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AFRICA SUPPLY CHAIN INSIGHTS

Monthly Bulletin on Supply Chain News & Trend in Africa

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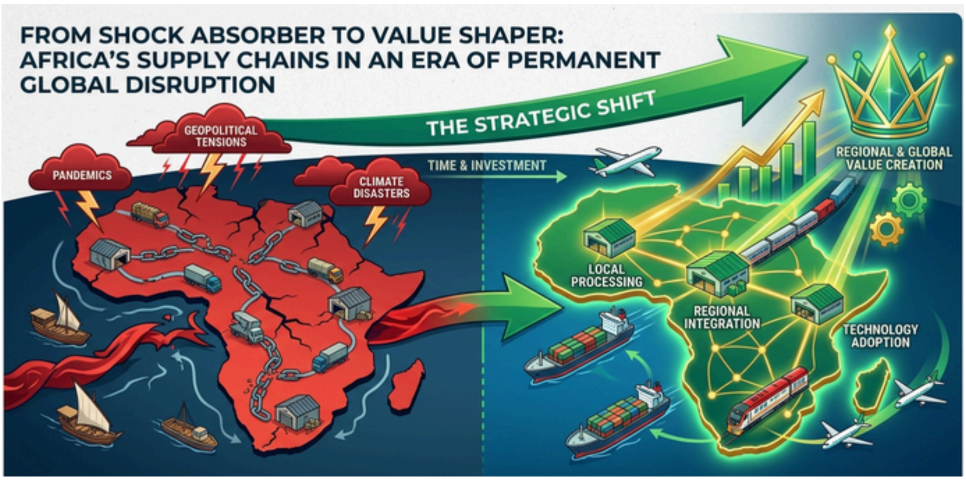
Africa's Supply Chains in an Era of Permanent Global Disruption

Building agile systems. Driving regional trade. Powering Africa's future.

Resilience is the new advantage. As global disruptions reshape trade and logistics, Africa has the opportunity to build stronger supply chains, boost regional trade, and power sustainable growth.



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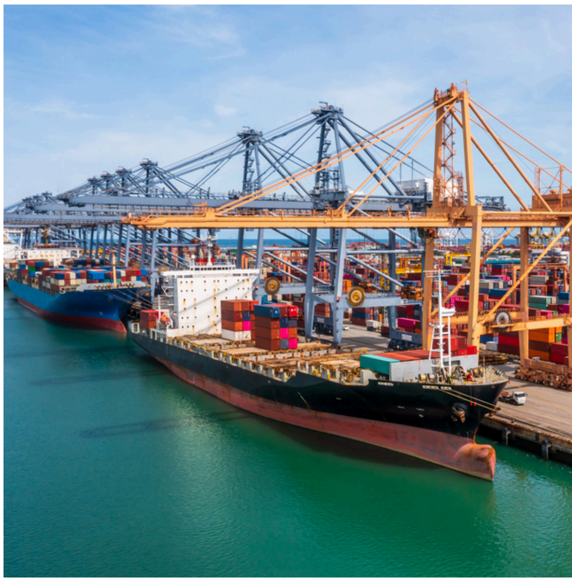
- **2026 State of Africa's Infrastructure Report:**

Africa's Strategic Energy Opportunity

Standard Chartered and the International Finance Corporation (IFC) launched a $300 million supply chain finance facility for Africa aimed at strengthening trade logistics and liquidity across key sectors.

As global supply chains continue to shift, Africa is positioning itself not just as a participant, but as a key driver of the next era in energy and economic transformation.



Africa Supply Chain & Energy Bulletin: Joint Publication by Desiderio Consultants & AISCR Edition 2 – May 2026

From Shock Absorber to Value Shaper: Africa's Supply Chains in an Era of Permanent Global Disruption

Across logistics, finance, geopolitics, and industrial policy, a single structural pattern is emerging: Africa's supply chains are being reshaped by continuous and overlapping global disruption. Shipping reroutings, financial tightening, geopolitical instability, and commodity volatility are no longer episodic shocks: they are becoming the operating environment itself.

