



مجلس الغرف السعودية  
Council of Saudi Chambers



مركز الخليج للأبحاث  
Gulf Research Center

# GULF AFRICA

## Investment Conference 2010

Fostering Economic Relations



28-29 Dhu Al-Hijja 1431 H, 4-5 December 2010 • Riyadh, Kingdom of Saudi Arabia





*Under the patronage of  
The Custodian of the Two Holy Mosques*

***King Abdullah bin Abdulaziz Al Saud***

# The Gulf and Africa



## AFRICA:

57 countries  
 Population, total (million): 967  
 Population growth (annual %): 2.4  
 Surface area (sq. km/thousands): 30200  
 GDP (current US\$ billion): 1354.4  
 GDP per capita (current US\$): 2555.7  
 GDP growth (annual %): 5.9  
 Inflation, end of period (annual %): 11.2  
 Current account balance (US\$ billion): 40.1  
 FDI inflow (US\$ billion): 36  
 FDI outflow (US\$ billion): 8

## THE GCC STATES:

6 countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates)  
 Population, total (million): 37.5  
 Population growth (annual %): 2.5  
 Surface area (sq. km/thousands): 2422.6  
 GDP (current US\$ billion): 1150.8  
 GDP per capita (current US\$): 46282.1  
 GDP growth (annual %): 8.2  
 Inflation, end of period (annual %): 11.3  
 Current account balance, (US\$ billion): 363.1  
 FDI inflow (US\$ billion): 41  
 FDI outflow (US\$ billion): 39

# Gulf-Africa Investment Conference 2010 - Conference

'Focus Africa' has become a popular theme in the foreign policy priorities of many countries. Endowed with vast natural resources and being an emerging investment destination with huge untapped economic potential, Africa is strategically positioned at the crossroads of the contemporary global economy. Geographical proximity and historical and cultural affinities make the African region not only a natural economic hinterland but also an emerging crucial economic partner for the Gulf Cooperation Council (GCC) countries. While, for the moment, Gulf-Africa relations remain highly asymmetrical and confined to a limited pattern of economic exchanges, the potential for economic engagement beckons an era of intensive cooperation focused on the increasing trade and investment linkages that are increasingly apparent. Based on huge complementarities and comparative advantages, there are outstanding potentials for augmenting economic cooperation between the two regions for mutual prosperity.

Recognizing the strategic contours of changing international economic relations, the Gulf Research Center in partnership with the Council of Saudi Chambers will be hosting the 'Gulf-Africa Investment Conference 2010: Fostering Economic Relations' on December 4 and 5, 2010 in Riyadh, Kingdom of Saudi Arabia. The Gulf-Africa Investment Conference 2010 will focus exclusively on economic relations and examining the business opportunities between the GCC states and Sub-Saharan Africa under the following major themes:

- Investment Environment
- Bilateral Trade and Trade Financing
- Agriculture
- Minerals and Natural Resources
- Energy
- Telecommunications and Infrastructure

The Sub-Saharan Africa (SSA) region is witnessing growing interest from both developed and emerging economies to establish strong trade links while exploring attractive investment opportunities in diverse sectors. This region is thus a critical potential trade and investment destination for the GCC states, given its geographical proximity and the ongoing diversification efforts. It is therefore imperative to explore and identify various opportunities for bilateral trade between the GCC states and the SSA region, while also highlighting the prevailing level of bilateral trade between the regions, political climate, economic growth expectations and government policies. Moreover, an in-depth assessment of potential opportunities for regional countries where a sector has assumed significance (for instance, mining in Ghana, tourism in Zimbabwe and Mauritius, etc.) becomes necessary for designing suitable policies in order to determine the size and contribution of the sector within the economy and its growth potential. Against this background, "Gulf-Africa Investment Conference 2010: Fostering Economic Relations" would focus on:

- Sector attractiveness and key recent developments – GCC states and SSA
- Sector size and market opportunities
- Key sector indicators and the driving forces
- Challenges and hurdles (poor infrastructure, investment restrictions, and social risks)
- Regulatory issues and developments and their impact
- Potential for cross-border investments, between GCC states and SSA
- Major players in the market and their competitive positioning
- Emerging trends and future outlook



# Gulf-Africa Investment Conference 2010 - Conference Concept



The main purpose of the Conference is to formulate a set of policy recommendations that can promote and advance the multifaceted and growing ties between the GCC states and Africa. At this stage, the institutional relations between the GCC states and Africa are still in their infancy and as such it is necessary and vitally important to create opportunities to network and establish working opportunities. The Gulf-Africa Investment Conference will not only be able to highlight the key trends that are currently shaping Gulf-Africa relations but will also identify new and future prospects. The Conference will focus specifically on the various investment opportunities that are presenting themselves and will concentrate on the strategies required to turn initial plans into concrete actions. This also includes existing and newly developing economic sectors about which there is little information available or which have not been widely publicized. In all of these instances, the Gulf-Africa Investment Conference is a unique gathering that will add substance to much of the present rhetoric about Gulf-Africa ties.

