SOMPA

Africa Risk Dimension

Report

JUNE 2026 EDITION

Top 15 African economies, ranked by verified nominal GDP (IMF World Economic Outlook, April 2026)

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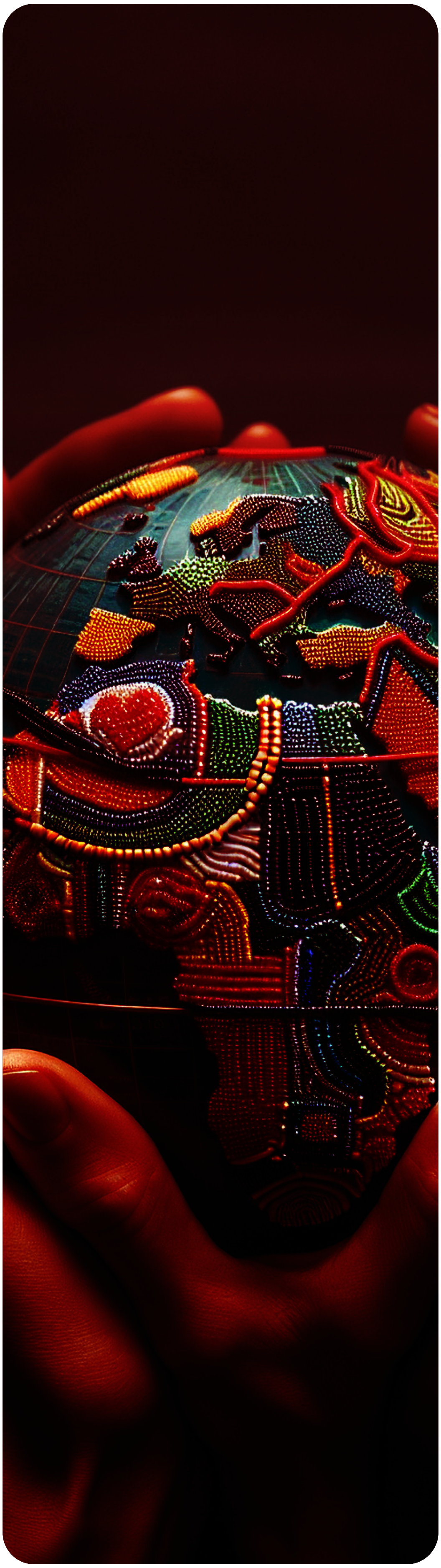


Sompa & Partners published its 2025 Africa Risk Dimension Report in July 2025, the report was limited to seven African markets: Ghana, Nigeria, Senegal, Côte d'Ivoire, Angola, South Africa and Rwanda. That selection combined the region's largest economies with two markets we judged to be strong destinations for business.

This June 2026 edition changes the selection methodology. Rather than a mixed criterion, we rank the top 15 African economies by verified nominal GDP, using the IMF's World Economic Outlook database (April 2026 projection). The Sompa 2026 Africa Risk Dimension Report therefore focuses on the top 15 ranked African, increasing the national coverage by eight additional countries.

The practical effect: South Africa, Nigeria, Ghana, Côte d'Ivoire and Angola carry over from the 2025 report, while Senegal and Rwanda — genuine relative-stability stories, referenced again in our closing themes — fall outside the top 15 by raw GDP and are not separately profiled this cycle. Ten new markets enter the report: Egypt, Algeria, Morocco, Kenya, the Democratic Republic of the Congo, Ethiopia, Tanzania, Uganda, Cameroon and Tunisia.

Every factual claim in this report is attributed to a named, dated source. Sources are listed at the end of each country section and remain live hyperlinks; where a figure could not be independently verified within this cycle's research window, we say so explicitly rather than estimate. Likelihood and Impact scores are analytical judgements formed by our research team from the cited evidence — not scores lifted from a single third-party index — applied consistently across all 15 markets using the 5×5 matrix set out in Appendix 1.

The seven risk dimensions remain: Political & Governance, Economic & Financial, Legal & Regulatory, Security & Operational, Sociocultural & Human Capital, Environmental & Climate, and Infrastructure & Technology. Together they are Sompa & Partners' framework for what a business needs a clear view of before allocating capital to an African market.

Executive Summary

Likelihood × Impact rating per dimension (1–25), all seven dimensions, all fifteen markets — see Appendix 1 for methodology.

Risk Dimension	South Africa	Egypt	Nigeria	Algeria	Morocco	Angola	Kenya	DR Congo	Ethiopia	Ghana	Côte d'Ivoire	Tanzania	Uganda	Cameroon	Tunisia
Political & Governance	12	6	9	9	16	16	12	16	16	9	16	25	20	20	16
Economic & Financial	9	12	16	12	4	12	9	9	9	6	6	6	9	9	16
Legal & Regulatory	9	4	9	9	4	12	9	16	9	9	9	12	6	9	12
Security & Operational	12	6	25	9	9	16	9	25	16	9	16	16	12	20	9
Sociocultural & Human Capital	16	9	16	9	16	20	6	20	12	9	9	9	12	9	12
Environmental & Climate	16	16	20	12	16	16	16	9	16	16	12	12	12	12	20
Infrastructure & Technology	6	4	20	4	4	9	9	12	9	9	6	6	12	9	4
TOTAL RISK SCORE	**80**	**57**	**115**	**64**	**69**	**101**	**70**	**107**	**87**	**67**	**74**	**86**	**83**	**88**	**89**

Low (1-5) Moderate (6-10) High (11-15) Severe (16-20) Critical (21-24) Extreme (25)

Key Themes for June 2026

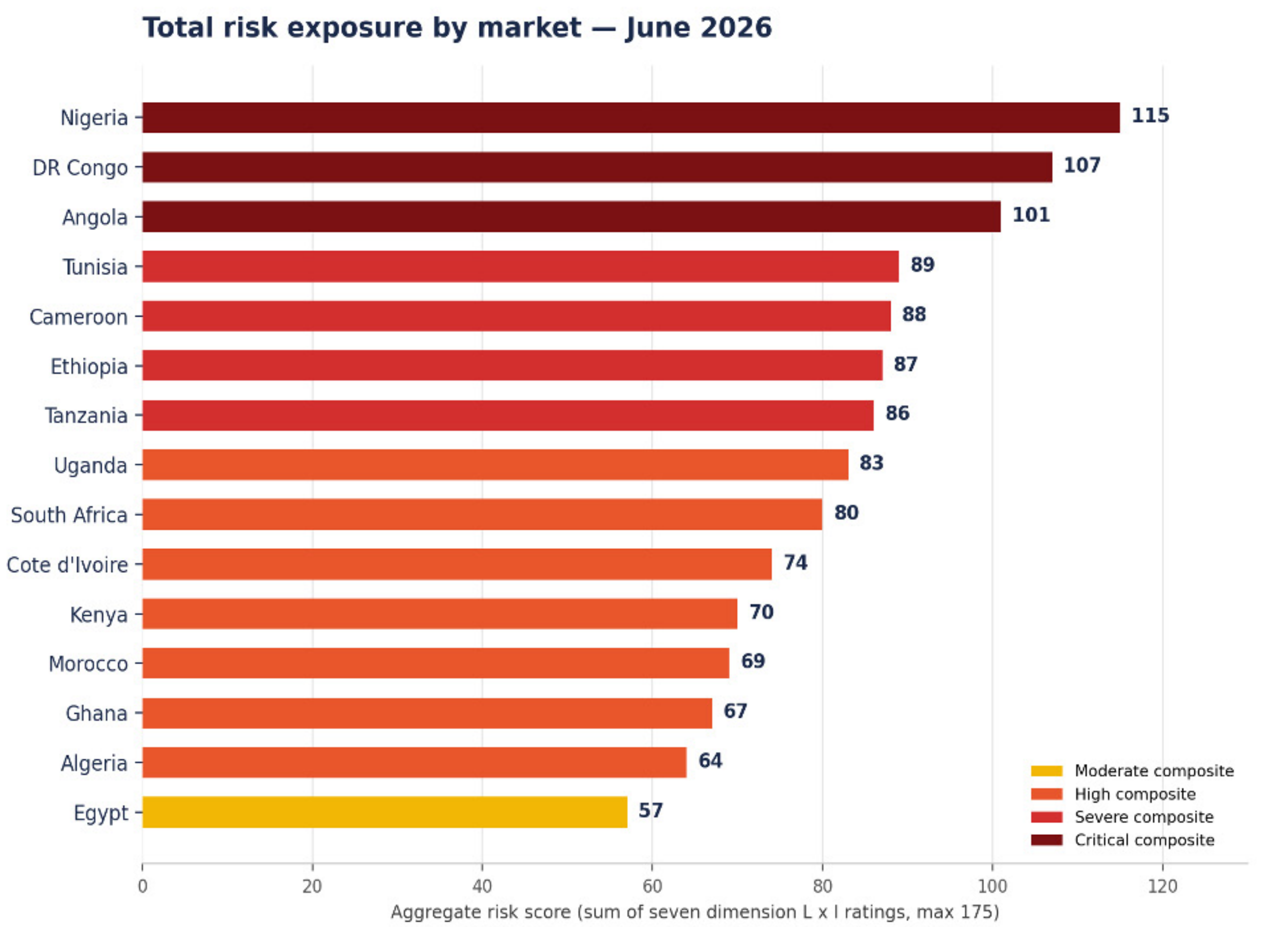
1. Political transitions are this cycle's single biggest swing factor. Tanzania's disputed October 2025 election, Cameroon's Biya succession manoeuvring, Uganda's contested seventh Museveni term, and DR Congo's third-term referendum debate together push four of fifteen markets into Critical or Extreme political risk — a materially larger cluster than in the 2025 report.

2. Currency and debt stabilisation is real in several markets. Ghana exited its IMF programme ahead of schedule in May 2026, Nigeria's debt-to-GDP is falling toward 32%, DR Congo's inflation nearly halved year-on-year, and Algeria and Tanzania both exited the FATF grey list in the past twelve months — genuine progress that headline political risk can obscure.

3. Jihadist violence is creeping toward the coast. JNIM and Islamic State-linked networks now use northern Ghana and northern Côte d'Ivoire as logistics and medical corridors from Burkina Faso and Mali, while Boko Haram/ISWAP activity intensified in north-east Nigeria and Cameroon's Far North — a widening arc rather than a contained Sahel problem.

4. Climate whiplash is now the norm, not the exception. Kenya, Ghana, Côte d'Ivoire, Morocco, South Africa and DR Congo all recorded serious flooding in the first half of 2026 following drought conditions in the prior season — the same rapid drought-to-deluge pattern across markets thousands of kilometres apart.
5. Eastern DR Congo and Cabinda (Angola) remain the two most dangerous operating geographies in this cohort — both are resource-critical (cobalt/copper; oil) and both saw fighting intensify rather than resolve despite active peace processes.
6. Youth-led protest movements have become a standing political-risk category. Kenya's Gen-Z movement, Morocco's Gen Z 212, and recurring unrest tied to fiscal policy in multiple markets show a common driver: youth unemployment north of 30% colliding with government revenue pressure.
7. Infrastructure supercycles are creating genuine upside amid the risk. Morocco's $100 billion pre-World Cup buildout, Angola's Lobito Corridor, Uganda's Lake Albert oil project, and Tanzania's Standard Gauge Railway all represent multi-billion-dollar, multi-year commitments that are proceeding largely on schedule even where political risk elsewhere in the same country is rising.

Total Risk Exposure by Market



Aggregate score = sum of the seven dimension Likelihood × Impact ratings (maximum possible 175). This is a composite screening indicator, not a substitute for the dimension-level detail that follows — a market can carry a moderate aggregate score while facing an acute, narrowly-scoped risk (e.g. Kenya's climate exposure) that a single number will not surface.

South Africa
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Pretoria (executive) / Cape Town (legislative)	$479.96 billion	≈62.5 million	South African Rand (ZAR)	80 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	3	12 - High	Coalition friction creates policy unpredictability around budget timing and land reform, though full collapse remains a tail risk.	Build political-risk monitoring into deal timelines; avoid front-loading capex ahead of the Nov 2026–Jan 2027 local elections.
Economic & Financial	3	3	9 - Mod	Rising rates and fuel-driven inflation compress margins for import-dependent businesses, but the debt trajectory is genuinely improving for the first time in nearly two decades.	Hedge rand exposure given renewed volatility around 16.4–16.5/USD; lock in financing costs before the SARB's 23 July 2026 meeting.
Legal & Regulatory	3	3	9 - Mod	Property and land-intensive investors face genuine legal uncertainty until court challenges to the Expropriation Act are resolved.	Insert international arbitration clauses (South Africa remains party to the New York Convention) and commission specialist expropriation legal review for land-linked transactions.
Security & Operational	4	3	12 - High	Violent and organised crime remains a structural operating cost even as headline trends improve modestly.	Budget for private security and secure logistics protocols in Gauteng and KwaZulu-Natal hotspots.
Sociocultural & Human Capital	4	4	16 - Severe	A structurally excluded youth population constrains the skilled-labour pipeline and fuels social and political volatility.	Invest in internal skills pipelines and apprenticeship programmes rather than relying on open labour-market hiring.
Environmental & Climate	4	4	16 - Severe	Recurrent, worsening flood cycles threaten infrastructure, agriculture and supply chains concentrated in KwaZulu-Natal and the northeast.	Conduct climate-resilience audits of physical assets and logistics routes in flood-prone provinces; secure parametric flood insurance where available.
Infrastructure & Technology	2	3	6 - Mod	The energy crisis that defined South African operating risk for a decade has meaningfully eased, though the turnaround is recent and not yet proven durable across a full cycle.	Scale back diesel and backup-generation contingency spend but retain monitoring systems given the sector's volatile history.

Dimension analysis

Political & Governance

South Africa's coalition government remains a study in managed dysfunction. Since its June 2024 formation, the ten-party Government of National Unity has lurched from twice failing to pass the national Budget to a full rupture when President Ramaphosa removed a Democratic Alliance deputy minister, prompting the DA to pull out of the National Dialogue. Yet elite compromise has held: real GDP growth ticked up to an estimated 1.1% in 2025, and South Africa exited the FATF grey list in 2025 while hosting a successful G20 Summit. The real stress test arrives with local elections between 2 November 2026 and 31 January 2027, which is potentially decisive for the coalition's survival, with Jacob Zuma's uMkhonto we Sizwe party campaigning on constitutional change. Transparency International's 2025 Corruption Perceptions Index score of 41/100 confirms corruption remains entrenched even as macro governance stabilises.

Economic & Financial

South Africa's macro picture is cautiously improving but not yet comfortable. Inflation hit 4.0% in April 2026, at the top of the Reserve Bank's target band, prompting a 25-basis-point rate hike to 7% on 28 May 2026 — the first increase in three years. The rand traded around 16.4–16.5 to the dollar through June 2026, still up 6.9% year-on-year despite recent softening. The brighter story is debt: Finance Minister Enoch Godongwana told Parliament in his 25 February Budget Speech that debt would stabilise "for the first time in 17 years," with debt-to-GDP projected to plateau at 78.9% in 2025/26 and ease to 76.5% by 2028/29. GDP grew 0.5% quarter-on-quarter in the first quarter of 2026, a sixth consecutive quarter of expansion, per Statistics South Africa.

Legal & Regulatory

South Africa's legal system retains strong institutional bones — a constitutionally supreme judiciary and continued membership of the New York Convention on arbitral enforcement — but faces two live pressure points. The Expropriation Act, signed into law on 23 January 2025, permits nil-compensation expropriation "in the public interest," a genuine break from the 1975 apartheid-era framework that has drawn diplomatic friction and ongoing constitutional litigation. Separately, full judicial financial independence from the executive is targeted for the 2025/26 fiscal year but, per judiciary sources, has "not yet been achieved." For investors, contract enforcement and arbitration access remain reliable, but land and property rights carry elevated, unresolved legal risk pending Constitutional Court rulings.

Security & Operational

Crime remains South Africa's most persistent operational tax on business, though the trend offers cautious encouragement. Murders fell 9.5% year-on-year to 5,181 in the fourth quarter of the 2025/26 fiscal year — the fourth straight quarterly improvement — but that still averages 58 killings a day nationally. Analysts caution that falling homicide numbers do not necessarily mean organised syndicates are losing ground; illegal firearms trafficking and gang-driven robbery networks remain entrenched. South Africa's 2026 crime index of 74.6 — its lowest since 2014 but still rated "high" — keeps it ranked the fifth most dangerous country worldwide and the most dangerous in Africa, with Pietermaritzburg, Pretoria, Johannesburg, Durban and Gqeberha named the highest-risk metros.

