Investment opportunities

with

Hand-in-Hand Initiative

2026











Hand-in-Hand Initiative

Southern Africa

Mobilization progress since 2024

Mobilized investments focus

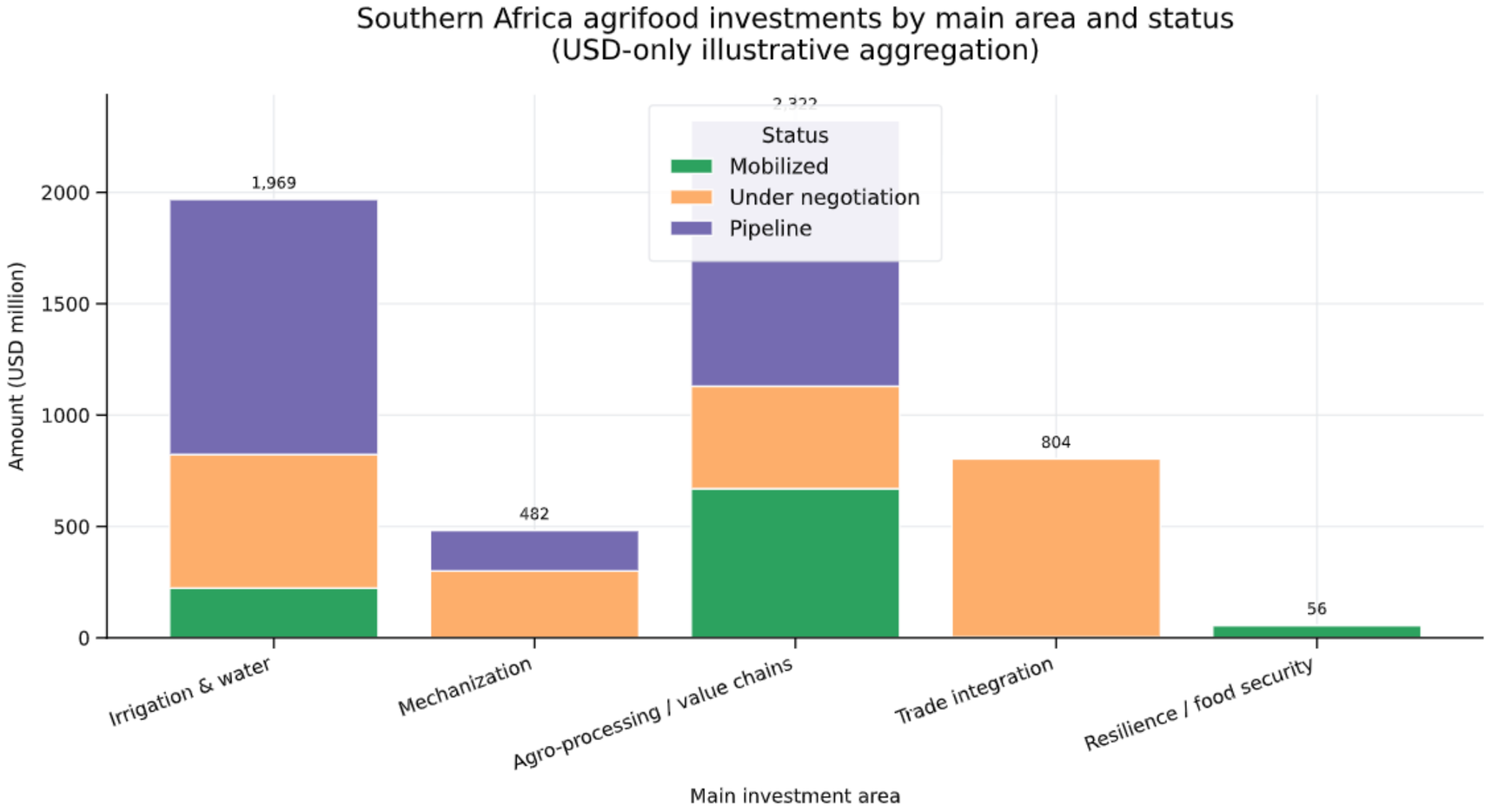
Irrigation & Water
- Irrigation package
- Scheme expansion and irrigated area coverage

Mechanization
- Equipment imports (procurement under projects)

Agro-processing / value chains
- Productivity
- market access
- processing/value chains
- Livestock
- rice/grains
- private-sector agribusiness commitments

Trade integration
- Value-chain development and cross-border trade

Resilience / Food security
- resilience building
- anticipatory action and disaster preparedness
- food and nutrition security
- climate adaptation



Notes: USD-only amounts included for comparability; EUR and UA-denominated items excluded.
Ranged values use midpoint; > values use the lower-bound amount. Some area/status groupings are analytical for visualization.

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Southern Africa

SADC economies at a glance

01	04	07	04
High Income	**Upper Middle Income**	**Lower Middle Income**	**Low Income Countries**
Seychelles	Botswana	Angola	DRC
	Mauritius	*Comoros*	Malawi
	Namibia	Eswatini	Mozambique
	South Africa	Lesotho	Madagascar
		Tanzania	
		Zambia	
		Zimbabwe	

Legend

Small Island Developing States (SIDS)

Landlocked countries (LLDCs)

Countries participating in the SADC Investment plan

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Southern Africa

Asset Wealth Index and Socio-Economic Indicators in Southern Africa

Population
363 million

GDP Contribution Agriculture 33%

World Bank, 2023

Poverty 43%

World Bank, 2023

Arable Land
553,781 km2

SADC, 2018

GDP
USD 721.3 billion

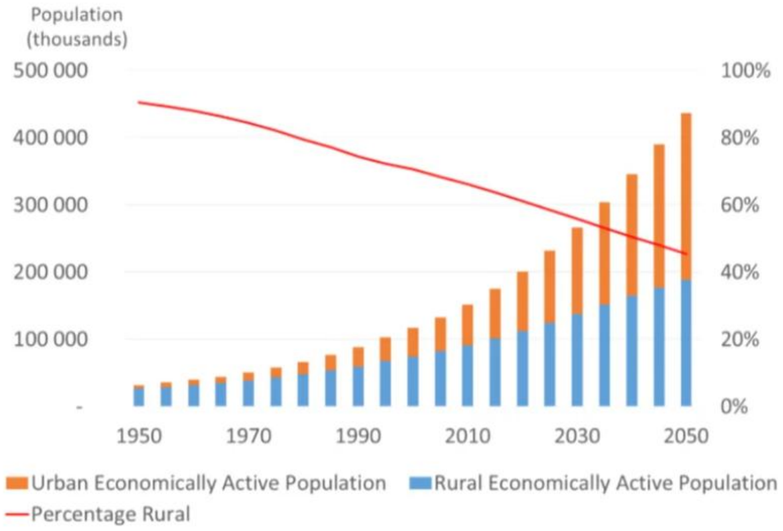
Food insecurity
17.4 million

SADC, 2024 SOFI, 2023

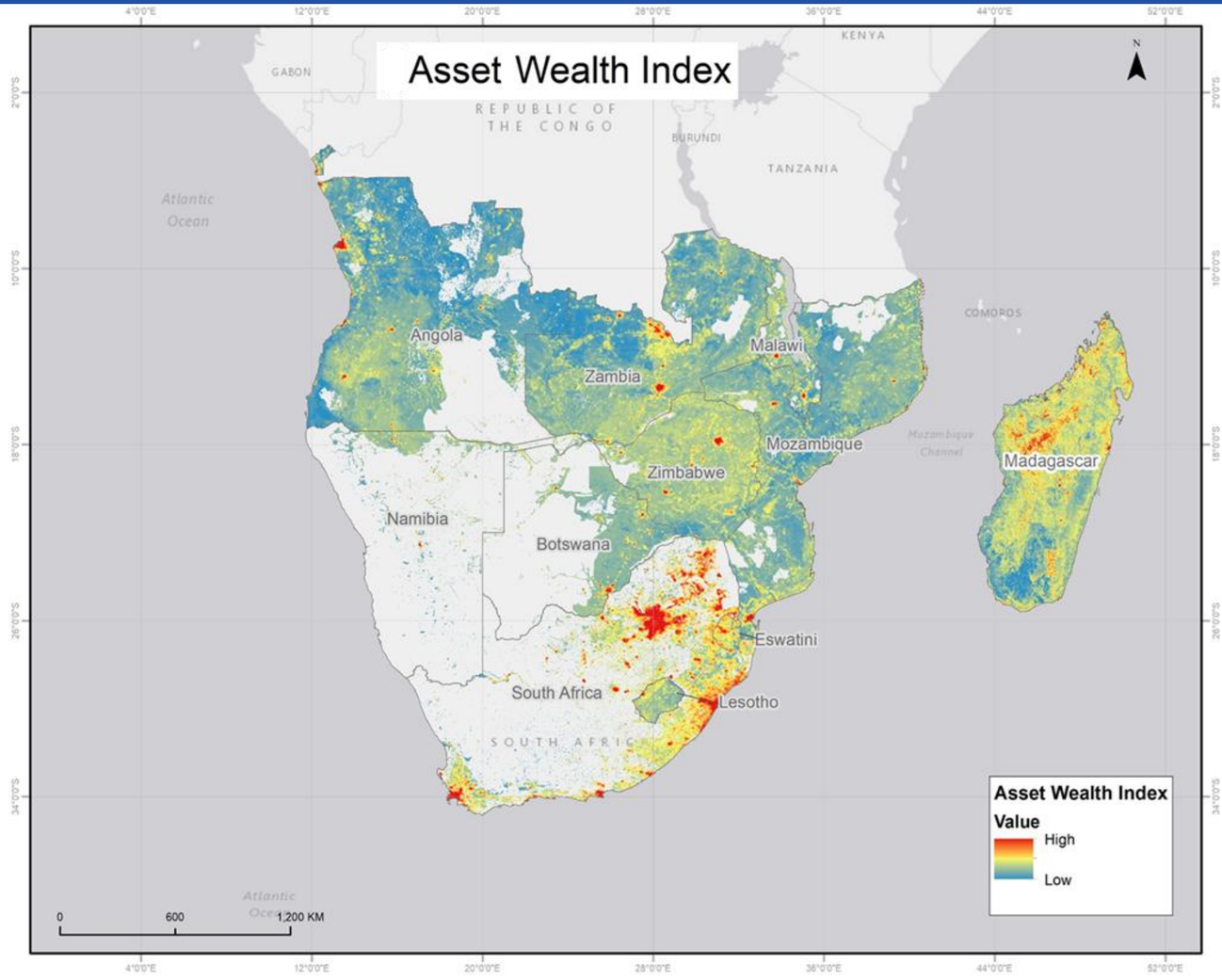
1 NO POVERTY

Approximately **70%** of the SADC population lives below the $2 per day poverty line, and about a third lives in abject poverty.

Source: SADC, Demographic and Social Statistics , 2023



Source: Evolution of rural and urban economically active populations in SADC countries (except South Africa, Mauritius and Seychelles), 2015



Source: FAO HiH-GIS based on ATLAS

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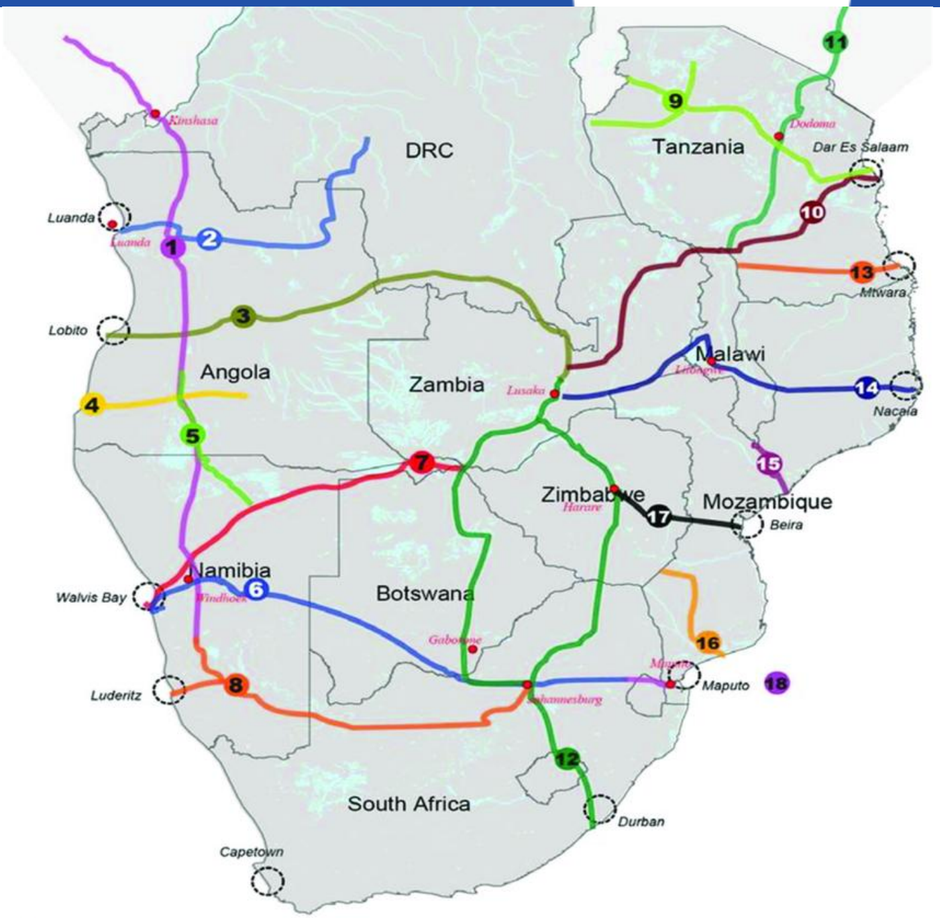
Investment enablers



