

Regional Agenda

# World Economic Forum on Africa

## Connecting Africa's Resources through Digital Transformation

Kigali, Rwanda 11-13 May 2016



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# Preface



Elsie S. Kanza  
Head of Africa  
Member of the Executive Committee  
World Economic Forum

Under the theme, Connecting Africa's Resources through Digital Transformation, the 26th World Economic Forum on Africa convened regional and global leaders to discuss digital economy catalysts to drive radical structural transformation, and strengthening public-private collaboration on global and regional challenges affecting Africa. The meeting offered them an opportunity to gain insight into the path forward for the continent, and focused on strategic actions to deliver shared prosperity.

The meeting took place for the first time in Rwanda, which has dramatically transformed since the 1994 genocide. Emerging as a regional high-tech hub, Rwanda boasts one of sub-Saharan Africa's fastest GDP growth rates. It is one of Africa's most competitive economies and a top reformer in improving the business environment. This noteworthy progress showcases its evolution as a knowledge economy powered by smart policies and investments. Nevertheless, further reforms and alliances are needed to accelerate development and expand socioeconomic opportunities by leveraging digital transformation.

However, Africa's economic growth outlook is under pressure, mainly due to adverse changes in the global economy, and is expected to remain just below 5% this year. As many of the region's countries improve their investment climate and continue macroeconomic policy reforms, foreign direct investment flows are expected to grow, although at a slower pace. Low global prices for major commodity exports, currency devaluations and debt sustainability considerations, as well as geosecurity threats that have weakened growth in some countries, underscore the need for economic diversification for sustained inclusive growth. These were just some of the challenges discussed in Kigali.

In this context, participants at the meeting debated new approaches to ignite structural transformation, particularly in the face of the rapid technological changes that have the potential to create new industries and spark inclusive growth. In workshops and debates at the meeting, it was clear that the appetite of the Forum's Members and constituents for public-private cooperation to solve these challenges has never been greater.

The meeting saw over 1,200 leaders from business, government, civil society, academia and the media, with over 90 senior government officials, including Rwandan President Paul Kagame and eight other heads of state. It also included strong representation from civil society, including more than 20 social entrepreneurs and representatives from world-renowned international organizations and institutions such as Oxfam International, the United Nations Population Fund, International Monetary Fund and the World Bank. Forum communities were represented by 50 Global Shapers, over 70 Young Global Leaders and 50 Media Leaders, and 50 members of the academic community.

The Co-Chairs of the meeting in Kigali reflect a diverse group of leaders from both the public and private sectors. I would like to thank them for their support before and during the meeting. I would also like to thank the Government of the Republic of Rwanda on behalf of the Forum for its great support and partnership, and look forward to continuing this into the future. The Forum is grateful to its Members and communities for their ongoing commitment to and participation in the World Economic Forum on Africa.

We look forward to welcoming you to next year's gathering in South Africa.

# Co-Chairs of the World Economic Forum on Africa



**Akinwumi Ayodeji Adesina**  
President  
African Development Bank (AfDB),  
Abidjan



**Dominic Barton**  
Global Managing Director  
McKinsey & Company, USA



**Tony O. Elumelu**  
Founder  
The Tony Elumelu Foundation,  
Nigeria



**Graça Machel**  
Founder  
Graça Machel Trust (GMT),  
South Africa



**Tarek Sultan Al Essa**  
Chief Executive Officer  
and Vice-Chairman of  
the Board  
Agility, Kuwait

# Facts & Figures

World Economic Forum on Africa in numbers

over **1,200** participants

**600** business leaders

**90** public figures

including **9** heads of state and government

over **290** women leaders

from over **70** countries

**50** media representatives

# Kigali Highlights



## Top Women Innovators

While Africa's start-up businesses are gaining scale, more needs to be done to create an enabling environment to optimize the potential of its women entrepreneurs. This was the reason for a Forum challenge to find Africa's top women innovators. Five innovators were selected after meeting the challenge's strict criteria. The winners took part in the World Economic Forum on Africa, where they met other social entrepreneurs and impact investors, and in sessions relevant to their expertise.