Sociocultural & Human Capital

South Africa's human capital crisis is arguably its deepest structural risk. Official unemployment rose to 32.7% in the first quarter of 2026, up from 31.4% the prior quarter, among the highest in the world, per Statistics South Africa's Quarterly Labour Force Survey. Youth unemployment (15–24) sits at 60.9%, and the broader 15–34 cohort at 45.8%, with 4.7 million young people unemployed and 37.6% of 15–24 year-olds classified as not in employment, education or training. Life expectancy stands at 65.3 years, and a child starting school today can expect only 10.2 effective years of schooling under the World Bank's Human Capital Index framework. This combination of mass youth exclusion and skilled-professional emigration creates both a talent-acquisition challenge and a social-stability risk investors must price in.

Environmental & Climate

South Africa's climate exposure has moved from periodic shock to recurring pattern. KwaZulu-Natal alone has recorded over 500 flood-related deaths between 2022 and 2025. The compounding events are stark: nine dead in February 2025 landslides; at least 49 dead in June 2025 flooding that swept away a student bus; and a national disaster declaration on 18 January 2026 after a cross-border flood event with Mozambique and Zimbabwe killed 39 in South Africa alone — 20 in Mpumalanga, 18 in Limpopo and one in KwaZulu-Natal, with five still missing, per the South African Red Cross Society. Researchers directly link the pattern to a warming climate altering rainfall intensity. For businesses with fixed assets or agricultural supply chains through the northeast, this is now a recurring line-item risk, not a black-swan scenario.

Infrastructure & Technology

The most significant positive surprise in South Africa's risk profile is Eskom's operational turnaround. As of late June 2026, the utility had logged 406 consecutive days without load-shedding, and its Winter Outlook, published 22 April 2026, forecasts continued stability, crediting a Generation Recovery Plan that improved the Energy Availability Factor by 9.46% and cut unplanned outages by more than 3,500MW year-on-year in a single week in late June. Eskom estimates R26.9 billion in savings versus FY2023 — a genuine inflection after years of rolling blackouts that throttled GDP growth. Analysts still treat the "end of load-shedding" framing with some caution given the sector's volatile history, but broadband and mobile penetration remain regionally strong, supporting continued fintech and digital-services growth.

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Egypt - Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Cairo	$429.64 billion	≈109–115 million (methodology-dependent)	Egyptian Pound (EGP)	57 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	2	3	**6 — Mod**	Political continuity under President Sisi is highly likely through the current term, but this newly seated parliament will shape the 2030 succession question.	Treat Egypt as a high-continuity, low near-term-disruption environment through 2030, while scenario-planning succession for decade-plus commitments.
Economic & Financial	4	3	**12 — High**	Currency depreciation is now orderly rather than shock-driven, but double-digit inflation and a near-20% policy rate keep local-currency financing costs punitive.	Structure USD-denominated or hard-currency-indexed contracts and plan for a gradual pound depreciation path rather than a repeat 2022–24-style devaluation shock.
Legal & Regulatory	2	2	**4 — Low**	Egypt offers comparatively strong on-paper investor protections, positioning it as a legally more predictable environment than regional peers for FDI-scale projects.	Structure large investments to qualify for 'golden licence' treatment under GAFI and include ICSID/UNCITRAL arbitration clauses as standard practice.
Security & Operational	2	3	**6 — Mod**	Mainland Egypt presents a materially lower security-risk profile than in the mid-2010s, though Sinai-specific and regional spillover risk warrants monitoring.	Maintain standard travel-security protocols for Sinai and border operations; mainland commercial operations require no elevated security posture.
Sociocultural & Human Capital	3	3	**9 — Mod**	A young, fast-growing population offers consumer and labour-market scale but simultaneously pressures job creation, housing and water resources.	Prioritise labour-intensive investments that can absorb youth labour supply; engage with government job-creation and vocational-training initiatives.
Environmental & Climate	4	4	**16 — Severe**	Water security is Egypt's paramount long-term environmental risk, with direct implications for agriculture, food security and industrial water use.	Water-intensive industries should conduct water-stress scenario planning and pursue efficiency and desalination investment; monitor GERD negotiations for diplomatic shifts.
Infrastructure & Technology	2	2	**4 — Low**	Egypt's infrastructure investment climate is oriented toward attracting foreign capital into energy, logistics and telecoms, though this dimension carries a genuine data gap that warrants continued monitoring.	Commission a targeted follow-up on Egypt's telecom penetration, 5G rollout and Suez Canal traffic trends given ongoing Red Sea shipping disruption.

Dimension analysis

Political & Governance

Egypt's politics remain tightly managed but not without friction. The longest parliamentary elections in the country's modern history — 99 days — concluded in January 2026 after courts annulled results in 47 of 568 constituencies over vote-buying and tampering allegations. The pro-Sisi Nation's Future Party took 227 seats (39.9%), with opposition and independents holding roughly 28%. This will be the last parliament seated before Sisi's constitutionally final term ends in 2030, positioning it to either enable a constitutional amendment or manage a transition. Human Rights Watch's World Report 2026 documents continued repression of civic space. Egypt's Corruption Perceptions Index score is 30/100 for 2025, below the Arab regional average of 34.

Economic & Financial

Egypt's economy is stabilising under IMF discipline but still running hot. Urban inflation eased to 14.6% in May 2026 from 14.9% in April, yet the Central Bank of Egypt expects headline inflation to reaccelerate through the third quarter on base effects and regional supply pressures. The CBE has held its overnight deposit and lending corridor at 19%/20% since May. The pound stood at roughly 49.24 to the dollar on 30 June 2026, with forecasters converging on a controlled depreciation path, though estimates range from about 49.8 by December (MUFG) to a more pessimistic 53–54 (Capital Economics, IMF working assumption). The IMF's $8 billion-plus programme continues to condition disbursements on exchange-rate flexibility and state-asset privatisation, while unemployment ticked up to 6.4% in the third quarter of 2025 from a record-low 6.1%, still masking large informal-sector underemployment.

Legal & Regulatory

Egypt's legal architecture for foreign investors has been steadily reinforced. The amended Investment Law expanded the "golden licence" regime, giving the General Authority for Investment and Free Zones power to fast-track industrial and infrastructure approvals while guaranteeing equal treatment, prohibiting arbitrary expropriation and enabling profit repatriation. Dispute resolution runs through ministerial committees, administrative State Council courts, or international arbitration under ICSID/UNCITRAL rules. Legal guides describe Egypt's judiciary as formally independent, with judges enjoying constitutional immunity from dismissal. The main practical risk for investors is less about formal legal protections — which are relatively robust — and more about bureaucratic implementation speed and the broader political context in which courts operate.

Security & Operational

Egypt's internal security picture has improved substantially from its mid-2010s nadir. ISIS-Sinai, which conducted more than 500 attacks between 2014 and 2022, has been degraded to the point that its last claimed attack was in February 2023. The residual risk is geopolitical spillover: analysts flag that Palestinians displaced into Sinai via Rafah amid the Israel-Hamas conflict could provide fresh recruitment grounds, and that continued regional volatility could reignite militancy. For operations outside Sinai and the immediate Gaza-adjacent border zone — across Cairo, the Delta and the Red Sea corridor — the operational security environment is comparatively stable and does not currently warrant elevated risk premiums.

Sociocultural & Human Capital

Egypt's demographic story cuts two ways. The population grew by a full million people in just 267 days as of 11 May 2026, pushing the domestic count past 109 million — a base that fuels both consumer-market scale and acute resource strain. Overall unemployment ticked up to 6.4% in the third quarter of 2025 from a record-low 6.1%, but the headline masks stark gender asymmetry: male unemployment rose to 4.0% while female unemployment, though improving, remained at 15.0%. Youth unemployment (15–24) was 18.3% in 2025. Combined with the water-scarcity trajectory below and continued skilled-professional emigration toward the Gulf and Europe, the labour market presents a structural absorption challenge that outpaces available job creation.

Environmental & Climate

No environmental risk looms larger over Egypt than the Nile. The Grand Ethiopian Renaissance Dam completed its final reservoir filling in September 2024 and was formally inaugurated by Ethiopia in September 2025, with six of thirteen turbines confirmed operational by March 2025. Egypt, which draws roughly 90% of the Blue Nile's flow under colonial-era treaties despite Ethiopia supplying 85% of that water, has voiced growing alarm, and the country is already at or approaching UN water-scarcity thresholds given rapid population growth. In January 2026, President Trump offered to mediate the long-running dispute, signalling renewed international attention but no resolution. Beyond GERD, Nile Delta land subsidence and saltwater intrusion threaten some of Egypt's most productive agricultural land, compounding food-security risk for a population growing by roughly a million people every nine months.

Infrastructure & Technology

Egypt's investment-law reforms — golden licences, free-zone incentives — support new energy and logistics infrastructure projects, and the IMF programme's privatisation conditionality is actively reshaping state-asset ownership in this space. This research pass could not independently verify current, 2025–26 figures on Egyptian telecom penetration, NTRA 5G rollout, or Suez Canal traffic recovery, all of which are material given widely reported Red Sea shipping disruption from Houthi attacks that depressed canal revenue through 2024–25. We flag this explicitly rather than estimate: businesses evaluating Egypt-linked logistics or digital infrastructure should commission a targeted update against CAPMAS, the National Telecom Regulatory Authority and the Suez Canal Authority before finalising investment plans.

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Nigeria

- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Abuja	$377.37 billion	≈241.5 million	Naira (NGN)	115 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	3	3	9 — Mod	The Tinubu administration shows continued reform commitment but is entering a pre-election cycle that historically raises Nigerian policy volatility.	Expect continuity of the Renewed Hope Agenda through 2026 but build contingency for policy shifts as the 2027 election cycle intensifies.
Economic & Financial	4	4	16 — Severe	Despite a genuinely improved macro trajectory, Nigeria retains double-digit inflation, a punitively high policy rate and currency volatility that erode naira-denominated returns.	Prioritise USD-linked revenue structures or FX-hedged contracts; the improving debt trajectory supports a constructive medium-term view even as near-term volatility persists.
Legal & Regulatory	3	3	9 — Mod	Contract enforcement delay is a first-order legal risk — investors cannot assume timely judicial recourse and must rely heavily on arbitration.	Mandate arbitration clauses in all commercial contracts; monitor the proposed special commercial tribunal as a potential mitigant.
Security & Operational	5	5	25 — Extreme	Northern and north-central Nigeria present severe, escalating security risk spanning jihadist insurgency, banditry and mass kidnapping-for-ransom that directly threatens personnel safety and supply chains.	Avoid unescorted operations in Borno, Yobe, Adamawa, Zamfara, Katsina, Sokoto and Kwara states; engage specialised security contractors and kidnap-and-ransom insurance; concentrate greenfield investment in the south/southwest corridor.
Sociocultural & Human Capital	4	4	16 — Severe	Nigeria's low-unemployment, high-poverty paradox reflects mass underemployment and informality rather than genuine labour-market health.	Do not rely on headline unemployment figures for market sizing; use poverty and underemployment data instead, and invest directly in training given formal-sector labour scarcity.
Environmental & Climate	4	5	20 — Crit	Nigeria's flood risk is both severe and recurrent in the same geography within a single year, threatening agricultural land, transport infrastructure and regional food supply chains.	Conduct flood-risk due diligence on assets or supply routes through Niger State and similarly exposed river-basin areas; treat dam-release scheduling as a distinct operational hazard.
Infrastructure & Technology	5	4	20 — Crit	Grid unreliability is now a direct constraint on digital-economy growth, forcing costly self-generation that raises the cost of doing business across every sector.	Budget for solar-hybrid or diesel backup power as a structural, non-optional cost line; evaluate co-investment with telecom operators already scaling solar-hybrid site conversions.

Dimension analysis

Political & Governance

Nigeria's politics under President Tinubu remain outwardly stable but are entering a pre-election phase. In April 2026, Tinubu reshuffled his economic team, replacing Finance Minister Wale Edun with Taiwo Oyedele, a move framed as strengthening governance cohesion. Separately, Tinubu ordered all political appointees planning to contest 2027 elective office to resign by 31 March 2026, a governance-discipline move to preserve a level electoral playing field. Government messaging points to growth accelerating from about 2% to over 4% and inflation falling from 35% to 15% under the reform programme — directionally consistent with independent data showing 15.93% in May 2026. Nigeria's Transparency International score remains stagnant at 26/100 for a second consecutive year, ranking 142nd of 180 countries, even as its October 2025 FATF grey-list exit marked a genuine anti-money-laundering compliance milestone.

Economic & Financial

Nigeria's macro story in 2026 is one of hard-won but incomplete stabilisation. Annual inflation rose for a third consecutive month to 15.93% in May 2026 — its highest since November 2025 — even as it remains sharply down from the 2024 peak near 35%. The Central Bank of Nigeria held its policy rate at 26.50% at its 20 May meeting, keeping local financing costs punishing. The naira traded at 1,382.32 to the dollar on 30 June 2026, essentially flat for the month — a marked improvement in volatility versus the 2023–24 devaluation shock that saw the currency collapse from ₦460 to ₦1,500 per dollar. The IMF projects debt-to-GDP falling to 32.3% in 2026 from 35.5% in 2025 and a 52.1% peak in 2024, a genuinely positive trajectory. GDP grew 4.07% year-on-year in the fourth quarter of 2025, with 2026 growth forecast at 3.1% by the World Bank.

Legal & Regulatory

Nigeria's single greatest legal risk for investors is not the absence of legal protections on paper but the practical failure of timely enforcement. Commercial disputes take an average of 15 years to move through the High Court, Court of Appeal and Supreme Court system, a delay that itself constitutes a major disincentive to formal litigation. Finance Minister Taiwo Oyedele has proposed a special commercial tribunal, staffed by judges and arbitrators with financial-market expertise and equipped with digital case management and mandatory timelines. On the positive side, the Investments and Securities Act 2025 repeals the 2007 Act to sharpen capital-market transparency, and Lagos courts have shown a pattern of robust arbitration support, including anti-suit injunctions restraining parties from evading arbitration agreements. The practical takeaway: arbitration, not litigation, is the reliable dispute-resolution channel in Nigeria today.

Security & Operational

Security is Nigeria's most acute and worsening risk dimension. Boko Haram overran more than fifteen military outposts in 2025 alone, while ISWAP launched a renewed offensive in Borno State from March 2025, seizing towns and strategic infrastructure. The kidnapping crisis has become genuinely historic in scale: in November 2025, at least 402 people, mostly schoolchildren, were abducted across four north-central states, surpassing even the 2014 Chibok kidnapping. An estimated 30,000 bandits now operate in Zamfara, Katsina and Sokoto states, increasingly linked to Boko Haram and ISWAP. The violence has killed more than 10,200 civilians between early 2023 and mid-2025, and in early February 2026 an armed group killed over 160 people across two Kwara State villages. The UN projects 34.7 million Nigerians will face crisis-level food insecurity during the June–August 2026 lean season, a direct consequence of conflict-driven displacement.

Sociocultural & Human Capital

Nigeria presents a genuine statistical paradox that investors must understand to avoid mispricing risk. Under the revised, ILO-aligned methodology, unemployment measures just 4.3%, with underemployment at 9.2% — figures that look reassuring in isolation. But the World Bank has explicitly flagged Nigeria's dichotomy of low unemployment and high poverty, and the real story is stark: the poverty rate is projected to hit 56% of the population by 2026, with roughly 10 million additional Nigerians falling into extreme poverty during 2025 alone. The reason the unemployment figure looks low is structural: 93% of the labour force is self-employed, mostly in low-productivity informal work. For workforce planning, this means genuine skilled-labour scarcity coexists with mass underemployment, and northern insecurity is actively displacing farming populations, compounding both poverty and food insecurity.

Environmental & Climate

The 2025 Mokwa flood stands as one of the deadliest disasters in Nigeria's recent history. On 28 May 2025, flash flooding submerged the Niger State market town of Mokwa, killing at least 500 people with over 600 reported missing, destroying more than 4,000 homes and collapsing the town's bridge along with another bridge and two roads. More than 10,000 hectares of paddy fields and croplands were destroyed, directly hitting regional food supply chains. This was not an isolated event: an earlier flood in the same town on 16 April 2025, triggered by a controlled water release from the Jebba Hydroelectric Power Station dam, had already killed 13 people weeks before. Analysts argue these disasters reflect chronic under-investment in flood preparedness and drainage infrastructure rather than purely unforeseeable weather extremes — a pattern likely to recur in the 2026 rainy season.

