Asia turns to Africa for minerals, market and more

Summary

China is not the only Asian power looking for minerals, market, and influence in Africa. The past decade has seen a surge of investment and deal-making activity from India and Japan as well. All three Asian powers are short of energy and critical minerals. They are also in search for new markets and partnerships. As the era of an open global trading order is replaced by a fragmented one Africa is being coveted by Asia mostly for its rich natural resources has something to do with it as well?

Guests:

- DR VEDA VAIDYANATHAN,

Fellow, Centre for Social and Economic Progress (CSEP)

- DR TAKUO IWATA,

Professor of IR and Politics Ritsumeikan University

- CHRISTIAN-GÉRAUD NEEMA,

Africa Editor, China-global South Project (CGSP)

Host:

- AMIT JAIN

Director, NTU-SBF Centre for African Studies

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Amit Jain: All right, thank you all for coming to this panel discussion by the NTU-SBF Centre for African Studies, so generously hosted by CLA Global TS. I'd like to acknowledge and recognise Ross and Henry Tan. They are your hosts here in this beautiful venue. I'm sure more people will start to trickle in. Some of you know me, for many others who don't, I'm the director of the NTU-SBF Centre for African Studies. It was established in 2014. It is the only think tank in Southeast Asia that looks at Africa from an economic, business, and investment lens. Our work is publicly available, it's open access, and it hopefully informs members of the private sector, students, academia, and others, on the growing linkages between Asia and Africa, and of course, the direction of travel for the African economy.

You know, some of you may have read about how China is constructing roads, rails, and bridges all over Africa, and for those of you who read the international press, the Western press, particularly, may have also read that Chinese investments in African mining, and this whole clamour of control of its supply of critical minerals that go into the making of the battery in your phone. You may even have read about Chinese loans that have dipped some

African countries into a debt trap. That, by the way, is a big myth. It's completely, it's absolutely not true.

What is true, however, is that China does have strategic interests in Africa. It has been seeking minerals, market, and political influence in the continent for years. But it's not the only one. The past decade has seen a surge of investment and deal-making by India and Japan, and others. And just two weeks ago, here in Singapore, we had the Africa-Singapore Business Forum, the biggest of its kind so far, with 700 delegates. For the first time ever, we had a head of state who came in for what was largely a business forum. There were a number of side events, a lot of investment promotion boards of different African countries showcased investment opportunities to Singaporean investors.

And at the same time, while we were here at the Africa-Singapore Business Forum, the Confederation of Indian Industries (CII), which is a body that represents the private sector in India, was hosting the India-Africa Conclave in New Delhi.

Days earlier, in Japan, Japan held the ninth Tokyo International Conference on African Development (TICAD), in Yokohama. African leaders now fly more frequently to Beijing, New Delhi, and Tokyo than they do to Washington, D.C., London, and Paris. As the era of open global trading order, dominated by the West, comes to, it's not coming to an end, but it's certainly shrinking; Africa is being coveted by Asia.

So the topic of this discussion is pertinent. Asia turns to Africa for minerals, market, and more. And we'll dive into this. My name is Amit Jain, I'm the moderator of the panel discussion. And once again, welcome everyone, and thank you, Henry, for giving us this opportunity. So, let me get straight on to it and introduce you to our distinguished guests, the panellists.

Introductions

On my extreme right is ***Dr. Takuo Iwata****. He's a Japanese Africanist scholar, has been working on African affairs for many years. He teaches politics and international relations at the Ritsumeikan University in Kyoto. As an undergraduate, he took a leave of absence to work at the Japanese embassy in Senegal. It was his first experience in Africa. And that experience led him to specialise in African affairs. He has edited an excellent book, titled, New Asian Approaches to Africa, Rivalries and Collaborations, and that book covers all the evolution of all the Asian engagements that I was already talking about over there in Africa. There are others, Korea as well.*

Then we have, on my right, is **Christian-Géraud Neema***. He's the African Francophone editor of the China Global South project. He's based in Mauritius, but comes from the Democratic Republic of Congo. He's been looking at China's engagement in the African mineral sector particularly for well over a decade. He has published extensively and is widely considered to be an authority on Asian engagement in the African extractive industry. He's a non-resident scholar at the Carnegie Endowment of International Peace, a former senior associate at CSIS, and I'm hoping after today's event, he will be a fellow at the NTU-SBF Centre for African Studies.*

And last but not the least, right in the centre, ***Dr. Veda Vaidyanathan*** *she's the fellow at the Centre for Social and Economic Progress in New Delhi. She looks at Asia-Africa relations through the lens of foreign policy, development, and strategic interests. She also advises*

Indian policymakers and ministries on their critical mineral strategy, and has done some outstanding field work in Africa, Ghana, Ethiopia, Malawi, and many other places.

She's the curator of an excellent webinar which is open to public, and I urge you to watch if you're interested in the India-Africa space. It's called the Africa-India Global Dialogue Series, a joint initiative between her research centre, CSEP, and the African Union Development Agency, NEPAD, also known as AUDA-NEPAD. Her work has both academic rigour and real-world experience, and she not only brings that to our discussion today, but if I may say, she also brings in a little bit of glamour, a much-needed glamour, which otherwise wouldn't exist.

So thank you so much, and please join me in welcoming our panellists. Thank you all. What we'll do is, after our panel discussion, which will last about an hour, we'll keep some time for you for question & answers, and feel free to pull some punches.

Amit Jain: Veda, let me start with you. You attended the CII India-Africa Conclave. What are some of the two or three key things that really stood out for you?

Veda Vaidyanathan: First of all, Amit, thank you for having us. It's such a pleasure to be here, and I have to say, this room, this view is so stunning. So it's so great to be here this evening.

CII Africa Conclave is especially important because India usually engages with Africa multilaterally through the India-Africa Forum Summit, and that hasn't happened in a decade. So the CII Conclave was an opportunity where you could actually hear Indian politicians and industry leaders speak about why they find markets in Africa interesting, what their growth stories have been, and what the future looks like.

For me, the big takeaway was, there were over 40 ministers this time, African ministers. And so, for instance, the panel on Critical Minerals had mining ministers from the four countries, and trade and commerce ministers. And all of them spoke very passionately about how this decade, and henceforth, development in Africa is going to be different. Of course, there isn't one Africa, right? In very different ways, they sort of articulated what the African agency's plan is for their own development, and how they are navigating multiple global partnerships, and how they see India as a partner in development. So it was a very interesting and a very welcome perspective.

From the Indian side, we had a lot of industry leaders talk about how every time an Indian company does really well in India, and they want to try and go overseas, apparently, in the last 10 years, the trend has been that most of these companies would go to economies in the East or Southern part of Africa. So there's a lot of industry perspectives on at times when even the political will has not been as present, the industry has sort of stepped up, pushed the needle, and pushed this relationship forward.

And finally, I think the really, really interesting thing for me was, because I'm not an investor, I'm not a business person, but I'm walking around everywhere talking to people, and it wasn't just the big brands, the big names, right? You had like these really tiny, small, and medium-scale enterprises. You had these women tech leaders who had startups, they had these really cool startups in Bangalore or Kolkata, and they were doing well, and they wanted to then find ways to enter African markets. So for me, that was fascinating, that it isn't just the big mining companies and the big FMCG companies, but small and medium-scale enterprises are now thinking of scaling up in these markets. So overall, a fantastic experience, and yeah, it was very insightful.

Amit Jain: Thank you, Veda. Professor Takuo Iwata, you had just attended the TICAD, and there are lots of projects that were promised, deals signed. What were the key highlights, in your opinion, that really stood out for you?

Takuo Iwata: Thank you very much. Amit, thank you very much for inviting me. I'm probably not an appropriate person to be here, because I teach African politics and international relations, and somehow my lifestyle is to visit centres for African studies in Western countries, Asian countries, and of course, the African continent. So, it is a last destination after I have visited Indonesia, Surabaya, Airlangga University. This is the first centre for African studies established in ASEAN countries, but I missed it several times. So, I just requested to visit Amit.

Yes, I attended the last TICAD hosted by former Prime Minister Ishiba. And also, I attended the seventh TICAD held in 2019 at the centre in Yokohama. And now, as well as FOCAC, the Chinese African Forum, Japan has hosted nine conference forums. Japan was the initiator of Asian countries hosting such Africa Plus One Forums since 1993. At that time, Japan was the sole economic power, an economic giant in Asia. But with time, the situation of the Japanese economy dramatically transformed, and the Japanese government lost its influence. So, with time, the Japanese government hosted the TICAD conference as a foreign aid forum. Now, TICAD has changed and transformed its character from foreign aid to a more business-friendly forum.

Compared to TICAD 7 held in 2019, the number of Japanese companies engaged with TICAD has doubled. I just counted this time around, and more than 250 Japanese companies joined TICAD (2025), and concluded more than 300 contracts. This time, the Japanese government did not show any foreign aid pledge. So, this is very symbolic. They highlighted more such trend changes for TICAD.

Amit Jain: Thank you, Takuo. You know, this is remarkable. In just one month, we've had a series of Africa Plus One dialogues in Asia. Geraud, you have been looking at it closely. I wanted to ask, as someone who is from DRC, what do you make of this trend? Is this something that you see happening more frequently, or was it a flash in the pan?

Christian-Geraud Neema: It's going to be difficult to say it's a flash. In those Africa Plus One summits, there are some that are much more constant, much more regular than others. There are some that are much more preeminent and become much bigger event than anything. Here, I'm going to talk about the case of FOCAC, the Forum on China-Africa Cooperation. It's the meeting that China has with African countries every three years. It's held between China and Africa depending on the year. The next FOCAC is going to be held in Congo, Brazzaville.

