



**Arab-Africa Legislators and Business Forum**  
'Investing In Africa Makes Sense'  
**August 1-2, Sheraton Addis**  
**Addis Ababa, Ethiopia**

**FINAL COMMUNIQUE**

From August 1<sup>st</sup> - 2<sup>nd</sup>, 2015, the Arab-Africa Legislators and Business Forum was held at the Sheraton Hotel, in Addis Ababa, drawing more than 140 participants with the aim to promote the idea of 'Investing in Africa Makes Sense' and to improve business relationships between the two regions.

*The Forum was hosted* jointly by the Association of Senates, Shoora and Equivalent Councils in Africa and the Arab World (ASSECAA), and the Pan African Chamber of Commerce and Industry (PACCI).

The following ASSECAA member countries participated in the meeting among other participants from chambers of commerce and industries in Africa and the Arab World:

1. Algeria
2. Sudan
3. Burundi
4. Morocco
5. Saudi Arabia
6. Republic of Congo ( Brazzaville)
7. Zimbabwe
8. Namibia
9. Ethiopia

The list also includes Ambassadors and representatives of diplomatic missions and international organizations in Addis Ababa.

The event was designed to form part of a regular and on-going African and Arab businesses and politicians' engagement across the two worlds.

The aim of this unique partnership event was to engage African-Arab Legislators and business *people* to discuss about how to encourage sustainable growth and business integration.



The Forum was opened by H.E. Mr. Mohammed Rashid, the Deputy Speaker of the House of Federations, representing the Speaker of the House of the Federation of Ethiopia H.E Kassa Teklebrahn, who also is the chairman of ASSECAA. He invited the different stakeholders to a fruitful exchange of views, stimulating the Business/private sector participants to share their experiences and their challenges with the Legislators who should address their enquiries and engage in discussions which are indispensable to the success of the overall aim of the Forum.

Earlier in the opening ceremony, the meeting listened to statements from the Secretary General of ASSECAA Mr. Abdulwasie Yusuf Ali, Dr. Jamal Qiqan, the Vice-President of the Council of the nation of Algeria and Mr. - Mr. Kebour Ghenna, Executive Director of the Pan African Chamber of Commerce and Industry. They stated that the Forum shows how much the two regions are eager to cooperate and advance their actual level of cooperation through commonly discussed strategies and the golden opportunities that the cooperation of the two regions would bring to them respectively, helping them attain their potentials of sustainable development objectives. It was also their opinion that there is certainly a need to give incentives to businesses and have a special focus on education, because economies depend on the skills of the countries' citizens.

It was also stated that African and Arab countries have a strong base on which to build their partnerships but they should first of all pursue a robust growth agenda to capitalize on extraordinary areas of potential. Africa needs to formulate strategies to safely and responsibly develop its abundant natural resources as well as to rebuild infrastructure through which smart, long-term investments would not only put people to work but also enable commerce to flow more smoothly and efficiently.

One goal should be to double exports between the two economies within five years. The strategy for that must include: Reduce trade barriers, enforce existing agreements, educate the public of the benefits of the Afro-Arab partnership, **and** bring tens of thousands of new companies into the exporting business. Africa has the land, **young workforce** and the will to be the food production hub for the Arab world and the world. But having the land, **the labour force and the good will** is one thing - developing the land and distributing gains to everyone's benefit is another. Development starts with investment. Arab countries with resources should seriously consider increasing their current level of investment. And Africa should in return, work on building investor confidence, root out corruption, ensure predictability and quality of regulations, and design projects that are sustainable.