The Gulf-Africa Investment Conference 2010 will consist of open plenary sessions, working groups focusing on particular investment opportunities, and a final plenary to allow for the different strategies to be brought together to formulate an action plan. The conference will be held over a day and a half period. While the open plenary sessions will provide the broad outlines for the conference, the working sessions will focus on the specific components of the growing economic and business relationship between the GCC states and Africa. Each session will be chaired by a moderator and will feature individual presentations outlining investment opportunities and business prospects. The Conference will conclude with a final wrap-up session with the intent to arrive at a common vision of how best to proceed with a relevant action plan for policy implementation.

# Gulf-Africa Investment Conference 2010

## **Session 1: Gulf-Africa Relations: Views from Southern and East Africa**

## **Session 2: Gulf-Africa Relations: Views from East and West Africa**

## **Session 3: Gulf-Africa Relations: Views from the Gulf**

## **Session 4: Gulf-Africa Relations: The Role of Regional Organizations**

## **Session 5: Gulf-Africa Relations: Promoting and Funding Investment**

Session 5 will address the following:

- What are the main difficulties in building better business and investment ties? What obstacles have been faced and how can they be overcome?
- How can trade and investment relations be facilitated?
- Where do the main opportunities lie in building strong economic ties between the GCC states and Africa?

Specialized working groups will then discuss the following topics:

### **Working Group 1: Telecommunications and Infrastructure**

- Where are the pressing needs in terms of infrastructure in African countries and what needs to be considered when looking at investment opportunities in this area?
- How can GCC states' infrastructure companies, especially telecom companies, benefit from the huge investment opportunities in Africa?
- Apart from business interests, what are the other commercial insights that Gulf companies can provide to their African counterparts?

### **Working Group 2: Agriculture**

- With food security at the top of the political agenda, what are the trends in agriculture in the GCC states and Africa and how can these be turned into a mutually beneficial trading relationship?
- Being a net food importer, can Africa be a credible and long term source for the Gulf's soaring food imports?
- Do Gulf agricultural investments have the potential of transforming Africa's livelihood beyond meeting her food imports?
- What mechanisms should be adopted while negotiating agri-investment deals - investments across the supply chain or Greenfield investment; investment in back-end such as processing, packaging etc. or any other format?

### **Working Group 3: Trade**

- How can bilateral trade between the Gulf and Africa be strengthened?
- What is the potential for complementary trade?
- What improvements are needed for trade finance?
- Is there room for cooperation at the WTO and other international organizations?

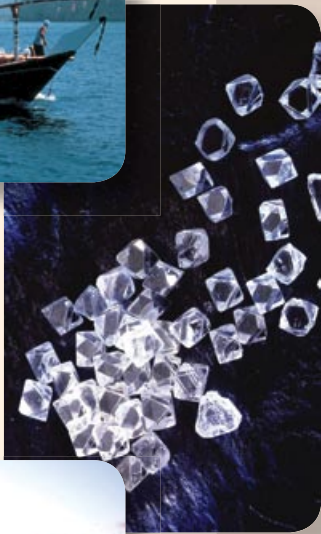
### **Working Group 4: Energy, Minerals and Natural Resources**

- Given that the competition for natural resources remains intense, what are the fields in which the GCC states and Africa can cooperate for maximum advantage?
- How are Africa's captive mineral sources indispensable for the GCC states' economic diversification in sectors such as steel, aluminum, etc?
- How can Africa use the GCC states' leverage in the global oil and petrochemical industry for its industrial advancement?
- What can be learned from each other's resource - based economic development strategy?

### **Concluding Session: Gulf-Africa Relations: Moving Economic Relations Forward**

- Given what has been learned from the Gulf-Africa Investment Conference 2010, what policy prescriptions need to be put in place to be able to foster better economic and business relations?
- What viable sectoral cooperative ventures could be taken up in the immediate future for expanding bilateral trade and investment relations?
- Would bilateral preferential agreements or pan-regional agreements foster close economic relations?