So it's going to be another interesting one. But in terms of regularity, in terms of constants, the FOCAC has become one of those main events where, for instance, just to give you a number, there is much more attendance of African head of states in FOCAC than African head of state attending the African Union (AU) Commission meeting in Addis Ababa. Just to tell you how they see FOCAC and how much they see the importance of the relationship with China.

So, we see that trend, of course, taking shape and taking form around the world, where you see now Indonesia-Africa Summit and all of that. And of course, as much as diplomatically it makes sense, but it's frustrating a lot in the continent where people are now questioning whether we have 54 or X number of head of states moving to one country, where we have a continent talking with one country or not with a group of countries. This is something, as much as it's taking shape, it's really becoming trending, it's also becoming something much more frustrating from the African perspective, which needs to lead people to rethink the future of Africa plus one summits.

Because I doubt that in the next five, 10 years, we're gonna see a resurgence of those Africa plus one summits, especially if those summits do not come with substantive and real concrete outcomes, impact on the ground. Because now the question becomes, when you attend those Africa plus one summits, what do you bring back onto the table? What's the message you bring back to the table? How many contracts and investments do you bring back? If there's no such result, there’s going to be huge fatigue setting in.

Amit Jain: Stay there. Just on that point with China, for the layman who does not understand the geopolitics, what is driving China's interest in Africa?

Christian Geraud Neema: That has changed over the years. China's approach in Africa has changed over the years. We had what I've defined in three different periods. We had the early 2000 - 2010, where it was basically economic interest. That's why we're talking about minerals today.

Because China was really much driven by access to natural resources, but also markets. Because at that time, everybody, I won't assume that everybody knows how that is. It was a time where China was really looking into finding new markets for its big companies. And Africa was the last frontier, that time where we had a lot of young people, we had a lot of markets open. There were not a lot of developed countries' companies that came into Africa. So China really saw Africa as the market, first of all.

And second of all, it also saw Africa as a source of industrial natural resources like copper, cobalt, and lithium. Lithium came a bit later than that, but much more copper, that was their centre. That's why, for example, we have a country like the DRC becoming the centre point.

We also had oil, where we saw how countries like Nigeria and Angola became very important to China's engagement. But after that, with the Belt and Road Initiative taking place as Xi Jinping came to power, we saw a shift. That shift was also materialised when you saw how China engaged with countries like Nigeria. You saw how Nigeria and Angola dropped among China's suppliers of oil, where China now turned to Central Asia countries or Middle Eastern countries. It was reflected in how the Belt and Road Initiative was much more focused on Central Asia and Eastern Europe.

After the COVID period, we now see much more focus, not really on critical minerals, but on a political perspective. Because China is looking into Africa as a political partner to reshape the international system. And you see that in the narrative, you see that in the communication, you see that in the communique that China released on China-Africa Summit. You see that there is a very strong leaning toward a political shape and seeing Africa as a political partner. And that has been historical, even since the early 2000s. Africa has much more political value to China than an economic value. That's very important.

And in terms of natural resources, not every African country is the same. Only a few African countries, I'd say, countries like, Guinea, with the Simandou project, DRC with cobalt, Zimbabwe with lithium. And we have South Africa, of course, for the economic purposes, because it's a much stronger one. You have Morocco for its access to Europe, where China is now ready to relocalise some of its EV industry to Morocco to have access to the European market.

So, only a few African countries have that really strong economic value to China. But overall, as a continent, Africa is much more of political value to China more than anything else.

Amit Jain: Thank you. So three things, basically: Critical minerals, politics, and a place for markets. Yes, please, Veda.

Veda Vaidyanathan: No, I just wanted to add three more things to what you said. 10 years ago, I was a fellow at the School of International Studies at Peking University. It was really interesting, and we were talking about this today. At that point, when you listened to scholars of IR, the Tsinghua Beida**,** speak to how China saw itself as a great power, most often enough, the examples would be about some project in Africa that they were getting right. And this connects to my second point, which is, let's just take one example: The Agricultural Technology Demonstration Centres (ATDC) that China set up across Africa. I studied only one, the one in Zambia. And Zambia was struggling with issues of productivity, of agricultural yield, and they set up this ATDC. They tied up Agricultural University of China to UNZA (University of Zambia), a local one, and they were trying to work with Chinese at local sites etc.

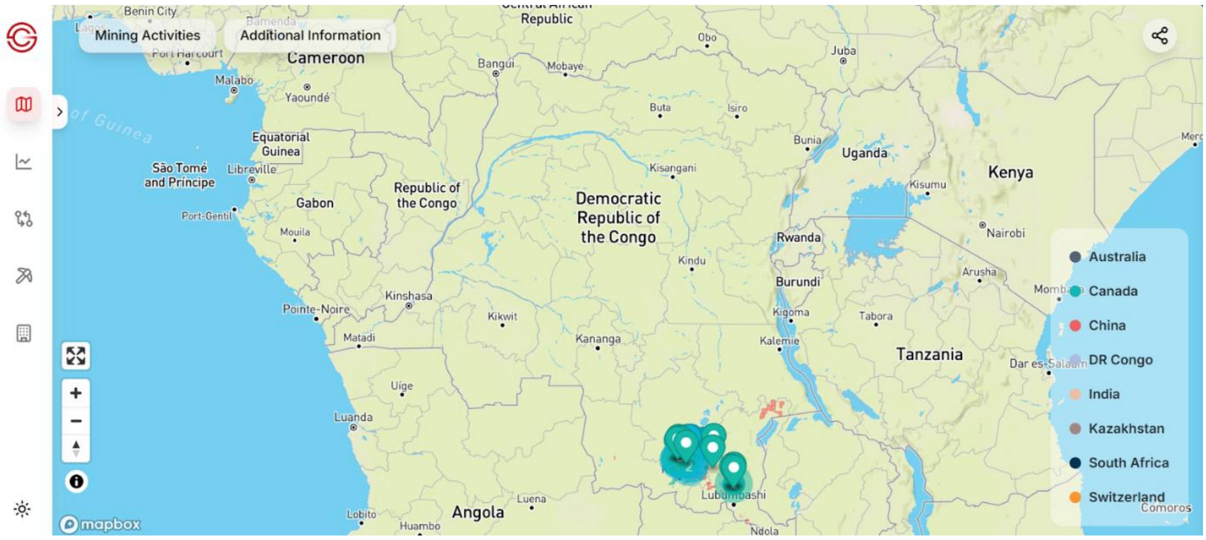
I've written about this, and there are a lot of challenges with this model. I'm not propagating the model, but this idea that China is going to think up an alternative development paradigm. What happens to a world which is beyond aid? Let us help you think through this. So, for that also, in those conversations, often enough, the example is always some project that was really successful in some African country.

And finally, and this is anecdotal, not really evidence, but I was in the Zambian Copper Belt, and we were interviewing this artisanal miner from Jiangxi province. And I asked him what brought him to Zambia, and to the Copper Belt? He said, oh, you know, I was trading textile in Johannesburg. And then someone said, you know, copper is a great business idea. And so here's this person who has no history of mining for copper, who is in the Zambian Copper Belt with his family. I met him, his daughter-in-law, his son-in-law, the whole family, trying to make his, you know, his living. And when I asked him, why would you do this? The answer was simple. It's too competitive in China. You can't make it big the way you could in the 90s and the 80s. And therefore, here he was. And then at lunch, I met all of his friends. All of them trying to make their money. Those are three things I'd like to add to it.

Amit Jain: This is interesting. Since Geraud and Veda both mentioned Chinese engagement in Africa, one way or the other, connected with minerals. Geraud has done an excellent work on the map of all the concessions in the DRC, take a look. So if you zoom in, it shows you which country has how many concessions where. And this work has been done by Geraud. And if you zoom further, it'll give you more figures. Geraud, maybe you can guide them.

Christian Geraud Neema: A quick background for this project. In 2020 - 2021, there was conversation about China's presence in the critical minerals in Africa. We are talking about copper and cobalt. People were always dropping the numbers. Like, among the 19 biggest producers of cobalt in DRC, 14 are Chinese, or 15 are Chinese, and everything.

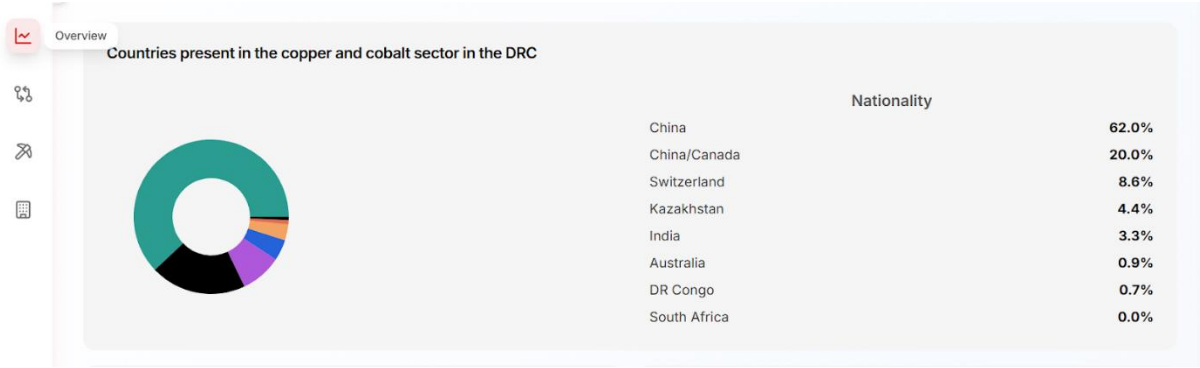
But having an experience in the mining industry, I was like, those numbers aren't really accurate. So we wanted to give a visual representation to people to understand when we say Chinese presence in the copper and cobalt industry in the DRC, what does it represent in terms of numbers? And we also wanted to put that in perspective with other countries being present in the mining industry. So that's why we came up with this map, focusing only on the copper and cobalt industry in the DRC.