- Natalie Bitature, Musana Carts, Kampala, Uganda: The company developed environmentally friendly, solar-powered vending carts with a price point of \$400; each cart saves 3,000 tons of carbon emissions and improves the health of cities by eliminating pollution from charcoal and kerosene stoves.
- Audrey Cheng, Moringa School, Nairobi, Kenya: This school enables students to gain the skills needed to compete in the digital economy. Two years on, 100% of students have found work, earning on average 350% more than before they completed the coursework.
- Lilian Makoi Rabi, bimaAFYA, Tanzania: Offering mobile micro-health insurance for the low-income and informal sector, bimaAFYA drastically reduces costs through its completely mobile solution. It plans to expand to Kenya, Uganda, Rwanda, Nigeria and Ghana in 2017.
- Nneile Nkholise, iMED Tech Group, Bloemfontein, South Africa: The group uses additive manufacturing to design breast and facial prostheses for cancer and burn victims; its workforce comprises African women with research backgrounds in mechanical engineering.
- Larissa Uwase, CARL GROUP, Kigali, Rwanda: The group is improving people's health with innovative food products based on sweet potatoes. Agronomist Uwase's latest innovation, in partnership with the University of Rwanda, is to make spaghetti from the vegetable.



## Internet for All

Internet For All is a global initiative led by the World Economic Forum to develop models for large-scale public-private collaboration to accelerate internet access and adoption. The first partnership programme will target 75 million Africans in the Northern Corridor countries of Ethiopia, Kenya, Rwanda, South Sudan and Uganda. Efforts to extend the reach of the internet to the 4 billion people worldwide that are not yet connected will only succeed if a digital ecosystem approach is adopted where access, affordability, skills and content are given equal attention. The Forum has published a collection of best practices entitled *Internet for All: A Framework for Accelerating Internet Access and Adoption*. The report forms the basis of the initiative's first phase and provides a framework for governments and businesses to accelerate large-scale internet adoption. Read the report here: [http://www3.weforum.org/docs/WEF\\_Internet\\_for\\_All\\_Framework\\_Accelerating\\_Internet\\_Access\\_Adoption\\_report\\_2016.pdf](http://www3.weforum.org/docs/WEF_Internet_for_All_Framework_Accelerating_Internet_Access_Adoption_report_2016.pdf)

In addition, the Forum's Global Shapers community launched a grassroots campaign ahead of the meeting in Kigali to make the benefits of the internet available to everyone. The #Internet4All campaign is backed by over 90 Global Shaper Hubs across Africa. For more information, visit <http://internet4allafrica.org>.



## Blended Finance Partnership to Boost Infrastructure

The Sustainable Development Investment Partnership (SDIP), a Forum-led initiative, will establish a regional hub dedicated to facilitating investment in African infrastructure and development projects. The SDIP Africa Hub, co-hosted by the Forum and the OECD, will coordinate African regional activities of the initiative. SDIP has been set up with a mandate to support financing of the UN's Sustainable Development Goals through blended finance, which combines funding from private investors and lenders, governments and philanthropic funds. SDIP aims to target \$100 billion in investments using blended finance by 2020. In addition, the SDIP Africa Hub will also facilitate the exchange of best practices across its network of institutions. Learn more about blended finance: <https://www.weforum.org/reports/blended-finance-toolkit/>



## Transforming African Agriculture

Nearly 300 African and global leaders joined the Grow Africa Investment Forum in Kigali to accelerate partnerships and investments in African agriculture. The Grow Africa partnership reported that over \$500 million in new private-sector investments were implemented in 2015, bringing the total to \$2.3 billion implemented out of the \$10 billion committed by more than 200 African and global companies. In the past year, these investments benefited 10 million smallholder farmers and created 30,000 jobs, bringing the total number of jobs created to 88,000 since 2012. The partnership was co-founded by the African Union, NEPAD Agency and the World Economic Forum to advance progress on Africa's food security and agriculture-sector goals. Its secretariat, initially hosted by the Forum for a three-year period, has transitioned to NEPAD Agency headquarters in Johannesburg, South Africa. Marking this transition, the co-founders announced the appointment of the new executive director of Grow Africa, William Asiko. [www.growafrica.com](http://www.growafrica.com).

