



Financing the Future of Food Markets along the Lobito Corridor

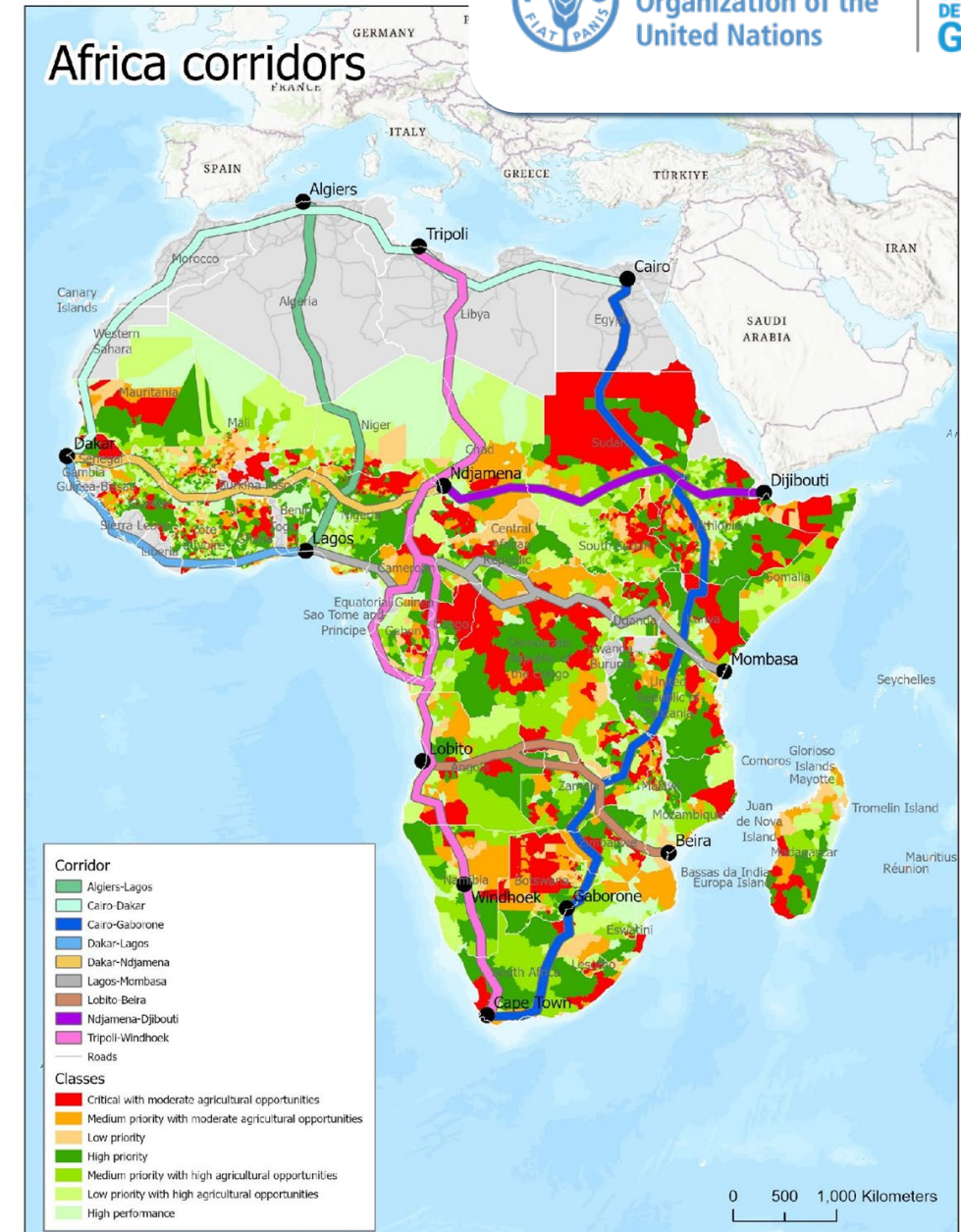
2026 Hand-in-Hand Investment Forum - Special Event

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Chief Economist - FAO

Wednesday 14 October 2026
Green Room 16:00-17:30

Transportation Corridors in Africa

- Defining forms of collaboration between Africa and the rest of the world, with growing private sector participation
- Conceived as integrated, transformative investment driving structural change
- Instrumental to making the African Continental Free Trade Area (AfCFTA) work
- However:
 - Degraded transportation infrastructure
 - Some of the highest transport costs in the world
 - High logistic costs, border delays, poor connectivity (lowering competitiveness)
 - Poor or inexistent complementary supporting infrastructure and services (limited digital services)
 - Fragmented agrifood systems / challenging market access



