



The first session of the Africa Investment Forum (AIF) held from 7 to 9 November 2018 in Johannesburg, South Africa, gave the African Development Bank (AfDB) and the African Business Roundtable the opportunity to join forces to boost investment in Africa

For some years now, investors have been showing a certain interest for Africa, notably due in particular to a strong economic

growth, an emerging financial sector, a great deal of largely unused savings, and the prospect of high returns. Since 2014, however, there has been a consensus that the growing momentum seen thus far experiences a marked deceleration. The World Investment Report 2018, published last June by the United Nations Conference on Trade and Development (UNCTAD), shows indeed that «foreign direct investment in Africa fell to US\$ 42 Billion in 2017 against US\$ 52.5 Billion in 2016, or a decrease of 21%. » The report questions the low oil prices and the adverse effects of the recession in the raw materials sector. According to some analysts, «the downward trend is also a global phenomenon since the UN agency explains that FDI in the world fell last year to US\$ 1'430 Billion (Euro 1'210 Billion), due to the decrease in large mergers and acquisitions, and the lower rates of return in this type of investments. » Quoted by the French magazine *Le Point*, UNCTAD Secretary-General, Mukhisa Kituy, stated that "the downward trend of foreign direct investment and slowing global value chains are a serious source of concern for policy makers, particularly those in developing countries.

### ■ **Need to get things back on track**

The bearish trend of investments calls for the need to straighten out the curve for the continent that seeks to be permeated with a sustainable development perspective. This is a concern not only for the African States themselves, but also for the economic operators and financial institutions. The African Development Bank has made this issue its Number One priority. The Africa Investment Forum that it has put in place is «a co-guarantee and co-financing platform designed to raise capital and boost investment so as to transform the economic, agricultural and industrial sectors in Africa. »

The mobilization of investment for Africa's economic development is, unquestionably, a concern shared by ABR. Established in 1990 by the late Babacar Ndiaye, the then President of the AfDB, the African Business Roundtable seeks to promote the development and growth of the private sector in Africa. It is a platform that enables businesses, businessmen and women, as well as various institutions to join forces under the banner of an umbrella organization. The ABR declares to be guided by a Pan-African vision, which consists in finding common solutions to issues of common interest. The AfDB and ABR have reasons to be optimistic as, even if the FDI are down, the amount of intra-African investment (US\$12.1 Billion) has, meanwhile, tripled in the span of 10 years.

Since 2017, the African Business Roundtable has, placed at its helm Samuel Dossou-Aworet as President and Chairman of its Board of Directors. As a prominent investor and model of success in the business world, the CEO of Petrolin Group has actively participated in the Johannesburg forum.

Beyond its President, the ABR took part in this AIF edition as a strategic partner and sponsor of the event. The African Business Roundtable and the AfDB thus agree to pool their strengths so that the Africa Investment Forum can become the main springboard for investment in Africa and meet the major needs of the continent in terms of infrastructure, in particular, and development, in general.

### ■ Advance projects up to their funding

A first experience of its kind, the meeting of the Africa Investment Forum brought together in the South African metropolis of Johannesburg, pension funds, sovereign wealth funds, private investors, decision-makers, private equity companies and heads of Government under the aegis of the African Development Bank (AfDB) whose innovative project aims to advance projects up to their funding, raise capital and increase speeds of the financial closing of transactions.

In Johannesburg, we spoke about transactions: the focus has, indeed, been on the structuring of transactions, the review and launch of projects, the attractiveness of co-investors and facilitation of transactions. Targeted objective: Unlock Africa's investment opportunities estimated to be in the billions of dollars.

As mentioned in the final communiqué issued at the end of the forum proceedings, this edition of the Africa Investment Forum served as an implementation platform for co-financing and risk mitigation to help close the investment funding gap in Africa.

### ■ A successful forum

The forum in Johannesburg highlighted the community of interest between the AfDB, led by Dr. Akinwumi Adesina, and President Samuel Dossou-Aworet's ABR. It made it possible to discuss multilateral agreements worth about US\$ 47 Billion scheduled for the launching of projects, while 49 projects worth US\$ 38.7 Billion have been guaranteed.

For their part, the ABR members seized this opportunity to develop their business and expand their presence in Africa and the world. The five (5) projects that the ABR has submitted to the platform of the Africa Investment Forum have, indeed, all been selected to be taken into account by the investors and financiers. One of the projects has generated several «expressions of interest» on the part of financiers and investors of international repute. Johannesburg also made the signing of several business agreements possible.

Moreover, on top of project funding transactions, a space has, been reserved for debates. Thus, a session has been organized on the theme «Africa: a destination for investors, » in co-presentation with the European Union. Samuel Dossou-Aworet joined other distinguished panelists to present the expectations of the African private sector as regard the current state of the investment climate and the areas for improvements.

The participation of ABR as sponsor of the Africa Investment Forum allowed the Organization to enjoy enhanced visibility and gave its members access to all the sessions which they used for effective networking.