1 TAH Tripoli-Windhoek Corridor
2 Melange Corridor
3 Lobito Corridor
4 Namibe Corridor
5 Trans- Cunene Corridor
6 Trans-Kalahari Corridor
7 Trans-Caprivi Corridor
8 Oranje Corridor
9 Central Corridor
10 Dar es Salaam (Tazara) Corridor
11 TAH CAiro-Gabarone Corridor
12 North-South Corridor
13 Mtwara Corridor
14 Nacala Corridor
15 Shire-Zambezi Corridor
16 Limpopo Corridor
17 Beira Corridor
18 Maputo Corridor

Source: Corridors in Southern Africa, Byiers and Vanheukelom 2014

18 corridors

More than 20 major ports

5 major railway and 5 major road corridors

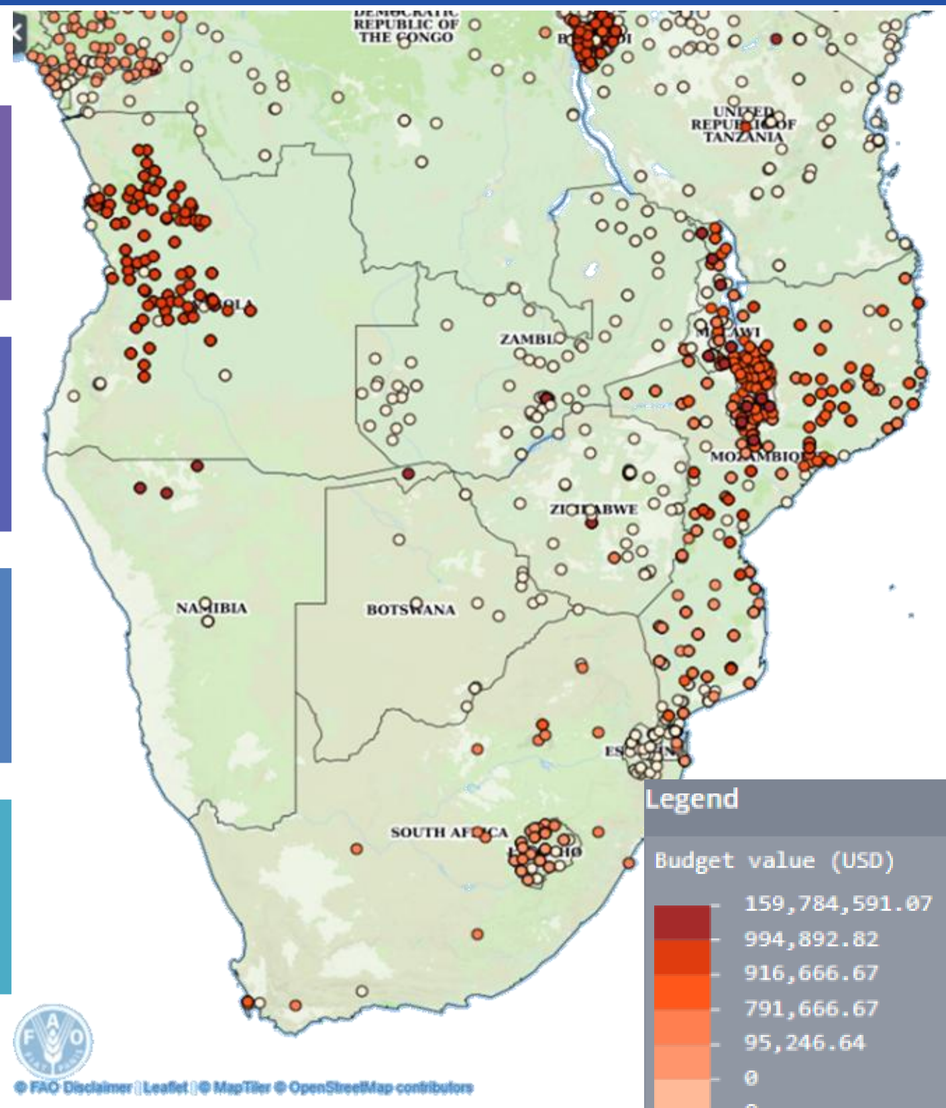
Favourable subtropical climate for diverse agriculture

Most stable subregion in Africa for peace and security

Bank-dominated financial systems, stable sector

Expanding labour force, strong human capital

Strong SADC economic policies : trade integration, infrastructure



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Governments incentives

Angola

National Grain, Livestock & Fisheries plan, PRODESI, 2024–2026 Osi Yetu programme, 2023–2027 National Development Plan:
Land rights for private use, Tax and customs incentives by zones, access to credit, input support.

Botswana

Agricultural Credit Guarantee Scheme (AGCS), National Agriculture Financing Strategy, Meat Industry Regulatory Authority (MIRA):
output- and productivity-based incentives

Eswatini

Eswatini Agriculture Development Fund (EADF), Special Economic Zones (SEZ):
Export credit guarantee scheme (duty-free access on some capital goods), indefinite loss carry-forward, full repatriation of profits / dividends, and employee training allowances

Lesotho

National agriculture development plan, LNDC, 2022–2026 CNAP / L-IB-NAIP:
Title to land by foreign companies, local shareholding 20%, 10% corporate income tax for manufacturing and commercial farming, VAT zero-rating on exports, 125% training tax deduction for Basotho employees,

Madagascar

Special Economic Zones (SEZs), 2023 Investment Code, EDBM one-stop shop:
eligible free-zone firms 2–5 years of CIT exemption, 10% CIT rate, investment reductions, long-term leases for large tracts, exemptions on imported equipments and materials

Malawi

2024 Government of Malawi incentives booklet:
Import duty and VAT waivers on agricultural equipment, Tax holiday up to 10 years for agro-processing, duty exemptions on imported capital goods and building materials

Mozambique

January 2026, customs changes linked to the AfCFTA tariff schedule:
accelerated depreciation, 5–10% investment tax credit, and customs duty/VAT exemption on qualifying capital equipment

Namibia

Green Schemes and agro-processing in 2025/26, NDP6 (2025/26–2030/31):
N$561 million for agri-infrastructure, N$28 million agricultural support programme, priority to private-sector-led agriculture transformation, great push for renewable energy and export of power.

South Africa

Agro-Processing Support Scheme (APSS), IDC:
20–30% cost-sharing grant up to R20 million over two years,with a possible additional 10% for projects meeting employment / transformation / localisation criteria ; financing agro-processing and agriculture projects.

Tanzania

TIC, Agenda 10/30, EPZ/SEZ:
immediate write-off of plant and machinery used in agriculture and agricultural improvement expenditures, 10-year income tax holiday on export sales, withholding tax holiday, input subsidy schemes, expansion of irrigation, agri-finance via TADB/TIB

Zambia

Investment, Trade and Business Development (Amendment) Act 2024, SEZs, ZDA:
priority sectors, rural areas and farm blocks, investors of US$500,000+ can obtain 0% import duty on capital equipment and accelerated depreciation for five years.

Zimbabwe

2025 Investor's Guide, SEZ:
25% Special Initial Allowance for farm improvements and machinery, access to reduced tax rates depending on export share, securitized land tenure documents to help farmers access bank finance

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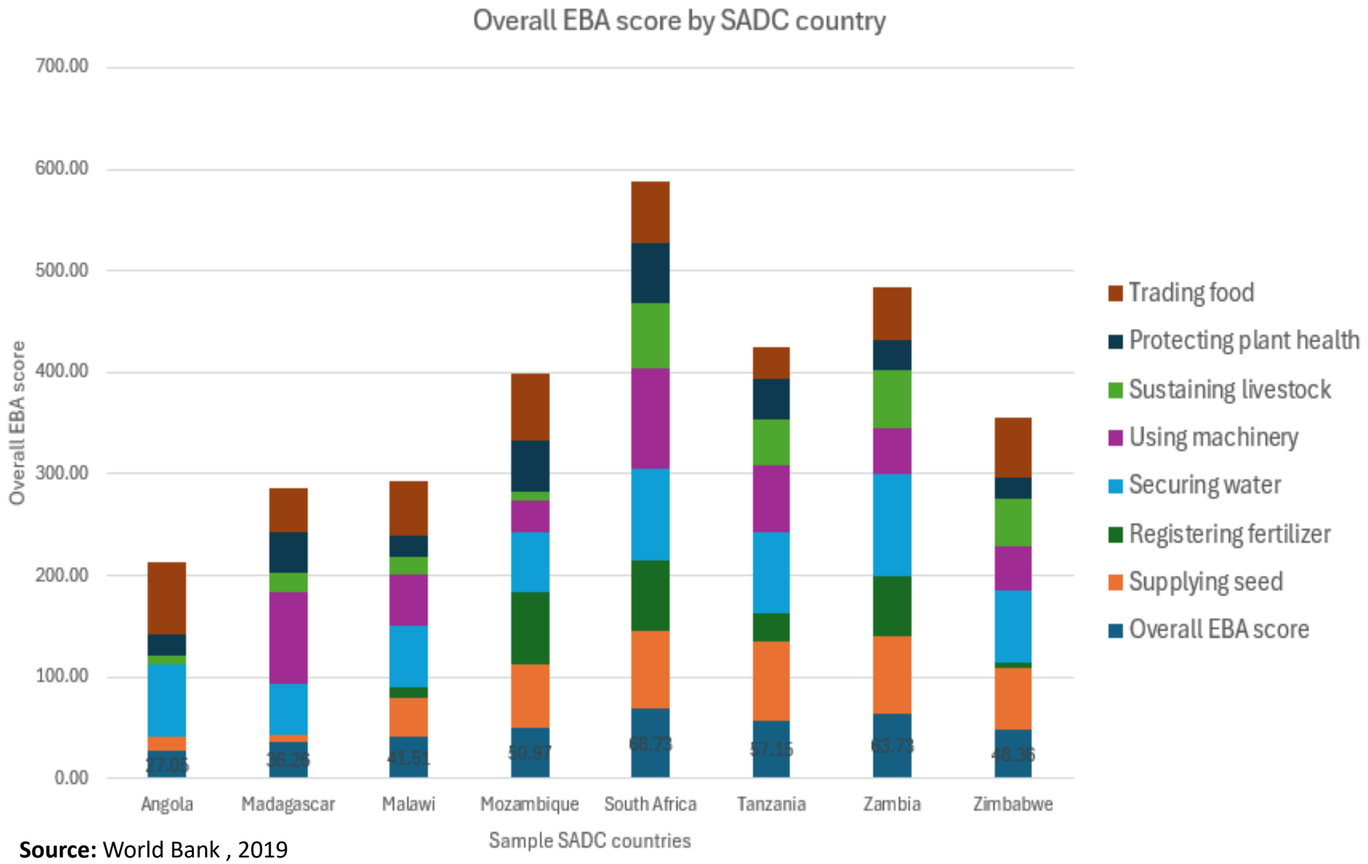
Ease of doing business



Source: World Bank , 2019

SADC business climate, credit, and FDI

Country	DB 2020 rank	Getting credit rank	Domestic credit to private sector (% GDP)	Year	FDI net inflows (% GDP, 2024)
Angola	177	185	7.3	2024	-1.1
Botswana	87	80	32.9	2024	2.4
Comoros	160		17.1	2024	0.5
Eswatini	121	94	21.6	2024	1.6
Lesotho	122	92	25.6	2024	-0.6
Madagascar	161	132	16.6	2024	3.48
Malawi	109		7.9	2024	6.02
Mauritius	13		69.9	2024	4.56
Mozambique	138	165	17.87	2024	15.43
Namibia	104		61.02	2022	14.76
Seychelles	100	144	44.51	2020	10.43
South Africa	84	80	107.88	2020	
Tanzania	141	67	16.8	2024	2.18
Zambia	85	4	13	2024	9.32
Zimbabwe	140	67	8.3	2023	

