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INVESTMENT CHALLENGES IN SUB-SAHARAN AFRICA

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SUMMARY

1. Realities
2. Opportunities
3. Domestic Challenges
4. Global Challenges
5. Manageable Scenarios
6. The Future: Conclusion

1. Investment in Sub-Saharan Africa

- Huge population (circa 1 billion)
- Classified as developing/least developed countries
- Demand for rapid development
- Governments under pressure
- Willingness to embrace change
- Educated by unemployed youth
- Competition for FDIs

2. Opportunities

- Abundant natural resources
- Fastest developing countries
- Vibrant consumer markets
- Capital development projects
- Service industries
- Emerging international supply chains
- Industrial production: extractive industries

3. Domestic Challenges

- Corruption transparency, accountability
- Inadequate or dysfunctional transport infrastructure
- Insufficient energy generation and supply
- Human capital building
- Poverty enigma: rich/poor gap
- Land ownership

4. Global Challenges

- Climate change
- Terrorism
- Health issues: Ebola
- Economic battle ground: West vs East
- Mass youth relocation
- Others: food insecurity

5. Manageable Scenarios

- Security of investment: legal, financial, physical
- Democracy and rule of law
- Tribal and religious intolerances
- Political issues and occasional instability
- Regional economic group expectations (ECOWAS, ECCAS, COMESA, EAC, SADC)
- Government/investor/local community conflicts and interests

6. The Emerging Future

- Democratic ideals and the rule of law
- Local content for security of investment
- Rapidly increasing skilled and affordable manpower
- Technological innovations from sub-Saharan African, e.g. M-Pesa
- Global financial/banking linkages
- Need for advisory services and best practices: legal, financial and general management

6. The Emerging Future

- Markets: economies of scale
- Natural resources: oil, gas, strategic minerals, precious stones, etc.
- Internationally floated tenders: infrastructure, energy generation
- Competitive involvement: FDI
- Job creation: MEs, SMEs
- Unique investment opportunities: modernisation/globalization
- GGI global members take the lead: sub-Saharan Africa, the world's economic future, welcomes our investments

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