We're going to release another tool that's going to cover China's critical minerals in five African countries. I'm just giving you a sneak peek. It's gonna be released, I think, in two weeks.

We're going to cover, of course, DRC, but also cover Guinea, Zambia, Zimbabwe, and Namibia. We are going to have similar work in those countries. So here, this project basically allows the user to be able to see Chinese companies, the ownership, how much they produce. If you take the time to go on different options, then you're going to see a lot of numbers coming up here. So yes, you see the numbers for 2023.

Our goal basically was we wanted people to see who are the main stakeholders of the copper and cobalt industry in the DRC.



When the cobalt is leaving the DRC, where it's going, which route it's taking, which company is buying? And Singapore came up among one of the main hubs where copper and cobalt of the DRC is coming because interestingly, we have a lot of trade companies in Singapore.

We also have a Chinese company that incorporated themselves in Singapore that are buying copper and cobalt from Chinese company based in the DRC. So when they list where they're shipping the product, the end port of copper and cobalt, they list Singapore. So we had those numbers here: This is the 2023 data, next week, we're gonna have the 2024 data released showing even different numbers again, which are the big companies, which are the big exporters, importers, and where Singapore stands in this case. How the numbers change between 2022, 2023, 2024. We have a data that covers starting 2017, but we did not release that. We just kept the last four, five years. The data for 2017 are kept for special cases on research or when people really need it for special cases.

But yes, this is basically to try to give people a view of the copper and cobalt industry in the DRC and where China stand and other countries stand as well. Thank you.

Amit Jain: Thank you. Veda, same question to you, what is driving India's interest in Africa?

Veda Vaidyanathan: The India-Africa story is slightly different. I think it's a layered one. Because economic agents from India have, I think from 1st century B.C. they have been guided by the monsoon winds to the eastern and southern African coast. So the trade story is an old one. The continent is also home to over 3.5 million people of Indian origin. So it's a geography that houses a lot of Indian diaspora.

And of course there's the colonial history, the shared colonial histories, the history of NAM (Non-Aligned Movement) and all of that. But really, I think there are three big things and they're kind of similar to what Geraud said at the beginning. One is this point of economic opportunity.

I did this study in 2018 of Indian pharmaceutical manufacturers in Ethiopia and Nairobi. And again, a lot of them have been successful in India. They did not have a global presence anywhere else. But they had set up factories and manufacturing units in Eastern Africa to try and tap into the SADC (Southern African Development Community) and the ECOWAS (Economic Community of West African States) markets. So I think a big push still is the economic opportunity, the shared economic opportunity.

And this is something, again, that came up at the CII summit where one of the Indian ministers said, “for any Indian company going into most of the countries in Africa, we can assure you that you will not be the first Indian company there”. So because of the diaspora, what then happens is there's a huge commercial informal network of people who are able to give information to these new investors. So one is the economic angle.

The second is, of course, the larger question and conversation in foreign policy about global governance structures. India has been critical and has been advocating for more inclusive global governance structures. I think a lot of African heads of state, like President Ramaphosa of South Africa, and President Muhama have also been talking about how UNSC reforms, WTO, and all of these institutions need to be reformed to reflect a new governance approach.

And finally, I think this is an interesting one, again, something we were talking about yesterday. We are in a very fascinating time when things like knowledge generation, which was for the longest time steeped in Western institutions, norms that we value, even pop culture references that we have was so driven by the West. And now we're in a place where that's shifting.

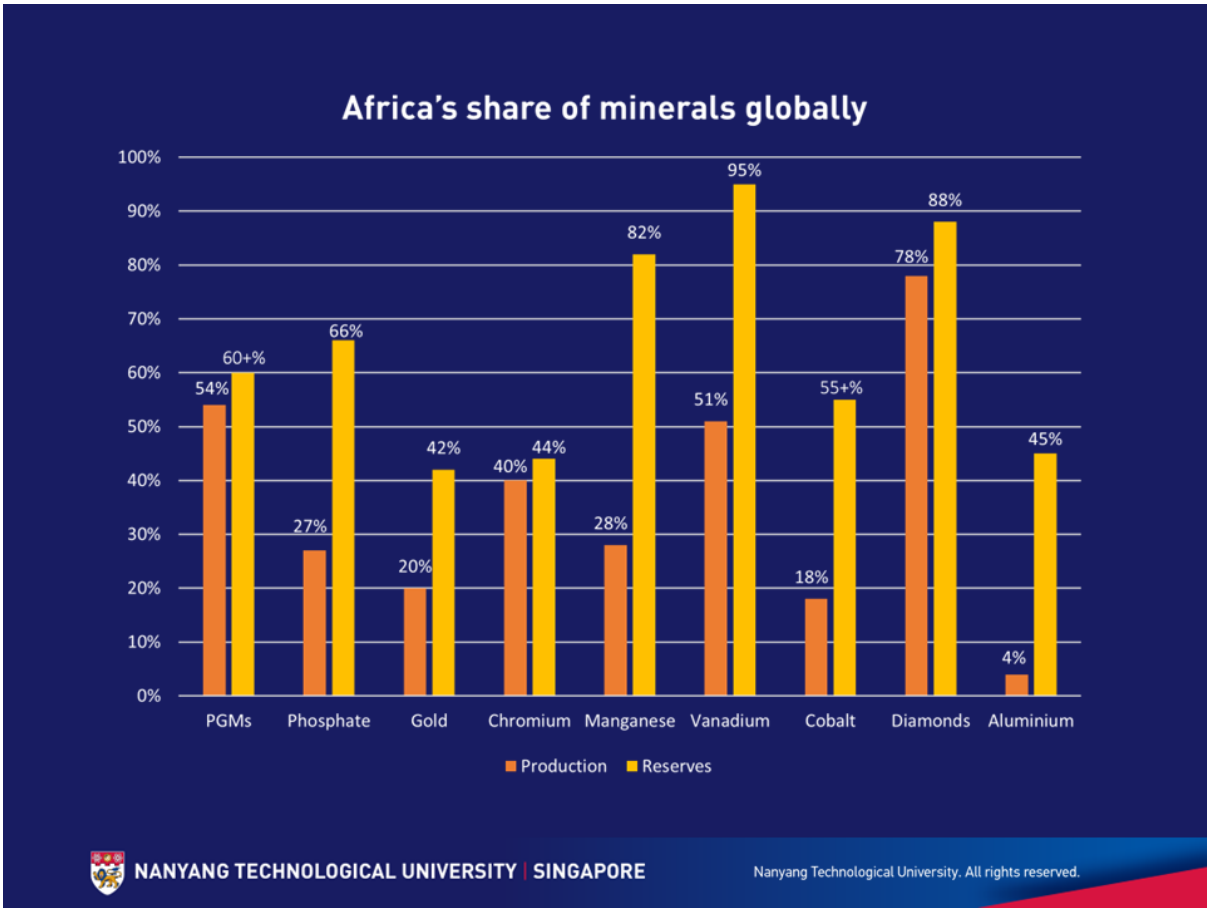
So I think in this larger exercise of where norms are being redefined, values are being redefined, I think these two geographies of engines of global growth, Asia and Africa, are going to have to work together.

Amit Jain: Thank you. One of the most surprising things that I find about Japan is Japan is not there in that picture at all, despite being a country that is dependent on natural resources. Takuo, how do you explain that?

Takuo Iwata: Japanese companies are much behind China and India in the industrial sector. However, they are now increasing their investment in mining. For Japanese companies that attended the last TICAD, I found some different interests, especially in producing minerals. They need machinery. So, Japanese companies still have some competitiveness in terms of such mining-related machinery business. At TICAD I spoke with some companies, such as Kubota or Komatsu, for example. These companies find it relatively difficult to compete in China, so I don't know.

However, big Japanese companies actually need to invest a lot, even if it doesn't show directly in the data. So, I see the approach of these Japanese companies as more indirect now. Unfortunately, the current trend of Japanese companies' approaches is not appreciated, not only in terms of resource security but also as a business itself.

Amit Jain: Thank you. I just wanted to draw your attention again to this particular slide. It just shows how much of the resources the continent of Africa has. And, you know, its renewed attention across the world from Asian countries and the West, once again, is largely skewed towards acquiring supplies of these very critical minerals.



You know, in 2024, the expenditure for mining development globally was US$9.4bn, and exploration was US$1.27bn, according to S&P. I mean, sitting where you are, Geraud, is this interest in the African mining sector, while it's welcomed by governments and many others, and the surge of demand for critical minerals as the world is making this transition to green energy, is this a good thing or a bad thing?

Christian Geraud Neema: It's a good thing. I personally believe it's a good thing because it offers the opportunity to expand African resource exploration, because I think as much as we have a lot of natural resources, we still have one of the less explored land when it comes to mining industry, because we have a risky environment. Just on the side of that, I think I'm going to also add in one thing that why we don't see much of Japanese company in Africa when it comes to minerals, because Japanese companies are much more risk-averse companies. And let's face it, many African countries are very risky business environments, and when you take that into account, companies like Japanese companies, when it comes to Africa, they really take their time to be able to make sure they are going to be able to have return on investment when it comes to the investments in those countries.

