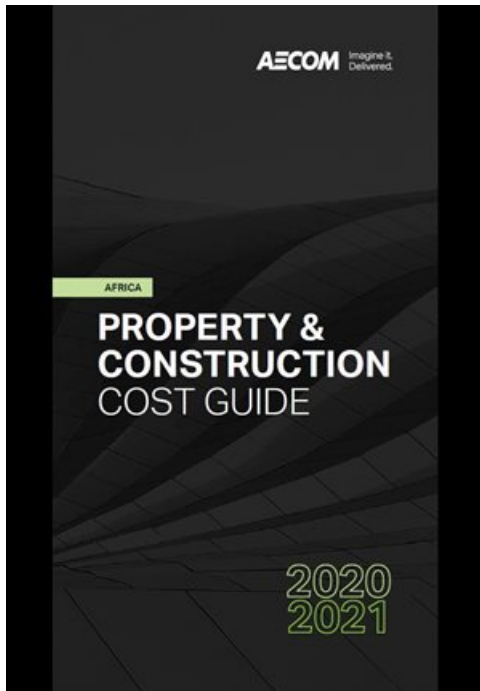


# AECOM's 2020/21 Africa Property & Construction Cost Guide now out

AECOM has released the 31st edition of its Africa Property & Construction Cost Guide, published in conjunction with the Bureau of Economic Research (BER) at the University of Stellenbosch. The guide shares insight into Africa's economy that can be leveraged to unlock investment opportunities across the continent in terms of construction and infrastructure development.



It notes that although Africa remains one of the fastest-growing continents, growth is expected to be moderate. The implementation of sound macroeconomic policies has meant that Africa's economies have generally remained resilient. Countries such as Ethiopia, Ghana and Côte d'Ivoire are three of the fastest-growing economies globally in terms of increased GDP. Africa's growth is further bolstered by several East African countries contributing collectively through increased exports and cross-border trade to boost regional growth.

There is an ever-growing need to finance infrastructure on the continent. Several countries are now prioritising this after realising the importance of industrialisation to maintain growth in their economies but also recognising the need to diversify through the exportation of goods and services. This has consequently created the jobs needed for a burgeoning younger population. A developing industrial sector on the continent requires more infrastructure investment, particularly in power, water and transportation services, which are already over-stretched.

## Sub-Saharan Africa seeing steady growth

An increased oil price and the stabilisation of commodity prices have helped strengthen the forecast for GDP growth on the continent. Predictions of collective growth are around 3% to 4% for 2020/21, with individual countries increasing by as much as 7% to 8%. Sub-Saharan Africa is seeing steady growth in the infrastructure and construction sectors, as well as in East and West Africa. Important here are the signing of mega gas deals in Mozambique following favourable environmental impact studies and subsequent government approval for parts of liquefied natural gas (LNG) development contracts.



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This is expected to create thousands of job opportunities, impact significantly on Mozambique's GDP and create collaborative opportunities for neighbouring countries. "Despite the initial direct feedback from Eastern Africa indicating that the impact of the coronavirus pandemic slowed down all planning, construction and other related activity, there are grassroot signs that prioritising infrastructure and construction creates the opportunity for economies to recover," reports Dean Narainsamy, director - PCC, Africa at AECOM.

Recovery after the easing of lockdown levels has also been slow. However, productivity is anticipated to return to normal levels as the industry acclimatises to a 'new normal'.

Download AECOM's 2020/21 Africa Property & Construction Cost Guide [here](#).

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