Source: World Bank , 2020-2024

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Investment opportunities







- Small reservoir for irrigation and irrigation pumps
- Mechanization hire service hubs
- Agro-processing facilities
- Trade integration

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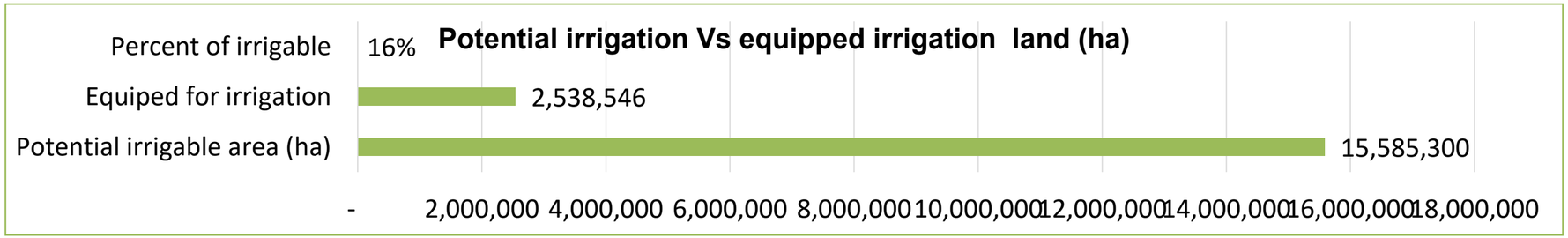
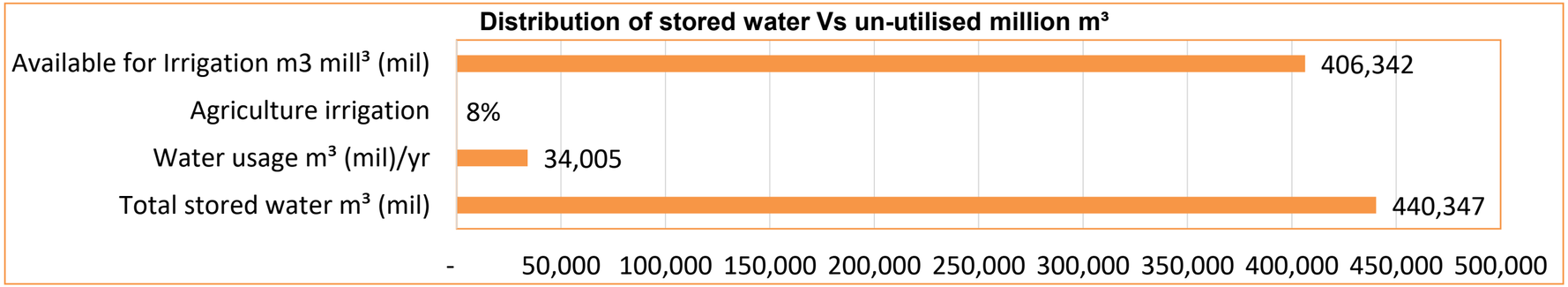
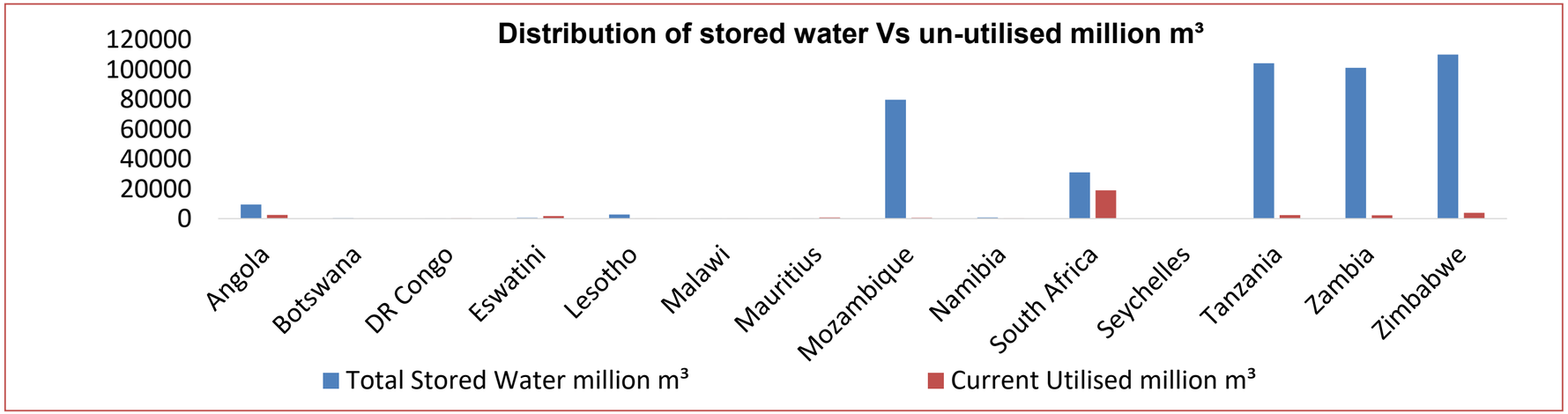
Southern Africa

1 SMALL RESERVOIR FOR IRRIGATION AND IRRIGATION PUMPS

State of Irrigation & Water Management

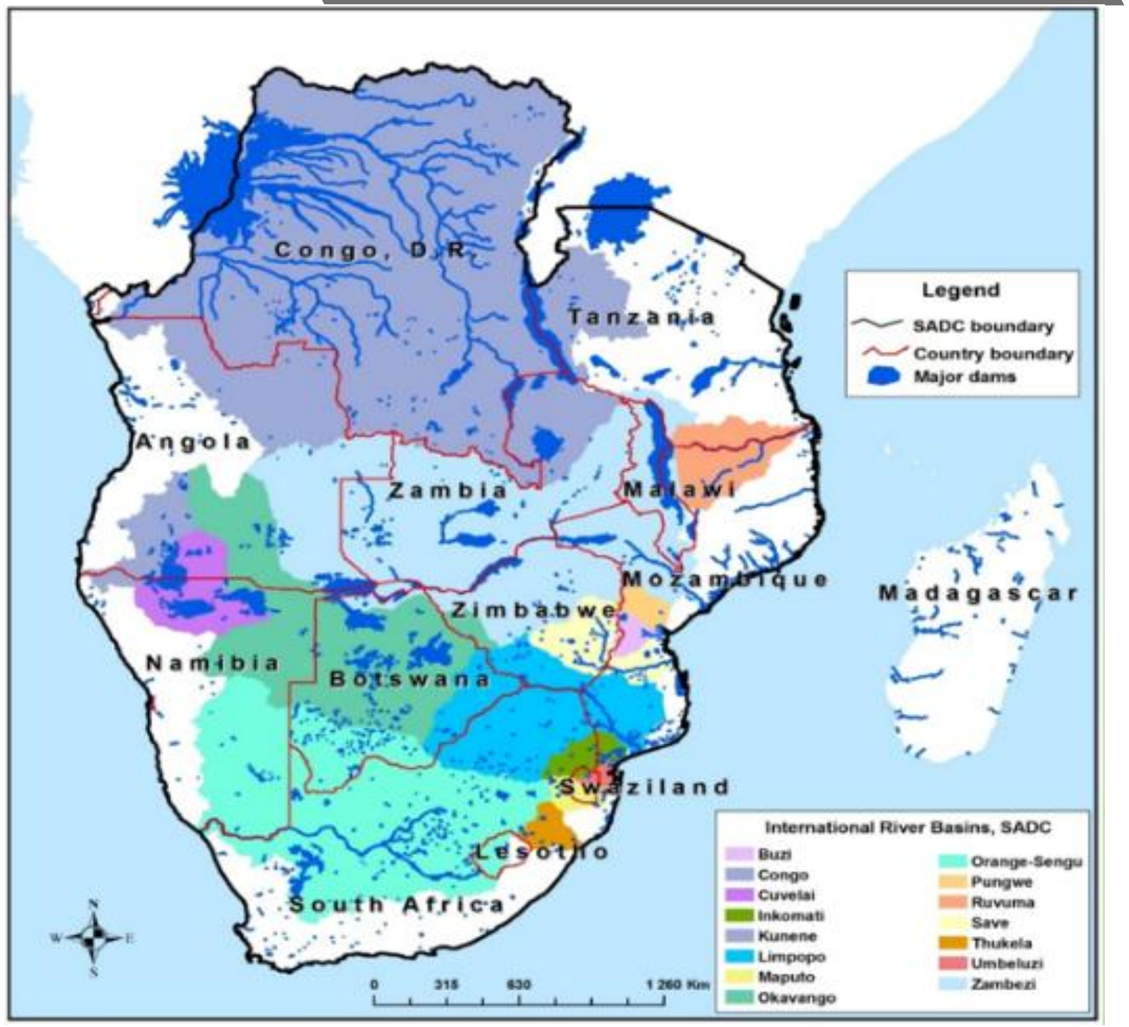






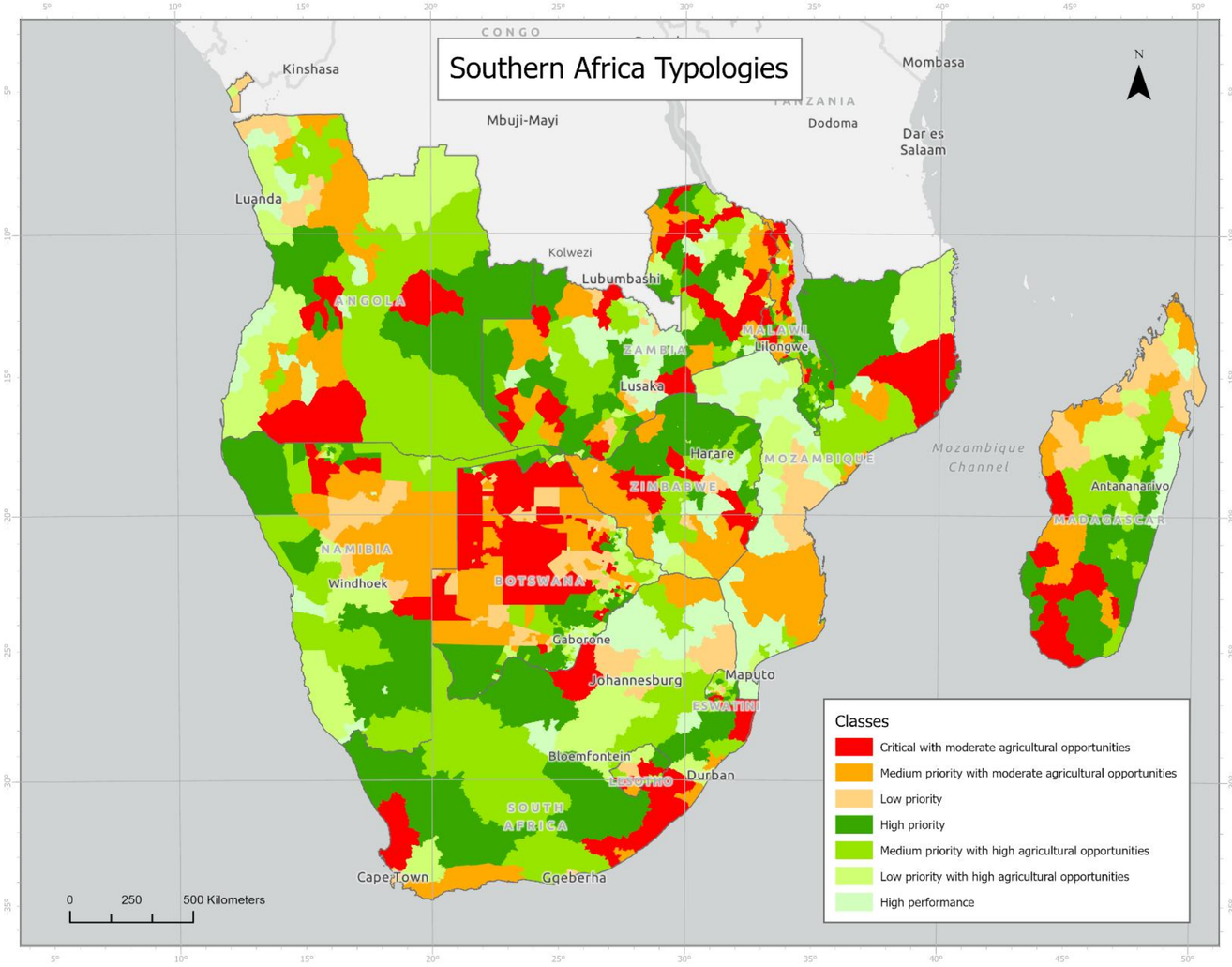
1 SMALL RESERVOIR FOR IRRIGATION AND IRRIGATION PUMPS

