

THE AFRICA DEBATE

The Great Reset? Summary



"I commend Invest Africa and The Africa Debate on their ambitious and bold agenda. An ambitious and sustainable recovery is indeed what the Continent needs."

Dr. Tedros Ghebreyesus, Director General, WHO

STRATEGIC PARTNERS



SESSION PARTNERS



MEDIA PARTNERS



Executive Summary

From 14th to 16th September 2021, Invest Africa hosted the 7th Africa Debate virtually assembling over 1,000 business and policy leaders from over 50 countries to discuss the most pressing social and economic issues facing the African continent.

Throughout the discussions four key priorities for public and private cooperation emerged: strengthening Africa's institutions, building more resilient health systems, boosting trade and investment and investing in a sustainable future.

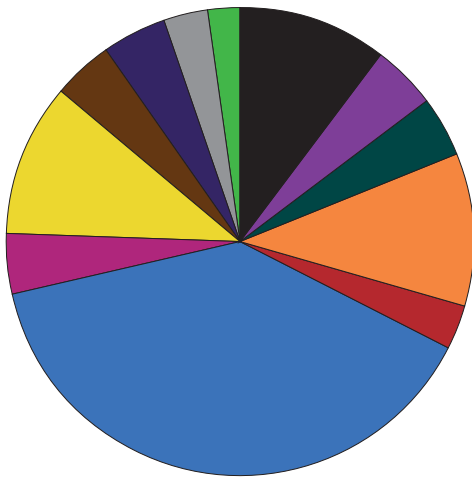
Summary of points:

- Though the pandemic has exposed weaknesses in African economies, particularly their over-dependence on international partners, the Continent should take the **opportunity to reshape its economies with a focus on building resilience, boosting regional trade and investing in sustainability.**
- Progress has been made in Africa's drive to secure **a fair allocation of global vaccine supplies** when countries in the region have worked through African institutions such as the Africa Centres for Disease Control, the Africa Export-Import Bank (Afreximbank) and the African Union. These institutions should be strengthened with a focus on investing in local manufacturing of vaccines.
- The **private sector has a critical role to play in building resilience in Africa's healthcare systems** and achieving the goal of universal health coverage. Dr. Tedros Ghebreyesus, Director General of the World Health Organization (WHO), encouraged a change in mindset across the healthcare value chain positioning the private sector as a co-investor and partner in mixed healthcare systems.
- **The African Continental Free Trade Agreement** continues to receive support from public and private stakeholders and offers the Continent a unique opportunity to transform its economic model away from exports of primary products towards a diversified economic base, including manufacturing, services, agro-processing and technology.
- **Good governance** and robust institutions are essential to attracting foreign direct investment and capital looks for investable opportunities in stable and transparent markets.
- As global investors increasingly look to incorporate ESG targets, alongside financial targets, into their decision-making and monitoring processes, **robust ESG practices are more important than ever to the fundraising process for African businesses.**
- Africa is vulnerable to climate crisis and leveraging sustainable finance to invest in mitigation and adaption measures is a clear priority for businesses and governments alike. **Delegates called on the green transition to be reframed as a \$3 trillion investment opportunity in Africa** to attract private capital and fill the Continent's green finance gap.
- Economies are not shaped from above and **economic and social development in the region will rely on creating an enabling environment for MSMEs.** Small businesses in Africa continue to face numerous barriers to growth including lack of access to appropriate capital, knowledge gaps and small market sizes.

