



Accelerate Africa Summit 22

Investment and Industrialization,
regional integration of Africa's SMEs for
the smooth implementation of the AfCFTA



Kigali, Rwanda



16th-18th Nov 2022

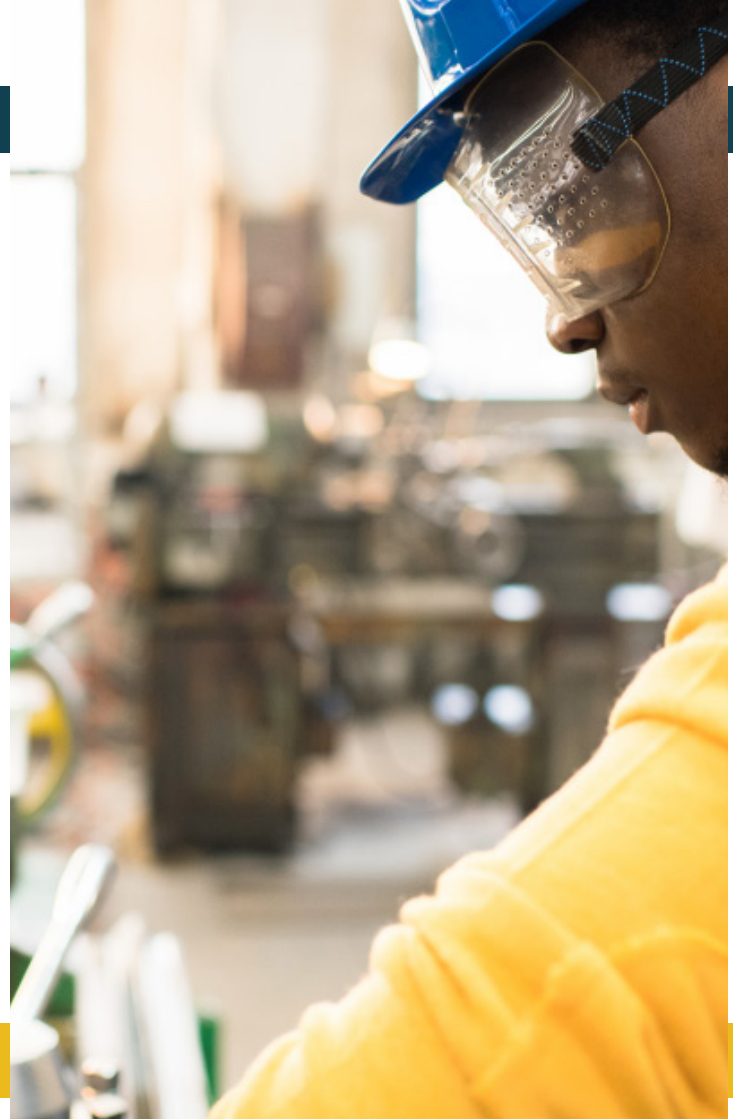
1-BACKGROUND AND CONTEXT

In Africa, SMEs accounts for more than 90% of businesses and contribute about 50% and Gross National Product (GDP). Small and medium enterprises do provide jobs for the people and hence affording them a better economic livelihood for themselves and their families. These SMEs do pay taxes to governments and thus increasing the government's tax base. Industrialization, with strong linkages to domestic economies, will help African countries achieve high growth rates, diversify their economies and reduce their exposure to external shocks. This will substantially contribute to poverty eradication through employment and wealth creation.

While entrepreneurship is gaining credibility in Africa, entrepreneurs continue to face significant challenges, including a lack of access to funding.

Many emerging African markets are traditional economies that rely on farming for employment. These small family farms can't compete with large agri-businesses in high-income African countries such as South Africa, Kenya, Ethiopia, Egypt and Nigeria. As a result, they may lose their farms, leading to high unemployment, crime and poverty.

To increase the impact of the trade deal, industrial policies must also be put in place, especially those concerning SMEs and manufacturing. These must focus on productivity, competition, diversification and economic complexity.





2-ABOUT ACCELERATE AFRICA SUMMIT (AAS-22)

AAS is an annual event that is hosted by one of Africa's model countries. The event brings together some 500 participants and key development actors across Africa for a unique business and investment opportunity. The Summit aims to introduce new paradigms on finance, investment and industrialization.

The summit will focus on economic diversification and digital transformation in Africa, generating four-fold capital (human, social, natural and financial) as new models creating sustainable business with focus on industrialization for poverty alleviation and sustainable economies.

