

GLOBAL MARKETS 2026

Asia–Africa capital markets, built in Singapore.



Walking into 2026

Governance & Growth.

Africa-Asia Signal Brief | Public deals & policy moves | 2 January 2026

“ This is our New Year Africa-Asia signals brief: a curated read of public deals, policy moves, and capital decisions that show why Africa-Asia matters — and why it’s accelerating now.

It is not a Global Markets project update, and it is not written to promote any transaction. The aim is simple: highlight developments that strengthen human potential, dignity, and opportunity through clean governance — and extract the practical “so what” for leaders building between the two regions.

This edition is grounded in real moves: Kenya’s debt-for-food swap, a grid PPP anchored by India’s PowerGrid, Botswana’s renewables MoU, Niger’s sovereign data infrastructure, and Korea-Africa capacity building for central banks.

Here’s to a calm and constructive 2026 for everyone building real things between Asia and Africa.

— K. D.



Strategic Links

Planned infrastructure corridors.



Capital Flows

Cross-border investment nodes.



Shared Governance

Transparent institutions and rules.



Resilient Growth

Inclusive economic outcomes.

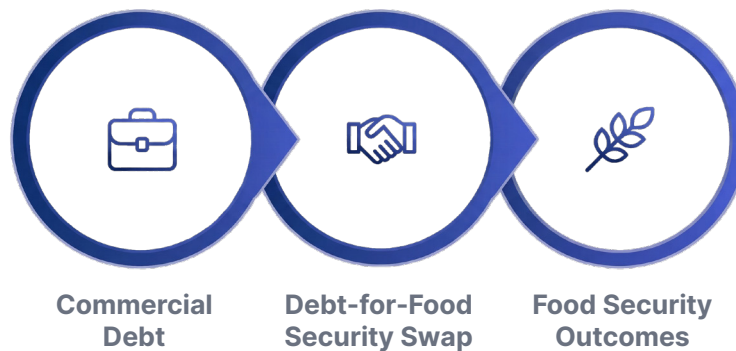


Kenya and DFC proceed with US\$1bn debt-for-food security swap



WHAT HAPPENED

Kenya and the US International Development Finance Corporation (DFC) are moving ahead with a US\$1bn “debt-for-food security” swap that converts costly commercial debt into cheaper financing, on condition that the savings are channelled into programmes to boost food security and farming resilience.



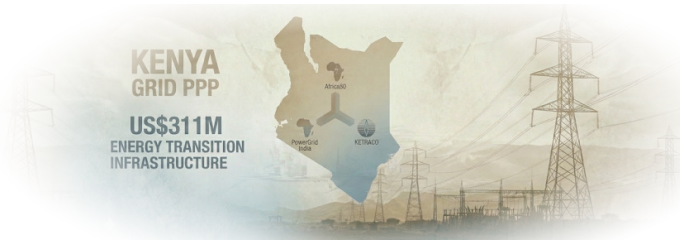
WHY IT MATTERS

This is a next-generation debt swap: hard balance-sheet relief explicitly tied to human outcomes (food security), not a vague reform promise. It is also a signal that DFC is entrenching itself as a long-term player in East Africa.

Africa – Asia capital opportunity Template for co-anchored swaps where Asian DFIs and ECAs join US/European peers to refinance debt into food, water, health and climate outcomes.

Scope to structure tokenised or digitally native “debt-for-development” instruments that Asian investors can hold alongside DFC, provided the legal plumbing stays conservative.