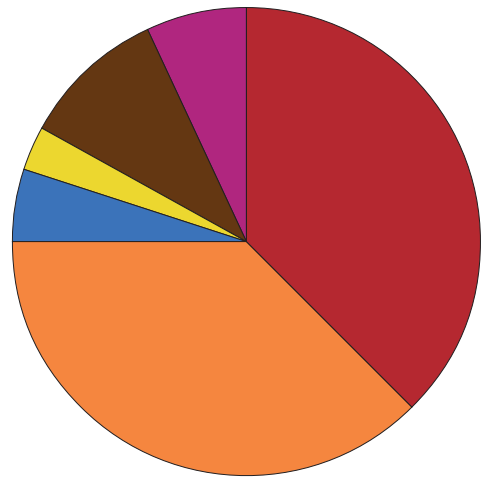
At a Glance

Over 1,000 business leaders, investors and policy makers from over 50 countries joined The Africa Debate 2021 from 14-16th September.

Sector breakdown of delegates at The Africa Debate

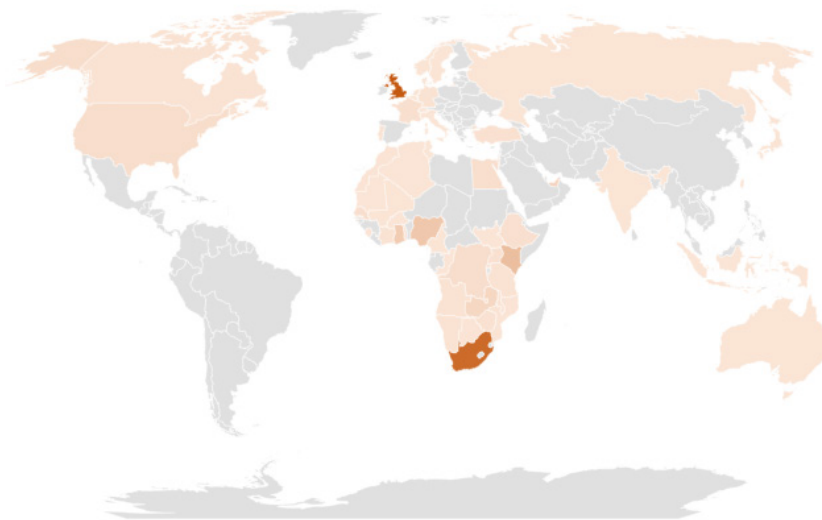


Job function breakdown of delegates at The Africa Debate



- | | | | | |
|--------------------|----------------|-----------------------|-------------------------------|----------------------------|
| Consulting | ICT | Legal | C-Suite & Partners | Consultants & Advisors |
| Energy | Infrastructure | Logistics & Transport | Senior Management & Associate | Business Development |
| Financial Services | Banking | Agriculture | Governments & Ambassadors | Marketing & Communications |
| Banking | Banking | Banking | | |

Geographic coverage of The Africa Debate



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The Debates: The 'Great Reset?'

"The old order is old": Setting Africa on a new path

Despite signs of recovery and calls to build back better, the global fight against Covid-19 is not over. As **Nick Allan**, CEO of **Control Risks**, highlighted in his opening overview of the global risk landscape, "we remain absolutely in the middle of this pandemic". With global policymakers pushing for a 'Great Reset', The Africa Debate 2021 provided African leaders a platform to discuss the Continent's priorities for an ambitious recovery. As **Dr. John Nkengasong**, Director of the **Africa Centres for Disease Control (Africa CDC)**, reminded the assembled delegates, "the old order is old" and Africa should take the opportunity to transform its economies towards a more inclusive and sustainable growth trajectory.

Throughout discussions the strength of Africa's institutions was highlighted as essential to the Continent's ability to emerge from the current crisis. Though "the pandemic absolutely shows Africa's dependence on international community", Allan said, "we have also seen a push for greater self-sufficiency." **Prof. Benedict Oramah**, President of the the **Afreximbank**, demonstrated this push highlighting the importance of enabling the Continent to respond to challenges using its own resources while **Dr. Christopher Marks**, Managing Director and Head of Emerging Markets at **MUFG** hailed the African response to the pandemic as a "credit to what African institutions can do."