- The AA Summit will drive investment in Africa by attracting Angel Investors, equity investors and venture capitalists.
- Connect SMEs, investors, innovators to grow, scale, create and develop sustainable partnership.
- Create an enabling business environment in Africa for smooth implementation of the AfCFTA
- Design a concrete investment scheme for the promotion and support of SMEs in Africa
- Engage investment stakeholders and policy makers in the mobilization of internal finance and resources in Africa.

3 - ACTIVITIES

KEYNOTES

CONFERENCES AND PANEL DISCUSSIONS

PITCH & INVESTMENT OPPORTUNITIES FOR SMES

WORKSHOP AND B2B,

LAUNCH OF ACCELERATE AFRICA MAGAZINE

SHOW-CASING THE 100 PERSONALITY ACCELERATING

4 - WHAT IS THE PROBLEM OF INDUSTRIALIZATION IN AFRICA?

Underdevelopment of the middle class, low savings, high criminality, corruption, high levels of debt, lack of capital and skills are problems that hinder the process of industrialization in Africa.

The International Monetary Fund and the World Bank came up with Structural Adjustment Programs (SAPs), a set of economic reforms that countries needed to adhere to in order to secure loans. One of the main criteria was to open their markets for free trade.

Free trade meant that subsidized products from industrialized nations could be exported to African countries at dumping prices, thus undermining local industrialization processes. The effect to this day is that many African countries remain producers of raw materials while most of the value-added work of the manufacturing industries is done outside the continent. Despite the many political and economic challenges facing African countries, progress is still being made. Second-quarter data for 2021 shows that African manufacturing output has reached 17.8%.





5-SUSTAINABLE INDUSTRIALIZATION AS THE WAY FORWARD

African economies still rely too heavily on raw commodities; between 2011-2013 manufactured goods made up only 18.5 percent of exports, while 62 percent of total imports were manufactured goods, a commercial imbalance that drains wealth away from the continent. This situation is even worse in countries where a combination of structural constraints and political instability jeopardize any effort for private sector-led economic diversification and transformation. Consequently, most countries have not created the jobs necessary to absorb the significant number of youth, compelling hundreds of thousands to migrate overseas.

There is a real opportunity, for Africa to create jobs and promote inclusive economic transformation through domestic manufacturing and a commodity-based industrialization process, capitalizing on the continent's

resources and opportunities presented by the changes in the structure of global production.

Exploiting Africa's opportunities for industrialization involves adding value to domestic products, soft and hard commodities and developing forward and backward linkages to the regional and international value chains.

Industrialisation is crucial for Africa's development and the implementation of the African Continental Free Trade Area (AfCFTA) could provide crucial impetus in the coming years. Major challenges and opportunities for Africa's transformation model present themselves continuously.

6-INVESTMENT CHALLENGES IN AFRICA

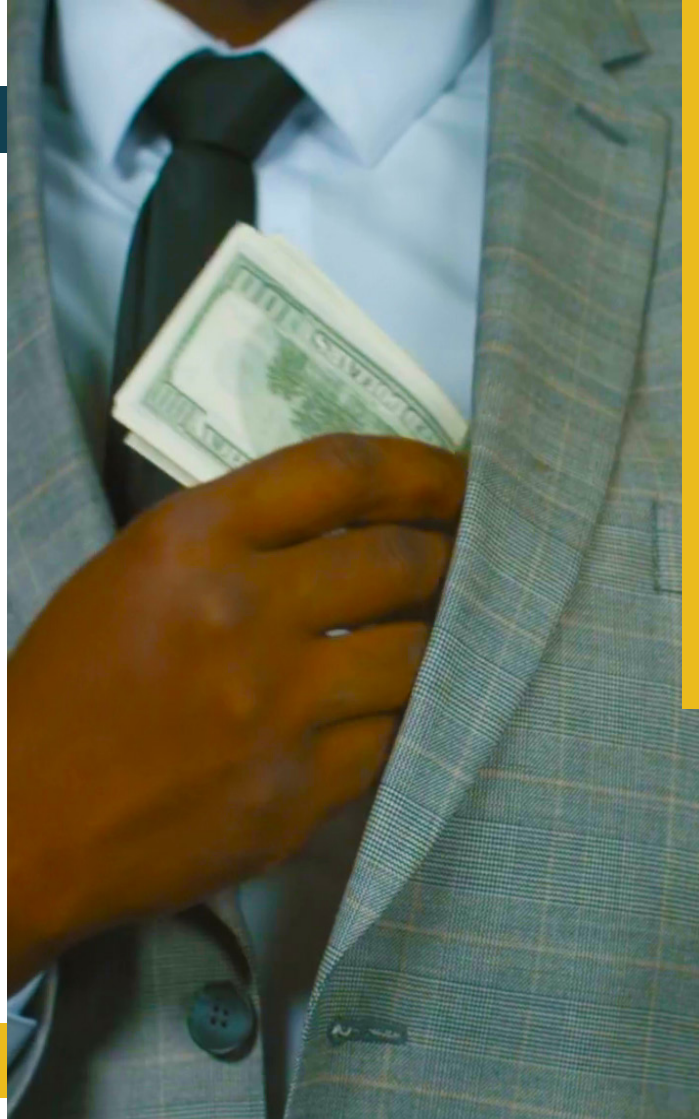
Negotiations on investment are progressing but have not finalised and need further action. When implemented and translated into domestic law, investment provisions can attract more investment into the manufacturing sector in Africa.

