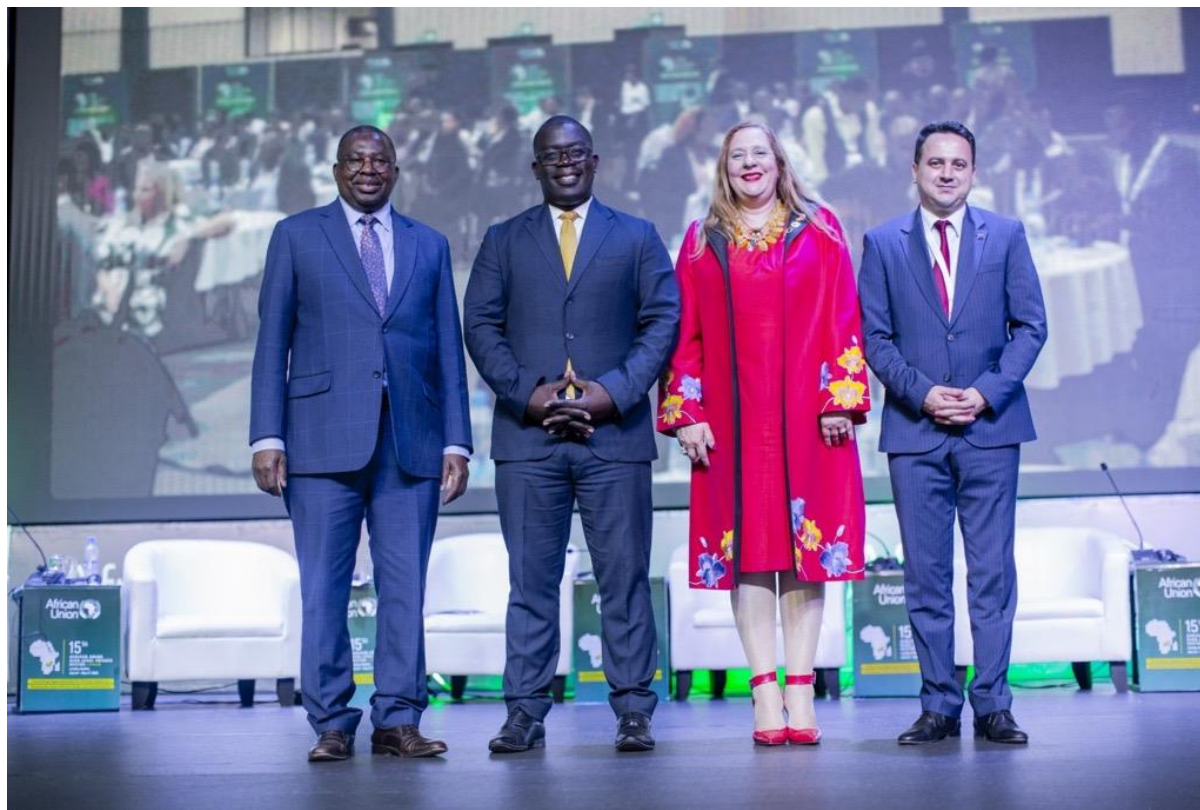


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**Public- Private Partnerships, a critical catalyst to achieve 7% growth rate and 40% GDP: AU Private Sector Forum.**

The African Union Private Sector forum has kicked off, providing a platform of what will be three days of forwarding looking engagements between the policy makers and African investors on how to make Africa more attractive to invest in and accelerate intra-African trade. Increased intra-African trade and investments on the continent are expected to positively inject into a broader tax base, increased entrepreneurship, innovation and growth. The 15th edition of the forum convened in Lusaka, Zambia from the 31 October – 2 November 2024, will delve into “unlocking opportunities for private actors to accelerate Intra-African trade and investments.”

In the era of low growth, huge debts and net outflows of financial resources from developing to developed countries, economic literature shows that middle-income economies need growth rates of 5% per annum to break the middle-income trap and move towards upper middle- or high-income countries. H.E. Albert Muchanga, African Union Commissioner for Economic Development Trade Tourism Industry and Minerals observes that the strengthened public- private partnerships are the catalyst needed to achieve and sustain growth rates of 7-10% per annum and raise investments to 40% of the Gross Domestic Product of each African country. The collaboration, he notes, is key to address the critical elements on policy consistency, energy poverty, insecurity,

poor quality of education, illicit financial flows, undervaluation of Africa's carbon sinks, limited capital market development, and, among others, corruption.

