GLOBAL AFRICA AGENDA

INAUGURAL EDITION

2026

AFCAI™

AFRICA FTZ COUNTRY ATTRACTIVENESS INDEX

MEASURING ZONE COMPETITIVENESS ACROSS AFRICA'S 54 NATIONS

ANNUAL CONTINENTAL BENCHMARKING REPORT

REFERENCE YEAR 2025





54 AFRICAN NATIONS RANKED

6 DIMENSIONS OF ANALYSIS

33 INDICATORS SCORED

4 TIERS OF ATTRACTIVENESS

TIER 1 MOST ATTRACTIVE

TIER 2 EMERGING

NASCENT DEVELOPING FRAMEWORKS

TIER 3 HIGH-RISK

RESEARCH & METHODOLOGY

SUBWAY LABS INFRASTRUCTURE PARTNERS

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INAUGURAL EDITION | 2026

Africa FTZ Country Attractiveness Index

AFCAI™ 2026

The Continent. Benchmarked.
Benchmarking the competitiveness of Free Trade Zone ecosystems across all 54 African Union Member States.

Published by
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About AFCAI™
The Africa FTZ Country Attractiveness Index (AFCAI™) is an annual benchmarking publication assessing the relative attractiveness of national Free Trade Zone ecosystems across all 54 African Union Member States. The Index provides governments, investors, development finance institutions, researchers, and policymakers with a transparent, evidence-based framework for evaluating the institutional, infrastructural, operational, and strategic competitiveness of Free Trade Zone ecosystems.

AFCAI™ is designed as a comparative benchmarking instrument. It is not a regulatory certification, investment recommendation, or legal assessment of any country or Free Trade Zone.

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EXECUTIVE SUMMARY

AFCAI™ Inaugural Edition 2026 | Key Findings

The 2025 Continental Zone Competitiveness Picture

The 2025 reference year points to a period of significant structural change across Africa's Free Trade Zone ecosystems. Recent legislative reforms, evolving fiscal policies, and the operationalisation of the African Continental Free Trade Area (AfCFTA) suggest that many national zone programmes are entering a new phase of institutional development. Major institutional reforms, including Tanzania's TISEZA Act, Uganda's UFZEPA Amendment, Kenya's SEZ Act amendments, Senegal's Investment Code, and Mauritania's Investment Code, have collectively altered the administrative architecture in over a third of African countries within a single year. At the same time, Tanzania's removal of the local-sales EPZ/SEZ tax holiday and Ghana's tightening of Free Zone corporate taxation may signal the beginning of a broader recalibration of fiscal incentives within African Free Trade Zone regimes.

Three broad structural patterns emerge from the 2025 assessment. The assessment identifies a pronounced performance gap between the highest-performing zone economies and the remainder of the continent. Collectively, the leading performers attracted an estimated US$42 billion in committed and realised zone-related FDI during the 2025 reference year. The assessment also identifies a substantial performance gap between countries operating functional Free Trade Zone frameworks and those where such frameworks remain non-operational. Twelve countries operate no functional zone framework at all. Finally, AfCFTA implementation has progressed from negotiation to early operationalisation, reflected in fifty State Parties, twenty-five gazetted tariff schedules, and the conclusion of the Guided Trade Initiative.

54	33	10	$42 bn	12	50
AU member states scored	Indicators, 6 dimensions	Tier 1 nations	Zone-FDI committed 2025	Non-Operational regimes	AfCFTA state parties

Five Key Insights

Insight 1 — North Africa's Performance Dominance Continues

Three of the top seven nations are North African: Morocco (Rank 1), Egypt (Rank 3), Tunisia (Rank 7). Combined zone exports from these three exceed $25 billion in 2025. Their competitive advantage: mature legal frameworks from the 1990s, deep-water port infrastructure, and structural Mediterranean-market access.

Implication: Pan-African capital allocation continues to disproportionately flow North. Sub-Saharan zone competitiveness must accelerate to rebalance the continental investment map.

Insight 2 — East Africa's Institutional Reform Wave is the Story of 2025

Tanzania (TISEZA Act), Uganda (UFZEPA Amendment), Kenya (SEZ Act amendments), Rwanda (Banking Law + Privatisation Law) all enacted material zone reforms in 2024–25. East Africa now has more countries undertaking active zone administrative modernisation than any other African region.

Implication: Investors and DFIs should re-examine East African zone allocations in 2026–28. AFCAI™ scores in this region should be expected to move materially in the 2027 edition.

Insight 3 — Performance Concentrating at the Top

Tanger Med generated MAD 188 bn ($18.8 bn) industrial revenue in 2025 alone (+8% YoY). SCZONE attracted $5.1 bn in H1 FY25/26, exceeding the prior full-year total. The top three economies attract roughly 60% of all measurable zone-FDI on the continent.

Implication: The "long tail" of underperforming designated zones — including 20 of Nigeria's 50+ FTZs flagged non-operational by NEPZA itself — represents both a development finance.

Insight 4 — Twelve Countries Operate No Functional Zone Framework

Sudan, South Sudan, Somalia, Eritrea, Libya, CAR, Mali, Burkina Faso, Niger, Guinea-Bissau, São Tomé and Príncipe, and Equatorial Guinea all have Non-Operational FTZ Frameworks. Half are in active armed conflict.

Implication: Continental zone integration cannot succeed without addressing the zone-frontier of fragility. Development finance institutions should treat these countries as institutional capacity-building cases, not zone investment cases.

Insight 5 — AfCFTA is Materially Reshaping Zone Competitiveness

Of the 50 AfCFTA state parties, 25 have completed tariff schedule gazetting — the threshold for preferential goods access. Ten countries actively traded under the Guided Trade Initiative, now formally concluded (April 2025). PAPSS live in 17 markets.

Implication: Countries with completed AfCFTA institutional infrastructure now score systematically higher on D6. The relationship between AfCFTA depth and zone attractiveness is measurable and widening annually.

Figure 1 provides a consolidated executive dashboard of the AFCAI™ 2026 results, bringing together the report's principal metrics, rankings, and strategic findings in a single-page reference before the detailed continental analysis begins.

FIGURE 1

EXECUTIVE DASHBOARD

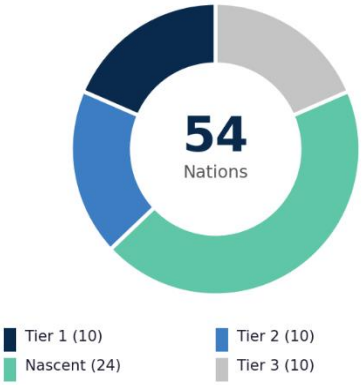
AFCAI™ 2026 at a Glance

A single-page synthesis of the AFCAI™ 2026 inaugural findings across all 54 African Union Member States.

AFCAI
AFRICA FTZ COUNTRY ATTRACTIVENESS INDEX

54	33	62.1	92.7	10	10
AU States Scored	Indicators	Continental Avg /100	Top Score (Morocco)	Tier 1 Nations	Tier 3 High-Risk

TIER DISTRIBUTION



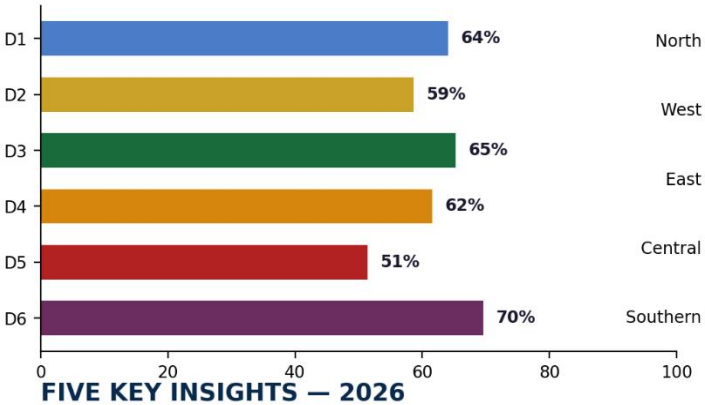
TOP 5 MOST ATTRACTIVE



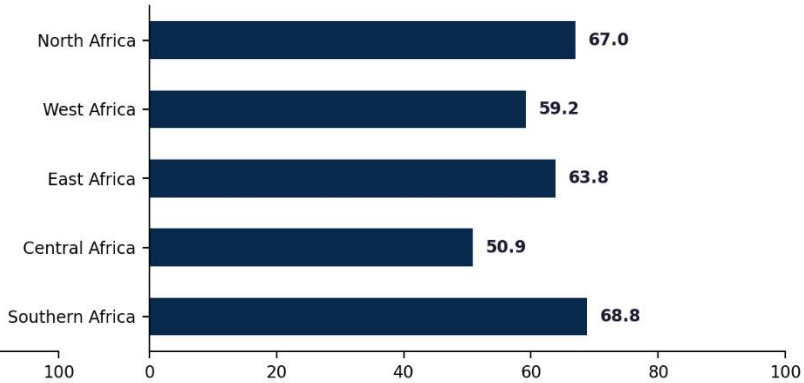
BOTTOM 5 (HIGH-RISK)



CONTINENTAL DIMENSION PERFORMANCE (% of max)



REGIONAL AVERAGE SCORE



FIVE KEY INSIGHTS — 2026

01 North Africa's Continued Dominance

3 of top 5 nations are North African. Combined zone exports exceed $25bn.

02 East Africa's Reform Wave

TISEZA, UFZEPA, SEZ amendments — 4 of 10 Tier 1 nations now East African.

03 Performance Concentration

Top 3 economies attract ~60% of continental zone-FDI.

04 Ten High-Risk Frameworks

Tier 3 (Ranks 45–54): conflict, fragility, absent zone regimes.

05 AfCFTA Reshaping Competitiveness

50 state parties; 25 gazetted schedules; D6 gap widening annually.

Source: AFCAI™ 2026 Database, SLIP Research Intelligence Unit.

FULL NATIONAL LEAGUE TABLE

All 54 African Union Member States AFCAI™ Scores 2026

Complete ranking by composite AFCAI™ Score. Tier 1 (Ranks 1–10) in forest green — Most Attractive; Tier 2 (Ranks 11–20) in amber — Emerging; Nascent (Ranks 21–44) in teal — Developing Zone Frameworks; Tier 3 (Ranks 45–54) in crimson — High-Risk, conflict/fragility. D1=Policy & Regulatory (max 25); D2=Infrastructure (max 20); D3=Incentives (max 15); D4=Admin Efficiency (max 15); D5=Performance (max 15); D6=Regional Integration (max 10).

#	Country	D1	D2	D3	D4	D5	D6	Total	Tier	Status
1	Morocco	22.5	19.0	13.0	13.5	15.0	9.7	92.67	Tier 1	Functional
2	Mauritius	25.0	17.0	14.5	15.0	11.4	8.7	91.57	Tier 1	Functional
3	Egypt	21.7	19.0	13.0	12.0	15.0	9.3	90	Tier 1	Functional
4	Rwanda	25.0	13.0	15.0	15.0	10.8	7.7	86.47	Tier 1	Functional
5	South Africa	22.5	17.0	12.0	12.5	10.2	9.7	83.87	Tier 1	Functional
6	Ghana	20.8	15.0	12.0	12.0	12.6	9.0	81.43	Tier 1	Functional
7	Tunisia	20.8	16.0	13.0	12.0	11.4	8.0	81.23	Tier 1	Functional
8	Kenya	20.0	15.0	12.0	13.0	9.6	9.0	78.6	Tier 1	Functional
9	Côte d'Ivoire	19.2	14.0	12.0	11.5	12.0	8.7	77.34	Tier 1	Functional
10	Tanzania	20.8	14.0	11.0	12.5	10.2	8.7	77.2	Tier 1	Functional
11	Senegal	20.8	13.0	12.5	13.0	9.0	8.7	77	Tier 2	Functional
12	Djibouti	18.3	15.0	13.5	11.0	9.6	7.7	75.1	Tier 2	Functional
13	Botswana	20.8	13.0	11.5	12.0	9.0	8.7	75	Tier 2	Functional
14	Togo	19.2	13.0	12.0	11.0	10.2	8.7	74.04	Tier 2	Functional
15	Benin	17.5	14.0	12.0	10.0	12.0	8.3	73.83	Tier 2	Functional
16	Uganda	19.2	12.0	12.0	10.5	9.0	7.7	70.34	Tier 2	Functional
17	Seychelles	20.8	14.0	10.0	12.5	6.0	7.0	70.33	Tier 2	Limited
18	Ethiopia	17.5	12.0	11.5	10.5	10.8	8.0	70.3	Tier 2	Functional

19	Nigeria	16.7	11.0	10.5	10.5	11.4	8.7	68.74	Tier 2	Functional
20	Mozambique	16.7	13.0	11.5	9.0	9.6	8.7	68.44	Tier 2	Functional
21	Zambia	18.3	12.0	11.0	9.5	9.0	8.3	68.16	Nascent	Functional
22	Namibia	16.7	13.0	9.5	9.5	8.4	8.0	65.07	Nascent	Limited
23	Mauritania	16.7	11.0	11.0	9.5	9.0	6.3	63.5	Nascent	Limited
24	Cameroon	15.8	13.0	10.5	9.0	8.4	6.7	63.4	Nascent	Limited
25	Angola	15.8	12.0	9.5	9.0	9.6	7.3	63.26	Nascent	Functional
26	Lesotho	15.8	12.0	9.5	9.0	9.6	7.3	63.26	Nascent	Limited
27	Madagascar	15.8	12.0	10.0	9.5	9.0	6.7	63	Nascent	Functional
28	Algeria	15.8	13.0	10.0	9.0	7.8	7.0	62.63	Nascent	Limited
29	Eswatini	15.8	12.0	9.0	9.0	9.0	7.3	62.16	Nascent	Limited
30	Cabo Verde	18.3	13.0	9.0	10.0	6.0	5.7	62	Nascent	Limited
31	Gabon	14.2	13.0	10.5	8.0	7.2	6.7	59.54	Nascent	Limited
32	Zimbabwe	14.2	11.0	10.5	9.0	8.4	6.3	59.4	Nascent	Limited
33	Republic of Congo	14.2	13.0	11.0	7.5	6.6	6.7	58.94	Nascent	Limited
34	Malawi	15.8	11.0	9.0	9.0	6.0	7.3	58.16	Nascent	Limited
35	Sierra Leone	15.8	10.0	9.0	9.0	6.0	6.7	56.5	Nascent	Limited
36	Gambia	15.0	10.0	9.0	9.0	6.0	7.3	56.33	Nascent	Limited
37	Liberia	15.8	9.0	9.0	9.0	6.0	6.7	55.5	Nascent	Limited
38	DRC	15.8	11.0	8.5	6.5	6.6	6.7	55.1	Nascent	Limited
39	Comoros	15.0	8.0	9.0	9.0	6.0	5.3	52.33	Nascent	Limited
40	Burundi	12.5	8.0	9.0	7.0	6.0	7.0	49.5	Nascent	Limited
41	Guinea	12.5	9.0	8.5	6.0	6.0	6.7	48.67	Nascent	Limited
42	Chad	12.5	8.0	9.0	6.0	6.0	6.0	47.5	Nascent	Limited
43	Equatorial Guinea	10.0	12.0	7.5	6.0	6.0	5.3	46.83	Nascent	Non-Oper.
44	Libya	10.0	9.0	6.0	6.0	3.0	4.7	38.67	Nascent	Non-Oper.
45	São Tomé and Príncipe	10.8	8.0	6.0	6.0	3.0	4.7	38.5	Tier 3	Non-Oper.
46	Guinea-Bissau	10.0	8.0	6.0	6.0	3.0	5.3	38.33	Tier 3	Non-Oper.
47	Mali	10.0	8.0	6.0	6.0	3.0	5.0	38	Tier 3	Non-Oper.
48	Burkina Faso	10.0	8.0	6.0	6.0	3.0	5.0	38	Tier 3	Non-Oper.
49	Niger	10.0	8.0	6.0	6.0	3.0	5.0	38	Tier 3	Non-Oper.
50	Somalia	10.0	8.0	6.0	6.0	3.0	4.3	37.33	Tier 3	Non-Oper.
51	CAR	10.0	8.0	6.0	6.0	3.0	4.3	37.33	Tier 3	Non-Oper.
52	Sudan	10.0	8.0	6.0	6.0	3.0	4.0	37	Tier 3	Non-Oper.
53	South Sudan	10.0	7.0	6.0	6.0	3.0	4.3	36.33	Tier 3	Non-Oper.
54	Eritrea	10.0	8.0	6.0	6.0	3.0	3.3	36.33	Tier 3	Non-Oper.

CHAPTER 1

The Strategic Role of Free Trade Zones in Africa

> Africa's zone economies are becoming the infrastructure through which the continent's structural transformation is being delivered. Across the continent, this transformation is taking shape through physical institutions built zone by zone, supported by policy and financed by investors.
>
> — AFCAI™ 2026 Inaugural Edition

1.1 The Role of FTZs in African Industrialisation

Free Trade Zones and Special Economic Zones serve a distinctive industrialisation function in the African context that extends well beyond their formal mandate. Globally, the zone instrument is understood as a mechanism to concentrate fiscal incentives and regulatory simplifications within a geographically bounded area in order to attract investment that would not otherwise be deployed at the national level. In Africa, this function is compounded by a second and arguably more important role: the institutionalisation of investor protections and administrative efficiency that the broader national environment cannot yet provide at scale.

A zone with statutory dispute resolution, codified fiscal incentives, dedicated power infrastructure, and a single-window registration system is, in many African contexts, an island of administrative credibility operating within a broader sea of governance variability. The economic returns to zone investment in Africa are therefore not solely a function of the fiscal incentives on offer — they are substantially a function of whether the zone can deliver what the headline investment code promises. This distinction between policy design and delivery quality is the central analytical insight of the AFCAI™ framework, and explains why Dimension 5 (Performance and Market Validation) exists as an independent check on the other five.

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The industrialisation channels through which African zones operate are four in number. The first and most visible is manufacturing employment creation — zones generate formal wage employment in economies where the informal sector typically absorbs 60–80% of the working-age population. Rwanda's Kigali SEZ employs over 17,000 workers. Kenya's Athi River EPZ employs over 30,000. Mauritius's Freeport anchors a 268-company ecosystem. Ethiopia's industrial parks generated over 83,000 jobs across the public network by 2023. The second channel is export diversification — zones enable countries to plug into global value chains in sectors where they have competitive potential but lack the domestic institutional environment to attract greenfield manufacturers. The third channel is technology and skills transfer — anchor zone investors typically introduce production processes, technical training, and management practices that diffuse into the broader national economy over time. The fourth channel, increasingly significant since AfCFTA entered implementation, is regional-market penetration — zones are the physical infrastructure through which intra-African trade flows in goods that require processing, packaging, or final assembly before meeting rules-of-origin thresholds.

237+
Designated zones across 38 of 54 AU member states (AfDB estimate)

$97 bn
African FDI in 2024 — record high; majority zone-anchored (UNCTAD WIR 2025)

17,000+
Jobs in Rwanda's KSEZ alone; 83,000+ across Ethiopia's IPDC network

$18.8 bn
Tanger Med industrial revenue 2025 — continental zone benchmark

1.2 FTZs and Export Competitiveness

Export competitiveness is the dimension where African zone performance is most directly measurable and most consequential. Zone-generated exports represent hard evidence that the incentive and infrastructure package has translated into internationally competitive production — and it is through export performance that zones most visibly contribute to the foreign-exchange earnings, trade-balance improvement, and employment quality that national development plans universally prioritise.

The continental export performance data from 2025 illustrates both the scale of what the leading zone economies have achieved and the gap that remains. Morocco's Tanger Med platform generated MAD 188 billion ($18.8 billion) in industrial revenue in 2025, anchored by automotive, aerospace, and logistics exports that compete directly in European markets. Egypt's SCZONE has attracted 180 operational factories plus 120 under construction, generating EGP 6.25 billion in revenue in H1 FY2025/26 alone. Ghana's GFZA recorded $1 billion in non-traditional exports in a single quarter (Q1 2025). Ethiopia's industrial parks generated $112.6 million in export revenue in H1 FY2025/26. Kenya's EPZ network and Tatu City SEZ are expanding their export base in garments, cut flowers, and business services.

Three structural factors determine whether African zones achieve genuine export competitiveness rather than merely generating activity for the domestic market. The first is rules-of-origin alignment — zone production must qualify for preferential tariff treatment in target markets (EU GSP, AGOA, AfCFTA) to be price-competitive against third-country alternatives. The second is logistics connectivity — zone proximity to deep-water port infrastructure, the availability of bonded warehousing, and the efficiency of customs clearance are the operational prerequisites for export-competitive manufacturing. The third is incentive durability — export-oriented manufacturers make capital allocation decisions over ten to twenty year horizons and require confidence that the incentive regime will remain stable through multiple electoral cycles.

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Export Competitiveness — The Three Structural Determinants

1. **Rules-of-Origin Alignment:** Zone production must qualify for AfCFTA, EU GSP, or AGOA preferential access to be price-competitive. Countries where zone incentive frameworks are structurally incompatible with AfCFTA rules of origin lose the competitiveness multiplier of continental preferential access.

2. **Logistics Connectivity:** Deep-water port proximity, bonded warehousing, customs clearance efficiency, and multimodal connectivity determine supply-chain economics for export-oriented manufacturing. Tanger Med (11.1 m TEU 2025), Mombasa, Lomé, and SCZONE's Sokhna port anchor their respective zone ecosystems.