Infrastructure & Technology

Nigeria's power sector remains one of the starkest infrastructure-risk stories in this report. The national grid collapsed repeatedly in early 2026 — three times between 29 December 2025 and 27 January 2026 alone, with further collapses in February and April. National generation typically hovers at just 4,000–5,000MW for a population exceeding 220 million, against an estimated 30,000MW actual need. The telecom sector illustrates the knock-on cost: despite broadband penetration pushing past 53%, energy now consumes 45–50% of major operators' total operating expenditure, delaying 5G rollout and leaving rural areas underserved. In response, MTN Nigeria and Airtel have launched aggressive solar-hybrid site conversion programmes, with MTN targeting net-zero emissions by 2040. For any business operating in Nigeria, self-generation is not a contingency but a baseline operating cost.

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- How grid inefficiency is stifling the digital economy agenda — Guardian Nigeria

Algeria
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Algiers	$317.17 billion	≈48.0 million	Algerian Dinar (DZD)	64 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	3	3	**9 — Mod**	Policy continuity is high, but genuine institutional checks are weak, so reform pace and investor protections depend heavily on presidential discretion.	Build relationships with technocratic ministries directly; monitor post-election cabinet formation for portfolio reshuffles affecting energy and investment policy.
Economic & Financial	3	4	**12 — High**	Currency and fiscal risk are building beneath a calm surface; near-term stability masks a medium-term solvency trajectory that warrants close monitoring.	Hedge dinar exposure and stress-test contracts against both the official and parallel exchange rates given the wide divergence between them.
Legal & Regulatory	3	3	**9 — Mod**	Regulatory direction is improving on the financial-crime front, but everyday commercial and forex regulation remains opaque and administratively heavy.	Use international arbitration clauses (ICC/ICSID) in all commercial contracts and structure capital repatriation through official banking channels only.
Security & Operational	3	3	**9 — Mod**	Core commercial hubs remain operationally safe, but any operations near southern borders or in the Sahara carry substantial kidnapping and attack risk.	Restrict staff travel to the Algiers–Oran–Constantine corridor; use vetted security escorts for any Saharan or border-adjacent operations, especially energy-sector fieldwork.
Sociocultural & Human Capital	3	3	9 — Mod	Talent pipelines are constrained by skills mismatches and emigration pressure; firms should expect to invest directly in workforce training.	Partner with vocational and technical institutions for talent pipelines and budget for in-house upskilling programmes.
Environmental & Climate	4	3	**12 — High**	Water stress and flood risk both threaten agriculture and hydrocarbon infrastructure simultaneously, raising insurance and business-continuity costs.	Incorporate flood and drought stress-testing into site selection and insurance planning, particularly for energy infrastructure and northern agricultural supply chains.
Infrastructure & Technology	2	2	**4 — Low**	Urban digital infrastructure is improving quickly; rural and southern-province connectivity will lag for years, affecting distributed operations.	Plan for redundant connectivity in rural and southern operations and engage early with Algérie Télécom on enterprise-grade digital partnerships.

Dimension analysis

Political & Governance

Algeria headed into 2 July 2026 legislative elections as the first real test of the "new Algeria" President Abdelmadjid Tebboune has promised since his 2024 re-election, though critics call it democracy in name only. Opposition parties that boycotted in 2021 are contesting this cycle, but tighter electoral laws and expanded presidential authority leave little doubt about the outcome, and turnout is expected to be low. Transparency International's 2025 Corruption Perceptions Index gives Algeria 34/100, ranking it 109th of 182 countries, unchanged from 2024. For investors, this is a story of stability through control: predictable at the top, but with limited recourse if disputes arise, and reform momentum contingent on Tebboune's personal agenda rather than durable institutions.

Economic & Financial

On paper, Algeria's 2026 macro picture looks reassuring: the IMF projects real GDP growth near 3.8%, and the central bank cut its key rate from 2.75% to 2.5% in January 2026 as inflation eased toward a projected 2.9–3.3%. But the fiscal underlay is less comfortable — the IMF's Article IV report projects deficits of 11.5% of GDP in 2025 and 12.4% in 2026, pushing debt-to-GDP toward 81.9% by 2030. The dinar weakened about 3.1% against the dollar over the past year, trading near 133 officially in late June 2026, but the real signal is the parallel market, where dinars trade at roughly 238 per dollar — a divergence exceeding 80%. In a notable positive, the FATF removed Algeria from its grey list in June 2026 after the country strengthened beneficial-ownership transparency and financial-sanctions enforcement.

Legal & Regulatory

Algeria's June 2026 removal from the FATF grey list — alongside Namibia, following a successful on-site verification visit — marks a genuine institutional win. The Fund had flagged gaps in risk-based supervision, beneficial-ownership transparency and money-laundering prosecution when Algeria was listed in October 2024; eighteen months on, examiners found sufficient progress to lift the designation. That said, the coexistence of an official dinar rate near 130 to the dollar and a parallel-market rate near 238 signals that currency and capital-account regulation remains a work in progress, creating real friction for firms repatriating profits or pricing cross-border contracts. Investors should treat the FATF delisting as an AML-specific credibility upgrade, not a signal that the broader forex environment has become fully transparent.

Security & Operational

Algeria's security profile is bifurcated: its major cities are functionally safe for business, while its southern and eastern borders remain genuinely dangerous. The US maintains a Level 4 "Do Not Travel" advisory, and the UK's Foreign Office explicitly warns against travel within 450km of the Mali and Niger borders, citing kidnapping risk from AQIM and Daesh-affiliated groups operating across porous Sahel frontiers. Separately, tension with Morocco has intensified, with both countries leading Africa in arms imports; Morocco's 2026 defence budget rose 18% to $17.1 billion. A September 2023 incident in which Algerian coast guards killed two Moroccan jet skiers remains a live grievance, though a US-brokered reconciliation framework has reportedly been under discussion. For companies operating away from the Sahara and western border zone, day-to-day risk is moderate and manageable.

Sociocultural & Human Capital

Algeria's youth unemployment rate held near 29.4% in 2025, down slightly from 29.8% in 2024. The government has responded with direct cash transfers — unemployed young adults aged 15–29 receive roughly 13,556 dinars (about $100) monthly plus medical benefits — but structural diversification away from hydrocarbon dependence remains the deeper, slower fix. With a median age of 28.8 years and a population of 48 million, Algeria has a large working-age cohort not yet fully absorbed into productive employment, creating a long-run human-capital and social-stability risk that has not yet manifested in mass unrest of the kind recently seen in neighbouring Morocco.

Environmental & Climate

Algeria faces an unusual dual climate exposure: its densely populated north is drying out, with rainfall projected to decline 20–25% by 2050 and wheat-yield losses potentially reaching 31–39%, while its desert south faces a paradoxical rise in flash floods under high-emissions scenarios. Floods have historically been the dominant hazard, accounting for 60% of climate events over six decades and affecting over 800,000 Algerians at a cumulative cost exceeding $1.5 billion. The government now spends an average of $255 million a year — about 70% of its disaster budget — fighting flood damage, and total climate-related losses are projected to average 0.7% of GDP annually going forward, nearly double the historical rate.

Infrastructure & Technology

Algeria's digital transformation is accelerating on the back of state investment: 5G went live on 3 December 2025, with three operators collectively paying about $492 million for spectrum, though full nationwide coverage is not mandated until 2031 and deployment costs are estimated at $3–8 billion. The broader digital ecosystem is projected to contribute roughly $9 billion to GDP by 2025, rising to $13 billion by 2030, supported by Algeria's participation in the Medusa submarine cable system linking North Africa to Southern Europe. On energy, the government is building a 3,200MW renewable project across 22 power plants as part of a plan to reach 15,000MW of renewable capacity by 2035. Infrastructure risk here is moderate-low in cities, higher in the rural south.

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Morocco - Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Rabat	$194.33 billion	≈39.8 million	Moroccan Dirham (MAD)	69 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	4	16 — Severe	Social discontent over public services and youth unemployment is now a mainstream political force ahead of elections; policy responsiveness will shape the investment climate.	Monitor labour and social-unrest indicators ahead of the September 2026 election and build contingency plans for supply-chain or retail disruption in urban centres.
Economic & Financial	2	2	4 — Low	Morocco offers one of the more macro-stable investment environments in Africa, reinforced by an active IMF Flexible Credit Line arrangement.	Take advantage of dirham stability for longer-duration MAD-denominated financing rather than defaulting to USD/EUR hedges.
Legal & Regulatory	2	2	4 — Low	Morocco's legal environment is investment-grade-adjacent and among the most predictable in the region, but civil society and investigative constraints persist around corruption enforcement.	Leverage Morocco's bilateral investment treaties and free-trade agreement network for dispute resolution rather than relying solely on domestic courts.
Security & Operational	3	3	9 — Mod	Mainland Morocco remains operationally low-risk for business, but Western Sahara-adjacent investment carries geopolitical exposure tied to unresolved sovereignty disputes.	Maintain separate risk assessments for mainland versus Western Sahara-linked operations; monitor the UN Security Council's MINURSO mandate review for shifts in the diplomatic landscape.
Sociocultural & Human Capital	4	4	16 — Severe	Talent acquisition and retention will remain challenging despite high overall labour supply, because the mismatch is structural rather than cyclical.	Invest directly in youth training and apprenticeship pipelines and align hiring and CSR programmes visibly with the government's youth-employment push.
Environmental & Climate	4	4	16 — Severe	Morocco's rapid swing from chronic drought to catastrophic flooding signals growing climate volatility that stresses both agriculture and urban infrastructure simultaneously.	Require climate and flood-resilience due diligence for real estate, agricultural or infrastructure investment, particularly in the Ksar El-Kebir, Fez and Safi corridor.
Infrastructure & Technology	2	2	4 — Low	Morocco's infrastructure trajectory is a genuine competitive advantage regionally, positioning it as a logistics and manufacturing hub ahead of 2030.	Position supply-chain and manufacturing investments to benefit from Tanger Med and the expanding rail network; engage early on World Cup-linked infrastructure contracts.

Dimension analysis

Political & Governance

Morocco's political-risk profile shifted materially in late 2025. The Gen Z 212 movement, organised through an anonymous Discord server that grew to roughly 250,000 members within three weeks, mobilised the country's largest protests since 2011–2012, demanding better healthcare and education and criticising government spending on the 2030 World Cup and 2025 Africa Cup of Nations. At least three protesters were killed, including a 19-year-old student in Oujda, and more than 2,400 people were ultimately charged. Youth unemployment reportedly reached 35.8–37% in 2025. The government's response included a 2026 finance bill allocating roughly $15 billion to health and education — a 16% increase — and bills easing political participation for citizens under 35. General elections on 23 September 2026 will be the first real test of whether these measures defuse the underlying frustration. Morocco's 2025 CPI score of 39/100 (91st of 182) improved from 37 in 2024 but remains below its 2018 peak of 43.

Economic & Financial

Morocco's macro fundamentals remain a relative bright spot in North Africa. Real GDP growth is projected at 4.4–5.6% for 2026, helped by a strong agricultural rebound after the end of a seven-year drought, while inflation eased to just 1.2% in May 2026, allowing the central bank to hold its key rate at 2.25% through its first three quarterly meetings of the year. S&P upgraded Morocco's sovereign rating to "BBB-/A-3," citing sound macroeconomic management, and the IMF concluded its 2026 Article IV consultation and mid-term review under Morocco's Flexible Credit Line arrangement in March 2026 without flagging major imbalances. Government debt-to-GDP, at 67.1% in 2025, is projected to decline to 60.5% by 2026. The dirham has weakened only modestly — about 2% over the past year against the dollar, trading near 9.32 in late June 2026.

Legal & Regulatory

Morocco's regulatory and legal environment benefits from years of institution-building oriented toward EU and US trade integration, reflected in its 2025 CPI score of 39/100 — the best in the Maghreb alongside Tunisia, and well ahead of Algeria's 109th-place ranking. S&P's sovereign upgrade further signals rating agencies' confidence in macro-institutional quality. That said, Transparency International notes the improvement remains fragile, "exacerbated by restrictions on civil society and investigative efforts," meaning corruption enforcement still faces real constraints in practice. For investors, Morocco offers the most arbitration- and treaty-friendly legal architecture of the countries in this review, but is not immune to opacity in public contracting.

Security & Operational

For a country hosting the 2030 World Cup, Morocco's core commercial geography — Casablanca, Rabat, Tangier, Marrakech — remains genuinely low-risk. The harder edge sits in Western Sahara, where tensions escalated through 2026: Mali's suspension of recognition of the Sahrawi Arab Democratic Republic in favour of Morocco's autonomy plan was followed by a Polisario Front attack on the city of Smara, and three US Republican senators introduced a bill in March 2026 seeking to designate the Polisario a terrorist organisation, alleging Iran-linked cooperation. UN Security Council Resolution 2797 extended the MINURSO peacekeeping mandate by another year, with a strategic review of its future expected around April 2026, and the first direct multi-stakeholder talks since 2019 occurred under US-led mediation, suggesting a diplomatic track remains active alongside the military one.

Sociocultural & Human Capital

Morocco's human capital story is now inseparable from its politics. Youth unemployment surged to a record 35.8–37% in 2025 — over 1.5 million young people actively seeking work without success — a figure that became the rallying cry for the Gen Z 212 protests. Nationally, strict unemployment stood at 10.8% in the first quarter of 2026, with a sharp gender gap (16.1% for women versus 9.4% for men) and youth unemployment (15–24) still elevated at 29.2%. Life expectancy stands at 75.9

years and the median age is 30.1 — a relatively mature demographic profile that in theory should ease labour absorption but has not, pointing to a structural skills mismatch rather than a purely demographic one.

Environmental & Climate

Morocco's 2025–26 climate story is one of violent whiplash. After a seven-year drought that reshaped national water policy, the country was hit by deadly flash floods starting in December 2025 — at least 37 people killed in Safi, alongside a building collapse in Fez that killed 22. The flooding intensified into early 2026: heavy rains in Ksar El-Kebir forced the evacuation of tens of thousands of residents, nearly half the city's population. Morocco officially declared its drought over in early 2026, but officials note the drought-hardened soil worsened runoff and flooding severity, illustrating how one climate extreme is now amplifying the next. Prosecutors are investigating whether inadequate drainage infrastructure contributed to casualties.

Infrastructure & Technology

Infrastructure is Morocco's strongest card. The country is mid-execution on a $100 billion, 2025–2030 investment programme spanning transport, logistics and energy, timed to its co-hosting of the 2030 FIFA World Cup. The Al Boraq high-speed rail line is being extended roughly 430km from Tangier to Marrakech, cutting travel time to about two hours forty minutes, backed by a €300 million African Development Bank loan; a separate $3.1 billion package covers additional rail, airports and logistics zones. A 75 billion dirham ports strategy through 2030 builds on Tanger Med's existing links to over 180 ports in 70 countries. This is one of the more credible, well-financed infrastructure pipelines in Africa, materially de-risking Morocco's logistics and manufacturing proposition relative to regional peers.