Building resilience in Africa's health systems

Africa's drive to secure vaccine supplies in the fight against Covid-19 has demonstrated the importance of such regionally based approaches. African multilateral organisations, such as the **Afreximbank**, the **Africa CDC** and the **African Union (AU)**, have responded strongly to the crisis and sought to leverage the collective power of the Continent to address shortages in PPE, vaccines and medical supplies. Afreximbank's \$2 billion facility to buy 400 million Johnson & Johnson vaccines, as well as a \$520 million Covid-19 response facility in partnership with the Japanese bank **MUFG**, provide strong examples of how a robust African institutional response can support recovery.



Dr Tedros Ghebreyesus, Director General, WHO addresses The Africa Debate

However, despite these efforts, the ongoing disparity in global vaccine rollouts was highlighted throughout discussions as a fundamental impediment to Africa's recovery by private sector leaders and multilateral institutions alike. Nearly a year on from the first vaccine rollouts less than 4% of Africans are fully vaccinated. Though the COVAX purchasing platform has sought to redress this imbalance, **Dr. Tedros Ghebreyesus**, Director General of the **WHO**, told delegates that he was "disappointed by the injustice and painfully aware that many African countries still do not have sufficient access to life saving vaccines".

The Debates: The 'Great Reset?'

Boosting local vaccine manufacturing capacity was a clear priority for both private and public stakeholders. Progress towards production hubs in South Africa, Rwanda, Senegal and Egypt, as well as an mRNA tech transfer hub in South Africa, were hailed as a step in right direction. Dr. Ghebreyesus called on businesses and governments in attendance to "invest in developing more resilient healthcare systems". He highlighted the vital role that the private sector can play both in the response to Covid-19 and in making progress towards universal healthcare coverage on the Continent. The WHO encouraged a change in mindset across the healthcare value chain positioning the private sector as a co-investor and partner in mixed healthcare systems and calling for governments to engage in knowledge sharing and co-creation with businesses.

Unlocking growth through trade and investment

The need to stimulate further investment and promote greater self-sufficiency in Africa is evident beyond the healthcare sector. **Sérgio Pimenta**, Vice President for Africa at the **International Finance Corporation**, led calls for the private sector to take on a more prominent role in building solutions to Africa's challenges. With job creation at the heart of any development agenda, creating a sustainable and enabling environment for businesses is essential to the Continent's return to growth.

The African Continental Free Trade Agreement (AfCFTA) continues to offer a pathway to reshape and future-proof Africa's economies. **H.E. Wamkele Mene**, Secretary General of the AfCFTA, reminded assembled businesses that "while a focus on the short-term is essential, it is critical to lay the groundwork for a strong and inclusive development path in the medium-term, creating decent jobs on a large scale." Continued support for the regional trading bloc from public and private stakeholders was clear throughout discussions. If Africa is to build back better, diversifying away from exports of primary products will be key with H.E. Wamkele Mene describing the agreement as the "most significant opportunity to restructure the African economy since the end of colonialism".

Alongside the expanded market size of the AfCFTA, improvements in transparency and governance frameworks are essential to boosting FDI flows in Africa. Speaking to Invest Africa Chairman, **Rob Hersov**, **H.E. Hakainde Hichilema**, the recently elected President of Zambia, outlined strengthening the rule of law, tackling corruption and building "stable, consistent and attractive environment" for investors as priorities for his government. Private sector participants reflected this message with **Heidi Barends**, Co-Head of Sustainable Finance at **Absa Group**, highlighting the importance of "creating the legislative and regulatory framework" to give "investors comfort that there is transparency in the process."



H.E. Hakainde Hichilema speaks to businesses and investors following his election to Zambian Presidency

The Debates: The 'Great Reset?'

Investing in sustainability

As businesses balance their short-term response to the crisis with long-term growth aspirations, a focus on sustainable investments was highlighted as a priority through a series of discussions covering the role of the private sector in tackling the climate crisis, sustainable finance and the role of environmental, social and governance (ESG) policies in investment.