Kenya signs US\$311m grid PPP with Africa50 & India's PowerGrid



WHAT HAPPENED

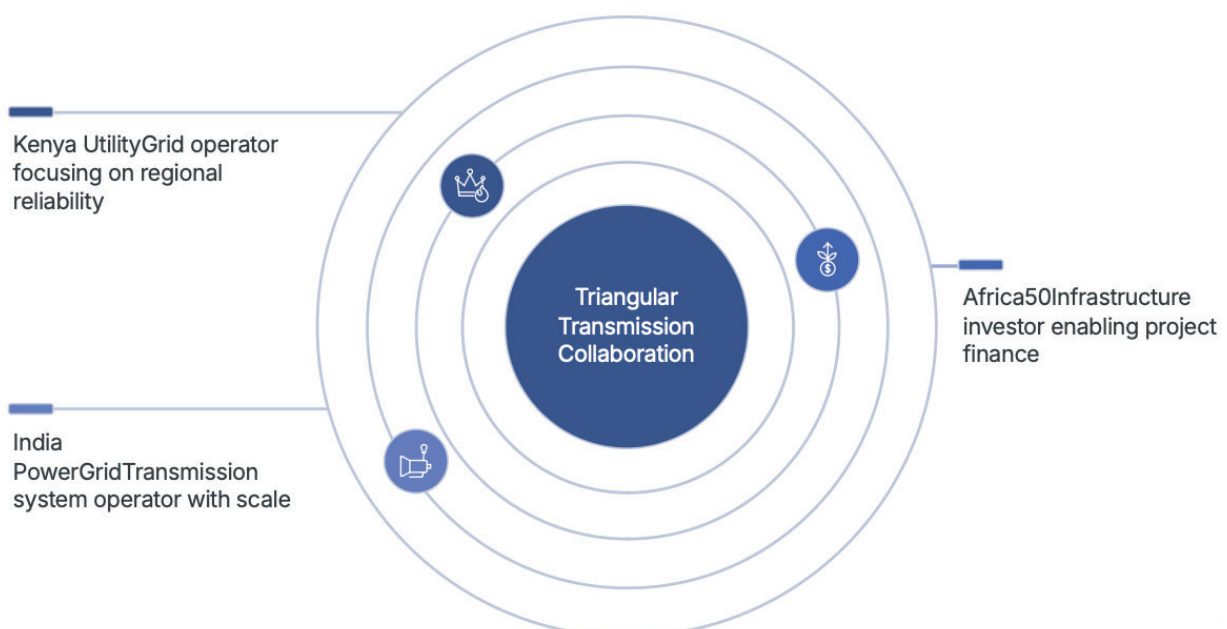
Kenya Electricity Transmission Company (KETRACO) has signed a US\$311m public-private partnership with pan-African infra fund Africa50 and India's PowerGrid Corporation to design, finance, build and operate two high-voltage transmission lines and substations under a 30-year concession.

The deal is explicitly framed as a response to high public debt and past nationwide blackouts linked to grid overload.

WHY IT MATTERS

This is energy transition in practice: not just new generation, but hard grid assets that stabilise the system, cut losses and allow more renewables onto the network – all while keeping the sovereign's balance sheet lighter via PPP.

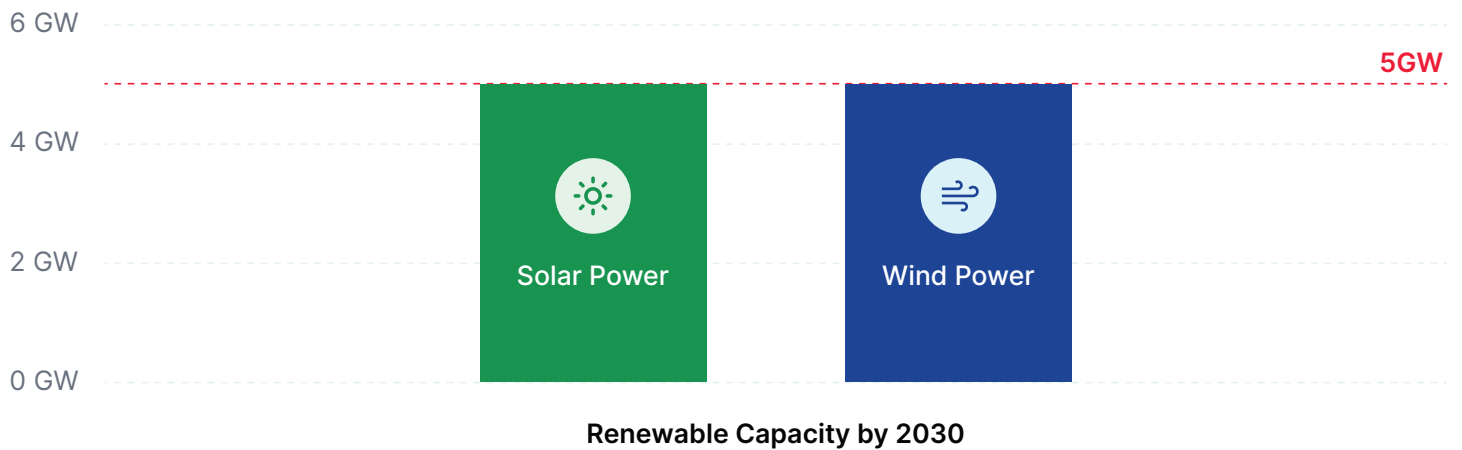
Africa – Asia capital opportunity a credible triangular model: African utility + pan-African infra fund + Asian grid specialist. Easy to replicate in other African markets. Natural home for blended green capital (DFIs, climate funds, Asian utilities and insurers), possibly packaged as green or sustainability-linked bonds once operational.



