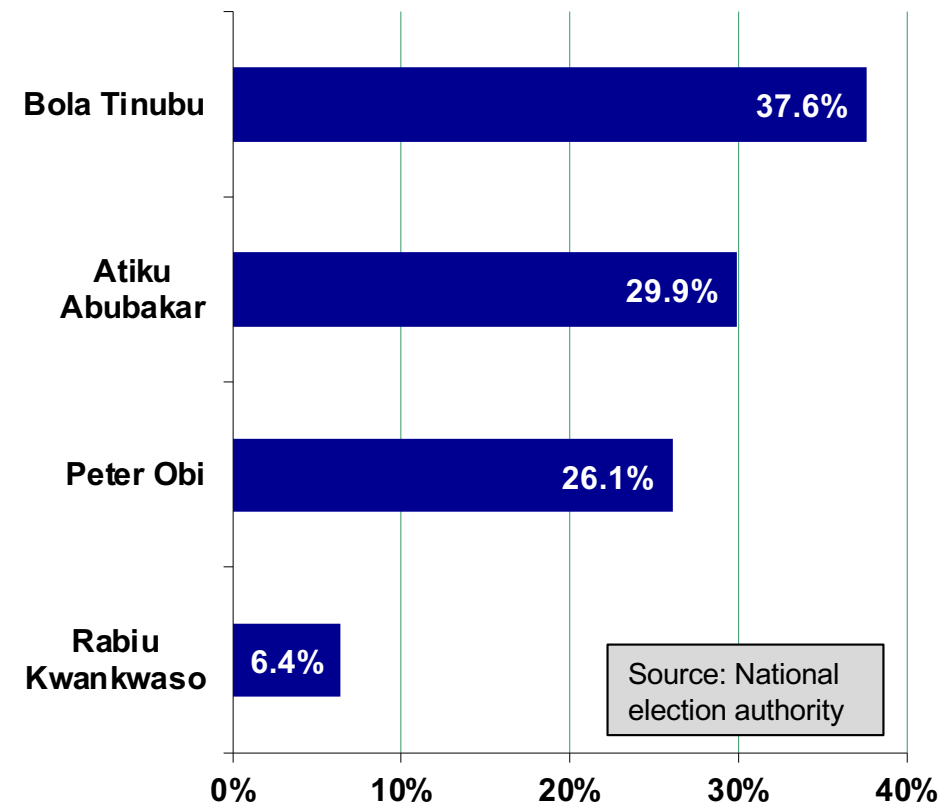
- Bola Tinubu of the ruling APC party was declared the winner of February 2023's presidential election with 37% of the vote.
- However, the second-place finisher, the PDP's Atiku Abubakar (29% of the vote) and the third-place finisher, the Labour Party's Peter Obi (25%) rejected this result.

Nigeria's two main opposition political parties disputed the results of the country's presidential election.

- The country's electoral commission promised to hand over all materials linked to the election to the PDP and Labour parties.
- These opposition parties threatened to stage major protests against the results of the election.

Results:

**Percentage of Popular Vote
(2023 Presidential Election)**



Current Conflict: Boko Haram Insurgency

Conflict Summary

Since 2009, the Islamist militant group Boko Haram has targeted police, school, and political buildings in northern Nigeria. Boko Haram made recent news for declaring allegiance to the Islamic State, kidnapping 200 school girls, and bombing UN buildings. The Nigerian government has been criticized for a slow response to this terrorist group.

Recent Developments

- A four-nation military force from Chad, Niger, Cameroon, and Nigeria have been provided new weapons to combat Boko Haram. This coalition has been having recent successes driving back the insurgent group.
- The Boko Haram has lost many of its strongholds to this coalition force in recent months.

Potential Outcomes

- The newly established African military force will reduce the Boko Haram's area of influence, allowing for the opening of borders and re-establishment of economic commerce within the region.
- Recruits are emboldened by the Boko Haram's notoriety and affiliation with Islamic State leading to the attraction of foreign fighters to the fragile region.

Main Combatants

Boko Haram

- Islamic extremist group with influence in northeast Nigeria, Chad, and Cameroon. Membership estimated to be 10,000 individuals recruited from around the region.

Nigeria

- Nigeria's government was slow to respond to the growing threat of the Boko Haram insurgency, enabling the militants to take control of a large section of northeastern Nigeria.

Niger, Chad and Cameroon

- With the Boko Haram insurgency spreading beyond Nigeria's borders, these three countries formed a coalition aimed at defeating the militants.

Conflict Maps



Potential Flashpoint: The Sahel

Flashpoint Summary

The Sahel is West Africa's poorest region stretching roughly 3,800km through desolate rocky terrain across several African countries; Burkina Faso, Mali, Mauritania, Niger, Nigeria, and Chad.

Over the past 50 years, the region's small agricultural communities experienced a series of severe droughts.

A weak governmental presence in the region has led to unrest and has allowed Islamist and Tuareg militant groups to flourish.

The Sahel's population is expected to reach 100 million by 2020 and 200 million by 2050, despite its dearth of water and arable land.

Potential Outcomes

- UN Integrated Strategy fails to create a functional funding mechanism for governments and security forces. The region continues to become a hotbed for extremist groups threatening Western countries.
- International aid and French *Operation Barkhane* create stability and a deterrence for extremist groups.
- Climate change and the food crisis will make living in The Sahel unbearable for the growing population leading to spike in starvation.

Main Actors

Chad

- Key counter terrorist partner. Hosting French military forces for *Operation Barkhane* in Capital. Has 350,000 refugees from Sudan and the Central African Republic.

Mali

- Islamist militants prowl the terrains of Mali, in search of victims to kidnap for ransom. French and West African soldiers have combated the forming of a fledgling Islamic state in northern Mali, but it continues to be a hotspot.

Niger

- Has large numbers of malnourished children and 220,000 migrant workers returning from Libya due to violence. Niger is home to large deposits of uranium.

Global Implications

Food Scarcity

- The United Nations, FAO and other humanitarian organizations are pledging millions of dollars in a emergency Sahel response plan due to starvation in the region.

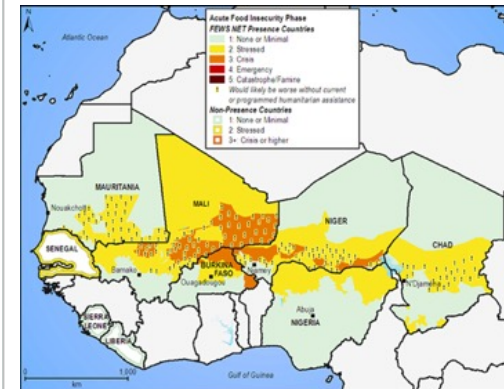
Terrorism

- Due to the lawlessness in the Sahel region it has become an attractor for terrorist groups to train and calculate attacks similar to that of Afghanistan pre-U.S. invasion.

Disease

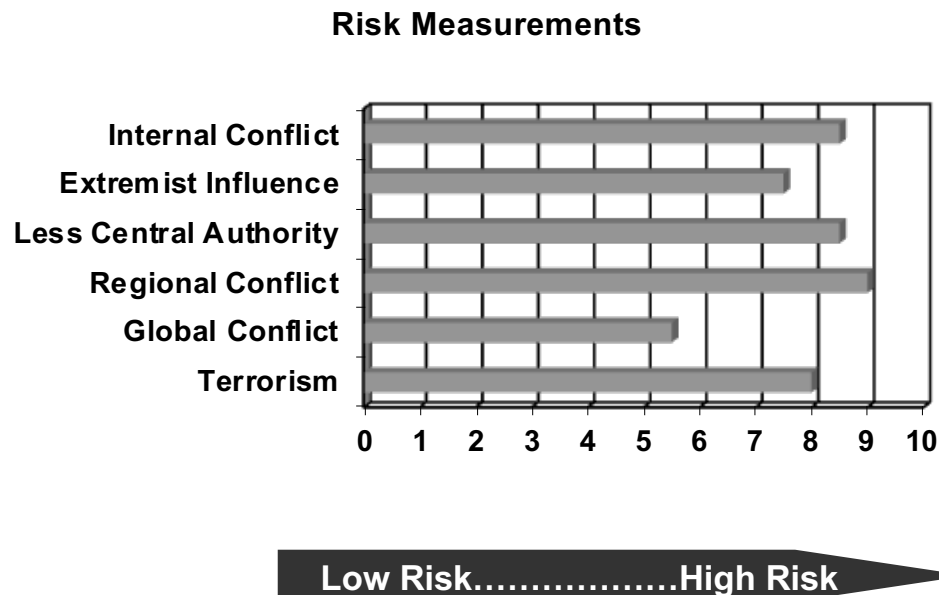
- Ill-equipped to handle disease Sahel region fights Cholera, Measles, and Polio not far away from the Ebola outbreaks that have occurred in Central Africa.

Maps



Sub-Saharan Africa: Political Risk Outlook

Current Political Risk Ratings:



• ISA Risk Ratings

- 0.0 to 1.9 = Low Risk
- 2.0 to 3.9 = Low to Moderate Risk
- 4.0 to 5.9 = Moderate Risk
- 6.0 to 7.9 = Moderate to High Risk
- 8.0 to 10 = High Risk

Political Risk Outlook:

- Sub-Saharan Africa faces some of the highest political risk levels of any region in the world.
- The biggest risk is internal and regional conflict that has resulted from arbitrary borders and ethnic and religious disputes.
- Further, few areas of the region have developed strong democracies and this has encouraged the development of dictatorships.

Regional Economic Outlook

Sub-Saharan Africa Economic Overview

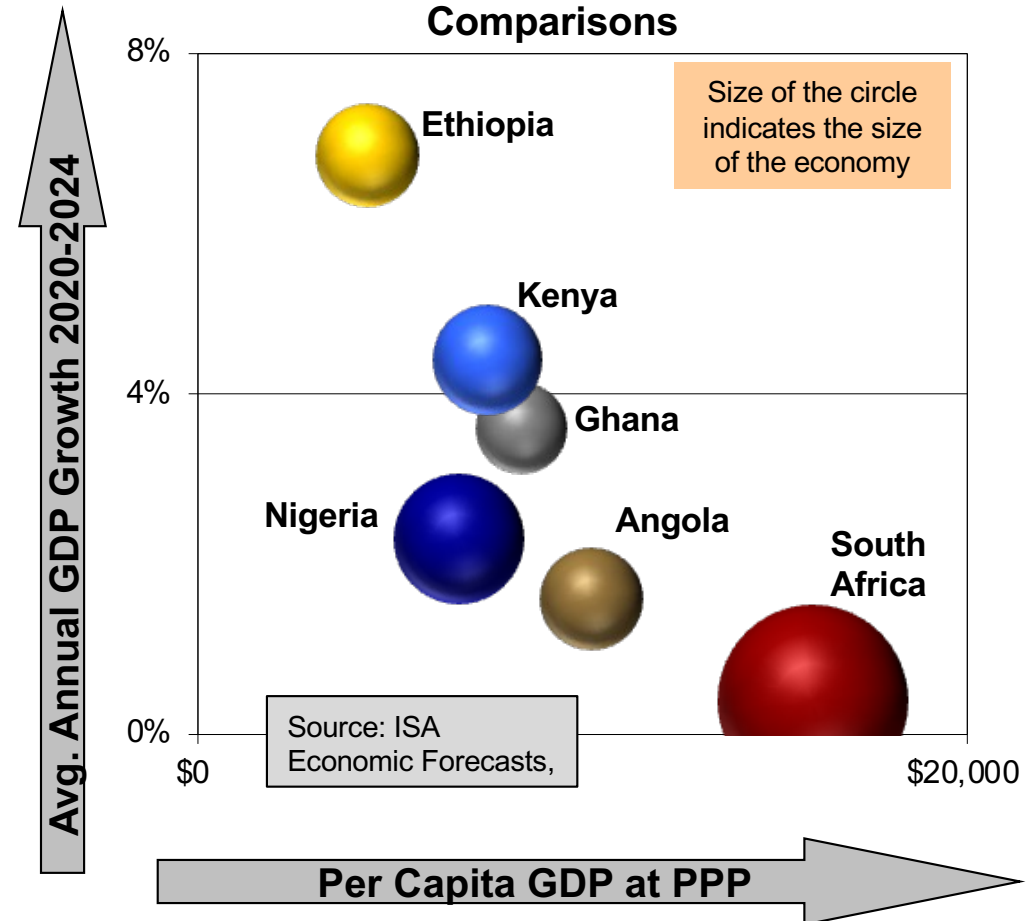
Sub-Saharan Africa remains the world's poorest region, despite recording some of the highest rates of economic growth over the past decade.

