Rapporteur report

Business Innovation Forum

African Industrialization: AI, Power, Data Centres and Startup Ecosystems

Day 2 KOAFEC Ministerial Conference 2026
Thursday 10 September 2026 · 09:30–12:30 · Vista Hall, Grand Walkerhil, Seoul

1. Introduction

The Korea–Africa Economic Cooperation (KOAFEC) Business Innovation Forum was held on 10 September 2026 under the theme *African Industrialisation: AI, Power, Data Centres and Startup Ecosystems*. It was moderated by Mr Solomon Mugera, Director of Communication and External Relations, African Development Bank (AfDB), and comprised opening remarks, an Ignite Talk and two sessions, each combining presentations with a panel discussion.

Session 1 on *Powering Africa's AI Infrastructure: A Foundational Investment in AI-Driven Industrialisation* addressed the national strategies and AI roadmaps needed to strengthen the energy infrastructure on which AI depends, the current state of data centres and how it can be improved, and practical cases of AI use in the energy sector and in smart customs. Session 2 on *Building the Ecosystem for Africa's AI Decade* addressed how education, technical training and entrepreneurship can be linked into a single innovation ecosystem, and how a sustainable startup ecosystem can be built through Korea–Africa cooperation, from talent development to enterprise growth.

This report records the opening remarks and the key messages of each presentation and panel contribution.

2. Opening session

2.1 Opening remark by Mr Ki-yeon Hwang, Chairman and Chief Executive Officer, The Export-Import Bank of Korea (KEXIM)

KOAFEC has long been a robust bridge for Korea–Africa economic cooperation, and the Forum is a platform for turning ideas into concrete projects. Africa's dynamism and young population, combined with Korea's ICT expertise, can support a partnership capable of shifting the global market. KEXIM is ready to provide the financial foundation for it by optimising the mobilisation of resources.

2.2 Welcoming remark by Mr Chang Huh, Second Vice Minister, Ministry of Economy and Finance, Republic of Korea

The Forum examines Africa's AI and digital transformation from the perspective of industry and business, at a moment when efforts across the continent to build AI as a core national industry open significant opportunities for cooperation. Korean companies are already part of that expansion and the Government intends to support further entry through the K-AI package, which delivers AI solutions tailored to each country and aligned with African priorities, including support for data centres and power grids. The Forum should help Korean and African companies understand one another's technologies and demands and translate that into new business and investment.

2.3 Keynote speech by Prof. Kevin Chika Urama, Vice President, Economic Governance and Knowledge Management Complex, AfDB

Africa brings opportunity and ambition. Korea brings leadership in innovation, technology and industrial transformation. The Forum's four themes, AI, power, data centres and startup ecosystems, intersect, since data centres require continuous power, digital manufacturers stable grids and startups reliable connectivity, which makes the co-planning of power supply and digital infrastructure an immediate opportunity. Korea has committed USD 600 million in energy co-financing through the Korea–Africa Energy Investment Framework (KAEIF) and has supported 30 000 training participants and 1 300 early-stage entrepreneurs in Africa. A partnership model is within reach, combining Korean technology, manufacturing experience and engineering with African market insight, local knowledge and talent, sustained through joint problem-solving, localisation, supply chain development and long-term market creation.

3. Ignite Talk

3.1 Mr Nicholas Williams, ICT Operations Manager, AfDB

Africa enters the AI era from a position of strength: young, increasingly connected and adopting digital services on a scale, accounting for 65 percent of global mobile money with more than 300 million people entering the workforce over the next decade and over 700 000 STEM graduates each year. The Bank's 2025 G20 report puts the productivity opportunity up to USD 1 trillion in additional GDP per year. Africa can close that gap quickly, with rural usage gaps and shortfalls in integrated power, the principal constraints. The AI productivity flywheel sets out five enablers that are data, compute, capital, trust and skills. Korea and Africa can accelerate it from complementary positions. Africa brings scale, young markets, digital adoption and use cases, talent and entrepreneurship. Korea brings technological know-how and services, advanced digital government and data, research and specialist skills, and capital and implementation experience. Two questions frame the work ahead, how to build the physical foundations of power, grids, fibre, cloud, compute and data centres together with the financing for them, and how to build the ecosystem around them.

