



Africa Investment Roundtable

In Partnership with NEPAD, World Bank and African Development Bank

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Hosted by the Government of South Africa

OPENING REMARKS – AFRICA INVESTMENT ROUNDTABLE

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The Africa Investment Roundtable is an important event as it focuses on Africa's Investment Initiative in the context of NEPAD and the partnership with the OECD. The key principle of NEPAD is create an enabling environment conducive for investment – pre-conditions for development, looking at peace and security, democracy and political governance, economic and corporate governance, which are essential to the APRM process. There are identified priority sectors for development under NEPAD i.e. infrastructure development, ICT, human development and poverty reduction covering health and education, agriculture, promoting diversification of export production and focusing on market access for African exports. The process of financing development shall be undertaken through increased debt relief, domestic private savings, increased ODA and private investment flows, and proper fiscal management.

On the issue of governance, the matter must be transparent in order to help countries attract and benefit from investment flows. Establishing such transparency will require institutional capacity building and building partnerships in countries to assist in the reform, implementation and monitoring process. The following are areas proposed by NEPAD and OECD where policy action dialogue and action can help countries take this initiative forward:

- Supporting investment peer reviews
- Improving synergies between ODA and FDI
- Enhancing public governance for investment through an improved institutional and regularity framework
- Establishing stronger corporate governance principles
- Promoting corporate social responsibility

- Enhancing linkages between foreign invested companies and SMEs
- Promoting regional integration, and
- Fighting corruption

The proposals call for a result oriented, inclusive and comprehensive work programme in Africa for creating a positive investment environment.

There is a need to identify and establish conditions for economic and corporate governance, and public sector management. It is therefore imperative to identify key stakeholders on the continent and the international community i.e. OECD, to focus on the areas listed. The issue of governance and transparency are essential to promoting investment, however, there are other elements that require attention i.e. the state of the environment in which one is doing business, access to accurate and reliable information, the costs of doing business in Africa, the poor infrastructure (roads, electricity, telecommunications), weak financial markets, changing the perceptions on Africa, and creating incentives to attract investment.

In taking the initiative forward, it is critical that leaders take up their roles in reforming their countries and that dialogue amongst them takes place. It should be noted that the reform must not be based on attracting aid, but placing Africa as an investment destination. The OECD-Africa investment roundtable is the first of such initiatives (NEPAD-OECD partnership) in helping Africa attract and benefit from investment flows.