- The region is blessed with natural resources, but cursed by climatic extremes, poor infrastructures and civil unrest.
- Moreover, countries with vast natural resources such as oil face rapidly growing populations that dilute earnings from these natural resources.

Sub-Saharan Africa's economy remains in desperate need of diversification.

- The region has only a small manufacturing sector that is largely confined to a small number of countries, particularly South Africa.
- Foreign investment in the region continues to lag behind other regions, although rising demand for natural resources in Asia has led to a surge of foreign investment from countries such as China and India.

Regional Economic Growth Comparisons



Civil unrest, population expansion and the poor state of the region's infrastructure will all serve to maintain the high levels of poverty across Sub-Saharan Africa. In order to improve the region's economic outlook, long-term solutions must be implemented such as infrastructure improvements and better education.

Map in Focus: Per Capita GDP Levels in Africa

Regional Wealth Levels:

Sub-Saharan Africa remains the world's poorest region by a relatively large margin.

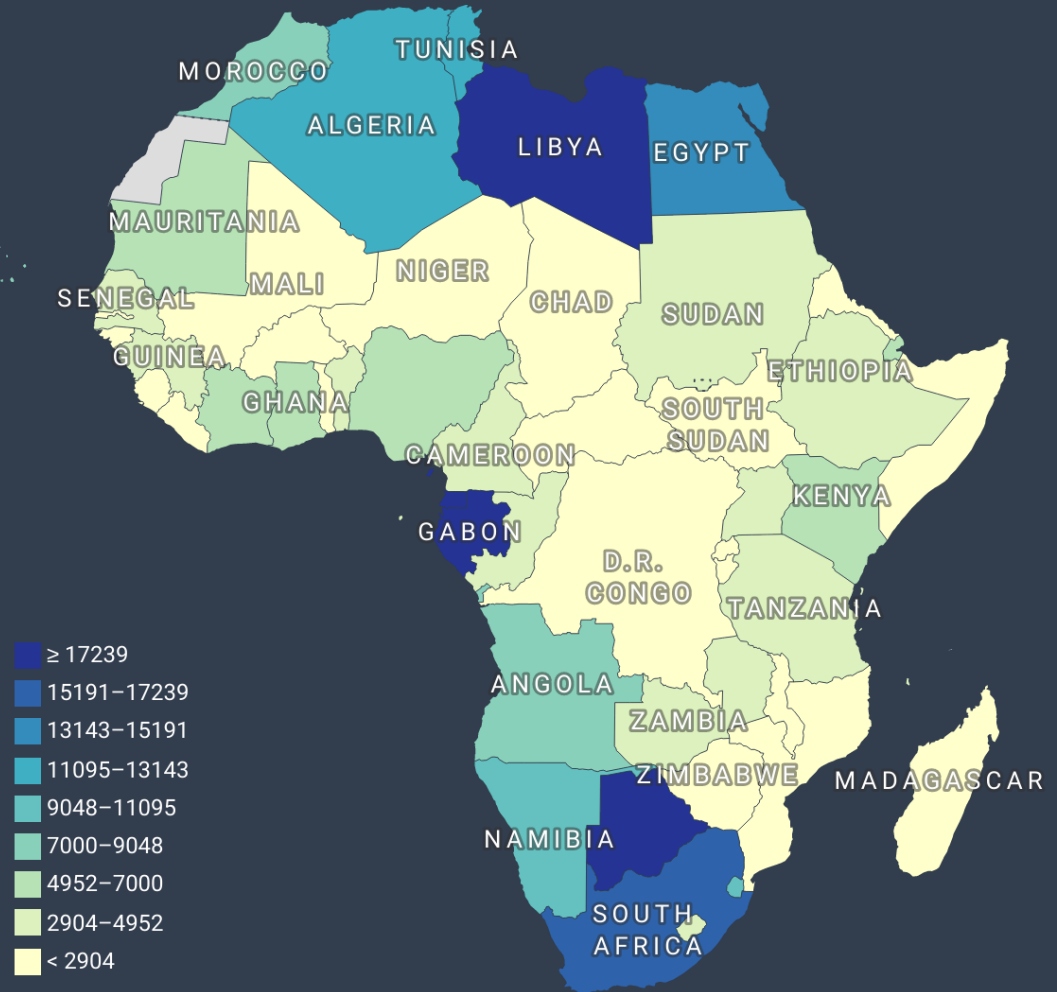
- A majority of the world's poorest countries are located in Sub-Saharan Africa.
- While many areas of this region have recorded relatively high rates of economic growth in the 21st century, population growth in the region has also remained relatively high.

There are some pockets of wealth in Sub-Saharan Africa, although much of the region qualifies as poor.

- Most of the region's wealthiest countries are located in southern Africa, benefitting from South Africa's diverse economy, vast natural resources and relatively small populations.
- In contrast, many of the world's poorest countries are located in the regions in between northern and southern Africa.

Africa: GDP Per Capita

GDP at PPP (\$)



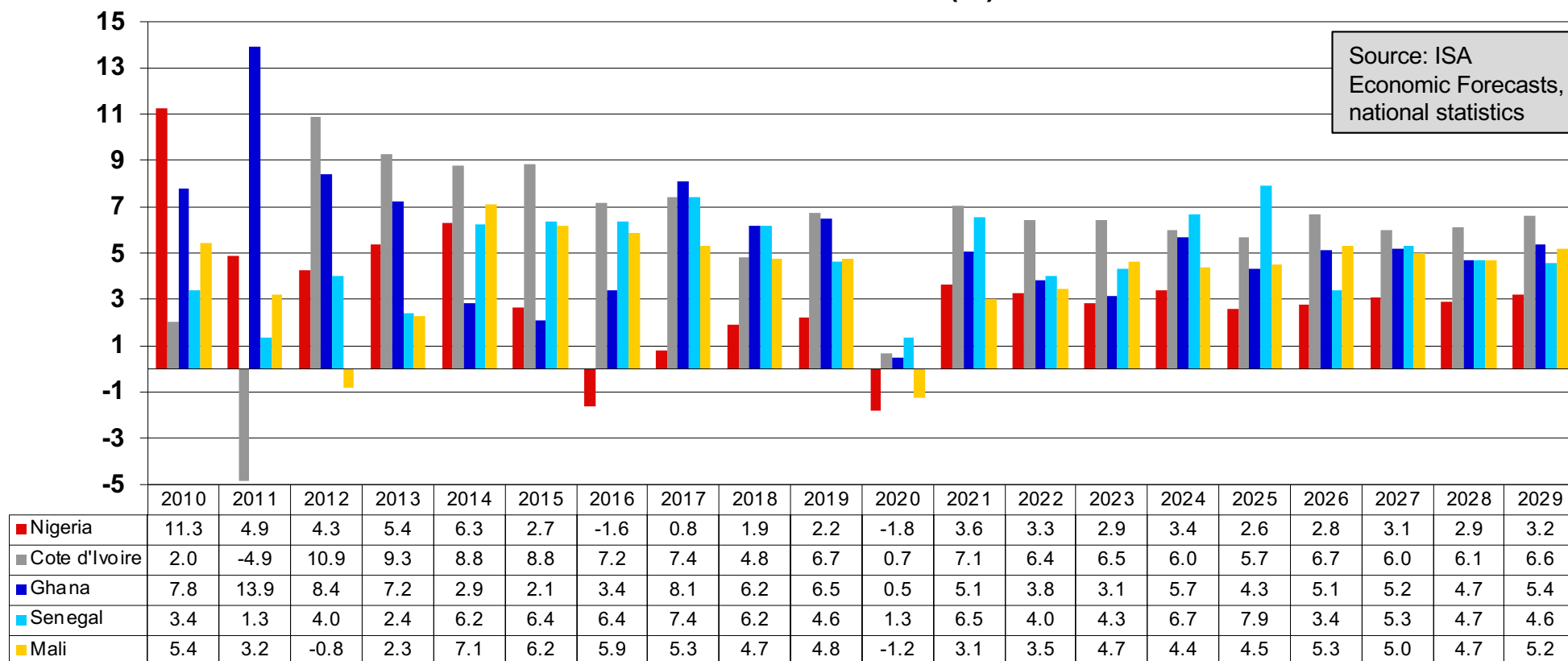
Source: ISA • Created with Datawrapper



West African Economic Growth Outlook

GDP Annual Growth Rates (%)

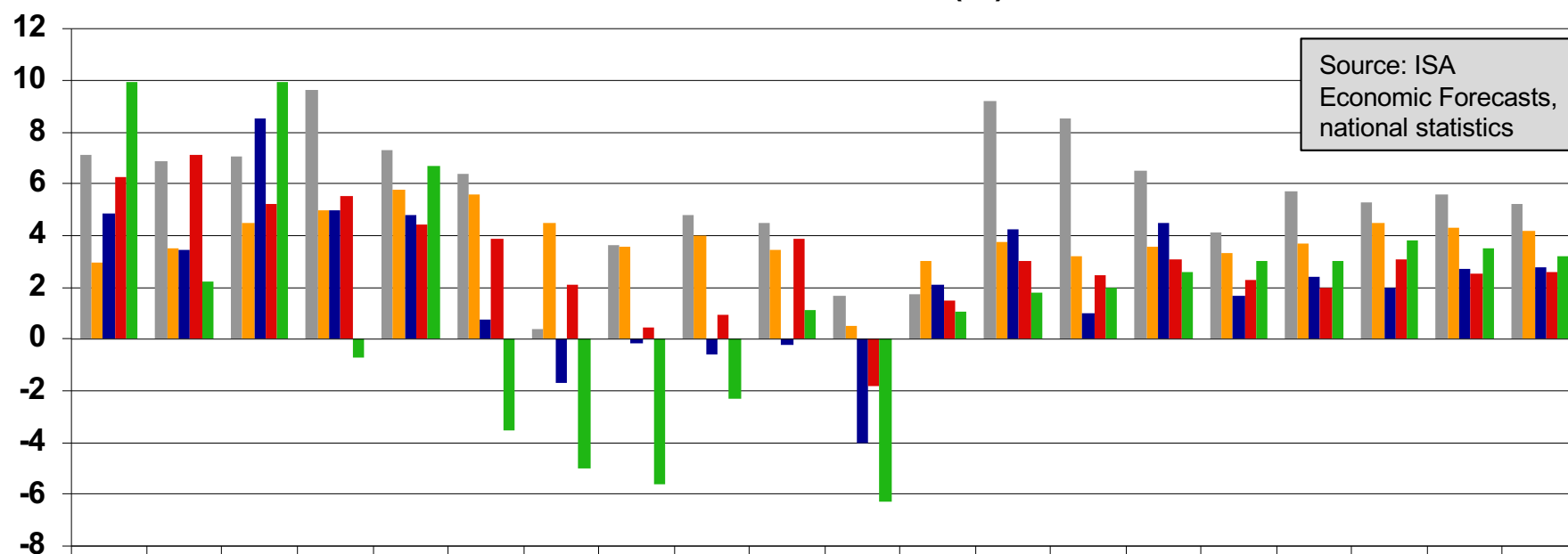
Source: ISA
Economic Forecasts,
national statistics



There has been a great discrepancy in the performances of West Africa's leading economies in recent years. Nigeria's economy had been struggling to generate significant economic growth due to declining oil output. Elsewhere in the region, most economies are forecast to record slightly stronger growth rates in the years ahead.

