



Beware of fake email, SMS and WhatsApp messages: check before clicking. Read more

Published on 27 Jun 2024



Home > NTU-SBF Centre for African Studies (CAS) > News & Events > News > Details



Photo credit: Emerging Brand Africa

South Korea is stepping up its economic engagement with Africa. It hosted the very first Korea-Africa Summit in June where it committed to increase its official development assistance (aid) for Africa to US\$10bn by 2030. Additionally, the Seoul pledged US\$14bn in export financing to support Korean firms do business in Africa. A total of 12 agreements and 34 memorandums of understanding were signed at the summit, covering sectors including energy, minerals, infrastructure, and manufacturing. The summit was attended by over 25 African heads of state.

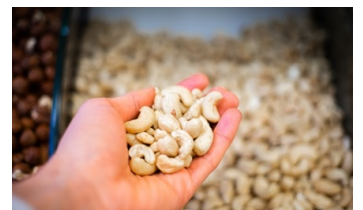
Although South Korea has been somewhat late at recognising the economic potential of Africa trade has reached nearly US\$20bn. In 2023, Korea promised US\$6bn in financial aid package to Africa, which was to be used for the energy transition, agricultural innovation, and knowledge development by 2025. It is not clear if the US\$10bn package announced this time includes the previous amount committed or is an entirely new one.

### Related stories



#### Rwanda marks 30 years of liberation

Published on 28 Jun 2024



#### Singapore trader Valency opens new cashew facility in Cote d'Ivoire

Published on 26 Jun 2024



#### Adani to manage Dar es Salaam Port Container Service

Published on 24 Jun 2024



## Critical Minerals

Delegates from both regions agreed to launch the Korea-Africa Critical Minerals Dialogue, aimed at enhancing cooperation in the mining sector. South Korea is trying to secure access to critical minerals that power electric vehicles (EV) and other renewable power technologies. In 2023, Korean EV battery maker LG Energy Solution reached a preliminary agreement to produce battery-grade lithium hydroxide in Morocco, crucial for manufacturing EV battery cathodes. Posco International, a Korean steel conglomerate with a significant battery materials business, last year also inked agreements with mining firms in Madagascar and Tanzania to bolster its graphite supply chain amid tightening export controls by China. Though graphite may not attract as much attention as lithium and cobalt, it is vital for the production of EV batteries.

South Korea committed US\$2.5bn in concessional loans to Tanzania and signed a memorandum of understanding to enhance cooperation in mining investment and beneficiation of energy transition metals. An agreement on critical minerals was also concluded with Madagascar. Zimbabwe, which is rich in platinum, gold, nickel, chrome. Zimbabwe wants to see Korean mining firms invest in mineral extraction and processing. President Emmerson Mnangagwa is said to be considering opening an embassy in Seoul. Meanwhile, Nigeria which has significant deposits of lithium in Nasarawa, Kogi, Kwara, Ekiti, Cross River, and Edo state is also wooing South Korea.

## Technology

South Korea, a technologically advanced economy, has also taken a lead in developing the digital technology ecosystem in East Africa. It committed US\$238m to the Konza Digital Media City Project, part of the Konza Technopolis development located 70km south of Nairobi, which is expected to enhance Kenya's digital ecosystem. Korea is also focusing on education and training in science and technology, with the Korea-backed Kenya Advanced Institute of Science and Technology (KAIST) currently under construction in Konza. Korean brands such as Samsung, LG, Hyundai, and Kia are already well established across Africa and enjoy a reputation for quality and affordability.

