

## **FDI to Sub-Sahara Africa hit 35 bln USD in 2011**

ACCRA, July 20 (Xinhua) -- Foreign Direct Investment (FDI) in Sub-Saharan Africa hit a record high of 35 billion U.S dollars in 2011, the Renaissance Capital, a global investment company, said in a report on Friday. Ghana, Nigeria and South Africa have, as a whole, attracted half of the 2011 FDI to the region, according to the report issued by the Economics and Political Research Unit of the Ghana office of Renaissance Capital. The FDI to West Africa increased by 36 percent to 16.1 billion dollars in 2011, covering 46 percent of the whole inflow, with Guinea showing the largest increase in FDI growth, said the report. The growth in the Sub-Sahara region is expected to continue for a while, because of the six-billion-dollar investment from the state-owned China Power Investment Corporation in the bauxite and alumina mining projects in the area, said the report. The report pointed out that, other than to the construction industry, the FDI was drawn into industries such as electric, gas and water resource development, and service sectors of transportation, storage and communication. In terms of West Africa, the Renaissance Capital said Liberia, Guinea and Ghana were the largest recipients of the FDI, accounting for 44 percent, 17 percent, and nine percent of the GDP, respectively. West Africa was followed by Central Africa with 24 percent. The Republic of Congo, Equatorial Guinea, two oil exporting countries, and the mineral exporter Democratic Republic of Congo (DRC), has contributed to the concentration of the FDI to the region. After falling by 78 percent in 2010, the FDI to Southern Africa doubled to 6.37 billion dollars last year, accounting for 18 percent of inflows, while East Africa, the traditionally lowest recipient of the FDI in the continent, also saw a strong recovery, attracting 11.3 percent of FDI inflows. The region is seeing the renewed confidence due to its natural gas reserves, particularly the offshore fields of Mozambique and Tanzania, which might significantly boost the sub-region's FDI inflows. In 2011, Mozambique's FDI inflows doubled to 2.1 billion dollars, with new discoveries still being made. The development of gas fields and the liquefied natural gas industry would require substantial upfront investments, of which the FDI would play a significant role, the report predicted.