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Angola
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Luanda	$152.35 billion	≈40.2 million	Angolan Kwanza (AOA)	101 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	4	**16 — Severe**	Elevated succession uncertainty through 2026–2027 raises the risk of policy discontinuity and factional infighting affecting contract stability.	Diversify political relationships beyond the presidency to include provincial and technocratic officials; build flexibility into long-term contracts.
Economic & Financial	3	4	**12 — High**	Disinflation and currency defence are genuine wins, but high double-digit borrowing costs and oil dependence keep financial risk elevated relative to regional peers.	Price contracts and receivables in USD where possible; monitor central bank rate decisions closely given the still-double-digit policy-rate environment.
Legal & Regulatory	4	3	**12 — High**	Financial-crime compliance risk is a live, unresolved drag on Angola's investment climate, in contrast with Algeria's recent FATF exit.	Budget for enhanced due diligence and compliance costs on all banking relationships tied to Angola and confirm correspondent-bank willingness to process transactions before committing capital.
Security & Operational	4	4	**16 — Severe**	Cabinda-linked energy operations face materially elevated security risk, with potential for supply disruption that could ripple through Angola's national fiscal position.	Commission an independent Cabinda-specific security audit for any oil and gas operations in the enclave and build contingency and insurance plans around potential production disruption.
Sociocultural & Human Capital	4	5	**20 — Crit**	Angola faces one of the most severe human-capital deficits in the region, which will constrain workforce quality and productivity for a generation absent major intervention.	Treat workforce development as a core capital investment rather than CSR, including in-house training academies, and price in significant recruitment and retention costs for skilled roles.
Environmental & Climate	4	4	**16 — Severe**	Recurrent flooding combined with chronic drought in the south creates a dual climate stress that threatens both urban infrastructure and rural food security simultaneously.	Require flood-risk and dam-integrity due diligence for infrastructure or real-estate investment near flood-prone basins; support humanitarian food-security programmes in southern provinces as a social-licence consideration.
Infrastructure & Technology	3	3	**9 — Mod**	The Lobito Corridor represents a generational infrastructure upgrade with strong Western backing, though execution and governance risk remain given historically weak state capacity.	Position mining, logistics and export-linked investments to align with Lobito Corridor timelines; engage directly with the financing consortium for co-investment opportunities.

Dimension analysis

Political & Governance

Angola's politics are entering a genuinely uncertain phase. President João Lourenço is in his second and final constitutional term, with MPLA's internal leadership statutes amended in late 2024 to allow the party chairmanship and the presidency to be held by different people, opening the door for Lourenço to retain party control while installing a loyal successor. UNITA, which claimed a disputed result in the 2022 election, continues to erode MPLA's dominance, in what has been describes as "historic lows in MPLA support." That erosion has a body count: fuel-subsidy cuts triggered protests in which around 30 people died and roughly 1,200 were arrested. With general elections due in 2027 and the MPLA leadership race heating up in 2026, expect factional manoeuvring to dominate the political narrative through year-end.

Economic & Financial

Angola's central bank has made real progress on disinflation: prices rose 11.58% year-on-year in April 2026, the slowest pace since June 2023, prompting the Monetary Policy Committee to lower its full-year inflation forecast to 11.5%. Even so, the central bank held its policy rate at 17.5% in March 2026, pausing after three consecutive cuts. GDP grew 5.3% year-on-year in the first quarter of 2026, though the government's full-year growth projection is a more modest 3.5%. The kwanza, which weakened 88.8% against the dollar between 2014 and 2024, has been actively defended by the central bank since 2025. Debt-to-GDP sits at roughly 63.9% for 2026, moderate by regional standards but still a meaningful constraint alongside Angola's continued oil-revenue dependence, which the IMF's May 2026 Article IV consultation flagged as a persistent structural vulnerability.

Legal & Regulatory

Angola presents a cautionary contrast to Algeria's recent FATF exit. Angola was placed under increased monitoring in October 2024 and, as of the IMF's May 2026 Article IV consultation, has made only "limited progress" addressing underlying anti-money-laundering weaknesses, including inadequate criminalisation of money laundering and gaps in beneficial-ownership and sanctions enforcement. Compounding this, the EU added Angola to its own high-risk third-country list for AML/CFT deficiencies effective August 2025. The IMF explicitly urged "prompt implementation" of Angola's FATF action plan to enable an eventual exit. Until that happens, foreign banks and investors should expect elevated compliance friction and longer settlement times on Angola-linked transactions.

Security & Operational

Angola's most acute operational risk is geographically concentrated but economically outsized: the Cabinda enclave, source of roughly 60% of national oil output, saw its deadliest fighting since 2016 in 2025, with an estimated 80 deaths among Angolan soldiers, FLEC-FAC fighters and civilians. On 2 February, FLEC-FAC unilaterally declared Cabinda's independence, an escalation analysts call a direct challenge to Luanda's territorial integrity given how dependent Angola's fiscal stability is on Cabinda's offshore production. Subsequent clashes reportedly killed six civilians, and Human Rights Watch's World Report 2026 flags ongoing concerns about army conduct. For any energy company operating in or near Cabinda, this is now a first-order security and reputational risk, not a background variable.

Sociocultural & Human Capital

Angola's human-capital challenge is arguably the most severe in this review. Under a newly adopted ILO-aligned statistical methodology, youth unemployment reached 43.6% at the end of 2025, though older methodologies had put the figure closer to 27%. More structurally telling is the World Bank's Human Capital Index score of just 0.36, ranking Angola 147th of 157 countries — meaning a child born today is projected to reach only 36% of the productivity they could achieve with full health and education. With a median age of just 16.7, one of the youngest populations on earth, Angola has an enormous demographic wave entering the workforce over the next decade, but the education and health infrastructure to prepare them for productive employment remains severely underdeveloped.

Environmental & Climate

Angola's climate risk crystallised violently in April 2026, when the Cavaco River dike collapsed on 12 April following heavy rainfall, unleashing floods across Benguela province that killed at least 19 people, left 31 missing, and affected more than 8,000 families, with 1,540 homes destroyed. This followed significant flooding in the capital, Luanda, that killed roughly a dozen people in the preceding weeks. Simultaneously, Angola's south and east remain gripped by a multi-year drought, with an estimated 1.0–1.5 million people requiring humanitarian food assistance. Angola ranks 23rd of 180 countries on the Global Climate Risk Index, and Human Rights Watch's reporting on the government's "reactive response" to the April floods underscores a persistent lack of preparedness for foreseeable climate crises.

Infrastructure & Technology

Angola's biggest infrastructure story is the Lobito Corridor, which received a major vote of confidence in early 2026 with a $753 million financing package from the US International Development Finance Corporation and the Development Bank of Southern Africa, to rehabilitate the roughly 1,300km Lobito-to-Luau rail line and the Lobito mineral port. The project is projected to increase Lobito's transport capacity tenfold to 4.6 million metric tons and cut critical-mineral transport costs by up to 30%, explicitly framed by Washington and Brussels as a strategic counterweight in global critical-minerals supply chains. Outside Lobito, Angola's broader infrastructure and digital base remains less developed than Morocco's or Algeria's, and execution risk should not be underestimated even as Western financing de-risks the headline project.

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Kenya
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Nairobi	$147.26 billion	≈62.2 million	Kenyan Shilling (KES)	70 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	3	12 — High	Recurring youth-led protest cycles around fiscal policy create periodic operational and reputational disruption risk, especially around budget season.	Build contingency and business-continuity plans around the fiscal calendar (Finance Bill season) and monitor protest-linked disruption to logistics and city-centre operations.
Economic & Financial	3	3	9 — Mod	Kenya is fiscally stretched but not in crisis; financing costs and currency risk are manageable near-term but the debt trajectory bears watching into the 2027 election cycle.	Hedge shilling exposure for medium-term contracts and monitor IMF programme negotiations closely, as a new financing deal targeted for mid-2026 will shape fiscal policy space.
Legal & Regulatory	3	3	9 — Mod	Contract enforcement remains a residual friction point for foreign investors, though reform momentum is genuine and directionally positive.	Use well-drafted arbitration clauses citing recognised international seats alongside Nairobi options, and track passage of the Arbitration (Amendment) Bill 2025.
Security & Operational	3	3	9 — Mod	Cross-border terrorism risk is a persistent, geographically bounded cost of doing business in Kenya's northeast, distinct from the more diffuse civil-unrest risk in Nairobi.	Maintain geo-fenced security protocols and travel advisories for operations in northeastern border counties; diversify logistics routes away from high-risk corridors.
Sociocultural & Human Capital	2	3	6 — Mod	Kenya's demographic dividend is a long-term asset, but skills-jobs mismatch and youth economic frustration are directly linked to the recurring protest risk under the political dimension.	Invest in local youth talent pipelines and skills partnerships; align hiring and CSR programmes with youth economic-inclusion narratives to manage social-licence risk.
Environmental & Climate	4	4	16 — Severe	Compounding climate shocks threaten agriculture, supply chains and urban infrastructure simultaneously, raising insurance and continuity costs.	Build climate-resilient supply chains and infrastructure and consider parametric climate-risk insurance for agriculture-linked exposure.
Infrastructure & Technology	3	3	9 — Mod	Physical grid reliability lags Kenya's digital-economy leadership, a bifurcated infrastructure-risk profile.	Invest in backup power for critical operations and leverage Kenya's advanced mobile-money and digital-payments rails to reduce dependence on physical banking infrastructure.

Dimension analysis

Political & Governance

Kenya's politics in mid-2026 are defined by unfinished business from the deadly 2024 Gen-Z uprising. On 25 June 2026, thousands returned to Nairobi's streets to mark two years since a movement that killed more than 120 people; parliament was heavily secured and businesses shuttered pre-emptively. Human Rights Watch's World Report 2026 notes at least 41 protest-linked persons remain missing. Despite this, President Ruto's government pushed through the Finance Act 2026, aimed at raising $770 million ahead of the 2027 election, echoing the 2024 tax bill that originally sparked unrest. Compounding governance concerns, Kenya's Transparency International score fell to 30/100 (130th of 182) in the 2025 index, an eight-place drop from 2024. Institutional continuity holds, but public trust is visibly fraying.

Economic & Financial

Kenya's macro picture is a study in contrasts: growth is solid, but the fiscal position is under real strain. Inflation eased to 6.4% in June 2026 from 6.7% in May, and the central bank held its policy rate at 8.75% for a second consecutive meeting. GDP grew an estimated 4.9% in 2025 with 4.7% forecast for 2026. Yet public debt hit KSh 12.84 trillion in February 2026 (69.5% of GDP), with the IMF's April 2026 outlook projecting 71.6% for the year, well above the country's own 55%-by-2028 statutory anchor. Kenya's $3.6 billion IMF programme lapsed in April 2025 without a successor, with talks toward a new arrangement targeted for mid-2026. The shilling has been a rare bright spot, trading near KES 129.4 to the dollar with minimal 12-month movement, aided by record foreign-exchange reserves.

Legal & Regulatory

Kenya's legal system is mid-reform. The proposed Arbitration (Amendment) Bill 2025 aims to curb judicial intervention in arbitral awards, tighten timelines, and explicitly recognise third-party litigation funding, a modernisation long sought by investors. But as of mid-2026 the bill remains just that: proposed. Practitioners still cite prolonged court proceedings and unpredictability of public-policy review as top concerns for foreign parties enforcing awards in Kenya. Corruption also colours the regulatory environment: Kenya's CPI score of 30/100 sits well below the global average of 42, suggesting continued informal costs of doing business layered atop formal legal processes. Net effect: Kenya remains a workable but not fully predictable jurisdiction pending the bill's passage.

Security & Operational

Kenya's terrorism-risk profile sharpened again in late June 2026. On 29 June, al-Shabaab militants attacked a Kenya Defence Forces base near Dhaashow in Garissa County close to the Somali border, triggering heavy fighting. This is consistent with a broader 2026 pattern of intermittent cross-border raids into Lamu, Garissa, Mandera and Wajir counties, driven partly by militants displaced by counter-offensives inside Somalia. Separately, urban unrest tied to the Gen-Z protest movement represents a second, distinct operational-risk vector concentrated in Nairobi. Together, these give Kenya a moderate but geographically differentiated security risk: relatively contained in the capital's core commercial districts, elevated along the northeastern frontier.

Sociocultural & Human Capital

Kenya's population, at roughly 62.2 million with a median age of 20.3 years, represents both opportunity and pressure. Youth unemployment remains structurally high, and frustration over jobs and cost of living is a direct throughline to the Gen-Z protest movement rocking Nairobi. On the positive side, Kenya's financial-inclusion story is genuinely strong: mobile-money penetration is measured above 90% by various 2025–26 metrics, M-Pesa alone processes over 61 million transactions daily, and more than 83% of adults have formal financial access. This digital-first human-capital base gives Kenya a comparative advantage in financial services and tech-enabled sectors even as broader labour-market absorption lags population growth.

Environmental & Climate

Kenya is a textbook case of climate whiplash in 2026. After a prolonged drought left 3.3 million people food-insecure in arid and semi-arid counties as of January 2026, the country was hit by catastrophic flooding: Nairobi received a month's worth of rain in 24 hours in early March, and floods killed at least 66 people nationally that month; a further flood and landslide event in May 2026 killed at least 18 more. Scientists cite roughly 40% greater rainfall intensity attributable to climate change. Projections for April–June 2026 warned of 3.7 million people falling into acute food insecurity as poor rains compounded the disaster cycle. This dual exposure — drought and flood in the same year — is a material and worsening risk to agriculture, urban infrastructure and insured assets.

Infrastructure & Technology

Kenya presents a split infrastructure picture. On the digital side, it remains a global leader: mobile penetration exceeds 100%, M-Pesa serves over 50 million active users, and the country hosts roughly 450 fintech companies as one of Africa's "Big Four" fintech hubs alongside Nigeria, Egypt and South Africa. But physical power infrastructure is comparatively weak: Kenya Power reports system losses of 22.07%, well above allowable thresholds, and consumers face an average 8.39 hours of outages monthly versus a 1.5-hour regulatory target, even as electricity demand rose 8.25% in the second half of 2025 on industrial growth. Businesses reliant on physical grid stability face materially higher risk than fintech and services players who can route around outages via mobile infrastructure.

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Democratic Republic of the Congo
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Kinshasa	$123.41 billion	≈108–112 million (UN/World Bank estimate range)	Congolese Franc (CDF)	107 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	4	**16 — Severe**	Constitutional uncertainty compounds an already fragile security environment, raising the risk of simultaneous political and armed-conflict shocks.	Scenario-plan for potential 2027–2028 electoral and constitutional flashpoints; avoid concentrating physical assets in politically symbolic Kinshasa government districts.
Economic & Financial	3	3	**9 — Mod**	Macro stabilisation is real and IMF-validated, but growth quality remains narrow and commodity-price sensitive.	Diversify revenue and investment exposure beyond extractives where possible; hedge commodity-linked contracts and monitor the franc's official-parallel market spread.
Legal & Regulatory	4	4	**16 — Severe**	Mining-sector regulatory unpredictability is the single largest legal-risk factor for foreign investors in DRC's core economic sector, with outsized global supply-chain consequences.	Engage local legal counsel immediately on worker-equity compliance ahead of the 31 July 2026 deadline; build quota-forfeiture risk into offtake contract planning.
Security & Operational	5	5	**25 — Extreme**	Eastern DRC is effectively a war zone with a fragile, unimplemented peace framework; any operations in North or South Kivu carry extreme, near-uninsurable risk.	Suspend or heavily fortify any physical operations in North Kivu, South Kivu and Ituri; rely on international humanitarian and security coordination bodies for real-time threat intelligence.
Sociocultural & Human Capital	5	4	**20 — Crit**	The scale of displacement and humanitarian need constrains available formal labour supply and consumer markets across entire regions of the country.	Where operating outside conflict zones, invest directly in local workforce health and education partnerships; factor humanitarian-driven market contraction into eastern demand forecasting.
Environmental & Climate	3	3	**9 — Mod**	Climate risk compounds conflict-driven fragility, and disaster-financing capacity is severely under-resourced relative to need.	Support or partner with World Bank disaster-financing initiatives and avoid flood-prone siting for fixed infrastructure in Kinshasa and Equateur.
Infrastructure & Technology	4	3	**12 — High**	Current physical and digital infrastructure is a binding constraint on non-extractive economic diversification, though the pipeline of committed investment is substantial.	Budget for extensive off-grid power solutions for any operations outside Kinshasa; track the Inga 3 hydropower financial close and digital-plan rollout as forward indicators of risk reduction.

Dimension analysis

Political & Governance

DRC's governance risk is compounding, not static. Opposition heavyweights Moïse Katumbi, Martin Fayulu, Matata Ponyo and Jean-Marc Kabund formed the "Coalition for the Defence of Constitutional Order" in late May 2026 after President Tshisekedi floated a referendum that could enable a third term beyond his 2028 mandate limit. Fayulu called any constitutional tampering a "red line." Despite this, Tshisekedi's Union Sacrée coalition still dominates parliament. Corruption compounds the fragility: DRC scored just 20/100 on the 2025 Transparency International index, unchanged from 2024 and far below the global average of 43. Analysts argue the third-term push may perversely serve Rwanda and M23's interests by further destabilising Kinshasa's authority precisely when eastern peace talks need a credible government partner. Public trust in electoral institutions sits at just 12%.