3. **Incentive Durability:** Export-oriented capital allocations are made on 10–20 year horizons. Tanzania's removal of the EPZ local-sales tax holiday (Finance Act 2025) and Ghana's post-holiday CIT increase demonstrate the policy-stability risk that must be priced into multi-year export-manufacturing commitments.

1.3 Evolution of Zone Development Across African Regions

African zone development has passed through three generational stages, each characterised by a distinct model, institutional design, and performance paradigm. Understanding this generational evolution is essential context for interpreting AFCAI™ scores — countries at different generational stages face structurally different challenges and should not be evaluated against identical benchmarks.

First Generation (1970s–early 2000s): Export Processing Zones

Narrow geographic areas focused on light manufacturing for export — primarily textile and apparel production targeting AGOA, EU GSP, and similar preferential regimes. Typically government-developed, with basic shared infrastructure and simple single-sector incentive packages. Key examples: Mauritius's original Export Processing Zone (1971), Madagascar's Zone Franche (1989), Lesotho's apparel estates (1990s), Kenya's EPZ programme (1990). Primary limitation: narrow sectoral base, heavy dependence on single preferential trade arrangements, and limited domestic value-chain linkages.

Second Generation (2000s–2010s): Purpose-Built Industrial Parks

Larger, more diversified master-planned developments combining industrial, logistics, and commercial functions. Stronger zone-perimeter infrastructure, dedicated power and water provision, and more active institutional governance through purpose-built zone authorities. Key examples: Egypt's GAFI public free zones and SCZONE (from 2002), Ethiopia's industrial parks programme under IPDC (from 2015), Rwanda's Kigali SEZ (2016), Senegal's Diamniadio Industrial Park. Primary limitation: heavy government ownership creates fiscal pressure and managerial constraints; zone authorities often lack commercial agility.

Third Generation (2020s–present): Integrated Zone Platforms

Multi-functional zone ecosystems combining industrial, logistics, residential, and financial elements — increasingly developed and operated by specialised private operators. Explicitly AfCFTA-aware in their strategic positioning. Key examples: Tanger Med (Morocco), Suez Canal Economic Zone (Egypt), Glo-Djigbé Industrial Zone (Benin, ARISE IIP), Adétikopé Industrial Platform (Togo, ARISE IIP), Djibouti International FTZ. Primary advantage: private operator capability compresses development timelines by 40% versus government-developed predecessors.

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Regional generational distribution is uneven. North Africa and the more advanced East African economies — particularly Mauritius, Rwanda, and increasingly Kenya and Tanzania — are operating at or transitioning into Third Generation. The majority of West and Central Africa is operating across First- and Second-Generation frameworks. The Nascent Zone Economies group (Ranks 21–44) contains countries across all three generational stages — from Zambia's well-executed Second Generation LSMFEZ to the aspirational First Generation programmes of Comoros and Burundi.

1.4 Relevance Under AfCFTA

The Africa Continental Free Trade Area has fundamentally altered the strategic calculus of zone investment across the continent. Prior to AfCFTA's operational phase, an African zone enterprise's market universe was defined by the bilateral trade agreements and unilateral preferential programmes of its host country. The AfCFTA changes this logic at its foundation: a zone enterprise in any participating African country now has the potential for tariff-preferred access to a continental market of 1.4 billion people across 50 state parties.

This is not merely a quantitative enlargement of market access — it is a qualitative transformation of zone investment strategy. Where first- and second-generation zone investment was primarily about cost arbitrage, third-generation zone investment is increasingly about market proximity: locating production inside Africa to serve African consumer markets efficiently, benefiting from AfCFTA preferential access to eliminate the tariff penalty that currently suppresses intra-African manufactured-goods trade.

AfCFTA and Zones — The Five Channels of Interaction

1. **Rules-of-Origin Platform:** Zones that align their incentive and operating frameworks with AfCFTA RoO requirements enable enterprises to qualify for preferential tariffs on intra-African exports, converting the zone from an export-platform to a continental-market-entry vehicle.

2. **Investment Attraction Premium:** Countries with complete AfCFTA institutional infrastructure (gazetted tariff schedules, domesticated protocols, functional PAPSS connectivity) offer investors a market-size proposition that non-participating countries cannot match.

3. Supply-Chain Regionalisation: As AfCFTA lowers intra-African goods tariffs, comparative-advantage-driven supply-chain regionalisation becomes economically viable. Zones in strategically positioned countries capture the first-mover advantage.

4. **PAPSS Zone Integration:** The Pan-African Payments and Settlement System eliminates the FX friction that has historically made intra-African trade transactions costly and unpredictable. Zone enterprises in PAPSS-live countries have a structural cost advantage over those in non-participating states.

5. **GTI Benchmark Effect:** The ten Guided Trade Initiative participants demonstrated that AfCFTA trade can be operationalised at the enterprise level. Their documented success creates the evidentiary base for zone-level AfCFTA investment cases that pure policy language cannot provide.

The AFCAI™ Dimension 6 (Regional and Trade Integration) is structured specifically to track zone-level AfCFTA implementation readiness. Its current 10% weight reflects AfCFTA's present implementation maturity. The AFCAI™ methodology is committed to upward revision of the D6 weight as implementation deepens — signalling to zone investors and governments alike that AfCFTA integration depth will be progressively rewarded in continental zone ranking.

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CHAPTER 2

WHY AFCAI™ EXISTS

Purpose and Scope of the Africa FTZ Country Attractiveness Index

2.1 The Intelligence Gap AFCAI™ Fills

Despite the strategic centrality of zones to African economic transformation, no systematic, methodology-transparent, continent-wide instrument has been publicly available to investors, governments, development finance institutions, or the AfCFTA Secretariat for benchmarking zone competitiveness across all 54 African Union member states. Country-level investment climate indices exist — the Mo Ibrahim Index, the World Bank WGI, the Heritage Foundation Index — but none is designed specifically to measure zone-level attractiveness. Trade facilitation indices exist but these measure national trade facilitation rather than zone-specific institutional quality. Individual zone authority publications exist in the more active zone economies, but these are non-comparable across countries and unavailable for the majority of the 54-country universe.

The result is a structural intelligence gap that has historically distorted African zone investment allocation. Capital has flowed to the best-known zone environments — Morocco, Mauritius, Egypt, Rwanda — partly because they are genuinely excellent and partly because comparative data for alternative locations is unavailable. Countries with improving frameworks, active zone programmes, and genuine competitive potential go under-allocated because their relative position in the continental competitive landscape is invisible to risk-averse institutional decision-makers. The AFCAI™ is designed to close this gap by providing a single, annually updated, methodology-transparent continental benchmark.

> The AFCAI™ does not exist to celebrate the leaders or condemn the laggards. It exists to make the continental zone investment landscape legible — in the language that investors, governments, and development partners use to make decisions.
>
> — Africa Urban Future Programme (AUFP)

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2.2 The Rationale for an Annual Continental Index

An annual publication cadence is essential to the AFCAI™'s institutional value proposition for three reasons. First, African zone frameworks are in active evolution — Tanzania enacted a new SEZ Act, Uganda amended its Free Zones Act, Senegal adopted a new Investment Code, and Mauritania enacted a new Investment Code, all in 2024–25 alone. A static or infrequently updated benchmarking tool would be obsolete within twelve months of publication and potentially misleading to investors acting on stale data. Second, the longitudinal data asset compounds with each annual cycle: after five editions, AFCAI™ will hold the most comprehensive time-series dataset of African zone competitiveness in existence. Third, an annual rhythm creates a competitive dynamic among African governments seeking to improve their ranking — the incentive to reform is calibrated to the publication schedule, and the reform impact is publicly measured and verified by an independent institutional instrument.

2.3 Intended Users

The AFCAI™ is designed to serve five primary user categories, each with a distinct decision-making context and a specific use case for the index outputs.

User Category	Primary AFCAI™ Use Case
Multinational Corporations	Africa market-entry and zone-location decision support. Tier table provides a first-filter screening; dimension scores provide the diagnostic layer for comparative due diligence between shortlisted locations.
Development Finance Institutions	Zone development financing allocation. D2 (Infrastructure) and D4 (Administrative Efficiency) scores identify specific intervention priorities. D5 (Performance) scores signal where prior-period zone financing has delivered and where it has not.
AfCFTA Secretariat & AUDA-NEPAD	Zone-level AfCFTA implementation monitoring. D6 dimension specifically tracks each country's progress in aligning zone frameworks with continental trade obligations — providing a zone-level supplement to the Secretariat's existing country-level implementation scorecard.
Sovereign Governments & IPAs	National zone competitiveness strategy. Dimension-level diagnostic reveals the specific reforms that would most improve continental ranking. The AFCAI™ score provides an independently verified, externally credible performance marker that national promotional materials cannot replicate.
Research Institutions & Media	Independent, methodology-transparent, annually updated African zone data for academic research, journalistic analysis, and policy commentary. Full methodology documentation publicly available; annual editions provide a consistent time series as the data asset matures.

2.4 Geographic Scope

AFCAI™ covers all 54 African Union member states without exception. Universal coverage is a non-negotiable design principle. An index that covers only the major zone economies provides selection-bias intelligence — it tells investors about countries where zone investment has already concentrated without informing them about the relative competitiveness of alternative locations. Universal coverage ensures that every AU member state appears in the league table with its composite score and dimension breakdown, regardless of the maturity of its zone framework or the availability of its data.

The four classification tiers are derived from the universal ranking with exactly 10 countries per formal tier and 24 countries in the Nascent group. Tier 1 (Most Attractive): Ranks 1–10. Tier 2 (Emerging): Ranks 11–20. Nascent Zone Economies (Developing Frameworks): Ranks 21–44. Tier 3 (High-Risk — conflict, fragility, non-operational): Ranks 45–54. This architecture is analytically precise: the High-Risk designation is reserved exclusively for the ten countries at the absolute bottom of the continental ranking, whose low scores reflect structural conditions — active armed conflict, post-coup fragility, or

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entirely absent zone frameworks — that fundamentally distinguish them from the 24 Nascent Zone Economies in ranks 21–44.

2.5 Key Limitations

Five categories of limitation are material to the interpretation of AFCAI™ outputs and must be held alongside the scores when forming investment or policy judgements.

Limitation Category	Description and Implication
Data Availability	Eritrea, Somalia, South Sudan, and CAR have severely limited public zone data. Scoring for these countries is conservative and explicitly flagged. Forward editions will improve coverage as data partnerships with UNCTAD and AEZO mature.
Reference Period	AFCAI™ is a snapshot of the 2025 reference year. Major reforms enacted late in 2025 — notably the Tinubu Tax Reform Bills in Nigeria (effective January 2026) — are noted in country profiles but not yet reflected in operational performance data.
Provisional Weights	Dimension weights (D1: 25%, D2: 20%, D3–D5: 15% each, D6: 10%) are provisional pending Delphi expert validation by three to five practitioners with African zone advisory experience. Forward editions will revise weights with transparent methodology notes.
Sub-National Variation	AFCAI™ produces a single national score. Where individual zones diverge from the national pattern — GDIZ in Benin scoring higher than the national aggregate, Lagos Free Zone outperforming NEPZA's aggregate in Nigeria — this is noted in country profiles but not separately scored.
Structural Geography Bias	D2 (Infrastructure) and D6 (Regional Integration) systematically penalise landlocked countries and small island states for geographic constraints outside government control. The methodology attempts to mitigate this through zone-perimeter assessment and island-specific adjustments, but absolute parity is not achieved.

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CHAPTER 3

METHODOLOGY

Framework, Scoring, Sources, and Limitations

3.1 Methodological Philosophy

The Africa FTZ Country Attractiveness Index (AFCAI™) is designed as a comparative benchmarking instrument rather than an audit, certification, or regulatory assessment. Its purpose is to evaluate the relative attractiveness of national Free Trade Zone ecosystems using a consistent, transparent, and evidence-based framework applied across all 54 African Union member states.

The methodology prioritizes comparability, reproducibility, and policy relevance. Rather than measuring a single characteristic of Free Trade Zones, AFCAI™ evaluates the combination of institutional, infrastructural, operational, performance, and regional integration factors that collectively shape long-term investment attractiveness.

3.2 Unit of Analysis

The unit of analysis is the national Free Trade Zone ecosystem.

AFCAI™ does not rank individual Free Trade Zones. Instead, each country is assessed as an integrated national investment environment comprising its legislative framework, institutional architecture, operational infrastructure, incentive regime, administrative effectiveness, investment performance, and regional integration.

Where multiple operational zones exist within a country, indicator values are derived from nationally representative evidence in accordance with the AFCAI™ evidence hierarchy.

3.3 Composite Index Design Philosophy

Investment attractiveness is inherently multidimensional. Countries with excellent infrastructure may underperform because of weak institutions, while countries with strong legal frameworks may struggle because of inadequate logistics or limited regional integration.

AFCAI™ therefore combines enabling conditions, operational capabilities, realised performance, and

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strategic positioning into a single composite index. Each dimension measures a distinct component of investment attractiveness, and no individual dimension is intended to represent overall competitiveness in isolation.

The composite score reflects the overall strength of the national FTZ ecosystem rather than the performance of any single policy, institution, or industrial zone.

3.4 Index Framework — Six Dimensions

AFCAI™ rests on a sequential conceptual model: Policy → Execution → Outcomes. The six dimensions collectively assess enabling conditions, operational capabilities, realised outcomes, and strategic regional positioning. Together they provide a balanced assessment of national Free Trade Zone attractiveness while distinguishing between structural capacity and demonstrated performance. This ensures the index does not reward policy ambition that fails to translate into delivery.

D1 — Policy & Regulatory Framework | Weight: 25%

Measures the legal integrity, coherence, and long-term credibility of the zone regime. Six indicators: Enabling Legislation Quality; Institutional Authority and Autonomy; Regulatory Hierarchy; Policy Stability; Rule-Based Governance; Dispute Resolution.

D2 — Infrastructure & Logistics Quality | Weight: 20%

Measures reliability and adequacy of physical and logistics infrastructure. Four indicators: Power Reliability; Transport Connectivity; Utilities Availability; Logistics Infrastructure. Assessed at the zone perimeter, not national aggregate.

D3 — Incentive Structure & Competitiveness | Weight: 15%

Measures attractiveness, clarity, and usability of the fiscal and non-fiscal incentive package. Six indicators: Tax Holiday Duration; Customs Duty Exemptions; VAT Treatment; Profit Repatriation; Land Lease Terms; Incentive Clarity.

D4 — Administrative Efficiency | Weight: 15%

Measures speed, simplicity, and predictability of establishing and operating in a zone. Six indicators: Registration Speed; Agency Burden; One-Stop Shop; Customs Clearance; Compliance Ease; Digital Governance Maturity.

D5 — Performance & Market Validation | Weight: 15%

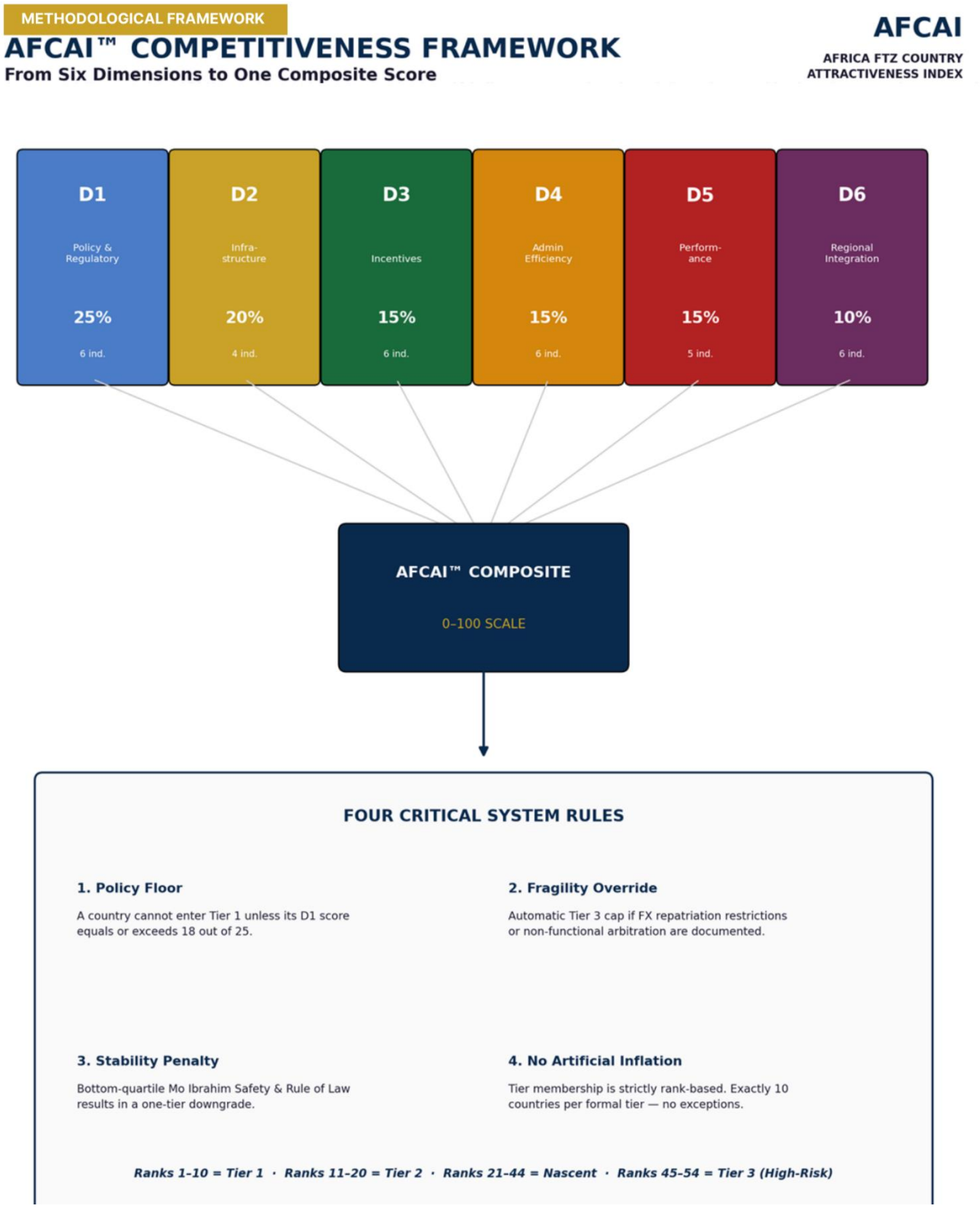
The empirical reality check — actual economic output and investor traction. Five indicators: FDI Attraction; Employment Generation; Export Value; Zone Occupancy Rate; Investor Retention Rate.

D6 — Regional & Trade Integration | Weight: 10%

Measures positioning within regional and continental trade systems. Six indicators: AfCFTA Ratification; Rules of Origin Alignment; Trade Corridor Access; REC Integration; Port Quality; Intra-African Air Connectivity.

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The AFCAI™ Methodological Framework illustrates the conceptual architecture of the index, showing how the six assessment dimensions collectively measure the attractiveness of national Free Trade Zone ecosystems and are integrated into a single composite competitiveness score. The framework is presented to aid interpretation of the methodology and does not disclose the detailed classification, scoring, weighting, or evidence protocols contained within the proprietary AFCAI™ Classification & Scoring Framework.



Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit.

3.5 Weighting Framework

Dimension weights reflect expert judgement regarding the relative contribution of each component to long-term Free Trade Zone competitiveness. Policy and institutional quality receive the highest weighting because they establish the enabling environment upon which infrastructure, incentives, administration, operational performance, and regional integration depend.

The weighting structure is normative rather than statistically derived and is intended to provide a transparent and stable benchmarking framework that remains comparable across annual editions.

3.6 Scoring Formula

Each indicator scored 1–5 on an anchored scale. Dimension score: D_n = (Average indicator score ÷ 5) × Dimension Weight. Composite: AFCAI™ = D1 + D2 + D3 + D4 + D5 + D6 (range 20–100). Higher = more attractive.

Critical System Rules

Policy Floor Rule: A country cannot enter Tier 1 unless D1 ≥ 18 out of 25.

Fragility Override Rule: Automatic Tier 3 cap if FX repatriation restrictions, repeated policy reversals, or non-functional arbitration are present.

Stability Penalty Rule: High-volatility environments (bottom quartile Mo Ibrahim Safety & Rule of Law) downgraded one tier.

No Artificial Inflation Rule: Tier membership is strictly rank-based — exactly 10 countries per tier, no editorial adjustment.

3.7 Data Sources

Primary continental sources include UNCTAD WIR 2025 and Investment Policy Hub; World Bank B-READY framework, WGI 2024, LPI 2.0 (2025), Container Port Performance Index 2024; AfDB AIDI 2024; AfCFTA Secretariat scorecards and tralac Ratification Tracker (December 2025); Mo Ibrahim IIAG 2024; individual zone authority publications (GAFI/SCZONE Egypt; Tanger Med; IPDC Ethiopia; SEZA/TISEZA; RDB Rwanda; EDB Mauritius; NEPZA/OGFZA Nigeria; GFZA Ghana; ZEE Angola); national Budget documents; IMF Article IV 2025 reports; U.S. State Department Investment Climate Statements 2025.

3.8 Quality Assurance

Every annual assessment undergoes a structured quality assurance process before publication. Scores are independently reviewed for methodological consistency, internal coherence, and evidentiary support. Where conflicting evidence exists, predefined evidence hierarchy rules are applied to ensure consistent treatment across all countries.

Data validation includes cross-source verification, logical consistency checks, mathematical verification of composite scores, and editorial review prior to publication.

