

Market Entry Checklist — Africa

22-step checklist based on HFS experience across 12 African countries

22-step checklist for entering a new African market. Based on HFS experience across 12 countries. Complete in sequence — skipping steps creates compounding risk.

Phase 1: Market Assessment (Before Commitment)

- Define target market and total addressable market (TAM) size
- Map regulatory requirements: business registration, sector licences, foreign ownership limits
- Assess political stability and rule of law (World Bank Doing Business ranking)
- Identify local competition and existing market entrants from SA
- Verify banking system: can you open accounts, send/receive payments, repatriate profits?
- Map exchange control requirements (SARB approval, local central bank rules)
- Assess infrastructure: power reliability, logistics, telecoms, internet

Phase 2: Legal & Financial Structuring

- Select entity type: subsidiary, branch, representative office, JV with local partner
- Design transfer pricing framework for intercompany transactions
- Map withholding tax implications (dividends, royalties, management fees, interest)
- Check for Double Taxation Agreement (DTA) between SA and target country
- Identify local legal counsel and tax advisor
- Draft local partnership/JV agreement (if applicable) with exit provisions
- Register for local tax obligations (income tax, VAT, payroll taxes)

Phase 3: Operational Setup

- Open local bank account(s) with a bank that has SA correspondent banking
- Set up local accounting system aligned to SA group reporting requirements
- Recruit or contract local management — prioritise someone who knows the regulatory environment
- Implement financial controls framework (use HFS Delegation of Authority template)
- Register with local employment authorities and comply with labour laws

Phase 4: Go-Live & Governance

- Establish monthly reporting rhythm to SA head office
- Set up statutory compliance calendar (annual returns, tax filings, licence renewals)
- Conduct first quarterly risk review within 90 days of operations commencing

HFS has operational experience across the following African markets: South Africa, Zambia, Zimbabwe, Botswana, Namibia, Mozambique, Tanzania, Kenya, Ghana, Nigeria, DRC, and Senegal.