

Africa Attracts Record Foreign Investment Amidst Global Slowdown

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Foreign direct investment (FDI) in Africa surged by 85% in 2024, reaching a record high of \$94 billion, according to the latest data from the United Nations Conference on Trade and Development (UNCTAD). This significant growth occurred despite a global decline in FDI by 8% and a substantial reduction in international project financing.

Egypt emerged as a major driver of this surge, attracting a substantial \$35 billion in FDI, accounting for a third of the continent's total. This significant inflow was primarily driven by ADQ's \$24 billion investment in the Ras El-Hekma megalopolis development project. Furthermore, ADQ converted \$11 billion in deposits into investments, further bolstering Egypt's economic growth.

North Africa collectively witnessed a remarkable 276% year-on-year increase in FDI, reaching \$51 billion. Sub-Saharan Africa also experienced robust growth, with FDI inflows reaching \$44 billion, an 18% increase compared to the previous year.

While global project financing experienced a 23% decline, impacting Asia more significantly than Africa, the continent demonstrated resilience. This resilience underscores Africa's growing appeal as a destination for international investment, with emerging sectors and development projects poised to sustain this momentum.