3.2 Mr Jung-hwa Seo, Executive Director and Head of Group, EDCF Operations Group, Export-Import Bank of Korea (KEXIM)

The Economic Development Cooperation Fund (EDCF), Korea's principal concessional ODA programme, is implemented by KEXIM to promote growth in partner countries and build sustainable economic partnerships. Its K-AI Package combines AI solutions based on proven Korean technologies, the AI data centre capacity to run them and, as an option, the power supply facilities to sustain both, an integrated and modular offer covering power, cooling and network, hybrid GPU-NPU servers, modular scalability and operation and maintenance support, with renewable energy and battery storage available where power supply is constrained. Three alternatives, rather than a fixed sequence, are available for data centre support: a modular facility linked to a specific AI solution, a shared AI data centre hub, or an upgrade to an existing facility. Priority sectors include education, health, water resources, public transport, energy, agriculture, culture and maritime affairs. The recommended starting point is to identify where expertise is scarce in key economic activities and to determine what would make AI useful there, with knowledge sharing to bring local skills, budgets and institutions together.

4. Session 1 Powering Africa’s AI Infrastructure

4.1 Setting the stage presentation

4.1.1 Dr Seung-Taek Baek, Vice President, LS ELECTRIC

Presentation: Powering Africa’s Future

The age of AI is the age of power systems, with demand already present and supply the bottleneck. The global data centre market is expected to grow at 8.8 percent to 2030 and rack power density tenfold, so the real question in any data centre discussion is where the electricity will come from. Projects are delayed because grids take far longer to build than the facilities they provide, two to three years for a data centre against four to eight for a transmission line, so a country intending to compete in AI must secure grid capacity first. The investment dilemma is that data centres guarantee long-term demand by drawing power continuously, but if added faster than the grid can absorb, they raise utility costs and provoke local opposition, compounding grid bottlenecks, price volatility and sitting and consent problems. No data centre runs on a single source. Renewables, batteries, gas and thermal generation all require grid connection, and many countries, in Africa and elsewhere, lack contracts rather than resources, a gap that utility and corporate power purchase agreements and co-purchasing arrangements can close.

Korea's experience is instructive. Despite one of the world's strongest power systems, only 1.9 percent of grid connection applications have been approved and 54 national projects delayed, prompting four measures, seven distributed-energy districts, the Grid Expansion Special Act to shorten transmission construction times, HVDC energy highways, and the AI Data Center Act supporting rapid construction. Korean companies with data centre construction capability and smart solutions should move beyond advisory support to joint grid impact studies and the training of local engineers to operate their own facilities.

4.1.2 Ms Kate Kallot, Chief Executive Officer, Amini

Presentation: Data- and AI-Driven Smart Power Management

The global AI divide is stark. 2.6 billion people remain unconnected, more than 80 per cent of low- and middle-income countries lack AI-ready public infrastructure, over 70 per cent of African countries have no national cloud or data classification framework, and the continent holds less than 1 percent of global data centre capacity. The gap runs through every layer from limited APIs and weak interoperability, limited digitisation, sparse local datasets, weak digital identity to fragmented databases which leaves governments buying solutions before examining the infrastructure and data they already hold. Amini's work in Barbados demonstrates an alternative. A full-stack system combining sovereign compute infrastructure, private connectivity and orchestration, AI services for government and citizens, a governed national data foundation and AI-powered digitisation, sized against data that already exists, designed for sovereignty, expanded in line with demand rather than overbuilt, and deployable without geographical restriction. Cooperation with Korea, which has already developed the playbook for AI sovereignty, can deliver greater compute availability, faster deployment and more resilient access, alongside a lower total cost of ownership and cost per deployment, cleaner power and affordable inference and edge workloads. The recommended approach is to combine Korea's hardware and manufacturing capability with African deployment and local context, in an environment where governments back their own national champions.

4.2 Panel discussion

Dr Seung-Taek Baek (LS ELECTRIC). Power supply is short, but countries such as Egypt and Kenya do have sources. Using them well means building grids and transmission lines before generation facilities and data centres. Grid projects are long-term and capital-intensive, which is why sequence matters. Smaller facilities can supply immediate needs and lay the foundation for larger capacity later. Investment decisions on data centres, grids and transmission require close dialogue to establish what is actually needed.