Central African Economic Growth Outlook

GDP Annual Growth Rates (%)

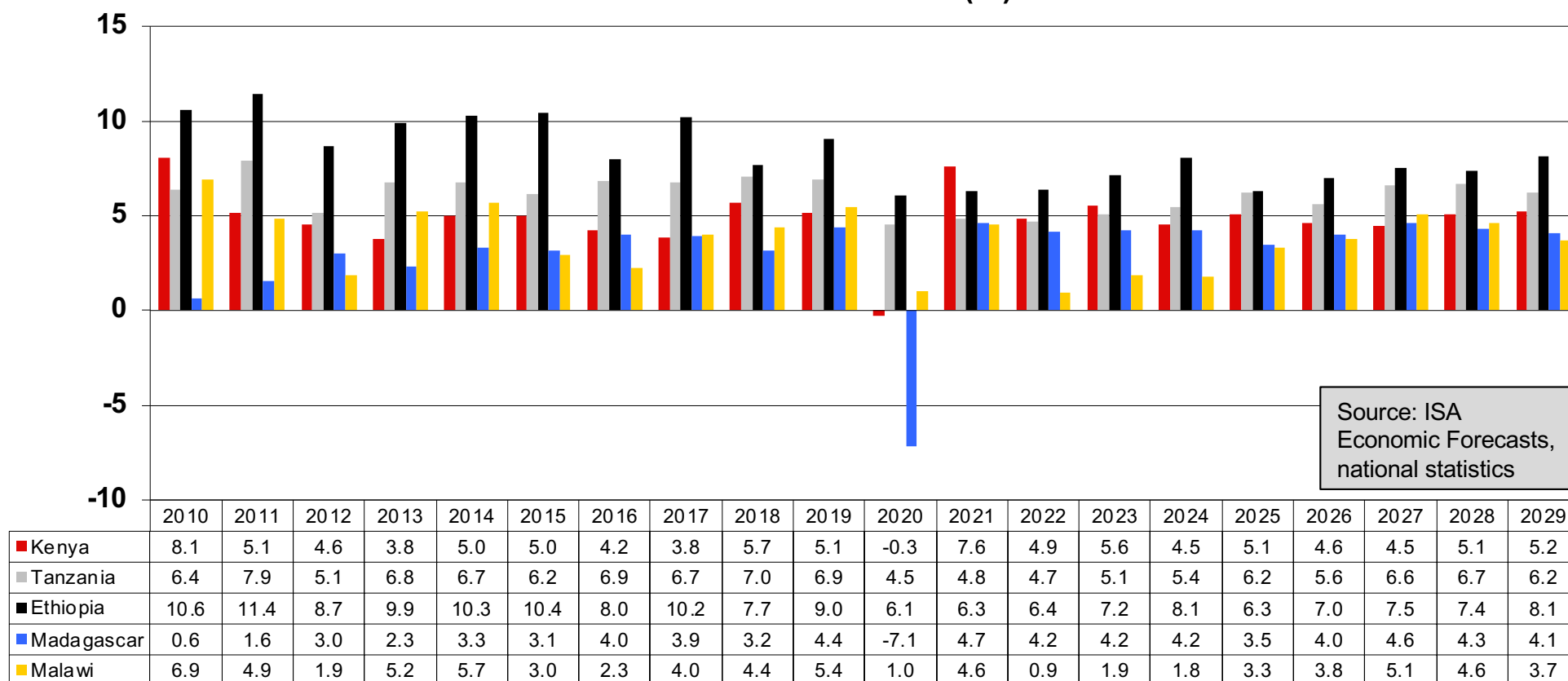


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
■ Congo-Kinshasa	7.1	6.9	7.1	9.6	7.3	6.4	0.4	3.7	4.8	4.5	1.7	1.7	9.2	8.5	6.5	4.1	5.7	5.3	5.6	5.2
■ Cameroon	2.9	3.5	4.5	5.0	5.8	5.6	4.5	3.5	4.0	3.4	0.5	3.0	3.7	3.2	3.6	3.3	3.7	4.5	4.3	4.2
■ Angola	4.9	3.5	8.5	5.0	4.8	0.8	-1.7	-0.1	-0.6	-0.2	-4.0	2.1	4.2	1.0	4.5	1.7	2.4	2.0	2.7	2.8
■ Gabon	6.3	7.1	5.3	5.5	4.4	3.9	2.1	0.5	0.9	3.8	-1.8	1.5	3.0	2.4	3.1	2.3	2.0	3.1	2.5	2.6
■ Congo-Brazzaville	9.9	2.2	9.9	-0.7	6.7	-3.6	-5.0	-5.6	-2.3	1.1	-6.3	1.1	1.8	2.0	2.6	3.0	3.0	3.8	3.5	3.2

The fall in oil and commodity prices in previous years had a major negative impact on most of the economies of Central Africa. Now, with oil and other commodity prices forecast to trend upwards, the near-term outlook for many Central African economies has improved.

East African Economic Growth Outlook

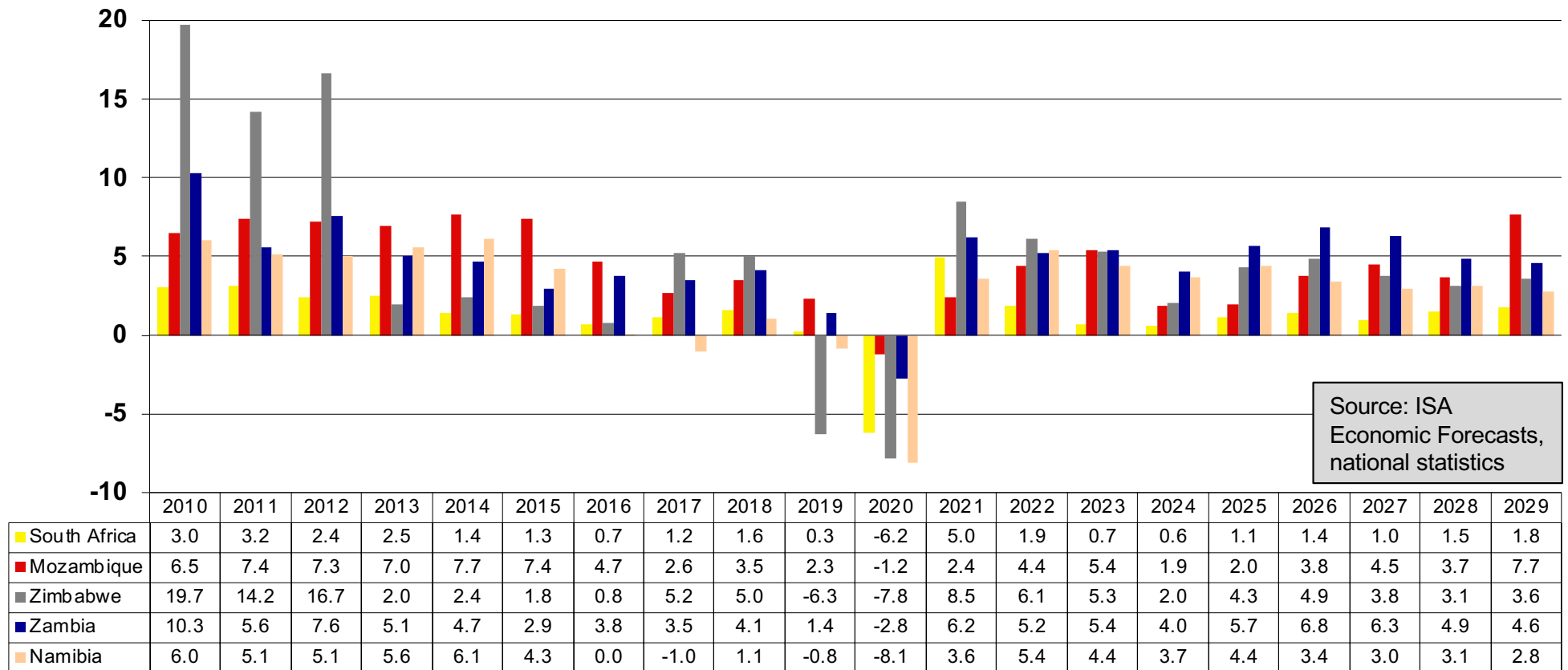
GDP Annual Growth Rates (%)



East Africa has experienced relatively strong economic growth in recent years and recent developments suggest that most countries in this region will be able to rebound from the recent struggles caused by the Covid-19 pandemic, locusts and poor weather conditions. Economic integration in this region could further boost economic rates in the coming years.

Southern African Economic Growth Outlook

GDP Annual Growth Rates (%)



Economic growth rates in southern Africa have been below their potential in recent years. For example, economic growth in South Africa has been below average in recent years due to labor unrest and lower levels of export demand. To the north, Zimbabwe's economy is facing many troubles after a short recovery.

Sub-Saharan African Economic Growth Summary

Key Factors

Economic mismanagement and corruption remain two of the biggest constraints to economic growth.

Political strife is damaging some of Africa's most-important economies.

Oil and mining remain the backbone of many African economies as diversification has not taken place in most country.

South African growth has been very disappointing in recent years.

Economic growth will be inconsistent and poverty will grow as the region's population expands.

All countries in Sub-Saharan Africa face significant risks to their economic future. Malaria, HIV and other diseases will dampen growth in many parts of Africa as war and strife will continue to plague wide sections of the region. This will not allow the region to take the steps necessary to modernize and diversify its economy.

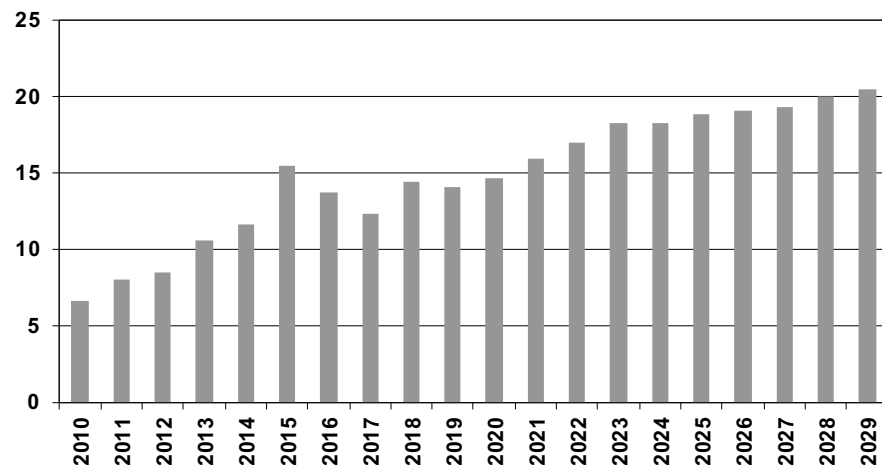


Sub-Saharan Africa Key Exchange Rates Against the US Dollar

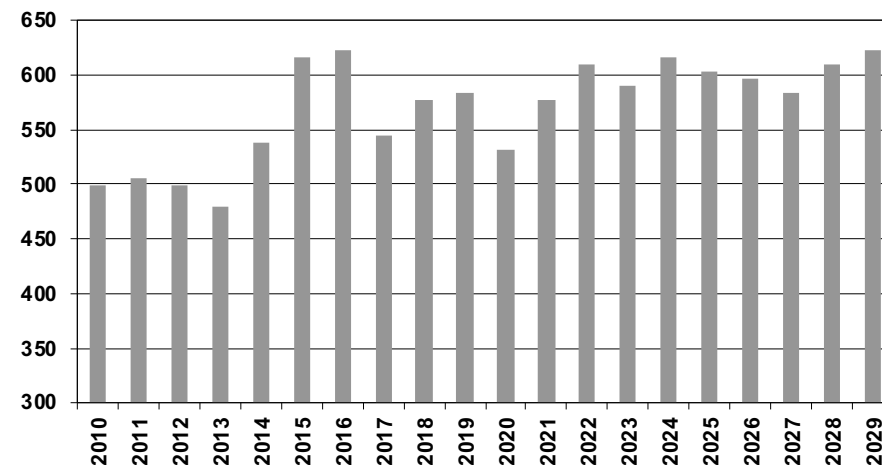
(1 US\$ = Local Currency)