3.9 Limitations

- Data gaps for fragile states — Eritrea, Somalia, South Sudan, Libya, CAR scored conservatively.
- Reference year snapshot — major reforms enacted late 2025 are noted but not yet in operational data.
- Provisional weights pending Delphi expert validation — forward editions may revise.
- Sub-national zone variation not captured — single national score reflects aggregate framework.

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CHAPTER 4

CONTINENTAL INSIGHTS / LANDSCAPE, CATEGORY TRENDS, KEY DRIVERS AND RISK FACTORS

Africa FTZ Landscape Analysis: 2025 Continental Picture

4.1 Overview: A Continent in Motion

The 2025 AFCAI™ scoring confirms a continental zone landscape in active structural transition. Three forces are reshaping African zone competitiveness simultaneously. A reform wave is sweeping through East and West Africa — TISEZA Act (Tanzania), UFZEPA (Uganda), Investment Codes (Senegal, Mauritania), SEZ Act Amendments (Kenya) — compressing institutional development timelines and closing the administrative efficiency gap with North African leaders. A fiscal recalibration is beginning under IMF programme pressure — Tanzania's EPZ tax holiday removal, Ghana's FZE post-holiday CIT adjustment — signalling that the era of unconstrained fiscal generosity in zone regimes may be reaching its end. And AfCFTA implementation has crossed from negotiation into early operationalisation, with fifty state parties, twenty-five gazetted tariff schedules, and a concluded Guided Trade Initiative.

Against this backdrop, the inaugural AFCAI™ scores reveal a continent where the gap between the top and bottom is large, and where the structural determinants of that gap are identifiable and addressable. The composite score range — 92.67 (Morocco, Rank 1) to 36.33 (Eritrea, Rank 54) — is a 56.3-point spread across a 100-point scale. This is a gap not of marginal difference but of fundamental institutional divergence. The AFCAI™ tier architecture makes this divergence analytically precise: the 10 Tier 1 nations (77.2–92.7) represent the continent's institutional frontier; the 10 Tier 3 nations (36.3–38.5) are characterised by conditions — conflict, fragility, absent frameworks — that make them categorically different from the 24 Nascent Zone Economies (46.8–68.2) in between.

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92.7	36.3	56.4 pts	22	20	12
Morocco — highest AFCAI™ score, continental benchmark	Eritrea — lowest, structural fragility and AfCFTA non-participation	Score spread — the measure of continental zone development divergence	Countries with Functional FTZ Regime status	Countries with Limited Functionality	Countries with Non-Operational FTZ Framework

4.2 Regional Distribution Patterns

The AFCAI™ inaugural edition reveals starkly different regional profiles across Africa's five major sub-regions. These profiles reflect both the historical depth of zone-institution building and the current pace of reform. The tier architecture — which places developing-framework economies in the Nascent group (Ranks 21–44) and reserves Tier 3 for the true High-Risk cohort (Ranks 45–54) — produces an analytically precise regional picture that distinguishes structural fragility from developing-economy zone ambition.

Region	Tier 1 Count	Regional Signature
North Africa	3	Continental performance leaders. Morocco (1), Egypt (3), Tunisia (7). Mature legal frameworks since the 1990s. Deep-water port dominance. Mediterranean integration. Algeria (Rank 28, Nascent) is the emerging fourth player. Libya (Rank 44, Nascent) and Sudan (Rank 52, Tier 3) represent the regional fragility overhang.
East Africa	4	The institutional reform epicentre of 2025. Mauritius (2), Rwanda (4), Kenya (8), Tanzania (10) in Tier 1. Djibouti, Uganda, Ethiopia, Mozambique, Seychelles in Tier 2. Zambia, Madagascar, Zimbabwe, DRC, Comoros, Burundi in Nascent. Somalia (Tier 3), South Sudan (Tier 3), Eritrea (Tier 3) in the High-Risk cohort.
West Africa	2	Most internally diverse region. Ghana (6), Côte d'Ivoire (9) lead in Tier 1. Senegal, Togo, Benin, Nigeria in Tier 2. Mauritania, Cabo Verde, Lesotho, Sierra Leone, Gambia, Liberia, Guinea in Nascent. Guinea-Bissau, Mali, Burkina Faso, Niger in Tier 3 — the Sahel post-coup cluster.
Southern Africa	1	South Africa (5) leads. Botswana, Mozambique, Zambia, Namibia, Angola, Lesotho, Eswatini across Tier 2 and Nascent. SACU and SADC integration provides structural preferential access. No Southern African country in Tier 3 — Southern Africa has no conflict-fragility zone environments at the scale of the Sahel or Horn of Africa.
Central Africa	0	No Tier 1 country. Cameroon in Nascent (Rank 24). ARISE IIP-led programmes in DRC, Republic of Congo, Chad, and Gabon represent the zone-development pipeline. CAR (Tier 3, Rank 51) reflects the region's fragility overhang. CEMAC harmonisation constrains national incentive differentiation. São Tomé and Príncipe (Tier 3, Rank 45) and Equatorial Guinea (Nascent, Rank 43) complete the picture.

Of the ten Tier 1 countries, three are in North Africa (Morocco, Egypt, Tunisia), four in East Africa (Mauritius, Rwanda, Kenya, Tanzania), two in West Africa (Ghana, Côte d'Ivoire), and one in Southern Africa (South Africa). North African leadership reflects zone frameworks dating to the 1990s and Mediterranean integration. East African over-representation reflects the 2024–25 institutional reform wave. Central Africa remains the most concentrated cluster of Limited and Non-Operational regimes.

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North Africa	East Africa	West Africa	Central Africa
3 of top 5 zone economies; combined zone exports >$25 bn	4 Tier 1 nations; dominant reform wave 2024–25	12 of 16 nations have Functional or Limited regimes	Most concentrated cluster of Limited and Non-Operational regimes

4.3 Leaders vs Laggards — The Performance Gap Explained

The AFCAI™ tier architecture makes the leaders-versus-laggards analysis analytically precise. There are three distinct performance groups that require separate treatment.

The Tier 1 Leaders (Ranks 1–10, scores 77.2–92.7) are not the leaders because they are the largest or wealthiest African economies. Morocco is not the continental zone leader because of its GDP. It is the leader because the Tanger Med framework has been sustained through multiple governments, financed through successive capital programmes, operated to international standards, and expanded in response to market demand for over two decades. The same institutional-consistency logic applies to Mauritius, Rwanda, Egypt, South Africa, Ghana, Tunisia, Kenya, Côte d'Ivoire, and Tanzania. Their leadership is the product of deliberate, sustained institutional investment — replicable by others who make similar choices over similar timeframes.

The Nascent Zone Economies (Ranks 21–44, scores 46.8–68.2) are the largest and most analytically complex group. They include Zambia, which operates a world-class landlocked zone in LSMFEZ with $1.68 billion in cumulative investment and 11,560 direct jobs. They include Cameroon, which has a €795 million multilaterally-financed industrial zone launching in 2026. They include DRC, whose ZESKM ARISE IIP partnership represents perhaps the continent's most important emerging zone investment. These are not high-risk environments — they are developing zone economies with real programmes, genuine investment, and credible trajectories toward higher tiers.

The Tier 3 High-Risk cohort (Ranks 45–54, scores 36.3–38.5) is characterised by conditions that are categorically different from the Nascent group. Seven of the ten are in active armed conflict (Sudan), post-conflict recovery with active security threats (South Sudan, CAR, Somalia), or Sahel post-coup transition under regional sanctions (Mali, Burkina Faso, Niger). The remaining three — São Tomé and Príncipe, Guinea-Bissau, and Eritrea — lack the conflict dimension but face state-capacity limitations that make zone framework activation effectively impossible in the current cycle.

The Critical Analytical Distinction — Nascent vs Tier 3

Nascent Zone Economies (Ranks 21–44) have developing or limited zone frameworks. Some — like Zambia, Angola, Cameroon — have substantial operational zones generating real FDI, employment, and exports. Others — like Comoros or Burundi — have aspirational frameworks with limited near-term implementation momentum. What they share is the absence of the structural barriers that define Tier 3: none face active armed conflict across their territory, post-coup international sanctions, or the complete absence of central government capacity.

Tier 3 High-Risk (Ranks 45–54) are not there because their zone policies are weaker than Nascent countries. Sudan's pre-2019 zone legal framework was more developed than several Nascent economies. Mali's WAEMU integration remains intact. The Tier 3 designation reflects the operational reality: in the current cycle, zone investment is not commercially actionable in these environments. The appropriate intervention is institutional, humanitarian, and stabilisation-focused — not zone capital deployment.

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4.4 Structural Trends Shaping the 2026–2028 Cycle

Trend 1 — Private Operator Model Acceleration

ARISE IIP now operates or is developing flagship zones in more than twelve African countries across Tier 1, Tier 2, and Nascent economies. The private-operator model has reduced zone development timelines from the traditional fifteen years to eight to ten. This trend will continue to benefit West and Central African Nascent economies that enter operator partnerships in 2025–27, and will show up in D2 (infrastructure) and D5 (performance) score improvements in 2027–28 editions.

Trend 2 — AfCFTA Implementation Creating Measurable Score Divergence

The gap in D6 scores between countries with completed AfCFTA tariff schedules and those without is already 3.3 points — 33% of the dimension's full weight. As PAPSS expands to 35 markets (target 2027) and scheduled tariff liberalisation takes effect, this gap will widen further. D6's weight is committed to upward revision when 40+ countries have active preferential schedules.

Trend 3 — Digital Governance as a D4 Differentiator

Countries that invested in zone-authority digital platforms in 2024–25 — Tanzania (TISEZA OSFC), Rwanda (RDB digital OSS), Mauritius (FSC AI platform), Senegal (Technological New Deal), Zimbabwe (ZIDA e-portal) — will show material D4 score improvements in 2027 as these platforms mature. Digital governance is becoming a Tier separator that compounds annually.

Trend 4 — Fiscal Recalibration Under IMF Conditionality

Tanzania, Ghana, Nigeria, Mozambique, and Zambia are among the countries under fiscal consolidation pressure creating incentive for zone fiscal recalibration. Countries that manage this transition with incentive clarity will maintain D3 scores; countries that create incentive uncertainty through abrupt changes will face D3 penalties in forward editions.

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4.5 Category-Level Insights

Policy & Regulatory Framework (D1) — Continental Average: 16.8/25

The top performers — Mauritius (25.0), Rwanda (25.0), Morocco (22.5), South Africa (22.5) — all share dedicated SEZ legislation, institutional independence of zone authorities, and ICSID arbitration access. The 2024–25 institutional reform wave (TISEZA, UFZEPA, Senegal Investment Code, Mauritania Investment Code) is the most significant single-year policy advance in over a decade.

Infrastructure & Logistics Quality (D2) — Continental Average: 11.6/20

Infrastructure is the single largest structural constraint on African zone competitiveness. Top performers — Morocco (19.0) and Egypt (19.0) — benefit from deep-water port infrastructure combined with dedicated zone-perimeter power. Power reliability (D2-I01) is the most acute deficit — fewer than nine African countries score 4 or above, reflecting the systemic challenge of providing zone-grade power at affordable rates.

Incentive Structure (D3) — Continental Average: 9.8/15

The continental range on incentive structure is narrower than often assumed — tax holidays of 10–15 years are standard; full customs and VAT exemptions are common. The differentiating factors among leaders are incentive durability and clarity of codification, not headline depth alone. Tanzania's 2025 removal of the EPZ local-sales tax holiday and Ghana's post-holiday CIT changes demonstrate that incentive durability is becoming the key differentiator.

Administrative Efficiency (D4) — Continental Average: 10.4/15

Small-state efficiency advantages are most pronounced in this dimension — Mauritius (15.0), Rwanda (15.0), and Seychelles (12.5) score among the continental leaders. The UN E-Government Survey 2024 ranks Mauritius and South Africa in the "Very High EGDI" category for the first time — a major continental milestone. Tanzania's TISEZA OSFC launch and Rwanda's RDB same-day registration set the regional benchmark.

Performance & Market Validation (D5) — Continental Average: 7.6/15

Performance is the lowest-average dimension, reflecting the gap between policy ambition and operational delivery. Morocco (15.0 — Tanger Med $18.8 bn industrial revenue) and Egypt (15.0 — SCZONE $5.1 bn H1 FY25/26) are the scale leaders. The most striking finding: countries scoring above 18 on D1 (policy) do not always score above 12 on D5 (performance), confirming that excellent policy frameworks take time to deliver measurable outcomes.

Regional & Trade Integration (D6) — Continental Average: 6.8/10

This dimension is the AfCFTA progress tracker. Top performers — Morocco (9.7), South Africa (9.7), Egypt (9.3), Ghana (9.0), Kenya (9.0) — combine completed tariff schedules with active REC participation, functional port infrastructure, and intra-African trade flows. The weight is committed to upward revision as AfCFTA implementation deepens.

Figure 2. Africa FTZ Competitiveness Map (AFCAI™ 2026 Overall Scores). Countries are classified according to their composite AFCAI™ score, illustrating the geographic distribution of national Free Trade Zone ecosystem competitiveness across all 54 African Union Member States.

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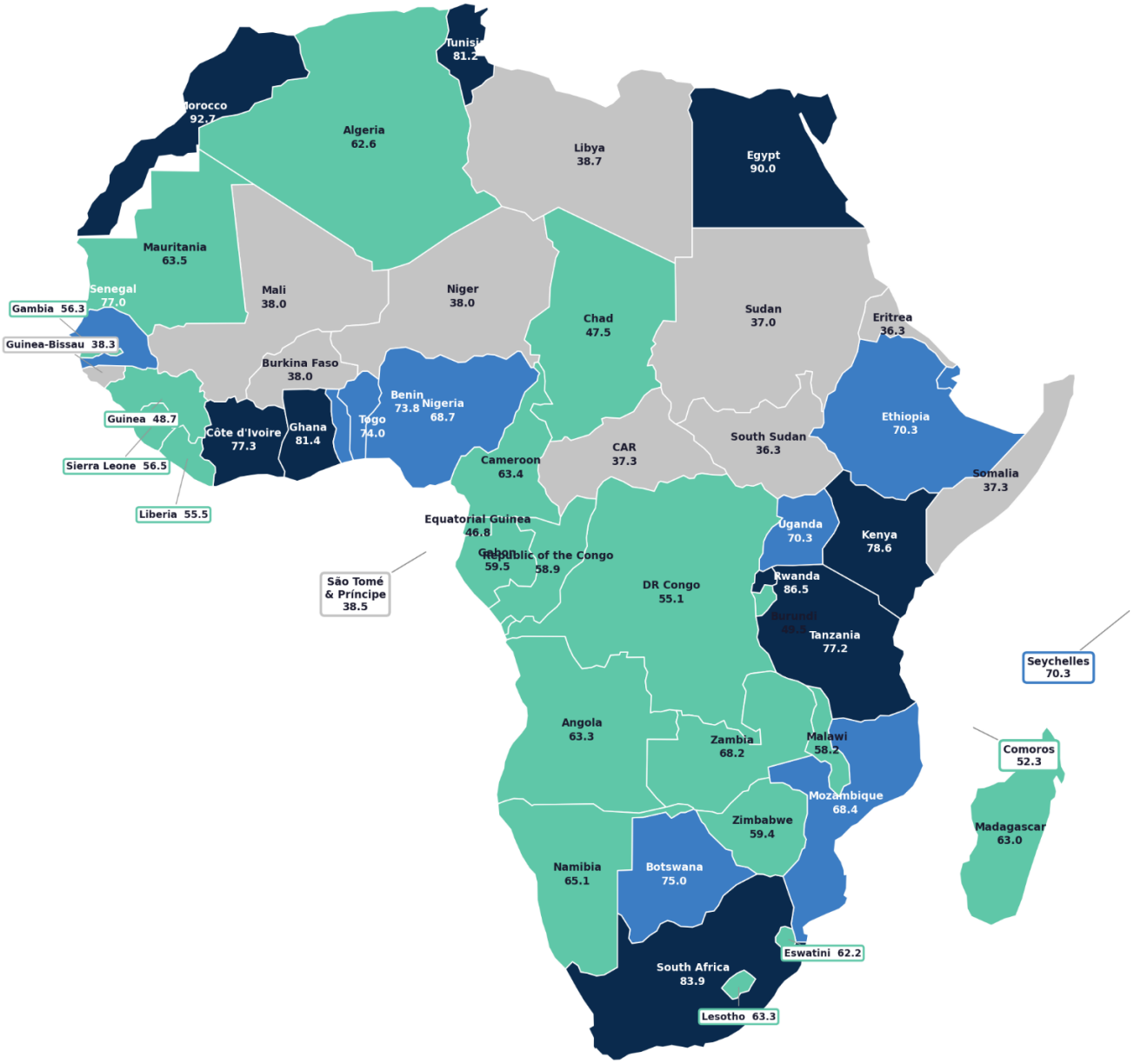
FIGURE 2

AFRICA FTZ COMPETITIVENESS MAP

AFCAI
AFRICA FTZ COUNTRY ATTRACTIVENESS INDEX

By AFCAI™ Overall Score

The map shows the relative competitiveness of Free Trade Zone ecosystems across 54 African Union Member States based on the AFCAI™ 2026 overall score.



COMPETITIVENESS TIERS

- **TIER 1 Most Attractive** — Score ≥ 77.2 · (10 countries)
- **TIER 2 Emerging** — Score 68.4 – 77.1 · (10 countries)
- **NASCENT ZONE ECONOMIES** — Developing Frameworks · Score 46.8–68.3 (24)
- **TIER 3 High-Risk** — Score ≤ 46.7 · (10 countries)
- No Data

CONTINENTAL SCORE HIGHLIGHTS

HIGHEST SCORE	LOWEST SCORE
Morocco 92.7	**Eritrea 36.3**
CONTINENTAL AVERAGE	TIER 1 COUNTRIES
62.1 /100	**10 of 54 (18.5%)**

KEY INSIGHT

Competitiveness is concentrated in North Africa and parts of East and Southern Africa, with a strong reform wave unfolding across West Africa. The Sahel belt and parts of the Horn of Africa remain constrained by fragility and institutional gaps.

Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit.

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Figure 3 renders the full 54-nation ranking as a continuous heat gradient, making visible the steepness of decline from the continental leader to the lowest-scoring economy

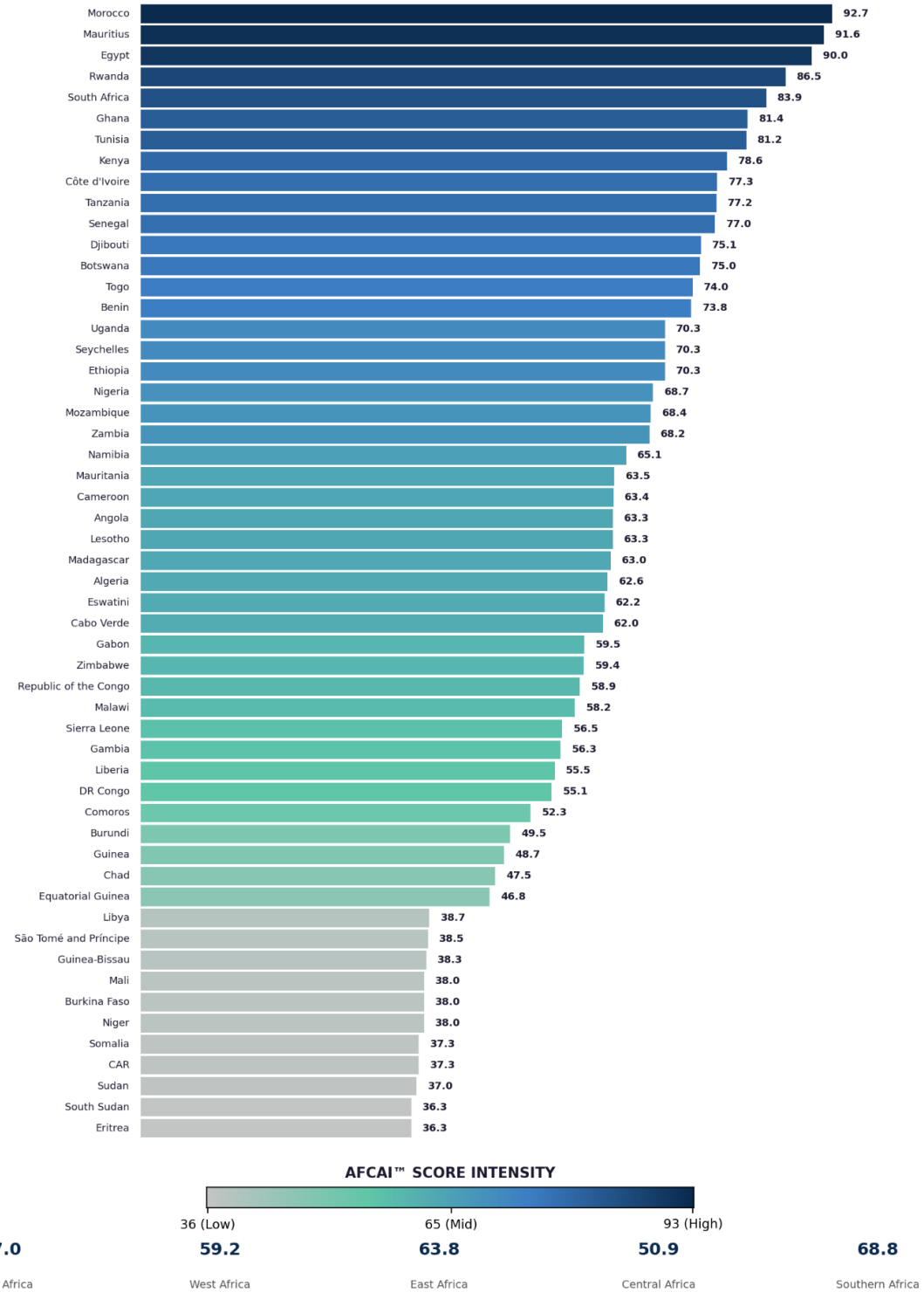
FIGURE 3

CONTINENTAL COMPETITIVENESS HEAT MAP

All 54 Nations Ranked by AFCAI™ Score

A gradient heat-strip view of continental zone competitiveness, ranked highest to lowest, showing the intensity of decline across the ranking.

