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Commissioner Muchanga at the 2018 St. Petersburg International Economic Forum (SPIEF'2018): **“Africa needs more Russian foreign direct investments to enhance the current Africa-Russian trade ties”**

St. Petersburg, Russia - May 26, 2018 - Commissioner Albert M. Muchanga represented H.E.Mr. Moussa Faki Mahamat, Chairperson of the AUC at Russia-Africa Business Dialogue which took place during the SPIEF'2018 in St Petersburg, Russian Federation, which brought together brought together representatives from Governments and the Private Sector to focus on the topic of “Building a Trust Economy.”

During his intervention, Commissioner Muchanga, stressed the need to move away from the traditional approach that has characterized Africa's relationship with the rest of World, whereby African was perceived as a supplier of raw material and importer of manufactured products. He also discouraged the idea of Aid (official development aid and concessional loans), which will ultimately affect Instead, AU Commissioner for Trade and Industry emphasized that what Africa needs the most are foreign direct investment into key sectors to accelerate its industrialization and achieve the continent structural

transformation. In this regard, I indicated that the recent signing of the AfCFTA, which will result in the creation of a market of 1.2 billion consumers with a combined GDP of approximately US\$ 3 trillion, provided a great opportunity to increase the current volume of Africa-Russia estimated at approximately US\$12 billion. With a growing middle class and a young population, which account for more than 60% of its total population eager for new products, services and solutions, Africa was the best destination for Russian businesses. The new continental market created through the AfCFTA was even more attractive with the launching in January 2018 of the Single African Air Transport Market and the Protocol on Free Movement of Persons, the right of Establishment and the Right of Residence. He further indicated that Protocols on Investment, Intellectual Property Right, and competition Policy will be negotiated under Phase 2 of the AfCFTA negotiation and will provide more legal certainty to enhance the confidence of investors.

Going forward, Commissioner Muchanga stressed the need to enhance trade information among Russian businesses on trade and investment through opportunities available in Africa, including through business-to-business dialogue. In this regard in the short term, he invited the Russian Export Center to mobilize the Russian private sector to ensure an effective participation at the first Intra-African Trade Fair, scheduled from December 11-17, 2018 in Cairo, Egypt. He also suggested that in the medium to long term, consideration should be given to the possibility of organizing a Russian-Africa Business Forum, which will bring together African and Russian businesses.

The Business Dialogue: Russia Africa was by a number of dignitaries including the President of the Central African Republic, H.E. Mr. Faustin Archange Touadera, President of the Central African Republic, President of the Central African Republic and Mr. Mikhail Bogdanov, Deputy Minister of Foreign Affairs of the Russian Federation.

Commissioner Muchanga was supported by Mr. Babajide Sodipo, Senior Trade Adviser for AfCFTA and Mr. Jean Bertrand Azapmo, Regional Trade Adviser.

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