Ms Kate Kallot (Amini). The Barbados work allowed different approaches to be tried and learned from, and although the cases are based there, the purpose is African application. Discussion should centre on bringing intelligence together and building digital twins. African countries rolling out their first 1 MW computing projects represent a modest but significant step. AI is not new to Africa. Kenya and others have accumulated expertise in tiny machine learning, and local talent exists that knows how to refine data and build locally. The constraints are access to computing power, resources and training. Governments should back existing talent and look to local AI models before adopting foreign technology.

Mr Alexander Tsado (Udutech). AI adoption requires GPU computing infrastructure and the applications that run on it. Governments, local talent and engineers face difficulty working with mature platforms built overseas and with currency conversion when using foreign cloud services. The Africa GPU Hub supports building cloud platforms locally to strengthen ecosystems across the continent. Africa faces real constraints, 60 percent of the population lacks access to power, but the emphasis should be on existing strengths and smaller-scale projects, as with the small GPU clusters several countries are now pursuing. The approach should combine private investment with market development, reducing heavy equipment imports and buying from local companies, which can at least double effective investment in GPUs.

Mr Jeong-Hun Han (NuriFlex). The company has projects under way in six African countries. They are Guinea, Ghana, Ethiopia, Mozambique, Morocco and South Africa. It encounters shortages of electricity throughout, making expanded generation capacity essential. AI data centres in particular need stable and advanced power supply structures. Beyond capacity, a credible and efficiently controlled operating system is required, and building one runs into the mismatch between grid and data information and the dispersal of data across systems. Strategic assets on the ground must be translated into data that can then be connected to AI data centres. Since needs differ from country to country, localisation and the capacity to operate local assets are decisive.

Mr Jae-guk Ju (Customs UNI-PASS International Agency). UNI-PASS, a smart customs system, has been operating in Madagascar since 2023. Implementation exposed two challenges, i) customs data that lacks accuracy and standardisation, and ii) insufficient reflection of detection cases in AI training, both of which point to the need for AI models adapted to each country. A further constraint was unreliable power, largely from inadequate uninterruptible power supply systems. Data verification is the key to a sound smart custom system. Partners should agree in detail how to refine and manage existing data while designing for secure power from the earliest stages.

Mr Nicholas Williams (AfDB). Investment in power and data centres requires large-scale, long-term capital, which in turn requires a well-established ecosystem, and plans must reflect the speed at which the AI industry moves. Finance should be directed towards transformational projects that bring sectors

and regions together, power and transport, for example, to generate compound effects. Upstream work, feasibility studies and analysis are what make it possible to keep pace with a fast-moving industry. Available capital should be pooled for deployment-ready infrastructure, countries should align with existing initiatives, and larger strategic cooperation among African countries should be promoted, with central coordination and support for entrepreneurs.

4.3 Key messages

The session converged on sequence as the organising principle: power and grid capacity must be planned ahead of the data centres they serve, because transmission takes two to three times as long to build, and stalled projects across the continent reflect access to stable power rather than an absence of resources. Speakers were equally clear that the binding constraint is often contractual and institutional. The recommendation was to start at the right size, with clusters and modular facilities that match capacity to demand rather than overbuilding, and to treat sovereignty and local operating capability as design requirements from the outset, with Korean partners moving beyond advisory roles into joint grid studies, local manufacturing linkages and engineer training.

5. Session 2: Building the Ecosystem for Africa's AI Decade

5.1 Setting the stage presentation

5.1.1 Prof. Kyoung-Ryul Park, Korea Advanced Institute of Science and Technology (KAIST)

Presentation: AI Transformation in Africa: Socio-technical Ecosystems and Governance

