



*Turning on-the-ground experience into actionable
policy and investment intelligence*

Deal Making in Fragile and Conflict- Affected Settings

The role of job
creation in
addressing the root
causes of
humanitarian crisis
and migration



Executive Summary

Table of Contents

Manufacturing Africa mobilises foreign direct investment to create inclusive, sustainable jobs across the continent, including in some of Africa's most fragile and conflict-affected settings (FCAS).

In these settings, humanitarian assistance saves lives. But it does not, on its own, rebuild economies or prevent future crises. In fragile and conflict-affected settings, the absence of stable jobs fuels grievance, displacement, and irregular migration. Sustainable job creation is the bridge between crisis response and long-term recovery and stability.

Manufacturing Africa is supporting 16 companies in FCAS, which will lead to more than 70,000 jobs committed, with 8,000 jobs delivered to date.

In Ethiopia and Nigeria, supported companies have raised millions in capital despite operating in conflict-affected regions.

- In Oromia, a region of Ethiopia affected by insurgent violence, a waste company secured \$5.5 million, creating 170 direct jobs and income for 5,000 waste collectors.
- In Kaduna State in northern Nigeria, impacted by Boko Haram violence, a tomato processor raised \$4.4 million, generating 2,826 jobs.

These examples show that even in high-risk settings, credible businesses can attract capital and create formal employment at scale.

By strengthening investor readiness and managing conflict risk alongside FCDO, Manufacturing Africa helps tackle the economic drivers of instability, displacement, and migration.

Source: Manufacturing Africa Insights Session March 2025 - Dealmaking in conflict environments

- 02 Executive Summary
- 03 Supporting companies in FCAS
- 04 Case Study: Nigeria
- 05 Case Study: Ethiopia
- 06 Lessons learnt

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Manufacturing Africa's impact at a glance

£2.2B

In foreign direct investment mobilised

150K

Jobs committed

280+

Companies supported

57

Companies raised capital

The Manufacturing Africa programme is funded by UK aid from the UK Government; however the views expressed in this document do not necessarily reflect the UK Government official policies

Supporting companies in Fragile and Conflict-Affected Settings



Our impact in FCAS

70K

Total jobs created across 16 FCAS companies supported

62K

Jobs across 13 companies supported

8K

Jobs across 3 companies that have raised capital



Manufacturing Africa brings capital into regions where jobs are most urgently needed. We focus on conflict-affected environments not as acts of charity, but because viable businesses there can make commercial sense and deliver something bigger: stability, income, and a foundation for long-term resilience



Thomas Pascoe

Team Lead -
Manufacturing Africa

Managing risk in FCAS

Manufacturing Africa actively looks to support companies in FCAS. In some settings, we may be the only programme present to offer this type of support.

Operating in these environments carries risk, which we actively manage. These include:

Risk	Mitigation
Business stakeholders' affiliation with conflicting parties	Conducting thorough checks on stakeholders and companies
Reputational risk to Manufacturing Africa and FCDO	Conducting thorough conflict and political analysis
Businesses lacking credibility or investability	Leveraging on the ground intelligence to assess business viability

Role of FCDO

FCDO has been instrumental in providing deal support for FCAS through:

Supporting deal origination in FCAS

Manufacturing Africa works with other FCDO programmes such as LINKS and PROPCOM+, operating in FCAS to identify viable businesses. Regular engagement enables the exchange of pipelines and on-the-ground intelligence, helping to surface opportunities that might otherwise remain untapped.

Analysing and monitoring security conditions

In Ethiopia, for example, FCDO supported detailed conflict analysis through the Rift Valley Institute, which conducted site visits and provided recommendations to ensure that business operations were appropriate for the local context.

1. LINKS is designed to stimulate economic growth in northern Nigeria; 2. PROPCOM+ works to transform agricultural markets in Nigeria

Case study Nigeria



Investors see manufacturing as a way to unlock economic value in FCAS

Country context



FCDO travel advisory map, 2025

There have been long-standing conflicts across key regions in Nigeria. These include:

🚫 **Boko Haram Insurgency:** Since 2009, Boko Haram has waged a violent insurgency in Borno, Yobe, and Adamawa, with occasional attacks in the northwest.

🚫 **IPOB Separatist Agitation:** The Indigenous People of Biafra (IPOB), a separatist group in the southeast, continue to drive unrest.

These dynamics create a challenging operating environment, including security risks, disruptions to supply chains, and difficulties for companies to raise capital and operate sustainably.

Our approach

Manufacturing Africa has a long-term interest in ensuring fair representation across Nigeria's six geopolitical zones, particularly in conflict-affected areas such as Northern Nigeria.

Despite the risks, Manufacturing Africa supports companies in FCAS to drive economic activity and help address the economic pressures that contribute to displacement and migration.

