

The State of African Cities 2018

The geography of African investment



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The official citation for this report is: UN-Habitat and IHS-Erasmus University Rotterdam (2018) "The State of African Cities 2018: The geography of African investment." (Wall R.S., Maseland J., Rochell K. and Spaliviero M). United Nations Human Settlements Programme (UN-Habitat).

HS Number: HS/053/18E
ISBN Number (Volume): 978-92-1-132807-3
ISBN Number (Series): 978-92-1-133397-8

All photos courtesy of Dreamstime.com other than pages 28, 39, and 183

Cover image: Levering and Wall, 2017



Design and Layout by
PFD Media Group | London, UK

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Acknowledgements

In an effort to review in detail the conditions, trends and effects of foreign direct investment on urban development across the African continent, *The State of African Cities 2018* report involved a large number of international organizations, academic institutions and individual experts.

The report was conceived and produced through a cooperation between the Institute for Housing and Urban Development Studies (IHS) at the Erasmus University Rotterdam (responsible as lead institution for the research) and UN-Habitat (responsible for overall coordination).

At UN-Habitat, the publication was coordinated by Joseph Maseland, Mathias Spaliviero, Katharina Rochell and Paula Pennanen-Rebeiro-Hargrave, who were assisted by Monica Gakindi and Jessica Mundia.

Lead author, Professor Dr. Ronald Wall, of IHS Erasmus University and the University of the Witwatersrand, Johannesburg, coordinated and carried out the research and the drafting of the chapters.

General studies were developed by Ronald Wall (*The Economic Geography of African FDI*) and Canfei He and Shengjun Zhu (*China's Foreign Direct Investment into Africa*).

Thematic studies were prepared by Rupinder Kaur, Ronald Wall and Jan Fransen (*The Impact of FDI on Income Inequality in Africa*); Ronald Wall, Poonam Mehta and Rupinder Kaur (*Impact of Foreign Direct Investment on Employment in Africa*); Addisu Lashitew and Ronald Wall (*Do Sub-Saharan Cities with Lower Labour Costs Attract Greater FDI Inflows?*); Ronald Wall, Dorcas Nyamai and Colin McAweeney (*Determinants of Foreign Direct Investment into Africa's Knowledge-based Industries*); Ronald Wall, Lynda Bitrus Elesu and Taslim Alade (*Infrastructure Networks and Foreign Direct Investment*); Max van Gils, Jeroen van Haaren and Ronald Wall (*The Attraction of Direct Greenfield Foreign Real Estate Investment into Sub-Saharan Africa*); Ronald Wall, Dorcas Nyamai and Akua Asubonteng (*FDI and the African Food Security Paradox*); Ronald Wall, Stelios Grafikos, Alberto Gianoli and Spiros Stavropoulos (*Policy Instruments for attracting FDI in Renewable Energy*); Ronald Wall and Spiros Stavropoulos (*Smart Cities Within World City Networks*); and Ronald Wall, Dorcas Nyamai and Meera Malegaonkar (*The Effect of Green Competitiveness on FDI*).

Case studies were prepared by Wits University researchers Umakrishnan Kollamparambil and Rubina Jogee (*Johannesburg: Interlinked Narratives and Investment by Foreign Firms*); Cairo University researchers Alia El Mahdi, Anwar El Nakeeb and Dalia Barakat (*Cairo: A Vibrant Investment City*); independent researcher Rodrigue Majoie ABO (*Foreign Direct Investment in the Abidjan-Lagos Corridor*); and Frederick Golooba-Mutebi (*Foreign Direct Investment in Kigali City*).

The appendix studies were written by Arthur Minsat and Thang Nguyen of the OECD Development Centre (*Foreign Direct Investment into African Cities: Insights from African Economic Outlook 2016 and 2017*); and Lucia Gómez, Ronald Wall and Päivi Oinas (*Foreign Investments in the Peripheral Global South*).

In preparation of the case studies, local government partners were consulted in various meetings in May and June 2017. UN-Habitat and IHS are grateful to Ravi Naidoo, Tom Scott, Aloysius Bongwa, Alia El Mahdi and Frederick Golooba-Mutebi for their time and support to the project.

Thanks are due to Graeme Harrison of Oxford Economics for preliminary forecasting research and early conceptualizations of the project.