Transboundary river basins and dams



Source: Mabhaudhi et. Al. 2016

Typologies in Southern Africa



Source: FAO HiH-GIS team

1 SMALL RESERVOIR FOR IRRIGATION AND IRRIGATION PUMPS

Subsector Narrative

Infrastructure gap – Lack of adequate irrigation infrastructure in SADC region

Low productivity – Yields are significantly below global benchmarks

Demand Narrative

Demand for all products (except soya bean) is greater than current levels of supply from local production. Productivity enhancing measures such as irrigation will reduce/remove the deficit

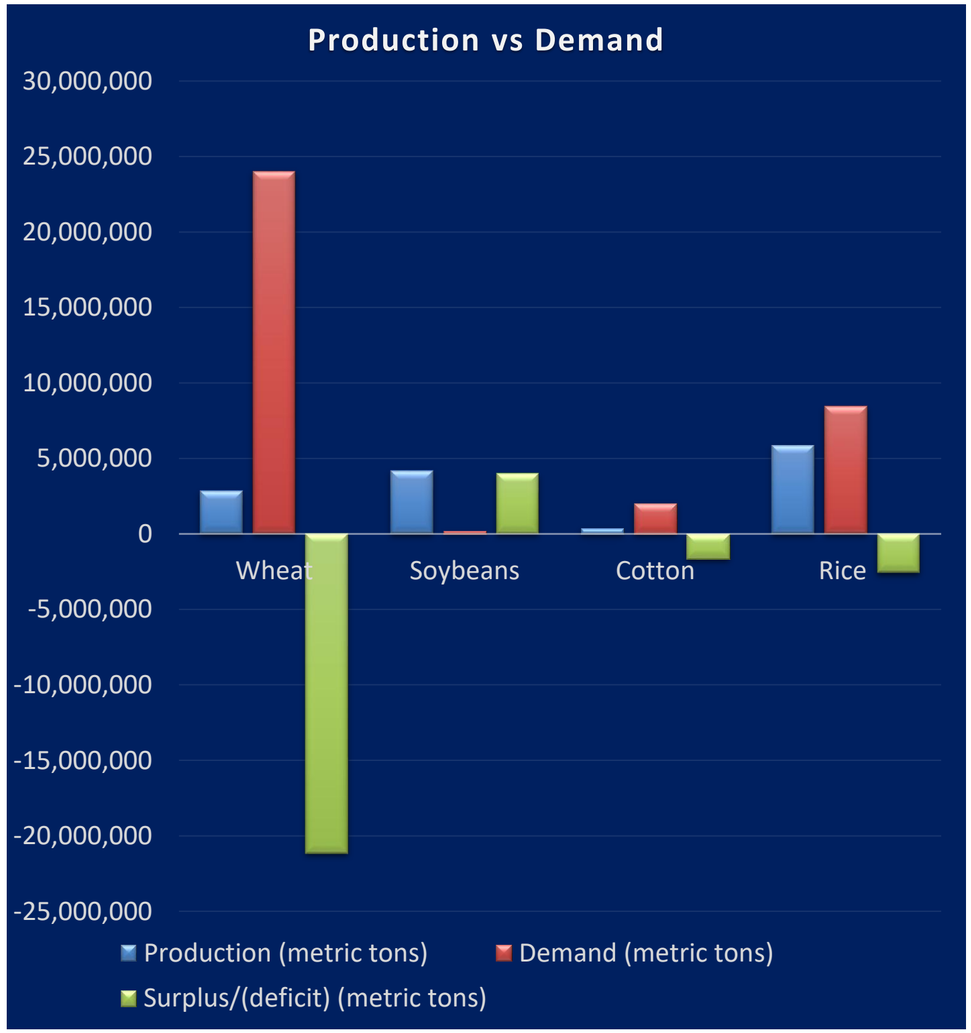
Average production = 2.5 million MT
SADC average yield = 3.3 MT/Ha
Global average yield = 3.34 MT/Ha

Unginned production = 760,000 MT
SADC average yield = 1.1 MT/Ha
Global average yield = 1.3 MT/Ha

Average production = 2.7 million MT
SADC average yield = 1.5 MT/Ha
Global average yield = 2.86 MT/Ha

Average production = 6 million MT
SADC average yield = 2 MT/Ha
Global average Yield = 4.6 MT/Ha

Source: SADC Secretariat, 2024



Source: Computed from FAOSTAT 2025

MAJOR PRODUCTION COUNTRIES

Wheat
South Africa, Zambia, Zimbabwe, and Tanzania.

Cotton
Zimbabwe, Tanzania & Mozambique
Cotton is high potential value though it's the weakest value chain.

Soybeans
South Africa, Zambia, Malawi & Mozambique

Rice
Malawi, Mozambique, Zambia and Madagascar

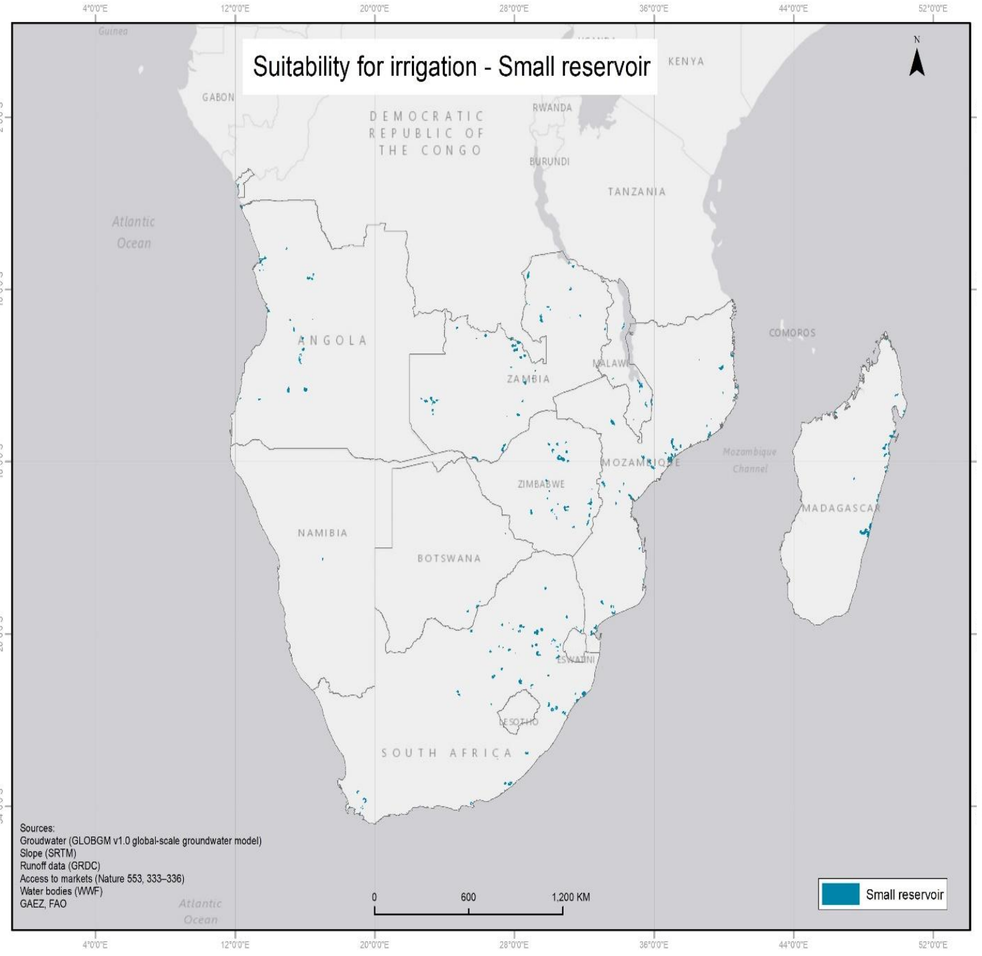
1 SMALL RESERVOIR FOR IRRIGATION AND IRRIGATION PUMPS

Targeted products

1a SMALL RESERVOIRS AND SOLAR PUMPS

Mozambique, **Malawi**, **Angola** and **Madagascar** have more surface water available through river runoff.

Invest in reservoirs and solar pumps

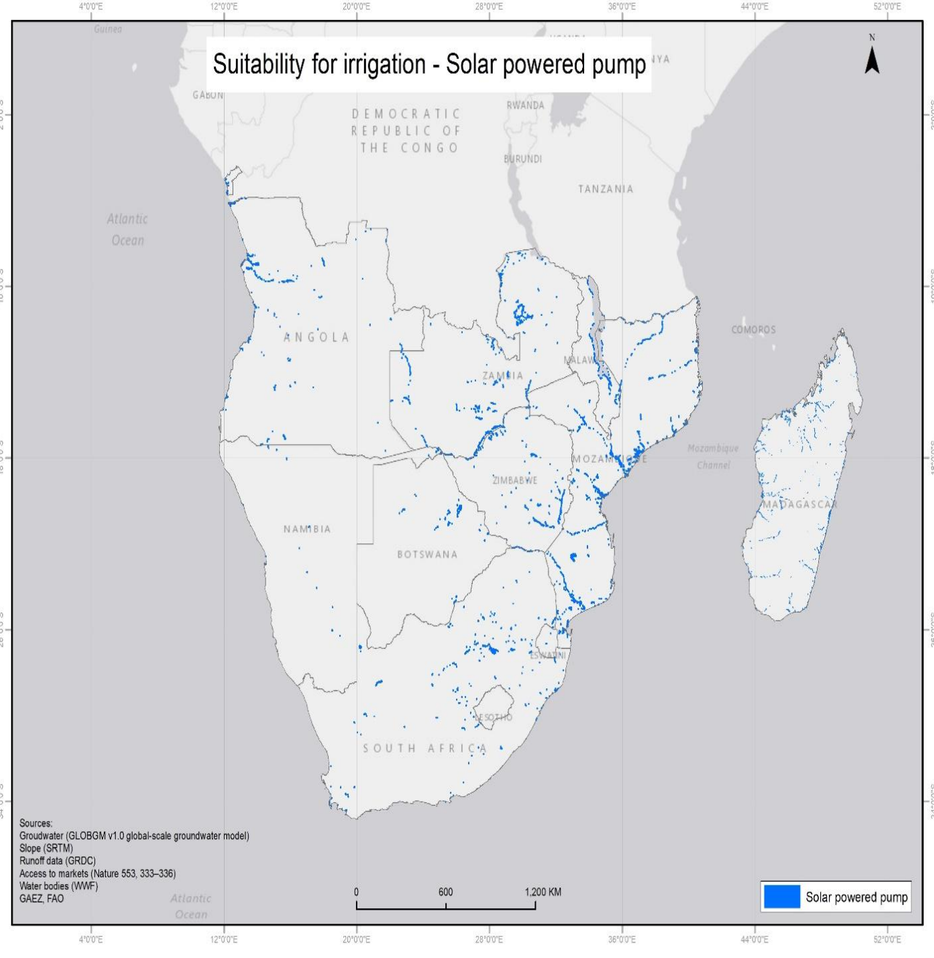


Angola 11,058 Ha | **Soybean** and **Rice**
Malawi 5,687 Ha | **Rice**
Mozambique 21,610 Ha | **Rice** and **Cotton**
Madagascar 21,610 Ha | **Rice** and **Cotton**

1b SOLAR PUMPS

Madagascar, South Africa, Zambia, and Zimbabwe have abundant sunshine and high solar radiation levels. Zambia and Zimbabwe alone utilize 7.9% of the stored water.

Invest in solar pumps



South Africa 16,800 Ha | **Cotton** and **wheat**
Zambia 23,397 Ha | **Soybeans**
Zimbabwe 24,962 Ha | **Cotton** and **wheat**
Madagascar 24,962 Ha | **Cotton** and **wheat**

Key bottlenecks

- Unavailability of dedicated State land for irrigation development.
- Inadequate storage capacity for surface water to meet water demands for irrigation
- Limited electricity to power water pumps for irrigation/limited resources to harness sources of renewable energy
- Lack of infrastructure to withdraw stored and ground water for irrigation purposes.
- Inadequate incentives to attract private investment in combating climate change.
- Weak water governance systems
- Weak coordination with River Basin Organizations (RBOs) for basin-level allocation, planning, and enforcement.

Key investment needed

- Land (150,086 hectares) set aside in seven (7) countries (USD 180.35 M) – Government
- Develop improved shallow irrigation systems - with solar powered irrigation pumps and small reservoirs (USD 151.15 M) – private sector
- Purchase of irrigation equipment (including solar pumps, fenced enclosure, drip irrigation kits and accessories (USD 93.75 M) – private sector
- Establishment of Regional Agriculture Development Fund – to provide smart subsidy to encourage participation of the private sector USD 82.8 M) –Government
- Develop an Iintegrated Water Governance framework at the basin level – (USD 40.92 M) - Government
- Strengthen basin-level coordination and implementation with River Basin Organizations (RBOs) (joint planning, allocation rules, data sharing, compliance).