Botswana and India's KP Group sign US\$4bn MoU for 5GW of renewables

WHAT HAPPENED

Botswana's Ministry of Minerals and Energy has signed a US\$4bn MoU with Gujarat-based KP Group to develop up to 5GW of solar and wind projects, plus storage and transmission upgrades, by 2030. The deal includes funding 30 annual scholarships for Botswana citizens in renewable energy, engineering and sustainability.

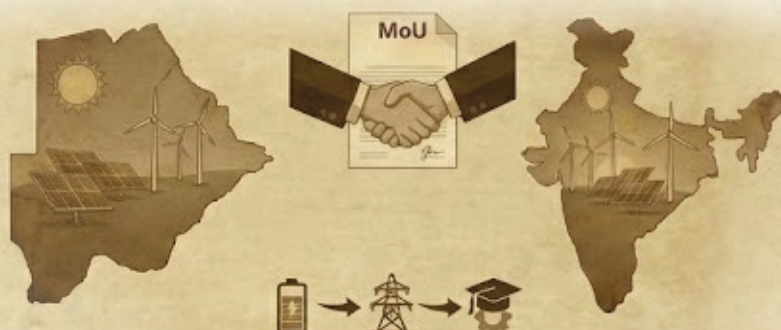


WHY IT MATTERS

This is a whole-of-system package – generation, grid, skills and jobs – rather than a one-off solar farm. It also shows a Southern African government using an Asia partnership to hard-wire both energy security and human capital.

Africa – Asia capital opportunity Opens the door for Asia-backed project and platform finance around this pipeline – including green bonds, guarantees and local-currency tranches.

The scholarship component is a reminder that capacity building can be baked into financing structures, not treated as CSR.



Niger completes 1,031 km fibre-optic backbone and Tier III national data centre

WHAT HAPPENED

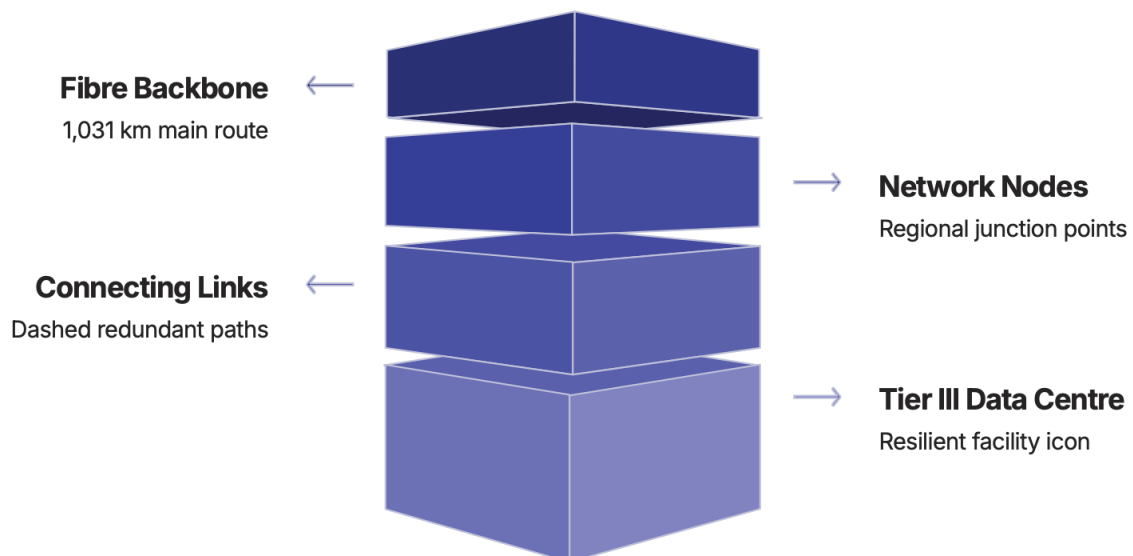
Niger has accepted the handover of more than 1,000 km of national and cross-border fibre-optic cable under the Trans-Sahara Optical Fibre Backbone Project, financed by the African Development Fund and the government. The project also includes a Tier III national data centre and an 88 km urban fibre loop linking key government sites.

