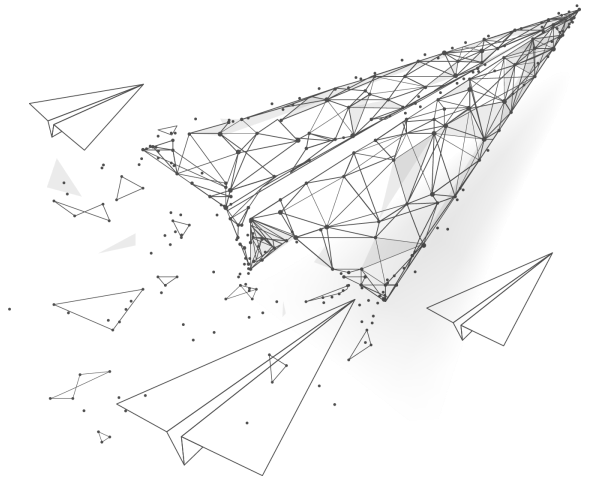


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LEVELLING THE PLAYING FIELD:
Rethinking Africa's Role in Global Supply Chains



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Background & Problem Statement

Africa stands at the threshold of a major economic transformation. With a population projected to exceed 2.5 billion by 2050 and a rapidly expanding middle class, the continent represents one of the world's most dynamic growth frontiers. By 2030, Africa's combined consumer and business spending is expected to surpass \$7 trillion (with infrastructure investment exceeding \$170 billion) making it a strategic node for global trade and investment.

However, this potential remains significantly under-realized due to deep-rooted structural inequities in how Africa engages with both intercontinental and global supply chains. For decades, the continent has been positioned as a provider of raw materials for agriculture, Oil & Gas and minerals, rather than an integrated value creator. This imbalance has resulted in a disproportionate outflow of economic gains. A striking example is cocoa: while Africa supplies over 70% of the world's cocoa, it captures less than 6% of the \$160 billion global chocolate market—with most value-added during processing, branding, and distribution occurring offshore.

This pattern of limited local value capture not only perpetuates dependency on external markets but also sidelines African small-medium enterprises (SMEs), which are vital to integrated growth and job creation. Despite accounting for over 80% of employment, these enterprises remain largely excluded from formal, high-value supply networks due to limited access to finance, infrastructure, and global procurement opportunities.

This article draws on insights from 35 industry leaders (with influence spending exceeding \$8 billion) across Sub-Saharan Africa to examine the challenges facing African supply chains today. It reframes the conversation around equity as a strategic enabler for competitiveness, resilience and inclusive growth. Ultimately, the goal is to explore how Africa can build efficient, integrated and equitable supply chains that allow the continent to capture more value, increase local participation, and compete on equal footing within global trade ecosystems.

Insights from Supply Chain Professionals across Sub Saharan Africa

Based on the interviews and surveys conducted, this article captures how industry leaders view the current state of the region's supply chain ecosystem. While there is broad recognition that progress is being made, the prevailing sentiment is that the pace of change remains too slow to meet the demands of a rapidly evolving business landscape. Leaders agree that significant structural challenges must still be addressed to unlock the full potential of Africa's supply chains and ensure long-term competitiveness.

Structural Challenges Identified

1. Understanding of Resilient Supply Chains

A critical structural challenge facing African supply chains is the limited understanding and adoption of resilience principles among local businesses. While cost-efficiency and short-term output remain the dominant priorities, there is a widespread lack of strategic planning for disruption, redundancy and long-term risk mitigation. This gap was starkly revealed during the COVID-19 pandemic, when over 75% of African businesses reported supply disruptions and nearly half lacked any form of contingency planning, according to the International Trade Centre (ITC). Further, a 2022 Afreximbank study found that only 18% of African SMEs surveyed had diversified their supplier base—a key pillar of supply chain resilience. Without frameworks to manage geopolitical shocks, climate-related risks, logistics bottlenecks or investor confidence, many businesses remain reactive and exposed, limiting their ability to build strategic partnership with global players.

2. Make In Africa

Another major challenge is the slow realization of the "Make in Africa" vision: a push to shift from exporting raw materials to producing goods locally and capturing greater value within the continent. Despite growing political will and continental frameworks like the African Continental Free Trade Area (AfCFTA), progress remains uneven. Inadequate infrastructure, including underdeveloped rail networks, congested ports and unreliable power supply, continues to hamper the growth of localized manufacturing and inter-regional trade.

Insights from Supply Chain Professionals across Sub Saharan Africa

Transport costs in Africa are 50–175% higher than in other regions, and port dwell times average over 20 days in many countries, compared to under 5 in Asia. Moreover, the lack of a harmonized regulatory environment across African markets coupled with barriers such as government corruption undermines AfCFTA’s potential to create seamless trade corridors leading to persistent delays, compliance uncertainty and high transaction costs. Compounding this is the limited ability of many African enterprises to manage complex, multi-stakeholder supply chains, especially when dealing with cross-border requirements, government agencies, and international buyers. These barriers significantly constrain Africa’s ability to industrialize at scale and position itself as a competitive player in global manufacturing networks.