Risks and Mitigation

- Depressed uptake.
- ✓ Introduce smart subsidies to encourage participation of the private sector.
- Competition for water resources use
- ✓ Promote participatory approaches for water governance, including structured collaboration with River Basin Organizations (RBOs) at basin level.
- Climate change effects may create water shortages
- ✓ Develop mechanism for water recharging
- Enhanced irrigation activities may deplete scarce water sources,.
- ✓ Develop adequate capacities to manage irrigation schemes and ensure adequate water resources governance/management

1

1 SMALL RESERVOIR FOR IRRIGATION AND IRRIGATION PUMPS

Aggregate Profitability Indicators

1a SMALL RESERVOIRS AND SOLAR PUMPS

Aggregate Profitability Indicators		
Investment Outlay	**Internal Rate of Return(IRR)**	**Net Present Value(NPV)**
328.14 million USD over five years	(20-year): 16.20%	USD 146.05 million
Social- Economic Indicators		
Direct Beneficiaries	**Indirect Beneficiaries**	**Income Increase Per Capita**
131,784	473,225	USD 120

Angola

11,058 Ha
Investment **$43.34 M**
NPV $19.29M
IRR 16.65%
Direct Beneficiaries 40,000
Indirect Beneficiaries 130,225

Malawi

5,687 Ha
Investment **$64.8 M**
NPV $ 28.84 M
IRR 18.33%
Direct Beneficiaries 25,400
Indirect beneficiaries 93,000

Mozambique

21,610 Ha
Investment **$110 M**
NPV $ 48.96 M
IRR 14.90%
Direct Beneficiaries 33,192
Indirect Beneficiaries 125,000

Madagascar

21,610 Ha
Investment **$110 M**
NPV $ 48.96 M
IRR 14.90%
Direct Beneficiaries 33,192
Indirect Beneficiaries 125,000

1b SOLAR PUMPS

Aggregate Profitability Indicators		
Investment Outlay	**Internal Rate of Return(IRR)**	**Net Present Value(NPV)**
USD 220.83 million over five years	(20-year): 24.02%	USD 166.04 million
Social- Economic Indicators		
Direct Beneficiaries	**Indirect Beneficiaries**	**Income Increase Per Capita**
97,928	198,901	USD 411

South Africa

16,800 Ha
Investment **$ 53.8 M**
NPV $ 40.45M
IRR 23.50%
Direct Beneficiaries 23,028
Indirect beneficiaries 48,000

Zambia

23,397 Ha
Investment **$ 94.15 M**
NPV $ 70.79 M
IRR 23.67%
Direct Beneficiaries 24,500
Indirect Beneficiaries 44,401

Zimbabwe

24,962 Ha
Investment **$36.44 M**
NPV $ 27.40 M
IRR 24.45%
Direct Beneficiaries 25,200
Indirect beneficiaries 53,250

Madagascar

24,962 Ha
Investment **$36.44 M**
NPV $ 27.40 M
IRR 24.45%
Direct Beneficiaries 25,200
Indirect beneficiaries 53,250

Hand-in-Hand Initiative

Southern Africa

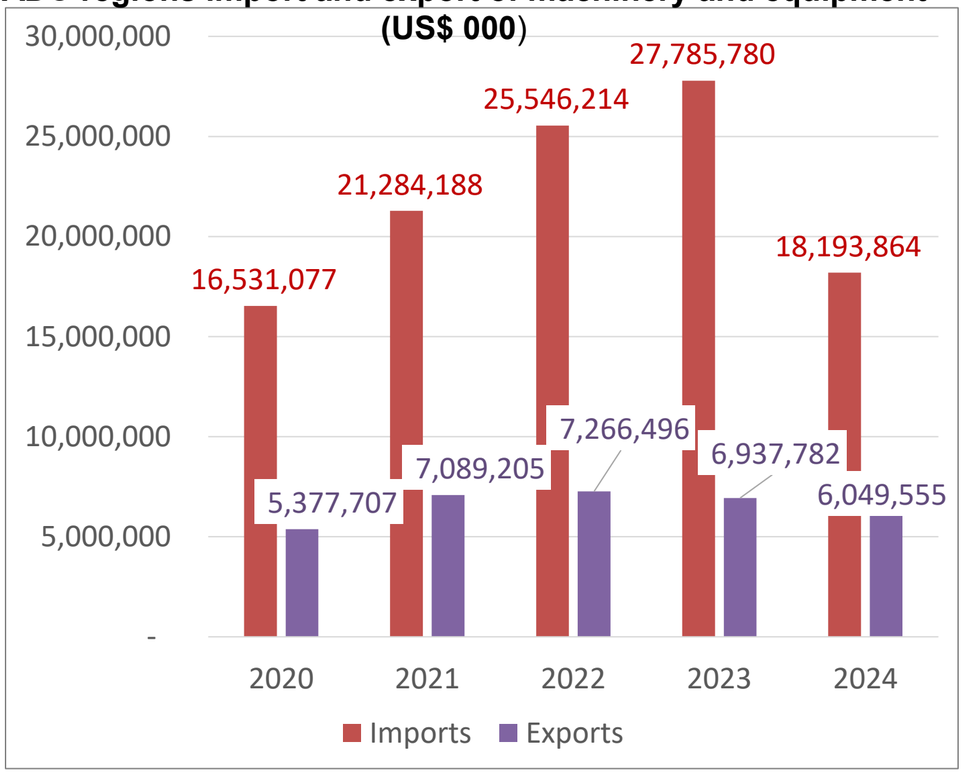
2 MECHANIZATION HIRE SERVICE HUBS

Current situation

- SADC is a net importer of farm machinery
- There is limited custom designed machinery for small scale farmers.

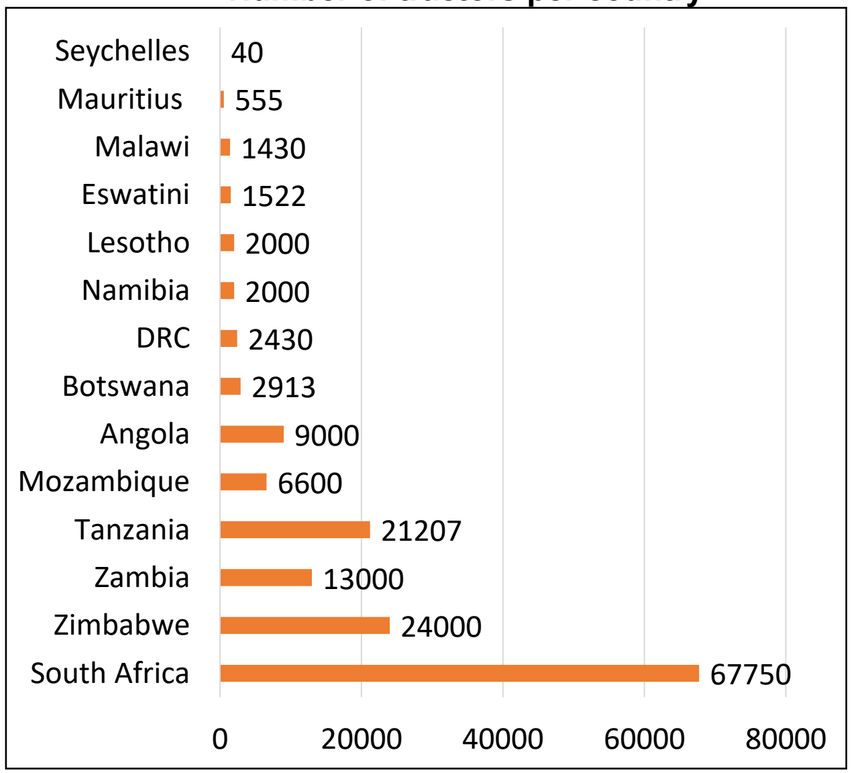
- SADC region has approximately 153,847 tractors
- So far, only South Africa has invested substantial amounts in agricultural machinery and equipment.
- 147 million hectares are arable and 54million hectares being farmed
- 350 hectares per tractor

SADC regions import and export of machinery and equipment (US$ 000)



Source: Trade Map Database 2025: HS Code 84

Number of tractors per country



Source: FAO, Sustainable Agricultural Mechanization, 2018

2 MECHANIZATION HIRE SERVICE HUBS

Specific investment needed

Introduce decentralized mechanization hubs in rural high production areas that offer machinery hiring services.

Diversified machinery acquisition (large tractors to smallholder-friendly tools)

Inclusive service provision (targeting all farmer categories).

Promotion of equipment rental models to enhance affordability and accessibility.

