



## **Outcomes of the Fourth Africa-Asia Business Forum (AABF IV)** **12-14 February 2007**

*Dar es Salaam* – The fourth Africa-Asia Business Forum (AABF IV) wrapped up on February 14, 2007, on a positive note as it led to business prospects worth US\$156 million.

“The great news out of AABF IV is that we have come up with 118 MOUs altogether – out of which 58 were signed between African and Asian businessmen and 59 were concluded between African businessmen,” said Bouna Sékou Diouf, Director of the TICAD/UNDP Africa Bureau and Senior Adviser to the Assistant Administrator and Director of the Regional Bureau for Africa. “More importantly, AABF IV has led to business prospects worth US\$156 million by the closing of the forum – more than the US\$152.9 million in declared value of the three previous combined AABF fora.”

These results showed that AABF IV offered a great opportunity for enhanced intra-African business partnerships, including businesses led by African women, which generated US\$66 million. The deals concluded ranged in scope and ambition from intra-African to African-Asian and tripartite (Africa-Africa-Asia or Asia-Asia-Africa) business partnerships. These are all examples of the growing interest of participating companies to work in partnership to promote Africa as a viable business destination.

A sectoral analysis of the MOUs provided the following information: Agro-processing: 35 MOUs, US\$79 million; Medical Equipment/Pharmaceuticals : 13 MOUs, US\$22 million; Textile/Garments: 12 MOUs, US\$19 million; Chemical Products: 9 MOUs, US\$6 million; Wood Products/Furniture: 9 MOUs, US\$4 million; Construction Engineering: 8 MOUs, US\$ 1 million; Automotive: 6 MOUs, US\$1 million; Tourism: 5 MOUs, US\$3 million; Electrical Products: 2 MOUs, US\$4 million; Jewelry: 2 MOUs, US\$4 million; Manufacturing: 2 MOUs, US\$1 million; Mineral Products: 2 MOUs, US\$5 million; Packaging: 2 MOUs, US\$0.03 million; Transportation: 2 MOUs; African Artifacts: 1 MOU, US\$0.2 million; Energy: 1 MOU, US\$6.5 million; Mining: 1 MOU, US\$0.7 million; and Technology/IT Equipment: 1 MOU.

Following are examples of some of the concrete features from AABF IV:

- A highlight of AABF IV was the keynote address by His Excellency Jakaya Mrisho Kikwete, President of the United Republic of Tanzania;
- 24 countries were represented during the three-day event: 17 came from Africa and 7 from Asia;
- 269 companies, including 228 from Africa (115 companies were from the United Republic of Tanzania and 11 companies from Japan) and 41 from Asia qualified to participate in AABF IV after a rigid screening process and were extended an invitation. As a result, 159 companies participated in the forum. Out of the participating 159 companies, 129 came from Africa and 30 from Asia. Of the 123 African companies, 67 represented Tanzanian companies;
- The African companies came from the following countries: Benin, Burundi, Cameroon, Congo (Republic of), Côte d'Ivoire, Egypt, Ethiopia, Kenya, Malawi, Mauritius, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe, whereas the Asian companies were from China, India, Japan, Pakistan, Singapore, Sri Lanka, and Thailand;



- An invitation was extended to all African countries including North Africa for the first time and Japanese firms participated in the forum for the first time in the history of AABF;
- AABF IV was held back-to-back with a symposium on financing Small and Medium-sized Enterprises (SMEs) organized by UNDP's South-South Cooperation Unit, which was attended by African commercial/development banks. This synergy created an opportunity for AABF IV participants to seek financing for the deals made at the forum.

Addressing the opening session, the Tanzanian President, said: "The Forum, as the mechanism for promoting partnership between African and Asian firms, has proved to be a great success. We have noticed as a result the acceleration of trade, investment and transfer of technology between our two regions," adding "Throughout the years, TICAD has evolved from a mere conference to a major global collaborative framework for promoting Africa's development. Indeed the successful conduct of the previous Africa-Asia Business Forums is a testament to the efficacy of the TICAD Initiative."

Among the forum's recommendations was a call for trust and confidence-building between African business leaders themselves to use their diversity and comparative advantages to promote business and to encourage investment that can generate employment and has a positive spill-over effect on supporting the burgeoning local industry.

Dr. Abdullah Qureshi of the Pakistan-based Technovision Pharmaceuticals, who represented the Asian businessmen at the press conference, noted that the deals were a sign that businesses from the two continents were able to interact and build confidence in each other before actually engaging in joint ventures. "The forum aims at first developing mutual trust between Africans and Asians. It aims at making Asians realize that there are people with whom they can do business in Africa," he said.

The chief executive officer of the Nigeria-based Imarsel Group of companies, David Etim, who participated in AABF for the first time, believes the Dar es Salaam event was the best in the series. His company struck six deals. However, he noted that without cooperation among African businesses themselves, the deals with their Asian counterparts would be fruitless. "To realize the deals, African banks need to interact first to make funds accessible to growing African enterprises," adding "African businesses need to have an Afro-centric mind to expand their businesses."

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