AFCAI
AFRICA FTZ COUNTRY ATTRACTIVENESS INDEX



Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit.

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Figure 4 presents the statistical distribution underlying the tier structure, showing the concentration of nations within the Nascent range and the tail behaviour at both extremes.

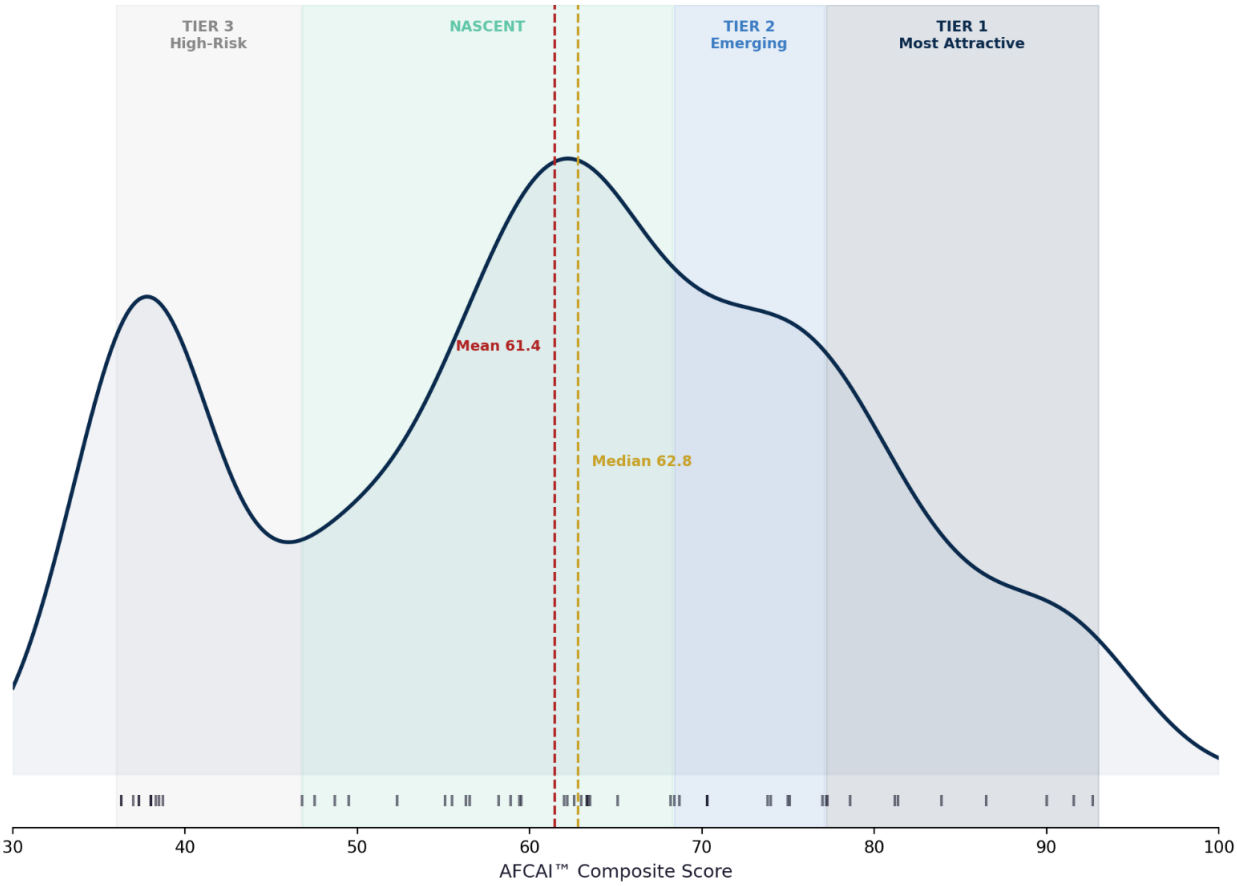
FIGURE 4

CONTINENTAL SCORE DISTRIBUTION CURVE

Density Distribution of AFCAI™ 2026 Scores

The distribution of composite scores across all 54 nations, showing tier boundaries and the concentration of nations around the Nascent midpoint.

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MEAN	MEDIAN	STD DEV	RANGE	SKEW
61.4	62.8	16.1	56.4 pts	-0.03

POPULATION BY TIER



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Figure 5 opens the dimension-level analysis by showing where the continent as a whole performs strongest and weakest across the six AFCAI™ dimensions.

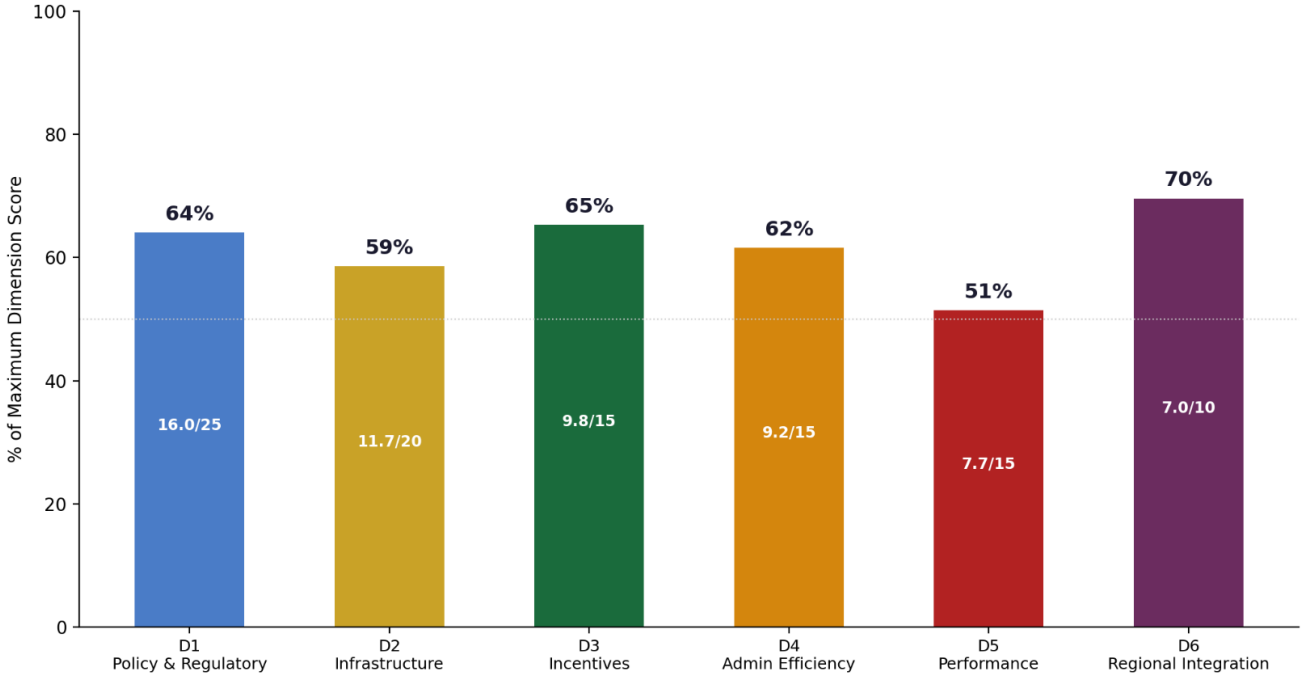
FIGURE 5

CONTINENTAL DIMENSION PERFORMANCE

Average Score per Dimension, All 54 Nations

Continental averages across the six AFCAI™ dimensions, expressed both in absolute points and as a percentage of the maximum attainable score.

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DIMENSION WEIGHTS IN COMPOSITE SCORE

D1	D2	D3	D4	D5	D6
25%	20%	15%	15%	15%	10%
Policy & Regulatory	Infrastructure	Incentives	Admin Efficiency	Performance	Regional Integration

DIMENSION LEADERS & LAGGARDS

D1	D2	D3	D4	D5	D6
↑ Mauritius	↑ Morocco	↑ Rwanda	↑ Mauritius	↑ Morocco	↑ Morocco
↓ Equatorial Guinea	↓ South Sudan	↓ Libya	↓ Guinea	↓ Libya	↓ Eritrea

D5 (Performance) is the lowest-scoring dimension continentally — confirming that policy ambition consistently outpaces delivery across Africa's zone economies.

Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit.

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Figure 6 The scatter plot illustrates the relationship between institutional quality and infrastructure capacity across African Free Trade Zone ecosystems, highlighting how balanced performance across both dimensions is associated with stronger overall competitiveness.

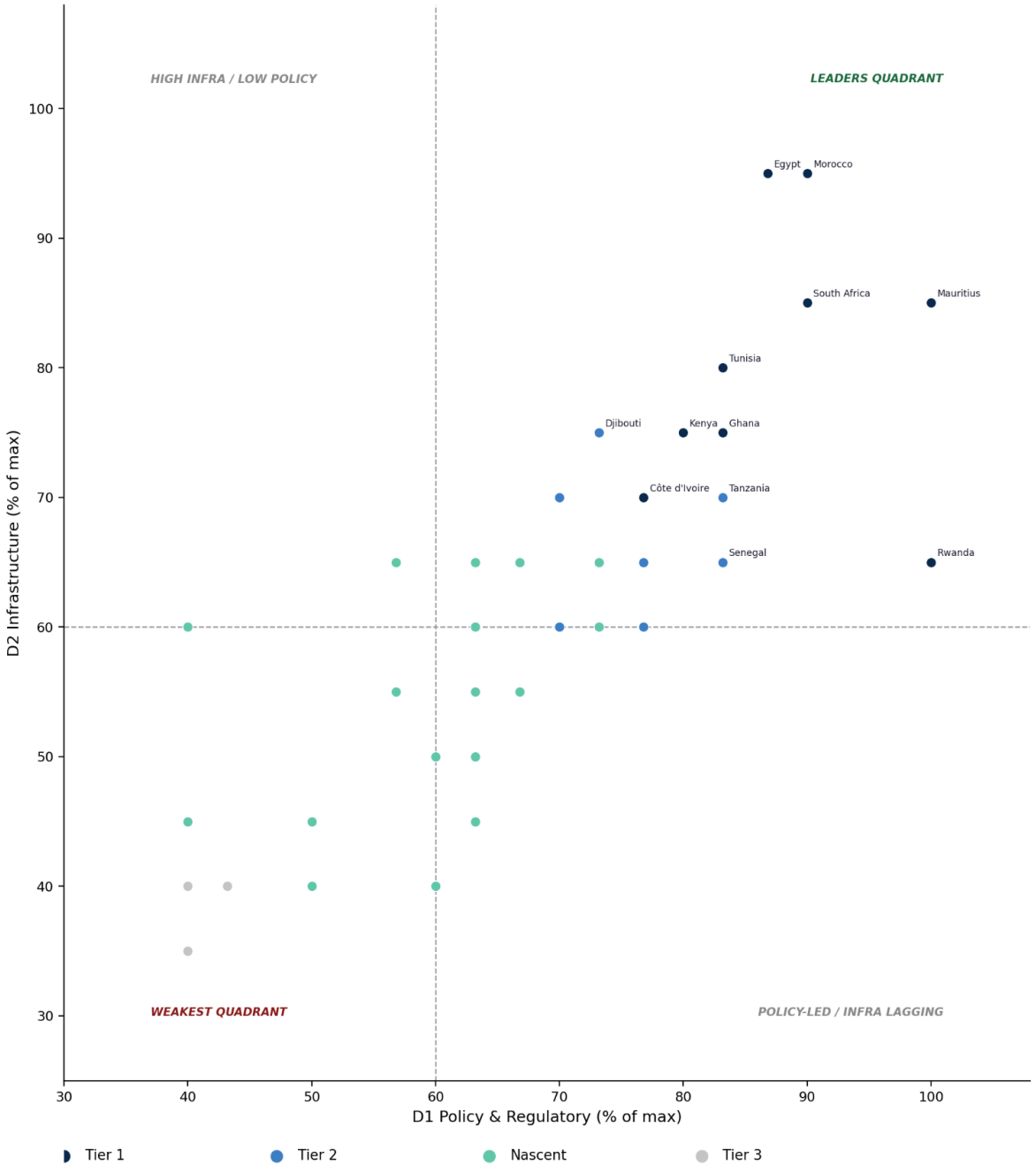
FIGURE 6

INFRASTRUCTURE vs POLICY COMPETITIVENESS MATRIX

D2 (Infrastructure) against D1 (Policy & Regulatory)

A quadrant analysis plotting each nation's infrastructure quality against its policy and regulatory framework strength, revealing where policy ambition outpaces

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Morocco and Egypt anchor the Leaders Quadrant; the Weakest Quadrant is populated almost entirely by Tier 3 conflict-affected states.

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Figure 7 presents the AFCAI™ conceptual framework used to organise these drivers before each is examined individually.

FIGURE 7

AFCAI™ COMPETITIVENESS DRIVERS FRAMEWORK

The Five Structural Drivers of Zone Success

A conceptual framework summarising the five drivers identified in the AFCAI™ analysis as most determinative of a nation's zone competitiveness trajectory.

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4.6 Key Drivers of FTZ Success

> Zone success in Africa is never accidental and rarely fast. It is the compound return on a series of institutional investments — in law, in infrastructure, in administration, in trust — made consistently over a period measured in decades, not quarters.
>
> — AFCAI™ 2026 Continental Analysis

4.6.1 What Distinguishes Tier 1 Countries

The ten countries in the Tier 1 cohort share five structural attributes that distinguish them from all other African zone economies. These attributes are not coincidental — they reflect deliberate institutional choices made over sustained time horizons. Understanding them is the foundation of any evidence-based zone competitiveness strategy.

Driver 1 — Policy Foundation Precedes Performance

Without exception, every Tier 1 country enacted dedicated SEZ or FTZ legislation more than fifteen years ago. Morocco's Tanger Med legal framework dates to 2002. Egypt's Investment Law and GAFI framework predate that. Mauritius's Freeport Act originates in 2004. Rwanda adopted its Special Economic Zone Law in 2010. Kenya's EPZ programme dates to 1990.

The implication is not that new legislation cannot work — it is that legal maturity creates the institutional confidence that investor risk-pricing requires. A zone framework with twenty years of continuous operation under the same legal architecture, survived across multiple government transitions, creates the credible commitment that no amount of incentive generosity can substitute for. Countries enacting new zone legislation — Tanzania's TISEZA Act, Uganda's UFZEPA, Namibia's forthcoming SEZ Act — are making the right move, but the full institutional dividend of that legislation will compound over the next ten to fifteen years rather than appearing immediately in the following year's score.

Driver 2 — Institutional Independence is Non-Negotiable

Every Tier 1 zone authority operates with statutory independence from broader trade or industry ministries. Mauritius's EDB reports directly to the Prime Minister's Office. Rwanda's RDB has a board-governed mandate that separates investment promotion from line-ministry oversight. Morocco's AMDIE operates as an autonomous agency with dedicated budgets and commercial management capability.

The mechanisms through which institutional independence drives zone performance are three: speed (autonomous authorities make decisions in days, not months awaiting ministerial sign-off), predictability (investors can navigate a single institutional interface rather than coordinating across multiple ministries), and resilience (independent authorities survive government transitions with their operational culture and investor relationships intact). The AFCAI™ D1-I02 indicator (Institutional Authority and Autonomy) is the dimension indicator most highly correlated with composite AFCAI™ score across the 54-country dataset.

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Driver 3 — Infrastructure Quality Determines Whether Policy Delivers

The most reliable predictor of a gap between policy quality and performance delivery in the AFCAI™ dataset is infrastructure quality. Countries that score high on D1 (Policy) but low on D2 (Infrastructure) consistently underperform on D5 (Performance). The logic is straightforward: a competitive incentive package and a modern legal framework are commercially inert if the zone cannot reliably supply power, connect to logistics networks, and support manufacturing operations at internationally competitive standards.

Morocco's Tanger Med, Egypt's SCZONE, and Rwanda's KSEZ all share a commitment to zone-perimeter infrastructure provision that is entirely or substantially independent from national grid performance. Tanger Med generates a significant proportion of its own power, has dedicated road and rail connections to the port, and maintains infrastructure standards at or above European benchmarks. This is not accidental — it reflects a deliberate policy choice to treat zone infrastructure as a sovereign competitive asset rather than a public spending line.

Driver 4 — Incentive Durability Outweighs Incentive Depth

The widespread assumption that more generous fiscal incentives attract more zone investment is not supported by the AFCAI™ data. Djibouti's fifty-year full tax exemption and Republic of Congo's 100% ten-year CIT waiver are more generous on paper than Rwanda's standard package — yet Rwanda scores significantly higher on both D3 (Incentives) and D5 (Performance) because Rwanda's incentives are fully codified, consistently applied, and have survived multiple electoral cycles without revision.

The effective value of an incentive package is the product of its headline terms and its delivery probability — and delivery probability is a function of legal clarity, institutional consistency, and political stability. The 2025 recalibration episodes in Tanzania and Ghana — where headline incentives were reduced under fiscal pressure — illustrate the durability risk at its sharpest. The AFCAI™ D3-I06 indicator (Incentive Clarity and Legal Backing) specifically captures whether incentives are codified in statute or dependent on ministerial discretion.

Driver 5 — Digital Governance is an Emerging Tier Separator

The 2025 AFCAI™ scoring reveals a pattern that was not fully anticipated in the index design: digital governance maturity has emerged as a Tier 1 separator that is distinct from and additive to traditional administrative efficiency measures. Mauritius's unified FSC e-licensing platform with AI-assisted investor guidance, Rwanda's RDB digital one-stop shop enabling same-day registration, Morocco's eCFTA digital tools — these represent the conversion of zone administration from a discretionary, relationship-dependent process to a predictable, rules-based, auditable one.

Countries with strong digital governance scores — Morocco (D4: 13.5/15), Rwanda (D4: 15.0/15), Mauritius (D4: 15.0/15), Senegal (D4: 13.0/15 on 2025 Digital New Deal trajectory) — attract a wider range of investor types and a higher share of technology-intensive FDI than their infrastructure-comparable peers without digital governance infrastructure. Zone-authority digitalisation yields a higher zone-competitiveness return per dollar of public investment than almost any other single administrative reform.

4.6.2 Structural vs Policy Drivers

A key analytical question for zone competitiveness strategy is whether the observed performance differentials between African zone economies reflect structural factors — geography, economic scale, resource endowments, proximity to major markets — or policy choices. The AFCAI™ 2025 data

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provides a clear answer: policy choices are more determinative than structural factors across most of the performance range, with the important exception of the Tier 3 conflict-and-fragility cluster.

Landlocked geography raises logistics-cost penalties that constrain D2 scores regardless of policy quality. Yet Zambia — which scores 68.2 overall and qualifies as Nascent Rank 21 despite being landlocked — demonstrates that outstanding policy quality, institutional credibility, and infrastructure investment can substantially overcome geographic disadvantage. Rwanda (Rank 4, Tier 1) is the definitive proof case: the world's most administratively efficient zone economy, in a small landlocked country with no mineral resource advantage, competing successfully with coastal economies twice and three times its size.

Active armed conflict is effectively a structural constraint within the current AFCAI™ cycle — no policy reform can deliver zone competitiveness while sovereign territory is contested. This is precisely why Sudan, South Sudan, Somalia, CAR, Mali, Burkina Faso, and Niger belong in Tier 3 (High-Risk) rather than in the Nascent group. Their low scores do not reflect bad zone policy choices — they reflect structural conditions that put commercial zone investment outside the actionable envelope regardless of legal framework quality.

4.6.3 Governance vs Infrastructure Roles

The relative importance of governance quality and infrastructure quality varies across the AFCAI™ tier distribution in a pattern that has significant implications for advisory and investment priorities.

In the Tier 1 cohort, governance quality and infrastructure quality are mutually reinforcing. In the Tier 2 cohort, the most common performance pattern is a governance gap rather than an infrastructure gap — specifically, a gap between policy ambition and administrative delivery. Nigeria has deep-water port infrastructure and substantial zone investment at Lekki and Alaro City, but NEPZA's inability to operationalise 40% of its designated zones reflects an institutional capacity deficit, not an infrastructure deficit.

In the Nascent group, the binding constraint varies significantly by sub-group. For the Nascent-Performing sub-group (Zambia, Namibia, Angola, Cameroon, Algeria), the binding constraint is often a specific policy or regulatory gap rather than broad governance failure. For the Nascent-Building sub-group (DRC, Zimbabwe, Republic of Congo, Chad), governance quality is the binding constraint — and the ARISE IIP private-operator model is the most effective currently available substitute for government-delivered institutional capacity. For the Nascent-Transitional sub-group (Comoros, Burundi, Guinea, Equatorial Guinea), both governance and infrastructure present binding constraints, and the appropriate response is institutional capacity-building grants rather than commercial capital deployment.

The policy implication is sequencing-specific. Governance reform must precede infrastructure investment to produce zone performance outcomes. Infrastructure investment without governance produces empty zones; governance without infrastructure produces zones that attract interest but cannot retain tenants. The sequencing that the AFCAI™ data supports: governance reform first, infrastructure investment second, incentive package optimisation third.