Source: ISA
Economic Forecasts,
OANDA

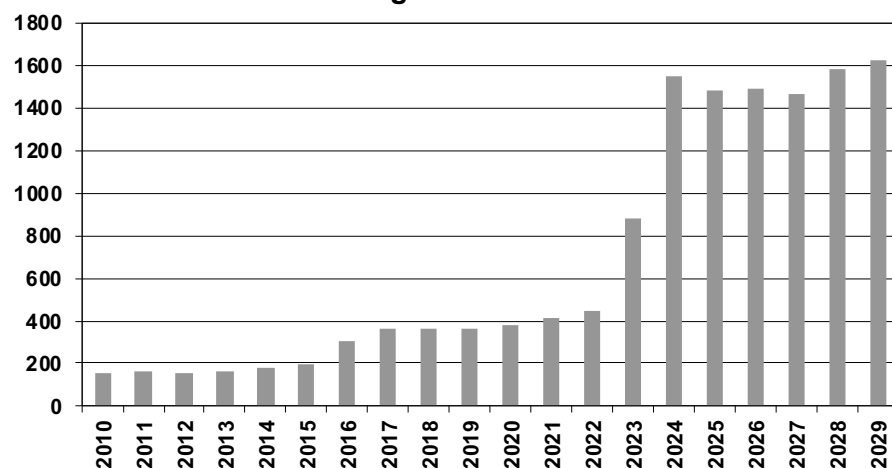
South African Rand



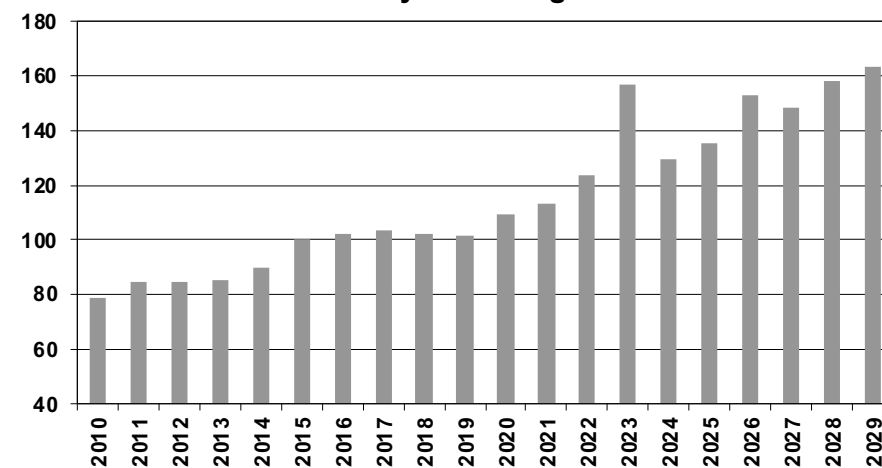
CFA Franc



Nigerian Naira



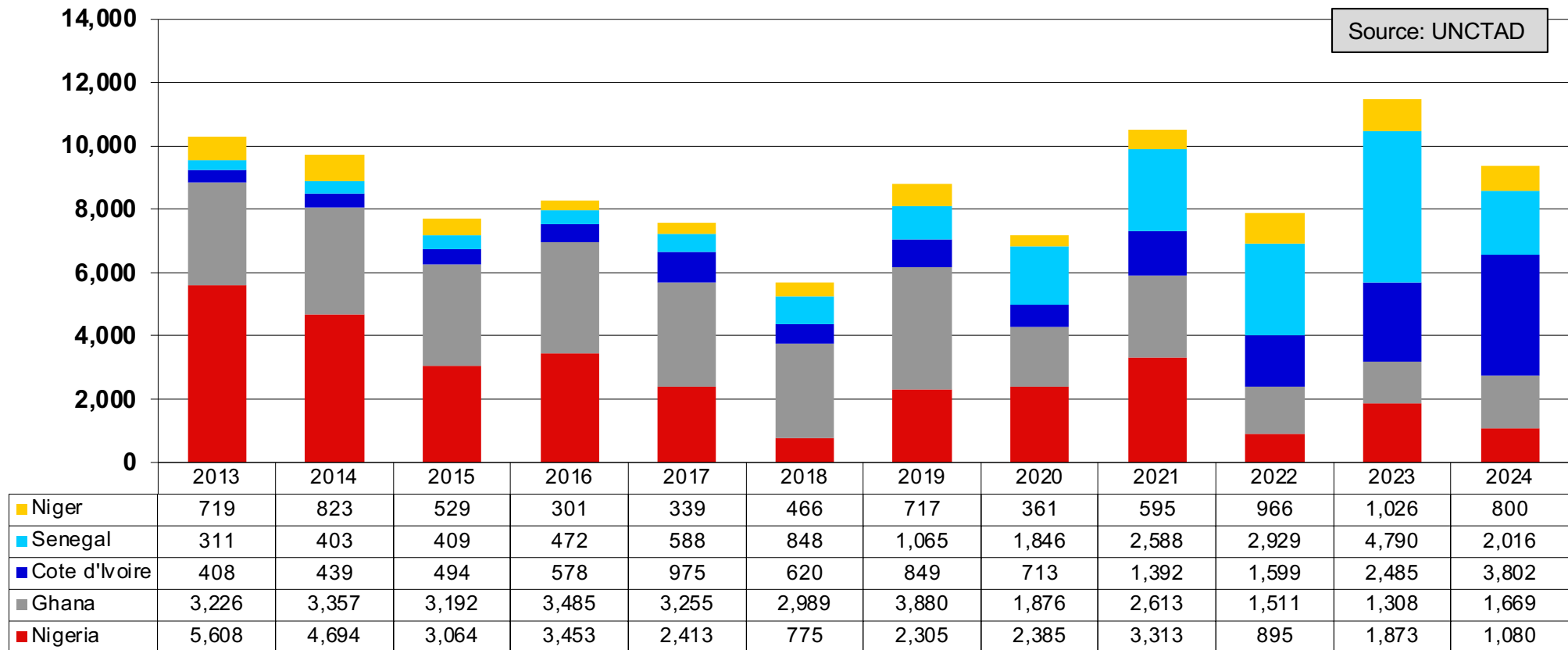
Kenyan Shilling



Foreign Investment in West Africa

FDI Inflows (mil. US\$)

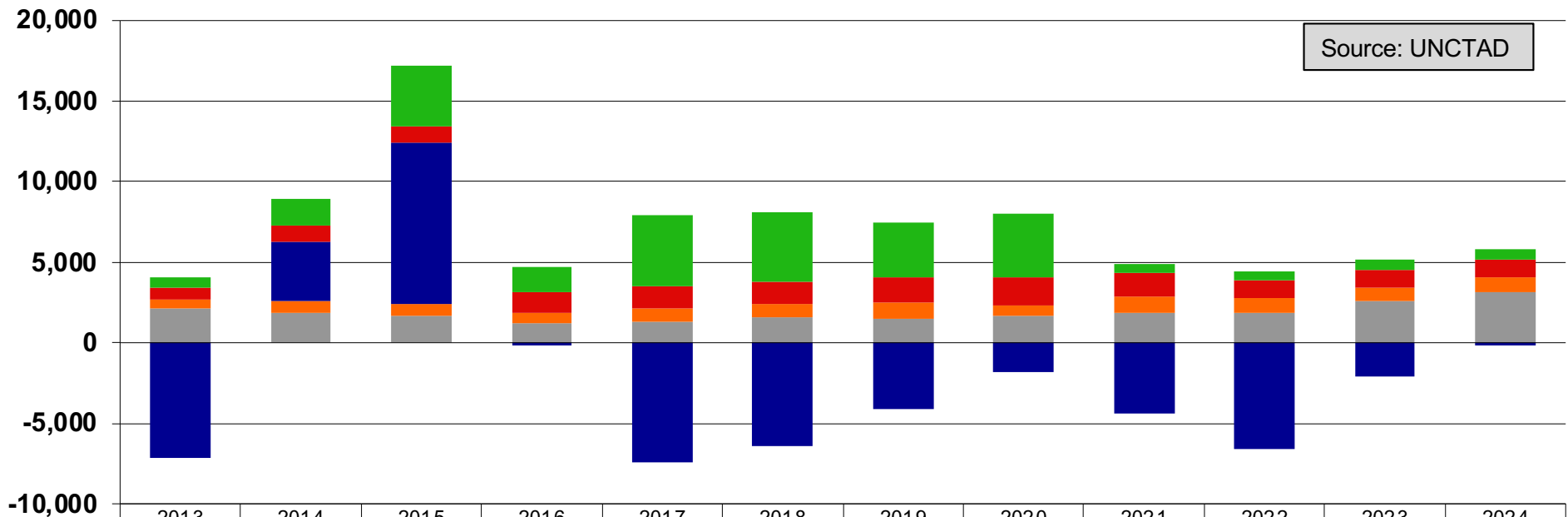
Source: UNCTAD



Foreign investment in West Africa was once limited to the oil industry in Nigeria and now more to the fledgling oil industries in Ghana, Cote d'Ivoire and Senegal, with a few small investments in agriculture and mining elsewhere in the region. However, with new oil discoveries being made elsewhere in West Africa, foreign investment levels could rise significantly in the years ahead.

