

Africa increases high-value production, global trends identify industrial growth

Euromonitor International has recently released research on how industrial changes are shaping the B2B marketplace around the world and that 11 out of the 20 fastest growing economies in the future will be in Africa.



©algre via [123RF](#)

Global manufacturers are entering the African market and establishing local production to tap into some of the highest growth rates in consumer and B2B consumption globally.

Indre Cesniene, head of industrial research at Euromonitor International comments, “Africa has abundant cheap labour and growing consumer expenditure, which are traditionally attractive for FMCG manufacturers. Now a new trend has emerged – higher value-added products are starting to be produced in Africa.”

- In 2016, Bombardier inaugurated its first African locomotives production plant and plans to build Bombardier Mitrac traction equipment, after winning a contract to supply 240 electric locomotives in 2014.
- In 2016, Volkswagen opened a [vehicle plant in Kenya](#), its third manufacturing facility in Africa.
- The world’s largest concentrated solar power plant opened in Morocco in 2016; expected to power one million households by 2018.

Global industrial trends

The report covers key global industrial trends:

- Asia will evolve as the global leader in production with 50% of the world's output originating in the region by 2025.
- China will become the largest contributor to the global IT industry's growth in 2018, overtaking the US.
- China, Belgium and Morocco will become the fastest growing pharmaceuticals producers 2017-2025.
- By 2025, India will become third largest construction market globally, after US and China.
- Russia is to become second largest fertiliser producer in the world by 2021.
- As some electronics producers start turning away from China, Vietnam will become the fastest growing hi-tech goods manufacturer in the world.
- Germany is the largest exporter of machinery with around 15% of global machinery exports.
- UK has the largest railway transportation industry in the EU.

Listen to Euromonitor's sub-Saharan Africa Economic Overview podcast below to understand the drivers of growth and the outlook for the three largest African markets of Nigeria, South Africa and Angola.

For more, visit: <https://www.bizcommunity.com>