



# West Africa Investment Forum 2009

*Development through Economic Reform & Global Partnerships*

Transcorp Hilton Hotel, Abuja, Nigeria

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Closing Address

Mr Pascal Dozie

Forum Chair

Board Member

Commonwealth Business Council (CBC)

Business Support Group (BSG)

Your Excellencies, Colleagues, Ladies and Gentlemen

I am delighted to have this opportunity to make the closing remarks at this fourth West Africa Investment Forum.

As the G20 leaders arrive in London today, our overarching theme “Development Through Economic Reform and Global Partnerships” could hardly be more pertinent.

Yesterday, the World Bank President Robert Zoellig released startling new estimates which cut by half the growth projections for emerging markets he made in November. Emerging markets are expected to grow by just 2.1% in 2009, while the global economy will contract by 1.7%, the first time it has shrunk since World War II. World trade in goods and services is expected to fall 6.1% in 2009.

These are sobering figures. When I spoke on Monday I quoted the Bank’s November estimate that growth in Sub-Saharan Africa would be to 4.6% this year. But yesterday this figure was cut to just 2.4%. The Bank also estimates that declining capital flows will generate a financing gap in emerging markets of between \$270 billion and \$700 billion in 2009 with Sub-Saharan Africa one of the most affected areas – hindering infrastructure development.

In his address to the Forum, HE President Umaru Musa Yar’Adua noted that this Forum is the longest standing international economic forum in West Africa, and commended the strategic role of the Commonwealth Business Council in attracting FDI into the sub region. I want to draw on this experience and our learning from other emerging markets, and take a step back from the immediate global crisis to offer some general perspectives on reform and partnerships within ECOWAS.

I could not do justice to all the debates we have had, but all the presentations will be online at [www.cbglobal.org](http://www.cbglobal.org) this weekend, and I think you will agree that they were excellent, to a high intellectual standard and many thanks to each speaker. We covered topics from trade finance to communications, banking integration to intra-African trade, and other besides.

When it comes to predicting the economy, I am neither an optimist nor a pessimist. Predicting the course of the world economy challenges everyone, and has less value perhaps than the media places in it. What is important is defining our values, our objectives and the priorities we want to follow, come what may. In that regard, there was plenty to draw from in this Forum and I would like to make a few general points.

First, staying on course. Sticking with what we know works is even more important, especially in this period of change and uncertainty. We know that economies grow quicker when simple rules are followed: good governance, open markets which embrace the opportunities of the global economy, stable macroeconomic policies, fair competition, and investment in human and physical infrastructure. Because risk was grossly mispriced by some western banks, and governments ignored the danger, we should not conclude that free market mechanisms which

are well managed by accountable governments are not the best, the only sustainable, development agent.

Second, building an economy which meets people's needs. The Minister of Niger Delta Affairs reminded us of an important point, that for very many people in the Niger Delta, and indeed across West Africa, the real fruits of the past decade's growth have yet to be realised. What is the difference between 2% or 4% growth to them? It is only if we can extend entrepreneurship, investment in local jobs, infrastructure and open up the economic and governance process that we can hope to address long term needs. Building the wider economy is in the interest of business as well as society as a whole. I want here to record the special energy of the sessions on agriculture, which overflowed from late last night to an additional session before we restarted today! Farming is still the mainstay of 70% of the people in West Africa, and the session developed a very practical idea for a new micro-finance mechanism.

Third, accelerating domestic reforms when the G20 Government leaders assemble tomorrow it is critical that they keep a truly global vision, one which avoids protectionism and protects vulnerable economies. We can all agree with that. But to recall our colleague from Ivory Coast, the road from Abidjan to the Burkina Faso border has 151 checkpoints! There is nothing that the G20 can do about this, it is in our own hands, as are other inefficiencies, trade obstacles and poor practices which harm economic competitiveness, deter investments and drain public services.

Fourth, Delivery and implementation are what count most. Private sector representatives strongly believe that the critical challenges are in implementation and delivery, not policy, in which great strides have been made. The session on infrastructure in Nigeria illustrated this well. The policy is in place, but inconsistency, lack of expertise and complex approval processes are of real concern.

Power projects are a top priority but anyway take 4-5 years to achieve completion, yet there is a concern that delays in structuring deals and creating a clear business model will hamper progress.

Similar challenges remain in other sectors such as trade reform and progress in getting rid of trade barriers and inconsistent tax regimes which fragment markets. Governments need to focus hard on this point.

The ECOWAS President, Dr Mohamed Ibn Chambas in his statement articulated the broadly based reform programme of the region and underlined the importance of the private sector to delivery. His commitment to expedite follow up with member states to implement our conclusion is highly appreciated.

Fifth, leadership is central to all this. In this context, governance remains critical, and this is largely in our hands. The Executive Chairperson of the EFCC called for a tightening of the

application of governance codes, stronger enforcement and making CEOs personally responsible for compliance – the idea that this is a non-transferable duty. There was a strong endorsement of this idea for all leaders including government and civil society, and the importance of far reaching efforts to change public attitudes and values towards corruption, starting with the youth.

In conclusion, the core message must be that we need to go faster in implementing reforms, building public private partnerships and making it possible for entrepreneurs large, small and micro create jobs and develop the economy for people.

The most important role of the CBC has been to help create that interface between business and society, linking business and government, developed and developing countries, small and large companies. I am pleased to announce that between this Forum and next year, CBC will be supporting focused sessions in the following areas:

- infrastructure development, especially in the power sector to help provide affordable local power solutions.
- In association with Nollywood Business Frontiers helping the entertainment sector achieve its potential as a global producer of cinema products
- Business Action Against Corruption – I am pleased that at this Forum a broadly based coalition was launched on regional private and public cooperation to combat corruption. This will involve the Economic and Financial Crimes Commission (EFCC), ECOWAS, the UN Office on Drugs and Crime and the private sector bodies Business Action Against Corruption, Convention on Business Integrity and the Commonwealth Business Council.
- We are planning a special session in Lagos in late May on developing the new microfinance fund for agriculture to help subsistence micro-farmers become commercial farmers.
- Trade finance – strategies to tackle the shortage of trade finance

CBC was delighted to be once again partnering the Government of Nigeria and our colleagues at the Nigerian Investment Promotion Commission (NIPC), as well as ECOWAS. I should like on behalf of CBC to thank HE Umaru Musa Yar'Adua, President of Nigeria and Dr Mohamed Ibn Chambas, President of the ECOWAS Commission for their statements and for the support they have given to the organisation of the Forum.

None of this work would have been possible without the support of our sponsors and media partners. I should like to thank our principal sponsor GT Bank for its continuing support as well as all our forum supporters: Diamond Bank, First Bank, IGI, MTN, Union Bank and Contact Solutions. I should also like to thank the forum partners, BAAC, DFID, the Delegation of German Industry and Commerce in Nigeria, and the Nigerian German Business Association, UK Trade and Investment, and Virgin Atlantic.

With these words I wish you all a safe journey home and hereby declare the Forum closed.