4.7 Key Risk Factors

> African zone failure is rarely caused by single dramatic events. It is more often the accumulation of small institutional omissions — the zone authority that loses its best staff, the incentive package amended without notice, the port corridor that degrades slowly — compounding over years into a competitive deficit that no single intervention can rapidly reverse.
>
> — AFCAI™ 2026 Risk Analysis

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4.7.1 Fragility Contagion

Sahel instability (Mali, Burkina Faso, Niger coups) and Horn of Africa fragility (Sudan war, South Sudan stagnation) create regional spillover risk for adjacent countries. Chad, CAR, and Ethiopia's northern provinces demonstrate how geographically proximate fragility can constrain zone investment confidence even in countries with adequate national frameworks.

4.7.2 Recurring Failure Patterns

Analysis of the AFCAI™ 2025 data against historical zone performance records reveals six recurring failure patterns that have produced zone underperformance across multiple African contexts. These patterns are structural — they arise from specific institutional and political-economy conditions — and their recurrence across geographically dispersed countries confirms that they reflect continental-level dynamics rather than country-specific idiosyncrasies.

Failure Pattern	Mechanism and Examples
Designation without Infrastructure	The most pervasive pattern: governments designate zones without providing the power, water, road access, and logistics infrastructure that makes those zones commercially viable. Nigeria's 20 non-operational FTZs out of 50+ designated (NEPZA, February 2025) is the most stark current example. Madagascar's three-way regulatory competition (EDBM, AZES, ANDI) reflects the same pattern at the institutional-design level.
Incentive Dependence without Policy Quality	Countries that compete on incentive generosity alone, without matching policy quality, attract the most footloose and incentive-sensitive investors — who are also the first to exit when competing jurisdictions offer superior packages. The AFCAI™ D3-I06 indicator (Incentive Clarity and Legal Backing) is the instrument designed to detect this vulnerability.
Institutional Erosion Across Government Transitions	Zone authorities that lack statutory independence are vulnerable to institutional erosion when government transitions bring new priorities. Staff replacement, budget cuts, mandate dilution, and overlapping jurisdiction assignments are the most common mechanisms. Rwanda's approach of placing RDB under a board-governed mandate insulated from ministerial oversight is the structural antidote.
Infrastructure Quality Decline Post-Commissioning	Zones that are well-provisioned at commissioning but lack dedicated maintenance budgets and asset-management frameworks experience progressive infrastructure degradation. South Africa's Transnet disruption (2022–24) damaged port and logistics performance for all twelve SEZs regardless of individual zone quality.
Rules-of-Origin Misalignment	Zone incentive frameworks that provide input-sourcing flexibility falling outside AfCFTA or AGOA rules of origin create an operational trap: zone enterprises benefit from zone fiscal incentives but cannot access preferential export markets. At least twelve African countries have zone frameworks structurally incompatible with AfCFTA RoO in their major export sectors.
Foreign Exchange Management Failure	The FX risk pattern has been the most consequential recurring failure mode of the past decade. Egypt (2022–24), Nigeria (2023), Ethiopia (2020–24), and Zimbabwe (2019–23) all demonstrate the pattern: zone frameworks that are legally strong and operationally adequate are effectively undermined by FX controls that prevent profit repatriation. The AFCAI™ D3-I04 indicator (Profit Repatriation Rights) assesses legal rights; the Fragility Override Rule captures operational reality.

4.7.3 Policy Instability — The Highest-Impact Risk Category

Of the six recurring failure patterns, policy instability has the most damaging and most durable impact on zone competitiveness. Infrastructure deficits can be remedied through capital investment over three to five years. Administrative inefficiency can be addressed through digital governance reform over two to three years. But policy instability — once established as a national pattern — requires sustained counter-evidence over five to ten years before investor risk-pricing fully adjusts. This asymmetry means that the cost of a single policy reversal can exceed the benefit of ten years of prior policy stability in the eyes of risk-averse institutional investors.

The 2025 data identifies three primary vectors through which policy instability manifests in African

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zone contexts.

Policy Instability Vector 1 — Fiscal Incentive Revision Under Fiscal Pressure

Tanzania's Finance Act 2025 removed the ten-year EPZ/SEZ corporate tax holiday for local-market sales — the first formal reduction of zone fiscal incentives in Tanzania's post-2002 zone history. Ghana's Exemptions Act (effects in 2024–25) increased the effective tax burden on FZEs selling domestically from 8% (post-holiday CIT) to 25% (standard CIT). These revisions were made for legitimate fiscal-consolidation reasons under IMF programme conditionality.

The investor impact is material: capital deployment decisions made on the basis of the pre-revision incentive architecture must be repriced. Future zone-investment commitments in these countries will be priced against a higher risk premium for incentive durability, until a track record of the new, recalibrated incentive package stability is established.

Mitigation for investors: apply a "durability discount" to incentive packages in countries under active IMF fiscal-consolidation programmes. Structure zone investments with revenue models that are viable at the post-reform incentive level, treating any incentive benefit in excess of that level as optionality rather than certainty.

Policy Instability Vector 2 — Post-Coup Regulatory Disruption

The Sahel zone cluster — Mali (Tier 3, Rank 47), Burkina Faso (Tier 3, Rank 48), Niger (Tier 3, Rank 49) — and the broader post-coup group (Guinea, Rank 41; Gabon post-2023, Rank 31) demonstrate how political transitions can abruptly restructure zone investment conditions. ECOWAS sanctions on Sahel states have complicated cross-border supply-chain logistics for zone enterprises in the region.

Zones operated by strong private operators — ARISE IIP in Gabon, GDIZ in Benin, PIA in Togo — have proven more resilient to political transitions than government-operated zones, because operator institutional relationships, international financing structures, and independent governance frameworks create a degree of insulation from political disruption.

Mitigation for investors: in politically volatile contexts, the presence of a credible international zone operator is a more reliable risk mitigant than the legal framework of the host country alone. Structure zone investments through operator-partnership models where available.

Policy Instability Vector 3 — Retroactive Incentive Amendment

The most damaging form of policy instability is retroactive amendment — changes that alter the terms of existing investment commitments rather than only affecting new entrants. Several documented instances across African zone economies in the 2015–2025 period involved retroactive application of new tax requirements to previously exempt zone enterprises.

The institutional antidote is stabilisation clauses in zone enterprise licences and investment agreements — contractual commitments by the host government to maintain specified incentive terms for a defined period regardless of subsequent legislative change. Rwanda, Morocco, and Mauritius all include stabilisation provisions in their zone licensing frameworks. This is a best-practice standard that Nascent-group countries should prioritise in their zone-law reform agendas.

4.7.4 Execution Gaps — The Distance Between Policy Design and Operational Delivery

The most revealing finding from the AFCAI™ 2025 data is the magnitude of the gap between D1 (Policy and Regulatory Framework) scores and D5 (Performance and Market Validation) scores for a large number of African zone economies. A country can score 18 on D1 — indicating a credible, rules-based legal architecture — and only 7 on D5 — indicating that the zones operating under that

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framework are generating limited actual FDI, employment, or export value. This gap is the operational definition of an execution deficit, and it is the most important single diagnostic that the AFCAI™ framework provides.

D1 (Policy) vs D5 (Performance) Gap Analysis — Top 20 Countries by Composite Score

Country	D1 Score (max 25)	D5 Score (max 15)	Gap (adj.)	Gap Interpretation
Morocco	22.5	15.0	-10pp	Policy-performance aligned
Mauritius	25.0	11.4	24pp	Moderate gap — watch-item
Egypt	21.7	15.0	-13pp	Policy-performance aligned
Rwanda	25.0	10.8	28pp	Significant execution deficit
South Africa	22.5	10.2	22pp	Moderate gap — watch-item
Ghana	20.8	12.6	-1pp	Policy-performance aligned
Tunisia	20.8	11.4	7pp	Policy-performance aligned
Kenya	20.0	9.6	16pp	Moderate gap — watch-item
Côte d'Ivoire	19.2	12.0	-3pp	Policy-performance aligned
Tanzania	20.8	10.2	15pp	Moderate gap — watch-item
Senegal	20.8	9.0	23pp	Moderate gap — watch-item
Djibouti	18.3	9.6	9pp	Policy-performance aligned
Botswana	20.8	9.0	23pp	Moderate gap — watch-item
Togo	19.2	10.2	9pp	Policy-performance aligned
Benin	17.5	12.0	-10pp	Policy-performance aligned
Uganda	19.2	9.0	17pp	Moderate gap — watch-item
Seychelles	20.8	6.0	43pp	Significant execution deficit
Ethiopia	17.5	10.8	-2pp	Policy-performance aligned
Nigeria	16.7	11.4	-9pp	Policy-performance aligned
Mozambique	16.7	9.6	3pp	Policy-performance aligned

The Five Components of Execution Gaps

The execution gap between policy design and operational performance arises from five identifiable institutional weaknesses that AFCAI™ scoring can detect in the underlying indicator architecture.

- Zone Authority Capacity Deficit: Zone authorities that lack technical staff, operational systems, and institutional credibility relative to international standards cannot convert a strong legal framework into investor confidence. The presence of a legal framework without a capable institutional steward produces an AFCAI™ D1 score that exceeds the D5 score by a predictable margin. This is the most common form of execution gap and the most directly addressable through institutional capacity-building investment.
- Infrastructure Provisioning Gap: The failure to provide zone-perimeter infrastructure at or above the standards required for competitive manufacturing is the second most common execution deficit. It is characterised by high D1 and D3 scores alongside low D2 scores, producing zone vacancies and investor exit that drag D5 to levels inconsistent with the policy quality.
- Administrative Friction Accumulation: Over time, zone enterprises accumulate administrative requirements — reporting obligations, audit schedules, renewal procedures, compliance

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certifications — that individually seem reasonable but collectively create a cost layer that erodes the net benefit of fiscal incentives. Digital governance investment is the most effective antidote.

- Investor Communication and Aftercare Failure: Zone authorities that are effective at initial investor attraction but weak at operational aftercare — managing the problems, regulatory clarifications, and service issues that arise during zone operations — generate investor dissatisfaction and early exit. This produces high D5-I01 (FDI attraction) alongside poor D5-I05 (investor retention), which is the signature of aftercare failure.
- Rules-of-Origin Misalignment: Zones whose operating frameworks cannot qualify zone-produced goods for AfCFTA, EU GSP, or AGOA preferential access are structurally limited in their ability to generate export performance at the scale that D5 scoring rewards. This is a strategic design gap that requires policy-level correction rather than operational improvement.

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Figure 8: The matrix summarizes the principal structural risks affecting the competitiveness of national Free Trade Zone ecosystems, classifying each according to its relative impact on investment attractiveness and the likelihood of occurrence across African jurisdictions.

FIGURE 8

STRUCTURAL RISK MATRIX

Recurring Failure Patterns by Likelihood and Impact

A likelihood-impact plot of the six recurring structural risk patterns identified across African zone economies, drawn from documented 2015–2025 cases.

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CHAPTER 5

TIER ANALYSIS

Tier 1, 2, Nascent Zone Economies, and Tier 3 (High-Risk) — Detailed Profiles

5.1 How the Four Tiers Compare

Having examined the continental drivers of Free Trade Zone competitiveness, the analysis now turns to the AFCAI™ classification system. Countries are grouped into four performance tiers based on their composite scores, reflecting progressively different levels of institutional maturity, infrastructure readiness, operational effectiveness, and investment attractiveness. Figure 9 summarizes the distinguishing characteristics of each tier before the detailed analysis of individual groups.

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Figure 9: The matrix compares the defining characteristics of AFCAI™'s four competitiveness tiers, highlighting differences in institutional quality, infrastructure, operational performance, regional integration, and overall investment attractiveness.



While Figure 9 distinguishes the defining characteristics of each competitiveness tier, the continental distribution of these tiers reveals important geographic patterns in the maturity of Africa's Free Trade Zone ecosystems. Figure 10 below illustrates how these performance categories are distributed across the continent before the detailed assessment of each tier.

Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit.

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Figure 10: Illustrates the geographic distribution of AFCAI™ competitiveness tiers across all 54 African Union Member States, highlighting regional concentrations of high-performing, emerging, nascent, and developing Free Trade Zone ecosystems.

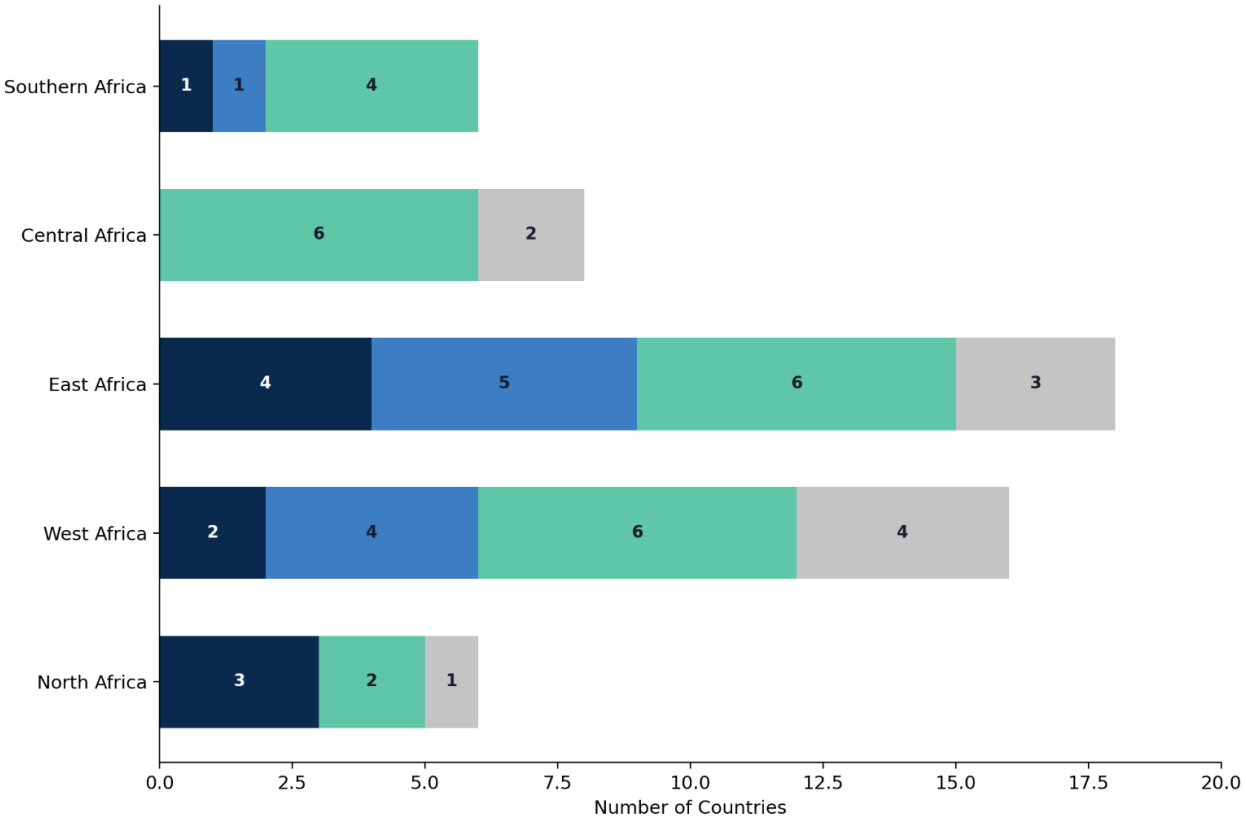
FIGURE 10

TIER DISTRIBUTION ACROSS AFRICA

Regional Composition of the Four AFCAI™ Tiers

A stacked regional breakdown showing how the four competitiveness tiers distribute across Africa's five sub-regions.

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6	16	18	8	6
North Africa	West Africa	East Africa	Central Africa	Southern Africa

KEY REGIONAL PATTERNS

- North Africa: 3 Tier 1 nations — highest concentration of continental leaders on the continent.
- Central Africa: Zero Tier 1 nations — no country in the region has yet reached the top tier.
- Southern Africa: Zero Tier 3 nations — no conflict/fragility cluster present in this region.
- East Africa: The most tier-diverse region, with representation across all four tiers.

Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit

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TIER 1: TOP 10 MOST ATTRACTIVE FTZ NATIONS IN AFRICA

Stable, scalable, institutionally credible zone ecosystems | Ranks 1–10 | Score range: 77.2–92.7

The Tier 1 cohort comprises ten countries that collectively define the continental benchmark for zone investment attractiveness. They are not homogenous: Morocco and Egypt operate at continental scale; Mauritius and Rwanda demonstrate that institutional excellence can compensate for small-country constraints; Ghana's AfCFTA Secretariat positioning creates structural advantages; Tanzania's 2025 TISEZA reform places it on the trajectory leading upward.

Three characteristics distinguish every Tier 1 country without exception. First, policy quality — every Tier 1 country scores 19 or above on D1, reflecting legal frameworks with at least fifteen years of continuous institutional development. Second, a functional one-stop-shop infrastructure with meaningful digital integration. Third, at least one zone with documented operational performance data (FDI inflows, employment, exports) that validates the policy investment.

Investment profile for Tier 1 countries: appropriate for institutional capital (pension funds, sovereign wealth funds, DFIs), multinational corporate treasury investment, and investment-grade PE. Standard risk-mitigation instruments (MIGA guarantees, DFI partial-risk coverage) remain prudent but are not essential prerequisites. Recommended investment horizon: seven to fifteen years.

Rank	Country	Region	D1 Score	D5 Score	AFCAI™	Status
1	**Morocco**	North Africa	**22.5**	15.0	**92.67**	**Functional**
2	**Mauritius**	East Africa	**25.0**	11.4	**91.57**	**Functional**
3	**Egypt**	North Africa	**21.7**	15.0	**90**	**Functional**
4	**Rwanda**	East Africa	**25.0**	10.8	**86.47**	**Functional**
5	**South Africa**	Southern Africa	**22.5**	10.2	**83.87**	**Functional**
6	**Ghana**	West Africa	**20.8**	12.6	**81.43**	**Functional**
7	**Tunisia**	North Africa	**20.8**	11.4	**81.23**	**Functional**
8	**Kenya**	East Africa	**20.0**	9.6	**78.6**	**Functional**
9	**Côte d'Ivoire**	West Africa	**19.2**	12.0	**77.34**	**Functional**
10	**Tanzania**	East Africa	**20.8**	10.2	**77.2**	**Functional**

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TIER 2: TOP 10 EMERGING FTZ NATIONS IN AFRICA

Viable investment environments with identifiable gaps and strong upgrade potential | Ranks 11–20 | Score range: 68.4–77.0

The Tier 2 cohort represents the continent's reform frontier. These ten countries have achieved a policy foundation and operational track record sufficient to attract risk-adjusted capital, but each carries at least one material structural gap that constrains their ability to compete with the Tier 1 cohort for the most risk-averse institutional mandates. Nigeria's 20 non-operational FTZs, Ethiopia's AGOA disruption, Senegal's commitment-to-realisation gap, and Mozambique's Cabo Delgado overhang are examples of specific, addressable constraints that define the Tier 2 investment proposition.

The most commercially interesting characteristic of the Tier 2 cohort is upgrade potential. Five of the ten — Senegal, Tanzania, Djibouti, Togo, and Benin — have specific catalysts in the 2026–28 window that could drive Tier 1 reclassification. Investors who can price the transition correctly, and provide capital at the right stage of the reform cycle, capture the Tier 2 alpha.

Investment profile: appropriate for development-focused PE, DFI long-term financing, and anchor industrial investors with operational Africa expertise. Political risk insurance recommended. Investment horizon: ten to twenty years for greenfield; five to ten for operating-asset acquisition.

Rank	Country	Region	D1 Score	D5 Score	AFCAI™	Status
11	**Senegal**	West Africa	20.8	9.0	77	Functional
12	**Djibouti**	East Africa	18.3	9.6	75.1	Functional
13	**Botswana**	Southern Africa	20.8	9.0	75	Functional
14	**Togo**	West Africa	19.2	10.2	74.04	Functional
15	**Benin**	West Africa	17.5	12.0	73.83	Functional
16	**Uganda**	East Africa	19.2	9.0	70.34	Functional
17	**Seychelles**	East Africa	20.8	6.0	70.33	Limited
18	**Ethiopia**	East Africa	17.5	10.8	70.3	Functional
19	**Nigeria**	West Africa	16.7	11.4	68.74	Functional
20	**Mozambique**	East Africa	16.7	9.6	68.44	Functional

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NASCENT ZONE ECONOMIES (Ranks 21–44)

24 countries with developing zone frameworks, real programmes, and genuine forward potential | Primary zone-readiness advisory pipeline

The 24 Nascent Zone Economies span an enormous range of institutional development. The cohort runs from Zambia (Rank 21, LSMFEZ $1.68 bn cumulative, 11,560 jobs — one of the strongest landlocked zone executions globally) to Libya (Rank 44, no operational zone due to political fragmentation). These are not high-risk investment environments in the conflict-and-fragility sense — they are developing zone economies at various stages of institutional maturity, many with active programmes, genuine FDI, and credible reform pipelines.