Within this environment, Africa is undergoing a subtle but important transition. For decades, the continent's role in global supply chains has largely been reactive, absorbing external shocks through higher import costs, delivery delays, and fragmented logistics responses. In this model, Africa was primarily a price-taker: exposed to decisions made elsewhere in shipping, finance, and industrial production systems.

What is now emerging is a gradual repositioning. Faced with repeated disruptions, African states and firms are increasingly compelled to rethink their strategic posture across multiple dimensions. In logistics, this is visible in efforts to diversify corridors and strengthen regional connectivity. In finance, it is reflected in the growing emphasis on liquidity, trade finance, and payment speed as core components of competitiveness. In geopolitics, it is expressed through heightened attention to risk exposure and supply chain security. And in industrial policy, it is embodied in the push toward value addition, local processing, and deeper participation in global manufacturing networks.

Taken together, these shifts point to an important turning point: Africa is beginning to move from being a passive absorber of global supply chain shocks to a more active participant in shaping where and how value is created within those chains. This does not imply full structural transformation has already occurred, but rather that the direction of travel is becoming clearer. The continent is increasingly seeking not only to respond to global supply chains, but to position itself within them more strategicallythrough finance, infrastructure, and industrial upgrading

The result is a continent caught in transition: still highly exposed to external volatility, but increasingly aware that resilience will not come from adaptation alone, but from repositioning within the architecture of global value creation itself.

Prof Marcus Ambe,President & CEO AISCR

"Permacrisis Logistics": Supply Chain Resilience Under Repeated Shocks in Africa

Africa's supply chains are no longer facing isolated disruptions. They are operating in a permacrisis environment, where shocks are constant, overlapping, and increasingly structural Port congestion, corridor bottlenecks, fuel price volatility, climate events, and shipping disruptions are now occurring simultaneously, stressing logistics systems across multiple nodes at once.

A recent example illustrates this dynamic clearly. On 21 April 2026, global shipping giant [Maersk temporarily suspended new cargo bookings]() to and from the Port of Berbera in Somaliland due to scheduling and network adjustments. While existing shipments were not cancelled, the move immediately disrupted planning for traders relying on Berbera as an alternative gateway to Djibouti and Mombasa, particularly for Ethiopia's import-dependent supply chains. This was not an isolated operational adjustment. It shows how quickly decisions by global carriers can reshape regional trade flows and expose the fragility of corridor diversification strategies in the Horn of Africa.

Key Takeaways:
The broader pattern is clear: Africa's logistics challenge is no longer about managing occasional shocks, but about building resilience in a system where disruption has become the baseline condition.

Africa's Strategic Energy Opportunity: $300 million supply chain finance facility for Africa launched

On 29 April 2026, Standard Chartered and the International Finance Corporation (IFC) [launched a $300 million supply chain finance facility]() for Africa aimed at strengthening trade logistics and liquidity across key sectors.

The initiative focuses on:

- Improving working capital access for SMEs embedded in supply chains
- Reducing payment delays and trade financing bottlenecks
- Supporting cross-border trade resilience amid rising logistics costs

This move reflects a broader shift in African trade policy priorities: moving from infrastructure only solutions toward financial resilience as a core pillar of supply chain stability.

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Key Takeaways:
Supply chain fragility is increasingly driven by financial constraints, not just physical infrastructure. Liquidity gaps are now as disruptive to trade as port congestion or weak transport corridors.

