Economic Environment

Business in Africa: 1.2 billion opportunities

The commodity boom may be over, and barriers to doing business are everywhere. But Africa’s market of 1.2 billion people still holds huge promise.

The Africa of business magazines and bank ads: a continent that is rising at a prodigious pace and creating profitable new markets for multinational firms. But Africa also has plenty of reminders that it has been here before.

Reasons to worry - According to the World Bank, in the year to April last year the terms of trade deteriorated in 36 out of 48 sub-Saharan African countries as the price of their commodity exports fell relative to the cost of their imports, mostly manufactured goods. Those 36 countries account for 80% of the continent’s population and 70% of its GDP. Eight countries, including two giants, Angola and Nigeria, derive more than 90% of their export revenues from oil, which has recently plummeted far below the price needed to draw in new investors.

Growth across sub-Saharan Africa dropped to 3.7% in 2015, far below East Asia’s 6.4% and nowhere near enough to create enough jobs for the continent with the world’s youngest and fastest-growing population. The World Bank expects it to tick up again, but only to 4.8% in 2017.

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Global Trends - Wine Industry Key Elements

OIV - Global state of conditions report: developments and trends

• The size of the global area under vines rose to 7,534,000 ha in 2015: China's vineyard surface area continued to increase (+34,000 ha), confirming its place as the country with the 2nd biggest vineyard surface area.
• World wine production increased by 2.2% compared with the previous year, reaching 27,440 million litres in 2015.
• Global wine consumption has stabilised since the 2008 economic crisis: it is estimated at 24,000 million litres for 2015.
The world wine trade continued to grow in volume and especially in value: 10 430 million litres (+1.8%), 28.3 bn EUR (+10.6%).

[en-communiqué-de-presse-16-avril]