Foreign Investment in Central Africa

FDI Inflows (mil. US\$)

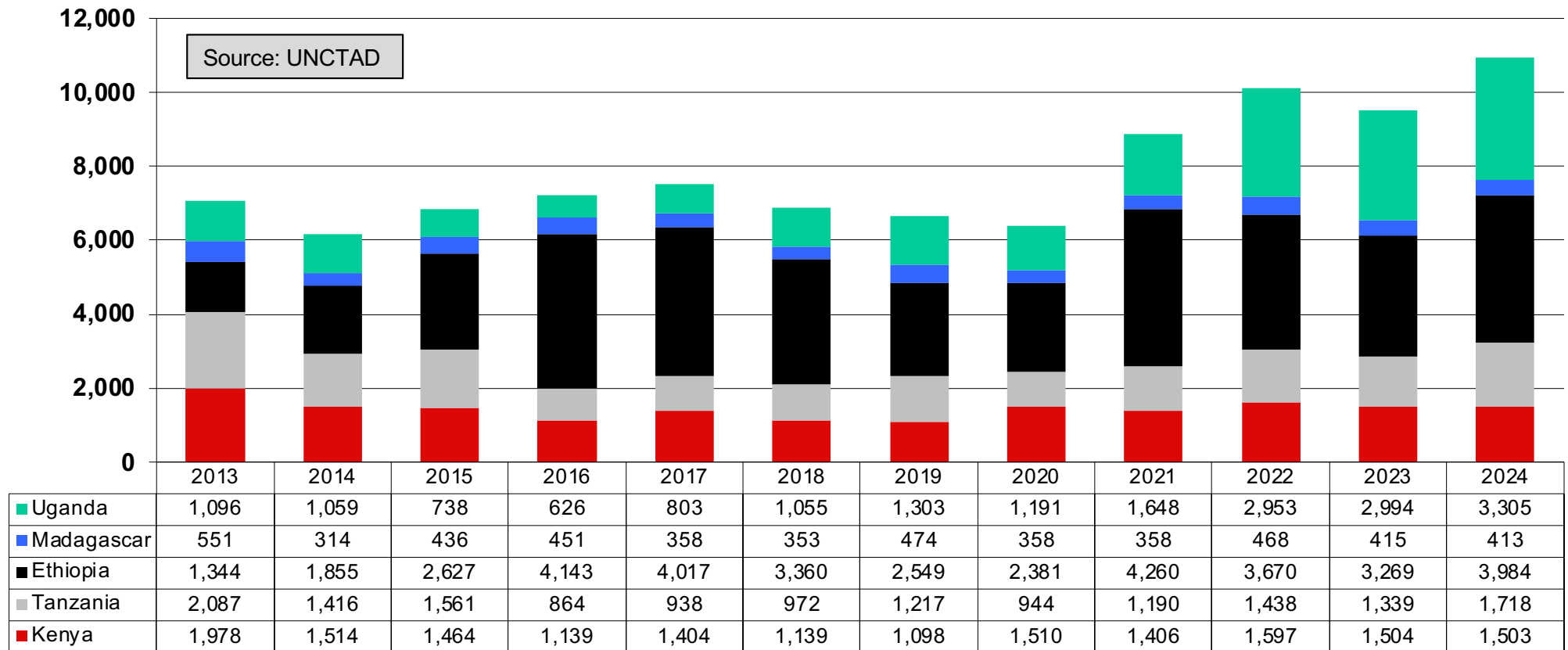


	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
■ Congo-Brazzaville	609	1,659	3,803	1,612	4,417	4,315	3,366	4,016	532	532	626	604
■ Gabon	771	1,048	991	1,244	1,314	1,379	1,553	1,717	1,529	1,105	1,151	1,145
■ Angola	-7,120	3,658	10,028	-180	-7,397	-6,456	-4,098	-1,866	-4,355	-6,599	-2,120	-136
■ Cameroon	567	727	694	664	814	765	1,025	675	964	926	799	925
■ Congo-Kinshasa	2,098	1,843	1,674	1,205	1,340	1,617	1,488	1,647	1,870	1,846	2,576	3,113

Foreign investment in Central Africa is focused on the oil industries in Angola, Congo-Brazzaville, Gabon, Cameroon and some smaller countries. Foreign investment in Congo-Kinshasa's mining industry is also on the rise, despite that country's political uncertainty.

Foreign Investment in East Africa

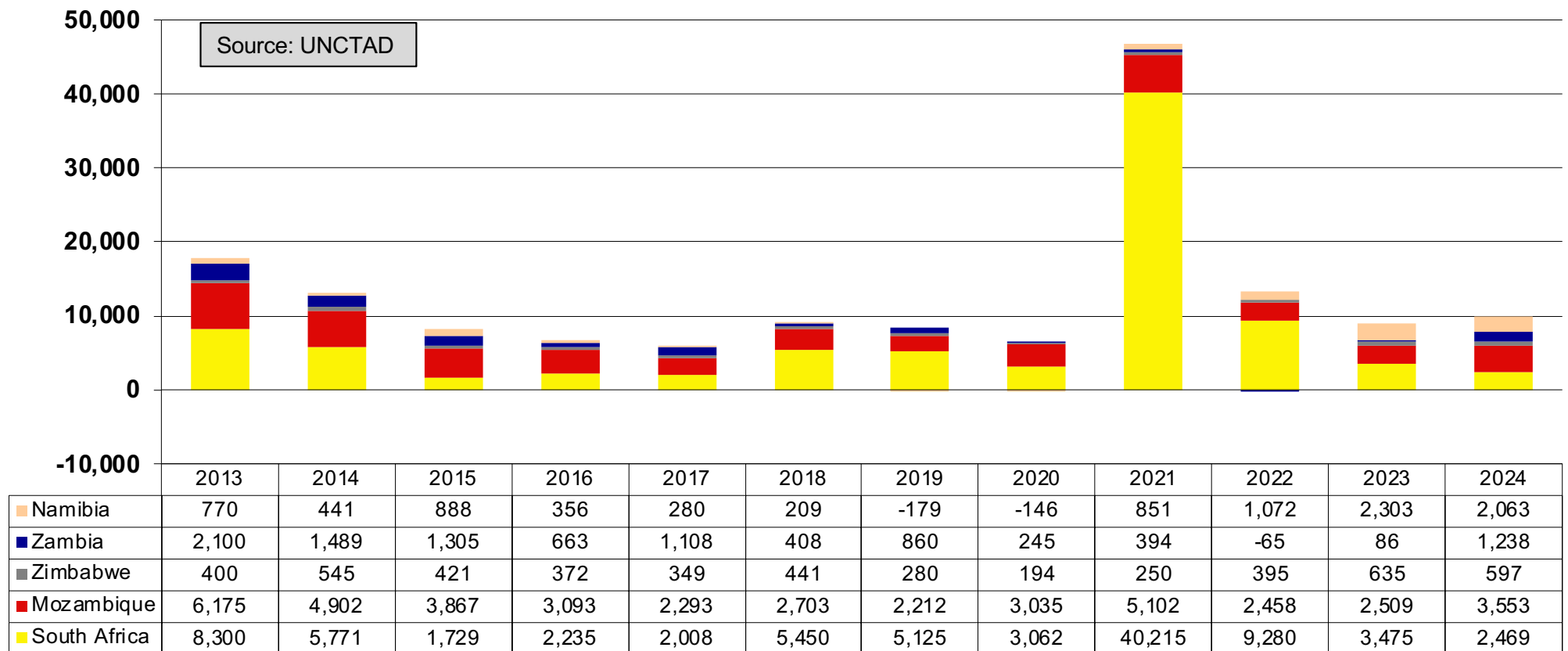
FDI Inflows (mil. US\$)



East Africa receives less foreign investment than any other area in Africa, due to its relative lack of natural resources such as oil and precious minerals (apart from Tanzania and Uganda). Furthermore, the region's tourism industry that has been a leading recipient of foreign investment is under threat from terrorism.

Foreign Investment in Southern Africa

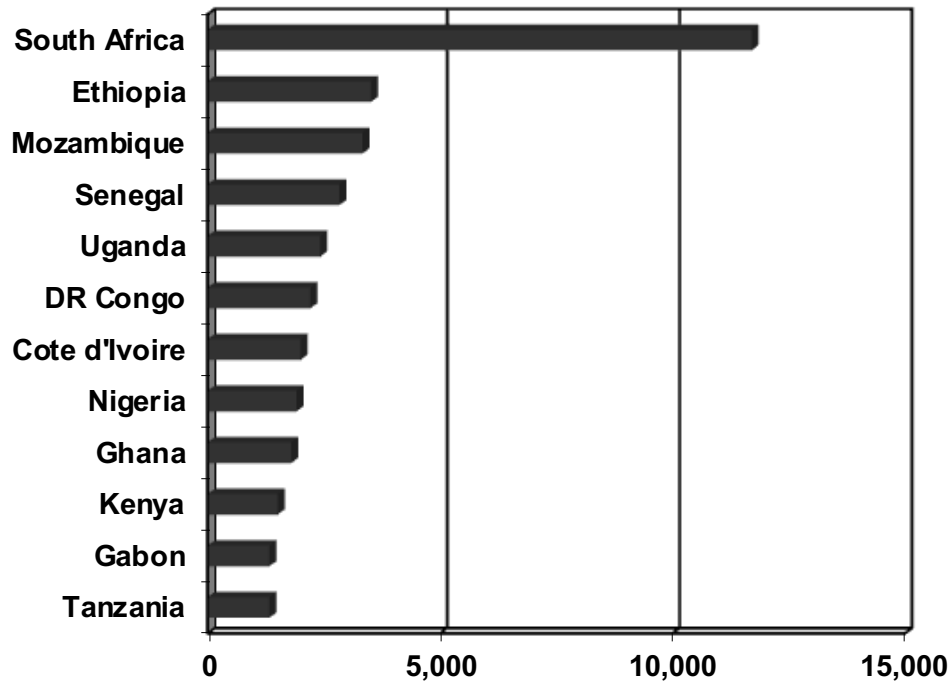
FDI Inflows (mil. US\$)



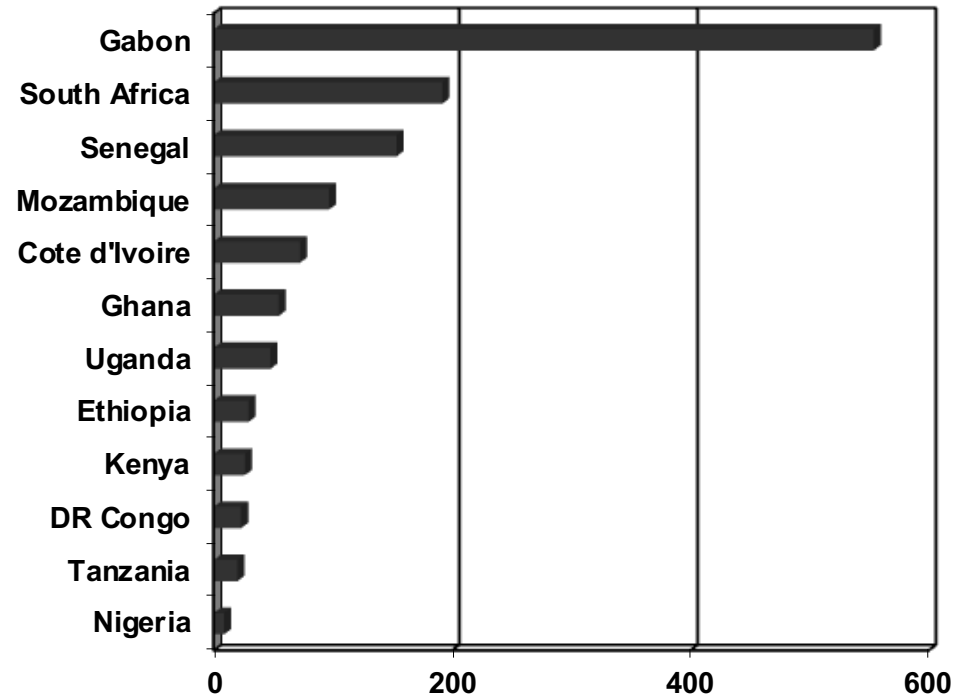
South Africa will remain a leading recipient of foreign investment in Africa, as evidenced by the recent increase in foreign investment in that country. Elsewhere in the region, foreign investment will be targeted at the large mining and tourism industries in countries such as Namibia and Botswana. Mozambique too, will see an increase in FDI inflows.

Regional Foreign Investment

**Average Annual FDI Inflows (mil. US\$)
2020-2024**



**Average Annual Per Capita FDI Inflows
(US\$) 2020-2024**



Source: UNCTAD

Much of the recent foreign investment in Sub-Saharan Africa has focused on the mining and oil industries. Elsewhere, foreign investment remains scarce, although Chinese and Indian investments are eyeing natural resource investments in the region.