Overcoming challenges along the Lobito corridor - a driver for inclusive growth

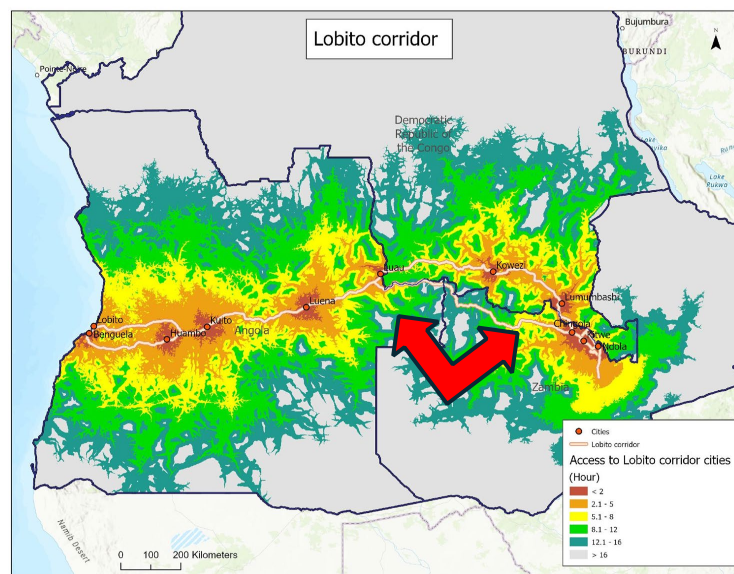


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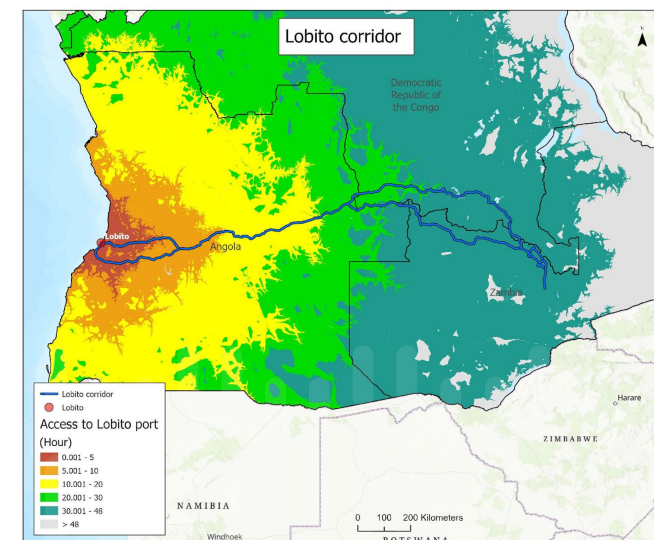
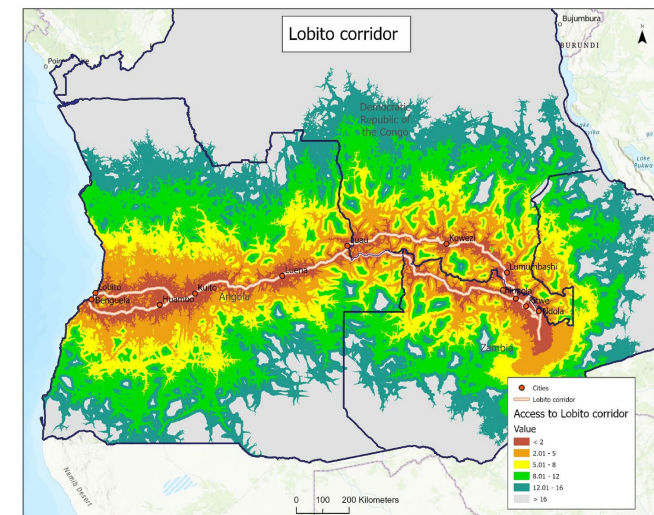


- Cross border infrastructure development
- Low road density and rural accessibility
- Inefficiency of customs procedures, slowing down trade flows