As global investors increasingly look to incorporate ESG targets, alongside financial targets, into their decision-making and monitoring processes, robust ESG practices are more important than ever to the fundraising process for African businesses. Speakers from **DLA Piper, Prudential, Vodafone** and **Jersey Finance** lent their support to further efforts to create a unified set of ESG principles, helping businesses to better navigate issues around measurement and reporting. Delegates looked to the COP26 climate change conference in November 2021 as a key moment in establishing an International Sustainable Standards Board parallel to the International Accounting Standards Board.

Participating businesses identified the climate crisis as one of the key threats they face in Africa with **Ventakaramini Srivathsan**, Head of Africa and the Middle East for **Olam Group**, describing climate risk as "the central risk we face as an organisation". Despite contributing little to global emissions, Africa expected to bear the brunt of many of the effects of climate change, posing a threat to lives and livelihoods. Leveraging sustainable finance from international and local sources will be essential if the Continent is to raise the capital it needs to invest in mitigation and adaptation measures. **Prof. Anthony Okon Nyong**, Director, Climate Change & Green Growth at the **African Development Bank** called on stakeholders to adopt a narrative of opportunity to attract the private sector to the \$3 trillion investment opportunity that the green transition represents. **Philippe Valahu**, CEO of the **Private Infrastructure Development Group**, echoed this message, highlighting the essential role of climate finance for an "equitable and just transition."

PIDG's recent support in issuing the first green bond in Kenya to finance green student housing offers a model of how sustainable finance can be used to both address the challenge of climate change and meet Africa's needs in social infrastructure. Meanwhile green bonds have been underutilised in Africa, struggling to gain traction given their robust demands of balance sheets. Adapting such financial tools to smaller scale social and environmental infrastructure projects is important to enable an ecosystem approach to investing in sustainable solutions. The South African bank Absa's pooling platform offers one example of how such issues of scale can be overcome allowing renewable energy assets to be pooled as they enter the market.

A Focus on Ghana

The Africa Debate 2021 opened with the Ghana Investment Forum on 14th September, held in partnership with the **Ghana Investment Promotion Centre**. The Forum offered investors and businesses a platform to engage with opportunities in the country. The Ghanaian economy has proved resilient despite the pandemic, returning to 3% growth in 2021. Attracting foreign direct investment and diversifying the economy are priorities for the Government as they look to boost domestic manufacturing and reduce dependence on trade in primary goods.

H.E. Nana Akufo-Addo, President of Ghana, addressed investors emphasising that Ghana is a country of "peace, stability and security" where legitimate investors are protected. The programme focused on supporting investment into Ghana's key priority sectors: financial services, agriculture and industry. Discussions with businesses were led by **Dr. Ernest Addison**, Governor of the Bank of Ghana, **Hon. Dr. Owusu Afriyie Akoto**, Minister for Agriculture and **Hon. Dr. John Ampontuah Kumah**, Deputy Finance Minister.

Engagements with private sector representatives and development finance institutions, including **Bank of America**, **Africa Finance Corporation**, **London Stock Exchange Group**, **Africa Specialty Risks**, **Volkswagen** and **Danadams Pharmaceuticals**, focused on measures to improve ease of doing business, boost trade through the AfCFTA and deepen Ghana's financial markets.



Next Generation Africa

Micro, small and medium enterprises (MSMEs) form the backbones of Africa's economies. Economic and social development in the region will rely on creating an enabling environment for MSMEs. Not only do small businesses account for the majority of employment opportunities in Africa, but they also allow larger businesses to thrive, distributing growth across the value chain.

The Next Generation Africa Forum, on the final day of The Africa Debate, focused on financial and strategic growth support to MSMEs across the Continent. The programme was part of Invest Africa's drive to leverage expertise in the network to address barriers to growth for MSMEs. 300 entrepreneurs from 21 African countries joined the day of discussions, workshops and pitches, led by **4G Capital, KPMG, DHL, The Cherie Blair Foundation, Aon, Ecobank** and **Google**, gaining valuable insights into funding, marketing and strategy.

