

Parade of world leaders court Africa

By [Souhir Mzali](#)

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While world trade is in the midst of a turbulent period - with US-China relations continuing to deteriorate, the UK disengaging from the EU, and currencies in emerging markets like Turkey and Argentina in turmoil - many countries are seeking to strengthen or foster new relations with Africa.



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Between early July and the end of August France's President Emmanuel Macron, Germany's Chancellor Angela Merkel and the UK's Prime Minister Theresa May all made visits to the continent.

This builds upon [the recent signing of Africa's Continental Free Trade Area \(CFTA\)](#), a trade agreement that unites over 40 African nations, bringing the promise of more consolidated commercial ties and the potential to see trade volumes rise by 50% over the next five years.

Home to some of the world's fastest-growing markets, such as Côte d'Ivoire, Ethiopia and Rwanda, and an economy that's expected to grow from \$1.6trn in 2017 to \$2trn by 2020, Africa's prospects – despite the challenges – remain bright.

This heightened interest among major global economies to build relations with Africa could help drive development across the continent.

Renewed European interest in Africa

President Macron has been particularly active in reinvigorating Franco-African relations, visiting the continent in July for the ninth time since his election in May 2017. Moreover, France is increasingly showing interest in African countries outside the French-speaking world, with his last visit to the continent including Nigeria.

In late August, as part of efforts to reboot trade relations for a post-Brexit UK, Prime Minister May made an official visit to Africa, the first time a UK prime minister has done so in over five years. Her trip entailed visits to South Africa, Kenya and Nigeria, which she referred to as "key partners".

China maintains its stake in the continent

Over recent years, however, countries such as Turkey, India and China in particular have become more prominent in supporting Africa's economic development goals.

According to the UN Conference on Trade and Development, China's investments in Africa have grown from £13bn in 2010 to £35bn today. The majority of this is channelled into construction and infrastructure, with the Mombasa-Nairobi and [Addis Ababa-Djibouti railways](#) among recent flagship projects.

In the first week of September the Chinese government will host the Forum on China-Africa Cooperation in Beijing – held every three years – during which it is expected to announce a new set of funding for the continent. At the 2015 summit China announced its intention to invest \$60bn in infrastructure.

New forms of foreign partnerships with Africa

While European interest in Africa is nothing new, what appears to be changing is the way collaboration is taking shape. Long regarded as the most impoverished region in the world, the perception of Africa seems to be changing to acknowledge the riches the continent boasts in terms of not only natural resources, but also human resources.

While China continues to primarily invest in road, bridge and port construction, Europe is considering other ways of becoming financial partners with Africa.



Investor sentiment high in Africa

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The UK, for instance, is betting on new technologies and finance, looking to capitalise on its experience and merge it with Africa's rapid uptake of ICT solutions (sub-Saharan Africa had an estimated 444 million mobile phone subscribers in 2017 according to GSMA Intelligence).

In light of this, the UK's Financial Conduct Authority recently entered an agreement with the Central Bank of Nigeria to help develop the country's regulatory framework for emerging financial technologies.

Other potential areas for foreign collaboration include improving governance and transparency to enhance the investment climate. [The Business Barometer: OBG in Africa CEO Survey – which interviewed some 1000 C-suite executives across nine African markets in 2017](#) – reveals that 48% of participants view existing tax frameworks as uncompetitive or very uncompetitive on a global scale, while 36% rate the level of transparency for conducting business as low or very low relative to the region. In terms of skills development, the largest majority (32%) cited leadership as the skill in greatest need in their market.

These are some of the areas that have hindered Africa's rankings in decisive business analyses such as the World Bank's *Doing Business* reports. In this regard, the continent could hugely benefit from foreign expertise.

Africa may have significant obstacles to overcome, but its expanding pool of talented and determined youth is ripe to develop its skill set. With 60% of the continent's population under the age of 24, efficiently tapping into the potential of such a large labour force will pave the way for a more prosperous Africa.

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