But China has a much more bigger risk appetite, I think, to be able to be in a very risky environment where there is corruption, political instability, and other countries cannot be able to do that. So having said that, is it a good news? Yes, it's a good news, because we have an opportunity now to be using our natural resources as a booster for industrialisation, because now we have the conversation about value addition.

The question becomes today, yes, all different countries are interested in coming to Africa. How are they going now to help Africa to move up the value chain? This is the big question. People don't want just to have extractive industry being there. They want the other part, the other element in the segment, in the midstream and the downstream of the supply chain.

Well, how do we find ourselves? How do we move ourselves from just being in the low upstream level to move down to the downstream segment of the supply chain? But the problem is, as much as those demands are very much legitimate, the issue is the condition, the prerequisites to have that and those that need to be built need to be met as well. This is why now there is a conversation between African countries, African stakeholders, and mining companies to say, you know what, how can we work together to make that happen, to be able, given our condition, what can be done?

Of course, we won't be able to produce EV batteries like China, but in that supply chain, in which place in the segment can we grow just one step or two steps, and we're going to do that incrementally, we're going to take our time to build that. But the political narrative today in Africa is like, no, no, we want to move up, which is not realistic from an industrial perspective, like the condition, the prerequisites are just not made to be able to do that.

Amit Jain: Veda, to that point, Prime Minister Modi has enunciated a 10-point agenda where, among that, he mentions that the development partnership will be guided by Africa's priorities. One of that is climbing the value chain. Where do we see that evidence of Indian firms in Africa doing that, if at all?

Veda Vaidyanathan: I sense the scepticism.

Christian Geraud Neema: Rightfully so.

Veda Vaidyanathan: So, let me give a little bit of context, because this question you're framing is the critical minerals space, right? In India, there's been a lot of changes within the domestic critical minerals ecosystem. Just very quickly, changes have been made to the Minerals and Mining Act. An institution called KABIL has been set up with a mandate of exploring international partnerships in critical minerals. In 2023, it was one of the first countries to come out with a list of critical minerals. And of course, criticality is in the eye of the beholder. It's a list of multiple, but at least we've identified 30 minerals.

And then a critical mineral mission was set up. And then in 2025, a national critical mineral mission document was released, right? And essentially, the reason I'm saying this is that this is really exciting as a researcher, because a lot has happened in a short span of time. And there are three pillars. One is focused on domestic exploration. Then there is recycling and stockpiling. And the third element is international partnerships. And this is where Africa comes in, right? And Africa is mentioned in this document.

We know for a fact that a lot of Indian industry is very excited about venturing into African markets for this. So this question of value addition, me and Geraud got on a panel in Lusaka a few months ago. And in that panel, we had heard from scholars and practitioners and miners from different parts of the continent. One thing that a lot of people kept saying, and I'm sure you'll back me up on this, is the fact that a shared concern for African governments is that they don't have enough maps, geological data, about the reserves and the resources that they have. So in Zambia, for instance, we just take a case study. 9,000 kilometres of land has been given to the Geological Survey of India (GSI) to explore and map. Now this is one of GSI's first biggest international ventures outside of India. It's an institution which is 175 years old. It has a lot of work in India. But when you have a Zambian government, you have these governments saying, help us map it. And then you have the internationalisation of an Indian entity going abroad. So there are definitely ways in which you see value addition. Capacity building is another example. So these could still be in the realm of possibility. We don't know how successful GSI will be. But there's definitely ways in which, new dimensions in which value can be added to resources.

Amit Jain: Right. So I'll come to you, Takuo, in a minute. But on that point, Veda, you know, much of the geological information sits with the private sector. This is the international mining companies. Why is it difficult for African governments not to insist on having them show, demonstrate that they know this information? A lot of the reserves, all this information is there. But it sits in the repository of all these mining firms.

Christian Geraud Neema: I'm going to take a case of a few countries. DRC, Zambia, Zimbabwe. Countries that I know, Guinea as well. In those countries, most of the mining companies, when they arrived, they did not do exploration. Most of them went for brownfield project, what we call, just definition, brownfield project. The project where you only have historical data of production and activities there. And you can say, I already know what I'm expecting in those kind of projects. So, a lot of them went to the brownfield project because of the risk element.

Exploration comes with high cost. So when you're a private mining company, when you come to a jurisdiction, you have a question to take. Do I go for a 5-6 years exploration for around US$200m - US$300m to discover a deposit, and then start the mining operation In a country where once you do that, because of the instability, the government can say, you know what, we're going to strip you away from your mining rights. So this becomes a risk.

Most countries, just to mitigate the risk, they say, you know what, let's go for brownfield project because we already know what's on the ground. And I'm talking about brownfield project because in many of those countries I've mentioned, the DRC, Guinea, Zambia and Zimbabwe, you have state-owned mining companies. Those state mining companies had historical data that the coloniser had done before. So when investors were coming, they were just showing them, we already have the proof that was already done.

For example, China did not find new deposits of copper and cobalt in the DRC. As much as they put billions of dollars in there, they did not invest in exploration. All their projects were brownfield projects. Just to tell you that they did not do much of the work. To answer your question, the data are available even within the government. Now the issue is to say, how do we find new deposits? This is where governments, they have the tendency to say, you know what, you want us, we want you to put the money to discover that. They don't want to put their money themselves to say, you know what, we'll put US$300m to find new deposits. They don't want to take the risk. They want mining companies to take the risk.

As a mining company, now you have the question, do I put US$300m here with the risk that the new presence is going to come and say, you know what, thank you for your money, but we're going to take your mining rights, we're going to give it to another company. This is the risk that we are not willing to take.

Amit Jain: All right. We'll take a quick break away from minerals and maybe one way to segue into that is to ask Takuo. Human security, health, technology, digital, capacity building. These are some of the priority areas that Japan has prioritised when it comes to Africa. Very different from what India and China are doing. So could you put some spotlight on that?

Takuo Iwata: Yes. Human security is still the core part of Japan-Africa approach. At the last TICAD, there were several panels on this issue. But however, now it was human security policies managed by the JICA (Japan International Cooperation Agency), usually. But however, the character of JICA's activity also transformed from such a humanitarian activity to more business-friendly activity. So as I know, the traditional approach of JICA, 30 years ago when I was, I worked in Senegal at the Japanese embassy.

So they really changed their approach. So now at the last TICAD, many JICA high-ranked officers are mentioned. So now JICA is the organisation to support Japanese companies' trade.

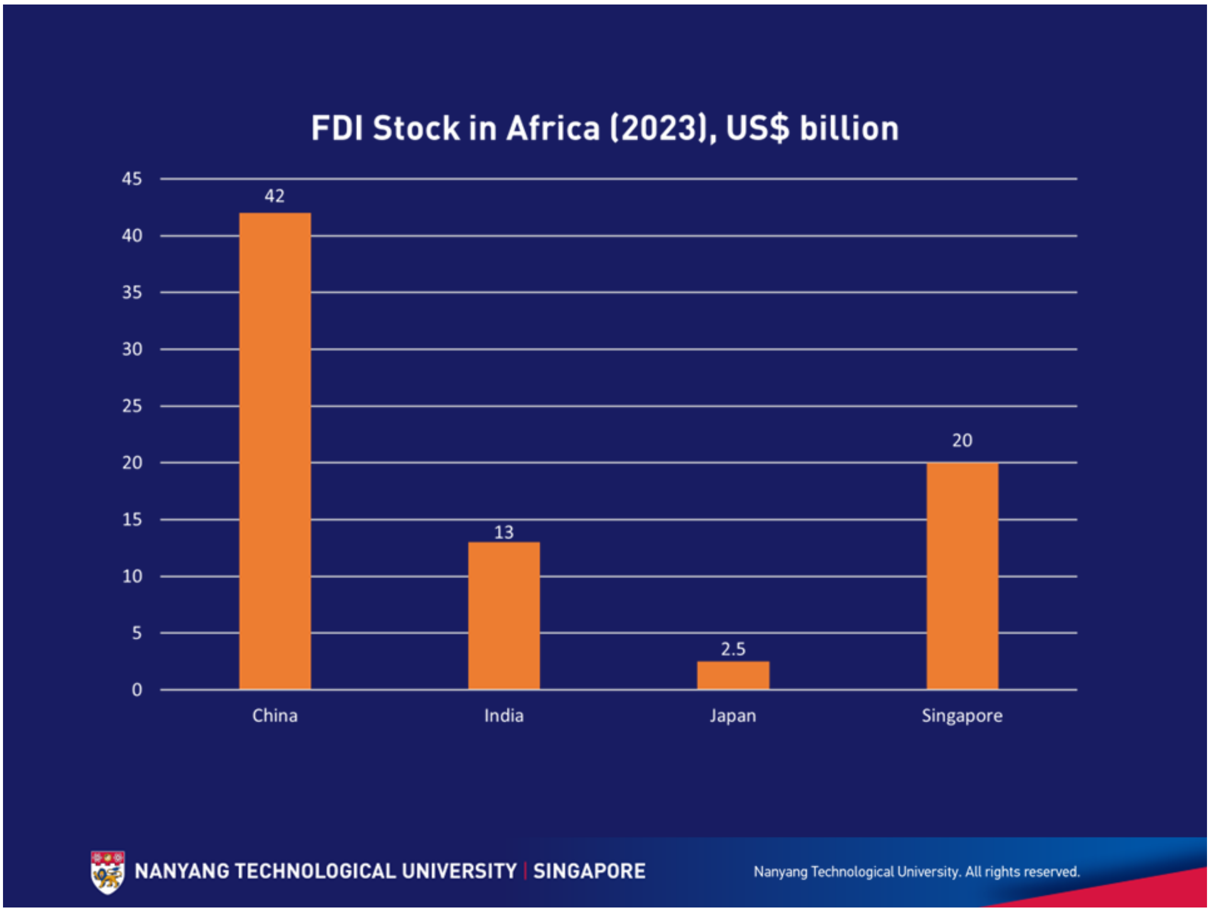
So even keeping some part of such human security activities. But now, so probably it is because of some internal organisations' interest or interest of JICA itself. But however, yes, because human security is initiated by former Director General of UNHCR, Ms. Ogata. So it's much named from her. So Japanese government cannot abandon such initiative. But however, unfortunately, it was not so much visible at the last TICAD.