The Nascent cohort is best understood through three sub-groups. The first is "Nascent-Performing" — Zambia, Namibia, Angola, Cameroon, Algeria, Mauritania — countries with operational zone infrastructure, measurable investment, and identifiable reform catalysts that could move them toward Tier 2 within two to three AFCAI™ cycles. Zambia's LSMFEZ and Angola's ZEE Luanda-Bengo are the most commercially mature examples in this group. The second sub-group is "Nascent-Building" — Gabon, Zimbabwe, Republic of Congo, DRC, Malawi, Sierra Leone, Liberia, Chad — where zone programmes exist but operational scale is limited. ARISE IIP partnerships in DRC, Republic of Congo, and Chad provide credible operator capability. The third sub-group is "Nascent-Transitional" — Comoros, Burundi, Guinea, Equatorial Guinea — where zone frameworks are aspirational with limited near-term implementation momentum.

The analytical distinction the AFCAI™ tier architecture makes explicit: Libya (Rank 44, Nascent) and Equatorial Guinea (Rank 43, Nascent) are not grouped with Sudan, Somalia, and Eritrea. Libya has institutional dysfunction and political fragmentation — not active armed conflict across the entire territory. Equatorial Guinea has fiscal capacity and CEMAC membership. Their AFCAI™ scores are low because zone frameworks are non-operational, not because the security environment makes institutional investment impossible.

Investment profile for the Nascent cohort: highly differentiated. Nascent-Performing countries are appropriate for specialist emerging-market PE with Africa zone expertise, anchor industrial investors, and development finance instruments. Nascent-Building countries require DFI-backed financing structures with strong operator partnerships. Nascent-Transitional countries are primarily appropriate for technical assistance and institutional capacity grants rather than commercial capital.

Rank	Country	Region	D1 Score	D5 Score	AFCAI™	Status
21	**Zambia**	East Africa	18.3	9.0	68.16	Functional
22	**Namibia**	Southern Africa	16.7	8.4	65.07	Limited
23	**Mauritania**	West Africa	16.7	9.0	63.5	Limited
24	**Cameroon**	Central Africa	15.8	8.4	63.4	Limited
25	**Angola**	Southern Africa	15.8	9.6	63.26	Functional
26	**Lesotho**	Southern Africa	15.8	9.6	63.26	Limited
27	**Madagascar**	East Africa	15.8	9.0	63	Functional
28	**Algeria**	North Africa	15.8	7.8	62.63	Limited
29	**Eswatini**	Southern Africa	15.8	9.0	62.16	Limited

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30	**Cabo Verde**	West Africa	**18.3**	6.0	**62**	**Limited**
31	**Gabon**	Central Africa	**14.2**	7.2	**59.54**	**Limited**
32	**Zimbabwe**	East Africa	**14.2**	8.4	**59.4**	**Limited**
33	**Republic of Congo**	Central Africa	**14.2**	6.6	**58.94**	**Limited**
34	**Malawi**	East Africa	**15.8**	6.0	**58.16**	**Limited**
35	**Sierra Leone**	West Africa	**15.8**	6.0	**56.5**	**Limited**
36	**Gambia**	West Africa	**15.0**	6.0	**56.33**	**Limited**
37	**Liberia**	West Africa	**15.8**	6.0	**55.5**	**Limited**
38	**DRC**	Central Africa	**15.8**	6.6	**55.1**	**Limited**
39	**Comoros**	East Africa	**15.0**	6.0	**52.33**	**Limited**
40	**Burundi**	East Africa	**12.5**	6.0	**49.5**	**Limited**
41	**Guinea**	West Africa	**12.5**	6.0	**48.67**	**Limited**
42	**Chad**	Central Africa	**12.5**	6.0	**47.5**	**Limited**
43	**Equatorial Guinea**	Central Africa	**10.0**	6.0	**46.83**	**Non-Oper.**
44	**Libya**	North Africa	**10.0**	3.0	**38.67**	**Non-Oper.**

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TIER 3: HIGH-RISK ZONE ENVIRONMENTS (Ranks 45–54)

Active conflict, post-coup fragility, or entirely non-operational zone frameworks | Ranks 45–54 | Score range: 36.3–38.5

The Tier 3 cohort is the analytically correct grouping for High-Risk classification. These ten countries — São Tomé and Príncipe, Guinea-Bissau, Mali, Burkina Faso, Niger, Somalia, CAR, Sudan, South Sudan, and Eritrea — occupy the bottom of the AFCAI™ ranking because of structural conditions that go beyond zone policy gaps. Seven are in active armed conflict, post-coup transition under regional sanctions, or operating in security environments that make institutional zone investment impossible in the current cycle. Three others — São Tomé and Príncipe, Guinea-Bissau, and Eritrea — lack functional zone frameworks due to state capacity limitations, though without the active armed conflict that characterises the Sahel and Horn of Africa cluster.

The AFCAI™ tier architecture places High-Risk classification at ranks 45–54, where true structural risk conditions are concentrated. Countries in ranks 21–44 are Nascent — developing zone economies, not high-risk environments. LSMFEZ has $1.68 billion in cumulative investment and 11,560 jobs. KPIZ is backed by €795 million in multilateral financing. ZEE Luanda-Bengo has generated $3.49 billion in private investment. These are not high-risk zone environments. The Nascent classification reflects their current development stage and trajectory, not an adverse risk verdict.

The investment guidance for this cohort is explicit: commercial zone investment is not actionable in the current cycle for the conflict-affected states. Sudan has active armed conflict that has suspended all zone activity. South Sudan has almost no functional central government capacity. Somalia, despite its positive AfCFTA ratification in October 2025, has security conditions that preclude zone-enterprise operations at scale. CAR, Mali, Burkina Faso, and Niger are all in post-coup transitions with active Sahel security threats. Eritrea remains the only AU member outside AfCFTA, in a closed economic system.

The appropriate intervention for Tier 3 countries is institutional and humanitarian rather than commercial. Development finance institutions and bilateral donors should focus on: conflict-resolution support, post-conflict institutional reconstruction financing, and pre-positioning zone legal framework design to enable rapid activation when security conditions permit. The AFCAI™ score for each of these countries should be understood as a current-state assessment, not a permanent characterisation — the 2027 and subsequent editions will update scores as conditions evolve.

Rank	Country	Region	D1 Score	D5 Score	AFCAI™	Status
45	São Tomé and Príncipe	Central Africa	10.8	3.0	38.5	Non-Oper.
46	Guinea-Bissau	West Africa	10.0	3.0	38.33	Non-Oper.
47	Mali	West Africa	10.0	3.0	38	Non-Oper.
48	Burkina Faso	West Africa	10.0	3.0	38	Non-Oper.
49	Niger	West Africa	10.0	3.0	38	Non-Oper.
50	Somalia	East Africa	10.0	3.0	37.33	Non-Oper.
51	CAR	Central Africa	10.0	3.0	37.33	Non-Oper.
52	Sudan	North Africa	10.0	3.0	37	Non-Oper.
53	South Sudan	East Africa	10.0	3.0	36.33	Non-Oper.
54	Eritrea	East Africa	10.0	3.0	36.33	Non-Oper.

Although countries within the same competitiveness tier share broad structural characteristics, their performance across AFCAI™'s six assessment dimensions remains multidimensional. Figure 11 below illustrates representative performance profiles, highlighting the distinctive strengths and weaknesses that characterize each tier.

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Figure 11: Representative radar profiles illustrate the multidimensional performance characteristics of selected countries from each AFCAI™ competitiveness tier, demonstrating how strengths and weaknesses vary across the six assessment dimensions.



Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit.

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COUNTRY PROFILES

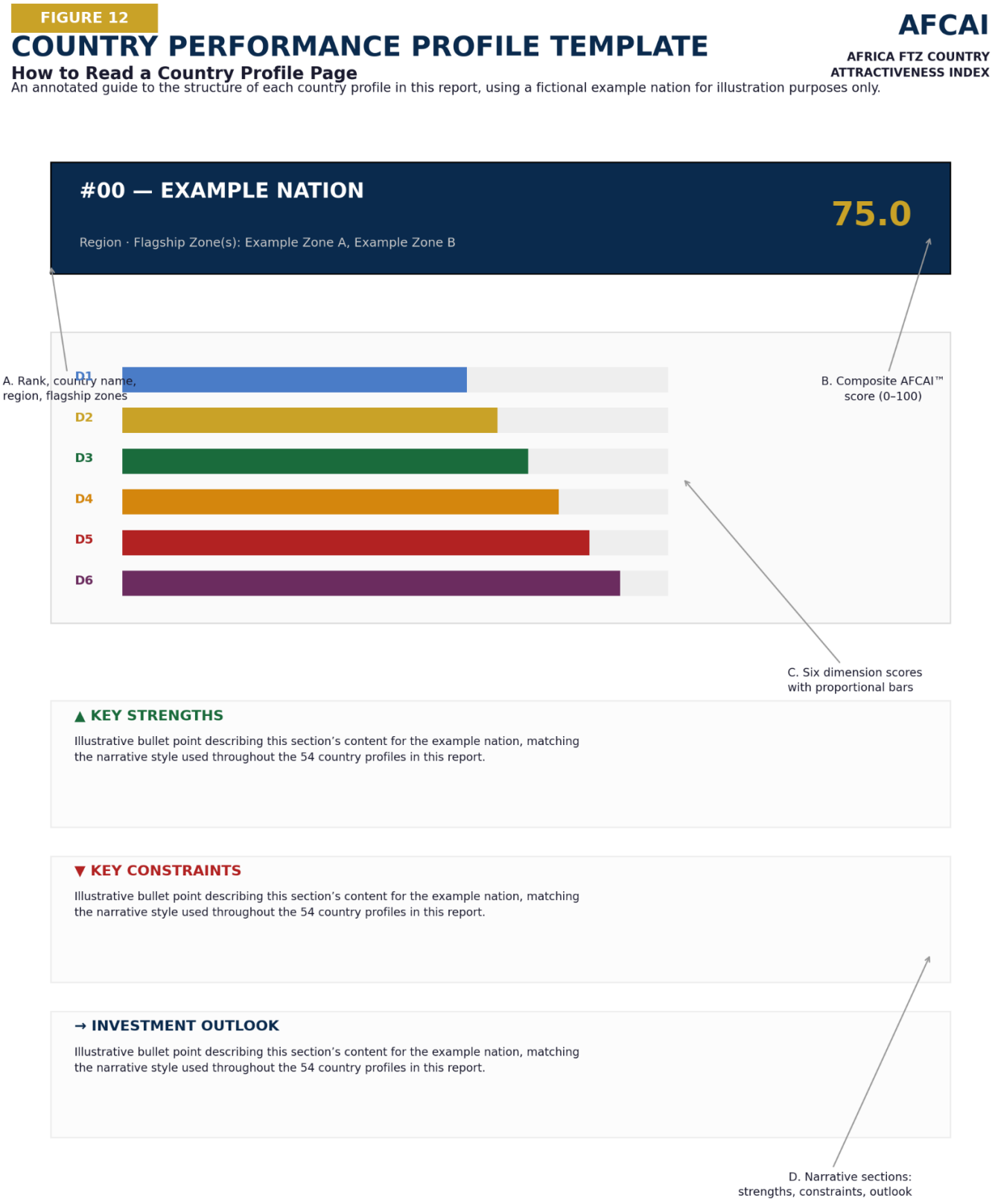
Structured Analysis — All 54 African Union Member States

6.1 How to Read a Country Profile

The following profiles present a standardized assessment of each national Free Trade Zone ecosystem using the AFCAI™ framework. To ensure comparability across all 54 African Union Member States, every profile follows a consistent analytical structure summarizing overall performance, dimensional strengths and weaknesses, competitiveness tier, and strategic observations. Figure 12 below illustrates the layout and components of the standardized country profile used throughout this section.

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Figure 12: The standardized AFCAI™ country profile template provides a consistent format for presenting national competitiveness assessments, enabling direct comparison of overall performance, dimensional results, competitiveness tier, and key observations across all 54 African Union Member States.



Source: AFCAI™ 2026 Database; SLIP Research Intelligence Unit.

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6.2 Tier 1 Countries (Ranks 1–10)

#1 — Morocco

North Africa

Flagship Zone(s): Tanger Med, Mohammed VI Tangier Tech City, AMDIE

92.67

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
22.5	19.0	13.0	13.5	15.0	9.7

▲ KEY STRENGTHS

- Continental leader in zone performance — Tanger Med generated MAD 188 bn ($18.8 bn) industrial revenue in 2025 with 11.1 m TEU port throughput, the most productive zone platform in Africa.
- Strategic geographic position bridging Europe, Africa, and the Atlantic — 84 new industrial projects approved in 2025, drawing automotive, aerospace, and renewable energy investment.
- Comprehensive New Investment Charter — stable land-tenure framework, phased corporate tax reform, integrated logistics infrastructure.

▼ KEY CONSTRAINTS

- Regional concentration of zone activity in northern coastal corridor — interior and southern regions remain underserved.
- Incentive reforms ongoing — phased corporate tax adjustments create near-term predictability questions for some investor horizons.
- Intra-African integration less developed relative to European market focus.

→ INVESTMENT OUTLOOK

Morocco is the most successful operational example of zone-led industrialisation in Africa. The Tanger Med model is being replicated continent-wide. All six dimensions trend positively.

#2 — Mauritius

East Africa

Flagship Zone(s): Mauritius Freeport, Riche Terre Free Zone, KIFC

91.57

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
25.0	17.0	14.5	15.0	11.4	8.7

▲ KEY STRENGTHS

- Highest policy and regulatory score on the continent — fully codified zone law, mature institutional architecture, KIAC arbitration access.

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- Most digitally mature government in Africa — Budget 2025/26 unified FSC e-licensing platform, AI virtual assistant, and KYC repository eliminates administrative friction.
- Fiscally differentiated — 3% CIT in freeport, 8-year holiday for new operators, full repatriation protected by treaty network.

▼ KEY CONSTRAINTS

- Small physical scale limits absolute FDI volume relative to peers.
- Port capacity expansion ongoing under MUR 5.4 bn 2025 capital programme.
- Air connectivity outside Air Mauritius hub weaker than Tanger Med or SCZONE.

→ INVESTMENT OUTLOOK

Mauritius retains continental benchmark status for institutional zone competitiveness. Deepening AfCFTA-aligned services trade is the growth vector.

#3 — Egypt

North Africa

Flagship Zone(s): Suez Canal Economic Zone (SCZONE), GAFI Free Zones, TEDA

90

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
21.7	19.0	13.0	12.0	15.0	9.3

▲ KEY STRENGTHS

- Largest zone investment platform in Africa — SCZONE attracted $5.1 bn signed commitments in H1 FY25/26, exceeding the prior full-year total.
- 180 factories operational + 120 under construction across SCZONE — denser industrial cluster than any continental peer.
- Strong AfCFTA participation including Guided Trade Initiative active membership and PAPSS connectivity.

▼ KEY CONSTRAINTS

- EGP floatation (2024) creates FX execution risk on USD-denominated commitments.
- FX repatriation challenges in 2022–24 have eroded some investor confidence despite reforms.
- Heavy reliance on Chinese capital (50% of SCZONE FDI) introduces concentration risk.

→ INVESTMENT OUTLOOK

Egypt remains the continental scale leader in zone investment volume. 2025 reforms — Golden Licences, Investment Law amendments — position SCZONE for continued growth.

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#4 — Rwanda

East Africa

Flagship Zone(s): Kigali SEZ (KSEZ), Bugesera SEZ

86.47

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
25.0	13.0	15.0	15.0	10.8	7.7

▲ KEY STRENGTHS

- Best administrative efficiency on the continent — RDB One Stop Centre enables registration in hours; KIAC handled 224 arbitration cases 2021–2023.
- Strongest policy quality per unit of economic scale — Investment Code 2021, Privatisation Law, Banking Law, US BIT all in force.
- KIFC HQ regime offers 0% CIT for international headquarters — a distinctive continental value proposition.

▼ KEY CONSTRAINTS

- Landlocked geography creates logistics-cost penalties.
- Bugesera Airport (scheduled 2027) will improve air connectivity.
- Smaller absolute zone-FDI volumes relative to North African peers.

→ INVESTMENT OUTLOOK

Rwanda is the continental benchmark for institutional efficiency. Bugesera SEZ phase 1 is the test of whether the small-but-excellent model scales.

#5 — South Africa

Southern Africa

Flagship Zone(s): Coega IDZ, Dube TradePort SEZ, Tshwane Automotive SEZ, Atlantis SEZ (12 designated)

83.87

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
22.5	17.0	12.0	12.5	10.2	9.7

▲ KEY STRENGTHS

- Most diversified zone portfolio — 12 designated SEZs spanning automotive, aerospace, agro-processing, and ICT.
- Deepest financial markets in Africa — JSE-listed financing channels, sophisticated PPP framework.
- R1 trillion infrastructure programme over MTEF and new SEZ Advisory Board inaugurated Q3 FY25/26.

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▼ **KEY CONSTRAINTS**

- Power supply reliability a structural constraint despite 2024–25 improvements.
- Only 6 of 12 SEZs qualify for the full 15% corporate tax incentive.
- Transnet operational recovery (2022–24 disruption) still incomplete.

→ **INVESTMENT OUTLOOK**

South Africa's zone architecture is sophisticated but execution-constrained. The new Advisory Board and 2025 dtic reform agenda signal renewed momentum.

#6 — Ghana

West Africa

Flagship Zone(s): Tema EPZ, Sekondi EPZ, Ghana Free Zones Authority

81.43

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
20.8	15.0	12.0	12.0	12.6	9.0

▲ **KEY STRENGTHS**

- AfCFTA Secretariat headquarters in Accra creates structural integration advantage.
- Strong export performance — GFZA recorded $1 bn non-traditional exports in Q1 2025.
- 40,000+ direct zone jobs with active GFZA aftercare programme.

▼ **KEY CONSTRAINTS**

- Repeal of 8% post-holiday CIT for FZE domestic sales weakens headline incentive competitiveness.
- Currency volatility affects USD-equivalent investment metrics.
- Power and water infrastructure require ongoing grant support.

→ **INVESTMENT OUTLOOK**

Ghana has AfCFTA structural leadership few peers can match. The 2025 fiscal recalibration is a near-term setback; long-term continental hub positioning remains intact.

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#7 — Tunisia

North Africa

Flagship Zone(s): Bizerte Economic Activity Park, Zarzis Free Trade Zone

81.23

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
20.8	16.0	13.0	12.0	11.4	8.0

▲ KEY STRENGTHS

- Mature zone framework (from 1994) with stable legal architecture and 60+ established companies at Bizerte.
- UNCTAD Investment Policy Review (January 2025) documents ongoing investor-friendly reforms.
- First AfCFTA state to notify under WTO Enabling Clause (November 2025).

▼ KEY CONSTRAINTS

- IMF programme conditionality constrains fiscal space for incentive enhancements.
- Political transition risk has historically affected investor confidence cycles.
- Limited expansion of new zones compared with West and East African peers.

→ INVESTMENT OUTLOOK

Tunisia retains established zone competitiveness but lacks the new-zone dynamism of Egypt or Morocco. The 2025 IPR reform pathway is the key forward indicator.

#8 — Kenya

East Africa

Flagship Zone(s): Tatu City SEZ, Naivasha SEZ, Athi River EPZ, Konza Technopolis

78.6

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
20.0	15.0	12.0	13.0	9.6	9.0

▲ KEY STRENGTHS

- SEZ Act amendments (Business Laws Amendment Act 2024, effective late-2024) codified 10-year incentive horizon and expanded eligible activities — material 2025 upgrade.
- Strong EAC integration with Mombasa as regional gateway port.
- SEZA digital licensing portal on eCitizen — administrative efficiency rapidly improving.

▼ KEY CONSTRAINTS

- Many of 70+ designated SEZs not yet fully operational — designation outpaces development.

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- Power costs in zones remain higher than Egyptian or Moroccan peers.
- Land tenure complexity in private SEZs requires careful structuring.

→ INVESTMENT OUTLOOK

Kenya's 2024–25 SEZ legal modernisation positions it for a Tier 1 trajectory. Execution of the amended Act and LAPSSET-linked zones are the tests.

#9 — Côte d'Ivoire

West Africa

Flagship Zone(s): VITIB ICT Park, PEIA Abidjan (ARISE IIP), Grand-Bassam

77.34

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
19.2	14.0	12.0	11.5	12.0	8.7

▲ KEY STRENGTHS

- WAEMU/UEMOA integration provides stable monetary framework and harmonised regional tariffs.
- VITIB Phase 2 deploying FCFA 180 bn ($297 m) over five years to 2028.
- PEIA Abidjan ARISE IIP partnership brings world-class operator capability.

▼ KEY CONSTRAINTS

- Concentration of zone activity in Abidjan corridor.
- Administrative efficiency still trails East African leaders in registration speed.
- Limited sectoral diversification beyond ICT and light manufacturing.

→ INVESTMENT OUTLOOK

Côte d'Ivoire is the structural anchor of Francophone West African zone development. VITIB and PEIA execution over 2026–28 are the decisive performance indicators.

#10 — Tanzania

East Africa

Flagship Zone(s): TISEZA-managed EPZs and SEZs (34 designated)

77.2

AFCAI™ Score

Tier 1

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
20.8	14.0	11.0	12.5	10.2	8.7

▲ KEY STRENGTHS

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- Investment and Special Economic Zones Act 2025 (TISEZA Act) signed July 2025 — largest single-year institutional zone reform in Africa.
- TISEZA OSFC processed 2,695 consultations + 1,556 aftercare engagements in Q1 FY25/26.
- $2.54 bn registered investment in Q1 FY25/26 (+24% YoY) reflects strong momentum.

▼ **KEY CONSTRAINTS**

- Finance Act 2025 removed 10-year EPZ/SEZ tax holiday on local sales — major incentive reduction.
- Corridor infrastructure to landlocked neighbours remains under-developed.
- TISEZA institutional integration risk during TIC/EPZA merger.