# Gulf-Africa Investment Conference 2010 - Program



## Saturday, December 4, 2010

- 8:30 Registration
- 9:00 Welcome and Opening Remarks
- 09:15 Session 1: Gulf-Africa Relations: Views from Southern and East Africa
- 10:45 Break
- 11:00 Session 2: Gulf-Africa Relations: Views from East and West Africa
- 12:00 Break
- 12:15 Session 3: Gulf-Africa Relations: Views from the Gulf
- 13:45 Luncheon Break
- 15:15 Session 4: Gulf-Africa Relations: The Role of Regional Organizations
- 16:30 End of Sessions
- 20:00 Conference Dinner and Official Opening under the Patronage of the Custodian of the Two Holy Mosques, King Abdullah bin Abdulaziz Al Saud

## Sunday, December 5, 2010

- 9:30 Session 5: Gulf-Africa Relations - Promoting and Funding Investment
- 11:00 Break
- 11:30 Parallel Working Groups
  - Each Working Group will begin with the presentation of a formal paper followed by interventions from a panel
  - Working Group 1: Telecommunications and Infrastructure
  - Working Group 2: Agriculture
  - Working Group 3: Trade
  - Working Group 4: Energy, Minerals and Natural Resources
- 13:00 Luncheon Break
- 14:00 Working Groups Continue
- 15:30 Break
- 16:00 Concluding Session: Gulf - Africa: Moving Economic Relations Forward

# The Gulf and Africa Conference 2009

Fully cognizant of an emerging Gulf-Africa relationship, the Gulf Research Center focused on the mutual ties in one of its pivotal research programs in 2008 and designated the Gulf-Africa Conference as part of its flagship annual conference program. The initial Gulf and Africa Strategy Conference was successfully held in Cape Town, South Africa, on February 24-25, 2009 under the theme 'The Gulf and Africa: Developing a New Strategic Partnership.' Key leaders and personalities from government, business, academia, and media participated in the Conference and speeches by H.H. Sheikh Abdullah bin Zayed Al Nahyan, Minister of Foreign Affairs of the United Arab Emirates; H.E. Abdullah Bin Ahmad Zainal Ali Reza, Minister of Commerce and Industry of the Kingdom of Saudi Arabia; the Honorable Mary Nagu, the Minister of Industry, Trade and Marketing of the Republic of Tanzania; H.E. Phandu T.C. Skelemani, Minister of Foreign Affairs of the Republic of Botswana; H.E. Antonio Fernando, Ministry of Industry and Trade of the Republic of Mozambique; Prof. Ekmeleddin Ihsanoglu, Secretary General of the Organization of the Islamic Conference and H.E. Tomaz Salomão, Executive Secretary of the Southern African Development Community, highlighted the various nuances of Gulf-Africa relations from a multidimensional perspective. All agreed that there was a need to focus on strengthening the strategic Gulf-Africa relations and to use the conference as a platform to take the relationship further. The good timing of the conference was highlighted by many as both regions face challenges and need to find new opportunities and partners to recover from the current global economic turmoil.



'The Gulf and Africa: Developing a New Strategic Partnership' further concluded that while many countries, including emerging ones such as China, are vying to gain strategic influence in the region, the GCC countries have been relatively slow in making inroads, especially into the Sub-Saharan countries. Consequently, there is a need to explore the potential for closer relations and to foster opportunities in the fields of bilateral trade, investment and overall broader cooperation. Concrete suggestions put forward included the need for a new architecture for cooperation and knowledge sharing through, for example, bi-annual meetings of chambers of commerce, co-hosting of sports events and increased connectivity through airports and ports to sustain the economic relationship.

The Gulf-Africa Conference has since emerged as the annual event that brings together key leaders and personalities from business, academia, government and media to outline the main issues and challenges facing more constructive relations between the key regions of Africa and the Gulf.