## Energy

On the sidelines of the summit, Hyosung Corp signed a US\$30 million contract to supply electric transformers to Mozambique. The energy sector has seen notable Korean involvement in Africa in recent years. In 2022, Korea Hydro & Nuclear Power (KHNP) secured a deal valued at roughly US\$2.25bn to supply materials and assist in constructing four nuclear reactors in Egypt. The project, whose construction began in 2022, is being developed by the Russian state energy corporation Rosatom and will produce 4.8GW. Last year, KHNP officials visited Uganda to discuss building two nuclear power stations. Uganda has shown interest in buying a 1400MW Advanced Nuclear Power Reactor from KHNP and firm has been in talks with Ghana, Nigeria, and Kenya. Earlier this year, officials from KHNP also visited Uganda to discuss the potential of building two nuclear power stations in the East African country. In Sep 2023, the Korea Electric Power Corporation (KEPCO), inked an agreement with South African electricity utility Eskom for the maintenance of 16 thermal and nuclear power stations, valued at US\$634m. Hyosung Heavy Industries completed Africa's largest battery energy storage system (BESS) installation in Worcester, South Africa.

## Defence

South Korea defence firms have also set their sights on Africa. In November 2022, the Korea Aerospace Industries inked an agreement to localise the manufacturing of advanced training aircraft in Egypt. In 2022, Egypt and South Korea signed a US\$1.7bn deal for the delivery of K9 self-propelled howitzers, a type of mobile artillery system, manufactured by Hanwha. Defence deals often come with bilateral security agreements and technology co-operation, making them a useful tool of foreign policy. The deal with Egypt came with a promise of mutual military co-operation in the future. South Korea's

### Singapore-made offshore vessel strikes first oil in Senegal

Published on 24 Jun 2024



### Tolaram acquires Guinness Nigeria for US\$69m

Published on 23 Jun 2024



### Singapore subsidiary of Indian paint maker raises stake in Egyptian unit

Published on 19 Jun 2024

potential as an arms exporter results from its enduring confrontation with its Stalinist northern neighbour. The need to keep up its guard against North Korea has turned South Korea into a major arms manufacturer.

## Agriculture

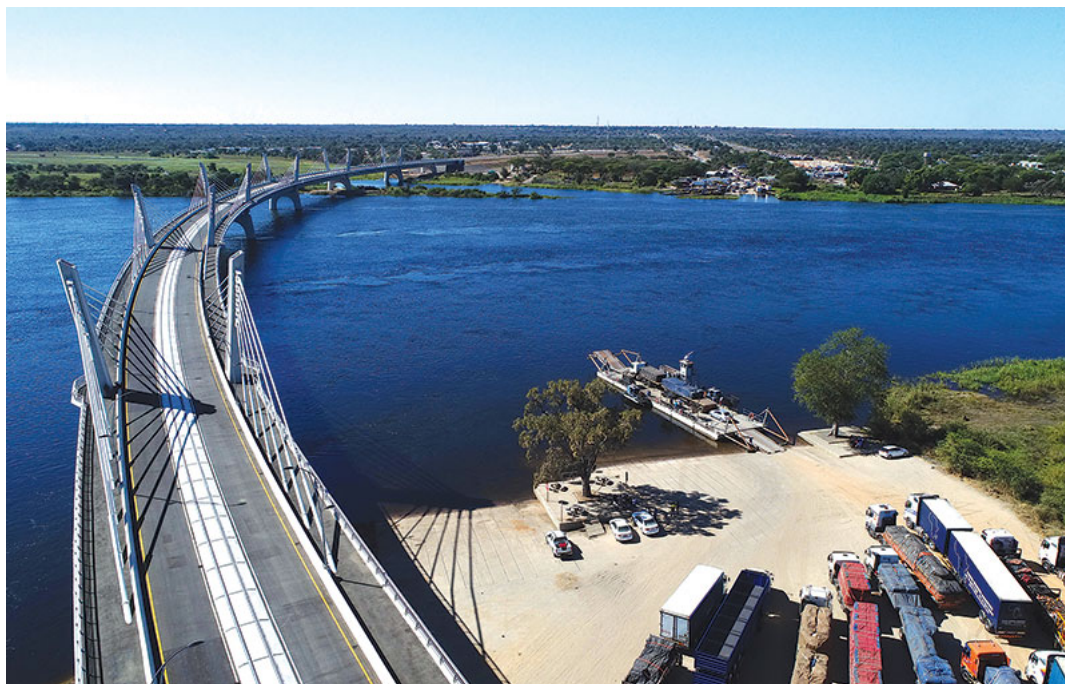
The administration of President Yoon Suk-Yeol has unveiled a project to boost rice production in eight African states. Under the US\$80m *K-rice belt* initiative Korea will provide Senegal, Gambia, Guinea, Ghana, Cameroon, Uganda, Kenya, and Guinea Bissau with quality rice varieties and share its farming know-how. The initiative aims to harvest some 2,000 tons of rice varieties in Africa this year and raise it to over 10000 tons per year by 2027 - enough to feed 30 million people.