Economic & Financial

DRC's macro story in 2026 is one of genuine, IMF-validated improvement. The IMF completed its 2026 Article IV and programme review mission on 6 May 2026, noting real GDP growth exceeding 5.5% in both 2025 and 2026, driven by construction, services and agriculture offsetting a mild mining slowdown. Inflation cooled dramatically, from 15.1% in September 2024 to 7.8% by September 2025, with 2026–27 forecasts around 6.5%. The Congolese franc appreciated roughly 11.6% on the official market to about 2,548 to the dollar, aided by the central bank's rate cuts from 25% to 17.5%. Debt remains at "moderate risk" of distress per the latest joint World Bank-IMF assessment. Still, this resilience sits atop a mining-dependent structure vulnerable to cobalt and copper price swings and export-quota policy shifts, meaning headline stability masks real concentration risk.

Legal & Regulatory

DRC's legal risk is concentrated but severe, centred on its dominant cobalt and copper sector. Since late 2025, the government has enforced export quotas capping cobalt hydroxide exports at roughly 96,000 tonnes for 2026, and ordered producers to forfeit unused first-half allocations as of the 30 June 2026 deadline. Layered on top, a January 2026 circular activated formal enforcement of a "5% worker equity rule," with a 31 July 2026 compliance deadline that directly threatens operating permits — and by extension project financing and offtake agreements — for non-compliant firms. With DRC supplying an estimated 70–80% of global mined cobalt, this policy volatility carries global supply-chain implications. Roughly two million Congolese depend on artisanal mining, and abrupt formalisation risks social unrest in Lualaba and Haut-Katanga provinces.

Security & Operational

This is DRC's defining and most material risk. Despite the Washington Peace Accords signed by Tshisekedi and Kagame on 4 December 2025, fighting has intensified rather than stopped. M23 still controls Goma and Bukavu, seized in early 2025. More than 1,500 civilians were killed from bombs and kamikaze drones linked to Rwandan operations since early December 2025 alone, and 27 February 2026 saw the discovery of two mass graves containing 171 bodies near Uvira. Over half a million people fled South Kivu in December 2025 alone; nationally, displacement now exceeds 7–9 million, with more than 1.17 million Congolese refugees regionally, concentrated in Uganda. As recently as 2 June 2026, government forces conducted a drone strike on an M23 position near Goma, and clashes continued near the Masisi-Walikale border — talks in Switzerland are anticipated but unresolved. This is among the most severe active-conflict risk profiles in the entire 15-country cohort.

Sociocultural & Human Capital

DRC's human-capital crisis is largely conflict-driven and staggering in scale. By September 2025, 8.2 million people were displaced, a figure projected to reach 9 million (including 5.8 million internally displaced) by end-2026. The 2026 UN humanitarian response plan requires €1.4 billion to serve 14.9 million people, with food insecurity affecting 28 million nationally alongside ongoing cholera outbreaks and gender-based violence.

Congolese refugees regionally now exceed 1.17 million, roughly doubling over the past decade, with nearly half hosted in Uganda. This is not a peripheral social issue: it represents a substantial share of the national population effectively removed from productive economic participation, concentrated in the mineral-rich but conflict-torn east.

Environmental & Climate

DRC faces significant, under-resourced climate exposure layered atop conflict. Flooding between 24 and 26 March 2026 hit Haut-Lomami, Maniema and Nord-Ubangi provinces, affecting 223,000 people, injuring 81, and displacing over 9,000. This follows a pattern: earlier flooding in Kinshasa and Equateur affected over 60,000 people and killed at least 33, with research finding such destructive Kinshasa flood events are now expected roughly every two years given current global warming levels, a dramatic acceleration from historical baselines. The World Bank announced steps in January 2026 to strengthen DRC's financial preparedness for disasters, but the funding gap remains stark: average annual emergency response needs are estimated at $62 million, rising to $389 million in severe-event years, against government allocations of just $3.5 million annually.

Infrastructure & Technology

DRC's infrastructure gap remains one of Africa's widest relative to its resource endowment. Only 21% of Congolese have electricity access, and just 2,677MW of hydropower capacity is installed against a staggering 100GW of potential, largely concentrated at the underdeveloped Inga site. The World Bank approved a $250 million credit in 2025 as the first phase of a $1 billion Inga 3 Development Programme, with financial close targeted for 2025–26, though the broader 11,000MW Inga 3 concept is not expected online before 2030 at the earliest. More encouragingly, DRC is investing €8 billion in a 2026–2030 digital transformation plan aiming to expand telecom towers from 5,150 to 30,000 and lay 37,000–50,000 miles of fibre-optic cable. Mobile telephony is described as the country's most dynamic and reliable infrastructure sector today.

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Ethiopia

- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Addis Ababa	$121.53 billion	≈138.9 million	Ethiopian Birr (ETB)	87 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	4	**16 — Severe**	Ethiopia combines electoral-legitimacy questions with live multi-front insurgency risk, a uniquely compounded governance risk among the fifteen countries covered.	Avoid new capital commitments in Tigray, Amhara and Oromia conflict zones; monitor federal-TPLF negotiations and Eritrea's role as leading indicators of renewed war risk.
Economic & Financial	3	3	**9 — Mod**	Ethiopia offers among the strongest headline growth in Africa, but currency reform and unresolved external debt restructuring create real financial-transfer and hedging complexity.	Structure contracts and financing with explicit birr depreciation assumptions; monitor Official Creditor Committee progress as a signal of restored external market access.
Legal & Regulatory	3	3	**9 — Mod**	Ethiopia's legal and regulatory risk is moderate and improving on paper, but civic-space restrictions raise governance-related reputational and operational questions for investors.	Build robust local compliance and due-diligence programmes given documented access-to-justice concerns; leverage Ethiopia's clean FATF status as a relative advantage versus regional peers.
Security & Operational	4	4	**16 — Severe**	Ethiopia's security risk is broad-based and multi-regional rather than confined to a single border area, complicating any nationwide operational footprint.	Commission a region-by-region security risk mapping before any new site selection; maintain contingency evacuation and communication plans given the fluidity of front lines.
Sociocultural & Human Capital	4	3	**12 — High**	Aid-dependency shocks combined with conflict displacement are degrading service delivery precisely where investment is most needed to stabilise fragile regions.	Where feasible, prioritise health and education service-gap funding in aid-shortfall regions; treat official unemployment statistics cautiously given informal-sector dominance.
Environmental & Climate	4	4	**16 — Severe**	Ethiopia faces compounding climate and geopolitical water risk, domestic drought pressure alongside the GERD dispute with Egypt, which remains diplomatically unresolved despite the dam becoming operational.	Factor drought-driven agricultural supply risk into sourcing decisions in southeastern zones; monitor US-mediated Nile talks as a geopolitical risk indicator.
Infrastructure & Technology	3	3	**9 — Mod**	Ethiopia's opening of telecom to competition is a structural positive, but underlying grid and network capacity constraints remain a binding growth constraint.	Engage directly with Safaricom Ethiopia and Ethio Telecom on infrastructure-sharing arrangements rather than building standalone capacity; monitor GERD-linked hydropower additions as a reliability tailwind.

Dimension analysis

Political & Governance

Ethiopia held general elections on 1 June 2026, with Prime Minister Abiy Ahmed's Prosperity Party delivering a landslide 438-seat majority, but the vote excluded the entire Tigray region, still recovering from the 2020–2022 war. Barely a month earlier, on 29 January 2026, fresh clashes erupted between the Tigray People's Liberation Front and federal forces, triggering a military buildup before a partial withdrawal eased immediate tensions. Meanwhile, Fano militia activity in Amhara and Oromo Liberation Army insurgency in Oromia continue, with fighting edging closer to Addis Ababa itself. Ethiopia's foreign minister has also accused Eritrea of coordinating with the TPLF, raising the prospect of external entanglement. This is a governance environment with a technically legitimate election overlaid on genuine multi-front civil-conflict risk.

Economic & Financial

Ethiopia's economic momentum is genuinely exceptional but running alongside unresolved financial fragility. The IMF's April 2026 World Economic Outlook projects 9.2% real GDP growth for 2026, more than double the regional average, while inflation is forecast at 11.8%. The IMF Executive Board completed its Fourth Extended Credit Facility Review on 16 January 2026, disbursing roughly $261 million and citing stronger-than-expected growth, exports and reserves accumulation. This follows the dramatic July 2024 currency liberalisation, which saw the birr devalue from 57 to 114 to the dollar; by 2026 the "crawling peg" system aims to narrow the official-parallel market gap from 12–15% toward 5–8%. Yet Ethiopia's five-year debt restructuring saga under the G20 Common Framework remains only partially resolved, described as a continuing "stalemate" even after an Official Creditor Committee memorandum was signed.

Legal & Regulatory

On paper, Ethiopia's regulatory and integrity indicators show cautious improvement. The country's 2025 Corruption Perceptions Index score of 38/100 ranks it 96th of 180 countries, a one-point improvement on 2024, though Transparency International flags sustained corruption among officials, impunity, and continued crackdowns on civil society as structural drags. On the positive side, Ethiopia is not currently on the FATF's grey list, having been removed from increased monitoring back in 2019 and remaining off the June 2026 list of grey-listed jurisdictions, a genuine relative advantage versus DR Congo's continued listing. Investors should read Ethiopia's legal environment as moderate risk: formally improving governance metrics, but with civic-space and judicial-access constraints that matter for dispute resolution.

Security & Operational

Ethiopia's security landscape in mid-2026 is genuinely multi-front. Renewed clashes broke out in Tigray on 29 January 2026, triggering a federal military buildup, though a partial withdrawal in early February offered a fragile de-escalation signal. Simultaneously, the Fano militia continues operations in Amhara, including offensives against regional capital Bahir Dar, while the Oromo Liberation Army's insurgency in Oromia has killed hundreds in recent years and edged closer to Addis Ababa itself. Ethiopia's foreign minister has accused Eritrea of coordinating with the TPLF and occupying positions in Tigray, adding an interstate dimension. Human Rights Watch documents hundreds of thousands of internally displaced people across Tigray, Amhara, Afar, Oromia and Somali regions living with limited food and services access.

Sociocultural & Human Capital

Ethiopia's human-capital picture combines demographic promise with acute near-term stress. The population, now around 138.9 million with a median age of just 19.3 years, represents a substantial long-run labour force, and official unemployment is measured low at 3.32%, though this likely understates informal-sector underemployment. The more urgent story is aid dependency: Ethiopia lost $387 million in USAID funding, the single largest cut affecting any African country, resulting in the layoff of more than 5,000 health workers, with an estimated 3.6 million people at risk of losing aid access. This lands atop hundreds of thousands of conflict-displaced people in Tigray and Amhara living in precarious camp conditions with limited food and services.

Environmental & Climate

Ethiopia's climate risk operates on two levels simultaneously: acute domestic drought and a still-unresolved transboundary water dispute. Since September 2025, severe drought has hit southeastern Ethiopia and neighbouring Somalia and Kenya, described by farmers as the worst in decades, with atypically severe pasture and water shortages following two consecutive poor rainy seasons. Regionally, roughly 38 million people across six IGAD states face acute food insecurity. Separately, the Grand Ethiopian Renaissance Dam was formally inaugurated on 9 September 2025, and while Ethiopia treats this as a completed national milestone, Egypt continues to frame it as a security threat and has pledged a firm response to any further dams; President Trump offered renewed US mediation in January 2026. GERD is now operational, but the diplomatic dispute and the domestic drought crisis both remain live risks.

Infrastructure & Technology

Ethiopia's infrastructure trajectory benefits from a genuinely opened telecom market but still faces a substantial investment gap. Safaricom Ethiopia, the market's first major competitor to state-owned Ethio Telecom, reported 13.6 million subscribers and 3,504 active network sites by 2026, treating the country as a long-term strategic infrastructure market; Ethio Telecom itself serves an estimated 86 million subscribers and has accelerated 5G rollouts in Addis Ababa and Bahir Dar. However, industry reporting states the sector needs roughly $5 billion in additional investment to double capacity within two to three years to keep pace with demand. On power, the newly operational GERD represents a major potential hydropower capacity addition, which could meaningfully improve domestic electricity reliability if transmission infrastructure keeps pace.

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Ghana
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Accra	$118.29 billion	≈35.7 million	Ghanaian Cedi (GHS)	67 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	3	3	**9 — Mod**	Policy continuity is high, but governance-quality gains are fragile and contestable at the institutional level.	Monitor the Attorney-General/ Special Prosecutor jurisdictional dispute before finalising deals requiring state approvals; build in change-in-law protection clauses.
Economic & Financial	2	3	**6 — Mod**	The macro turnaround is real and verifiable, but the debt overhang means the window for reform consolidation is narrow.	Hedge residual cedi volatility despite the stabilisation, and track the new 36-month IMF Policy Coordination Instrument for early signals of fiscal slippage.
Legal & Regulatory	3	3	**9 — Mod**	Regulatory tightening in mining and anti-money-laundering is a net positive for legitimate long-term investors but raises near-term compliance costs.	Build compliance budgets for the new Ghana Gold Board assay and export regime and geofenced excavator registration rules; use international arbitration clauses in mining contracts.
Security & Operational	3	3	**9 — Mod**	Ghana is still a relative safe haven versus its Sahelian neighbours, but the northern border risk premium is rising and now priced into regional sovereign analysis.	Avoid new fixed-asset investment within roughly 50km of the Burkina Faso border pending clearer security trajectory; diversify supply routes away from northern corridors.
Sociocultural & Human Capital	3	3	**9 — Mod**	Labour is abundant and increasingly digitally literate, but skills mismatch and youth idleness constrain domestic consumption growth and raise social-tension risk.	Invest in in-house vocational and technical training pipelines rather than assuming market-ready skilled labour; consider apprenticeship-linked hiring models.
Environmental & Climate	4	4	**16 — Severe**	Climate whiplash — alternating drought and extreme rainfall — is now structural, raising insurance, logistics and business-continuity costs for any Accra-based operation.	Secure flood-specific business-interruption insurance and elevate critical infrastructure above historical flood lines for Accra and Tema operations.
Infrastructure & Technology	3	3	**9 — Mod**	Current supply is stable but fragile — a bridge, not a fix — meaning backup power remains a near-term operational necessity, not a luxury.	Maintain or expand on-site backup generation and solar-battery capacity through at least 2028; track the Transformer Upgrade and Replacement Programme rollout.

Dimension analysis

Political & Governance

President John Dramani Mahama enters mid-2026 riding a wave of macroeconomic vindication, having declared Ghana "rising again" under his Reset Agenda and pledging renewed anti-corruption action with "no sacred cows." Yet the fight has hit a genuine institutional snag: a high-stakes legal battle between the Attorney-General and the Office of the Special Prosecutor has exposed unresolved questions about who ultimately controls accountability for elite corruption cases. Encouragingly, a nationwide survey found many Ghanaians believe the anti-corruption push has genuinely improved under Mahama. Ghana's 2025 Transparency International score held flat at 43/100 (76th of 182 countries), a one-point gain that Transparency International itself termed a plateau relative to faster-improving regional peers.

Economic & Financial

Ghana's macro story has flipped dramatically. Annual inflation, which peaked near 54% in 2022, hit just 3.2% in March 2026 before ticking up to 5.3% in June on higher oil and fertiliser costs linked to Middle East tensions. The cedi, which lost roughly 9% over the trailing twelve months but gained almost 4% in the past month, sits near GHS 11.29 to the dollar as of late June 2026, backed by a provisional 2025 current-account surplus of $9.1 billion and reserves of $13.8 billion. GDP grew 5.8% in 2025, with 2026 forecasts of 4.8–5.0%. Ghana completed its IMF Extended Credit Facility in May 2026, exiting "ahead of schedule" per the Fund's own release, and has moved to a non-financing 36-month Policy Coordination Instrument. Eurobond restructuring achieved over 95% creditor participation, though debt remains classified as distressed, forecast near 53% of GDP by end-2026.

Legal & Regulatory

Ghana's regulatory architecture is being actively rebuilt around its two central economic vulnerabilities: illegal mining and financial integrity. Proposed amendments to the Minerals and Mining Act would require excavators to be registered and geofenced to specific concessions, letting regulators detect unauthorised movement in real time. The new Ghana Gold Board has assumed exclusive authority to assay, grade, value and export small-scale mining gold, with a blockchain track-and-trace system slated for 2026 rollout. Ghana exited the FATF grey list back in 2021 and remains off it as of the June 2026 plenary update, a durable positive for correspondent banking relationships. Separately, the unresolved contest between the Attorney-General's office and the Office of the Special Prosecutor over jurisdiction on elite corruption cases creates near-term uncertainty for investors relying on predictable prosecutorial independence.