→ **INVESTMENT OUTLOOK**

Tanzania executed the most ambitious 2025 zone reform on the continent. Successful TISEZA operationalisation could lift it into the first half of Tier 1 within two cycles.

6.3 Tier 2 Countries (Ranks 11–20)

#11 — Senegal

West Africa

Flagship Zone(s): Diamniadio Industrial Park, ZESID Sandiara

77

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
20.8	13.0	12.5	13.0	9.0	8.7

▲ **KEY STRENGTHS**

- New Investment Code (September 2025) codifies 10-day max processing, digital single window, capital-transfer guarantees.
- FII Senegal 2025 generated $23.5 bn in commitments — strongest single-event investment mobilisation in West Africa.
- Technological New Deal (February 2025) advances digital governance rapidly.

▼ **KEY CONSTRAINTS**

- Forum commitments must convert to realised investment — conversion track record is mixed.
- New Code requires implementing regulations to fully deliver codified ambitions.
- Power and utilities reliability trails Mauritius, Morocco, Rwanda standards.

→ **INVESTMENT OUTLOOK**

Senegal is the most promising 2025 reform story in West Africa. Tier 1 pathway by 2027 is credible if FII conversion and digital reforms deliver.

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#12 — Djibouti

East Africa

Flagship Zone(s): DIFTZ (4,800 ha), Damerjog Industrial Free Zone

75.1

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
18.3	15.0	13.5	11.0	9.6	7.7

▲ KEY STRENGTHS

- Africa's largest FTZ footprint — DIFTZ Phase 1 operational with projected 350,000 jobs over 10 years.
- Strategic gateway for Horn of Africa and Bab el-Mandeb shipping lane.
- Up to 50-year full tax exemption — among the most generous incentive horizons globally.

▼ KEY CONSTRAINTS

- Economic concentration risk — port-and-logistics dominance creates single-corridor exposure.
- Geopolitical proximity to active conflict zones (Yemen, Sudan, Tigray).
- Heavy China-financed debt exposure creates fiscal vulnerability.

→ INVESTMENT OUTLOOK

Djibouti retains its position as the gateway zone economy for the Horn of Africa. Saudi $370m logistics city and Damerjog refinery active in 2025 reinforce strategic positioning.

#13 — Botswana

Southern Africa

Flagship Zone(s): Pandamatenga, SSKIA SEZ, 9 SEZs at varying maturity stages

75

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
20.8	13.0	11.5	12.0	9.0	8.7

▲ KEY STRENGTHS

- Among the most stable African political and macroeconomic environments.
- 5% CIT first 10 years, 10% thereafter; full repatriation; transfer-duty waiver.
- Strong SADC and SACU integration providing preferential South African market access.

▼ KEY CONSTRAINTS

- Diamond-dependent economy creates cyclical fiscal pressure on zone CapEx.
- Small domestic market and landlocked geography limit absolute scale.
- Several SEZs at early development stages with limited operational data.

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→ INVESTMENT OUTLOOK

Botswana's zone model is aspirational rather than operationally proven at scale. Pandamatenga commissioning and SSKIA Boulevard Road are positive 2025 markers.

#14 — Togo

West Africa

Flagship Zone(s): Plateforme Industrielle d'Adétikopé (PIA), Lomé Free Zone

74.04

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
19.2	13.0	12.0	11.0	10.2	8.7

▲ KEY STRENGTHS

- PIA operated by ARISE IIP with 21+ investors and 2025 expansions in pharma, fertiliser, and textiles.
- Land-lease price reduced to FCFA 2,500/m²/year — tactical pricing to attract local investors.
- WAEMU integration and Lomé port positioning create strong corridor logistics.

▼ KEY CONSTRAINTS

- Small domestic market constrains industrial scale.
- Post-2024 constitutional changes introduce regulatory uncertainty.
- Zone sectoral concentration in textiles, pharma, fertiliser.

→ INVESTMENT OUTLOOK

Togo punches well above its weight through ARISE IIP partnership. PIA scale-up and Lomé port modernisation are the growth drivers.

#15 — Benin

West Africa

Flagship Zone(s): Glo-Djigbé Industrial Zone (GDIZ) — 1,640 ha

73.83

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
17.5	14.0	12.0	10.0	12.0	8.3

▲ KEY STRENGTHS

- GDIZ Phase I $1.5 bn cumulative envelope — fastest-scaling new-build zone in West Africa.
- Vertical cotton-textile value chain with 1,500+ trainees in Garment Training Centres.
- BTEX operationalised 2025 — Phase I execution on schedule.

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▼ KEY CONSTRAINTS

- Single-zone concentration — GDIZ dominates the national narrative.
- Cotton/textile demand concentration risk.
- AfCFTA ratification outstanding — material continental integration gap.

→ INVESTMENT OUTLOOK

Benin's GDIZ is the textbook case of partnered, master-planned zone execution. Diversification and AfCFTA ratification are the near-term inflection points.

#16 — Uganda

East Africa

Flagship Zone(s): Kampala Industrial Business Park (Namanve), 20+ designated zones

70.34

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
19.2	12.0	12.0	10.5	9.0	7.7

▲ KEY STRENGTHS

- UFZEPA Amendment Act 2024 transforms zone mandate and institutional architecture.
- EAC integration provides preferential access to Kenya, Tanzania, Rwanda markets.
- Growing pipeline of private zone operators expanding sectoral coverage.

▼ KEY CONSTRAINTS

- Landlocked geography with high logistics-cost penalties despite corridor access.
- Zone infrastructure budget historically small — Vote 161 UGX 11.964 bn ($3.2 m).
- Power and water reliability inside Namanve requires investor self-provision.

→ INVESTMENT OUTLOOK

Uganda's 2024 UFZEPA reform is a signal of intent. Conversion to operational performance through private operator partnerships is the 2026–28 test.

#17 — Seychelles

East Africa

Flagship Zone(s): Seychelles International Trade Zone

70.33

AFCAI™ Score

Tier 2

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
20.8	14.0	10.0	12.5	6.0	7.0

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▲ KEY STRENGTHS

- Strong administrative efficiency — small-state advantage.
- Stable institutional framework.
- AfCFTA gazetted schedule.

▼ KEY CONSTRAINTS

- Limited scale given island geography.
- EU tax-transparency scrutiny historically.
- Limited cargo connectivity.

→ INVESTMENT OUTLOOK

Seychelles is a niche zone economy. EU compliance and services-trade integration are the forward determinants.

#18 — Ethiopia

East Africa

Flagship Zone(s): 14 IPDC federal industrial parks — Hawassa, Bole-Lemi, Kombolcha (10 elevated to SEZ status)

70.3

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
17.5	12.0	11.5	10.5	10.8	8.0

▲ KEY STRENGTHS

- Most extensive industrial-park network in East Africa — 14 federal + 7 private parks.
- $377 m new investment across IPs in H1 FY25/26 despite macroeconomic headwinds.
- 2024 birr floatation reduces FX-related export competitiveness barriers.

▼ KEY CONSTRAINTS

- Loss of AGOA benefits (since 2022) weakened apparel export positioning materially.
- Tigray and Amhara regional security creates operational risk in northern parks.
- FX shortage episodes have constrained repatriation despite recent reforms.

→ INVESTMENT OUTLOOK

Ethiopia retains structural zone-network advantages but macro-economic and security risks weigh. Stabilisation post-2024 reforms is the critical watch-item.

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#19 — Nigeria

West Africa

Flagship Zone(s): Lekki Free Zone ($4 bn), Lagos Free Zone, Dangote Industries Free Zone, Alaro City

68.74

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
16.7	11.0	10.5	10.5	11.4	8.7

▲ KEY STRENGTHS

- Largest scale of zone economic activity in West Africa — Lekki alone has $4 bn cumulative investment.
- Investment and Securities Act 2025 modernises capital markets institutional framework.
- PEBEC RRA 2024 ranked NEPZA among top 11 reform agencies.

▼ KEY CONSTRAINTS

- 20 of 50+ FTZs flagged non-operational by NEPZA itself (February 2025).
- Tinubu Tax Reform Bills (effective January 2026) introduce FTZ incentive conditions.
- Historical FX repatriation challenges; reforms positive but track record is short.

→ INVESTMENT OUTLOOK

Nigeria is the highest-potential, highest-risk Tier 2 economy. Durable FX policy and NEPZA zone rehabilitation are the binary determinants of trajectory.

#20 — Mozambique

East Africa

Flagship Zone(s): Beluluane Industrial Park (BIP), Nacala SEZ, MozParks Topuito

68.44

AFCAI™ Score

Tier 2

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
16.7	13.0	11.5	9.0	9.6	8.7

▲ KEY STRENGTHS

- BIP $3 bn cumulative since 2000 with 50 companies from 17 countries — established cluster.
- Strong SADC integration and access to landlocked Southern African markets via corridors.
- World Bank PLED-supported Topuito expansion (215 ha) underway 2025.

▼ KEY CONSTRAINTS

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- Cabo Delgado security situation compromised northern-province zone investment.
- Currency and macroeconomic stability concerns affect investor risk pricing.
- Power and water reliability outside Maputo metro area limits zone expansion.

→ INVESTMENT OUTLOOK

Mozambique has strong corridor positioning. Cabo Delgado security resolution is the binding constraint on full Tier 2 trajectory.

6.4 Nascent Zone Economies (Ranks 21–44)

#21 — Zambia

East Africa

Flagship Zone(s): Lusaka South MFEZ (2,100 ha), Zambia-China Economic Cooperation Zones

68.16

AFCAI™ Score

Nascent

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
18.3	12.0	11.0	9.5	9.0	8.3

▲ KEY STRENGTHS

- LSMFEZ $1.68 bn cumulative investment, 11,560 jobs — substantial scale for a landlocked economy.
- Diversified MFEZ programme — 7 functional zones.
- ZESCO 600 MW substation + 80 MW solar serving zones is a model power investment.

▼ KEY CONSTRAINTS

- Copper-dependent economy creates fiscal cyclicality.
- Limited port access via Tanzania and Namibia corridors.
- AfCFTA operational trade scale-up still emerging.

→ INVESTMENT OUTLOOK

Zambia's LSMFEZ is among the most successful landlocked-country zone executions globally. Maintaining policy stability through commodity cycles is the retention challenge.

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#22 — Namibia

Southern Africa

Flagship Zone(s): Walvis Bay Port, LüIP, Export Processing Zone

65.07

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
16.7	13.0	9.5	9.5	8.4	8.0

▲ KEY STRENGTHS

- National SEZ Policy (August 2022) replaces EPZ regime with modern framework; SEZ Act expected 2026.
- Walvis Bay Port expansion provides strong logistics foundation.
- Stable institutional environment with strong rule of law tradition.

▼ KEY CONSTRAINTS

- EPZ grandfathering ends 31 December 2025 — transition risk.
- Small domestic market and South African economic dependency.
- Limited new zone investment momentum during 2022–25 transition.

→ INVESTMENT OUTLOOK

Namibia's 2026 SEZ Act is the inflection point. Successful EPZ-to-SEZ transition is the principal watch-item.

#23 — Mauritania

West Africa

Flagship Zone(s): Nouadhibou Free Zone (2,500+ permits since 2020)

63.5

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
16.7	11.0	11.0	9.5	9.0	6.3

▲ KEY STRENGTHS

- New Investment Code adopted January 2025 — reduces tax regimes from 4 to 3.
- EIB + AfDB $275 m Zouerate–Nouadhibou rail financing 2025.
- Hynfra $1.5 bn green ammonia framework agreement creates forward pipeline.

▼ KEY CONSTRAINTS

- Geographic isolation from major African consumer markets.
- Limited diversification beyond hydrocarbons and mining.

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- Zone investor outreach track record limited relative to regional peers.

→ INVESTMENT OUTLOOK

Mauritania's 2025 Code reform and green-hydrogen pipeline create a credible Tier 2 pathway. Execution is the test.

#24 — Cameroon

Central Africa

Flagship Zone(s): Kribi Port Industrial Zone (KPIZ — €795m), Limbe Industrial Free Zone

63.4
AFCAI™ Score
Nascent
Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	13.0	10.5	9.0	8.4	6.7

▲ KEY STRENGTHS

- KPIZ €795m financed by AfDB, EU Global Gateway, IFC — substantial multilateral backing.
- UNCTAD CEMAC IPR (December 2025) provides reform roadmap for all CEMAC states.
- Kribi deep-water port creates structural logistics advantage for Central Africa.

▼ KEY CONSTRAINTS

- Anglophone regional crisis affects investment confidence in western provinces.
- CEMAC monetary integration creates friction with national-level incentive design.
- Administrative efficiency lags East African peers.

→ INVESTMENT OUTLOOK

KPIZ launch (early 2026) is the test of whether multilateral-backed greenfield zones can transform Central African industrial capacity.

#25 — Angola

Southern Africa

Flagship Zone(s): ZEE Luanda-Bengo (7,500 ha, 80+ companies)

63.26
AFCAI™ Score
Nascent
Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	12.0	9.5	9.0	9.6	7.3

▲ KEY STRENGTHS

- ZEE Luanda-Bengo $3.49 bn cumulative private investment over 3 years.
- 14,500 jobs (2025) — meaningful employment generation.
- 2025 contracts diversified — AD Ports, Hebei Huatong aluminium, chicken processing, etc.

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▼ **KEY CONSTRAINTS**

- Hydrocarbon dependency creates fiscal cyclicality.
- Repatriation historical concerns despite recent reforms.
- Administrative efficiency trails Southern African peers.

→ **INVESTMENT OUTLOOK**

ZEE Luanda-Bengo is one of the most diversified Lusophone Africa zone economies. Continued sectoral expansion would unlock Tier 2 status.

#26 — Lesotho

Southern Africa

Flagship Zone(s): LNDC industrial estates

63.26

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	12.0	9.5	9.0	9.6	7.3

▲ **KEY STRENGTHS**

- SACU integration provides preferential South African market access.
- AGOA-driven apparel cluster with export performance track record.
- AfCFTA tariff schedule gazetted and active SADC engagement.

▼ **KEY CONSTRAINTS**

- Highly concentrated in apparel — AGOA dependency creates trade-policy risk.
- Small landlocked economy with limited diversification options.
- No formal SEZ-specific legislation — operates under industrial estate framework only.

→ **INVESTMENT OUTLOOK**

Lesotho's zone economy is apparel-anchored. Export diversification and SEZ Act adoption would unlock further potential.

#27 — Madagascar

East Africa

Flagship Zone(s): EDBM free zones, Moramanga Textile City pipeline

63

AFCAI™ Score

Nascent

Functional

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	12.0	10.0	9.5	9.0	6.7

▲ **KEY STRENGTHS**

- EDBM single-window operational with seven regional antennae.

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- Indian Ocean position for SADC and COMESA integration.
- Textile sector legacy provides AGOA-substitute positioning.

▼ **KEY CONSTRAINTS**

- Three-way regulatory competition (EDBM, AZES, ANDI) creates investor confusion.
- Political instability cycles have affected zone investment continuity.
- Power and infrastructure reliability outside Antananarivo constrained.

→ **INVESTMENT OUTLOOK**

Madagascar has institutional capacity but regulatory fragmentation is the binding constraint. SEZ consolidation would unlock significant forward potential.

#28 — Algeria

North Africa

Flagship Zone(s): Bellara Industrial Zone, Tindouf FTZ, 5 southern free zones

62.63

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	13.0	10.0	9.0	7.8	7.0

▲ **KEY STRENGTHS**

- Free Zones Law 22-15 implementation moved into concretisation phase in 2024–25.
- Bellara steel ramp-up — Q1 2025 ferrous exports of 320,000 tonnes.
- Strategic position between Sub-Saharan and European markets.

▼ **KEY CONSTRAINTS**

- Hydrocarbon dependency crowds out non-energy zone investment.
- Restricted FX regime constrains repatriation flexibility.
- Limited non-Algerian zone investor track record.

→ **INVESTMENT OUTLOOK**

Algeria's 2024–25 zone operationalisation is a major shift after years of stalled implementation. Tindouf and Bellara success will determine whether momentum sustains.

#29 — Eswatini

Southern Africa

Flagship Zone(s): EIPA-administered SEZ programme

62.16

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	12.0	9.0	9.0	9.0	7.3

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▲ KEY STRENGTHS

- SACU and SADC dual integration provides strong preferential access.
- Stable legal and institutional environment.
- Functional EIPA investment promotion.

▼ KEY CONSTRAINTS

- Small domestic market and South African dependency.
- Limited zone development scale.
- AGOA reliance creates trade-policy exposure.

→ INVESTMENT OUTLOOK

Eswatini operates a competent but small-scale zone framework. Expansion potential lies in regional textile and agro-processing integration.

#30 — Cabo Verde

West Africa

Flagship Zone(s): Cabo Verde TradeInvest-administered zones

62

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
18.3	13.0	9.0	10.0	6.0	5.7

▲ KEY STRENGTHS

- Strong governance and institutional stability — high Mo Ibrahim Index ranking.
- Strategic Atlantic position for trans-shipment and services trade.
- Modern e-government infrastructure relative to economic scale.

▼ KEY CONSTRAINTS

- Very small domestic market and island geography limit industrial scale.
- Limited zone-specific legislative development.
- Tourism-concentrated economic base.

→ INVESTMENT OUTLOOK

Cabo Verde's zone strategy is appropriately niche — services, logistics, financial intermediation. SEZ Act enactment would unlock incremental potential.

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#31 — Gabon

Central Africa

Flagship Zone(s): GSEZ Nkok (timber processing, carbon-neutral)

59.54

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
14.2	13.0	10.5	8.0	7.2	6.7

▲ KEY STRENGTHS

- Nkok SIZ is an operational zone with strong forestry focus and FSC certification.
- ARISE IIP + Olam three-way operating structure — sophisticated governance.
- Carbon-neutral certification creates differentiated positioning.

▼ KEY CONSTRAINTS

- Post-coup junta creates regulatory uncertainty.
- Small population and domestic market.
- Heavy hydrocarbon and forestry concentration.

→ INVESTMENT OUTLOOK

GSEZ Nkok is structurally sound. Political transition uncertainty caps near-term expansion.

#32 — Zimbabwe

East Africa

Flagship Zone(s): Manhize SEZ (Dinson Iron and Steel), Masuwe SEZ (Victoria Falls)

59.4

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
14.2	11.0	10.5	9.0	8.4	6.3

▲ KEY STRENGTHS

- Manhize anchor industrial investment active.
- Masuwe SEZ $92.5m deal signed (negotiated 2025).
- ZIDA e-portal and e-Regulations Portal (Q3 2025) advance digital governance.

▼ KEY CONSTRAINTS

- Multi-currency complexity creates settlement and repatriation challenges.
- Historical property rights concerns constrain foreign investor confidence.
- Land tenure and 2025 retroactive policy actions raise predictability concerns.

→ INVESTMENT OUTLOOK

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Zimbabwe shows real reform momentum in 2025. Macroeconomic stabilisation is the binding constraint on Tier 2 trajectory.

#33 — Republic of Congo

Central Africa

Flagship Zone(s): PIC Pointe-Noire (€145m), PIC Oyo (€30m) — ARISE IIP

58.94

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
14.2	13.0	11.0	7.5	6.6	6.7

▲ KEY STRENGTHS

- PIC Pointe-Noire and PIC Oyo under construction by ARISE IIP — credible operator.
- 100% 10-year CIT exemption + full repatriation — generous incentive package.
- National Development Plan designates SEZs as third economic pillar.

▼ KEY CONSTRAINTS

- Limited domestic market and oil-dependent economy.
- CEMAC harmonisation constrains national tax differentiation.
- Administrative efficiency weakest in the region.

→ INVESTMENT OUTLOOK

Republic of Congo's zone potential is contingent on ARISE IIP-led PIC delivery. First operational tenants expected 2026–27.

#34 — Malawi

East Africa

Flagship Zone(s): MITC-administered investment programmes

58.16

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	11.0	9.0	9.0	6.0	7.3

▲ KEY STRENGTHS

- SADC and COMESA dual integration.
- AfCFTA gazetted tariff schedule and PAPSS connectivity.
- Stable political environment.

▼ KEY CONSTRAINTS

- No major operational SEZ to date.

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- Landlocked economy with severe corridor logistics costs.
- IMF programme constraints on fiscal capacity.

→ **INVESTMENT OUTLOOK**

Malawi's zone agenda is aspirational. Corridor improvements via Mozambique and Tanzania create future potential.

#35 — Sierra Leone

West Africa

Flagship Zone(s): National Investment Board (NIB)-overseen zones

56.5

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	10.0	9.0	9.0	6.0	6.7

▲ **KEY STRENGTHS**

- NIB operational since 2022 with structured mandate.
- WTO Trade Policy Review 2025 completed.
- ECOWAS integration and Atlantic position.

▼ **KEY CONSTRAINTS**

- Limited zone infrastructure and small operational base.
- Post-conflict fiscal recovery constraints.
- Administrative efficiency below regional Anglophone peers.

→ **INVESTMENT OUTLOOK**

Sierra Leone's 2025 institutional reforms are positive but early-stage. Building operational scale is the priority.

#36 — Gambia

West Africa

Flagship Zone(s): GIEPA-administered Banjul Free Zone planning

56.33

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.0	10.0	9.0	9.0	6.0	7.3

▲ **KEY STRENGTHS**

- Strong AfCFTA engagement with deposited ratification.
- PAPSS connectivity active.

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- Stable democratic transition supports institutional continuity.