South Korea has been assisting African countries improve agriculture by developing new breeds of crops and providing training and technical support. Korean state-run research institute KOPIA has opened offices in Kenya, Algeria, Ethiopia, Uganda, Senegal, Zimbabwe, and Ghana. The KOPIA Kenya Center has been transferring technologies for poultry and seed potatoes to local farmers since 2020. Its technological intervention has resulted in the increased revenue for Kenyan farmers. In Ethiopia, KOPIA has provided 27 farms with poultry facilities and greenhouses and transferred modern agricultural technologies, enabling female farmers to improve their profitability. In Uganda, new water management technologies has seen orange production increase almost three-folds despite drought. Rice farms in Senegal and Ghana have been introduced with new seed high yield variety, which has been jointly developed by KOPIA and Ghanaian researchers. The new seeds have been distributed to over 50 local farms across the country. In Zimbabwe, KOPIA has introduced new maize varieties that are resilient against drought. These new maize varieties have been planted in over 13 local farms covering an cumulative area of over 100 hectares.

Under the campaign Rice Seed Production Improvement for Africa (RiceSPIA) and its activities based on technical training, equipment support and seed production management, the South Korea aims to produce 2,400 tons of rice over 200 hectares of land in Ghana, 1,800 tons of rice over 150 hectares in Guinea and 1,680 tons of rice over 140 hectares in Uganda. Cameroon, Gambia, Senegal, and Kenya are included in the RiceSPIA programme.

Another food project undertaken by South Korea is the Korea-Africa Food and Agriculture Cooperation Initiative (KAFACI), which aims to create a high-yield fast maturing variety of rice nicknamed 'super rice'. It has been produced by crossbreeding local rice varieties in various African countries with the Korean *Tongil* variant. As of this year, the experiments have borne 26 new rice seeds in eight countries, including six new seeds in Senegal, five in Zambia and Ghana, three in Mali and Rwanda and two in Malawi. Among the new seeds, ISRIZ-16 and ISRIZ-17 from Senegal and CRI-Korea Mo from Ghana produce the highest yields with 9 tons per hectare. KAFACI's partnership with AfriceRice has also led to crossbreeding of Korean Japonica rice with African varieties through a breeding process shortened from 10-15 years to 3-5 years.





The Kazungula Bridge. Photo credit: Sunday Standard

### Infrastructure

Daewoo Engineering and Construction constructed the landmark Kazungula Bridge over the Zambezi River, connecting Zambia and Botswana. The Korean EPC secured the deal in 2014 and completed it in 2020, marking its first solo project for an extra-dosed bridge outside Korea. Spanning 923 meters in length with a width of 18.5 meters, the bridge includes a single railway line alongside the roadway to mitigate vibrations caused by both vehicular and rail traffic. The bridge, financed by the African Development Bank (AFDB), the Japan International Cooperation Agency (JICA), and the governments of Zambia and Botswana marked the completion of a multi-million-dollar project to ease congestion along border crossings in Southern Africa.

Korean public enterprises are in discussions to participate in key infrastructure projects across Africa, including the New Nyali Bridge and road improvement project in Kenya, the Accra-Elubo Highway expansion project in Ghana, and the Green City project in Rwanda.

