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ORGANIZATION



June, 2015

INVESTING IN AFRICA FORUM

Partnering to Accelerate Investment, Industrialization, and Results in Africa

Addis Ababa, Ethiopia, June 30 – July 1, 2015

On behalf of the co-organizers, the Government of the Federal Democratic Republic of Ethiopia, the China Development Bank, the World Bank Group, the China-Africa Development Fund and the United Nations Industrial Development Organization, we have the pleasure to invite you to the Forum, Partnering to Accelerate Investment, Industrialization and Results in Africa, to be held in Addis Ababa, June 30 and July 1, 2015.

The Forum will bring together representatives of governments, the private sector, think tanks, and international and continental institutions, to share experiences and exchange views, and identify specific actions for follow up. A concept note and provisional agenda for the Forum are attached.

As indicated in the agenda, sessions will focus on i) accelerating industrialization and manufacturing; ii) making Special Economic Zones (SEZs) and Industrial Parks work; iii) improving infrastructure and trade logistics; iv) creating the conditions to accelerate private sector investment; v) skills development for improved competitiveness and job creation; and vi) improving agricultural productivity and expanding agribusiness opportunities. While the Forum will take stock of experiences to date, it will be predominantly forward-looking and results-oriented, and will identify specific actions to attract investment and accelerate the process of industrialization.

Given your rich experience and understanding of the issues, we very much hope that you will join us to share your views. Your participation will contribute greatly to the success of the Forum. Additional information, including logistical details, will be sent following confirmation of your participation.

We would appreciate receiving your response to Ms. Ke Yuan by email (kyuan@worldbank.org) and Ms. Gao Yanhong (gaoyanhong@cdb.cn), Mr. Zhang Weifu (weifu.zhang@cdb.cn) and cc copying Ms. Fatimata Sy (fsy@worldbank.org) or fax at (1-202) 522-1580.

Sincerely,

Ahmed Shide
State Minister,
Finance & Economic
Development,
The Federal Democratic
Republic of Ethiopia

Yuan Li
Executive Vice
President,
China Development
Bank

Makhtar Diop
Vice President,
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Chief Executive
Officer,
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CONCEPT NOTE

INVESTING IN AFRICA FORUM

Partnering to Accelerate Investment, Industrialization, and Results in Africa

June 30 – July 1, 2015

Addis Ababa, Ethiopia

Background

1. China is currently the largest single bilateral investor in Africa as well as Africa's largest trading partner. Recent visits by Chinese leaders to Africa have re-confirmed Chinese commitment to the continent and signaled a pragmatic approach to cooperation, grounded in the priorities at the national and regional levels. China is keen to pursue balanced and accelerated investment in African countries, and new investment partnerships with investors from both OECD countries and other emerging sources of finance, including Africa itself.

2. The Government of the People's Republic of China, the World Bank Group (WBG), the Government of the Federal Democratic Republic of Ethiopia (GoE), and United Nations Industrial Development Organization (UNIDO) believe that increased investment and industrialization would help to unlock the potential for sustainable and inclusive growth, job creation and poverty reduction in African countries. They therefore agreed to have the China Development Bank (CDB), WBG, GoE, the China-Africa Development Fund (CAD-Fund) and UNIDO to organize a Forum to promote engaged and informed dialogue among stakeholders - policy makers, development partners, foreign and local private investors – on how investment could be encouraged and industrialization accelerated.

Objective and Theme

3. The objective of the Forum is to promote accelerated and responsible investment and investment partnerships in African countries, from China and elsewhere, particularly for the light manufacturing sector. As much recent literature has recorded, there can be substantial advantages from developing certain kinds of light manufacturing activities in African countries, given the availability of local resources and relatively low labor costs, as well as the rapidly rising wages and land costs in the current hub of light manufacturing industry in East Asia. However, neither the current scale of such manufacturing, nor the rate at which it is increasing, meet expectations, and recurrent implementation problems have emerged.

4. In this context, the conference will consider the role of business climate, trade logistics and regional initiatives in Africa, and seek to identify a forward time-bound action agenda. Existing and potential modes of collaboration between China, African countries, development partners, and the private sector will be considered.

Structure and Participation

- 5.** The Forum will be held in Addis Ababa from June 30 to July 1, 2015, at the Sheraton Hotel. The total number of participants is expected to be around 150.
- 6.** It will be structured around sessions covering: (i) accelerating industrialization and manufacturing; (ii) making special economic zones (SEZs) and industrial parks work; (iii) infrastructure and trade logistics, including regional integration; (iv) creating the conditions to accelerate responsible private sector investment, (v) skills development for competitiveness and job creation, and vi) improving agricultural productivity and expanding agribusiness opportunities. An important aspect of each session will be to have the benefit of Chinese experience on the topic as they relate to specific national and subnational settings in Africa. The WBG will bring the perspective of its analytical work and ongoing programs.
- 7.** Priority invitees include representatives of African countries that are export-oriented, have or are going to build industrial zones or taking credible steps toward industrialization, and those receiving substantial Chinese investments or in which investment discussions are ongoing. In addition, a select number of African think tanks and regional organizations, International Fund for Agricultural Development (IFAD), and development partners are invited.
- 8.** A Vice Minister of the Ministry of Finance (MoF), and a Vice President of China Development Bank (CDB), are expected to lead the Chinese delegation, which will include senior officials from MoF, Ministry of Commerce, Ministry of Foreign Affairs, senior executives from China Development Bank, Chinese senior diplomats in Ethiopia and senior representatives of 30 to 40 public and private companies operating or ready to invest in Africa.

