

LYNDA CHALKER

Founder and Chairman of Africa Matters Ltd; Former UK Minister for Overseas Development and Africa

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You stressed the long-standing solidarity between the two rising stars, Africa and Asia, and you mentioned trust, so let me turn to Baroness Lynda Chalker, who has a home in South Africa and is also an honorary citizen of Mozambique. She is the founder and Chairman of Africa Matters Ltd, which is a commercial company, not an NGO, and between 1986 and 1997 was Minister of State at the Foreign and Commonwealth Office. How do you describe the business climate, as you have been around Africa as a businesswoman and a European? Do you feel the trust that Professor Yu Jianmin has mentioned in terms of China-Africa relations?

Lynda Chalker, Founder and Chairman of Africa Matters Ltd; Former UK Minister for Overseas Development and Africa

Indeed I do; after over 30 years' involvement in Africa, I have learned a lot, but it is not only Chinese involvement, and I want to turn to some of the others as well, because, as I go about my business, Africans want trade rather than development assistance, although they still need that for training and technical reasons. However, the most important thing is that Asia, in terms of foreign direct investment, has made an enormous change in the last 10 years. There is no question about that. The Asian flows were 6.7% in FDI in 1995 to 1999, but looking at 2000 to 2008, it had gone up to 15.2%, so Asian investment flows into Africa have gone up and up, and even further since 2008.

This growing involvement by Asia in Africa is, to me, very worthwhile, because it is investment in terms of a number of different things, particularly the smaller items which you do not hear so much about, such as rural roads, without which agricultural produce would never reach its market. It is investment in housing, because there is a huge movement of people from the countryside to the cities, and cities are the fastest-growing area in any country, whether in Africa or the developed world.

There is also an increasing demand for technology, and use of mobile phones in Africa for transferring money has just shown what can be done to change the way in which they work. However, there is a huge need for training, particularly technical training, and when people talk to me about a build, operate and transfer project in infrastructure, I always say they are missing a 'T'; it is build, operate, train and transfer, because without the training the African countries will not learn anything like as much and not be as efficient.

Korea has expanded her work, and out of that 2012 Korea-Africa Forum, five areas were highlighted as expansion, the programme for infrastructure development, the comprehensive African agricultural development programme, the industrial development programme in Africa, pharmaceutical manufacturing, and inter-African trade, and that is just part of Korea's contribution, which is growing all the time, particularly in technology. We all know that Japan has done a great deal, and I was one of the people involved in the very first Tokyo investment conference on aid and development with Mrs Ogata. Since those days, we get an incredibly different attitude about training, and in fact I am working with the Japanese Ministry of Foreign Affairs to help establish some roots, which they are not doing alone. India is also working in partnership with Japan to establish roots in Kenya, Tanzania, and Zambia, and Japanese companies are cooperating a great deal now in India. For instance, they are taking the Suzuki motor company into Africa, and there is a whole series of others I could mention.



The very fact that they have added to the frequency of the African leadership conferences is all about trying to push, whether in oil, gas, metals, or whatever, and that is particularly happening in Mozambique. India is working very hard on pushing their technology and their ability to train people, and Ambassador Wu mentioned the example of training in Ethiopia, which I have also seen in operation. India is doing a number of similar things. Therefore, we are beginning to see a real combination of experience being shared from Asia into Africa, and with third countries too.

I do not want to repeat anything that Ambassador Wu has said, but I do find that we have now passed something of a watershed in China's involvement in Africa. It was very often, in the beginning, the Africa Fund supporting Chinese companies to invest, it was the Ex-Im Bank with trade, export credits and guarantees, it was The Development Banks giving non-concessional finance, but now it is a much bigger sharing of knowledge with Africans for development in their own countries, and that is much to be welcomed.

We still face many challenges, and I am sure that Nathalie will speak of some of them, but I must say that we are gradually getting on top of some of the problems of corruption. It is very interesting that in Nigeria, for instance, we now have a private sector anti-corruption system, because the philosophy which I have held since the days of helping to form Transparency International is that you have to get the private sector behaving itself transparently and honestly if you are ever to get the government sector in these countries behaving transparently and honestly. One of the things that we do in our work of taking investment into Africa is always to insist on high levels of transparency and also, where we have doubts about investors, we do not keep quiet about them. I am afraid we make those doubts known first to the people concerned, but also to the would-be investor, so that money does not go down the drain.