### Trade

Since 2012, the Korea Customs Service has been assisting 14 African countries reform their customs process through digitalisation. Tanzania was the first African state to adopt the Korean-designed UNI-PASS electronic customs clearance process which significantly reduced time and increased tax revenues. UNI-PASS has since also been adopted by Ghana and Cameroon. In this endeavour Korea is in direct competition with Singapore, which has also been assisting East African countries to digitise customs. More than 200 customs officials from 29 African countries have participated in training programmes conducted by the Korea Customs Service since 2014. The Korea Customs Service will host a high-level trade facilitation seminar for chief customs officials from 10 African countries later this year (2024) where the visiting African delegates will discuss pending customs administration matters. As of officials from 32 African countries have already participated in such talks and a high-level network for trade cooperation has thus been established between Korea and Africa.

### Aid

Global Life Sharing, a Korean non-governmental organisation (NGO), has pledged US\$10m worth of donation in essential medicines and relief supplies for Sudan for the next five years. Sudan urgently needs critical aid such as acute shortage of pharmaceutical supplies in Khartoum and Darfur amid a worsening humanitarian situation. According to the UN, Sudan is facing the worst humanitarian crisis

in recent history after nearly a year of internal civil war. Some 730000 Sudanese children are believed to be suffering from severe malnutrition and facing the prospect of starving to death. Over 8.4 million people including 2 million children under the age of five forced to flee their homes in the wake of the conflict. Nearly 20 million people face acute food insecurity - 14 million of them are children and over 70% of hospitals are no longer functional amid rise in infectious disease. The UN says that almost 5 million people could slip into 'catastrophic' food insecurity in some parts of the country in the coming months.

## References

'[LG Energy Solution signs deal with China's Yahua on lithium supply in Morocco](#)', The Korea Times, 05 April 2023

'[South Korea pledges US\\$28.6m to boost African power sector](#)', NTU-SBF Centre for African Studies, 26 September 2023

'[Eskom unveils battery storage project - which can power a small town for up to 5 hours](#)', News24, 10 November 2023

'[South Korea attempts to secure African graphite supplies as China introduces export curbs](#)', NTU-SBF Centre for African Studies, 14 November 2023

'[Tanzania, Korea sign framework agreement for \\$2.5 billion concessional loans](#)', The United Republic of Tanzania, 02 June 2024

'[South Korean president vows to expand mineral ties with Africa and send more development aid](#)', AP, 04 June 2024

'[President Ruto: Kenya is keen on leveraging Korea technology to expand opportunities](#)', Office of the President of the Republic of Kenya, 04 June 2024

'[Korea pledges billions of dollars at inaugural leaders' summit with Africa](#)', African Development Bank, 04 June 2024

'[S. Korea-Africa summit paves way for stronger cooperation on trade, energy, economy](#)', Yonhap News Agency, 05 June 2024

'[South Korea, African countries sign agreements on minerals, exports](#)', Reuters, 05 June 2024

'[Joint Declaration 2024 Korea-Africa Summit](#)', 2024 Korea-Africa Summit, 05 June 2024

'[First Korea-Africa Summit: another missed opportunity for Africa](#)', ISS, 14 June 2024

Share:       

## Related Topics

Research

Business

Subscribe to Newsletter



Nanyang Technological University  
50 Nanyang Avenue,  
Singapore 639798  
Tel: (65) 67911744

National Institute of Education  
1 Nanyang Walk,  
Singapore 637616

Novena Campus  
11 Mandalay Road,  
Singapore 308232  
Tel: (65) 65138572

### Get in touch

- Visiting NTU
- Careers
- A-Z Directory
- Contact Us

### Quick links

- 中文
- NTU Library
- Suppliers
- Staff Intranet
- Student Intranet

### Connect With Us



©2024 Nanyang Technological University  
[Copyright](#) | [Disclaimer](#) | [Equality, Diversity and Inclusion](#) | [Intellectual Property Policy](#) | [Privacy Statement](#) | [Volunteer Policy](#) | [Whistleblowing](#)

[TO TOP ↑](#)