

AFRICAN UNION

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Addis Ababa, Ethiopia P. O. Box 3243 Telephone: +251 11 551 7700 / +251 11 518 25 58/ Ext 2558
Web site: [www. au.int](http://www.au.int).

**Seminar on Business Cooperation between Chinese and African
Entrepreneurs**

Beijing, China, 28 July, 2016

Remarks by Commissioner of Trade and Industry, H.E. Fatima Haram Acyl

African Union Commission

- Mr. Qian Keming, Vice Minister of Commerce
- Mr. Jiang Zengwei, Chairman of CCPIT
- Ms. Nomaindiya Mfeketo, Deputy Minister of International Relations and Cooperation of South Africa, and co-chair of FOCAC.
- Distinguished business leaders and members of the entrepreneurship and banking communities from both Africa and China
- Ladies and gentlemen

It is a pleasure to be here, representing the African Union Commission on this important occasion under the umbrella of the Forum for China-Africa Cooperation (FOCAC).

China has grown to be a strategic business and economic partner of Africa.

Foreign direct investment from China to Africa has exponentially risen from \$7 billion in 2008 to \$26 billion in 2013. China has been Africa's largest trading partner for years, with trade in 2014 reaching \$222 billion, estimated to reach US\$385 billion in 2016.

Like any other economy of the world, Africa needs investments from business people and entrepreneurs like you to grow. We are grateful for your attraction to

our dear Continent, Africa. We are aware of the challenges you face in working thousands of miles away from the environment that you are most familiar with, and on territory where you have no jurisdiction. But we are also aware of how clever Chinese business people and entrepreneurs are by analysing and understanding the equation of risks and returns, and this is what differentiates you from others.

African entrepreneurs stand to learn from your business model as they strive to engage more widely and effectively in the global market.

Today we know that at least 2,500 large and medium Chinese companies have registered to operate in Africa. This indicates that our business relationship is maturing and transitioning from a simple exchange of consumer goods against primary resources or raw materials, to a business partnership. As Africa develops its own productive capacities, it will seek partnership with Chinese entrepreneurs and businesses to provide material inputs, technology, production know-how, investment capital, and training. That is the benefit of foreign direct investment, which governments or the public sector alone cannot provide.

Our partnership with your government, the Government of China, has been grounded in the need to alleviate poverty, improve people's lives on both sides, protect the environment, uphold social peace and prosperity and mutual learning.

In December, Chinese president Xi Jinping has taken this partnership to a new level by pledging \$60 billion loan and aid package to Africa over a two-year period, in ten major projects. There is no other better opportunity to boost China-Africa business cooperation than implementing the pledge made by your President. Tomorrow we will be meeting to follow up on progress in a number of areas, which open up such business partnership opportunities. Those include:

- Investments in health, which will build capacity on the continent for early detection, prevention and response to infectious diseases;
- Investments in education generally and technical and vocational education and training (TVET) in specific. This is an area of comparative advantage for China, and an opportunity to African-Chinese joint ventures. It also benefits both Africa and China more generally as those centres create the skills required for businesses to perform properly.
- Investments in agriculture, agri-business, climate change / environment; and the blue-ocean economy.

Under the FOCAC Framework we are expected to prepare Invest in Africa and other Platforms to make this exchange possible. I invite us to start the preparations for this Platform to take place as soon as possible. We also need to discuss concrete mechanisms to support African exporters to China, and Chinese investors

and trade partners with Africa. African countries and their African Union Commission pledge to take our trade and investment relations to another level. Our Continent has many success cases in the area of facilitating investment, including in areas of agriculture and infrastructure, and we aim to replicate them in order to attract more investments and trade partners from countries all over the world, like China.

We look forward to welcoming you in Africa and believe that together we can make the world a better place for present and future generations, both Chinese and African.

I thank you.