WHY IT MATTERS

This is digital sovereignty in concrete form: backbone fibre across five regional corridors plus national data centre, funded as strategic infrastructure, not just private telecom capex.

Africa – Asia capital opportunity A clear case for Asia – Africa digital infra platforms: Asian cloud, fibre and data-centre players can partner with African states on similar “backbone + data centre” projects, with serious governance.

These are ideal assets for long-tenor, inflation-linked capital (pensions, SWFs, insurance) once operating data is established.



UK withdraws US\$1.15bn backing from Mozambique's LNG megaproject



WHAT HAPPENED

The UK government, via UK Export Finance, has withdrawn US\$1.15bn in support for TotalEnergies' US\$20bn Mozambique LNG project, citing heightened security, human-rights and climate risks since backing was first approved in 2020. The Dutch government has also pulled out following a critical human-rights report, while the US EXIM Bank remains a major lender.

WHY IT MATTERS

This is a major Western exit from a flagship African gas project on ESG and climate grounds, even as Mozambique hopes LNG will underpin its development strategy. It illustrates both transition risk and the politicisation of fossil-backed finance. Africa – Asia capital opportunity Asian lenders and offtakers (Japan, Korea, India, China) may be tempted to fill the gap – but the reputational and security risks are real. It strengthens the strategic case for Asia – Africa renewables and grid platforms (like the Kenya and Botswana examples) where climate alignment is clearer and concessional climate finance can be blended in.

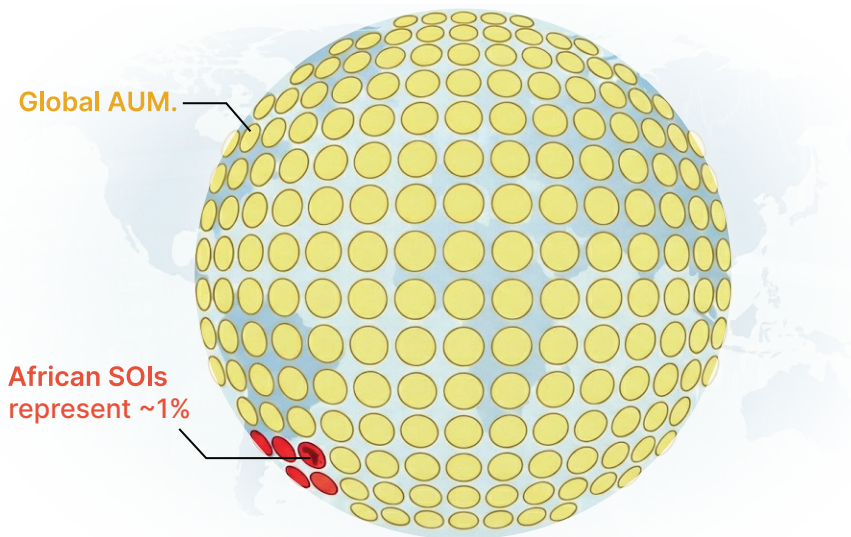
It also highlights how rapidly ESG, security and geopolitical factors can reshape the bankability of large fossil projects, even post-approval, with material implications for sovereign planning and long-term capital pricing.



African state-owned investors now manage nearly US\$1tn

WHAT HAPPENED

A new GlobalSWF report finds that African state-owned investors – public pension funds, central banks and sovereign wealth funds – now manage close to US\$1 trillion in assets, an all-time high. Five new SWFs were created in 2025 alone (Botswana, DR Congo, Eswatini, Kenya and Oyo State in Nigeria).



WHY IT MATTERS

Africa is no longer just a destination, it is becoming a meaningful source of long-term capital, even if still only about 1% of global SWF AUM. These funds will decide whether African savings finance OECD assets by default, or are consciously recycled into African transformation.