Factors such as political and macroeconomic instability, low growth, weak infrastructure, poor governance and leadership, inhospitable regulatory environments, and ill-conceived investment promotion strategies, are identified as responsible for the poor investment mobilization in Africa.

Despite witnessing exceptional growth in development finance in recent years, Africa is still faced with the arduous task of mobilizing adequate resources to fund its growth and future transformation agenda. Given the paucity of external development assistance, and low commodity prices for its goods and services, Africa has awakened to the fact that it must rely on its own financial resources for sustainable development.

The United Nations Economic Commission for Africa (ECA), says infrastructure development in Africa has the potential to raise gross domestic product (GDP) by 2% and develop the backbone for rapid industrialization, which in turn could boost the capacity of the continent to generate more domestic resources.

In its Innovative Financing for the Economic Transformation of Africa report, published in March 2015, ECA reckons that Africa's current infrastructure needs stand at a whopping \$93 billion annually, out of which \$45 billion is mobilised, leaving an annual deficit of almost \$50 billion.





Thus, as Côte d'Ivoire's President Alassane Ouattara aptly put it, Africa's greatest challenge is ensuring that its transformation is bolstered by sufficient and innovative sources of funding.

"One solution would be to speed up the development of our financial markets with a view to sparking the transformation of African economies," President Ouattara told the Ninth African Development Forum in Morocco. "To do so, we must come up with innovative financial products and set up effective national and regional financial institutions and services."

Africa has realized that traditional sources of development finance, such as official development assistance and foreign direct investment, which have buoyed the continent's development efforts over the years, are not sustainable and cannot be relied upon as its main

sources of funding, as was shown during the 2007–2008 global financial crisis.

Oswell Binha, president of the Association of SADC (Southern African Development Community) Chambers of Commerce and Industry, says Africa can create a \$2 trillion dollar economy if it can simplify rules that govern trade and domestic investment. "When you look at the thread of World Trade Organisation and economic partnership discussions around the continent, Africa has realised that intra-Africa trade is a serious opportunity from which to raise internal resources,"

Africa has the greatest investment potential of all frontier markets globally. These include sovereign wealth funds, pension funds, foreign reserves and remittances, among others. In addition, the continent has substantial natural resources and countries with extractive industries can tap into this important source of revenue.

7-THE AfCFTA AND ITS IMPLEMENTATION

To benefit from AfCFTA liberalisation, many countries such as Nigeria and Ghana are developing much needed complementary industrialisation policies to develop regional value chains in automotives, garments, etc. In addition, countries need to raise their game on standards, customs procedures and other trade facilitation measures, as vital complements to make use of market access opportunities. This includes corridor approaches such as those pursued by Trade Mark East Africa.

The pay-off can be large. Studies suggest full implementation of AfCFTA raises African incomes by between 1-7% and intra-African trade by between 50-132%. A World Bank study estimates that tariff liberalisation, removal of non-tariff barriers (NTBs) and trade facilitation measures can boost African GDP by 7% and boost African manufacturing exports by 62%. Regional integration also has long term effects by raising firm level productivity.