With barriers



Without barriers



Note: Red arrows denote major choke points

Source: FAO-HiH GIS analysis team

1. HiH supported countries prioritizing investments linked to the Lobito corridor

Support smallholder agriculture for value addition and market access

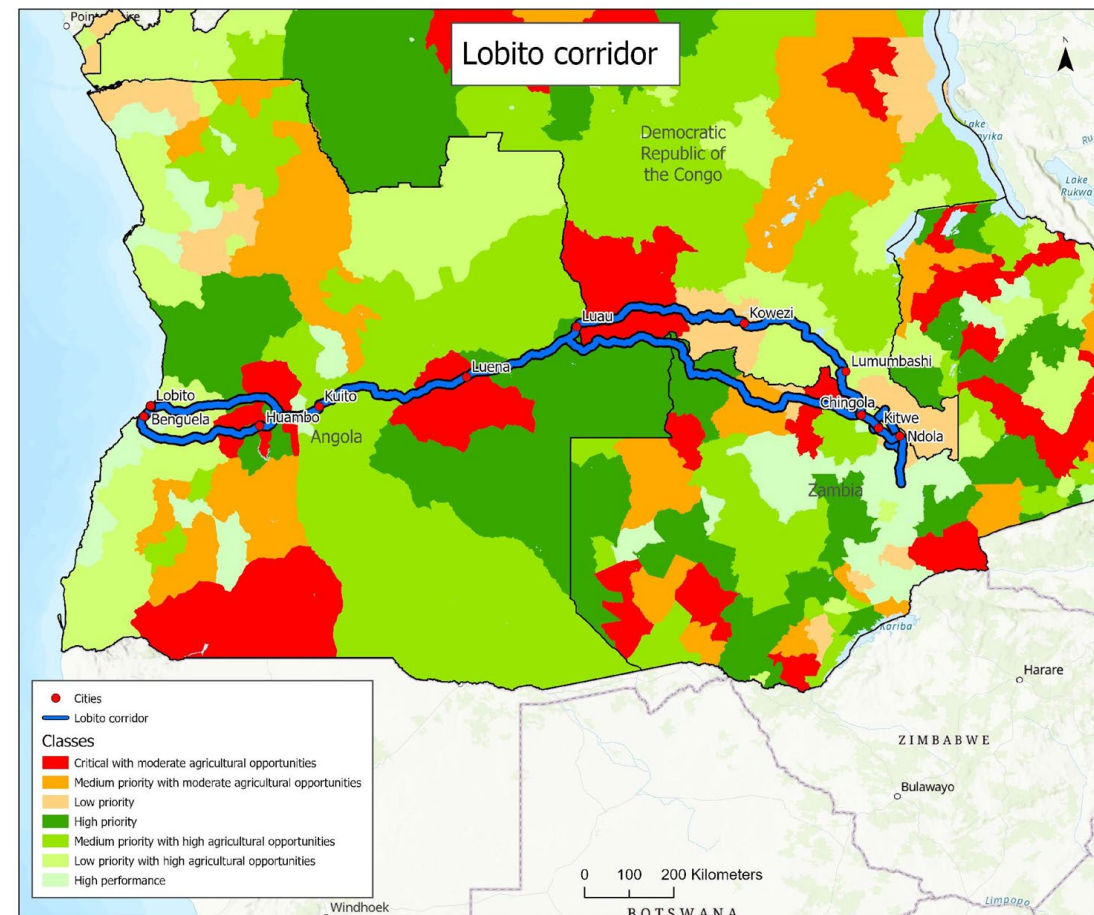


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	Investment (\$ million)	IRR (%)	Direct beneficiaries ('000)	CO2 eq ('000 tn/year)
Angola				
Coffee	380	27	40	-1.1
Avocado	400	20	8	-3.6
Soybeans	287	20	33	169.1
DRC				
Maize	185	13	10	-49.8
Fisheries	153	20	2	12.4
Poultry	329	21	24	-0.03
Zambia				
Beans	29	28	22	421.2
Soybeans	48	31	62	-1,333

Source: Retrieved from FAO-HiH supported national investment programs
Angola, DRC, Zambia



Source: FAO-HiH GIS analysis team

2. Supporting value creation / addition: Agrologistic hubs



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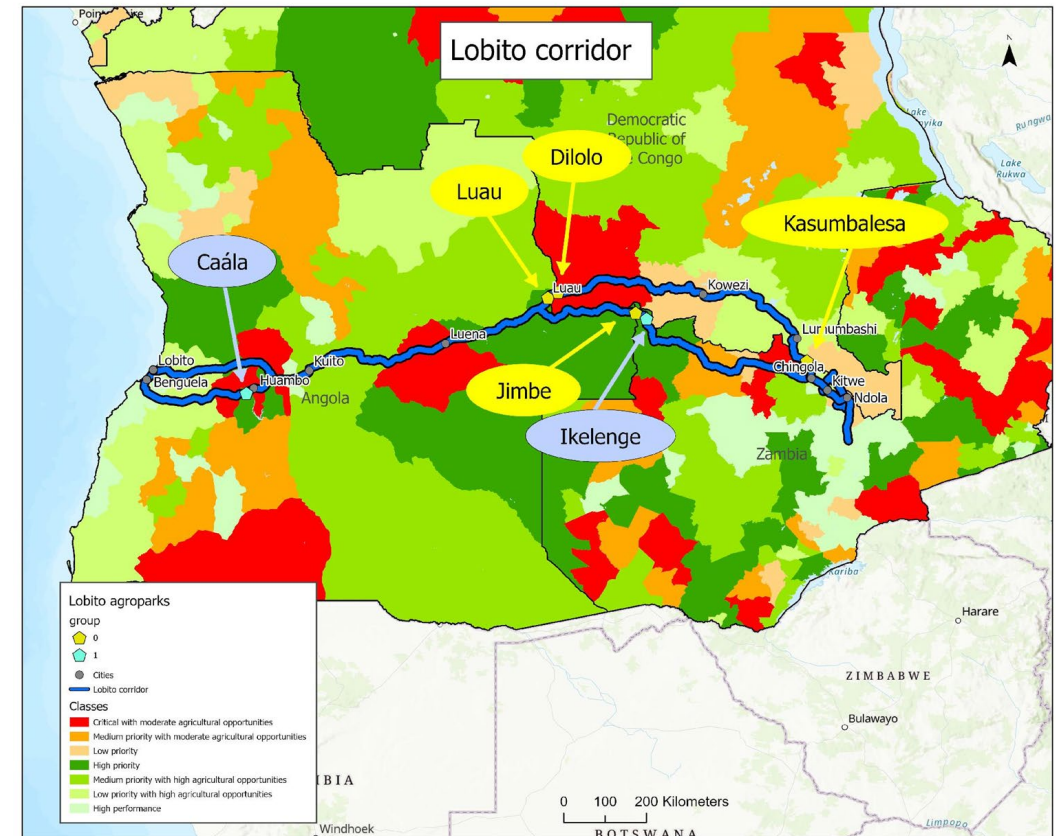
Strengthen food security and nutrition, reduce FLW, enhance climate resilience and improve regional trade