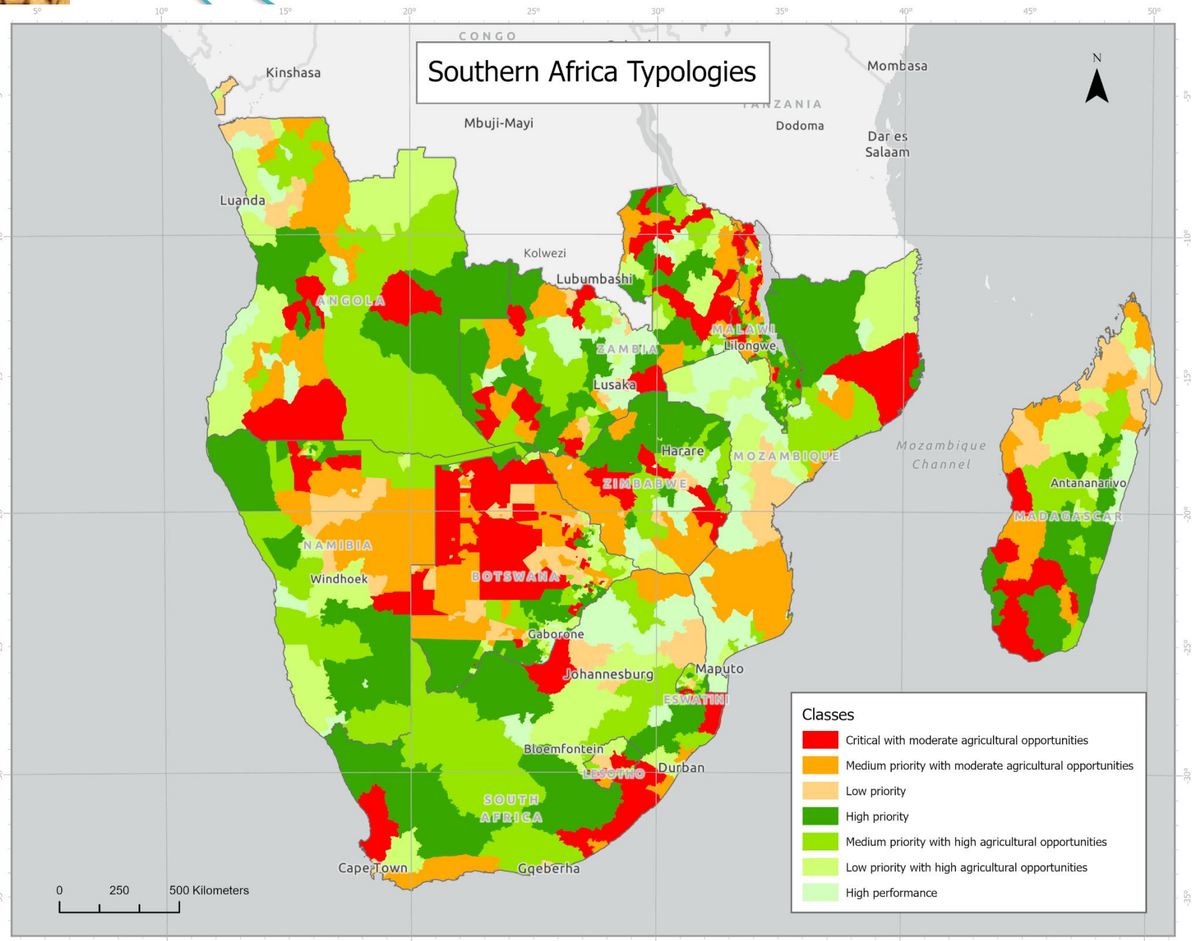
Investment location

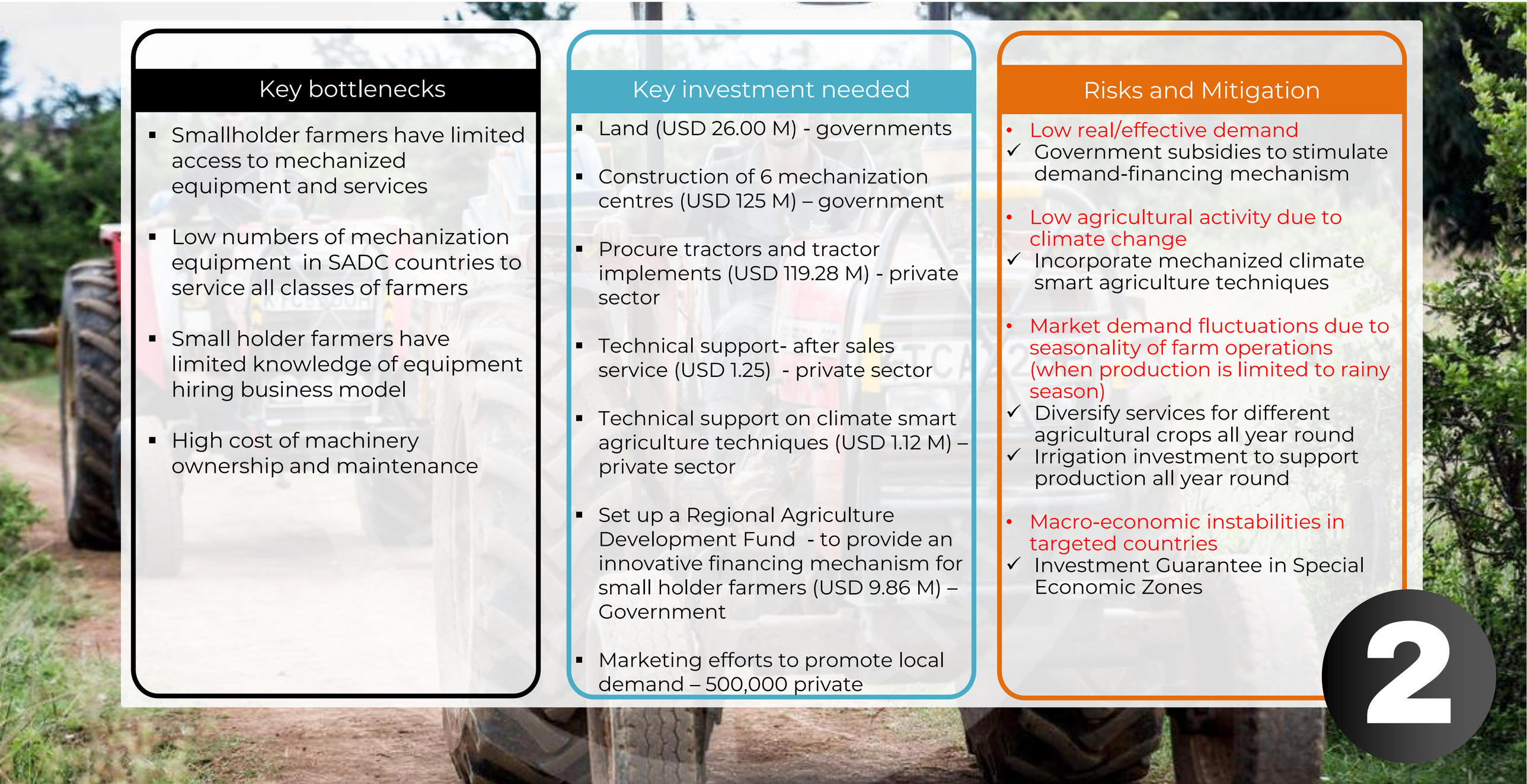
Seven (7) Regional Mechanization Centres.

One (1) for each priority value chain in the target countries.

Soyabean (Zambia and Angola)
Rice (Angola, Malawi, Mozambique and Madagascar);
Wheat (South Africa and Zimbabwe);
Cotton (Mozambique, South Africa, Zimbabwe and Madagascar)

Investment locations based on production areas





Key bottlenecks

- Smallholder farmers have limited access to mechanized equipment and services
- Low numbers of mechanization equipment in SADC countries to service all classes of farmers
- Small holder farmers have limited knowledge of equipment hiring business model
- High cost of machinery ownership and maintenance

Key investment needed

- Land (USD 26.00 M) - governments
- Construction of 6 mechanization centres (USD 125 M) – government
- Procure tractors and tractor implements (USD 119.28 M) - private sector
- Technical support- after sales service (USD 1.25) - private sector
- Technical support on climate smart agriculture techniques (USD 1.12 M) – private sector
- Set up a Regional Agriculture Development Fund - to provide an innovative financing mechanism for small holder farmers (USD 9.86 M) – Government
- Marketing efforts to promote local demand – 500,000 private

Risks and Mitigation

- Low real/effective demand
  - ✓ Government subsidies to stimulate demand-financing mechanism
- Low agricultural activity due to climate change
  - ✓ Incorporate mechanized climate smart agriculture techniques
- Market demand fluctuations due to seasonality of farm operations (when production is limited to rainy season)
  - ✓ Diversify services for different agricultural crops all year round
  - ✓ Irrigation investment to support production all year round
- Macro-economic instabilities in targeted countries
  - ✓ Investment Guarantee in Special Economic Zones

2 MECHANIZATION HIRE SERVICE HUBS

Aggregate Profitability Indicators

Hand-in-Hand Initiative

Global Investment forum, Rome, October 2025

Investment Outlay	Internal Rate of Return (IRR)	Net Present Value(NPV)
USD 283.01 million	18.37%	USD 139.42 million
	Social- Economic Indicators	
Governments Contribution	Direct Beneficiaries	Income Increase Per Capita
USD 120.72 million	160.86	USD 435
	Indirect Beneficiaries	Co2e sequestration
	1,587,484	41,896 MT/Year

Angola

Investment $40.43 million
NPV $ 21.71 million
IRR 17.93%
Direct Beneficiaries 71,026
Indirect Beneficiaries 263,040

Malawi

Investment $ 40.43 million
NPV $ 18.31 million
IRR 16.25%
Direct Beneficiaries 68,365
Indirect beneficiaries 268,400

Mozambique

Investment $ 40.43 million
NPV $ 18.20 million
IRR 15.24%
Direct Beneficiaries 65,350
Indirect Beneficiaries 276,244

South Africa

Investment $ 40.43 million
NPV $ 22.26 million
IRR 19.20%
Direct Beneficiaries 74,200
Indirect beneficiaries 269,300

Zambia

Investment $ 40.43 million
NPV $ 17.24 million
IRR 18.50%
Direct Beneficiaries 75,120
Indirect beneficiaries 267,100

Zimbabwe

Investment $ 40.43 million
NPV $20.85 million
IRR 20.75%
Direct Beneficiaries 72,100
Indirect Beneficiaries 234,400

Madagascar

Investment $ 40.43 million
NPV $20.85 million
IRR 20.75%
Direct Beneficiaries 72,100
Indirect Beneficiaries 234,400

Hand-in-Hand Initiative

Southern Africa

3 AGRO-PROCESSING FACILITY

Edible oil, Soya meal, Animal feed for local and export markets

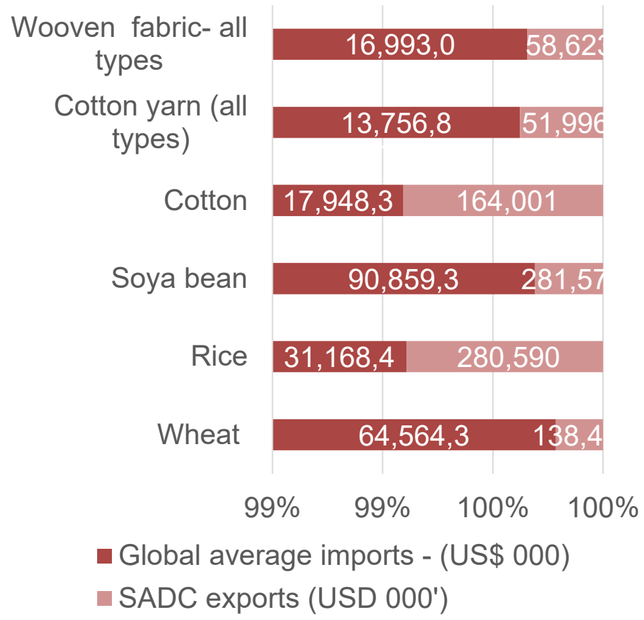
Subsector Narrative

Agro-processing will increase export opportunities for the SADC region.

Demand Narrative

SADC imports huge volumes of products from the rest of the world, compared to intra-regional trade.

SADC exports to rest of the world (USD 000')

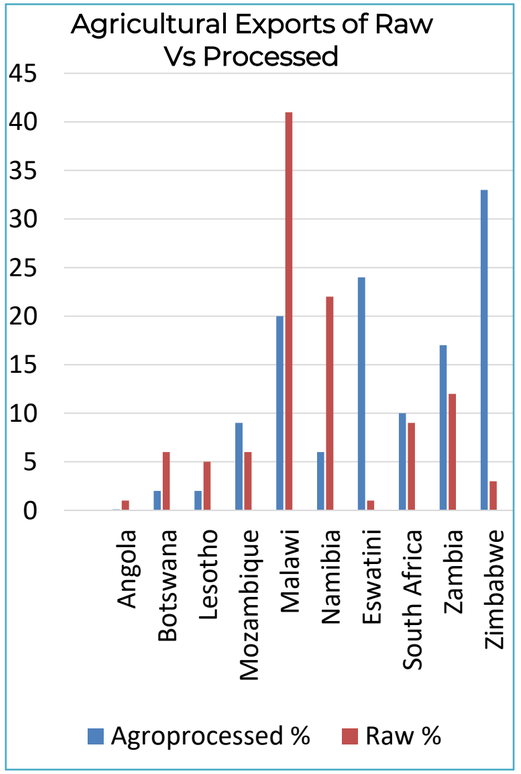


Source: ITC-TradeMap Database 2025

SADC imports by source - annual averages (USD 000')

Commodity	Imports from rest of the world	Imports from SADC	SADC proportion (%)
Rice	1,388,458	105,956	8%
Wheat	1,885,980	177,355	9%
Cotton-not combed or carded	98,256	51,780	53%
Wooven fabric	290,745	50,222	17%
Cotton yarn	239,368	29,756	12%
Cotton waste	2,434	330	14%
Cotton yarn (for retail sale)	50,012	7,001	0
Soya bean	89,708	113,656	1

Sources: FAOSTAT, 2025 ; SADC Secretariat, 2024



Source: Agro-processing, value chains and Regional Integration in Southern Africa 2020
Anthony Black, Lawrence Edwards, Ruth Gorven, and Willard Mapulanga

3 AGRO-PROCESSING FACILITY for local and export markets

Investment description

Introduce processing hubs at strategic locations in areas with high production potential.

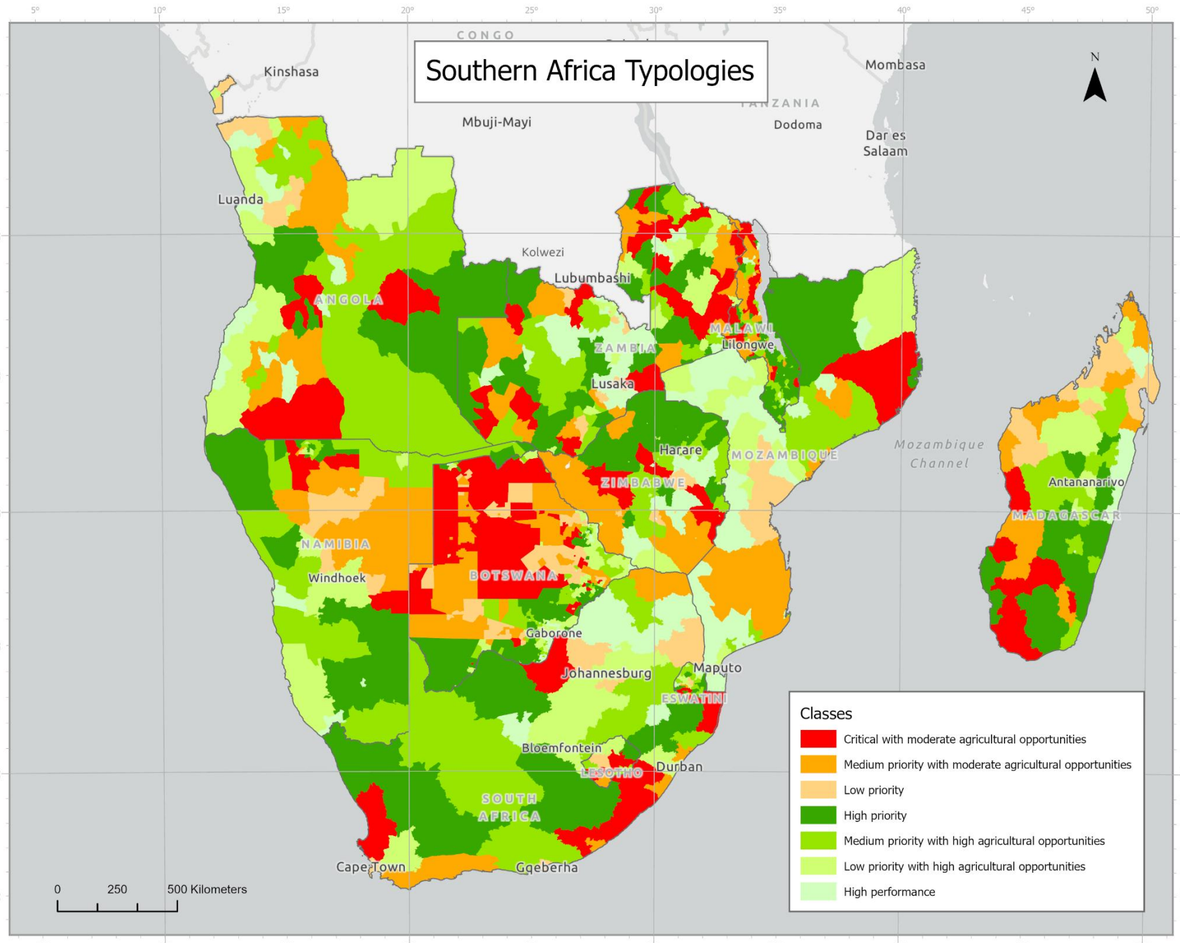
Four (4) Special Processing Zones (SPZs) established in corridors or areas with processing facilities with potential for expansion.