Christian Geraud Neema: I can add on something to what you said, in terms of Japan approach to Africa. I also studied in Japan, so I have both Chinese and Japanese background. So that's why I'm familiar with the two countries. Japan has a very interesting approach to Africa. And I'm an ABE initiative scholar. Because you mentioned JICA. It has become that huge study centre to provide risk study for many Japanese companies. You have a Japanese company going to JICA and saying, you know what, we want to invest in Senegal. What data do you have about Senegal's agriculture industry? What can we learn about that? And JICA would find people and even launch studies to provide feasibility study for the Japanese company. You can go to Senegal and do that and do this, because it's safe or because it's not safe.

And you also have the case where, because in my case, for example, being a ABE initiative scholar, you receive a lot of emails from JICA telling you, you know, we have XY Japanese company looking into invest into the region where you are from. Do you know people that we can recommend to you? Are you interested to work with those kind of projects?

So Japan is now trying to go through this humanitarian approach and education to try to create bridges between Japanese company and business world in Africa, because they acknowledge the fact that they don't have the same level of knowledge and expertise in the business environment in Africa. So they do rely a lot on those Africans that have been trained in Japan to be able to become those business bridges between Japan and Africa.

Amit Jain: Thank you. Let's quickly take a quick look at how China, India and Japan are stacking up when it comes to the stock of foreign direct investment in Africa.



China (US$42bn) is in a league of its own. India (US$13bn), not too bad. And that number is growing. Japan, rather surprisingly small, US$2.5bn. These are the 2023 figures. And Singapore (US$20bn) itself is quite astounding. Its FDI stock in 2023 was bigger than that of India. Let me turn to Veda perhaps, how do you explain that? On the face of it, India should be having much bigger FDI stock than what these figures show.

Veda Vaidyanathan: Why is the FDI stock lower?

Amit Jain: One would have thought it would be much bigger.

Veda Vaidyanathan: I agree.

Amit Jain: The trade is bigger.

Veda Vaidyanathan: I think India is still one of the top five investors in Africa. Cumulatively, I think over 75 billion dollars has been invested in the continent.

Amit Jain: This is just for a single year.

Veda Vaidyanathan: For a single year, yeah. But I think manufacturing and services are the two sectors where a large tranche of Indian investment goes. I think almost 40% of Indian FDI goes into manufacturing. And I think 20 odd percent goes into services. But I think cumulatively it's not a bad number. But you're absolutely right.

At the CII Africa conference that we started this conversation with, that was a big part of the conversation. The minister, Piyush Goyal, he actually made this point, saying that there's so much potential to invest in Africa. And he was urging Indian investors to go and really make use of that.

Amit Jain: Takuo, Japan has an interesting approach, which is a third-party approach to investing in Africa. What explains that? What is the thinking behind that?

Takuo Iwata: Yes. So the reason why Japanese companies, FDI, make those, is explained by Terry J. Roh. Japanese companies don't want to take risks. With the TICAD, the Japanese government wants to encourage Japanese companies to go to Africa, because the Japanese government itself faces a budget shortage.

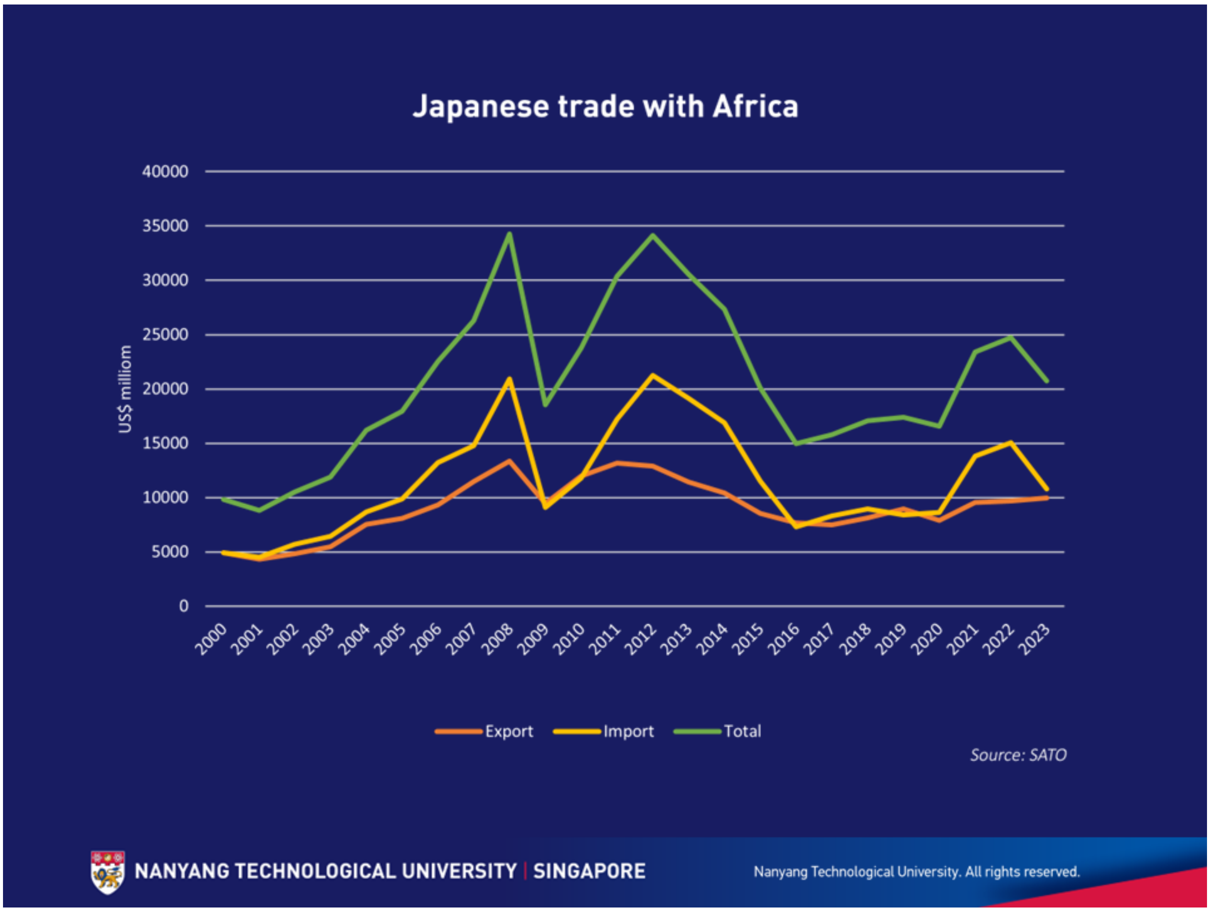
The TICAD 5 was when China surpassed Japan in terms of GDP, so it is no longer second-largest economy. But, the trend of Japanese companies abroad character did not change. So finally, the Japanese government, especially Ministry of Economy and Industry, wants to push Japanese government to go to Africa. If it cannot go directly, some Japanese companies always invested and had successful results, especially in India, such as the companies Suzuki or Daikin, have established their business in India. So go further to Africa. These companies already invest a lot. So now the Japanese government encourages other Japanese, especially in the manufacturing sector, to go first. Some Japanese companies already invested in Asian countries, especially in India. So to go further to Africa.

So many initiatives were taken during the last TICAD. Also, one reason why Japanese government is so timid to go to Africa, is no government insurance or support for African business. Unlike China, the Chinese government supports somehow.

Finally, at the last TICAD, the Japanese government showed their government insurance support for Japanese companies investing in Africa. And also at the business side, the group of business leaders, it's called Teidante in Japanese, created their own fund. It's not so much big so far.

However, it was such a specialised fund for African investment, set up, established three years ago. Now it starts very soon. They announced this fall. Next fall start to invest, especially funding for startup companies in Africa. So now it's more, not only big enterprises, but also small startup business. Now the Japanese government now focusing on encouraging these startup companies.

Amit Jain: I can't believe how quickly time passed by when we were having such an interesting conversation. But bear with me. I just have a couple of questions only, and then we'll move very quickly to oru Q&A. This slide here shows you the seesawing of Japanese trade with Africa. And this is somewhat bizarre. If you look at 2001 to 2008, it rises dramatically, peaks in 2008. Then there's a sharp drop. I presume that's the financial crisis. Then there's a rise again between 2009 and 2012, peaks in 2012, drops to 2020. And then slight drop, and then it's dropping again. What's going on?



Takuo Iwata: This one is an exchange rate, because this is indicated in U.S. dollars. Such peak in 2008 or 2012, Japanese Yen was very strong against U.S. dollars. And then, somehow, the year 2016, this is because of the decline of imports. I think it is a miracle that Africa was increased. And this trend, too, in recent years, Japanese Yen now faced a very sharp drop against U.S. dollars. But the trend of trade itself has not so much changed. Just somehow, yes. Especially 2016, probably, there is some trade character change, but usually brought by... So anyway, in general, Japanese trade with Africa does not so much develop as much as China or India.