Addressing the forum, H.E. Muchanga stated that "Every country and every individual is affected by climate change. Although Africa accounts for less than 4% of carbon emissions, we are among those who suffer the most from the climate change related factors of flooding, droughts, heat waves, poor water quality, low agricultural yields and among others, energy supply shortages. The private sector has a critical role to play as a source of innovation and investments in the green transition. Africa is also a young and growing continent. We need to generate a minimum of 14 million decent jobs annually for our young Africans. Again we look to the private sector to generate the jobs, failure which the already large informal sector will keep growing."

Hon. Chipoka Mulenga, Minister of Commerce, Trade and Industry of the Republic of Zambia elaborated on the critical role the private sector plays as a source of economic emancipation for the continent. He underscored the need for African countries to complement each other rather than compete among themselves to achieve the prosperity of all African countries. Accelerated implementation of the African Continental Free Trade Area could define clear logistics support for intra-African trade and facilitate an ease of movement for goods, services and human capital.

He added, "regional borders should open to each other. We cannot continue to be islands. This is why we must address the challenges of the tariff and non-tariff barriers that continue to hamper the trade and integration of our economies. Data shows that less than USD 10 billion is traded within Africa while USD 3 trillion is externalized outside the continent. We need to promote each other's products, for instance, if we produce uranium, we need to provide power to our neighbours. We cannot grow our economies if we neglect of the private sector. Our policies must be generated by in a collaborative effort between the policy makers and the private sector."

Small and Medium Enterprises in Africa contribute to over 90 percent of the Private Sector businesses and create about 60 percent of job employment including women and youth. Dr Amany Asfour, President of Africa Business Council underscored the importance of capacity building and empowering of the private sector with more attention on the SMEs to realize Africa's development vision under Agenda 2063. Underscoring the importance of strengthening economic, commercial, business and investment ties among the business communities of the African continent, Dr. Amany noted the urgency to "invest in indigenous capacity building, information, innovation, science and technology, investment and access to affordable finance, and promotion of digital pay solutions, institutional strengthening, integrity and accountability, value addition, branding and standardization. If we do not develop our continent, no one will."

Mr. Suat Gulsoy, the Commercial Counsellor, at the Embassy of Türkiye in Lusaka, Zambia, shared the statistics on trade and investments between Türkiye and Africa since the establishment of the Strategy for the Development of Trade and Economic Relations with African Countries. He noted that "the trade volume with the African continent, which was at 5.5 billion dollars in 2003, reached 37 billion dollars in 2023

while the estimated market value of Turkish companies' investments in the continent reached 10 billion dollars creating employment for both Turkish and African workers.”

The 3-day forum brings together private sector from across the continent to discuss and co-create innovative strategies to addressing existing and emerging challenges that hamper intra-African trade. The panels sessions will interrogate issues on interoperable and inclusive cryptocurrency payment and remittance system; innovative financing instruments to foster green energy transition; mining, value-addition and trade of Africa’s critical minerals; digital inclusion and Artificial intelligence; Africa aviation market and enabling free movement of people; transportation and telecommunication network barriers; access to affordable financing to trade; and acceleration of the African Continental Free Trade Area.

The forum will also feature experience sharing sessions by industry associations and individual companies to inspire other actors to join, create positive narrative about business environment in Africa, strengthen business relationships and networks in Africa, gain feedback and support from other business actors in the same Industry. By sharing success stories, companies will demonstrate proof of concept and prospects of investing in Africa.

The “Hunting for Africa’s Unicorns” Innovators-Investors Match making session will give a platform to African Startups to pitch their business to a panel of judges and forum participants. The top 3 winning pitches will receive financial support. The pitches will demonstrate how the startups are addressing issues of access to capital and building a collaborative network of Youth startups and entrepreneurs. The session is important as the African Union seeks to develop an ecosystem of youth champions capable of accelerating economic transformation and growth of variety of sectors. It is a critical session that connects the innovators with investors and Venture Capital opportunities.

To support the Pan-African Fashion Initiative (PAFI), the forum will also feature a fashion show, showcasing how the industry players boost intra-African trade. The fashion industry, if fully harnessed, can bring the continent a net gain of 25% in revenue contribution and can grow other strategic sectors such as the industrial parks, the Pan-African payment system, transport corridors, improved procedures for customs clearance and goods tracking.

Follow updates of the events and activities at the African Union Private Sector Forum on - <https://au.int/en/newsevents/20241031/15th-high-level-au-private-sector-forum>

For further information please contact:

Ms. Doreen Apollos | Directorate of Information and Communication; African Union Commission | E-mail: [ApollosD@africa-union.org](mailto:ApollosD@africa-union.org)

Information and Communication Directorate, African Union Commission | E-mail: [DIC@africa-union.org](mailto:DIC@africa-union.org) |

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