Potential for commodities commercialization connecting supply with demand (i.e. southern DRC and beyond)

- Development of cross border logistic centres
- Logistics cooperation leveraging current hub infrastructure
- Regional digital ecosystem and policy coordination

Country	Intervention	Cost \$ million
Angola	Hub focusing on avocado and palm oil	41
DRC	Mechanization, storage and processing centers (maize)	49
Zambia	Aggregation, storage, post harvest centers on beans	19

Sources: FAO-CFI/FSDEA “Why Angola, Why now” report (2026); AUDA-ECDPM Food Corridor Investment Initiative



Source: FAO-HiH GIS analysis team

3. Supporting Investments: Trade facilitation & integration



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Enhance regional policy co-ordination to attract investments, improve trade competitiveness, and solidify the corridor’s role in global supply chains. Opportunities for DRC and Zambia to access export markets and link key regions to the sea.

Barriers:

- ✓ Weak formal trade and high informal trade between countries
- ✓ Differential tariff agreements between the countries
- ✓ Lack of trade regulation and high non-tariff barriers
- ✓ Inefficiency of customs procedures

“Investments” by country

Country	in million \$US	IRR (%)
Angola	14	33
DRC	16	35
Zambia	47	31
Total	72	33

Net Benefit: \$ 18 million USD per year

Interventions:

- ✓ Develop / implement comprehensive framework to harmonize tariffs, trade agreements, investment policies
- ✓ Ensure policy alignment in line with existing agreements, and economic communities (SADC, COMESA) and AfCFTA
- ✓ Adopt harmonized approach to trade documentation
- ✓ Achieve internationally acceptable standards
- ✓ Develop trade facilitation tools on transit and border management
- ✓ Establishment of trade / business facilitation one-stop-shop
- ✓ Harmonizing customs policies across the corridor and digitalizing customs clearance



Hand-in-Hand
Initiative

4. Coordinating Partner Efforts in the Lobito corridor



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- FAO HiH: working directly with countries and regional communities (SADC)
- EU Global Gateway initiative: Railway development (€ 2 billion)
 - ~ €50M grant agrologistics, markets, anchor business models, SMEs finance (AGRINVEST project designed by FAO/CFI)
 - Netherlands: logistic platforms and avocado value chain support (>€8M)
 - Belgium: Partner Lobito Atlantic Railway consortium for local economic development (~ € 140M)
 - Italy: Corridor, logistics and agriculture infrastructure (> €320 million)
 - France: youth and infrastructure support (> € 35 million)
- DFC & DBSA: infrastructure development and rehabilitations (> US\$ 700M)
- AFC & AfDB: Railway expansion (>US\$500M)
- FCDO: trade facilitation and governance (£48M)
- AUDA-ECDPM : food corridors initiatives for Africa
- Private sector:
 - Carrihno Group: Agroprocessing, logistics, farmer integration
 - Good Nature Agro (GNA): Supply and processing of legumes, beans, and groundnuts
 - Tetrapak: Dairy and legumes packaging
 - Equity BCDC: logistics, energy, local processing
- Lobito Corridor Master Plan – LCMP: World Bank



Source: FAO-HiH analysis team with IATI

data

Incentives to invest:

- Angola: Development of agro-industrial zones with fiscal incentives, rural public investments and land availability
- DRC: Development of agro-industrial parks with duties and tax exemptions on imports, exports, water and electricity
- Zambia: 1M ha ready for investment and 100% profit repatriation and private sector –led policies

Thank you