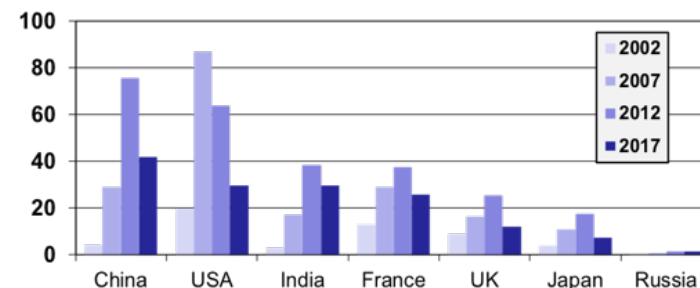
Issue in Focus (part one): A New Scramble for Africa

Introduction - Between 1881 and 1914, European states who were at the height of their global power launched a race to occupy, divide and colonize the much of the territory of Africa, a race that became known as the Scramble for Africa. Eventually, seven European powers (the United Kingdom, France, Germany, Portugal, Spain, Italy and Belgium) would gain control over the entire continent, with the exception of modern-day Ethiopia, Liberia and parts of Somalia. These powers conquered Africa for a variety of reasons, including prestige, nationalism, a desire to seize control of strategic locations before their rivals and a perceived need to enhance their economic position in Europe and the world. As European power collapsed in the decades after the Second World War, these African colonies gained their independence, but Europe's colonial legacy is still evident today in the use of English, French, Portuguese and other European languages across Africa, as well as the lingering ties between many present-day African countries and their former colonizers.

China Sets the Pace

Today, while Africa consists of 54 independent countries, there is a sense that a new scramble for Africa is underway. Earlier, in the decades after African countries gained their independence, former colonial powers were able to retain their influence as the world's two superpowers, the United States and the Soviet Union, had little interest in the region. However, as the Cold War intensified, both the US and the USSR spread their ideological showdown to Africa, with many African leaders playing the two rivals off one another, typically to line their own pockets. Since the end of the Cold War, US interest in Africa waned considerable. Instead, it is the US' new superpower rival, China, that has dramatically expanded its presence in the region in recent decades. China, along with other Asian powers such as Japan and India, have made major investments in Africa, seeing the region as a valuable source of the resources they need to fuel their economies, as well as a large, relatively-untapped market for their products. With Asia's presence in Africa rising, the United States is rekindling its interest in this region.

Exports from Africa by Destination
(Bil. US\$)



Africa's Promise

As in the late 19th century when European powers viewed the race to control Africa as a zero-sum game, so too do today's leading powers. Increasingly, the view from Beijing, New Delhi, Washington and other capitals is that, if one power is able to expand its economic, military or political presence in Africa, it will weaken the position of the other outside powers active in that region. First and foremost, access to Africa's strategic resources, such as oil, minerals and arable land, is seen as an essential component in the efforts to secure the future economic growth of countries investing in the region, and this has been the driving force behind China's growing presence in Africa. At the same time, no region in the world is experiencing a higher rate of population growth than Africa, and at a time when global population growth is slowing, this makes the region a market with significant long-term potential growth. In fact, Africa's population is forecast to rise from 1.1 billion today to as much as 2.5 billion in the year 2050. For major economies seeking export growth markets, Africa appears to offer many opportunities for such growth.

Issue in Focus (part two):

A New Scramble for Africa

The Seven Powers Scrambling for Africa

Today, there are seven large- and mid-sized outside powers that are seeking to expand or protect their positions in Africa. These are:

- China:** No country has received more attention for their expansion into Africa than China. In particular, China's investments in African infrastructure holds the promise of transforming the region's economy. However, China's focus remains on securing access to African natural resources, and its investments have left many African countries deep in debt.
- India:** After a late start, India has followed China's lead and sought to expand its presence in Africa and to secure access to the region's vital energy and mineral resources. However, Indian trade with Africa remains less than one-quarter of that of China's trade with the region, and India's defense presence in negligible.
- Japan:** Japan too has trailed behind China in terms of its presence in Africa, but in recent months, Tokyo has announced plans for a major expansion of Japanese investments in the region. Japan's giant manufacturing firms view Africa as both a source of natural resources as well as a long-term growth market for their products.
- Russia:** While Russia's economic presence in Africa is severely limited by Russia's own economic woes, it has moved to significantly expand its political and defense presence in the region in recent years. This includes plans for a series of new logistics and security bases in strategic locations around Africa.
- France:** No former colonial European power has tried to retain as much influence in its former African colonies as France. For France, it views close ties to French-speaking parts of Africa as essential in its drive to retain some degree of global influence. Also, security concerns are resulting in France expanding its military presence in some areas of West Africa.
- United Kingdom:** While the English language is the leading European language in modern-day Africa, the United Kingdom has done less to retain a presence in its former African colonials than most other colonial powers. However, a renewed focus on the Commonwealth in London could lead to stronger Anglo-African ties in the coming years.
- United States:** Despite being the world's leading power, the United States has played a relatively secondary role in African affairs. However, that is changing as the United States is now the leading foreign investor in Africa, and its armed forces are expanding their presence in many areas of the region. As China's presence in the region grows, the US is likely to counter this with a greater presence of its own.

Issue in Focus (part three): A New Scramble for Africa

Potential Flashpoint

It is important to remember that that original Scramble for Africa almost led to a war between the two leading colonial powers of that era, the United Kingdom and France. Had there been a full-scale battle at Fashoda in 1898 between British and French forces in the Sudan, the history of the 20th century would have probably turned out much differently. Today, the potential for a military clash between rival outside powers in Africa seems remote, but a continued expansion of these countries' presence in the region makes it difficult to preclude such an eventuality in the future. Most notably, a clash of US and Chinese interests in the region could exacerbate tensions between the 21st century's two dominant powers. While the US has few direct interests in Africa, it is unlikely to allow China to emerge as the dominant outside power in the region.

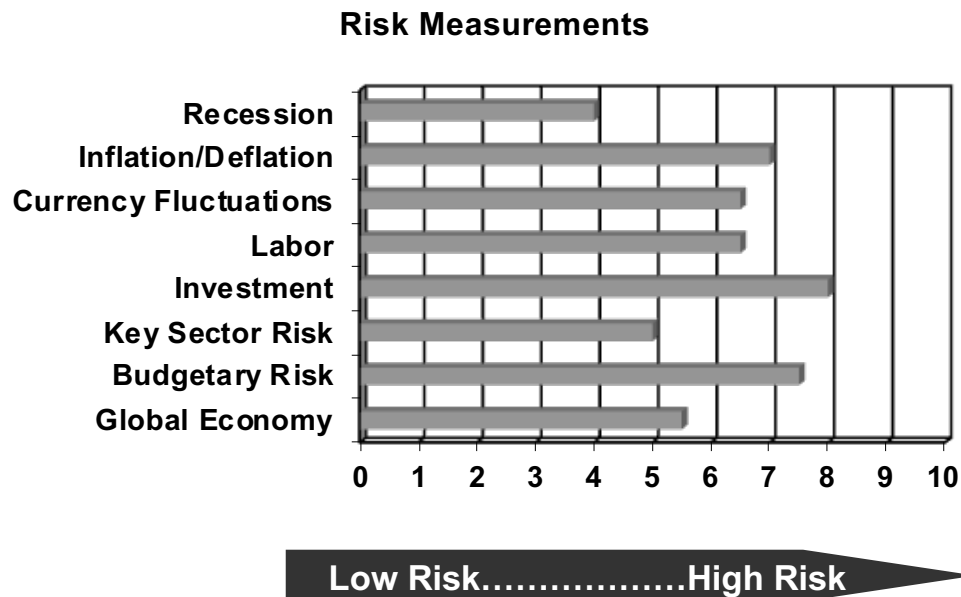


Can Africa's Shape its Own Destiny?

Of course, this discussion ignores any of the interests or wishes of African states themselves. Unfortunately, few African states have reached a level of stability or prosperity that enables them to withstand outside economic or military pressure, leaving them at the mercy of outside powers. Worse, this situation appears unlikely to change anytime soon, as African economic growth has failed to reach expectations, and as security and stability remain as elusive as ever for too many countries in the region. Despite these troubles, many outside powers will remain attracted to the region's natural resources and its long-term potential as an export market. As a result, this will keep outsiders scrambling for the region for the foreseeable future.

Sub-Saharan Africa: Economic Risk Outlook

Current Economic Risk Ratings:



• ISA Risk Ratings

- 0.0 to 1.9 = Low Risk
- 2.0 to 3.9 = Low to Moderate Risk
- 4.0 to 5.9 = Moderate Risk
- 6.0 to 7.9 = Moderate to High Risk
- 8.0 to 10 = High Risk

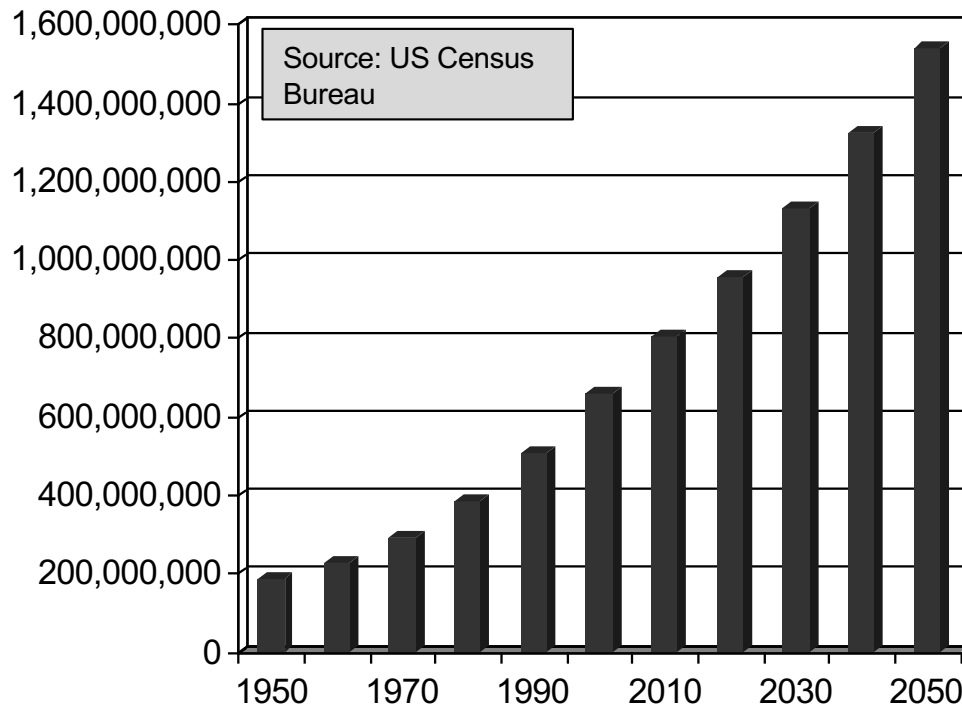
Economic Risk Outlook:

- As the world's poorest region, Sub-Saharan Africa naturally faces some of the world's highest levels of economic risk.
- The lack of political stability is the greatest risk for the region's economy.
- Another major risk is the region's rapidly growing population that is contributing to the spread of poverty.
- Nevertheless, high rates of economic growth in many of the region's leading economies have helped to slightly push down economic risk levels in recent years.