Veda Vaidyanathan: The previous slide on Chinese risk, because it kept coming up, I just want to quickly throw light. We did this study where we studied five Chinese assets in Tanzania and Kenya, five different kinds of gas pipelines, the SGR chain, the Zanzibar Airport, for instance. And it was really fascinating, because this thing of risk appetite kept coming up, right?

The Zanzibar Airport, for instance, it was something that was supposed to have finished at US$8bn in 4 years, but ended up costing three times that amount, right? It was a China Exim-funded project. And when we spoke about risk to these Chinese companies, all of them spoke about the role of Sinosure.

So I just want to say that please see this fantastic piece by Yunnan Chen, a scholar at ODI. She has this brilliant paper that really unpacks how China is able to invest the way they were able to invest and the role of Chinese financiers. Because in the early 2000s, there were three Chinese financiers in Africa. By the end of two decades, there are over 33 financiers.

So the role of the insurance, Sinosure, and the role of Chinese financiers in getting this number up.

Amit Jain: Okay, final question here. On that point that Veda just made, you know, China's role is so big. I mean, could you give the audience an idea just how big the scale of Chinese consumption of minerals and its domination of minerals processing is? Because even Indian companies, or Western companies for that matter, investing in mining, end up essentially selling to China. One way or the other. The supply is all roads lead to China. What's happening?

Christian Geraud Neema: So yes, basically, as you say, all roads lead to China when it comes to mining processing. Because China has over the last 20 years a very robust supply chain of minerals in a sense where they take everything, they process everything, they refine everything. Of course, with the environmental cost that comes with it. Which again gives it a certain advantage that other countries cannot really replicate. Because if you want today to build a supply chain that's able to compete with Chinese supply chain, the question is, how much of environmental cost are you willing to take? If you're not willing to take any environmental cost, you're not part of the debate. And this I think is what Europeans and Americans have been facing because the cost is like, okay, you want to be able to process lithium, cobalt, copper, and all of that.

Copper, it's manageable. Cobalt, lithium, and all of that, you want to be able to process them as China does in Europe. Are you able to convince Europeans and Americans to say, you know what, now you're going to be seeing green smokes in the air because we're processing lithium in the country because we want to be able to be independent on that. And to that point, yes, China is very dominant on that. I just want to mention one element where in the context of geopolitical tension when we talk about a lot of competitions, you know, between China and other countries where, you know, when you go to London, to Brussels, to Paris, to Washington, people say how to compete with China, that's the political narrative. The business narrative is completely different.

Amit Jain: Could you explain that?

Christian Geraud Neema: The business narrative is completely different. When you talk to business tycoons, they tell you, we don't really care, we really don't care. It's really interesting to see, for example, when Prime Minister Justin Trudeau from Canada at that time was concerned about how China was present in the critical minerals in Africa, how Canada should be fighting over. The same day you have first-counter executive techies go to Beijing, talk to Jiangxi Minerals, you know what, I have assets in Zambia, do you want to buy them? You have the same concern coming out of Australia, but you have an Australian company in Zimbabwe, one of the biggest lithium companies in Zambia, Arcadia, selling its assets to China in the midst of all the geopolitical tension.

You have people concerned about how do we explain that China is dominating. You have Glencore, when Cobalt leaves Glencore, gets to Trafigura here, next destination is China. You have all the debate on the political sphere, but in the business they tell you, guys, we don't really mind having China being present in the upstream of the supply chain.

Because, in terms of comparison, the upstream of the critical minerals when it comes to EV industry, it's a market of roughly US$90bn, the upstream itself. When you move to the segment, you move from US$90bn to US$500-600bn. To upstream, you know how to downstream, you go to the trillion.

So from a business perspective, why are we going to fight to risk environment to get to a US$90bn market where we can still cooperate and make much more money in a much more bigger segment of midstream and downstream? It's quite simple. So where competition is, the narratives dominate, but in the business world, cooperation has always been the norm in the supply chain of critical minerals all along.

Amit Jain: Thank you. You want to add something to that, Veda? All good? Okay, let's open up for questions and answers now is your time to ask them.

Question and Answer Session

Kevin Lim: Thanks for the interesting conversation. I'm Kevin Lim. My question is about the Chinese influence in Africa. Are there Chinese communities present in some of the African countries now, given the years of large investments? And second, what is the reception to these Chinese communities? Because from experience in this part of the world, the Chinese like to work with the Chinese diaspora, and in certain countries like Indo-china, the Chinese have not been very welcome, partly because of the habit of employing Chinese rather than locals, setting up shops where the shop sign is in Chinese rather than the local language. So that's number one question about the Chinese communities and how they've connected with the African community.

Then the other question involves the Indian diaspora. It's quite large, but in East Africa, especially Uganda, the Indian community was basically persecuted, killed, and forced out of the country. So in terms of the Indian diaspora, what are the kind of limitations? Are they only in certain countries, or are they more spread out across the African continent?

Amit Jain: Thank you. Geraud lives in a place which has a big community of Chinese and Indians.

Christian Geraud Neema: It's a very interesting question. We have different types of Chinese communities. You have the first type of Chinese communities who are coming, the workers coming from big companies. Those live in a certain, what we call, isolated way. They have their own cities, their own shops and everything, because for security purposes, since they're coming with the state-owned companies, the state-owned companies doesn't want to be responsible if something bad happens to them. So they really keep them safe and all of that. They don't really mix a lot with locals in terms of their everyday life. In terms of working every day, yes, they stay with locals, but in terms of the court where they live, it's much more secluded and isolated.

You have the second type of Chinese communities. Those who are not coming through big companies. Those like Veda met in her trip, where they say, you know what, we just find Africa being an interesting place, we're going to work hard. You have those type of Chinese people who also have their communities. They live among the locals. They learn the local language quite fast. They open shop, they open business. Interestingly enough, when you ask them, why and how do you learn local language quite fast, they tell you, it's based from a certain stereotype, but they're going to tell you, because we want to be able to know when our employees are insulting us, when they're trying to do something bad.

That's why we're learning the local language quite fast. Which is true, they learn the local language quite fast.

So in terms of reception, how they're welcomed, it's very different depending on the industry they're working on, depending on where they work. If you're in a big capital city, they're going to ask local people, they're going to tell you, yes, we welcome the Chinese communities, those who are not coming from big companies, because they live among us, they live with us. They don't live in skyscrapers in the city centre. They live with us, they speak our language, they're among us and everything.

But at the same time, also, they're competing with local businessmen, because since they're Chinese, they cut the middlemen. So when they come, they bring products and everything, it's really cheap, and local communities are like, no, they're becoming competitive with us and we cannot sell our business the way we want to do that. So we have a very dynamic receptional relation they do have.

But in the case now in Mauritius, because we talk about how Chinese rely on others, Chinese, to build their business. I'm going to mention the case of South Africa, for instance. South Africa has a long history of very strong Chinese communities, of fourth, fifth generation Chinese communities there, to the point where when you go there, they tell you, no, we are South African, we are not Chinese, we are South African, and if you label them being Chinese, they're going to get mad, say, no, I'm South African. Because that’s how they see themselves. And how they see other Chinese coming from China mainland? In South Africa, they have a rather open reception to them. You go to Chinatown, Johannesburg, you have a mix of all of them all together, they see themselves, yes, those are Chinese, they speak the language, but they see themselves as South African.

But when you go to a place where I live in Mauritius, where it's very interesting, local Chinese communities are very much opposed to the Chinese coming from China mainland. They really try as much as possible just to not to have them being present. And you have now a historical background telling you they came from the South of China, they have different views and different perspectives, they don't share the same values.

That's why, for example, China, despite having a Chinese community there, China didn't have much of an influence in Mauritius and all of that, because Mauritius is now considered a little India, when you go to India, that's how they call Mauritius, that's how I’m going to segue to Veda for the Indian community.

Veda Vaidyanathan: It's actually very similar, right? Because there isn't one block of the Indian diaspora, they came in waves like we spoke about earlier. So very similar to what you said, we did this research project in Ghana, where we were trying to understand the experiences of Indian manufacturers to increasing Chinese presence in Accra. And I would go with my research assistant, who was from the University of Ghana, and all of the respondents would keep talking to him about “us Ghanaians” must do this, right, but I was interviewing them. As members of the Indian diaspora. So for second, third generation, it's very, the identity is very much of the host country.

India to them is a distant land where they have heard stories from their grandparents and things like that. But like you said, first generation Indians who've just travelled and were setting up a business, I don't think they're also great with assimilation. I think a lot of the people that I've met are active in their communities and their schools and their temples and things like that.

But when it comes to serious things like marriage and things, it's still very communal. Yeah, so I don't think there's one story. I think there's a very fragmented global India in all of these geographies.

Amit Jain: I know we all are getting a little bit hungry, but nonetheless, another chance to ask a question. Yeah, please, yeah.

Fatma: Thank you so much. This has been wonderful to hear. If you may indulge me, I want to make a few reflections based on what you said and kind of dig deeper.

So my name is Fatma. I work at UNDP. I'm originally and hugely based in Ethiopia at the regional office and work very closely with the African Union. So that's the angle I'll be looking at. So this discussion around critical minerals is happening at a backdrop where there's been this economic crisis, right, where the aid has declined from US$60bn to US$40bn. So a lot of the focus, even from the developmental institutions, is looking at what are the new areas where we can mobilise resources and critical minerals has become one of those areas.

And so we recently had similar discussions in Johannesburg, with Chatham House and UNDP, where we're looking at critical minerals and a few observations came out to see how can we support African countries in this area. The first was that there's a need for clear, transparent regulatory institutional framework, which you guys also spoke about. The second was also about the data collection, ownership and investment in understanding the critical minerals.