Security & Operational

Ghana has so far avoided the large-scale jihadist violence convulsing its Sahelian neighbours, but the buffer is thinning. JNIM and Islamic State-Sahel fighters increasingly use northern Ghana, particularly the Bawku area, for logistics and medical respite as they sustain operations in Burkina Faso. Analysts note JNIM's push into Togo, Benin and northern Ghana raises fears of a jihadist corridor reaching the Gulf of Guinea, treated by some as a binding sovereign-risk premium across the whole coastal arc. Accra's response has been substantial: the 2026 defence budget rose 69% year-on-year, funding a "Retooling of the Ghana Armed Forces" programme that has already delivered 105 militarised vehicles, surveillance drones and counter-drone systems. Ghana also signed a security partnership with the EU to help contain Sahel spillover.

Sociocultural & Human Capital

Ghana's demographic dividend comes with a warning label. Female unemployment stands at 14.8% and youth unemployment at roughly 32%, with the 20–24 cohort hit hardest at 36.6%, translating into roughly 754,000 young jobseekers and a further 1.25 million young Ghanaians classified as not in employment, education or training. On the positive side of the ledger, headline inflation's collapse to 3.2–3.7% through March–May 2026 has restored real purchasing power for working households.

Ghana's mobile and digital infrastructure is a genuine strength underpinning human-capital formation: mobile connections equal roughly 119–130% of the population, internet penetration is 74.6%, and over 80% of adults use mobile money, a foundation for fintech-driven upskilling that partially offsets the formal-sector jobs gap.

Environmental & Climate

Ghana's capital just flooded again. Days of torrential rain culminating on 29–30 June 2026 killed at least 12 people in Accra, including a mother and child swept away in the Achimota-Agbogbloshie district, with more than 470 people rescued from submerged buildings as roads across Accra and neighbouring Tema went underwater. It echoes a similar event in May 2025 that killed four and displaced roughly 3,000 in Greater Accra. On land, the galamsey illegal small-scale mining crisis continues to degrade water bodies, though enforcement is intensifying: more than 1,600 task-force personnel are now deployed nationally, and turbidity on the River Tano fell 89% between 2024 and 2025. UNESCO is co-funding a flood and drought resilience project with Japan running through February 2026.

Infrastructure & Technology

Ghana's power story is one of stabilised generation but a crumbling distribution layer. The Energy Ministry insists there has been no nationwide load-shedding in ten to eleven months, but the Electricity Company of Ghana has acknowledged that ageing cables and overloaded transformers are causing localised outages, losing 32% of purchased electricity in 2024 alone, the worst in over two decades. A GH¢4 billion, 18-month Transformer Upgrade and Replacement Programme is now installing over 2,500 transformers nationwide. Longer-term, Ghana risks exhausting dependable generation capacity by 2027 and installed capacity by 2028 without fresh investment. On the digital side, Ghana is a regional leader, with mobile penetration exceeding 130% and internet penetration at 74.6%, a strong platform for fintech and e-commerce.

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Cote d'Ivoire

- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Yamoussoukro (political) / Abidjan (economic)	$112.11 billion	≈33.5 million	West African CFA Franc (XOF)	74 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	4	**16 — Severe**	Political risk is now centred on succession uncertainty within a final term rather than immediate instability.	Structure long-horizon investments with political-risk insurance given succession uncertainty beyond 2030.
Economic & Financial	2	3	**6 — Mod**	Macro fundamentals are strong, but commodity-concentration risk in cocoa is a structural vulnerability investors must price in.	Diversify supply-chain and revenue exposure beyond raw cocoa into value-added processing to capture margin and reduce raw-commodity price exposure.
Legal & Regulatory	3	3	**9 — Mod**	Grey-list exit appears imminent but not yet finalised, a near-term catalyst worth tracking for financial-sector investors.	Financial institutions and payment processors should prepare for enhanced due diligence requirements to persist through 2026 pending FATF's on-site verification.
Security & Operational	4	4	**16 — Severe**	Northern Cote d'Ivoire is now effectively off-limits for normal commercial operations; risk is concentrated geographically but escalating.	Restrict physical operations and staff travel to south of the Northern Operational Zone; register with the government's border framework if operating near the Mali frontier.
Sociocultural & Human Capital	3	3	**9 — Mod**	Rural livelihoods are more exposed to commodity-price swings than urban labour markets, creating a bifurcated human-capital risk profile.	Support farmer income diversification and certification programmes to buffer against price volatility and reputational supply-chain risk.
Environmental & Climate	4	3	**12 — High**	Abidjan's low-lying, poorly drained urban geography makes flood risk a recurring, near-annual cost of doing business rather than a rare tail event.	Prioritise flood-resilient site selection and drainage infrastructure investment for any new Abidjan facility; factor flood disruption into port logistics planning.
Infrastructure & Technology	2	3	**6 — Mod**	Infrastructure trajectory is positive and investment-backed, making this one of Cote d'Ivoire's comparatively lower-risk dimensions relative to political and security risk.	Engage early with port-expansion and grid-modernisation tenders tied to the 2026–2030 National Development Plan to capture first-mover positioning.

Dimension analysis

Political & Governance

Cote d'Ivoire's October 2025 election was a study in managed continuity and its costs. Alassane Ouattara, now 83, won a fourth term with 89.77% of the vote after top challengers Laurent Gbagbo and Tidjane Thiam were excluded from the race. Turnout was roughly 50%, comparable to 2010 and 2015 but reflecting democratic vulnerability. Protests over the exclusions turned deadly: at least a dozen people reportedly died in clashes despite a two-month public-protest ban. Ouattara was sworn in for his final term, under current constitutional limits, on 8 December 2025. Cote d'Ivoire's 2025 Transparency International score held at 43/100 (76th of 182 countries), down two points from the prior year.

Economic & Financial

Cote d'Ivoire's macro engine keeps running hot: GDP growth is projected at 5.5% in 2026, part of an African Development Bank-forecast 6.3–6.4% average across 2025–27, while inflation stays low at a projected 1.8% for 2026. But the cocoa sector — 15–20% of GDP and over six million livelihoods — is under real strain: futures crashed to $2,952 a tonne by 24 February 2026, down from a record $12,906 in December 2024, forcing authorities to slash the 2025/26 mid-crop farmgate price by 57% to CFA1,200 per kilogram. Public debt stood at roughly 59.5% of GDP in 2024, with the fiscal deficit targeted at 3% of GDP in 2026–27.

Legal & Regulatory

Cote d'Ivoire's regulatory story in 2026 is dominated by its FATF grey-list status. Added to the list of jurisdictions under increased monitoring in October 2024, the country has since strengthened international cooperation on money-laundering and terrorist-financing investigations. FATF's own June 2026 update states Cote d'Ivoire has "substantially completed its action plan" and now warrants an on-site assessment, signalling exit is plausible before year-end but not yet confirmed. Separately, the country's Transparency International score slipped two points to 43/100, placing it exactly at the global average. Investors should treat both metrics as live, moving indicators, with the grey-list determination in particular able to shift market-access conditions materially within this reporting cycle.

Security & Operational

Cote d'Ivoire's northern frontier has become a genuine conflict zone by proxy. JNIM, al-Qaeda's Sahelian affiliate, has crossed from Burkina Faso to strike security forces and civilians in the Savanes and Zanzan districts, including inside Comoé National Park, prompting Abidjan to stand up a dedicated Northern Operational Zone and counterterrorism intelligence centre. The US Embassy's February 2026 travel advisory now designates the border strip touching Mali and Burkina Faso as Level 4, "Do Not Travel." Compounding this, a JNIM-imposed fuel blockade in Mali has pushed refugees toward Cote d'Ivoire, prompting tighter border registration. Away from the north, the October 2025 post-election unrest also killed roughly a dozen people, underscoring that security risk in 2026 is both geographically concentrated and episodically political.

Sociocultural & Human Capital

Human-capital risk in Cote d'Ivoire in 2026 runs through its cocoa belt. The sector supports more than six million livelihoods, and the 2025/26 farmgate price cut of 57% has squeezed rural household incomes just as urban consumption, some 82% of GDP, continues expanding, widening the urban-rural welfare gap. The cocoa industry has historically also been scrutinised for child-labour and deforestation exposure, an ongoing reputational and compliance risk for EU-facing exporters given the bloc absorbs 66% of Ivorian cocoa exports. On the positive side, the National Development Plan 2026-2030 directs substantial private investment partly toward agriculture and social infrastructure, and low inflation is helping preserve real incomes for salaried urban workers even as smallholder cocoa farmers absorb the commodity-price shock directly.

Environmental & Climate

Abidjan flooded again at the very end of June 2026. Several days of torrential rain left more than a dozen people dead, concentrated in the municipalities of Attécoubé and Yopougon, part of a combined death toll of at least 24 across Cote d'Ivoire and neighbouring Ghana. This follows a pattern: a 2018 Abidjan flood damaged roughly 1,140 residential buildings, and the World Bank-backed Abidjan Urban Resilience project has since targeted drainage and waste-management upgrades to reduce this recurring risk. Encouragingly, the government's 2026 budget allocates FCFA 4.2 trillion in public investment partly toward water, sanitation and climate-resilient transport infrastructure, alongside upgrades at the Port Autonome d'Abidjan.

Infrastructure & Technology

Infrastructure is arguably Cote d'Ivoire's strongest relative risk dimension. The 2026 budget commits FCFA 4.2 trillion in public investment, with priority allocations to agriculture, transport and energy spanning grid expansion, hydroelectricity and solar, plus water, sanitation, education and health. The Port Autonome d'Abidjan is undergoing expansion alongside road-network upgrades. The main vulnerability remains urban drainage and flood-control infrastructure, which has repeatedly failed to keep pace with Abidjan's rapid, informal urban growth. Overall, however, the combination of budgeted capital, and strong private-investment appetite make this a comparatively manageable risk.

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Tanzania
- Risk & Strategic Implications

Capital: Dodoma (official) / Dar es Salaam (commercial)	GDP: $94.89 billion	Population: ≈72.6 million	Currency: Tanzanian Shilling (TZS)	Total risk score: 86 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	5	5	**25 — Extreme**	Tanzania has moved from stable single-party-dominant to internationally scrutinised post-atrocity regime within one reporting cycle.	Suspend new capital commitments pending clarity on the diplomatic response and possible sanctions exposure; conduct enhanced human-rights due diligence on government-linked contracts.
Economic & Financial	2	3	**6 — Mod**	Tanzania's macro fundamentals remain sound and arguably under-appreciated relative to the acute political shock, a potential disconnect for investors pricing country risk purely off headlines.	Hedge shilling exposure opportunistically given post-election volatility risk, and monitor the IMF programme renewal as a key stability signal.
Legal & Regulatory	3	4	**12 — High**	Formal financial-regulatory standing has improved, but the deployment of criminal law against political opposition raises broader rule-of-law concerns relevant to expropriation and contract-enforcement risk.	Include international arbitration clauses in all new contracts with Tanzanian state entities; avoid reliance on domestic courts for dispute resolution in politically sensitive sectors.
Security & Operational	4	4	**16 — Severe**	Tanzania's risk profile has shifted meaningfully upward in 2025–2026, from stable East African anchor to watch-list status among major travel-advisory issuers.	Avoid operations within 30km of the Mozambique border in Mtwara region; reassess corporate travel and security protocols nationwide given the elevated advisory level.
Sociocultural & Human Capital	3	3	**9 — Mod**	Tanzania's demographic scale is a long-term consumer-market asset, but current human-capital investment lags the growth needed to convert population into productivity.	Prioritise workforce training and health and education-linked CSR investment, both to build a skilled labour pipeline and to manage social-licence risk following the political crisis.
Environmental & Climate	4	3	**12 — High**	Tanzania faces compounding climate stress, drought-driven water and food insecurity rather than a single acute disaster, requiring sustained rather than one-off resilience investment.	Invest in independent water storage and treatment capacity in Dar es Salaam and diversify agricultural sourcing away from drought-hit central and northern regions.
Infrastructure & Technology	2	3	**6 — Mod**	Tanzania's infrastructure trajectory is genuinely positive and well-funded, positioning it as an aspiring regional logistics hub, a rare bright spot amid the political turmoil.	Logistics and manufacturing investors should engage early with Standard Gauge Railway-linked corridor opportunities given completion timelines through 2028.

Dimension analysis

Political & Governance

Tanzania's October 2025 election has become one of the most consequential political-risk events on the continent this cycle. President Samia Suluhu Hassan was declared winner with 97.66% of the vote in a process widely denounced as fraudulent, after leading opposition figures were barred or detained ahead of the vote. Protests erupted in Dar es Salaam; security forces used tear gas and reportedly live ammunition, with an internet blackout imposed. The UN's human rights office confirmed at least 10 deaths, while opposition party CHADEMA has alleged more than 2,000 people were killed nationwide, figures that remain contested and unverified independently and should be read as a serious, unresolved data point rather than a settled figure. Since then, prosecutors have charged at least 240 people with treason, and Washington is reportedly reconsidering the bilateral relationship.

Economic & Financial

Tanzania's macroeconomic picture remains surprisingly resilient even as its political crisis deepened. The central bank forecasts GDP growth of 6.3% in 2026, though the IMF is more conservative at 5.9% and the African Development Bank projects 5.4%; 2025 growth came in at 6.0%. Inflation has stayed inside the 3–5% target band, running 3.2% in March 2026 before rising to 4.0% in April on transport, fuel and food costs. The shilling appreciated roughly 6.5% against the dollar in the second half of 2025 and is projected to average around TSh 2,550 to the dollar through 2026. Government gross debt was 40.6% of GDP in 2025, projected to reach 48.3% in 2026, still under the self-imposed 55% ceiling. An IMF programme renewal, with talks concluding around May 2026, is a live catalyst to watch.

Legal & Regulatory

Tanzania's legal-risk picture is genuinely split. On financial regulation, the country exited the FATF grey list effective 13 June 2025 after completing its anti-money-laundering action plan, a durable win for correspondent banking and cross-border finance. But the same period saw prosecutors charge at least 240 people with treason and criminal conspiracy over the October 2025 post-election protests, including CHADEMA's deputy secretary-general, arrested on 8 November 2025. Treason charges carry the death penalty under Tanzanian law, making this an unusually severe use of the legal system against political dissent. For investors, the contrast is stark: cleaner anti-money-laundering compliance standing coexists with a judiciary now visibly instrumentalised in a post-election political crackdown.

Security & Operational

Tanzania's security risk has climbed on two distinct fronts. First, the US State Department raised its advisory to Level 3, "Reconsider Travel," on 31 October 2025, explicitly citing unrest, crime and terrorism, a downgrade tied directly to the disputed election. Second, and more geographically contained, the Mtwara region bordering Mozambique's Cabo Delgado province remains a hard no-go zone, with the UK, Canada and Australia all advising against travel within 10 to 30km of the border, citing armed groups and kidnapping risk linked to the Cabo Delgado insurgency. Beyond these two flashpoints, violent crime, including armed robbery and carjacking, is described as common in Dar es Salaam and Arusha.

Sociocultural & Human Capital

Tanzania's human-capital challenge predates and now compounds its political crisis. The World Bank's Human Capital Index placed Tanzania 152nd of 174 countries in its most recent confirmed assessment, and youth unemployment is flagged as a growing structural problem even amid solid headline GDP growth. This matters more given the backdrop: post-election prosecutions and an internet blackout during the October–November 2025 unrest disrupted business activity, education access and digital-economy participation for weeks, compounding pre-existing skills gaps. Dar es Salaam, Tanzania's largest city at roughly 8 million people, is also facing a mounting freshwater crisis, relying on water trucks as the Ruvu River, supplying 70% of the city's water, runs low amid drought conditions.

Environmental & Climate

Tanzania's climate risk in 2026 is less a single dramatic event than a relentless, compounding water crisis. Roughly 70% of the country's natural disasters are flood- or drought-related, and Dar es Salaam is now rationing water via trucks and private suppliers as the Ruvu River runs low amid drought and heat. Agriculturally, drought and pest infestations are projected to cut rice yields from a typical 25 bags per hectare to just 5–6 bags in affected areas. This follows a starker 2023–2024 pattern when El Niño-driven above-average rains across two consecutive seasons triggered floods, landslides and debris flows across all 26 of Tanzania's regions. The whiplash between drought and flood underscores a structurally rising climate-risk baseline.