Our impact in Nigeria



Company case studies

Vehicle manufacturing company creates new jobs and clean energy products

Setting

Location:
South East Region, Anambra State

Company

FDI sought: \$13Mn
Jobs potential: 2,431
Sector: Vehicle Manufacturing

Context:

Commercial operations disrupted by IPOB operations. Some areas are restricted for travel

Highlight:

Company sought to expand production from 30,000 to 40,000 vehicles and introduce new products, including electric and natural gas vehicles.

MA Support

- Market and financial assessment, ESG and operations optimisation support
- Assisted the design of a business continuity plan

Impact

Raised domestic capital to produce up to **3,000** natural gas vehicle units yearly and create **2,000** new jobs

Tomato processing company provides stable jobs for community

Setting

Location:
North West Region, Kaduna

Company

FDI sought: \$10Mn
Jobs potential: 2,826
Sector: Agri-processing

Context:

Affected by Boko Haram crisis with several reported cases of mass killings and kidnappings

Highlight:

Plans to grow its farming operations and increase its processing capacity.

MA Support

- Market and financial assessment support
- Advised on how to engage with community and smallholder farmers
- Assisted the design of a business continuity plan

Impact

Raised **\$4.4** million, with further investor commitments, creating stable jobs for **2,826** people

Case study Ethiopia



Despite conflict settings, stable jobs are being created through manufacturing companies

Country context



FCDO travel advisory map, 2025

Ethiopia is recovering from a two-year-long civil war in Tigray that ended in 2022. However, conflict persists in two major regions:

- 1 **Amhara:** Active fighting between government forces and the Fano rebels, though of lower intensity and frequency compared to previous years.
- 2 **Oromia:** Low-intensity, though there are reported cases of sporadic conflicts between federal/regional government forces and the Oromia Liberation Front (OLF).

These conditions create a challenging operating environment, including security risks to on-site support, disruptions to supply chains, and delays in fundraising due to perceived conflict risk.

Our approach

Manufacturing Africa actively sources companies needing capital raise support in FCAS in Ethiopia. In addition to providing investor readiness support, we support companies to evaluate, monitor and put measures to address insecurity, ensuring business continuity.

Our impact in Ethiopia



Company case studies

Waste company empowered to provide stable jobs

Setting

Location:
Oromia.
Adama

Company

FDI raised: \$5.5Mn
Jobs potential: 5,170
Sector: Construction

Context:

OLF forces carry out sporadic attacks across the region. Reported cases of kidnapping and gruesome killings

Highlight: Despite the risks, the founders actively engaged in high-level climate forums, building credibility that helped attract investors and secure startup awards.

MA Support

- Provided corporate finance and operations optimisation support
- Assisted the design of a business continuity plan

Impact

\$5.5 million secured, creating stable jobs for **170** directly and **5,000** waste collectors indirectly

Mining company becomes a source for stability

Setting

Location:
Tigray,
Adigrat, close to Eritrea border

Company

FDI sought: \$6.2Mn
Jobs potential: 387
Sector: Mining

Context:

Though peace deal signed, there is risk of going back to conflict

Highlight: Company plans to set up a facility to mine and process dolomite and limestone

MA Support

- Facilitated assessment of the conflict situation in Tigray by FCDO Conflict Advisors
- Assisted the design of a business continuity plan

Impact

Improved **investor preparedness** and **operational efficiency**



Lessons for founders

Businesses operating in fragile and conflict-affected settings play a stabilising role by creating jobs, income, and a sense of normalcy for communities. Investors increasingly recognise that companies operating in FCAS are often the only way to unlock economic value in these regions.

Key takeaways

Strong business fundamentals are essential.

Even in high-risk environments, investors back founders who demonstrate operational discipline and commercial viability.

Founder credibility matters.

Investors value leaders who understand conflict risks, engage responsibly with their context, and operate transparently.

Enterprise contributes to peacebuilding.

By employing people, engaging government, and working with suppliers and distributors, businesses help rebuild social and economic linkages.



Lessons for enablers (investors, programmes)

Supporting businesses in FCAS can deliver massive economic and humanitarian impact, but it requires disciplined risk management and long-term commitment.

Key takeaways

Early support crowds in capital.

Backing one credible company can attract additional investors, stimulate surrounding economic activity, and build momentum for recovery.

Rigorous due diligence is non-negotiable.

Greater care should be taken to ensure that support is not extended to businesses and founders who contribute to insecurity.

Larger businesses can have a transformational impact.

Manufacturing and capital-intensive businesses generate formal employment and create significant spillover effects across supply chains. But they can be harder to identify.

Long-term engagement matters.

Financial closes in FCAS are difficult; pipeline-based, patient approaches help de-risk businesses over time.