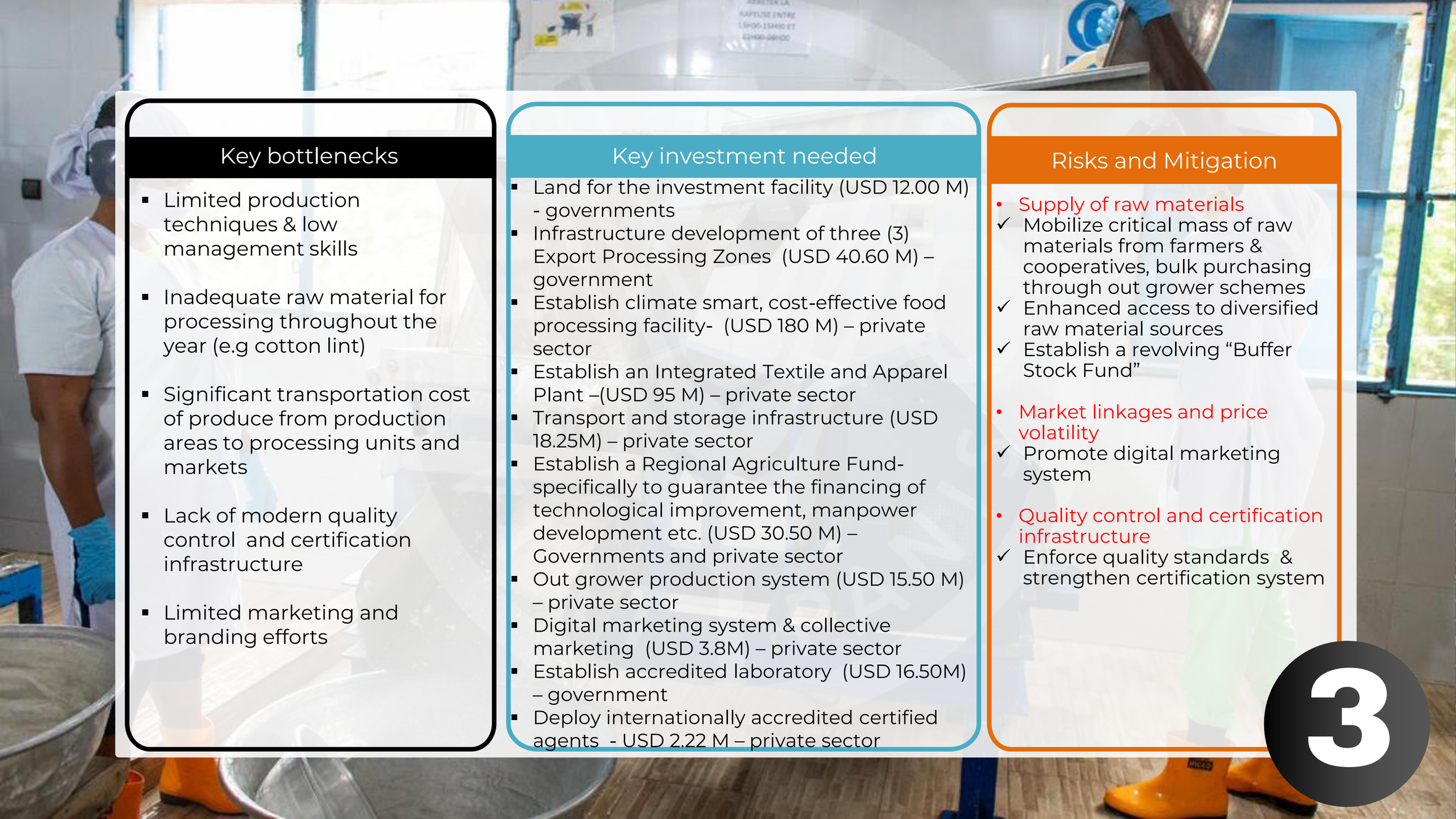
Soyabean (Zambia and Zimbabwe) Oil expression and stock feed
Rice (Malawi, Mozambique and Madagascar)
Wheat (Namibia and Botswana)
Cotton (Eswatini, Lesotho and Madagascar)

The SPZs are essentially customs-free areas designed to attract foreign investment and boost exports.

Businesses can import materials and machinery, process them, and export the finished goods without paying import duties or tariffs.

Targeted products
Edible oil, soya meal, processed rice, wheat flour, animal feed, cotton lint, yarn, and fiber - for domestic and export markets.





Key bottlenecks

- Limited production techniques & low management skills
- Inadequate raw material for processing throughout the year (e.g cotton lint)
- Significant transportation cost of produce from production areas to processing units and markets
- Lack of modern quality control and certification infrastructure
- Limited marketing and branding efforts

Key investment needed

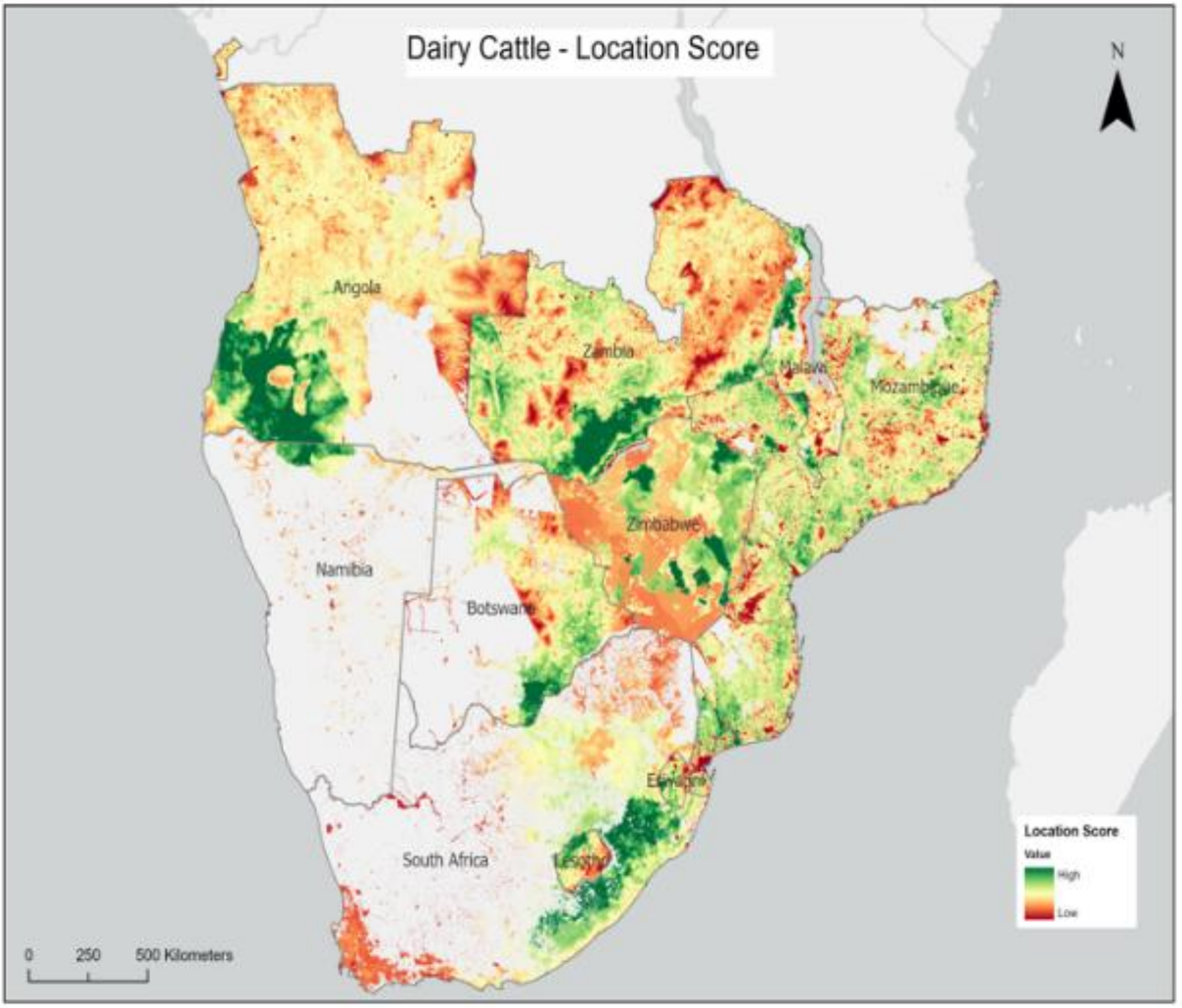
- Land for the investment facility (USD 12.00 M) - governments
- Infrastructure development of three (3) Export Processing Zones (USD 40.60 M) – government
- Establish climate smart, cost-effective food processing facility- (USD 180 M) – private sector
- Establish an Integrated Textile and Apparel Plant –(USD 95 M) – private sector
- Transport and storage infrastructure (USD 18.25M) – private sector
- Establish a Regional Agriculture Fund- specifically to guarantee the financing of technological improvement, manpower development etc. (USD 30.50 M) – Governments and private sector
- Out grower production system (USD 15.50 M) – private sector
- Digital marketing system & collective marketing (USD 3.8M) – private sector
- Establish accredited laboratory (USD 16.50M) – government
- Deploy internationally accredited certified agents - USD 2.22 M – private sector

