

# Impact of COVID-19 on Multinational Enterprises

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# ARISE Group, a leading infrastructure developer in Africa



10+ large-scale projects already delivered or under implementation across Africa



USD 2bn invested to date, 18 M&A deals and 12 debt raising transactions completed



100+ companies attracted in our industrial platforms (USD 1.7bn investment)



Flagship Nkok SEZ project with unique impact




World-class shareholders



Strong partnerships with African governments



 Ports & Logistics

 Infrastructure Services

 Integrated Industrial Platforms

# In Gabon, 100 years of raw log exports, without transformation



**Strong potential:** 22m Ha of forests in Gabon



**Almost no transformation until 2010**



**Few jobs in the sector:** less than **10,000**



**Limited export value:** 2-3% of exports  
(USD 350m in 2010)



**Insufficient contribution to the economy:** 1-2% of **GDP**  
(USD 200m in 2010)



# 10 years later – Gabon, a new powerhouse of the wood industry



**x3**

**Value of timber exports, reaching USD 1bn in 2019**



**x4**

**Sector contribution to GDP, reaching USD 0.8bn in 2019**



**x4**

**Jobs in the sector, reaching 34k to date**

# Similarly, there is a strong value addition potential for Togo regarding its cotton production, with significant impact for the country



## Stage I: Intermediate/ End Products

- Yarn
- Greige fabric
- Finished fabric



	Now	After
Value of 1kg of cotton	USD 1.3	USD 10 (up to fabric conversion)
Value of total production (56k MT)	USD 72.8m	USD 630m

Jobs created (direct & indirect)	47.5k
Investment required	USD 564m

## Stage II: End Products

### Garments:

- Knits
- Woven Tops
- Woven Bottoms



	Now	After
Value of 1kg of cotton	USD 1.3	USD 25 (till garmenting)
Value of total production (56k MT)	USD 72.8m	USD 1.58 bn (cumulative till garmenting)

Jobs created (direct & indirect)	96k
Investment required	USD 52m

# Trends that shape investment in manufacturing

A	<b>External trends</b> 	<ul style="list-style-type: none"><li data-bbox="428 237 2444 336"><b>A.1</b> Global shift from Asian manufacturing powerhouses</li><li data-bbox="428 336 2444 434"><b>A.2</b> Strong geopolitical agenda of Western countries to diversify supply chains away from Asia – accelerated by COVID-19 crisis</li><li data-bbox="428 434 2444 672"><b>A.3</b> Growing global need to reduce carbon emissions, notably by optimizing supply chains and relocating industries, with a key role to be played by Africa</li><li data-bbox="428 672 2444 868"><b>A.4</b> Closer to raw material &amp; consumer</li></ul>
B	<b>Global Challenges</b>	<ul style="list-style-type: none"><li data-bbox="428 868 2444 1036"><b>B.1</b> Massive Unemployment</li><li data-bbox="428 1036 2444 1204"><b>B.2</b> Poverty</li><li data-bbox="428 1204 2444 1386"><b>B.3</b> Climate Change</li></ul>

# SEZs are a powerful tool to support Africa's industrialization

## SEZs improve business environment and attract investors



Affordable developed land for plug & play development



Reliable and cost competitive access to utilities (electricity, water, ICT, waste management)



Attractive tax and regulatory framework



Single window Clearance to simplify administrative procedures



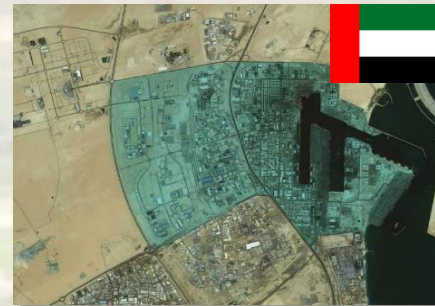
Access to efficient logistics

## Demonstrated examples of successful industrialization through SEZ



**Shenzhen SEZ played a vibrant part in China take-off**

- Created in 1980
- More than 2.2m jobs created in 40 years



**Jebel Ali Free Zone played an important role in Dubai's development**

- Started in 1985
- 135k jobs created



**In Africa, very few successful examples:**

- Nkok SEZ - Gabon
- TMSA – Morocco (Tanger)
- Kilinto Industrial Park – Ethiopia

# ARISE has been created to develop world class industrial & logistics zones addressing Africa's challenges

