AFRICA BUSINESS FORUM

Held each year in Addis Ababa, the capital of Africa, on the margins of the African Union (AU) Summit. A unique opportunity to bring together African Heads of States and major businesses on the continent.

A business forum for leaders, thinkers and private businesses to discuss:

- Role of private sector in Africa’s development.
- Cutting hedge and innovative ideas for financing sustainable development in Africa.
- Partnerships between African private and public sectors.

In 2020, be part of a Forum to debate:

- Innovative finance
- Affordable Health Care
- Clean energy investment
- Technological progress
- Women empowerment

Innovative Financing for a Prosperous Africa

Innovative financing instruments needed to finance the SDGs in Africa. Africa’s financing needs for SDGs range from $614 billion to $638 billion a year. (est. UNCTAD) African governments’ current fiscal space can finance only a fraction of capital investment projects. Innovation and investment from business will be essential to close the SDGs financing gaps in Africa.
Strengthen Domestic Capital markets

- Strong and deep domestic bond market
- Sound and sustainable fiscal and monetary policies
- Markets infrastructure and transparency
- Investor base and long-time horizon
- Government capacity

Promote Innovative Financing Mechanisms

- **Blended Finance**
  - Bonds, Guarantees, Insurance, Securitization, PPP co-financing
- **Impact Investment**
  - Market return, Concessionary return, Pooled investment funds
- **Domestic Investment**
  - Domestic debts, Debt swaps, Buy downs

Financing Sources


The African Investment and Business Opportunities

- The macro economic and political landscape continues to strengthen with greater peaceful transfers of power, improved regulations & economic integration within the regional blocs and the implementation of the Africa Continental Free Trade Agreement (AfCFTA)
- SMEs are responsible for 77% of all jobs in Africa and as much as half of GDP in some countries (est. World Bank).
- Midsize companies particularly generate jobs - firms with 50 -200 employees create jobs at twice the pace of both large corporations and small businesses (est. McKinsey)
- African large market size offer great business and sustainable enterprises opportunities for investors:
  - Africa is home to 6 of the 10 fastest growing economies and 5 out of the 10 most improved countries on the Doing Business Index.
  - Africa is the fastest-urbanizing region in the world, with 80% of its projected population of 1.7 billion that will live/work in the cities by 2030
  - Increased spending of consumers and businesses to reach $6.66 trillion by 2030, including $4 trillion of private and business-to-business consumption and $75 billion of online retail. (est. McKinsey)
People: Health and Well-being

An urgent need to address health burden and increase access to affordable medicines and health services.

The challenges:
- **Limited access to healthcare** – more than 50% of Africans do not have access to modern health facilities
- **High disease burden** – 25% of global diseases burden is in Africa
- **Low public spending on health** – African countries spend less than 10% of their GDP on health care; 70% of which is spent on import of medicines.
- **High health financing needs** – $ 66 billion per year needed to bridge Africa's health financing gap.

*An opportunity for innovative and sustainable solutions to provide better and more affordable health care and service delivery to Africa’s growing population*

A Regional Market for Pharmaceuticals

Improving access to quality medicines through pooled procurement of essential drugs and products and local pharmaceutical production for the continent

- Africa manufactures less than 2 per cent of the medicines it consumes while it imports about 70 per cent of its needs from outside the continent at an annual cost of $14.5 billion.
- However, there are opportunities for scale:
  - Healthcare and wellness sector is projected to be worth $259 billion by 2030 and create 16 million jobs
  - Pharmaceuticals industry exploded to US$ 21 billion and is estimated to be US$60 billion by the end of 2020
  - The African continental free trade agreement (AfCFTA) - an opportunity to expand markets and create manufacturing hubs, and a game changer in the fight against life threatening diseases.
  - Local pharmaceutical production can service the expanding markets brought about by the AfCFTA, growing population and the advancement of non-communicable diseases in Africa.
  - The private sector’s and industry’s role will be critical in bridging the gap and addressing market distortions.

Planet: Climate Change and Sustainable Energy

*“Climate change is moving faster than we are – and its speed has provoked a sonic boom SOS across our world.”* – António Guterres – United Nations Secretary General

Africa is suffering the most impacts of climate change

- Increasing seasonal variability; increasing frequency and intensity of droughts and floods; and shifting habitats and agro-ecological zones.
- Some parts of Africa will warm by more than 3 degrees – beyond the Paris Agreement global temperature goal of 2 degrees.
- African countries spend up to 9% of their GDP on unplanned adaptation and response to climate change impacts.
- Close to 100 million Africans could be internally displaced by 2050 due to slow onset climate change effects
- Increased incidence of vector-borne diseases such as are malnutrition, neglected tropical diseases (NTDs), diarrhea, malaria and meningitis.

Accelerating Clean Energy Investment in Africa

A call to crowd-in private sector financing to energize sustainable development in Africa.

Promote initiatives anchored on Sustainability, Governance and Finance.

- Achieve SDGs through long-term financing for clean energy solutions, environmental sustainability and business sustainability.
- Responsible investment principles such as those promoted by the UN supported Principles for Responsible Investment, covering environmental, social and governance factors.
- Fast-track investments for clean energy projects through private sector financing, capital markets deepening and putting in place de-risking instruments.
- Investment in alternative asset class such as renewable energy can have significant risk-adjusted returns while generating great economic and health benefits.
Technology and Innovation are essential for driving growth and businesses in Africa

- Emerging technologies such as biotechnologies, digital technologies, nanotechnology, financial technologies and renewable energy offer great economic and social advancement opportunities for African countries.
- Emerging technologies also offer Africa the opportunity to facilitate deeper regional integration through integrated digitalized payment and processing payments, cloud computing and digital infrastructure management.
- The technological base in Africa is very small - Africa accounts for only 0.3% of high technology exports and 0.2% of global payment for intellectual property.
- However, the success of mobile-enabled payment platforms such as Mpesa, the fast growth of mobile services or increased internet penetration rate in Africa are some of the initial technologies that will help catalyze major levers towards economic transformation, entrepreneurship and innovation.
- More importantly, Africa’s technological and innovation journey cannot begin without investment in R&D, infrastructure and human capital and without a shift in policy and regulatory environment, and behavioral change.

PROGRAMME

Under the Theme “Unpacking the Climate, Energy and Health Nexus: Harnessing Investment Opportunities in Africa”, the Business Forum focuses on critical issues facing African countries. The Forum creates opportunities for dialogue and consensus building on innovative and practical solutions for sustainable energy development, affordable access to health care and financing in Africa.
3rd Africa Business Forum
Forum Theme: “Investing in People, Planet and Prosperity”

WHO SHOULD ATTEND?

✓ Government representatives & policy makers
✓ Private sector Executives
✓ Energy and Health Executives
✓ Leading Investors
✓ Financial Institutions Executives
✓ Association Members
✓ Researchers and Think Tanks
✓ Journalists and Broadcasters

About UNECA

MISSION
Delivering ideas and actions
for an empowered, inclusive and transformed Africa

OVERALL OBJECTIVE
To promote inclusive and sustainable development in support of accelerating the economic diversification and structural transformation of Africa, in line with the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want

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