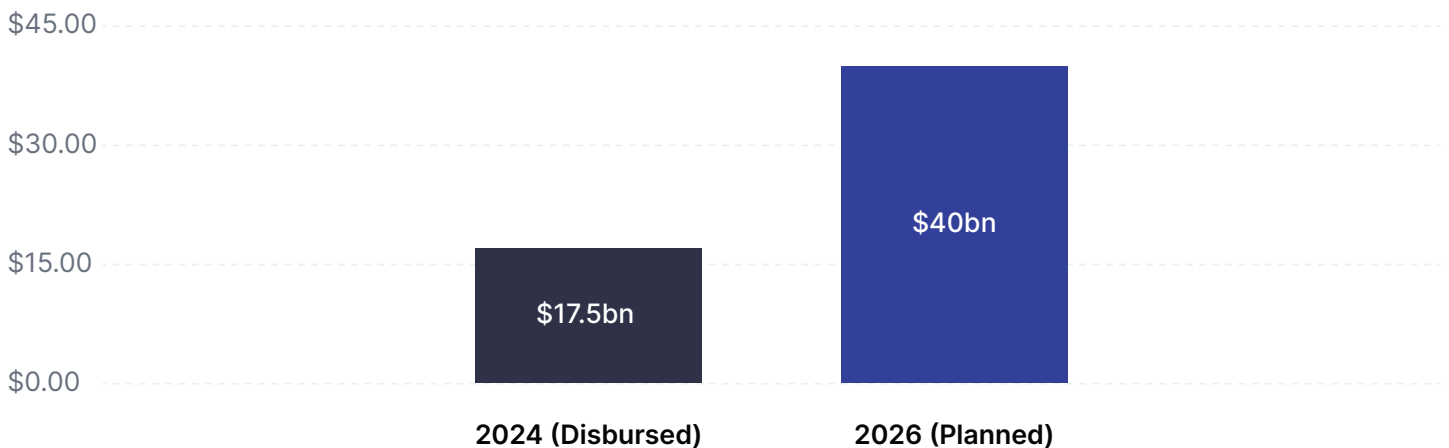
Africa – Asia capital opportunity Huge potential for Africa – Asia co-investment platforms: African SWFs and pensions taking cornerstone positions alongside Asian SWFs, insurers and DFIs in energy, logistics and digital infra. An obvious use-case for well-governed, possibly tokenised co-investment vehicles, domiciled either in Africa or neutral hubs, with clear governance and development objectives.



Afreximbank's 2025 Trade Report underlines trade finance gap – and ambition

WHAT HAPPENED

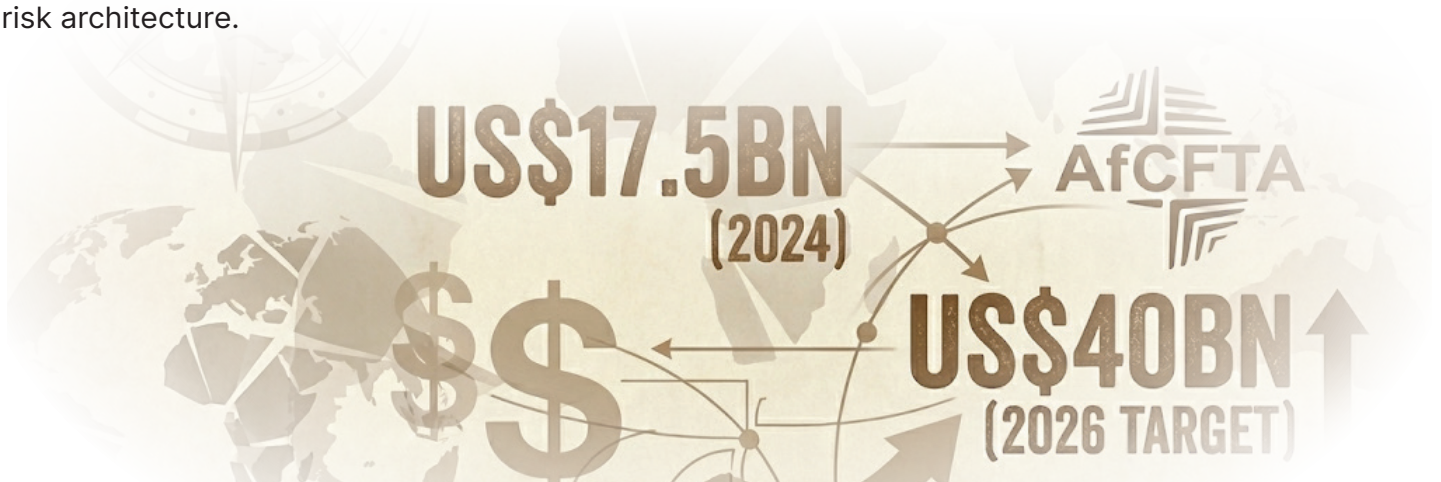
Afreximbank's African Trade Report 2025 – “African Trade in a Changing Global Financial Architecture” highlights how geopolitical fragmentation and tighter global dollar liquidity are reshaping African trade. The bank disbursed more than US\$17.5bn in trade finance in 2024 and plans to ramp this to US\$40bn by 2026, specifically to address trade finance gaps and support AfCFTA implementation.