▼ **KEY CONSTRAINTS**

- Very small economy with no major operational zone.
- Power supply reliability constraints.
- Banjul Free Zone planning ongoing — not yet operational.

→ **INVESTMENT OUTLOOK**

Gambia is in early-stage zone development. Banjul activation would change trajectory but capital intensity is the binding constraint.

#37 — Liberia

West Africa

Flagship Zone(s): LSEZA-administered Buchanan zone planning

55.5

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	9.0	9.0	9.0	6.0	6.7

▲ **KEY STRENGTHS**

- LSEZA operational with structured mandate.
- Buchanan zone planning indicates forward intent.
- ECOWAS integration.

▼ **KEY CONSTRAINTS**

- Limited operational zone scale to date.
- Power and infrastructure gaps affect investor economics.
- Mining-concentrated economic base.

→ **INVESTMENT OUTLOOK**

Liberia is in early-stage development. Buchanan operationalisation and LSEZA capacity-building over 2026–28 are the indicators.

#38 — DRC

Central Africa

Flagship Zone(s): ZESKM (Kin-Malebo, ARISE IIP), Maluku, Musompo SEZs

55.1

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.8	11.0	8.5	6.5	6.6	6.7

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▲ KEY STRENGTHS

- Strategic Steering Committee for SEZs chaired by PM (September 2025) — top-level political commitment.
- Massive resource base creates structural demand for value-addition zones.
- ARISE IIP framework agreement for ZESKM brings world-class operator capability.

▼ KEY CONSTRAINTS

- Eastern DRC security creates significant operational risk.
- Infrastructure gaps — power, transport, telecoms — require massive supplementary investment.
- Administrative efficiency among the weakest on the continent.

→ INVESTMENT OUTLOOK

DRC is the highest-potential nascent zone economy given resource base. Realisation depends on security stabilisation and ARISE IIP ZESKM execution.

#39 — Comoros

East Africa

Flagship Zone(s): No major operational zone framework

52.33

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
15.0	8.0	9.0	9.0	6.0	5.3

▲ KEY STRENGTHS

- COMESA integration and Indian Ocean positioning.
- AfCFTA ratified.
- Stable monetary regime.

▼ KEY CONSTRAINTS

- No operational zone framework.
- Three-island geography fragments domestic market.
- Severe infrastructure and power supply constraints.

→ INVESTMENT OUTLOOK

Comoros has not activated a meaningful zone strategy. Services and logistics niches remain the most plausible future positioning.

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#40 — Burundi

East Africa

Flagship Zone(s): API Burundi-administered programmes

49.5

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
12.5	8.0	9.0	7.0	6.0	7.0

▲ **KEY STRENGTHS**

- EAC and COMESA integration.
- PAPSS connectivity.
- AfCFTA tariff schedule gazetted.

▼ **KEY CONSTRAINTS**

- No major operational zone framework.
- Small landlocked economy with severe infrastructure deficits.
- Limited fiscal capacity for zone CapEx.

→ **INVESTMENT OUTLOOK**

Burundi remains in early-stage zone development. EAC integration creates demand-side opportunity.

#41 — Guinea

West Africa

Flagship Zone(s): Boké SEZ (under-funded)

48.67

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
12.5	9.0	8.5	6.0	6.0	6.7

▲ **KEY STRENGTHS**

- Massive bauxite resource creates structural demand for value-addition zones.
- ECOWAS integration.
- Recent mining-sector commercial momentum.

▼ **KEY CONSTRAINTS**

- Boké SEZ remains under-funded with no operational momentum.
- Post-coup political transition affects regulatory predictability.
- Limited administrative capacity.

→ **INVESTMENT OUTLOOK**

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Guinea's zone potential is contingent on bauxite value-addition policy and political stabilisation. Boké SEZ is the binary inflection point.

#42 — Chad

Central Africa

Flagship Zone(s): ZINDJAM (N'Djamena), ZILOG (Logone) — ARISE IIP

47.5

AFCAI™ Score

Nascent

Limited

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
12.5	8.0	9.0	6.0	6.0	6.0

▲ **KEY STRENGTHS**

- ARISE IIP partnership for ZINDJAM and ZILOG brings credible operator capability.
- CEMAC integration and oil-corridor positioning.
- Long-term demographic growth creates consumer-market potential.

▼ **KEY CONSTRAINTS**

- Severe security situation in northern and eastern regions.
- Among the lowest infrastructure development indices in Africa.
- Hydrocarbon-dependent fiscal cyclicality.

→ **INVESTMENT OUTLOOK**

Chad is among the most challenging zone-investment environments. ARISE IIP execution would be a landmark continental case study if delivered.

#43 — Equatorial Guinea

Central Africa

Flagship Zone(s): No active SEZ programme

46.83

AFCAI™ Score

Nascent

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	12.0	7.5	6.0	6.0	5.3

▲ **KEY STRENGTHS**

- Hydrocarbon-base economy creates fiscal capacity if redirected.
- CEMAC integration.
- Modest infrastructure base in Malabo and Bata.

▼ **KEY CONSTRAINTS**

- No operational SEZ regime.

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- Limited diversification beyond oil and gas.
- Administrative capacity gaps.

→ **INVESTMENT OUTLOOK**

Equatorial Guinea has fiscal capacity but no programmatic zone strategy. Diversification announcements regularly outpace execution.

#44 — Libya

North Africa

Flagship Zone(s): No active SEZ programme — fragility

38.67

AFCAI™ Score

Nascent

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	9.0	6.0	6.0	3.0	4.7

▲ **KEY STRENGTHS**

- Strategic Mediterranean and trans-Saharan position.
- Hydrocarbon revenue potential.
- Pre-2011 zone framework provides eventual reactivation foundation.

▼ **KEY CONSTRAINTS**

- Active political division and intermittent armed conflict.
- AfCFTA not yet ratified.
- No operational zone activity at scale.

→ **INVESTMENT OUTLOOK**

Libya remains in fragility. Zone reactivation is contingent on national unification and security stabilisation.

6.5 Tier 3 Countries (Ranks 45–54)

#45 — São Tomé and Príncipe

Central Africa

Flagship Zone(s): No active SEZ programme

38.5

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.8	8.0	6.0	6.0	3.0	4.7

▲ **KEY STRENGTHS**

- Stable democratic institutions.
- ECCAS integration.

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- Gulf of Guinea strategic position.

▼ KEY CONSTRAINTS

- Very small domestic market.
- Limited zone framework.
- Tourism-concentrated base.

→ INVESTMENT OUTLOOK

São Tomé operates at micro-economy scale. Niche services positioning is the most plausible trajectory.

#46 — Guinea-Bissau

West Africa

Flagship Zone(s): No operational zone framework

38.33

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	5.3

▲ KEY STRENGTHS

- WAEMU monetary stability.
- Cashew-export niche opportunity.
- PAPSS-eligible framework.

▼ KEY CONSTRAINTS

- Recurring political instability.
- No operational SEZ regime.
- Very limited infrastructure base.

→ INVESTMENT OUTLOOK

Guinea-Bissau has cashew value-chain potential. Institutional stabilisation is the prerequisite.

#47 — Mali

West Africa

Flagship Zone(s): No new SEZ legislation 2025

38

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	5.0

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▲ **KEY STRENGTHS**

- WAEMU/UEMOA integration.
- Maison de l'Entreprise infrastructure.
- PAPSS connectivity.

▼ **KEY CONSTRAINTS**

- Post-coup political transition and regional sanctions.
- Active conflict in northern regions.
- Limited institutional capacity for zone administration.

→ **INVESTMENT OUTLOOK**

Mali remains in transition. Stabilisation is the prerequisite for zone reactivation.

#48 — Burkina Faso

West Africa

Flagship Zone(s): No operational zone framework

38

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	5.0

▲ **KEY STRENGTHS**

- WAEMU integration.
- Cotton-producing economy provides value-chain foundation.
- PAPSS connectivity.

▼ **KEY CONSTRAINTS**

- Post-coup transitional government and ECOWAS sanctions.
- Severe Sahel security situation.
- Limited zone-management capacity.

→ **INVESTMENT OUTLOOK**

Burkina Faso's zone agenda awaits political-security stabilisation. Cotton-textile potential exists when conditions permit.

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#49 — Niger

West Africa

Flagship Zone(s): No operational zone framework

38

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	5.0

▲ **KEY STRENGTHS**

- Uranium and resource base.
- WAEMU monetary integration.
- Strategic Sahel-Maghreb position.

▼ **KEY CONSTRAINTS**

- Post-coup political transition with regional sanctions.
- Severe security situation.
- Limited industrial base.

→ **INVESTMENT OUTLOOK**

Niger awaits stabilisation before zone trajectory can be assessed.

#50 — Somalia

East Africa

Flagship Zone(s): No SEZ regime

37.33

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	4.3

▲ **KEY STRENGTHS**

- Recently ratified AfCFTA (October 2025) — 50th state party.
- Strategic Indian Ocean and Horn of Africa position.
- EAC, COMESA, IGAD memberships.

▼ **KEY CONSTRAINTS**

- Severe security situation across most regions.
- Limited central government capacity outside Mogadishu.
- No operational zone framework.

→ **INVESTMENT OUTLOOK**

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Somalia's AfCFTA ratification is a positive symbolic step. Zone activation requires political-security progress.

#51 — CAR

Central Africa

Flagship Zone(s): No operational SEZ programme

37.33

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	4.3

▲ **KEY STRENGTHS**

- CEMAC integration provides regional preferential framework.
- AfCFTA ratification deposited.
- Resource base in mining and forestry.

▼ **KEY CONSTRAINTS**

- Active conflict and severe institutional capacity gaps.
- No functional zone regime.
- Among the most challenging investment environments in Africa.

→ **INVESTMENT OUTLOOK**

CAR remains in deep fragility. Zone activation is not actionable in the current cycle.

#52 — Sudan

North Africa

Flagship Zone(s): SEZ programme suspended due to war

37

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	4.0

▲ **KEY STRENGTHS**

- Pre-conflict SEZ legal framework provides eventual foundation.
- Cabinet approved AfCFTA ratification (not yet deposited).
- COMESA and IGAD memberships.

▼ **KEY CONSTRAINTS**

- Active armed conflict has suspended all zone activity.

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- Severe humanitarian and economic crisis.
- Institutional capacity destruction.

→ **INVESTMENT OUTLOOK**

Sudan zone activity will resume only post-conflict. AFCAI™ scoring revisited when conditions permit.

#53 — South Sudan

East Africa

Flagship Zone(s): No SEZ regime

36.33

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	7.0	6.0	6.0	3.0	4.3

▲ **KEY STRENGTHS**

- EAC and IGAD memberships.
- Hydrocarbon resource base.
- AfCFTA tariff schedule submitted.

▼ **KEY CONSTRAINTS**

- Severe fragility and intermittent conflict.
- Almost no functional administrative capacity.
- AfCFTA not yet ratified.

→ **INVESTMENT OUTLOOK**

Long-horizon zone potential exists but is not actionable in the 2026 cycle.

#54 — Eritrea

East Africa

36.33

AFCAI™ Score

Tier 3

Non-Oper.

D1 Policy (max 25)	D2 Infrastructure (max 20)	D3 Incentives (max 15)	D4 Admin Eff. (max 15)	D5 Performance (max 15)	D6 Regional (max 10)
10.0	8.0	6.0	6.0	3.0	3.3

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CHAPTER 7

Outlook and Recommendations

7.1 Outlook for African FTZ Development

The trajectory of African zone competitiveness over the next three years (2026–2028) is shaped by four converging forces.

Force 1 — AfCFTA Deepening

Tariff liberalisation is scheduled to accelerate as provisional tariff schedules take effect for the 25 gazetted states. Rules of origin protocols — once finalised for the majority of product categories — will create the first concrete incentive for zone-level intra-African production.

Zones in countries with completed schedules and active REC integration will see AfCFTA-driven FDI that zones in non-participating states will not. The D6 dimension weight is committed to upward revision when at least 40 of 54 states have active preferential tariff schedules.

Force 2 — Digital Infrastructure Acceleration

PAPSS expansion (target: 35 markets by 2027) will materially reduce zone-enterprise transaction costs in participating countries. Combined with TISEZA's OSFC digital integration, Rwanda's RDB same-day registration, and Mauritius's FSC AI platform, digital governance is becoming a primary zone-competitiveness differentiator.

Countries with ongoing digital governance investment — Senegal's Technological New Deal, Tanzania's TISEZA portal, Zimbabwe's ZIDA e-platforms — are positioned to improve D4 scores materially in the 2027 edition.

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Force 3 — Incentive Recalibration

The fiscal recalibration trend (Tanzania, Ghana) will continue as IMF programme conditionality meets revenue pressure from COVID-era fiscal expansions. The countries most at risk are those with generous tax-holiday packages that are also under IMF programme — Ethiopia, Nigeria, Mozambique, Zambia.

The strategic implication for zone investors: price incentive durability separately from incentive depth, and apply a 20–30% discount to headline tax holidays in countries under fiscal consolidation programmes.

Force 4 — Private Operator Model Maturation

ARISE IIP's pipeline now spans more than twelve African countries. Tanger Med Special Agency has inspired national replication models in Ghana, Ethiopia, and Senegal. The private-operator model is compressing zone development timelines from the traditional fifteen years to eight to ten — a structural acceleration of African zone competitiveness.

Zones operated by specialist private operators should attract a "operator premium" in AFCAI™ D2 and D5 scoring — a methodology enhancement under consideration for the 2027 edition.

7.2 Recommendations

7.2.1Recommendations for Governments

Priority 1 — Codify, Don't Discretionise

The single highest-return policy reform for any African government seeking to improve its AFCAI™ score is the conversion of discretionary incentive regimes into fully codified statutory entitlements. Every degree of codification — moving from ministerial discretion to published rules — reduces investor risk premium and attracts more capital at lower cost.

Practical steps: Amend the SEZ/FTZ Act to specify incentive entitlements as statutory rights, not ministerial grants. Require that all incentive determinations be made in writing with cited legal authority.

Priority 2 — Fund Infrastructure Before Marketing

Several African zone programmes (Madagascar, Namibia, Zimbabwe, DRC) have sophisticated legal frameworks and investment promotion campaigns but limited operating infrastructure inside zones. Investment decisions that are made on the basis of policy quality are quickly reversed when investors discover power, water, or logistics deficits at the zone perimeter.

Practical steps: Require that no zone receives investment promotion activity until it meets minimum infrastructure standards (85%+ power uptime, paved port road, functioning telecoms, water provision). Apply this gate rigorously — it protects the government's credibility as much as it protects investors.

Priority 3 — Invest in Zone Authority Institutional Capacity

The performance gap between zone authorities in Rwanda (RDB), Morocco (AMDIE), and Mauritius (EDB) on the one hand, and zone authorities in Nigeria (NEPZA), Madagascar (AZES/EDBM/ANDI fragmentation), and Uganda (UFZEPA in early transition) on the other, is primarily an institutional capacity gap. Digital systems, well-compensated professional staff, clear mandates, and protected budgets convert zone frameworks into zone outcomes.

Practical steps: Benchmark zone authority staffing and budget against the top-five African peers. Set a target of matching the continental leader in D4 score within three annual cycles.

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7.2.2 Recommendations for Investors

Zone Location Decision Framework

Tier 1 countries: Appropriate for institutional mandates. Apply standard risk-mitigation (MIGA, DFI co-investment). Horizon: seven to fifteen years. Focus zones: SCZONE (Egypt), Tanger Med (Morocco), Kigali SEZ (Rwanda), TISEZA zones (Tanzania), Tema EPZ (Ghana), Tatu City (Kenya).

Tier 2 countries: Appropriate for development PE and DFI long-term financing. Factor transition risk into pricing. Apply political risk insurance. Horizon: ten to twenty years. Focus zones: Diamniadio (Senegal), PIA (Togo), GDIZ (Benin), DIFTZ (Djibouti), LSMFEZ (Zambia).

Tier 3 and Nascent: Specialist investors with deep local knowledge and operational resilience. DFI risk-mitigation instruments essential. Horizon: minimum fifteen years. Target: ARISE IIP-operated zones in DRC, Republic of Congo, Chad — where operator quality partially compensates for country-level structural gaps.

7.2.3 Recommendations for Development Partners

Priority Intervention Areas

Fragile-state zone readiness: A dedicated DFI facility for pre-zone institutional capacity building — legal framework design, authority establishment, infrastructure planning — is missing from the current landscape. UNCTAD's Investment Policy Review programme is the closest equivalent but operates at a pace insufficient to match the urgency of the zone-frontier problem.

AfCFTA rules of origin alignment: At least twelve African countries have zone frameworks that are structurally incompatible with AfCFTA rules of origin in their major export sectors. Technical assistance for zone-level RoO alignment is an immediate priority for AfDB's ABIDEC facility and EU Global Gateway.

Zone authority digital infrastructure grants: A continent-wide e-government grant facility specifically for zone authority digitalisation — replicating Mauritius's FSC platform and Rwanda's RDB digital OSS at scale across Tier 2 and 3 countries — would generate the highest zone-competitiveness return per dollar of ODA in the current cycle.

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FINAL STRATEGIC NOTE

The Broader Significance of AFCAI™

The Broader Significance of FTZ Competitiveness in Africa

The AFCAI™ exists because zone competitiveness in Africa is not a niche industrial-policy question. It is a central variable in the continent's ability to generate formal employment, attract technology-bearing FDI, build export competitiveness, and operationalise the AfCFTA's transformative potential. The gap between the zone ecosystems of Morocco and Mauritius on the one hand, and the 24 Nascent Zone Economies on the other, is not primarily a gap in resource endowments — it is a gap in institutional design and execution capability that deliberate investment can close.

What the inaugural AFCAI™ edition establishes is not a verdict on African zone potential. It is a baseline from which the continent's progress can be tracked, debated, and — most importantly — accelerated. Every score in this report should be read as a challenge: a specific, measurable dimension gap that policy reform, infrastructure investment, or administrative modernisation can address. Every tier classification should be read as a current position, not a destiny.

> Every low score in this index is not a verdict — it is a mandate. A mandate for reform, for investment, for the institutional courage to build in Africa what others said could not be built.
>
> — Africa Urban Future Programme · AFCAI™ 2026

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How AFCAI™ Should Be Used Going Forward

- **As an annual investment screening tool**: institutional investors should use the tier table as a first filter for Africa zone-location decisions, and the dimension scores as the diagnostic layer for due diligence.
- **As an AfCFTA monitoring instrument**: the D6 dimension is designed to track zone-level implementation of the continental free trade agenda. The AfCFTA Secretariat should adopt AFCAI™ D6 scores as a zone-level supplement to their existing country-level implementation scorecards.
- **As a reform-incentive mechanism:** countries that improve their AFCAI™ scores gain a measurable, independently verified marker of investment-environment improvement that their own promotional materials cannot provide. This creates a competitive dynamic that benefits African zone development as a whole.
- **As a data asset:** each annual edition adds one year of comparative zone data to the AFCAI™ longitudinal database. After five editions, AFCAI™ will hold the most comprehensive time-series dataset of African zone competitiveness in existence — a data asset that is licensable to DFIs, academic institutions, and institutional investors.

The Africa FTZ Country Attractiveness Index™ is a proprietary continental benchmarking instrument published by the Africa Urban Future Programme under the Global Africa Agenda. Research and methodology produced by SLIP Research Intelligence Unit, Subway Labs Infrastructure Partners.

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APPENDIX

Glossary

Glossary

Term	Definition
AFCAI™	Africa FTZ Country Attractiveness Index™. AUFP's proprietary annual benchmarking instrument scoring all 54 AU member states on zone investment attractiveness. Trademark of ECM.
AfCFTA	African Continental Free Trade Area. Continental free trade agreement administered by the AfCFTA Secretariat in Accra. 50 state parties as of October 2025.
ARISE IIP	ARISE Integrated Industrial Platforms. Leading private zone developer and operator across West and Central Africa (GDIZ Benin, PIA Togo, GSEZ Gabon, ZESKM DRC, PIC Congo, PIC Chad).
D1–D6	AFCAI™ dimension codes. D1=Policy; D2=Infrastructure; D3=Incentives; D4=Admin Efficiency; D5=Performance; D6=Regional Integration.
Functional FTZ Regime	Zone framework that is legally established, institutionally governed, and operationally active with measurable FDI, employment, and export outcomes.
GTI	Guided Trade Initiative. AfCFTA Secretariat programme facilitating first trade among state parties. Formally concluded April 2025 after 10 active state-party participants.
IPA	Investment Promotion Agency. The national institutional counterpart for zone investment attraction.
Limited Functionality	Zone framework that exists in law and has some infrastructure but falls significantly short of design intent due to policy, institutional, or infrastructure deficits.
Nascent Zone Economy	Countries ranked 31–54 where zone frameworks are in early development, transitional, or absent.
Non-Operational FTZ Framework	Zone framework existing on paper only, or absent, due to fragility, conflict, or extreme governance distress.
PAPSS	Pan-African Payments and Settlement System. Cross-border payment infrastructure operated by Afreximbank. Live in 17 markets as of December 2025.
Tier 1 / 2 / 3	AFCAI™ rank-based classification tiers. Top 10 (Tier 1), Ranks 11–20 (Tier 2), Ranks 21–30 (Tier 3). Strictly rank-based — not score-threshold based.
TISEZA	Tanzania Investment and Special Economic Zones Authority. Successor to TIC and EPZA. Established by Investment and Special Economic Zones Act No. 6 of 2025, effective 1 July 2025.
UFZEPA	Uganda Free Zones and Export Processing Authority. Successor to UFZA. Established by Free Zones (Amendment) Act 2024.

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