# The Gulf and Africa Conference 2009



H.E. Antonio Fernando  
Minister of Industry and Trade  
Republic of Mozambique



H.E. Abdullah bin Ahmed Zainal Ali Reza  
Minister of Commerce and Industry  
Kingdom of Saudi Arabia



H.E. Phandu T.C. Skelemani  
Minister of Foreign Affairs  
Republic of Botswana



Honorable Mary Nagu  
Minister for Industry, Trade and Marketing  
Republic of Tanzania



Dr. Tomaz Salomao  
Executive Secretary  
Southern Africa Development Community (SADC)  
Botswana



Ambassador Juma Volter Mwapachu  
Secretary General  
East African Community (EAC)



Dr. Khalid Al Sulaiman, Vice-President for Renewable  
Energy affairs, King Abdullah city for Nuclear  
and Renewable Energy  
Kingdom of Saudi Arabia



Wendy Luhabe  
Chairperson  
International Marketing Council  
South Africa



H.E. Ambassador Mona Omar Attia  
Deputy Foreign Minister for African Affairs  
Egypt



H.E. Mr. Mohammed Obaid Al-Mazrooei  
Assistant Secretary General for Economic Affairs  
Gulf Cooperation Council



Ambassador of the Kingdom of Bahrain



Ambassador of the State of Qatar to South Africa



Ambassador of the United Arab Emirates to South Africa

# The Gulf and Africa Conference 2009

“ ...such a dynamic and relevant conference would provide constructive ideas and practical initiatives for how to strengthen relations between the Arabian Gulf and African continent....”



**HH Sheikh Abdullah bin Zayed Al-Nahyan**  
Minister of Foreign Affairs  
United Arab Emirates



**H.E. Professor Ekmeleddin Ihsanoglu**  
Secretary-General  
Organization of Islamic Conference (OIC)  
Jeddah, Kingdom of Saudi Arabia

“ ...the importance of Gulf-Africa Conference emanates from the dimensions that drive Africa-Gulf relations...”



**H.E. Abdulrahman bin Hamad Al-Attiyah**  
Secretary-General  
Gulf Cooperation Council (GCC)  
Riyadh, Kingdom of Saudi Arabia



**H.E. Abdullah bin Abdulrahman Al-Hamoudi**  
Deputy Minister for Foreign Trade  
Ministry of Commerce and Industry  
Kingdom of Saudi Arabia

“ ...this conference is an excellent platform to promote cultural, informational, and political cooperation as these fields support the economic cooperation between GCC and Africa...”



**H.E. Dr. Fahad S. Al-Sultan**  
Secretary General  
Council of Saudi Chambers  
Riyadh, Kingdom of Saudi Arabia

# Gulf-Africa Investment Conference 2010 - Organizers

## Council of Saudi Chambers of Commerce and Industry

**Vision:** To have a notable role in the development of the national economy through the cooperation and coordination with the Chambers of Commerce and Industry, the business sector and all relevant entities in accordance with the general directions of the Kingdom of Saudi Arabia.

**Mission:** The Council cooperates closely with the Saudi Chambers of Commerce and Industry and assists in the protection, preservation and development of the business sector in the Saudi Arabia. It acts as a leading partner in the nation's development process, and helps preserve its human and financial resources as per the Islamic values.

### Strategic Objectives:

- Support the national development programs.
- Participate with the executive government authorities in preparing regulations and policies related to the business sector.
- Enhance the business sector participation in the economic and social development.
- Follow-up and monitor all internal and external economic changes.
- Develop and promote exports specifically, in addition to external trade in general.
- Participate in improving the investment climate.
- Develop the small and medium size enterprise sector.
- Participate in the Saudization of labor force in the business sector.
- Develop the external economic relations and enhance commercial partnership with friendly countries.
- Enhance the relations between the Council and the Chambers in addition to the relation between the Chambers themselves.
- Represent the Saudi business sector in the international arena.
- Activating the exercise of social responsibility of Saudi Chambers and all business sectors in the Kingdom.
- Contribute to the development of existing industries in Saudi Arabia and to facilitate the setting up of industries which support it
- Work to improve the image of entrepreneurs in society and the media constantly.



مجلس الغرف السعودية  
Council of Saudi Chambers

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## Gulf Research Center

Based in Dubai, United Arab Emirates, the Gulf Research Center (GRC) began its activity in the year 2000 as an independent, privately funded and non-partisan think tank, education service provider and consultancy, specializing in the Gulf region.

One of the main objectives of GRC is to produce recognized research from a Gulf perspective, thereby redressing the current imbalance in Gulf area studies, where local opinion and interests are under-represented.

At the GRC, we believe that the Gulf Cooperation Council (GCC) has transcended the initial reasons for its establishment and become a fundamental right of its citizens in the development of their region. The GRC seeks to further this belief by being an institution of distinction and innovative research that advances different aspects of development, ultimately, to benefit the people of the region.

Since its inception, the Center has grown considerably; our achievements are a tribute to the professional dedication and constructive advice of all those who have contributed to the initiative.



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