



AFRICA EVEN CLOSELY

MAŁGORZATA BONIKOWSKA, PH.D.,
President of Centre for International
Relations



Africa is one of the most dynamically developing continent in the present-day world. Among 13 rapidly developing economies in 2015, six of them were from Africa, particularly Ethiopia, Republic of Congo, Ivory Coast, Mozambique, Tanzania and Rwanda.¹ According to the World Bank, Africa might be now entering a path of rapid growth similar to that of China 30 years ago and India 20 years later. Africa's economic forecasts for the next decades are clear – the continent GDP might grow by 7% annually.

In addition, Africa will also experience fast demographic development – it is estimated that by the end of 2050 Africa will have a population of approximately 2 billion people; that is, over twice than it has got today. What it means is that African markets will have an increased demand and capacity. Although Africa is still one of the poorest continents in the world, it has got the fastest developing middle class and a consumer market growing three times faster than OECD markets. It is already worth more than 1,4 trillion USD. The fact has been already noticed by entrepreneurs – FDI in the Sub-Saharan Africa grew from 29,5 billion USD in 2010 to 61 billion USD in 2014.²

POLAND IN AFRICA

Modern Africa has been a discovery for Polish business recently. After two decades of focusing on Europe and the surroundings, Polish business is again becoming active on the African continent.

¹ The 13 fastest-growing economies in the world, <http://www.businessinsider.com/world-bank-fast-growing-global-economies-2015-6>.

² McKinsey Global Institute estimates, accurate data: www.mckinsey.com, raport Lions on the move: The progress and potential of African economies, <http://www.ft.com/cms/s/0/79ee41b6-fd84-11e4-b824-00144feabdc0.html#axzz422GnNrSk>; Foreign direct investments in Africa surges, <http://www.ft.com/intl/cms/s/0/79ee41b6-fd84-11e4-b824-00144feabdc0.html#axzz42JFLu14c>.

However, without appropriate cooperation of Polish entrepreneurs and the State, limited business experience of Polish companies in the region and difficult environment of African economies might make the expansion impossible.

The most promising Polish industries present in Africa are food, pharmaceutical, mining, hospitality, fishing, energy and technology industries. Polish food products – having relative low price and being branded as “European” – have got big chances of success as well. Although Africa imports food – total imports from the European countries grew by 26% in 2014 – trade is being impeded by regulatory barriers (the number of required licenses) and poor retail infrastructure. Intercommunication systems and office appliances trade is also very promising. Export of those goods is still growing because of the technological revolution. In recent years Africa has become one of fastest developing market for mobile phones.³

On the other hand, African companies could make use of a well-organized Polish service markets - including BPO services - as an expansion base for the European single market. Apart from Polish products, that often are considered as an alternative for products from Western Europe, Polish entrepreneurs are offering knowledge and experience not only in change management but also in building the environment for an effective local entrepreneurship in the region. It is worth to mention that also African administration can benefit from recent Polish transformational experiences on both central and self-governance level. It is a very interesting offer especially in times when more and more African countries are trying to build a strong economy and stabilize their political situation.

WHY NOT USE THE HUMAN CAPITAL

In contrary to both Americas, Polish Diaspora in Africa is not as numerous as it is there (Except Republic of South Africa with approximately 30 000

³ Dossier Polska- Afryka, Centre for dialogue and analysis THINKTANK, 2013.

Polish people). Polish communities in African countries, although negligible, are often a part of the local cultural and social elites (for instance, Barbara Goshu, a famous painter in Ethiopia⁴ or Sapiehas family in Kenia⁵). Furthermore, Polish missionaries are actively working in the field of education, culture and healthcare in many African countries for years.

In contrary to Polish diaspora in Africa, there is a significantly bigger number of people who graduated from Polish universities or have worked in Polish Academy of Sciences institutions (active in almost 135 countries on all continents including Africa). It is estimated that at least 16 000 people with citizenship different than Polish have been granted with a university diploma since 2000 – although the number seems to be slightly understated. The biggest number of graduates came from Asia, then from Africa; e.g. Nigeria, Sudan, Ethiopia Tunisia and Ghana⁶. Only a slight number of them have decided to stay in Poland – the majority of them came back to their home country to work in science, business or governmental structures – often on high professional positions. Part of them still speaks Polish and maintain connections with Poland. It is a pity that their potential is still neglected as they could be easily engaged in promoting Poland in their home countries. They could also become important allies in strengthening closer political, economic and social relations with Poland. □

⁴ Read more: Dossier Polska-Etiopia, Centre for dialogue and analysis THINKTANK, 2012.

⁵ Państwo Afryki - Vademecum, Centre for International Relations with its partners, 2015.

⁶ According to Central Statistical Office of Poland and Ministry of National Education, 2010 data.