# Africans Must Take the Lead in Their Own Development

**With many countries in Africa facing difficulties, it is time for stakeholders to look at ways to restructure and transform economies to make them more resilient. Africans must take the lead.**

A key question for Africans in an era of global headwinds and low commodity prices is how to structurally reform their economies to make them more resilient to risk while simultaneously more sustainable and inclusive.

A key area of focus in this regard is not just the diversification of economies, but also the prioritization of domestic resource mobilization to counter the funding pullback from international markets, lingering perceptions of high investment risk on the continent, and Africa's historic reliance on donors. It is also an opportunity to rethink how private capital can be put to work to deliver public goods.

Billions of dollars in pension and insurance funds are being eyed to deliver funding for infrastructure. Efforts are underway to stop illicit financial outflows and work with international partners to have stolen money and assets brought back to Africa. To complement these efforts, Africa's mostly small and illiquid capital markets are being urged to work together to create the scale that would make them more attractive to international investors.

To attract capital for growth, perceptions about the levels of risk that exist on the continent need to be addressed. One way to do this is to fund and implement

successful projects and showcase them to highlight the ability of Africa to deliver. If Africans show that they are leading the way in their own development, the continent will become more attractive to investors.

The transformation of markets also requires finding new ways to address old problems. Technology is a key driver in this regard. At one end, it is enabling the growth of new sectors and giving governments the tools to be more efficient. At the other, it is disrupting traditional sectors such as banking to unlock greater access to funding for millions of small businesses and entrepreneurs at the lowest levels of the economy.



**“We must hold ourselves and each other accountable.”**

**Paul Kagame**  
President of the Republic of Rwanda

This is critical to driving inclusive growth. In sub-Saharan Africa, only one-third of people have a bank account and find it difficult to get funding for small enterprises. Mobile banking and other innovations are helping to bring entrepreneurs out of poverty by giving them access to finance to either start or scale up businesses.

The way is being led by Kenya with M-Pesa, a private-sector-driven mobile phone payment product that has been so successful that it now accounts for about 40% of the country's GDP and a growing proportion of deposits and transactions.

However, a cautionary note has been sounded about the ability of technology to disrupt labour markets on a continent with low skills levels and high unemployment. The Fourth Industrial Revolution prioritizes highly skilled workers while reducing demand for workers with less education and lower skills. There is a need to balance growth driven by technology with the creation of labour-intensive industries.

However, the percentage of GDP represented by manufacturing in Africa is still low – 9% in Nigeria, 12% in Kenya and just 8% in Zambia, for example, compared to 30% in China.

**“We need change now. We are very good at drawing up policies but very weak at implementation.”**



**Graça Machel**  
Founder, Graça Machel Trust (GMT), South Africa; Co-Chair of the World Economic Forum on Africa

The projection that the African population will more than double to 2.5 billion people by 2050 signals a large opportunity for Africans to produce for their own consumer markets, which are dominated by foreign producers. “The biggest opportunity for African countries and business operating in Africa is Africa,” noted Johan C. Aurik, Global Managing Partner and Chairman of the Board, A.T. Kearney, USA.

But for African manufacturing to be viable, Africa's large energy deficits must be addressed. Technology is playing a critical role here, enabling the development of sustainable energy options that can be built and applied quickly. But funding remains an issue, particularly for conventional large-scale power projects, which still drive generation on the continent.

Funding is available globally for the power sector, but perceptions of high risk in the early stages of projects in Africa and the long time for project development – between 7 and 10 years – affect confidence and raise development costs. Many governments, already battling with fiscal deficits, do not have the deep pockets required to assist meaningfully. Transformative partnerships with the private sector could mobilize funding in this regard.

Regional integration is one way to deliver infrastructure at a lower cost and leverage the benefits of shared risk and reward. However, it is not proceeding fast enough to deliver real benefits. Artificial barriers have been created by policies and regulations, and sovereign interests remain primary. To make it work, there needs to be coherence in policy and frameworks with some flexibility to accommodate sovereign interests and needs.