Infrastructure & Technology

Infrastructure is Tanzania's clearest good-news story in this cycle. Installed power generation capacity hit 4,522.54MW by March 2026, a 12.17% increase year-on-year, while electricity access rose to 85.5% from 78.4% in 2020. The flagship Standard Gauge Railway has already cut Dar es Salaam-Dodoma travel time from over nine hours to roughly three and a half hours, with more than $10 billion invested to date; the Isaka-Mwanza section was 63% complete as of May 2025. The government's 2026/27 transport budget directs over 95% to rail, aviation, port and maritime development, aiming to lift rail's freight share from 2% to 30% by 2030 and position Tanzania as East, Central and Southern Africa's logistics hub. Execution risk remains given the scale involved, but the funding commitment is real.

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Uganda
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Kampala	$73.37 billion	≈48–53 million (source-dependent)	Ugandan Shilling (UGX)	83 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	5	4	**20 — Crit**	Political continuity is assured near-term, but legitimacy deficits and succession uncertainty raise long-horizon governance risk for multi-decade infrastructure investments.	Structure investments with political-risk insurance and avoid reliance on personalised executive assurances; build in contractual stability clauses.
Economic & Financial	3	3	**9 — Mod**	Strong oil-driven growth momentum is a genuine tailwind, but currency and fiscal risk remain live as debt climbs ahead of first oil-revenue realisation.	Hedge shilling exposure given the 12-month depreciation trend; stagger capital deployment to periods after first oil, targeted for the fourth quarter of 2026, when FX liquidity typically improves.
Legal & Regulatory	2	3	**6 — Mod**	Dispute-resolution infrastructure is credible on paper, but sector-specific regulatory shifts in mining and oil require close legal monitoring.	Insert arbitration clauses with a seat outside Uganda where possible; commission local counsel review of mining-law compliance before extractive-sector entry.
Security & Operational	4	3	**12 — High**	Direct operational exposure is concentrated in western and border districts; core commercial areas face lower but non-zero spillover risk.	Maintain enhanced due diligence and security protocols for operations near the DR Congo border and Rwenzori region; use armed escort and evacuation planning for western field operations.
Sociocultural & Human Capital	4	3	**12 — High**	A demographic dividend is possible but currently unrealised; skills mismatches and underemployment constrain labour-intensive investment returns.	Invest directly in vocational and technical training pipelines and partner with local universities to secure a skilled workforce rather than relying on open-market hiring.
Environmental & Climate	4	3	**12 — High**	Climate-vulnerable regions pose recurring asset and supply-chain risk for agriculture and infrastructure.	Commission site-specific flood and landslide risk assessments before locating fixed assets in high-risk districts; build climate resilience and insurance into project financing.
Infrastructure & Technology	3	4	**12 — High**	Power unreliability is a near-term operational drag, but the Lake Albert oil project represents the single largest infrastructure catalyst in Uganda's modern economic history.	Budget for backup power as standard capex; position early for oil-linked logistics, services and local-content contracting opportunities ahead of fourth-quarter 2026 first exports.

Dimension analysis

Political & Governance

Uganda enters mid-2026 under a seventh Museveni term secured with 71.65% of the vote in the 15 January election, a result the US Senate branded a "hollow exercise" and Human Rights Watch says was accompanied by internet shutdowns, mass arrests and a raid on runner-up Bobi Wine's home. Wine, who won 24.72%, rejected the result and went into hiding. Uganda's Corruption Perceptions Index score fell to 25/100 in the 2025 index, ranking 148th of 180 countries, down from 26 the prior year. With Museveni now 81 and no clear succession framework, investors face a durable near-term regime but an opaque long-term transition, layered atop weak anti-corruption enforcement that raises the cost of doing business through informal channels.

Economic & Financial

Uganda's macro picture is one of the strongest in this cohort: headline inflation sits at just 3.2%, comfortably within the central bank's target, while real GDP growth hit 8.5% in the fourth quarter of 2025, the strongest print since 2022, with the IMF projecting 7.5% for full-year 2026 as oil production ramps up. The Bank of Uganda held its policy rate at 9.75% as of early 2026. Public debt reached 52.4% of GDP in the 2024/25 fiscal year, forecast to peak near 52.7% before easing toward 51% by 2027. The shilling has depreciated roughly 2.16% against the dollar over the trailing twelve months to late June 2026, trading near UGX 3,671 to the dollar. Uganda attracted approximately $3.5 billion in foreign direct investment in 2025, concentrated in oil, gas and infrastructure.

Legal & Regulatory

Uganda's formal legal architecture for investors is comparatively sound: it is a New York Convention signatory, its Arbitration and Conciliation Act tracks UNCITRAL standards, and 2025 Court of Appeal rulings strengthened the finality of arbitral awards by closing interim-order appeal loopholes. The Commercial Division of the High Court processes 3,000 to 5,000 business disputes annually. However, the Mining and Minerals Act of 2022 and subsequent licensing regulations, combined with a wave of 2024–2026 rulings, have materially altered enforceability risk and expanded state-participation rights in extractives, the same sector drawing the bulk of Uganda's 2025 foreign direct investment. Investors in oil, gas and mining should expect an evolving, state-assertive regulatory posture even as general commercial dispute resolution remains relatively predictable.

Security & Operational

Security risk in Uganda is bifurcated: core urban and oil-corridor areas are largely stable, but the western border with DR Congo remains an active conflict zone tied to the Islamic State-linked Allied Democratic Forces insurgency. Joint Ugandan-Congolese operations intensified through early 2026, overrunning a major ADF camp in February and freeing at least 200 civilian captives near the River Epulu in April. The offensive has enabled some displaced communities to return home and cross-border trade to resume, though UN figures show the ADF has killed thousands of civilians in eastern DR Congo over the past decade. For most commercial operators, particularly those in Kampala or the emerging Lake Albert oil corridor, this risk is peripheral rather than direct, but firms near the Rwenzori/western border zone face materially elevated exposure.

Sociocultural & Human Capital

Uganda's demographic profile is a double-edged sword. With a median age of roughly 16.7 years and over three-quarters of the population under 30, the country has enormous labour-supply potential, but absorption capacity is weak. Roughly 700,000 to 800,000 young people enter the job market each year against only about 90,000 new formal jobs, meaning real youth underemployment likely runs well above the official 4.46% figure, with commentators citing a truer range of 13–16%. This mismatch feeds emigration pressure and informal-sector absorption. For investors, the sheer scale of the youth cohort is a long-term asset for labour-intensive sectors like agro-processing and business process outsourcing, but only if paired with deliberate skills investment.

Environmental & Climate

Uganda faces recurring, sometimes deadly climate hazards concentrated in its rainy seasons. Ahead of the March–May 2026 season, the government issued a high-alert warning covering flash floods, landslides and lightning risk across districts including Kasese, Bukedea, Kitgum and Rakai, alongside preparations for a likely surge in cholera, typhoid and malaria from water contamination. This is not a hypothetical risk: past landslide events in eastern Uganda have buried dozens of homes and killed at least 15 people in a single incident. Government has begun procuring land for at-risk community resettlement and is working with the Uganda Red Cross on preparedness. Agriculture, transport and fixed infrastructure near Mount Elgon, Karamoja or the Rwenzori foothills should factor recurring seasonal disruption into planning.

Infrastructure & Technology

Uganda's infrastructure story in 2026 is defined by the East African Crude Oil Pipeline and Lake Albert project, 75% complete as of November 2025, with first oil production targeted for end-July and first exports via Tanzania's Tanga port by October, ultimately reaching 230,000 barrels a day within two years. TotalEnergies holds 62% of the pipeline project, alongside Uganda's national oil company, Tanzania's counterpart and a Chinese partner. Yet baseline infrastructure remains uneven: national grid electrification sits near 60–65%, with rural access lagging at 42.4% versus 76.4% urban, and firms losing an average four hours daily to power outages. On digital connectivity, Uganda has strong 4G coverage but weak actual usage, reflecting affordability and device-cost barriers rather than network gaps.

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Cameroon
- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Yaoundé	$65.14 billion	≈30–31 million	CFA Franc BEAC (XAF)	88 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	5	4	**20 — Crit**	Governance risk is now acutely centred on transition mechanics rather than incumbent stability; a disorderly succession is the primary tail risk for any multi-year investment horizon.	Diversify political-risk exposure across CEMAC-region operations rather than concentrating single-country bets; monitor vice-presidential and cabinet appointments closely as succession signals.
Economic & Financial	3	3	**9 — Mod**	Correspondent banking and cross-border payment friction from continued FATF grey-list status raises transaction costs and slows capital flows.	Build extra lead time and compliance documentation into cross-border banking transactions; engage AML-compliant correspondent banks proactively.
Legal & Regulatory	3	3	**9 — Mod**	The formal legal toolkit is investor-friendly on paper, but enforcement during a politically fraught succession period carries execution risk.	Use arbitration clauses with a neutral seat, and factor political-succession risk into force majeure and stabilisation-clause drafting.
Security & Operational	5	4	**20 — Crit**	Cameroon faces concurrent two-front insecurity — the Anglophone secessionist conflict plus Boko Haram/ISWAP in the Far North — materially constraining operations outside Yaoundé and Douala.	Exclude the Northwest, Southwest and Far North regions from physical operations; use remote or local-partner models and maintain kidnap-and-ransom insurance for staff transiting these zones.
Sociocultural & Human Capital	3	3	**9 — Mod**	Structural poverty and inconsistent skills data suggest a large but under-credentialed labour pool; formal-sector hiring may face gaps in verifiable qualifications.	Build in-house training and apprenticeship pipelines rather than relying on the formal education system; target poverty-reduction CSR programming to de-risk community relations near conflict-adjacent regions.
Environmental & Climate	4	3	**12 — High**	Climate and conflict displacement are mutually reinforcing in the Far North, compounding both humanitarian and commercial operating risk in that region specifically.	Avoid fixed-asset placement in Far North and Lake Chad basin floodplains; partner with humanitarian agencies already resourced for climate-conflict response if operating in the region.
Infrastructure & Technology	3	3	**9 — Mod**	Energy infrastructure is improving but from a weak base; near-term power reliability remains a genuine constraint on manufacturing and industrial investment.	Budget for captive or backup power generation as a standard capex line item through at least 2030; monitor recovery-plan milestones as a proxy for grid-reliability improvement timing.

Dimension analysis

Political & Governance

Cameroon's political risk in mid-2026 centres overwhelmingly on the succession question surrounding 93-year-old President Paul Biya, the world's oldest sitting head of state. In April 2026 the National Assembly approved a constitutional amendment reviving the vice-presidency, abolished in 1972, which commentators frame as the opening move of a succession contest, with unconfirmed reports, denied by government, that Biya may install his son in the role. A cabinet reshuffle, overdue by seven years as of January 2026, remains pending as this constitutional manoeuvring plays out. Biya's approval rating fell from over 71% in 2018 to 53.66% in 2025. Cameroon scored just 26/100 on the 2025 Corruption Perceptions Index, ranking 142nd of 182 countries, below the already-weak sub-Saharan African average of 32.

Economic & Financial

Cameroon's macro trajectory shows cautious improvement: the IMF's March 2026 Article IV consultation projects growth recovering to 3.3% in 2026 on higher public investment, with inflation easing to 2.9%, within the CEMAC region's convergence band. The regional central bank cut its policy rate to 4.5% in a move welcomed as supportive of investment. But the persistent overhang is Cameroon's FATF grey-list status: as of the June 2026 plenary update, the country remains listed, having completed under 40% of its 24 agreed anti-money-laundering action points by late October 2025, despite a stated government goal of exiting by year-end. For investors, the grey-list status is the most tangible near-term economic friction, raising compliance costs and slowing correspondent banking.

Legal & Regulatory

On paper, Cameroon's legal framework for foreign investors is reasonably robust: as an OHADA member state, it applies harmonised, UNCITRAL Model Law-based business and arbitration law, and it is party to both the New York Convention and the ICSID Convention. Recognition of foreign arbitral awards is final and non-appealable, though denials can be escalated to the OHADA Common Court of Justice and Arbitration. That said, the practical operating environment is shadowed by the broader succession-driven political uncertainty and the FATF grey-listing's implications for financial-sector oversight. Investors should lean on OHADA/ICSID mechanisms contractually while recognising that domestic judicial enforcement capacity and independence remain more uncertain than the formal statutory framework suggests.

Security & Operational

Cameroon carries among the most acute security risk in this cohort, driven by two concurrent, geographically distinct conflicts. In the Anglophone Northwest and Southwest, a crisis now entering its second decade has killed over 6,000 people; violence flared again in December 2025–January 2026, killing at least 23, mostly women and children, in two villages, and a mid-February 2026 attack burned another village, displacing roughly 850 residents. Separately, in the Far North, Boko Haram and Islamic State West Africa Province activity around Lake Chad has pushed internal displacement above 510,000 people, with a 5 May 2026 attack on a Chadian military post killing 23 and injuring 26. For businesses, the commercially viable footprint is effectively confined to Yaoundé, Douala and the southern coastal corridor.

Sociocultural & Human Capital

Cameroon's human-capital picture is one of stagnation rather than acute crisis. National poverty fell only marginally from 40.2% in 2001 to 37.7% in 2022, even as the absolute number of poor people climbed past 10 million, with rural areas bearing nearly 70% of that burden. Youth unemployment figures are inconsistent across sources, reflecting a labour market where informality masks the real employment gap. Layered onto this is the displacement burden from the Anglophone and Far North conflicts, which strains social services and human-capital formation specifically in the affected regions. For investors, this points to a workforce that is available and inexpensive but unevenly skilled and geographically concentrated away from conflict zones.

Environmental & Climate

Cameroon's environmental risk is concentrated in the Lake Chad Basin, where climate stress compounds an already severe conflict and displacement crisis. As of February 2026, Cameroon hosted an estimated 510,855 internally displaced persons in the basin, a 7% year-on-year increase, driven by a combination of conflict, poverty and recurrent flooding. This follows a pattern of recurring severe floods in 2016, 2020, 2022 and 2024; the 2024 flooding alone affected more than 236,000 people and killed over 250 across the four basin countries. Analysts describe the interplay of conflict, extreme poverty and a changing climate as mutually reinforcing rather than separable risks. Outside the Far North, Cameroon's broader climate exposure is more moderate.

Infrastructure & Technology

Cameroon's infrastructure trajectory is improving but starting from a constrained base. National electrification sits at 74%, and the government's Electricity Sector Recovery Plan, backed by World Bank and African Development Bank financing, targets 50,000 new connections by the third quarter of 2026, alongside replacing tens of thousands of wooden power poles with concrete ones and migrating 1.5 million meters to prepaid systems. Yet the government's own roadmap only targets universal power access by 2030 under a separate $6.5 billion plan, implying reliability gaps will persist for years. Mobile connectivity is widespread and central to commerce and finance, though detailed 2026 broadband-penetration figures were not independently confirmed in this research pass.

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Tunisia

- Risk & Strategic Implications

Capital:	GDP:	Population:	Currency:	Total risk score:
Tunis	$60.74 billion	≈12.4 million	Tunisian Dinar (TND)	89 of 175

Risk Dimension	L (1-5)	I (1-5)	Rating	Strategic Implication	Recommended Action
Political & Governance	4	4	**16 — Severe**	Institutional checks have been systematically dismantled since 2021-2022; investors face a governance environment where predictability increasingly depends on presidential discretion rather than independent institutions.	Prioritise investment structures with strong international arbitration clauses and political-risk insurance given the erosion of domestic judicial independence.
Economic & Financial	4	4	**16 — Severe**	Weak growth combined with high debt and twin deficits limits fiscal-buffer capacity, raising the risk of renewed austerity or currency pressure without external financing support.	Hedge dinar exposure and stress-test business cases against continued high borrowing costs and limited fiscal-stimulus capacity.
Legal & Regulatory	4	3	**12 — High**	Formal investor-protection statutes exist but rest on a judiciary with diminished independence, meaning enforcement reliability is more uncertain than the legal text implies.	Rely on international arbitration rather than domestic courts for dispute resolution; document all regulatory approvals thoroughly given reduced judicial checks on executive discretion.
Security & Operational	3	3	**9 — Mod**	Baseline security risk is moderate and manageable compared to regional peers, but tourism, hospitality and retail carry disproportionate exposure given the specific threat profile named in official advisories.	For tourism, hospitality and retail operators, maintain enhanced venue security and avoid areas within 16km of the Algerian and Libyan borders per government guidance.
Sociocultural & Human Capital	4	3	**12 — High**	Tunisia has a comparatively well-educated workforce, but chronic youth joblessness signals weak private-sector job creation and elevated emigration and brain-drain pressure.	Target Tunisia's educated youth talent pool directly for business-process-outsourcing, IT and export-services investment through proactive recruitment.
Environmental & Climate	5	4	**20 — Crit**	Water scarcity is now a structural, not cyclical, constraint on agriculture, tourism and industrial water users, and is a direct driver of Tunisia's broader economic and political fragility.	For water-intensive operations, commission independent water-security audits and invest in on-site water recycling or desalination capacity rather than assuming municipal supply reliability.
Infrastructure & Technology	2	2	**4 — Low**	Tunisia offers the most investment-ready digital and telecom infrastructure base among its North African peers in this report, positioning it well for IT-enabled services, fintech and export-oriented digital business models.	Prioritise Tunisia over regional peers for digital-services, fintech or IT-outsourcing investment given superior connectivity infrastructure, while still budgeting for water and power contingencies.

