

## 'Africa cannot be ignored'

"Given the size of its markets, growth, and huge potential across multiple sectors, Africa cannot be ignored." This was the African Development Bank President, Akinwumi Adesina's message at a public and private sector investor roundtable on Thursday in Calgary.



AfDB-Canada trade mission.

Addressing institutional investors, private sector representatives and provincial government officials in Alberta, Adesina said "We want to make sure investment in Africa can mirror a smooth plane touchdown so that your journey into Africa is not a bumpy ride."

"Look at Africa from a different lens. For too long Africa has been viewed primarily with a development lens rather than an investment lens," Adesina urged investors in the energy, gas, oil, and banking sectors.

On the last day of a four-day mission to Canada, Adesina and his delegation, including executive director David Stevenson representing Canada on the Bank's Board, shared Africa's tremendous opportunities spanning several sectors.

"We do not often hear about opportunities, but Africa is leading in many ways. Ecommerce and FinTech offer tremendous prospects. Today, 760 million Africans have access to mobile phones, a clear indicator that the continent can truly be disruptive," Adesina said.

By 2050, just 32 short years from now, Africa's population will tip the scales at 2 billion, twice the combined population of China and India today. According to Adesina, "By 2030, the combined consumer demand and business spending in Africa are expected to reach \$6.7 trillion. Our task is to unlock this huge potential", the head of Africa's leading financial institution commented.

### **Trade diversification**

On trade diversification, a top priority for Canada, Adesina recalled the signing of the African Continental Free Trade Area. Once in force, "this will be the largest trading block, with a collective GDP of \$3.4 trillion. So, look to Africa for trade diversification," Adesina pleaded.

In an open and frank discussion with investors and private sector leaders in Calgary, the Bank fielded questions about risk perceptions, regulatory issues, and the need to ensure fair playing fields for global investors. Investors expressed an interest in exploring opportunities in Africa and acknowledged that this was an opportune time for 'first movers' advantages.

Adesina acknowledged that, "perceptions of risk, and policy and regulatory environment issues are real challenges. However, we must ensure that investors see the Bank as the partner of choice. We are constantly innovating. For example, we just closed a landmark \$1 billion synthetic securitisation transaction first in the history of multilateral development banks. Risk is important but it should not be an excuse not to invest in Africa."

To address these challenges and unlock the continent's opportunities, the African Development Bank is championing the Africa Investment Forum (AIF) - a multi-stakeholder, multi-disciplinary platform dedicated to advancing projects to bankable stages, raising capital, and accelerating the financial closure of deals.

## **Opportunity**

Making a strong case for Canadian businesses to attend the Forum, Stella Kilonzo, senior director of AIF, explained the Forum, scheduled in Johannesburg, South Africa, November 7-9, 2018, "offers a unique opportunity not only to source de-risked investment opportunities in Africa, but also to support the development of a vibrant institutional investor community."

Masai Ujiri, President of the Toronto Raptors, a National Basketball Association (NBA) franchise, describes himself as a staunch believer in the African Diaspora's contribution to advance Africa's economic development. Ujiri, who is of Nigerian and Kenyan origin, has committed to attending the Africa Investment Forum, and becoming an ambassador, advocating for increased private sector and investor engagement in Africa.

The Africa Investment Forum is scheduled for November 7-9 2018, in Johannesburg, South Africa.

Source: [\*Africa Development Bank\*](#).