WHY IT MATTERS

Trade volumes are holding up better than pure capital flows, but SMEs and mid-tier corporates still face chronic financing gaps. Afreximbank is signalling that it will be a central, system-level provider of risk-sharing and liquidity.

Africa – Asia capital opportunity Perfect anchor for Asia-funded trade finance vehicles: Asian banks, funds or platforms can co-lend or participate in Afreximbank-backed structures that finance Africa3Asia supply chains (manufacturing, agri, critical minerals). Strong use-case for tech-enabled receivables and supply-chain platforms, where Asian technology and liquidity plug into Afreximbank's risk architecture.



Korea – Africa central bank training shows capacity building is now core infrastructure

WHAT HAPPENED

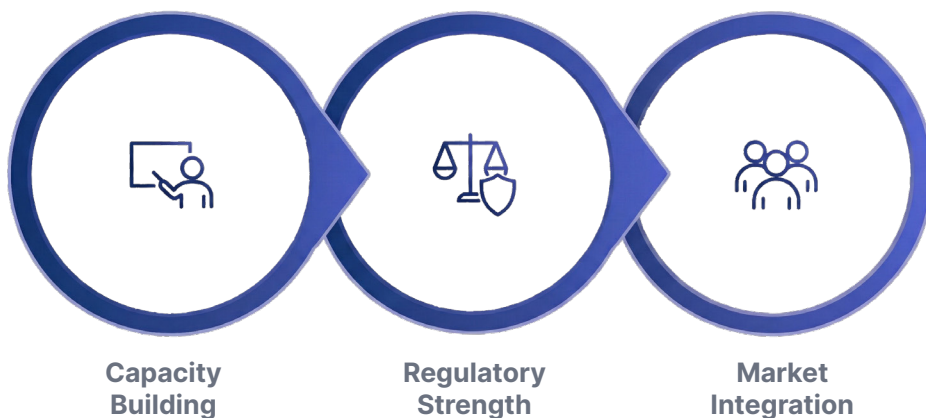
The Africa Digital Financial Inclusion Facility (ADFI) and the Korea – Africa Economic Cooperation (KOAPEC) Trust Fund have launched a Digital Financial Services Capacity Building Programme for Central Banks, bringing African central bank and regulatory staff into structured training on digital finance, supervision and financial inclusion.



WHY IT MATTERS

This isn't soft CSR; it is hard capacity building for the people who design and police the rules of digital finance. Stronger, better-trained regulators are the difference between digital rails that empower citizens and those that enable abuse.

Africa – Asia capital opportunity Creates better conditions for sensible sandboxes, tokenisation pilots and cross-border payment systems that serious institutions can trust. Clear opening for firms like Global Markets to plug into these programmes (e.g. Singapore-based modules on tokenised sovereigns, cross-border regulation and Asia – Africa capital markets), aligning knowledge transfer and deal flow.



Closing – A different kind of optimism for 2026

The through-line in all eight stories is simple: capital is still available, but it is getting choosier, more structured and more values-conscious. If Asia and Africa can match infrastructure like Kenya's grid, vision like Botswana's 5GW plan, digital sovereignty like Niger's fibre and data centre, and capacity building like the ADFI-KOAFEC programme, 2026 can be a year where governance and impact finally sit at the centre of capital flows, not on the margins.

“Wishing you a disciplined, peaceful and positive 2026 and, as always, if you need deeper analysis or structuring support on any of these themes, you know where to find us.”

Reuters. (2025, December 4). Kenya, US agency to proceed with \$1 billion debt-for-food swap. Reuters.

Renewables Now. (2025, December 31). India's KP Group inks MoU for up to 5 GW of renewables in Botswana. Renewables Now.

Reuters. (2025, December 1). Britain, Netherlands withdraw \$2.2 billion backing for Total-led Mozambique LNG. Reuters.

African Export-Import Bank (Afreximbank). (2025, June 26). Afreximbank launches 2025 report on African trade in a shifting global financial landscape. Afreximbank.

Reuters. (2025, December 15). Kenya signs \$311 mln power lines deal with Africa fund, Indian firm. Reuters.

African Development Bank Group. (2025, November 21). Niger takes a major step towards high-speed connectivity with handover of over 1,000 km of fibre-optic cable. AfDB (Africa-Newsroom).

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