East Africa provides a model of what can be achieved with a vision of the future combined with

**“Democratic dividends occasioned by stable governance should be harnessed to strengthen quality education for the young population.”**



**Dominic Barton**  
Global Managing Director, McKinsey & Company, USA; Co-Chair of the World Economic Forum on Africa

strong leadership. The region has enhanced its economic prospects by increasing the mobility of skills, people, technology and goods – all at little cost to the countries themselves.

The restructuring of economies does not mean that resources should be put on the back burner during a cycle of low commodity prices. Countries that have natural resources need to manage them differently by harnessing revenues productively and adding value to them in order to build manufacturing, services and other sectors. Creating meaningful linkages with the broader economy is essential to transforming resource-rich countries.

As Tiaan Moolman, Partner, Bain & Company, South Africa, said: it is important not to “waste” a crisis. “Now is the time to build more efficient frameworks and partnerships to make commodities work better for countries.”



**01:** Press Conference BBC Africa: Richer but not Freer  
**02:** Erastus J. O. Mwencha, Deputy Chairperson, African Union, Addis Ababa  
**03:** Stories from Africa: Creative Industries  
**04:** Siyabonga Cwele, Minister of Telecommunications and Postal Services of South Africa  
**05:** Hope Azeda, Founder and Artistic Director, Mashirika Performing Arts & Media Company, Rwanda

**06:** Arancha Gonzalez Laya, Executive Director, International Trade Centre (ITC), Geneva  
**07:** Towards an Integrated Africa

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Nancy Kacungira, Journalist, United Kingdom; Geoffrey Qhena, Chief Executive Officer, Industrial Development Corporation of South Africa (IDC), South Africa; Ally Angula, Co-Founder and Managing Director, Leap Holdings Namibia, Namibia; Johan C. Aurik, Global Managing Partner and Chairman of the Board, A.T. Kearney, USA

# Climbing on to the Value Chain

“It’s a myth that it is okay to be a micro-business,” said Ally Angula, Co-Founder and Managing Director of Leap Holdings Namibia. Africans, she maintains, just need to change their mindset to believe they can manufacture goods themselves. Many people in Africa believe that manufacturing is about large factories, which puts it out of their reach. Bringing people to see how a small factory works can change their view of what is possible and give them the confidence to start thinking about how to enter the value chain.

Angula’s view was echoed by Tonye Cole, Co-Founder and Chief Executive Officer of Sahara Group, Nigeria, who said industrialization tends to be associated with large and expensive projects, but the process can be started at the lowest end of the value chain. He used the example of an agricultural project in Nigeria where tomato farmers were given an opportunity to learn about storing the produce and lengthening the shelf life of their crop rather than just taking it to market to be sold fresh. In this way, they are able to generate more income from their crop and start thinking about other ways to add value to it.

This type of early-stage intervention can provide a first step into the value chain for informal businesses and open up new areas of opportunity for investment.

Johan C. Aurik, Global Managing Partner and Chairman of the Board, A.T. Kearney, USA, emphasized that industrialization is about more than just manufacturing. It is a complex value chain of many different parts including technology, sourcing materials, distribution, logistics and innovation. Having a production plant is just one piece of the chain.

Improving Africa’s manufacturing capability requires an array of interventions by multiple stakeholders. This is a long process, Aurik said, but generating even just a little more value addition in agriculture and natural resources could have a significant effect on growth and employment in Africa.



