

THE POWER TO TRANSFORM

Mobility of people, goods, and services

Successful economies require people, goods, and services to be in the right place at the right time. Whilst this may sound obvious, the challenges facing Africa in terms of poor transport infrastructure, including poorly maintained or non-existent roads, railways, bridges, ports, and airports, is a major block on economic development.

These inefficiencies increase the cost of transportation in Africa which in turn makes goods more expensive for consumers and reduces the competitiveness of African businesses in global markets. Improving transportation infrastructure will help individual countries meet their development aspirations and in addition, by linking countries with each other there is a further benefit of unleashing greater competitiveness by bringing about better integration across the whole African continent. The rail-road bridge linking the two capital cities of Kinshasa in the Democratic Republic of Congo and Brazzaville in the Republic of Congo which we are currently developing is a good representation of the impact we can have in this area.

Lengthy and inefficient border procedures, including customs checks and paperwork can delay and make trade needed to bring about economic growth and development inefficient and expensive. Our investment in Scanning Systems, a company specializing in the design, financing, and implementation of one stop border posts in the West Africa region brings about real impact in this important area.

Our growing transport portfolio focuses on providing reliable infrastructure to support the implementation of the African Continental Free Trade Area (AfCFTA), intended to benefit economies by reducing transport costs, increasing trade, and boosting economic growth.

Opposite: An electric vehicle for personnel traffic at Laleraba JBP



An essential step towards economic development on the continent of Africa is the facilitation of cross-border intra-African trade.

Greater trade between African nations would help to achieve economies of scale and build the supply chain capacity and competitiveness of African economies. It would enhance food security by facilitating greater intra-African trade in food products and support the development of international production chains and greater value addition in Africa.

There is a vast difference between the levels of trade within the continent and trade with the rest of the world. Despite significant growth in overall trade and a tripling of intra-African trade in terms of GDP over the last half-century, trade flows between African economies still only



account for approximately 13% of total trade, compared to other markets such as Europe at 60%, ASEAN at 30% and North America at 40%.

For Africa50, our investment in Scanning Systems is a contribution towards solving the intra-African trade challenge.

BOOSTING TRADE FLOW

Scanning Systems is a company specialising in innovative infrastructure projects in the transportation and logistics sector. Based in Côte d'Ivoire, Scanning Systems works to build joint border posts (JBPs) in Africa. These JBPs are designed to digitalise as much as possible the processes involved in moving goods and services across borders. Each facility is designed to cut transit time and improve the overall flow of people and goods. Key facility features include administration buildings, immigration building for passengers, hangars, an axle weighing room, X-ray scanner facility, guard boxes, vehicle specific parking areas, rest areas, watch towers, and health facilities.

And it's not just about paperwork. Without the type of JBPs Scanning Systems builds, trucks crossing borders would need to be stopped and manually searched by custom agents. Queues build up and costs rise. With Scanning Systems trucks, go through a specialised scanner considerably cutting the time spent delivering goods. Two days of waiting at a border can be cut to just three hours. At present, the paperwork required is often repeated by both border countries, but Scanning Systems intends to facilitate doing this only once.

As well as significantly reducing transit time and enhancing security, having more efficient border posts brings benefits to countries from increased tax and customs revenue collection, and supporting national and local economies.

Scanning Systems is playing a part in making a reality the aims of the AfCFTA which has the potential of creating the largest free trade area in the world measured by the number of countries participating. The pact connects 1.3 billion people across 54 countries with a combined gross domestic product (GDP) valued at US\$3.4 trillion.

AfCFTA has the potential to lift 30 million people out of extreme poverty. Achieving this goal however is



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Mory Diané, CEO of Scanning Systems

heavily dependent not only on policy reforms but also the development of supportive trade infrastructure such roads, railway bridges and the use of requisite information technology systems.

Over the past years, Scanning Systems has become the preferred partner of the West African Economic and Monetary Union (WAEMU) for the implementation of JBPs among its Member States. The company has been successfully operating the Cinkansé JBP between Burkina Faso and Togo for more than 10 years and is constructing an additional JBP in Zégoua (Côte d'Ivoire-Mali border).

2023 was an important year for Scanning Systems as it marked the completion of the company's second border post at Laléraba crossing between the Burkina Faso-Côte d'Ivoire border.

Opposite: A truck carrying goods crossing the border at Laleraba JBP



AFRICA50 PLAYS ITS PART

Africa50's investment has enabled Scanning Systems to continue to deliver against its corporate strategy and we have also provided structuring, legal and financing expertise to accelerate the roll out of the company's JBPs. The relationships we have with Governments and organisations such as the WAEMU have been instrumental in supporting the company.

We have also helped Scanning Systems embed its existing Environmental and Social Management Plan (ESMP) and its health and safety plan. Africa50 is working towards assessing and strengthening the existing framework for Scanning Systems' management, development, and implementation of an Environmental and Social Management System (ESMS.)

Mory Diané, CEO of Scanning Systems commented, "This is the right time to welcome Africa50 as a strategic partner to support Scanning Systems' ambitious

development plan for One-Stop Joint Border Posts (JBP) in West Africa. This partnership is critical in supporting the development of the right infrastructure to help enhance intra-African trade and the AfCFTA's objectives of creating a unified market to spur economic development for the continent. Africa50's reputation, substantial financial resources and extensive network make them ideal partners and I am confident that our combined leadership will drive the development of infrastructure and systems that will scale the movement of goods and services across African borders".

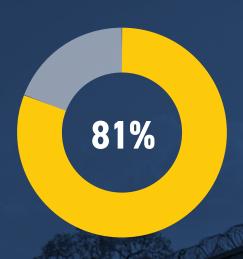
Below: Sayere Marie, IT Manager at Laleraba JBP testing vehicle scanner



Scanning Systems







67% CONFIDENCE



90%

MAGNITUTDE

IMPACT SCORE DRIVERS



Catalysing funding



Improved livelihoods

Economic

growth

development



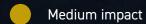
Probability of impact materialising

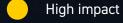


Regional integration

LEGEND







IMPACT METRICS



310,000

vehicles processed at JBPs in 2023



463,760

people processed at JBPs in 2023



3 hours

on average to complete border crossing formalities