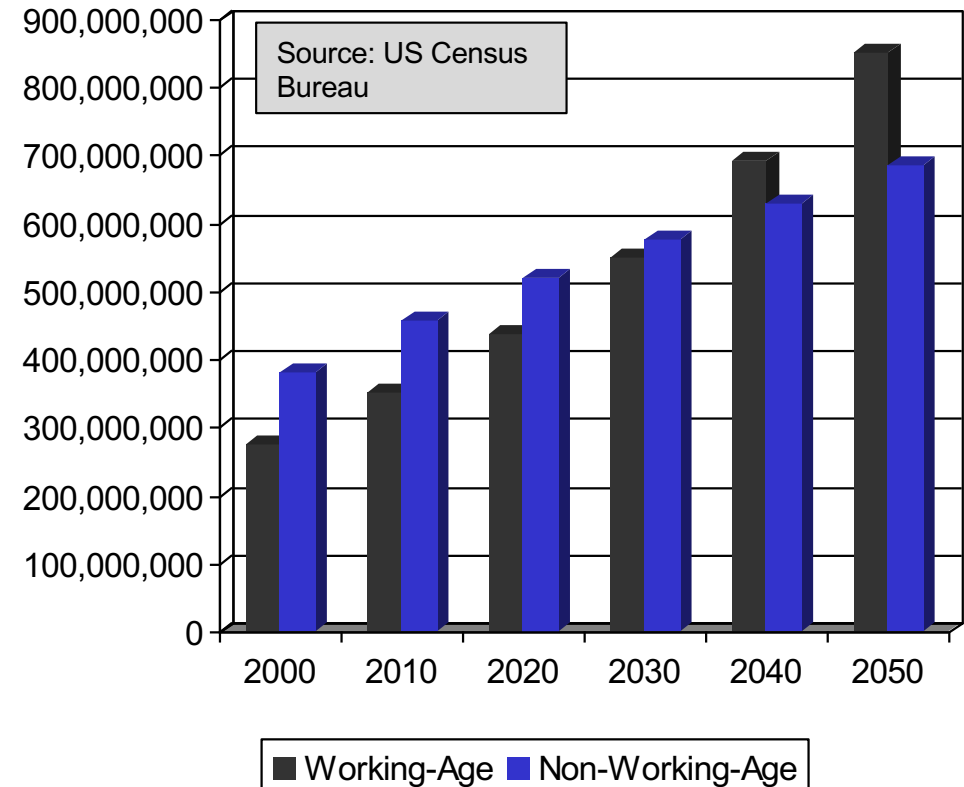
Demographic and Environmental Outlook

Sub-Saharan Africa Population Trends

Total Population



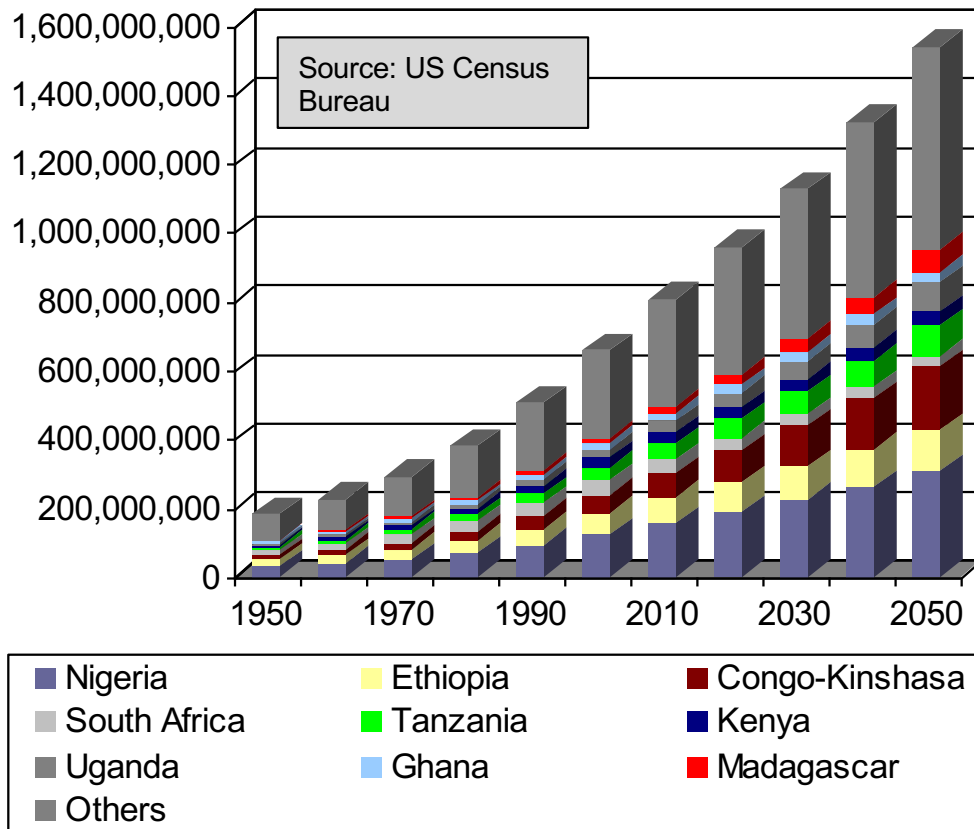
Working-Age Population



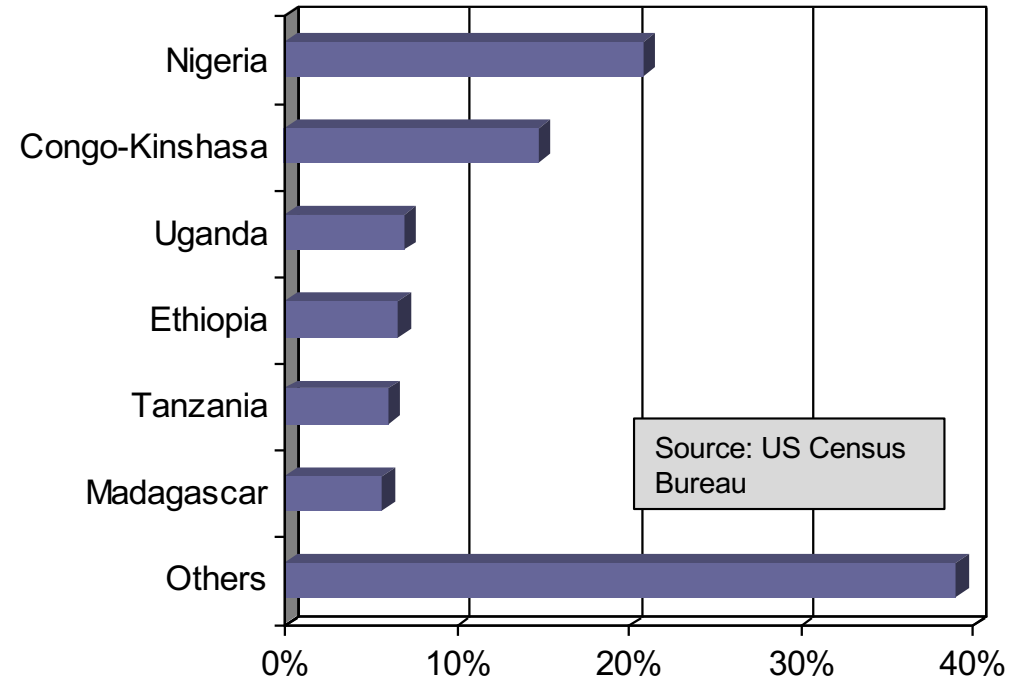
Sub-Saharan Africa's high rate of population growth is continuing, though unevenly across the region. In Southern Africa, populations are already beginning to decline as a result of the AIDS crisis. However, in countries with low rates of HIV/AIDS infection, rapid population growth is continuing.

Sub-Saharan Africa Population Trends by Country

Total Population



Contribution to Regional Population Growth (2000-2050)



Rapid population growth continues in all areas of Sub-Saharan Africa except those that are suffering from high rates of HIV/AIDS infections. Many countries in West and East Africa will see their populations more than double over the next five decades, though neither area will be able to support such population growth in the long-term.

Sub-Saharan Africa Language Composition

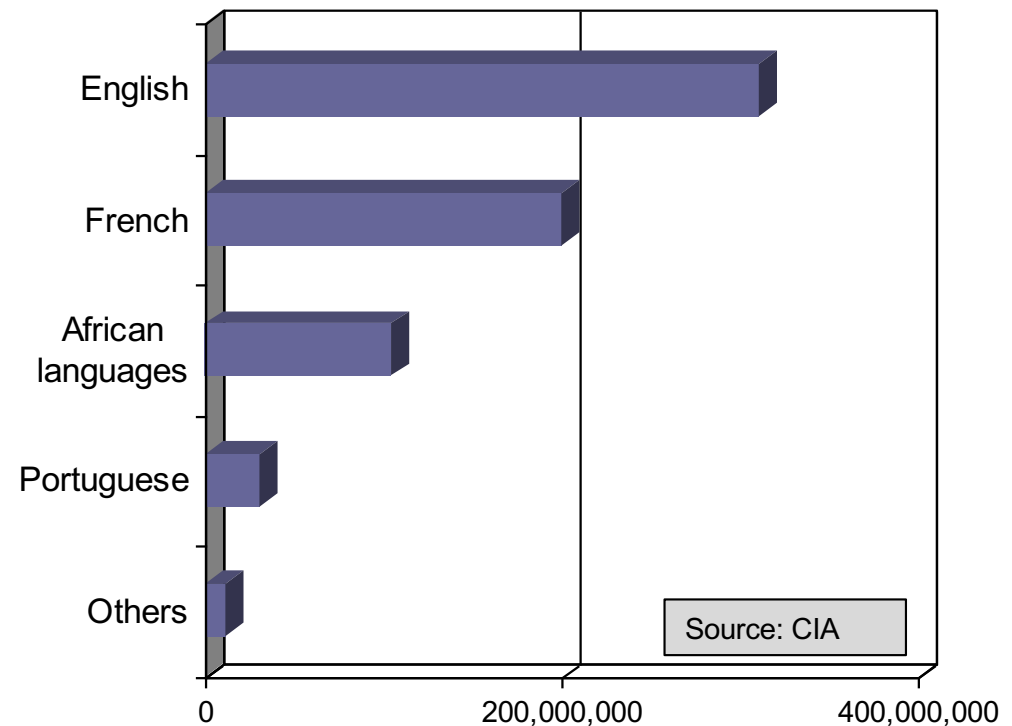
English is the leading language in most of the key economic centers of Sub-Saharan Africa.

French is the leading language of large areas of West and Central Africa.

Portuguese is the official language of Angola, Mozambique and a few smaller countries.

Hundreds of indigenous languages are spoken as first languages throughout the region.