Obviously, any economic policy that facilitates imports and exports among member countries - with lower or no tariffs, free access to the market and market information, and the elimination of trade barriers - offers numerous benefits to SMEs. And as history's largest free trade agreement, which has a market size in the region of \$3 trillion, most people are excited at the development. But skeptics have pointed to impending challenges, especially those which affect SMEs. These must be addressed if the AfCFTA is to achieve its objectives.





8-DEVELOPMENT COOPERATION SUPPORT FOR THE AfCFTA

Our recent consultations with donors suggest they are already supporting negotiations and implementation of the AfCFTA with projects worth £136 million. These include large support programmes by the EU, GIZ and Canada to the AfCFTA secretariat and UNECA, and smaller programmes by the African Development Bank (AfDB), China, Denmark, Sweden, etc. The UK Foreign, Commonwealth and Development Office (FCDO).



DRAFT PROGRAM

DAY	TIME	ACTIVITY	PERSON INCHARGE
Tues.	-	Arrival of delegate	AA Country Team
15th Nov. 2022	19:00	Evening cocktail	Delegates & partners
Wed. 16th Nov. 2022	8:00	Breakfast and coffee	Delegates
	10:00	Opening remarks why Accelerate Africa	Accelerate Africa team
	10:20	Keynote Remarks, Rwanda economic model for Africa	Rwanda government
	10:30	High level investment panel What strategies for Investment and Industrialization to accelerate Africa Moderator: Novella Mukunzi	Panelists to be confirmed
	12:30	Official opening ceremony,	CEO Rwanda Development Board
	13:00	Networking Lunch	Delegates /officials
	14:00	High level financing panel: SMEs Financing: successful model Moderator: Gilbert Ewehmeh	To be confirmed
	16:00	B2B / PITCHING	Delegate/Officials/Investors
	19:00	Evening gala, award of 3 best Africa SMEs.	

DRAFT PROGRAM

DAY	TIME	ACTIVITY	PERSON INCHARGE
Thurs. 17th Nov. 2022	08:00	Breakfast and coffee	panelists
	09:00	High level AfCFTA panel: Regional integration of Africa's SMEs for the smooth implementation of the AfCFTA Moderator:	Nord Africa East Africa Central Africa, Southern Africa West Africa
	10:30	High level Ministerial panel Government strategies on entrepreneurship to boost job creation Moderator: Novella Mukunzi	To be confirmed
	12:00	High level SMEs/Startups panel What strategies for investment and industrialization to accelerate Africa? Moderator:	To be confirmed
	13:30	Networking Lunch	Delegate/Officials/Investors
	14:30	High level stakeholder and development panel Moderator:	UNDP, Africa Union, ECA, GIZ
	16:00	B2B	Delegate/Officials/Investors
	17:00	Closing ceremony recommendations and resolutions	Delegate/Officials/Investors
Fri. 18th Nov. 2022	10:00	B2B, Business Meeting VISIT RWANDA	Delegate/Officials/Investors

PARTNERSHIP AND SPONSORSHIP PACKAGE

GOLD SPONSOR	SILVER	BRONZE
USD 20,000	USD 10,000	USD 5,000
<ul style="list-style-type: none"> - Branding in event hall - Keynote speech - (2) page advert in Accelerate Africa Magazine and Summit booklet - 5 minutes communication - Communication on our social media pages - Exhibition Space 	<ul style="list-style-type: none"> - Branding in the event hall - 1 page advert in Accelerate Africa Magazine and Summit booklet - 2 minutes communication. - Communication on our social media pages - Exhibition space 	<ul style="list-style-type: none"> - 1 page advert in bootcamp booklet - 3 minutes communication. - Communication on our social media pages - Exhibition space



ABOUT US

Accelerate Africa (AA) is a Pan African economic think tank to unleash Africa's growth. The network brings together economic actors who are playing a leading role in their countries/communities from civil society, business and government etc. Create a new generation of economic leaders with focus on infrastructure, agri-business, energy, digital transformation towards industrialization. Hence transform the Africa Continent.

OUR MISSION

The AA's mission is to bring together economic actors from all works of live; professionals, entrepreneurs, business executives etc. To unleash the economic potential of Africa. Mentor, coach and assist the private sector and economic actors, promote regional integration to successful achieve and implement the African Continental Free Trade Area and promote economic diversification, and governance - Africa can do better!

VISION

Unleash and transform Africa's economic potentials, building vibrant and resilient private sector.

A PAN AFRICAN ECONOMIC THINK TANK
TO UNLEASH AFRICA'S GROWTH



For more details

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