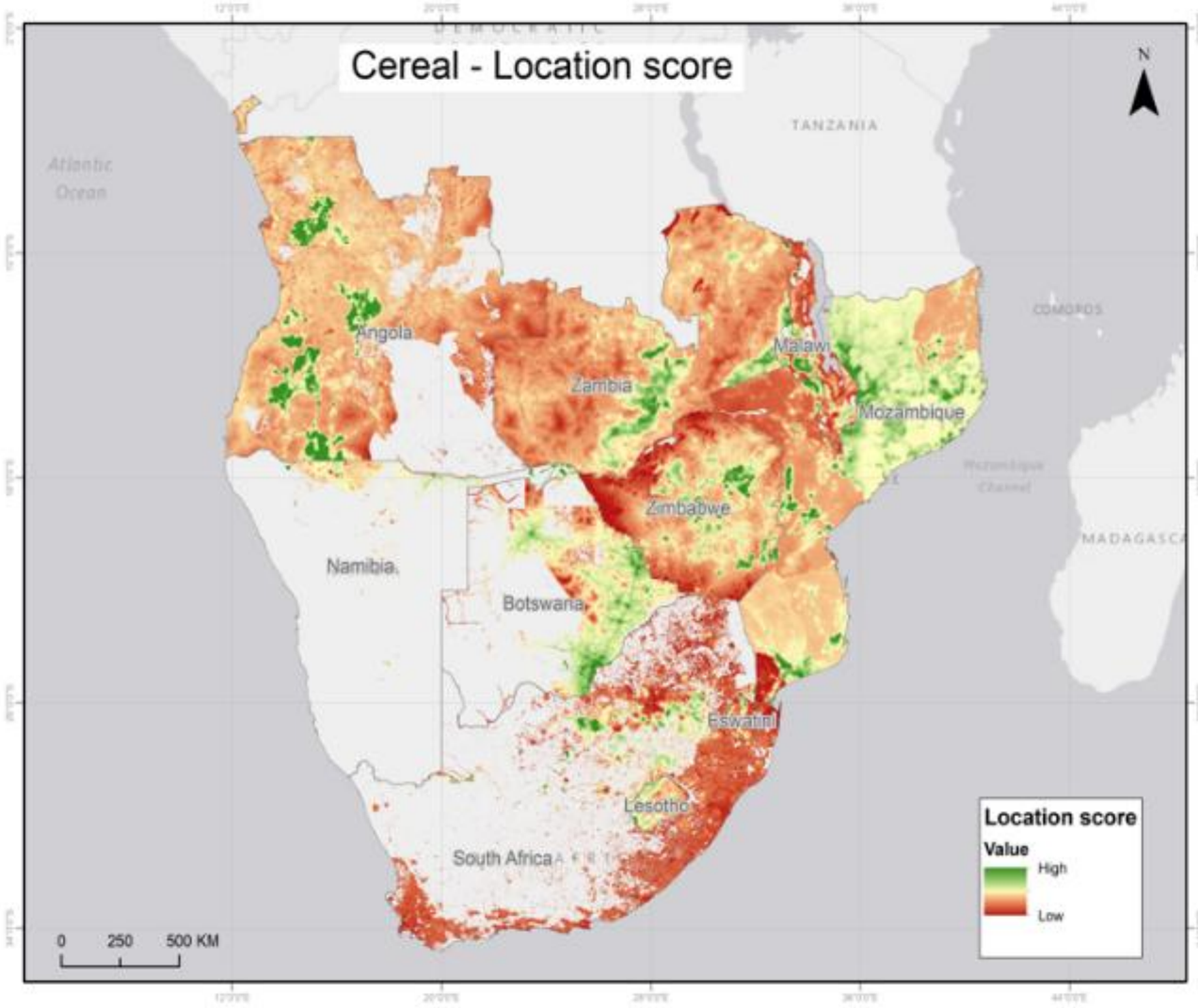
Risks and Mitigation

- Supply of raw materials
  - ✓ Mobilize critical mass of raw materials from farmers & cooperatives, bulk purchasing through out grower schemes
  - ✓ Enhanced access to diversified raw material sources
  - ✓ Establish a revolving “Buffer Stock Fund”
- Market linkages and price volatility
  - ✓ Promote digital marketing system
- Quality control and certification infrastructure
  - ✓ Enforce quality standards & strengthen certification system

4 MARKET INTEGRATION AND TRADE

Candidate locations for markets and supporting facilities





Source: FAO HiH-GIS team

4 MARKET INTEGRATION AND TRADE

Potential

- ✓ Increase intra-regional trade of agricultural products due to differences in comparatives advantages.
- ✓ Increase integration in global value chains
- ✓ Optimize benefits from AfCFTA

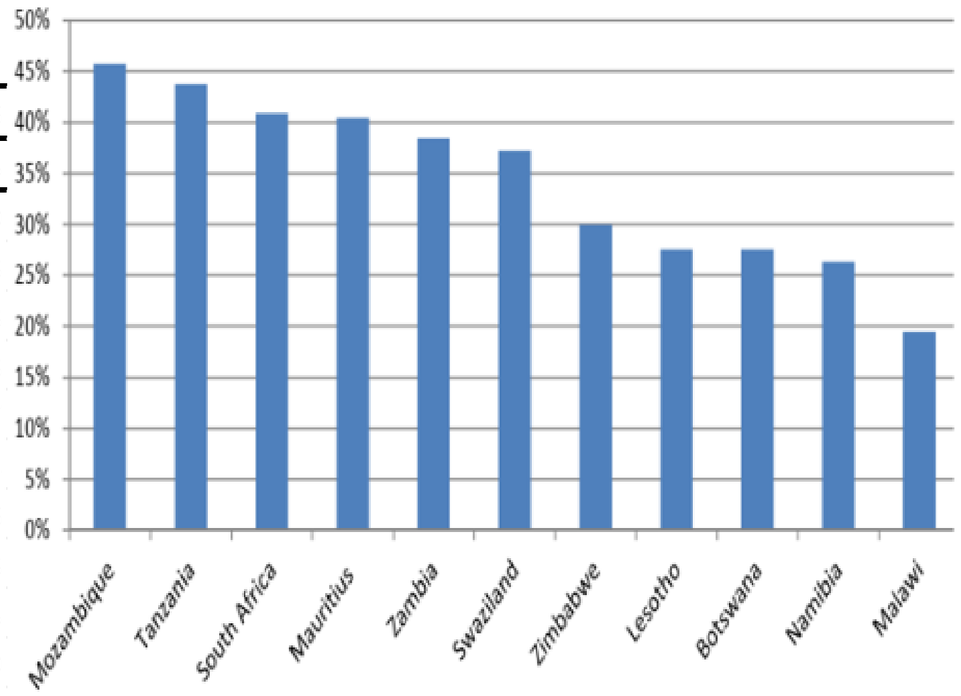
High import and export tariffs on agricultural products

Region/ country	Average import duty	Average export duty
Africa	19.58	9.86
SADC	13.56	12.48
Angola	6.9	7.9
Botswana	12.9	9.3
Eswatini	13.4	9.3
Lesotho	12.6	9.3
Madagascar	5.4	10.7
Malawi	15.2	14
Mozambique	12.9	10.6
Namibia	13.2	9.3
South Africa	13.9	12.8
Zambia	13.1	15.9
Zimbabwe	11.3	19.4

Source: IFPRI, 2017

High Non-tariff measures

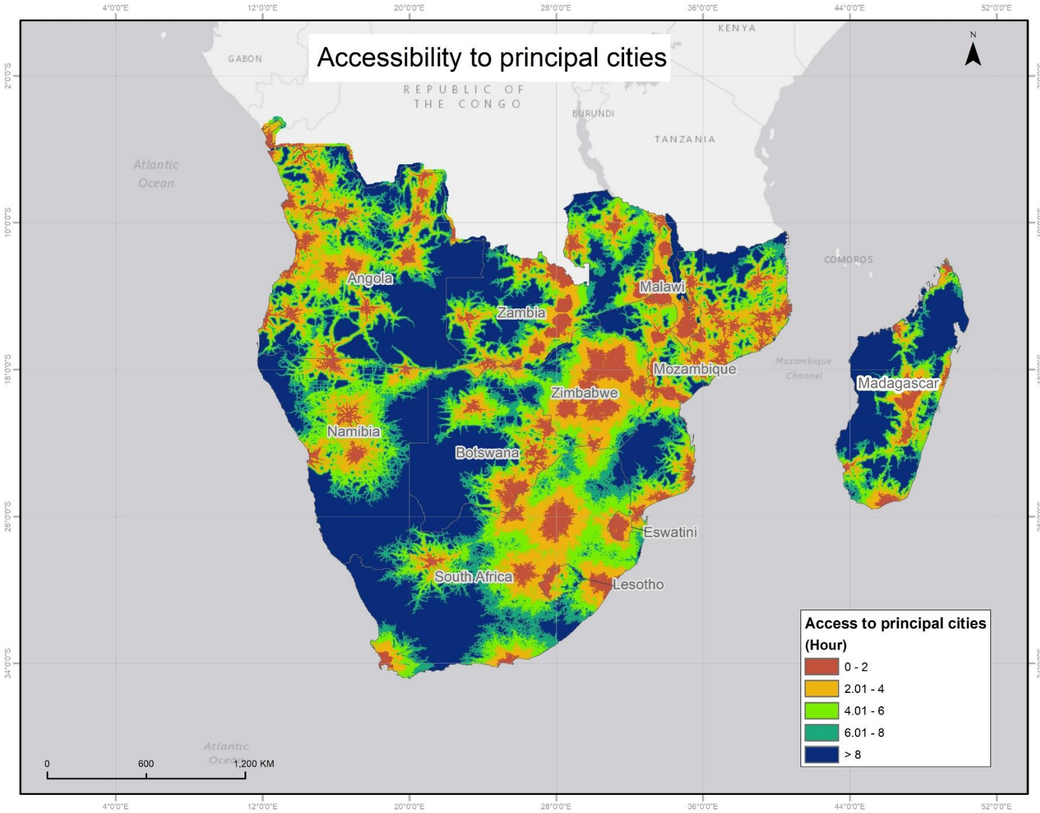
NTM Coverage of Agricultural products



Source: Kalaba, M., & Kirsten, J. (2012).

Border costs and infrastructure

Time to export: Border compliance (hours)*	Time to import: Border compliance (hours)
74	63



Key bottlenecks

- High import and export tariff to agricultural products across regional countries
- Failure to implement the political agenda to remove and lower NTBs, leading to a rate equivalent of 20% in the region
- High customs inefficiency leading to additional trade costs and time spent at the border

Key investment needed

- Establish a single common external tariff to become a customs union. Capitalize on ongoing political efforts to progress under the AfCFTA- (USD 720 M) - Government
- Develop regional policies focusing on the elimination of unnecessary nontariff barriers, under the SADC and SACU framework (USD 75M) – Government
- Comply with SADC core mandate to create OneStop Border Posts (OSBP) and adoption of the Automated System for Customs Data (ASYCUDA) to reform customs clearing procedure and implement the standard nomenclature for traded goods (USD 32 Million – Government

Risks and Mitigation

- Supply of raw materials

Mobilize critical mass of raw materials from farmers & cooperatives, bulk purchasing through outgrower schemes

- Market linkages and price volatility

Promote digital marketing system

- Quality control and certification infrastructure

Enforce quality standards & strengthen certification system

4 MARKET INTEGRATION AND TRADE

Aggregate Profitability Indicators

Investment Outlay	Internal Rate of Return (IRR)	Net Present Value(NPV)
USD 827 million	24%	USD 220 million
Social- Economic Indicators		
Direct Beneficiaries	Indirect Beneficiaries	Income Increase Per Capita
6.2 M	37.4 M	USD 35

Additional impacts / benefits

- **50%** reduction in tariffs and **80%** reduction in non-tariffs measures can increase the region's GDP by **0.3%** (IFPRI 2022)
- Reduction of ~4 hours at border represents gains for **~201 million USD** for private sector
- **Extreme poverty reduction** in Southern Africa attributable to AfCFTA: ~**4 million people** (WB, 2020)
- **Moderate poverty reduction** in Southern Africa attributable to AfCFTA: **~9 million people** (WB, 2020)
- **Employment** projection in agriculture of **29.8%** (WB, 2020)

Integration in a 3-phase implementation over 20 years

"Investments" by country

Country	in million $US	IRR (%)
Angola	46	TBD
Botswana	26	17
Eswatini	28	8
Lesotho	13	17
Madagascar	33	31
Malawi	25	30
Mozambique	64	20
Namibia	40	15
South Africa	467	24
Zambia	49	25
Zimbabwe	65	22
Total	**857**	

Net Benefit Phase 1: $ 220 million USD per year

Summary of investment plans

Total Investment: **USD 2.073 Billion**
Government **USD 1.391 Billion**
GAP: 681.840 M

Overall Average IRR: **20 percent**
Income Increase Per Capita: **USD 223**
Direct Beneficiaries: **7,852,973**
Indirect Beneficiaries: **42,399,610**

Total Co2e sequestration: 282,672 MT/year

1a 1

Intervention

Public investment into Community Small reservoirs

Total Investment **USD 328.14M**

IRR (%) **16.20%**

NPV **USD 146.05 M**

Sustainability benefits

Direct beneficiaries: 131,784

Indirect beneficiaries: 473,225

Income increase per capita (USD): 120

Co2e sequestration: 13,101 MT/Year

1b

Intervention

Private sector investment Solar pumps

Total Investment **USD 220.83 M**

IRR (%) **24%**

NPV **USD 166.04 M**

Sustainability benefits

Direct beneficiaries: 97,928
Indirect beneficiaries: 198,901

Income increase per capita (USD): 411

Co2e sequestration: 195 MT/Year

2

Intervention

Mechanization Hire Service Hubs

Total Investment **USD 283.03 M**

IRR (%) **18.37%**

NPV **USD 139.42 M**

Sustainability benefits

Direct Beneficiaries: 498,261

Indirect Beneficiaries: 1,587,484

Income increase per capita (USD): 435

Co2e sequestration: 41,896 MT/Year

3

Intervention

Agro-processing

Total Investment **USD 414.37 M**

IRR (%) **16.70%**

NPV **USD 201.00 M**

Sustainability benefits

Direct Beneficiaries: 925,000

Indirect Beneficiaries: 2.74 M

Income increase per capita (USD): 115

Co2e sequestration: 227,480 MT/Year

4

Intervention

Market integration and Trade

Total Investment **USD 827 M**

IRR (%) **24%**

NPV **USD 220 M**

Sustainability benefits

Direct Beneficiaries: 6.2 M

Indirect Beneficiaries: 37.4 M

Income increase per capita (USD): 35