Opening the forum, **Catherine Young**, CEO and founder of **Thinkroom**, led a discussion about how to leverage capital for African MSMEs and address financial blockages. Sitting at the riskier end of the spectrum, access to private financing for early-stage businesses is challenging. Small market sizes and low levels of regional integration preclude many private investment options accounting for the so-called 'missing middle'. Meanwhile commercial banks struggle to offer adapted loans where collateral is limited and credit assessments are often unreliable leaving smaller businesses faced with higher interest rates than their larger peers.

Participants called for an ecosystem approach outlining key factors to unlock growth for African MSMEs:

- Deeper engagement from large corporate and commercial banks with MSMEs leveraging the on-the-ground insights of small businesses and the market position of larger financial entities.
- The increased uptake of fintech solutions by commercial banks to improve access to financial services.
- Development finance institutions can play a key role by leveraging guarantees to de-risk loans to African MSMEs for commercial banks and acting as funders of funds.
- Grants are an important source of finance for early-stage ventures.
- Training and knowledge sharing are critical alongside appropriate capital to support the growth of MSMEs.



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Testimonials

"I commend Invest Africa and The Africa Debate on their ambitious and bold agenda. An ambitious and sustainable recovery is indeed what the Continent needs."

Dr. Tedros Ghebreyesus, Director General, WHO

"The Africa Debate was an excellent forum to discuss the economic impact of the COVID-19 pandemic, the critical role of the private sector in leading Africa's recovery, the importance of retaining jobs and creating new ones by better supporting SMEs, and the urgent need to build strong and resilient businesses that can develop, manufacture and distribute much-needed vaccines in Africa for Africa today and in the event of future crises. I was grateful for the opportunity to discuss and debate the important challenges facing our dynamic continent and the solutions that can and are being provided to address them."

Sérgio Pimenta, Regional Vice President for Africa, IFC

"The quality of people in Invest Africa's network is impressive as it is diverse. Their team does a great job pulling everyone together from all over the world and finding the appropriate connections between them to get things done."

Jim Chu, CEO & Founder, Untapped Global

"Invest Africa was a great experience for the 4G Capital team; being able to engage a knowledgeable audience in a discussion on key issues facing both customers and businesses in Africa was brilliant. We came away with fresh insights and a raft of new connections, including some potential partnerships."

Ross Breadmore, Chief Product Officer, 4G Capital

"Now, more than ever, DHL remains committed to supporting businesses of all sizes across Africa to grow. We are certain that sustained economic prosperity is possible by encouraging global trade as well as capitalizing on the opportunities that intra-African trade presents. The Africa Debate is an important vehicle to initiate and continue the discussion of how to achieve this."

Venessa Dewing, Head of Core Sales Sub Saharan Africa, DHL Express

"It was my pleasure to participate in such a great discussion. I thoroughly enjoyed it and was impressed with the highly interactive event platform. Well done to Invest Africa and the team for another successful Africa Debate."

Rolake Akinkugbe-Filani, Chief Commercial Officer, Mixta Africa

"The Africa Debate was insightful, poignant and thought provoking. Many congratulations to the entire Invest Africa team for pulling together a virtual event that stood out from being just another virtual event."

