

Rural Industrialization in Africa – Multi-Billion-Opportunity for the German Economy

What is NEW?

In Africa, a historically unique window of opportunity for rural industrialization is opening. Thanks to the recently established micro utility sector (decentralized electricity supply) across the continent and the digitalization of rural areas (via satellite and mobile communications), natural resources can now be processed directly at their source – efficiently, sustainably, and competitively.



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Micro utilities reliably supply **renewable energy** and enable the local processing of raw materials.

Digital infrastructure facilitates communication, logistics, and market access.

Increases the **value of raw materials**, reduces transport costs, and improves product quality.

Economic Potential
71,5 Billion EUR annually
according to projection of INENSUS GmbH



Is Rural Industrialization profitable?

Many high-quality raw materials from rural Africa do not reach the world market because they are

- too expensive or
- not durable enough.

Main reason: Small quantities of raw materials have to be transported over hundreds of kilometers of poor roads.

Proposed approach:

- Decentralized processing on-site into durable, easily transportable intermediate products to reduce transport costs
- Digital monitoring and control of production from Germany (e.g., via mobile money, AI & IoT)
- Renewable energy, internet access, water, land, security, and local contacts provided by micro utilities



Processing of raw material in Afrika

Result:

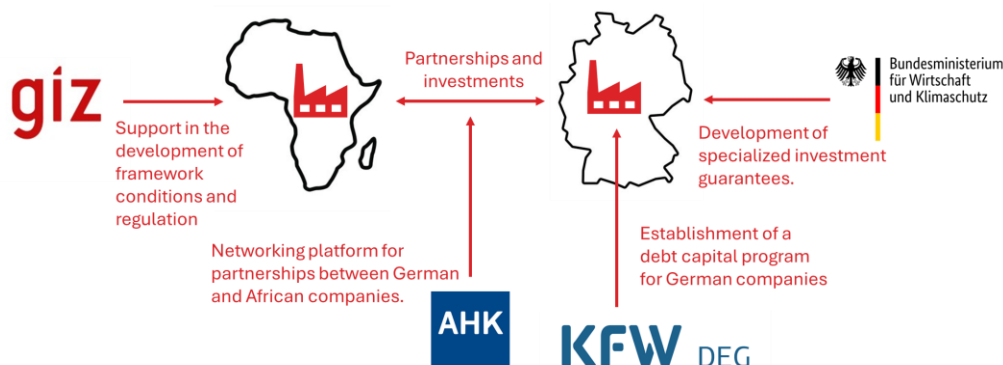
- Competitive prices & higher product quality
- Positive margin thanks to value creation in rural areas
- Synergies with micro utilities, e.g., through shared use of skilled personnel, transport means, and infrastructure

For German Companies

- + Access to African natural resources and derivatives
- + Strengthen supply chain security in geopolitically uncertain times.
- + New sales market for specialized technology, logistics, and IT from German SMEs.



What can German policymakers do now?



Decentralized pre-processing of products from mining, agriculture/forestry, and livestock farming.

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Climate-resilient rural jobs, poverty reduction, strengthening of liberal democracies.

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Reduction of root causes of migration and rural exodus.

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→ The alternative model to China, Russia, and the USA.