



(Shakeel Ahmad Ramay)

OP-ED

Look Africa but How?

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Pakistan has launched an ambitious program to expand its presence in Africa. Although it is very late but still it is very important initiative in the context of changing economic dynamics and engagements. Africa is an emerging market and it has huge potential for Pakistan. Africa's population is increasing and demand for commodities and services is increasing. It is resource rich continent and has potential to supply raw material for industrial production. It is also home to fertile land, which can be used to produce food and livestock. Despite huge potential and resources, the region is still struggling to exploit its potential. It is looking for cooperation with diverse countries and regions.

Thus, the timing of Look Africa initiative is very important. Moreover, Pakistan is implementing second phase of CPEC. Pakistan will be looking to expand its industrial base and enhance its international trade. Pakistan would be in need of raw material for industry and market for exports. Africa presents an excellent opportunity to fulfill its two-fold dream.

However, before developing any strategy of engagement or program, Pakistan needs to focus on few areas including, current

state of play, players in Africa market, Belt&Route Initiative (BRI), opportunities, challenges and Asia-Africa Growth Corridor (AFGC). There are good number of players in African market but for Pakistan three players are important, China (BRI), Japan and India (AAGC).

India has very deep roots in Africa due to its historic linkages and continuous engagement. A huge Indian diaspora is present in Africa. Business community has also developed deep linkages and presence. It ranges from entrepreneurship to industries. Indian industry is also beneficiary of concessionary investment packages. India is running multiple training and educational programs for decades. It has targeted professionals from government, private and civil society. Indian Technical Economic Cooperation is one of such programs for economy related actors. It also invites medical and paramedical staff and people from energy and agriculture sectors to benefit from Indian expertise. India has embassies in 47 (established and planned) countries of Africa.

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Japan is also prominent player. In 1993, it has launched Tokyo International Conference on African Development (TICAD) to expand its relationship with African countries. Since then Japan is busy to strengthen its relationship with African countries. It is trying to expand its trade relation, capacity development and technology export. Its operations are mostly concentrated in ten countries of Africa.

Building on past experiences and close relationship, Japan and India joined hand to strengthen their position in Africa. In 2010, Japan and India launched process to look for ways for joint interventions. In 2016 Asia-Africa Growth Corridor was launched

by PMs of India and Japan. The pillars of AAGC are Development and Cooperation Projects, Quality Infrastructure and Institutional Connectivity, Enhancing Capacities and Skills and People-to-People. Although this is joint venture but there is slight difference in preferences of Japan and India. India stakeholders are looking at AAGC through the lens of Line of Credit (LOC) facility. They are trying to use it as facility for supporting infrastructure development. On other hand Japan is looking at it as an opportunity to enhance its trade and business activities. Japan already started to benefit from new arrangement by using its India based industry. Presently, Japan's major focus is on auto sector and allied industries and is trying to increase export from India to Africa.

China is another one of the most important players. China is assisting Africa through the Forum on China-Africa Cooperation since 2000. It is a diversified forum which works on political, security, cultural and economic dimensions. China is also trying to engage youth and providing different incentives for the youth of Africa. China has also made "Chinese Communist Youth League" member of forum to further strengthen youth-youth ties.

In recent times China has expanded its foot print with quit impressive speed. China has expanded its embassies' network and now China has embassies in 50 countries. Although China is present in region for long, but Belt & Route Initiative gave new impetus. Africa is looking to bridge the infrastructure investment gap, which is around US\$ 100 billion on annual basis. BRI is an excellent opportunity for Africa to bridge this gap. A study pointed out that during last 18 years, China's share in infrastructure investment in Africa was 25 percent. It is expected that BRI will further increase investment because it touches many points of African Union's Agenda 2063, (Michael Chege, NEPAD). The process has already started, and China is investing in transport, energy and agriculture and many areas through the Forum and BRI. A comprehensive list of projects can be assessed at Forum website and National Development and Reform Commission of China.

The presence of these players presents a set of opportunities and challenges for Pakistan. The biggest challenge would be size of economy of these countries. These, three players are bigger and have more resources as compared to Pakistan. Another challenge would be presence of India and launch of AAGC by India and Japan. The opportunity would be presence of China, linkages of region

with BRI and China's involvement in Forum. Pakistan being member of BRI through China-Pakistan Economic Corridor would be in better position to benefit from opportunities in Africa.

Owing to blend of opportunities and challenges, Pakistan needs a very smart, articulated and aggressive policy and strategy to create any ingress in African market. Pakistan should start devising policy by analyzing the past engagements of all these players. Government should have to look at different training programs, student scholarships and bilateral exchanges between Africa and these countries. It will give us state of ingress of these countries in Africa. It will also help us to develop our strategy for engagement in these areas. Second, Pakistan must study the market of Africa. A comprehensive analysis of economic dynamics, market structures, supply chains, backward and forward linkages, demand for commodities and services etc. Pakistan should also do an analysis of international trade of Africa, especially with China, India and Japan. It is a necessary step to develop economic engagement strategy. Analysis will also provide us an opportunity to rationalize our expectations and make its more practical.

Third Pakistan should limit the agenda items and should not try to be engage in everything. Pakistan focus on its strength and demand of the market. Fourth Pakistan should also do a quick analysis of our diaspora in Africa. More specifically Pakistan should develop a list of sectors in which Pakistanis are already engaged and ask them to give input for policy development. Fifth, Pakistan should engage private sector and develop partnership to devise a business-oriented policy and strategy. Sixth, Government must involve Pakistani experts, economists and policy to conduct all these analyses. It should not be handed over to international companies.

Lastly, Pakistan should avoid developing wish list. Pakistan needs to be rational and close to reality. It will help us to develop meaningful partnerships and avoid un-necessary activities.

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