We know that Tanzania and Zambia have heavily invested in geological mapping to help with negotiations. And then there's also a reference, which I haven't heard either of you mention, so I'd love to hear your reflections around this investment in machine learning and AI and how that can also be used around geological data to understand the access, but also to have a commercial edge when it comes to negotiation. And then finally is also the use of the revenues of critical minerals in the country.

So my question then is, which is twofold. So with this goodwill and a lot of interest on Africa, from India, Japan, China, how can we support a genuine partnership that's beyond just extractives? You spoke about good examples in Lusaka around capacity building and exchanges. I would love to hear more examples such as those.

And then the second is, what is the role of the continental bodies and the regional bodies, the African Union? I haven't heard that being mentioned. We have a whole commission that focuses on this specifically. Do they have a role to play that we can scale up some of these good practises as well?

Amit Jain: Very good, very good. Africa Minerals Mission, Veda, you can start.

Veda Vaidyanathan: I'm going to try and find a clever way to send it to you. I think the role of the policy bodies is very important. So one of the episodes of The Africa-India Global Dialogue Series that we curate with AUDA-NEPAD focused on critical minerals. And we had, we actually had you on the webinar, but we also had someone from AUDA-NEPAD talking about the importance of policy. And the African Green Minerals Strategy is a very important document. It's a long document, but it's a very well-written document.

And we know for a fact that it was written after multiple rounds of consultations with different regional blocks and national governments. And I think it builds largely on the African mining vision, but it does provide even foreign actors a sense of where priorities are. And I think that's a helpful start to begin these conversations.

On genuine partnerships, I just want to say two things. One, when it comes to India, one of the things that we've been able to get right is a lot of the infrastructure that we've been building in the continent is around ICT centres, like the one in Ghana. The recent IIT Madras in Zanzibar is an excellent example, right? Indian Institute of Technology is one of the flagship institutes for technology training in the country. And again, when they decided to go global, they go to Zanzibar. So there's a lot of conversation and excitement around how can we make that a hub for tech training in the continent? Because again, services and tech and digital is an area that we have inherent strengths. Yeah, so those are two promising ways that I see we can actually add value.

Amit Jain: Gerald?

Christian Geraud Neema: I'm gonna have a very sceptical view on regional and continental institutions. In the case of Africa, I really find them very much useless. And yes, very much useless in every shape and form, in a sense where they do not produce any impact on the ground.

We talk about the African mining vision since 2009. And I can tell you since 2009, no African government has ever picked up a phone to call the AU commission to discuss the mining right they want to negotiate with, being a Chinese or European company. And of course, at Addis Ababa, we'd like to convince ourselves that we are serving a purpose, but we are not serving a purpose. We are just there to be beautiful and to pretend that we're doing something, but we're not doing anything. And I can tell you for sure that my president would never think of the AU Commission works and papers on what the African mining vision is before deciding whether or not to sell a mining right to the United States. They would not do that.

And this is the part where those organisations really basically just for the sake of having an organisation, they said, you know, I say the patient trade the beauty, but on the ground in terms of impact, they have zero impact, they change nothing.

We have now the African Mineral Green Strategy coming out of the AMV (African Mineral Vision). It was adopted early this year. And the idea is like, how Africa can take advantage of all of that and all this interest in terms of green minerals and how we can take advantage of all interest that countries are expressing on Africa, just like the AMV and the other document. The thing is, the African countries, as much as they know the document exists, they think through that perspective for one simple reason, because if you understand the political economy of the mining industry in many African countries, you understand that it's the heart of the political system, the stability of many governments.

So when a political leader sees mining industry, they see it from the perspective like how the revenue of the natural, because you're talking about revenue, how does it serve me to maintain, to remain in power? So I'm not thinking about industrialisation, just thinking about how all the ecosystem serve one purpose only, to maintain and to conserve my power as president or whatever, having that to stay in power. So when you understand that, you know that all those initiatives, as much as we have that on paper, do not have much of an impact.

So to get to your first point, how do we now take advantage of that? How do we, in this context, how can we engage usefully in a way that Africa take advantage? To go back to its original institution, they can now think of like, okay, as AU, or let's leave AU, as SADC for instance, given how much the Southern Africa region represents critical minerals, as SADC, the reflection can be, what should we do to put for all those countries a mining vision, a mining plan, an industrial process, project where we can get mining companies to come and work together. Because one of the issues when it comes to value addition of critical minerals, it's scale.

The thing is, you say, okay, you ask any mining companies to say, we want you to build a whole supply chain locally. The question they're going to tell you, for which market? You have so many issues that we cannot address those issues. So the solution would be like, okay, we're going to need energy coming from Zambia, water coming from Zimbabwe, minerals coming from this. But all those three countries are not working together. This is now where regional bodies can come and say, you know what, we're going to make sure, we're going to organise yourself in a way that you are able to take advantage of the minerals by providing a business case, not a political case. A very business case to any mining companies, being Chinese, being Singaporean, being anyone, to say, you know what, as SADC, we have a business case to prove that, if you invest in the region, you are able to get what you want. And my company is one of the regional companies in Africa. So yes, this is the kind of role I think that those regional bodies can play if they want to remain relevant. But the reality is so far, they're really not relevant.

Amit Jain: Just a quick one on the AI part. There is a company called KoBold. They've been using an excellent AI tool to identify places.

Christian Geraud Neema: I'm still a bit critical on Cobalt because it's a very early stage experience.

Veda Vaidyanathan: The potential is there.

Christian Geraud Neema: The AI is not doing the drilling. What they do, they say, okay, we're going to extrapolate historical data with current data that we do find, and we're using AI to tell us, okay, based on the probability, what the probability that we're going to have a huge reserve here. So we're still going to have to wait to see what the discovery is. I mean, it's really what they say.

Amit Jain: So yes, there was one question there. All right, two more.

Question: I just wanted to, thank you very much. I just wanted to ask about Singapore's role in all this. So you had a slide where you had the FDI listed, but there was something mentioned a little bit earlier, about Singapore being- Financial hub.

So Singapore purchases all these rare earth minerals from Africa and then resells it somewhere else. Apart from just being a trader, is there any other role that Singapore plays in this? And is there any risk, are there any risks for Singapore in playing this role?

Amit Jain: I'll take that question. I'm probably the best person to try and answer that. The answer is yes, of course. Look, clearly there's a role for Singapore to play as a financier. A lot of the countries in Africa, those who want to climb the value chain, look for financing that can come with better terms. And if Singapore has to grow, it can't forever be a commodity trader. And you do have companies like Winning. Now these are Chinese companies that are headquartered in Singapore. You know, they are part of a big consortium in the Guinea, Simandou. But you don't get to hear from them, because you identify more of them as China. But Singapore's role will be that of a facilitator, but it can move towards being a financier. If not a big one, then even a small share, a small part of that would make a big difference to the cost of financing.

Christian Geraud Neema: Because it's a whole ecosystem where you need companies looking for capital and everything. Because one of the elements when it comes to China, China was able to raise capital where nobody was able to raise capital. So the one who was able to raise capital is going to be a main actor in all those supplies. So Singapore can play the role of raising capital. A company looking for a project somewhere, say, okay, we need US$2bn. I can put US$bn on the table.

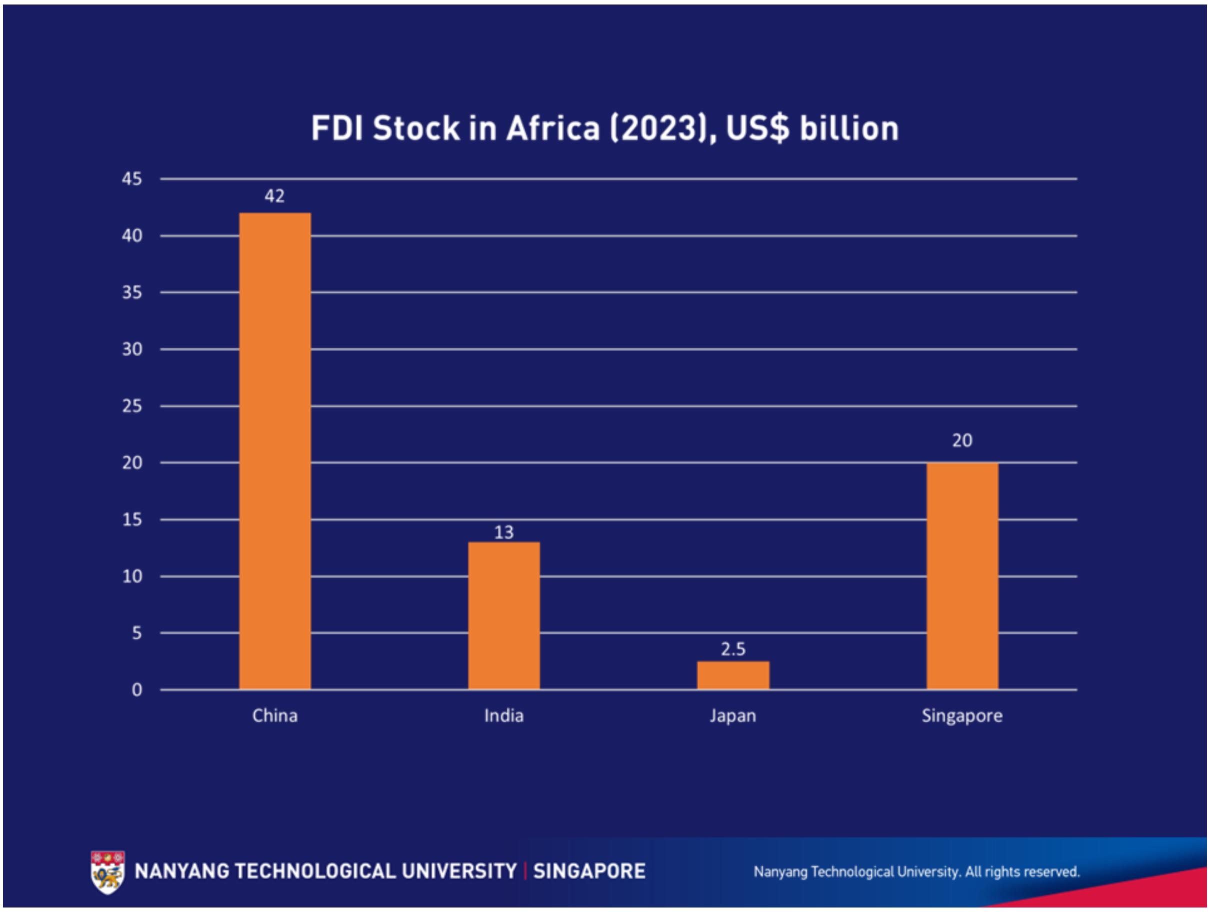
Amit Jain: So for that, the capital market has to grow.