ICT can drive substantial change in African development and open opportunities for young people, but emerging digital technologies amplify existing social and economic power, and as generative and agentic AI give way to physical AI both the opportunities and the risks grow. New governance is needed to address data divides, algorithmic bias and emerging data infrastructures, and to close the accountability gap. Three figures frame the stakes: i) by 2040 Africa's working-age population will exceed that of India and China combined, ii) Africa holds 0.6 per cent of global data centre capacity while some 600 million people still lack electricity and iii) 118 countries have no seat in the forums now writing the global rules for AI. Convergence and divergence are both possible, and policy separates them. Africa's AI ecosystem should be built in layers. For example, electricity at the base, then computing capacity, then data and language, with African languages treated as public infrastructure. Africa should act as a co-architect of the new digital era, building the institutions to support what it develops, and setting its own standards for data classification and SDG assessment. Bridge powers including Korea should use multilateral science diplomacy to protect sovereignty and broaden participation in AI governance, cooperating on pooled computing infrastructure, data and AI talent. An AI-powered framework was also proposed to classify ODA projects automatically and map them to the SDGs, trained and tested on 151 832 development project records, it has outperformed established baselines while reducing classification time. This work sits within KAIST's G-CODEs programme, ranging from national R&D innovation, international research cooperation, technology sovereignty, science and technology diplomacy, and AI for development cooperation and global sustainable development.

5.1.2 Mr Abdul Kamara, Acting Vice President, AfDB

Speech format

People matter as much as infrastructure. The ecosystem to be built is one driven by skilled talent, researchers and entrepreneurs, with the policies and capital that allow them to build. Five interlinked enablers were identified. They are data, compute, skills, trust and capital, and greater AI inclusivity in Africa could add up to USD 1 trillion, equivalent to about one-third of the continent's current GDP. The core constraint remains limited digital infrastructure, with Africa holding less than 1 percent of global data centre capacity. Bank-backed initiatives will roll out fibre optics across Nigeria to enable broadband coverage by 2030. Korea sits at the centre of computing and of the DRAM chips inside every AI accelerator built today, and Korean and African institutions should join forces accordingly. Agreements signed during the Conference will scale up that cooperation, including a new AI hub initiative and training programmes with KAIST and the National Information Society Agency (NIA) focused on AI skills development and on data governance and policy.

5.2 Panel discussion

Prof. Kyoung-Ryul Park (KAIST, G-CODEs). On governance, trust has become vital, and training should begin with applications before moving to institutions and universities. Capacity building should extend beyond narrow technical expertise to the ability to protect and sustain data effectively.

Mr Yoon-Seok Ko (National Information Society Agency). Governments need a concrete AI investment plan that signals a willingness to pay in order to create the market conditions that attract talent and bring buyers to African projects and companies.

Mr Jong-Kap Kim (Global Digital Innovation Network). As digital transformation and AI disrupt existing industries and create new ones, Korean startups lack African data, and African startups lack equivalent access in reverse. Acquiring data from each other's markets allows algorithms to be recalibrated, but the cost is high. A Korea–Africa data-sharing trade agreement would reduce it and allow Korean engineering capability and African startups to work together.

Mr Christophe Viarnaud (AfricArena). Africa's venture capital market has grown to USD 3.5 billion, but AI startups receive only 14 percent of that funding, with the remainder flowing to fintech, energy, water, primary sectors and education. Translating the promise of AI into investor interest requires enabling policy: Tunisia's Startup Act, passed ten years ago, produced Africa's largest AI startup. Africa should also build open-source infrastructure.

Mr Ousmane Fall (AfDB). Governance is core to the Bank's work, with a mandate covering financial and economic, delivered through policy-based operations supporting economic reform. In Nigeria, facing a foreign exchange crisis and inflation, the Bank committed USD 1 billion in 2023 and disbursed USD 500 million in 2024, contributing to exchange-rate and fiscal stabilisation and a favourable tax policy. Policy frameworks must be in place before investment in digital infrastructure and connectivity can be effective.

5.3 Key messages

Session 2 shifted the question from infrastructure to terms of participation: whose infrastructure, whose data and whose standards. Speakers converged on the view that Africa should help develop AI, setting its own data classification and assessment standards, building African languages as public infrastructure, and backing local talent and models before importing alternatives. This requires a seat at the tables now writing global AI rules. On the enterprise side, the constraint identified was the flow of capital and data. AI startups capture a small share of a growing venture market, and neither Korean nor African firms hold

the data needed to build for the other's market, which led to proposals for enabling startup legislation, open-source infrastructure and a Korea–Africa data-sharing arrangement. Underlying all of it, policy and governance frameworks were presented as preconditions rather than accompaniments to investment.