A review process involved an Advisory Board meeting organized and hosted by UN-Habitat from 17-18 May 2017. Valuable insights and guidance to the finalization of the report were given by high-level interdisciplinary experts. The Board was chaired by Alioune Badiane, Director (Rtd) Programme Division UN-Habitat, Co-President ICCASU Ottawa Canada and President of The Urban Think Tank Africa –TUTTA.

The following Board members attended the meeting: William Asiko, Chief Executive Officer, The Investment Climate Facility for Africa; Edlam Yemeru, Chief, Urbanization Section, UNECA; Alioune Badiane, Director (Rtd), Programme Division, UN-Habitat; Le-Yin Zhang, Senior Lecturer and Director of MSc in Urban Economic Development at the Bartlett Development Planning Unit, University College London (UCL); and David Thomas, Gender Equality Unit, UN-Habitat. Board members Tom Scott, Chief Economist, City of Johannesburg and Gulelat Kebede, a lecturer and researcher on urbanization and economic development, submitted their detailed comments in writing. Further meeting participants were Ronald Wall, Joseph Maseland, Mathias Spaliviero, Katharina Rochell and Jessica Mundia.

A subsequent teleconference meeting took place in mid-2017 with the African Development Bank which included Stefan Atchia, Saloua Sehili, Anna Okola, Aymen Ali, Alice Nabalamba and Ronald Wall. The most valuable remarks by the Bank were taken into account in the finalization of the report.

We would also like to recognize the following people for their contribution or support during the various phases of the project: Kees van Rooijen, Carley Pennink, Jan Fransen, Aloysius Bongwa, Gerjan van Zoest, Bert van Kooij, Imraan Valodia, Jannie Rossouw, David Makhura, Ravi Naidoo, Tom Scott, Jaap Rozema, Mahlet Yilema, Giulia Gorjux, Koen Rutten, Amadou Oumarou, Petra van der Stoel-van Dijk, Marina Salimgareeva, Monserrat Budding-Polo Ballinas, Nigel Browne, Rene van der Zwet, Claudio Acioly, Alioune Badiane, Carmel Ferris, Adam Habib, Ian Jandrell, Sharon Welsh, George Sotiropoulos, Ana Bilska, Eunice Li, Alexandra Tsatsou, Canfei He, Shengjun Zhu (both of Peking University), Herman Mashaba, Leah Ruth Knott, Tembeka Mhleka, Peter Plank, Warren Murray, Sean Durkan and Edmund Batley. Thank you also to Lei Qu, Lois Wall, Phoenix Wall and Xavier Wall for their support.

PFD Media Group was responsible for the editing and proofing in English, the translation into French and the layout and design of the report.

The report could not have been realized without the generous financial support of the Department for International Development (DFID), the African Development Bank and the Government of Norway.

We want to particularly thank fDi Markets (Financial Times), Bureau van Dijk (ORBIS), Euromonitor International (Passport), Analyse Africa (Financial Times), African Business Magazine (2017), Zephyr Database, IHS Global Insight data, City of Johannesburg shapefile maps, Peking University for providing data on Chinese investments, and the authors who provided data from the Global Competitiveness Reports (World Economic Forum).

Foreword

UN-Habitat



This *State of African Cities 2018* report is the fourth publication on Africa in UN-Habitat's Regional State of the Cities report series. It follows a first report, published

urban dimension of Africa's structural transformation with industrialization as the main vehicle for inclusive growth.

The research conducted for this report is highly empirical, rigorously evidence-based and provides never-before seen data and information. It links urbanization to sustainable national development by providing credible options for poverty and unemployment alleviation, highlighting the role of FDI in creating new economic activities, and the contribution of partnerships between the public and private sectors to urban investment and the creation of decent jobs.

At the same time, the report shows that FDI can exacerbate inequality unless governments harness it correctly. In this regard, the report critically considers the benefits of FDI into job-rich and higher productivity sectors (e.g. IT and manufacturing) compared to capital intensive sectors with limited value addition (e.g. resources). The report also shows that African governments need to connect FDI attraction to sustainable urbanisation by underpinning it with robust national urban policies, urban planning, and financial and legal systems.

I have no doubt that this report will make an important contribution to our understanding of the current and potential economic role of cities in African sustainable development by providing a perspective on the implementation of the New Urban Agenda.

Finally, I would like to commend the Institute of Housing Studies of the Erasmus University of Rotterdam

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