In his keynote address, Dr. Sidi Ould Tah, Director General of the Arab Bank for Economic Development in Africa (BADEA), stated that exchanges of views between



the Arab and African countries are necessary to reach agreements that would be needed to help reduce challenges faced by different stakeholders in the two Worlds and that natural resources are available but how to reach and attract Foreign Direct Investments is the major question. BADEA has different mechanisms through many sectors ranging from infrastructure, agriculture and health that are needed to advance development of economies and financing the private sector in its foreign trade activities is also part of the scope of activity in that purpose and is included in an important way in BADEA's Strategy (2015-2019)

**The business session was divided into three different panel discussions. The panels were made up of seasoned professionals in the area of development, investment, trade and management.**

**Panel 1 dwelt on what really drives the trade agenda between Africa and the Arab world and How to enhance it?**

**Main issues raised and discussed include:**

- Arab investment in Africa was fairly low compared to the rest of the world. This was ascribed to the fact that Africa needs to make itself an attractive and profitable place to do business.
- Limited trade barriers, less bureaucracy and free movement of people seemed to be the key which paramount for the growth of Africa's international trade status.
- Need for political and economic stability to increase the trust in potential investors that are interested in high returns and low risk in their investments.
- Economic development and growth in Africa should furthermore (be aimed towards the education of the youth as skilled workers *aimed at developing and educating the youth as skilled workers and at building* and securing Africa's place as one of the next big financial players in the world ensuring a sustainable economic growth.
- The importance of private sector investment was also recognised *as the most important and major* option to increase wealth and trade between the Arab world and Africa.



## Panel 2 looked at Creating a bigger market and opportunity, namely in the agriculture sector, for advancing Afro-Arab integration

### It pointed out that:

- With vast natural resources it is time for Africa to become chief exporter of agricultural resources to the world. Some successful and promising accomplishments were mentioned where African countries *have* started substituting their imports from other regions to African origins.
- As a developing continent *with* such abundance of untapped resources *Africa can give* the highest return from investments, up to 120%. The *factor that is* blocking *Africa from* reaching its potential is that *its* commercial agriculture has not fully developed. *Thus it needs to* attain its full potential as agricultural powerhouse.
- The Information and communication sector was seen as vital, a lack of which would be harming potential for trade.
- Intellectual integration plays a vital part in how the Afro-Arab agricultural relationship grows. Examples of small scale economic integration between two countries and what could take place on a larger continental scale of Africa and the Arab World.
- Equity, impartial governance are fundamental requirements for trade improvement and government incentives need to be clearly stated and known across the African Continent. Also, studies, research and development into markets, countries, culture, and labour laws are needed to be well-known so that sound investments can be made, especially into small scale farms.



- Educational exchange programs are essential to educate the youth so they become the young entrepreneurs of tomorrow who would be the ones that would achieve the planned development of trade.

### **Panel 3 discussed What needs to be done to increase the level of foreign investment into Africa**

#### **It was the opinion of the panellists that:**

- Exploiting comparative/competitive advantage of Africa, to satisfy Arab needs making use of their geographical proximity. Prospects to substitute Arab food imports from Europe/Latin America/Asia/ Australia etc. to Africa. Focus on matching needs of Arab investors' value-added manufacturing food security, with African agro-based export oriented ventures
- The Arab world has highly educated people in its ICT sector, which is helping it develop and diversify its economy. In order for Africa to follow, there should be a transfer of knowledge and experience. Intensive technical assistance/capacity building programs should be promoted with an emphasis on technical/vocational education/training.
- Private sector finance strategy of Arab finance institutions and intensive technical assistance to African nations are required to drive Africa's private sector. The private sector has a big role to play and needs recognition and development. However the private sector cannot advance without interventions from the public sector *which provides attractive* incentives and adapted legal framework.
- The significance of public investment cannot be undermined. Nevertheless FDI (?) should not be forgotten. The role of government is evidently indispensable but the private sector needs to be in the driving seat on the road to development for Africa.