- Small and Medium Entermprises (SMEs) are the most exposed actors, as they sit at the weakest point of payment and credit cycles.
- Trade resilience is no longer just about moving goods faster, but about how quickly businesses get paid after goods are shipped and sold along the supply chain.
- Development finance institutions are increasingly emphasizing their role as system stabilizers, moving beyond their traditional focus on financing infrastructure mainly through private-sector and partnership-based investment models.
- This signals a broader shift toward “financial logistics” becoming a key frontier of African trade integration, where the speed, reliability, and availability of trade finance are increasingly as important as physical transport infrastructure in enabling cross-border commerce

Red Sea Shock and Africa’s Supply Chains: How a Geopolitical Crisis Permanently Reshaped Import Costs and Exposed Structural Vulnerabilities

A recent article published on the Kenyan Wall Street indicates the 2023 Red Sea crisis (the disruption of global maritime trade routes through the Red Sea and the Suez Canal corridor following the escalation of the Israel–Hamas war in October 2023), as the origin point of a long-term restructuring process of African supply chains and import costs. It argues that what began as a shock has evolved into a sustained structural shift in African trade logistics extending up to 2026.

When the crisis began, global shipping lines were forced to reroute vessels via the Cape of Good Hope. This led to a sharp rise in insurance premiums, a significant increase in freight rates from Asia to Africa (more than tripling in some cases), and longer transit times. Combined with currency depreciation in many African economies, this resulted in a persistent and widespread increase in the cost of imported goods.

With sustained investment and coordination, countries with significant refining capacity can evolve into regional energy hubs, supplying neighboring markets and anchoring integrated energy value chains The impact was uneven across the continent:

- East Africa was hardest hit due to its heavy reliance on Red Sea trade routes
- Egypt experienced a dual shock: rising import costs and declining Suez Canal revenues
- West Africa saw mixed outcomes, with higher oil revenues offset by more expensive imports
- Central Africa faced significant disruption despite its role in global critical minerals supply chains
- South Africa benefited marginally from rerouted traffic but remained constrained by port inefficiencies

The article emphasizes that already in 2023 the Red Sea crisis exposed long-standing structural dependence of Africa on external maritime routes, fragmented logistics systems, and persistent infrastructure gaps. While African states and regional actors have since introduced a range of adjustments including efforts to deepen AfCFTA-driven trade, improve corridor efficiency, and diversify routing through alternative ports these responses have been uneven and constrained by financing, infrastructure, and institutional capacity. As a result, they have not fundamentally altered the continent’s exposure to external shocks.

The subsequent escalation of geopolitical tensions in 2026, including disruptions affecting key global shipping corridors, has therefore not introduced a new structural condition but rather compounded an existing one, amplifying cost pressures and reinforcing the cumulative nature of supply chain fragility in Africa.

Key Takeaways:

The article sets out a clear and urgent agenda for African policymakers and business leaders. It calls for a decisive shift from fragmented, reactive responses to system-wide supply chain resilience, anchored in six core priorities:

- ·Strengthening end-to-end supply chain visibility to understand risks from origin to destination
- ·Diversifying sourcing through AfCFTA markets to reduce external dependency and build regional redundancy
- ·Enhancing contractual and insurance resilience to better absorb geopolitical and freight shocks
- ·Building strategic inventory buffers to protect against sudden disruptions in global logistics
- ·Integrating currency, logistics, and trade risks into unified planning frameworks rather than treating them separately
- ·Elevating geopolitical risk to board-level decision-making, reflecting its direct impact on costs, continuity, and competitiveness.

Together, these measures signal a shift from incremental logistics management to strategic supply chain governance in an era of persistent global volatility.

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Zimbabwe's lithium sulphate breakthrough signals Africa's shift from commodities to supply chain power

Zimbabwe has reached a defining moment with the export of Africa's first lithium sulphate from the Arcadia mine near Harare, marking more than a trade milestone. It represents a structural shift in how African countries position themselves within global value chains, particularly in the fast-growing battery and clean energy economy.

Lithium sulphate is a processed intermediate chemical, not a final product. It is produced after raw lithium ore is refined and serves as a crucial input for further transformation into lithium carbonate and lithium hydroxide, which are the core materials used in electric vehicle batteries, energy storage systems, and modern electronics. In supply chain terms, it sits in the industrial "middle layer" between extraction and final manufacturing.This is precisely where the strategic significance lies.