**01:** Elsie S. Kanza, Head of Africa, World Economic Forum; Philipp Rösler, Head of the Centre for Regional Strategies, Member of the Managing Board, World Economic Forum; Paul Kagame, President of the Republic of Rwanda; Graça Machel, Founder, Graça Machel Trust (GMT), South Africa; Co-Chair of the World Economic Forum on Africa; Akinwumi Ayodeji Adesina, President, African Development Bank (AfDB), Abidjan

**02:** David Pilling, Africa Editor, Financial Times, United Kingdom; Ngozi Okonjo-Iweala, Chair, GAVI Alliance, USA; Patrick Njoroge, Governor of the Central Bank of Kenya; Tonye Cole, Co-Founder and Chief Executive Officer,

Sahara Group, Nigeria; Andrew Dell, Chief Executive Officer, HSBC Africa, South Africa; Tiaan Moolman, Partner, Bain & Company, South Africa

**03:** Growth beyond Commodities

**04:** Fredrik Jejdling, President, sub-Saharan Africa Region, Ericsson, South Africa; Bineta Diop, President, Femmes Africa Solidarité, Senegal; Makhtar Diop, Vice-President, Africa, World Bank, Washington DC; Pravin Gordhan, Minister of Finance of South Africa; Claver Gatete, Minister of Finance and Economic Planning of Rwanda; Bronwyn Nielsen, Editor-in-Chief and Executive Director, CNBC Africa, South Africa



- 01:** Towards an Integrated Africa
- 02:** Frannie Léautier, Partner and Chief Executive Officer; Mkoba Private Equity Fund, Tanzania; Uhuru Kenyatta, President of Kenya; Winnie Byanyima, Executive Director, Oxfam International, United Kingdom; Tony O. Elumelu, Founder, The Tony Elumelu Foundation, Nigeria; David A. Lipton, First Deputy Managing Director, International Monetary Fund (IMF), Washington DC
- 03:** The Future Is in Your Hands: Youth and Africa Rising
- 04:** Pravin Gordhan, Minister of Finance of South Africa
- 05:** Alpha Condé, President of Guinea
- 06:** Ngozi Okonjo-Iweala, Chair, GAVI Alliance, USA



01



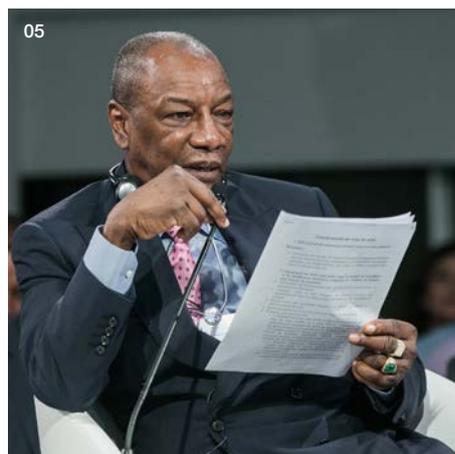
02



03



04



05



06

# Governance and Institutions: High Speed, But Good Brakes

**Africa is in a hurry. For people of the continent to participate fully in the Fourth Industrial Revolution and share in its manifest growth benefits, things have got to change. The challenge is to drive that change and direct it strategically.**

Every debate on the future of Africa has an undercurrent of urgency.

Paul Kagame, President of the Republic of Rwanda, epitomized the mood by saying that Africa must use opportunities presented by the Fourth Industrial Revolution to transform itself from a place of poverty into one that contributes as an equal on the world stage. “Africa should not be still playing catch-up when the fifth revolution comes around,” he declared.

From the same platform came the message that “Africa has no choice but to be ambitious” – from Akinwumi Ayodeji Adesina, President, African Development Bank (AfDB), Abidjan, and a Co-Chair of the World Economic Forum on Africa.

Speed is the name of the game, but haste and uncoordinated action in formulating public policy and in implementation can bring the opposite: chaos, duplication, stultifying bureaucracy and corrosive corruption. Good governance and strong, effective institutions are therefore of paramount importance.

Change is disruptive, and disruption is good for innovation and entrepreneurship – the drivers of growth and job creation everywhere. But, as rural farmers have known for centuries, herding goats or cows in one general direction is the only path to realizing their commercial value.

Innovative, “out-of-the-box” thinking is always to be encouraged, but new ideas and technologies must be “herded” and fashioned for the common good, towards inclusive growth. Thus, governance and institutions must be engines of facilitation – of partnerships and linkages, of speeding things up.

But they also have a role as safeguards to ensure a fast-moving digital future “does not leave anyone behind,” according to Graça Machel, Founder, Graça Machel Trust (GMT), South Africa; Co-Chair of the World Economic Forum on Africa. The first three industrial revolutions left Africans as a whole behind, with women in particular being abandoned, she said.