David Aldridge, Business Development Director, De La Rue

"DFIs can support banks in the area of risk sharing. For most banks it's not an issue of not having the clientele and it's not an issue of them not having viable business plans. DFIs coming on board and partnering with banks will ensure we're able to access credit guarantee schemes to expand access to credit. Ecobank believes events such as the Next Generation Forum at The Africa Debate provide an invaluable platform for these conversations"

Josephine Anan-Ankomah, Group Executive Commercial Banking, Ecobank

Speaker Highlights



H.E. Hakainde Hichilema
President of the Republic
of Zambia



H.E. Nana Akufo-Addo
President of the Republic
of Ghana



H.E. Wamkele Mene
Secretary General
AfCFTA



Prof. Benedict Oramah
President
Afreximbank



Dr. Tedros Ghebreyesus
Director General
WHO



Dr. Ernest Addison
Governor
Bank of Ghana



Dr. John Nkengasong
Director
Africa CDC



Hon. Dr. Owusu Afriyie Akoto
Minister for Food and
Agriculture
Republic of Ghana



Hon. John Kumah
Deputy Minister for
Finance
Republic of Ghana



Abebe Selassie
Director, Africa
IMF



Sérgio Pimenta
Vice President, Middle
East & Africa
IFC



Sékou Sangaré
Commissioner for Agri-
culture, Environment &
Water Resources
ECOWAS



Adjoa Adjei-Twum
Founder & CEO
EBII Group



Rolake Akinkugbe-Filani
Chief Commercial
Officer
Mixta Africa



Nick Allan
CEO
Control Risks



Josephine Anan-
Ankomah
Group Executive for
Commercial Banking
Ecobank



Heidi Barends
Co-Head: Sustainable
Finance
Absa



Alan Barr
Partner
KPMG



Andrew Blease
Associate MD, Infra-
structure Finance Group
Moody's Investors



Anne-Marie Chidzero
Chief Investment Officer
FSD Africa Investments



Rhys Davies
Partner
DLA Piper



Venessa Dewing
Head of Core Sales
DHL Express



Sérgio Pimenta
Agnes Gathaiya
Country Director, East
Africa



Paul Jeroen van de
Grampel
MD, Head of CEEMEA,
Aon

Speaker Highlights



Wayne Hennessy-Barrett
Founder & CEO
4G Capital



Yvonne Ike
Managing Director
Bank of America



Arjun Mallik
Eastern & Central Africa
Regional CEO
Prudential Plc



Dr. Christopher Marks
MD & Head of Emerging
Markets, EMEA
MUFG



Dr Rufaro Mucheka
Business Development
Consultant - Africa
Jersey Finance



Kariuki Ngari
Chief Executive Officer
Standard Chartered
Bank Kenya



Prof. Anthony Nyong
Director, Climate
Change & Green Growth
AfDB



Karima Ola
Partner
LeapFrog Investments



Tito Ovia
Co-Founder & Head of
Growth
Helium Health



Gareth Penny
Chairman
Ninety One



Jeffrey Oppong Peprah
CEO
Volkswagen, Ghana



Charles Robertson
Global Chief Economist,
Head of Macro-strategy
Renaissance Capital



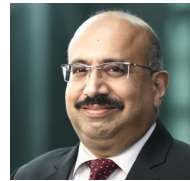
Genevieve Sangudi
Partner
Alterra Capital



Kamal Shah
Partner
Stephenson Harwood



Mikir Shah
CEO
Africa Specialty Risks



Venkataramani
Srivathsan
M & CEO, Africa & Middle
East
Olam Group



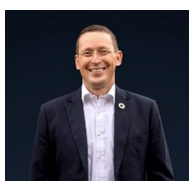
Bhairav Trivedi
Chief Executive Officer
Crown Agents Bank



Ifeyinwa Ugochukwu
Chief Executive Officer
The Tony Elumelu
Foundation



Philippe Valahu
Chief Executive Officer
PIDG



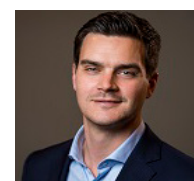
Philippe Vogeeler
Global Head of Business
Development
Vodafone



Mohan Vivekanandan
Group Executive:
Origination & Coverage
Development Bank of
Southern Africa (DBSA)



Emma Wade-Smith OBE
Her Majesty's Trade
Commissioner for Africa
Department for
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Rob Withagen
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