Largest Official Languages

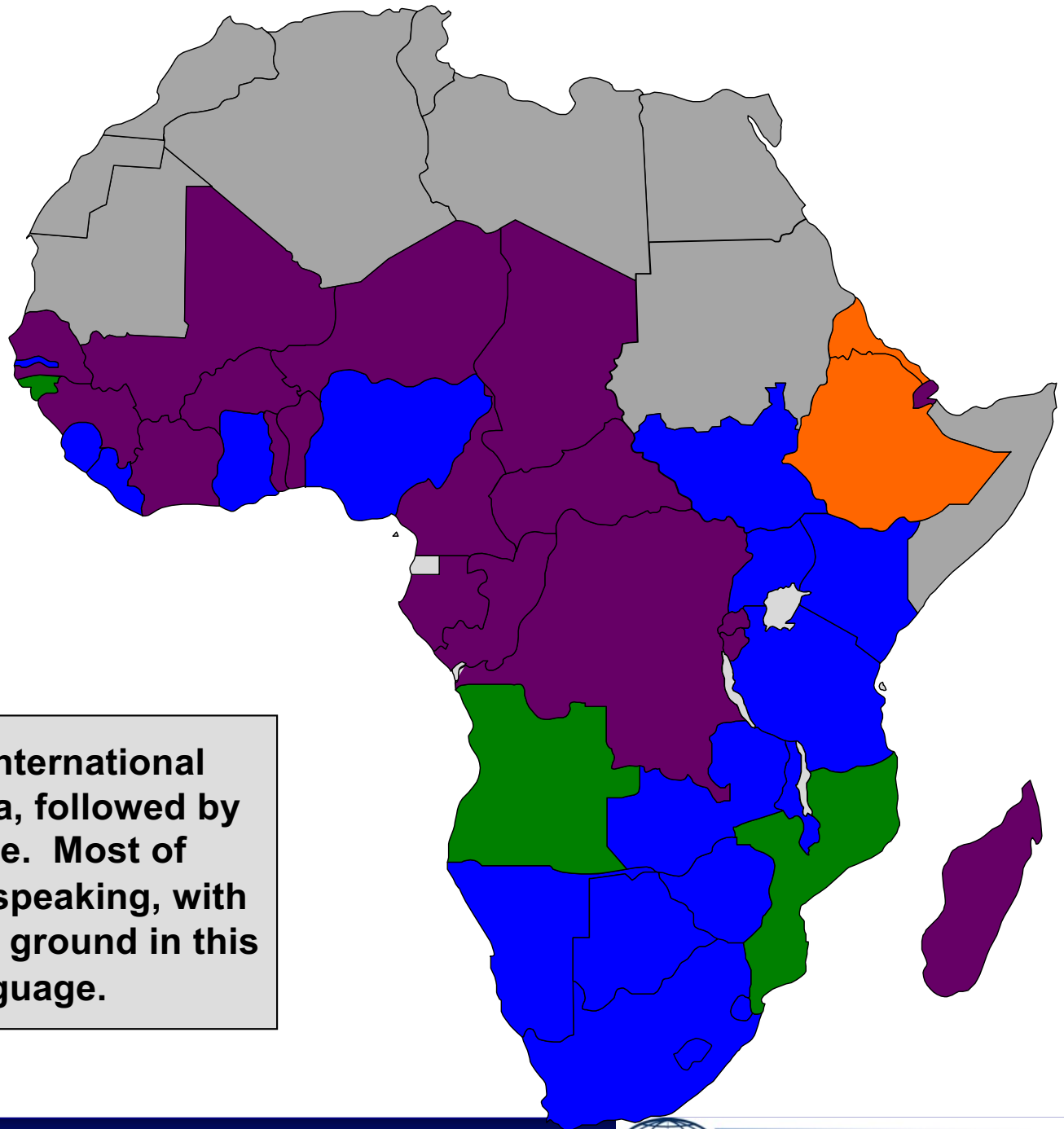


English, French and Portuguese remain the official languages of nearly all Sub-Saharan African countries, even decades after independence. English's role is enhanced by its use in South Africa and Nigeria, while Sub-Saharan Africa is home to more French-speakers than anywhere else in the world.

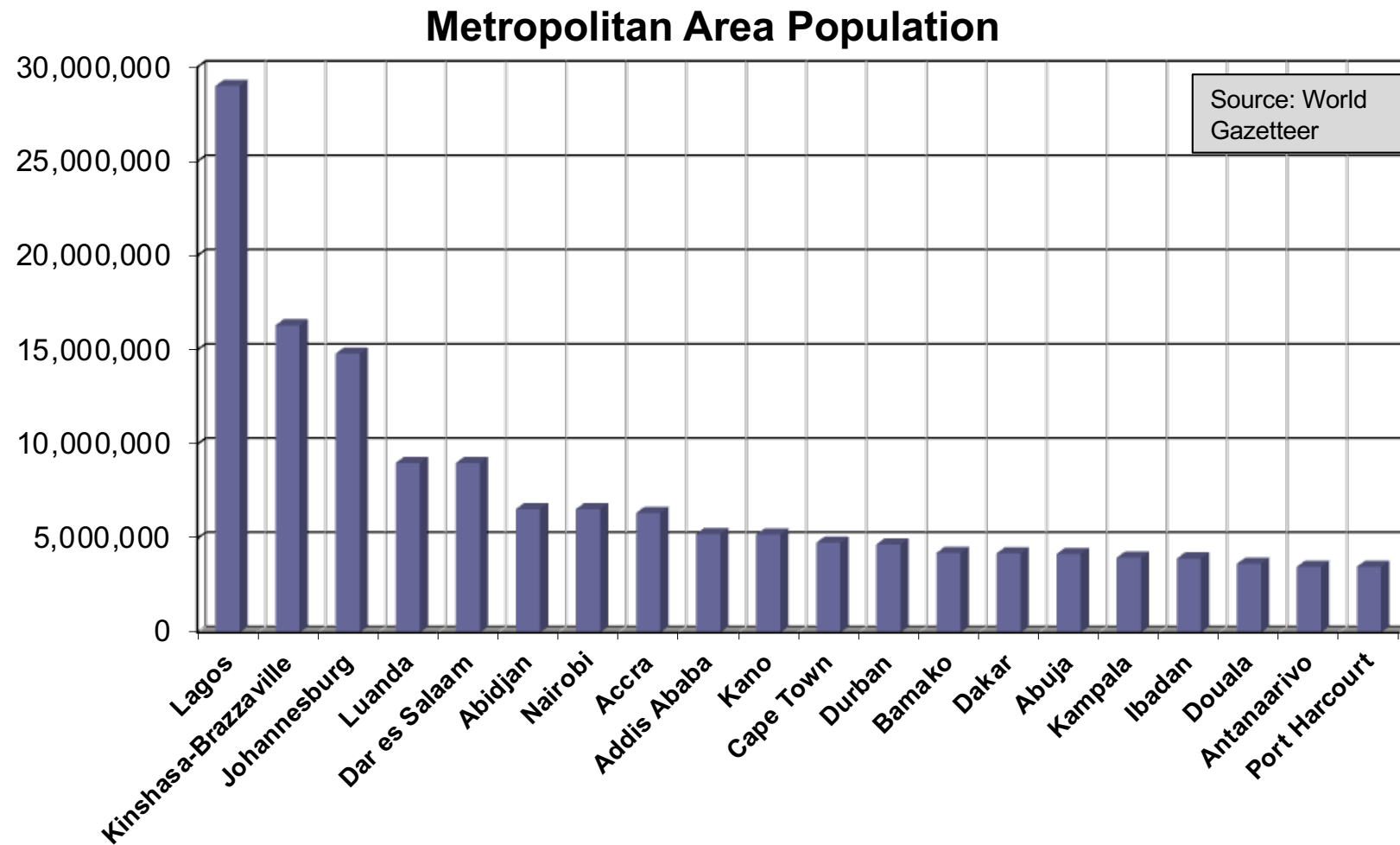
Africa: Languages Map

Blue = English
Purple = French
Green = Portuguese
Gray = Arabic
Red = Spanish
Orange = Other

English is the leading international language spoken in Africa, followed by French and Portuguese. Most of northern Africa is Arabic speaking, with English and French losing ground in this region to that language.



Largest Cities in Sub-Saharan Africa



The pace of urbanization in Sub-Saharan Africa has accelerated in recent decades. As a result, the region is home to many of the world's fastest-growing cities, some of which will soon be among the world's largest cities.

Top Environmental Issues in Sub-Saharan Africa

Desertification

Vast areas of Africa are threatened by the expanding Sahara Desert.

- Climate change and improper agricultural methods are the main causes of this desertification problem.
- Population growth means that more agricultural land will be needed, but in reality the amount of land available for agriculture is shrinking.

Water Supplies

Water supplies are scarce in many areas of the Sub-Saharan Africa.

- Disputes over water rights will become a major threat to peace in the region.
- East Africa in particular will experience growing disputes over water.

Protecting Sub-Saharan Africa's Wildlife

Few areas in the world are as associated with its wildlife as is Sub-Saharan Africa.

- However, a growing human population and the reduction of land available to Africa's wildlife has led to major reductions in animal populations, while poaching is also a major problem in this region.

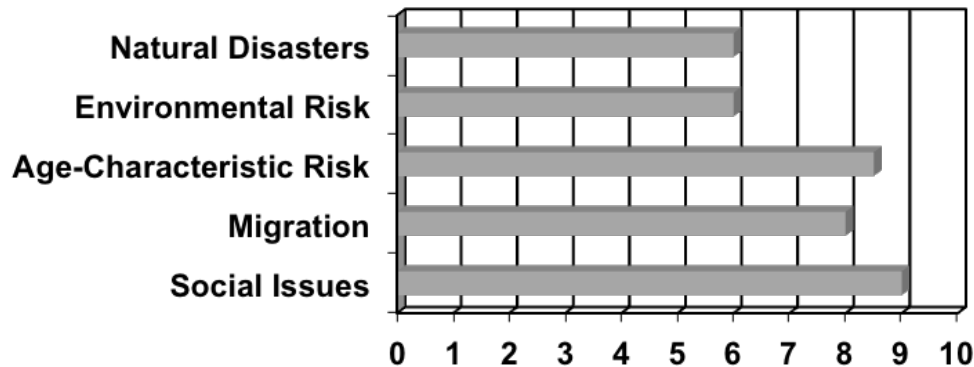
Sub-Saharan Africa will face an ever-growing threat to its environment as population growth leads to deforestation, desertification and destruction of the region's wildlife. Moreover, industrial growth and the increase in motor vehicle traffic will also play a very harmful role in Sub-Saharan Africa.



Sub-Saharan Africa: Demographic and Environmental Risk Outlook

Current Risk Ratings:

Risk Measurements



Low Risk.....High Risk

• ISA Risk Ratings

- 0.0 to 1.9 = Low Risk
- 2.0 to 3.9 = Low to Moderate Risk
- 4.0 to 5.9 = Moderate Risk
- 6.0 to 7.9 = Moderate to High Risk
- 8.0 to 10 = High Risk

Demographic Risk Outlook:

- Sub-Saharan Africa faces some of the world's greatest demographic challenges as a result of the region's AIDS epidemic and high birth rate.

Environmental Risk Outlook:

- Environmental risk levels have risen dramatically over the past few decades and are likely to rise further in the coming.

Summary



Future Outlook Summary

Demographic and Environmental Outlook

- Rapid population growth will continue across some areas of Sub-Saharan Africa, but falling birth rates will eventually lead to a major slowdown in population growth across many areas of the region
- While the rest of the world's population ages, Sub-Saharan Africa will continue to have a relatively young population, something that could fuel emigration pressures.
- As the region's population rises, there will be a much greater level of stress on the region's natural resources and its wildlife.

Political Outlook

- Many areas of Sub-Saharan Africa will continue to experience political instability, with few countries avoiding internal unrest in the near future.
- Much of Central Africa and the Sahel will remain unstable, despite the recent attempts at achieving stability.
- South Africa and Nigeria will continue to exercise considerable political leadership in the region, but both are also at risk from internal unrest.
- Outside powers will continue to compete for influence in many areas of the region.

Economic Outlook

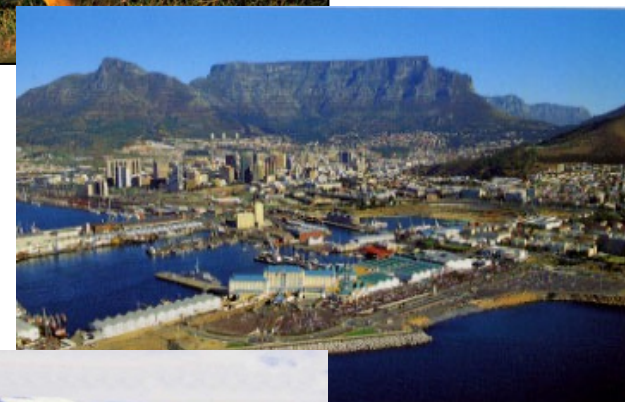
- The price of oil and other commodities will continue to have a massive impact on the performance of most economies in Sub-Saharan Africa.
- Meanwhile, many countries in the region will continue to suffer from a high degree of economic instability with wildly fluctuating growth rates.
- While the labor forces of most major economies are forecast to stagnate or shrink in the coming decades, Sub-Saharan Africa's working-age population is forecast to rise dramatically in the coming decades.



International Strategic Analysis
Understanding Tomorrow's World, Today

ISA Region Report Sub-Saharan Africa

September 2025



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