- Developing practical and concrete strategies and numbered prospects and plans should be the priority for the African Continent to set the stage for partnership with the Arab World. Examples of African economies engaged in investment in Africa are showcased with a special emphasis on the Moroccan example.
- African countries need to work on guarantees, because Arab funds are available for investments. *However*, they are seen as risky ones, and *for this reason* investors seem to be restrained. This means it is up to chambers to be the focal points to attract them and *CSOs* also need to play their parts as well.
- The Arab banks have strong cooperation schemes with African banks, to support their respective private sector stakeholders to trade with each other. The African markets' capital raising capacity is also growing, an African Bank can nowadays raise USD *one* billion for investment which shows the big opportunity the Continent has today
- There were talks of that Africa has been haunted by the Western Mode/destination of trade. The question of looking at other models such as the Asian Models was discussed and examples/ cases identified and mentioned. In those countries, the strong public governance which was followed by the lead of the private sector made them success stories, making it interesting to consider benchmarks in those regions as well.

## Resolutions

The 2015 Arab-Africa Legislators and Business Forum has endorsed the following call to action:

1. The 2015 Arab-Africa Legislators and Business Forum calls on elected officials at all levels of government to promote pro-growth business policies that recognize the potential and importance of the SMEs.(?)



2. The 2015 Arab-Africa Legislators and Business Forum calls on governments to allow the private sector to lead economic development with government policies to support private sector economic growth.
3. The 2015 Arab-Africa Legislators and Business Forum encourages Arab investments to create jobs, generate tax revenues, improve corporate governance and environmental performance, and contribute to their local communities.
4. The 2015 Arab-Africa Legislators and Business Forum calls for increased Public Private Partnerships to help align public and private needs to move vital projects forward.
5. The 2015 Arab-Africa Legislators and Business Forum calls for Afro-Arab financial institutions to increase awareness and address the key misconceptions and misgivings about development banking among the general public.
6. The 2015 Arab-Africa Legislators and Business Forum calls African and Arab governments to enhance business mobility by streamlining the process for short-term business visitor visas and temporary residence of business persons.
7. The 2015 Arab-Africa Legislators and Business Forum pledges its support for national and regional programs that provide resources and other assistance to manufacturing communities, and call for governments and partner organizations to sustain these programs.
8. The 2015 Arab-Africa Legislators and Business Forum supports the organization of educational workshops, seminars and trade missions to educate businesses about opportunities in Africa and the Arab world and to raise public awareness on the benefits of expanding trade and investment between Africa and the Arab world.



9. The 2015 Arab-Africa Legislators and Business Forum pledges to work with the media to spread information on the positive effects of Afro-Arab investment and trade.
10. The 2015 Arab-Africa Legislators and Business Forum calls on national chambers of commerce to build a comprehensive foreign direct investment promotion program to engage and assist potential investors from Arab countries.
11. The 2015 Arab-Africa Legislators and Business Forum calls for expansion and strengthening of capital markets in African and Arab countries
12. The 2015 Africa –Arab legislators and business Forum encourages the establishment of offshore free zones for manufacturing and financial services Promote BOOT system and INFRASTRUCTURE DVPT.
13. The 2015 Arab-Africa Legislators and Business Forum calls for Harmonization of legal frameworks by lawmakers
14. The 2015 Arab-Africa Legislators and Business Forum calls for the Facilitation of transfer of profits/remittances between the two regions
15. The 2015 Arab-Africa Legislators and Business Forum pledges to encourage the preparation of Research and feasibility studies that are lacking today hindering the potential of data analysis to the promotion of trade and investment
16. The 2015 Africa –Arab legislators and Business Forum encourages the establishment of an Arbitration centre to strengthen the trade agenda between African and Arab countries
17. The 2015 Arab-Africa Legislators and Business Forum calls on Governments to present strategies/plans at Equatorial Guinea Afro-Arab summit ,in 2016





18.The 2015 Arab-Africa Legislators and Business Forum pledges to work on Women and youth contribution to the improvement of trade and investment between African and Arab countries.

**ASSECAA GENERAL SECRETARIAT  
ADDIS ABABA  
AUGUST 2015**

***N.B.***

***(After the conclusion of the meeting Delegates from ASSECAA member countries convened to evaluate the meeting and one after the other they applauded the meeting as very fruitful.)***