INVESTING IN AFRICA FORUM AGENDA

Partnering to Accelerate Investment, Industrialization, and Results in Africa

June 30 – July 1, 2015

Addis Ababa, Ethiopia

The Forum will be interactive and facilitate discussion. Each session will have a chairperson, moderator and 3-4 panelists. Panelists will address specific issues posed by the moderator rather than make formal statements. Each session should share experiences and lessons learned, highlight good practices, and elicit suggestions for steps to be taken following the forum to promote expanded partnership, and support accelerated investment, industrialization and time-bound results in African countries.

June 30, 2015

09:00 – 9:45 Opening Session: Welcoming remarks, Government of Ethiopia; Ministry of Foreign Affairs, China; Vice Minister of Finance, China; World Bank Vice President for Africa; Director-general of UNIDO, China Development Bank, and African Union Commission

09.45 - 10.00 Break

10:00 - 12:00 *Session 1: Accelerating Industrialization and Manufacturing*

Focus of session: How industrialization and manufacturing can be accelerated in African countries, based on experience to date. What type of manufacturing provides an entry point.

Key questions the session could address include: What lessons has the Government of Ethiopia (or other country) learned from its experience so far in terms of actions governments need to take? What did it do that had the most impact? How has Government of China engaged with the Government of Ethiopia (or other country) and Chinese investors to encourage the process? What was the major problem faced by the private sector in engaging in industrialization and manufacturing in African countries (or other country/countries) and how was it overcome.

Discussion: Participants will be asked to share their experiences.

12:00 - 14:00 Lunch, with address by lunchtime speaker

14:00 - 16:00 *Session 2: Making Special Economic Zones (SEZs) and Industrial Parks work*

Focus of session: Experience of SEZs and industrial parks. What has worked and what has not.

Key questions the session could address include: What has been the experience of SEZs and industrial parks in African countries? How has this differed from the Chinese experience? What are the minimum conditions for success?

Discussion: Participants will be asked to share their experiences.

16.00 – 16.15

Break

16:15 - 18:15

Session 3: Improving Infrastructure and Trade Logistics

Focus of session: Identifying and overcoming infrastructure and logistical impediments to manufacturing.

Key questions the session could address include: What are the key infrastructure and policy constraints to efficient manufacturing and job creation? What are good practice examples of how these constraints have been overcome? How can necessary infrastructure be financed? How can China, African governments and other partners and the private sector work together to find and implement additional solutions quickly?

Discussion: Participants will be asked to share their experiences.

19:00 – 20:30

Welcoming Dinner Hosted by China Development Bank

July 1, 2015

09:00 - 11:00

Session 4: Creating the Conditions to Accelerate Private Sector Investment

Focus of session: What constitutes an enabling policy environment, responsible investing, and how do they reinforce each other.

Key questions the session could address include: From the Chinese investor and foreign private sector perspective, what are two or three key things that make a country attractive for investment? From the African perspective, what are two or three essential characteristics that constitute responsible investment by Chinese and other international companies? What lessons can be learned from the experience of other countries in terms of improving the climate for investment and encouraging responsible investment by the private sector? What do governments and companies need to do to ensure that reforms and policies are actually implemented?

Discussion: Participants will be asked to share their experiences.

11.00 – 11.15

Break

11:15 - 13:15

Session 5: Skills Development for Improved Competitiveness and Job Creation

Focus of session: How can investment by China help improve skills in African countries and what are the long term benefits.

Key questions the session could address include: From the perspective of African and Chinese private sector, what is the major constraint in terms of local skills they have faced, and how have they overcome it? What did skills development cost them and how long did it take? What would they like to see both African governments and the Chinese investors do in order to improve local skills? Are there examples of successful government and private sector partnerships in terms of developing skills?

Discussion: Participants will be asked to share their experiences.

13:15 - 14:30

Lunch

14:30 - 16:30

Session 6: Improving Agricultural Productivity and Expanding Agribusiness Opportunities

Focus of session: How can agricultural productivity be improved and opportunities for agribusiness expanded to enhance food security, generate employment, and increase rural incomes.

Key questions the session could address include: What key policy and technical issues need to be addressed to enable small scale producers and traders to benefit from the growing demand for food on the continent? How to promote uptake of new technologies on the ground? What lessons can be learned from China's experience?

Discussion: Participants will be asked to share their experiences.

16:30 - 17:00

Closing Session

17:30 – 19:00

Reception hosted by the Government of Ethiopia