Across the continent, African states are increasingly pursuing policies aimed at moving away from raw commodity dependence toward value-added industrial participation. Export bans on unprocessed minerals, local beneficiation requirements, and investment incentives for processing plants all reflect a shared ambition: to capture a larger share of value within global production networks rather than remaining at the extraction end.

Zimbabwe's $400 million Arcadia processing facility (one of the largest in Africa) embodies this transition. It reflects a broader repositioning of African economies from suppliers of raw inputs to active nodes in global industrial supply chains, particularly in sectors tied to the energy transition.

Key Takeaways:

Seen through a supply chain lens, this achievement is not just about exports: it is about where Africa sits in the chain of value creation. Historically, the continent has been concentrated at the upstream end (raw materials). The emergence of lithium sulphate production signals a gradual movement toward the midstream industrial layer, where most value addition, processing, and integration into global manufacturing systems occurs.

In essence, Africa is beginning to move into the industrial middle of the fast-growing global battery economy, a strategic segment of a sector driven by strong and sustained global demand for critical minerals.

2026 State of Africa's Infrastructure Report: From Infrastructure Deficits to Systems Integration

The 2026 State of Africa's Infrastructure Report issued by the Africa Finance Corporation marks more than another assessment of roads, ports, railways, or energy systems, signalling a profound shift in how Africa's development challenge is understood.

For decades, the dominant narrative was that Africa lacked infrastructure. While this deficit still today remains real, the report argues that the key continent's constraint today is fragmentation, as Africa's infrastructure rarely functions as an integrated system. Ports remain weakly connected to inland transport networks, border procedures interrupt logistical continuity, rail corridors remain discontinuous, and energy systems operate in isolation. In other words assets are present, but they do not consistently generate seamless economic integration.

Seen through this lens, Africa's infrastructure geography resembles not a unified continental network, but a series of corridor-based systems with a radial structure that is concentrated around coastal gateways and mostly disconnected with the interiors. Strong logistical arteries exist, yet the connective tissue between them remains weak. This fragmentation occurs across multiple dimensions:

- Africa exports crude oil but still imports over 70% of its refined fuel, reflecting weak industrial integration.
- Digital connectivity is expanding rapidly, yet a 64% "usage gap" persists because digital systems are not fully embedded within productive economic structures.
- Major trade corridors still suffer from discontinuities that prevent the emergence of truly seamless continental supply chains.

Key Takeaways:

The report reframes African development from an economics of construction to an economics of systems integration. It concludes that Africa does not need simply to build infrastructure, but to orchestrate infrastructure into functioning operational ecosystems where transport, energy, logistics, digital systems, and production networks reinforce one another. These components must function together as coherent networks capable of supporting continental production, mobility, energy integration, and trade under the AfCFTA framework. In other words, the continent's future competitiveness will depend less on how much infrastructure it constructs, and more on its capacity to integrate, align, and orchestrate fragmented systems into a coherent continental economic architecture.

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21 MAY

Geopolitics & Strategic Shift:What They Mean for Supply Chain Leaders

Join our exclusive webinar where we will discuss the fragile trade detente between the EU and the US to the "weaponization" of critical raw materials. we have entered an era where geopolitics is the primary driver of capital expenditure. The old "just-in-time" model has officially been replaced by "just-in-case" regionalization, forcing leaders to navigate a landscape of continuous, structural volatility.

27-29 MAY

PUBLIC PROCUREMENT & CONTRACT MANAGEMENT EXECUTIVE LEADERSHIP FORUM From Compliance to Public value

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The Africa Supply Chain & Energy Bulletin, by Desiderio Consultants and AISCR, offers key insights into Africa's evolving supply chains and energy sector and will continue bringing fresh, actionable perspectives to help stakeholders navigate challenges and seize opportunities.