Dimension analysis

Political & Governance

Tunisia's political trajectory continues its multi-year authoritarian consolidation under President Kais Saied. On 31 January 2026, Saied extended the national state of emergency for the tenth consecutive year, a measure introduced in 2015 as temporary after a suicide bombing that targeted a bus carrying members of the presidential guard through central Tunis but now normalised as a routine governance tool. Opposition arrests continued into 2026, including new prosecutions on 4 February against journalists and activists under Decree Law No. 54 of 2022. Tunisia scored 39/100 on the 2025 Corruption Perceptions Index, below the global average of 42, with civic space "shrinking through administrative, judicial and financial pressures." Tunisia has also pulled back from Western-aligned institutions, rejecting EU monetary support and exiting the African Court on Human and Peoples' Rights in March 2025, while deepening ties with China and Russia, a reorientation that reduces external accountability pressure on governance.

Economic & Financial

Tunisia presents the most fiscally strained profile among its North African peers in this report. Growth is projected at just 2.1% in 2026, improving modestly to 2.8% in 2027 on tourism and industrial-export momentum, while inflation has eased from a 7.0% peak to roughly 5.3-5.7%, allowing the central bank to lower its policy rate gradually to 7% in early 2026. Public debt stabilised near 82.1% of GDP in 2025, down slightly from 84.9% in 2024, but the fiscal deficit is projected at a still-heavy 6.1% of GDP in 2026, with the current-account deficit widening to 5.3%. Tunisia's difficulties are compounded by its acute water crisis, constraining agricultural output, and by a political environment that has led it toward financing from China and Russia rather than concessional Western capital.

Legal & Regulatory

Tunisia's legal risk stems less from a lack of investor-protection statutes than from the erosion of the institutions meant to enforce them. The 2016 Investment Law guarantees fair compensation for any public-interest expropriation and grants foreign investors the right to repatriate capital, protections that remain formally in place. But since a 2022 decree dissolved the elected High Judicial Council and replaced it with a presidentially influenced provisional body, the International Commission of Jurists has warned that Tunisian courts "can no longer wholly fulfil" their guarantor role, citing arbitrary judge and prosecutor dismissals continuing into 2026. For businesses, this creates a gap between de jure protections and de facto enforcement reliability, best bridged contractually through international arbitration.

Security & Operational

Tunisia's security risk is real but more contained than several regional peers, reflecting its position as North Africa's most stable post-Arab Spring state despite democratic backsliding. The US State Department's Level 2 advisory, current as of 21 May 2026, explicitly cites terrorism-plotting risk with potential targeting of tourist sites, transport hubs, hotels and government facilities, with the threat assessment additionally shaped by spillover risk from the Iran-Israel conflict that began in late 2025. A country-wide state of emergency, now ten years running, gives security forces expanded authority to counter this threat. Government guidance specifically advises against travel within 16km of the Algerian and Libyan borders. For most commercial operations in Tunis or Sousse, this translates to manageable, low-frequency risk.

Sociocultural & Human Capital

Tunisia's human-capital paradox is stark: it has one of the better-educated youth populations in the region, yet one of the highest youth unemployment rates. Youth unemployment, ages 15-24, hit 38.08% in 2025, with survey data finding 29% of young Tunisians unemployed and actively seeking work despite 78% having attained at least secondary education and a third holding post-secondary qualifications. This is a jobs-creation problem, not a skills problem: Tunisia's economy simply is not generating enough formal opportunities to absorb its qualified graduates, feeding well-documented emigration toward Europe. For investors, particularly in IT services and export manufacturing, this represents an underutilised, comparatively skilled labour pool, but capturing it requires proactive recruitment given the strong pull of outward migration.

Environmental & Climate

Tunisia faces the most severe climate and environmental risk among its North African peers in this report, driven by a structural water emergency rather than episodic disasters. The country is in its fifth straight year of drought, with dam storage having collapsed to 31-37% of capacity in 2023-2024, and per-capita renewable water availability now around 400 cubic metres annually, below the internationally recognised threshold for absolute scarcity. Tunisia is exploiting 96-98% of its renewable water resources, an almost unsustainable rate, while ageing pipe networks lose roughly 30% of supply to leakage; in 2024 alone, the national Water Observatory logged over 2,100 unannounced cut-offs. The African Development Bank and government have launched a joint drought-resilience roadmap, and the World Bank approved a Water Security and Resilience Programme in April 2026, but near-term relief is limited.

Infrastructure & Technology

Infrastructure and technology represent Tunisia's clearest comparative strength in this review. Internet penetration stands at 84.3%, with mobile connections exceeding 125% of the population, 5G services launched in 2025, and Tunisia is now part of the Medusa submarine cable system connecting Bizerte to Marseille, positioning it as a genuine regional digital connectivity leader. The government is pushing 192 digital-transformation projects for full public-service digitalisation starting in 2026, while a US-funded smart-grid pilot went live in Moknine in March 2026. The caveat is that electricity and water infrastructure both face resource-driven strain, so while telecom and digital-services infrastructure is investment-ready, physical utility infrastructure for water- or power-intensive industries still carries moderate residual risk.

Sources

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- Tunisia Travel Advisory — US State Department
- Tunisia's Climate Crisis, Economic Downturn, and Growing Dependency on Algeria — Carnegie Endowment
- World Bank Approves Water Security and Resilience Programme in Tunisia — Water Diplomat
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- Digital 2026: Tunisia — DataReportal
- Tunisia Launches 192 Digital Projects to Modernize State Services — We Are Tech

Conclusion

Africa in June 2026 presents the same paradox Sompa & Partners identified in its June 2025 report, now sharpened across a wider set of markets: high risk and high opportunity are frequently the same story told from two angles. The businesses that will succeed over the next reporting cycle are those that ground decisions in verified, current local data; build resilience into operations rather than strategy documents; invest in people and partnerships that scale across markets; and treat de-risking and growth as the same exercise rather than a trade-off.

01

Prepare for political-transition shocks in a widening set of markets

Affected markets: Tanzania, Cameroon, Uganda, DR Congo, Angola.

Succession and legitimacy questions — not fiscal crises — are the dominant political-risk driver this cycle. Structure long-horizon investments with political-risk insurance (MIGA, African Trade Insurance) and avoid reliance on personalised executive assurances. Diversify political relationships across provincial and technocratic contacts rather than concentrating on a single office.

02

Treat currency and debt stabilisation gains as real, but not yet durable

Affected markets: Ghana, Nigeria, DR Congo, Algeria, Tanzania.

Several 2026 macro turnarounds are IMF-validated and genuinely encouraging. Reprice long-term contracts with FX buffers where hedged pricing is not available, and continue to monitor programme reviews and grey-list determinations as leading indicators — the gains are recent and, in most cases, not yet tested through a full multi-year cycle.

03

Build security protocols around a widening jihadist arc, not a contained Sahel problem

Affected markets: Nigeria, Cameroon, Ghana, Côte d'Ivoire, DR Congo, Uganda.

Geo-fence operations away from named high-risk corridors (northern Nigeria, Cameroon's Far North and Anglophone regions, the Ghana-Côte d'Ivoire-Burkina Faso border belt, eastern DR Congo) and budget kidnap-and-ransom insurance and armed escort as a standing cost for any exposure to these zones, rather than a contingency.

04

Price climate whiplash as a recurring operating cost, not a tail event

Affected markets: Kenya, Ghana, Côte d'Ivoire, Morocco, South Africa, DR Congo, Tunisia, Angola.

Drought-to-flood cycles are now hitting six-plus markets in the same reporting period. Conduct location-specific climate-risk assessments, invest in resilient design (raised warehouses, storm drainage, water recycling), and pursue parametric insurance where available.

05

Capture the infrastructure supercycle as the upside case for de-risked capital

Affected markets: Morocco, Angola, Uganda, Tanzania, DR Congo, Ghana.

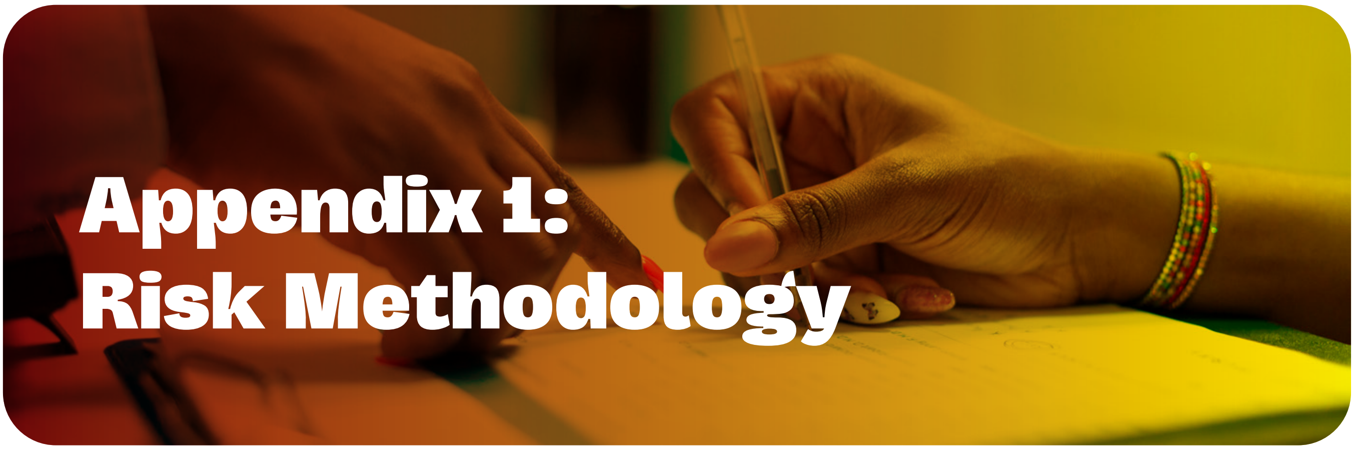
Multi-billion-dollar, externally financed infrastructure programmes — Morocco's World Cup buildout, Angola's Lobito Corridor, Uganda's Lake Albert/EACOP project, Tanzania's Standard Gauge Railway — are proceeding on schedule and represent the clearest path to participate in African growth while a country's other risk dimensions remain elevated.

06

Treat the youth bulge as both the leading social-stability risk and the leading commercial opportunity

Affected markets: Kenya, Morocco, Nigeria, South Africa, Ghana, Angola, Ethiopia, Tunisia.

Youth unemployment above 30% is now common across the cohort and a proven trigger for mass mobilisation (Kenya, Morocco). Localise hiring, invest in vocational and apprenticeship pipelines, and treat workforce development as a core capital investment rather than a corporate-responsibility add-on.



Appendix 1: Risk Methodology

Each of the seven risk dimensions is scored on a 5×5 Likelihood × Impact matrix. Likelihood measures how often a risk is expected to materialise across the 12–18 months following publication; Impact measures the magnitude of consequences for a business operating in-market if it does.

Likelihood ↓ / Impact →	1	2	3	4	5
5	5 (Moderate)	10 (High)	15 (Severe)	20 (Critical)	25 (Extreme)
4	4 (Moderate)	8 (Moderate)	12 (High)	16 (Severe)	20 (Critical)
3	3 (Low)	6 (Moderate)	9 (Moderate)	12 (High)	15 (Critical)
2	2 (Low)	4 (Low)	6 (Moderate)	8 (Moderate)	10 (High)
1	1 (Low)	2 (Low)	3 (Low)	4 (Moderate)	5 (Moderate)

Likelihood scale: 1 = Very Low, 2 = Low, 3 = Moderate, 4 = High, 5 = Very High.

Impact scale: 1 = Minimal, 2 = Low, 3 = Moderate, 4 = High, 5 = Severe.

Ratings and bands are analytical judgements formed by Sompa & Partners' research team from the verified, dated sources cited throughout this report — cross-referenced against IMF, World Bank, national central bank, Transparency International, FATF, ACLED and Human Rights Watch data alongside primary news reporting — not scores drawn mechanically from a single third-party index.

A market's Total Risk Score (used in the Executive Summary and the risk exposure chart) is the simple sum of its seven dimension ratings, out of a maximum possible 175. This composite is a screening aid only: two markets can share a similar total while facing very different risk shapes — one broad and moderate across dimensions, another narrow and acute in one or two. Readers should always consult the dimension-level detail before drawing conclusions from the aggregate score alone.

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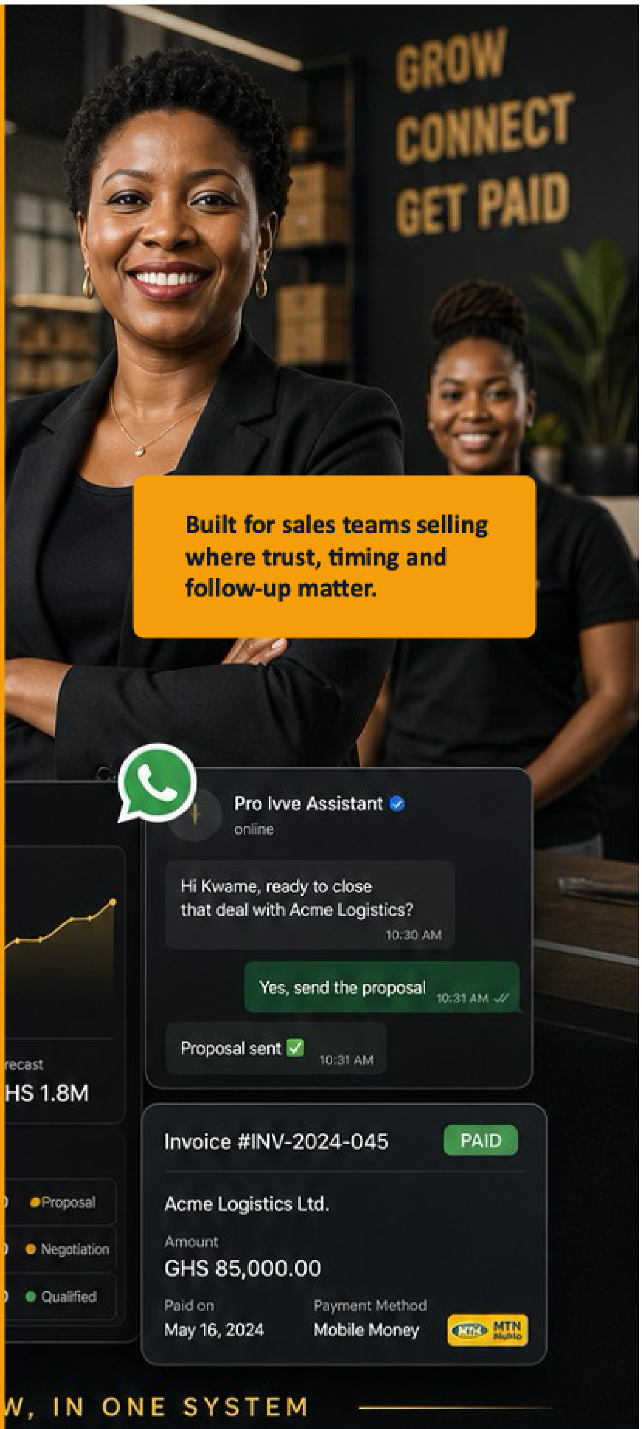

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