Christian Geraud Neema: The risks are very much connected to the nature of the market itself. When it comes to capital, you can find yourself in a case where you put, let's say, you put US$4bn in X-company, not Chinese, but any company, and you use the US$4bn to build a pipeline in Niger. And the next day, there is a coup. And six months later, Niger say, you know what, we don't like you that much anymore. We want to strip you away. And they know that you already put US$4.6bn on the table. So you find yourself in a very tricky situation where you say, okay, am I ready to lose the assets knowing that it comes with that? So the risk comes with the fact that, yes, many African countries are very risky jurisdiction in terms of political stability, rule of law, and all of that. You need to be able to say, if I'm going to put US$10bn for mining project around the continent, I need to have at least a 15, 20 years visibility on what's going to happen in the political landscape. If you don't have that, you say, you know what, I'm not going to trade that again. This is where Sinosure comes along. You say, you don't have that visibility, that's okay. We're going to put your money on the table. Even if you lose it, the long-term gain benefit for us, it's already assured, but you can go ahead and move on with that. Yeah.

Abish: Thank you, Amit. Just a comment and then a question on behalf of Indian industry. I'm the CII representative here in Singapore. Of course, we have been working with Africa, the way it proceeds as a core CII strategy as well.

But apart from the big Indian conglomerates, many of our medium-scale enterprises, frankly, view Africa, yes, as a market, but don't yet put it as a priority because Europe and America is still a major market for them. So, we've had issues convincing the Indian MSMEs to tax file, to look at Africa, because the business case is just for Europe, America and ASEAN is better. That is one.

Two is, looking at this graph, and probably just an overall question for the panel is, do we actually see India competing and increasing its investments in the next decade or so, given current geopolitical standpoints? And what are the things that we must consider looking at to make sure that India reaches up to at least China's level or even crosses it in that manner?



Veda Vaidyanathan: I mean, as a researcher, I'm very sceptical about using the word compete with China in Africa, only because I just think we're just playing two very different ball games here. Yeah, exactly. But I think your organisation is the one that is setting targets for investments and trade between India and Africa. I think the recent report says US$150bn in trade is the target in the next five years and US$100bn or so in investments, right? How do we get there? The sense that I'm getting, see, again, I know I gave a largely optimistic view today, but my sense, and I completely disagree with his scepticism fully.

But I think the industry folks that we are speaking to, for instance, in critical minerals, some of the recyclers that we're speaking to, who have like Lohum, for example, as a company, right? They're really actively looking at African markets like Zimbabwe and Zambia. And the interesting thing is, and I'm writing a paper about this called Silent Architects, the role of Indian industry in shaping India's critical mineral diplomacy. They are showing the kind of risk that MSMEs or even companies in the last generation didn't show, right? And the interesting thing is, they're very aware of all of these things. The fact that, you know, contracts can change, the fact that leases can be lost, the fact that you don't actually have visibility 10 years in, all of these are things that they're factoring in and saying, but we still think it's worth the risk.

So I expect this number to go up purely from our interactions with the industry. And I've only been in Delhi now for a year and a half working on critical minerals. And the sense that I'm getting is that the risk appetite is increasing. But one of the things that they are really demanding is that the Government of India support these investments more. For instance, even the NCMM (National Critical Mineral Mission) has a huge amount of tranche of money which is listed to support PSUs (Public sector undertakings). They do not support the Indian private sector.

Recently, I think two or three days ago, something came up saying that the private sector is going to get a cap on the amount of support they get to invest. So I think a lot of the ask is also how can the Government of India, which seems to have a lot of resources for investing in these high-risk geographies, shift their investment, shift their support from PSUs to private sector industries. Actually, one of our closed-door meetings, we had someone from the industry tell someone from the Ministry of Mines, you know, we have more appetite, the Ministry of Mines has more risk appetite than the PSUs. Just give us the money and let's get on with it.

Nour: Hello, my name is Nour.I'm from South Africa. I'm a university student. So obviously, in South Africa, we don't really trust our government. I think that's the story for most of Africa. And then something that came up quite a bit now is like reliability is as it concerns foreign direct investment. So I just wanted to find out if you guys have any thoughts on how the private sector can take trust and reliability to promote investment. Is it possible to increase trust in a country bypassing the current government?

Christian Geraud Neema: South Africa is the country where the private sector is reassuring even for Japan. The numbers that we saw there, US$2.5bn, I bet you 80% is considering South Africa. The bulk of Japanese investment and engagement in Africa is South Africa. Despite the corruption, despite the bad governance, South Africa is so far, (it may change in the next five years) a strong institution allowing the private sector to say, you know what, we can still invest in the country.

South Africa is home to 317 US companies investing in South Africa. So when you take all of that into consideration, yes, South Africa private sector is reassuring to many, many, many. And when you look at the nature, for example, the nature of trade and FDI of Chinese or Indians in Africa, you're going to see something different. Where in other countries, are you going to see a lot of extractive investment put in the mining industry? You go to South Africa, you have much more diversification, because the South African economy is much more solid. It allows companies to say, we're going to invest in manufacturing, we're going to invest in textiles, we're going to invest in agriculture, we're going to invest. But when you remove that, you go to other countries, now here it's only cobalt, here it's only oil, here it's only iron. This is how they see that. And South Africa, despite how the country is, is still in better shape than many African countries. And of course a lot needs to be done in terms of improving governance, in terms of regulation, in terms of fighting corruption that the country has been battling with for the last 15 years. Hopely with the GNU (Government of National Unity) you are going to get things to get better in a good direction

Amit Jain: And you do know that the only African country that Singapore Airlines flies to is South Africa. Alright, one more question. Sorry folks, but this would probably be the last one. If you don't mind, then we can all have a good networking drink.

Deepak: My name is Deepak. Just wondering, you've spoken quite a lot about the exploration and exploitation of critical minerals. Is it really helping African people? Yeah. Good question.

Christian Geraud Neema: I wanted to react to what Vedha said earlier, to the question of how to increase Indian investment every year in Africa. Talking about minerals. I myself have a background in mining industry. The future of Africa should not be minerals. And the future of Africa should not be minerals. When political leaders and investors in the world only see Africa through the minerals landscape, for me it's very limited. It's very, just showing, it's only seeing Africa like, the vast source of natural resources that we can go to. When Singapore looks into France, they don't talk about natural resources, they talk about something else. And I think this is where we need to be able to go. Natural resources are just a means to an end. They're not the final goal. They're just a means to an end, a means for industrialisation, for development, for diversification, for doing things differently in our economy.

And I do believe that we need to move away from that mindset. It won't come from external partners. It's going to come from Africa itself to start by saying, you know what, can we think of Africa outside the mining industry? What can we put on the table? What do we put on the table to be able to interact with other countries? And it's really saddened me because, for example, I'm going to take a case of my own country, the DRC. Well, they're starting here with reports that, you know what, the EV industry is changing, we're moving from NMC (Nickel Manganese Cobalt) to LFP (Lithium Iron Phosphate), where we're not going to be needing much more cobalt, we're going to need much more lithium and all of that. The first reaction was like, no, we need to find new lithium deposits in our country. As if you cannot think of your own country outside the mining industry. It's very limited.

So to your point, I don't think that the future of Africa is in the mining industry. Does it benefit us for now? We are using it as a mean to an end, but we have to understand that our long term is not only to be focused on the mining industry, to be able to do something else than mining itself.

Veda Vaidyanathan: Just a quick note. I think the short answer to your question is right now, not. Last year we did a tour of a few lithium mines that were owned by Chinese, Germans, British. And one of the things that I came away from with all of our community interactions was that nothing about the green transition as we know it now is green. At the source, it is not a happy story. But what we do see is we have examples in Zimbabwe, for instance, a country with a lot of political, economic issues, but a very active civil society. ZELA, the Zimbabwe Environmental Law Association, has done fantastic work holding investors to account. So the bottom line, and I think this is a good note to wrap up on, is the bottom line is the Indians are interested, the Japanese are interested, the Chinese are clearly interested, but really this question has to be answered by the African agency, by African governments, African civil society organisations, because we've seen for a fact there is evidence that shows when the agency has stepped in, all of these investors have fallen in line.

Amit Jain: So that being the case, I would say the African government should insist on foreign governments like India and others to sign up on EITI, which is the Extractive Industry Transparency Initiative, and that would be a good start. But thank you all very much, and please join me in thanking these extraordinary panellists for this really good conversation.