3. Technology-enabled Value Delivery

Technology is rapidly emerging as a transformative force in African supply chains, offering new avenues to boost transparency, efficiency, and competitiveness. From ERP systems and digital inventory management tools to AI-powered demand forecasting and blockchain for traceability, adoption is steadily rising across the continent. According to GSMA, mobile-enabled supply chain platforms have grown by over 30% in Sub-Saharan Africa since 2020 and a growing number of SMEs are experimenting with digital procurement and logistics tools. However, this digital momentum is uneven and often hampered by a shortage of skilled talent. Many businesses, particularly outside major urban centres, lack access to professionals trained in supply chain technologies, data analytics, or digital systems integration. A 2023 World Bank report revealed that over 60% of African firms cite a lack of digital skills as a major barrier to technology adoption. Without targeted investment in digital capacity-building, education and infrastructure, Africa risks a digital divide that could widen existing supply chain inequalities and limit the continent’s ability to meet the evolving standards of global trade.

Pathway Ahead

Despite the challenges, Africa stands at a pivotal moment to reshape its supply chain future. The growing adoption of digital tools presents an opportunity to leapfrog traditional models if investments in digital skills and infrastructure are accelerated. Similarly, the “Make in Africa” agenda can be revived by unlocking regional integration through improved transport infrastructure and regulatory harmonization under AfCFTA. As resilience becomes a global supply chain priority, African businesses can gain strategic advantage by building systems that are not just efficient, but adaptable and locally grounded. To realize this potential, there is an urgent need to move beyond extractive models and focus on building equitable supply chains - networks that build eco-system alliances, value distribution, and long-term inclusion of local businesses. With the right support, Africa can shift from the margins of global trade to the centre of a more resilient, balanced, and shared supply chain economy.

At TIBS (powered by AWS), we are committed to taking the first step toward integrating African SMEs into global trade networks. Our focus begins with collaborating with medium to large FMCG corporations to form strategic partnerships with local SMEs and broader stakeholders such as government organizations (DTIC), technology service providers and supply chain partners in South Africa. The goal is to redesign and modernize supply chain processes, making them more agile, data-driven, and technology-enabled. This includes implementing robust ERP systems, leveraging generative AI to automate routine processes and enhance data visibility, and adopting predictive analytics to proactively manage risks. However, technology alone is not enough. We believe this transformation must be paired with targeted training for young professionals, equipping them with the digital and operational skills needed to maximize these tools.

Ultimately, our vision is to build integrated supply chain systems where African SMEs and large corporations collaborate seamlessly on joint demand and supply planning which is grounded in transparency, mutual capability-building, and long-term trust. By fostering such equitable and resilient networks, we can empower African SMEs not just to survive, but to thrive - positioning them as competitive players in global value chains and catalysts of inclusive, sustainable growth across the continent.

About The Team

Parthiv graduated with a double degree in engineering and economics from NTU, Singapore in 2022. After graduation, he has been working with Procter & Gamble as a supply chain manager with their SK-II brand since 2023.

He is responsible for the operations transformation of the brand's supply chain for the launch of multi-million-dollar initiatives while ensuring tech enable cutting-edge project delivery and optimal operating costs. In 2025, he was also the proud recipient of the prestigious CEO award at P&G for his outstanding contributions to business.

His experience includes supply chain management, project management, operations transformation, and business strategy execution.

He has been working with TIBS in a research and strategy advisor capacity since 2024, with a mission of building equitable supply chains in Africa.



Parthiv Dedasaniya
research and strategy advisor

Education:

Bachelor of Engineering in Mechanical

Engineering (Specialisation in
Mechatronics) – NTU, Singapore

Bachelor of Social Science in Economics

– NTU, Singapore

About The Team

An Engineer by profession, Phathu is an experienced business consultant with over 15 years consulting and engineering experiences. Prior to founding TIBS, Phathu worked with organisations such as Accenture, Solugrowth, Deloitte, De Beers, Anglo American in executive management level positions and as an engineer.

He has consulted for Eskom, Xstrata / Glencore, AngloGold Ashanti, Lonmin, De Beers, Rand Refinery, Absa, MTN, Telkom, Vodacom and SARB amongst others.

His experience includes Business Strategy Formulation and Implementation, Business Process Design, Business Model Design and Reviews, Supply Chain Management, Execution of Strategic Sourcing, Procurement Operating Strategy, SMME Development

and Project Management. Phathu is an internationally certified six sigma professional, having undergone training in England and Spain.



Phathutshedzo Madima
chief executive officer

Education:

MSc Engineering - University of Witwatersrand (Current Studies)

Certificate in Entrepreneurship & New Venture Creation – Wits

Business School Postgraduate Diploma in Management – Wits Business School

BSc in Metallurgical Engineering – University of Witwatersrand

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A large, stylized world map composed of small dots, with the African continent highlighted in red. It serves as a background for the top and bottom sections of the page.

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