**“The global economy is working for the small elite at the expense of the majority; wealth is just not trickling down.”**

**Winnie Byanyima**  
Executive Director, Oxfam International, United Kingdom

Linking the power of technology and the boundless resource of people can be achieved through “good policies and accountability,” said Kagame.

A clear message emerging from the 26th World Economic Forum on Africa was that energy supply is the continent’s highest priority. Even the economic transformation and poverty alleviation promised by the digital wave will be impossible without the electrical connections to power things.

Well over half of the people on the continent have no access to electrical power in any form. The predicament is plain and large-scale power infrastructure plans have been laid all around Africa, with promises of universal electrification sometime within the next two to three decades. But the demand for power is exploding right now, leading to calls for “smart energy” solutions incorporating independent power producers, renewables, solar and battery devices at household level and mini-grids.

Governments and regional institutions are the only structures that can properly coordinate such smart mixes, switching and plugging across grids to start to fill the vast gaps in power supply. “Africa is tired of being in the dark,” exclaimed Adesina. “This is why the African Development Bank will spend \$12.5 billion in the next five years on its New Deal in Electricity,” he said. His institution has its foot on the accelerator.

Both large-scale power stations and any significant upscaling of renewable energy solutions require major injections of capital. With African capital markets being relatively shallow, international financing is inevitably required. Here, local issues of governance and well-functioning institutions come under the glare of the “risk” spotlight. Unfortunately, as many promising growth initiatives in Africa – both public and private – have found, risk assessment box-ticking in international finance houses is “old school” and unnecessarily rigorous.

Pravin Gordhan, Minister of Finance of South Africa, said he would like to see

greater nuance in financial markets, a more balanced approach benefitting all parties and emanating from a new, progressive international consensus. An ideal would be international understanding of developmental issues, with dedicated long-term investment for the benefit of future generations everywhere – given Africa’s vast potential, particularly in agriculture.

The present situation of a search for short-term yield, along with transient sentiment, is damaging. Financial markets need to be persuaded by African leaders and institutions of the need to don “a different set of lenses when looking at Africa,” said Gordhan.

In addition, Africa must work towards building deeper, more stable financial markets of its own. Aggregation of pension funding, curbing massive tax dodging and seepage of wealth abroad, and bringing more small business into the revenue net are all ways to strengthen funding sources.

Regional integration has long been a mantra for African development, but never more so than now, with the digital revolution banging on the door. The benefits to trade of larger markets and “frictionless borders” are obvious, but issues of sovereignty, nationalism and conflicting agendas create stumbling blocks.

Sensitive and wise leadership – and nimble multilateral institutions – are needed to propel regionalization. Much has already been achieved, with trade blocs such as the Tripartite Free Trade Area of southern, eastern and northern Africa already up and running. A common currency exchange region is imminent, too, but communication technology convergence is demanding an even faster pace.

Politically, “there is a clear bias for action,” said Siyabonga Gama, Chief Executive Officer, Transnet, South Africa, but added that “leadership and vision” are needed to ensure that each country can contribute in a meaningful way.

Connecting Africa’s resources – through digital transformation and through regional corridors – will be done through partnerships; public-private partnerships, social compacts between rulers and leaders, and pacts between countries.

Trust and understanding are the keys to any prosperous partnership, as Kagame mentioned. But partnerships can also be corrupt and corrosive to society. The president said the blight of corruption in Africa will be eliminated by good governance and by tightly run institutions. “We must hold ourselves and each other accountable,” he said.

**“We need to drive a continental free visa access policy to eliminate challenges associated with visa access and promote talent movement across the bloc.”**



**Akinwumi Ayodeji Adesina**  
President, African Development Bank (AfDB), Abidjan; Co-Chair of the World Economic Forum on Africa



**01:** Makhtar Diop, Vice-President, Africa, World Bank, Washington DC  
**02:** Bineta Diop, President, Femmes Africa Solidarité, Senegal  
**03:** Rebuilding Trust and Integrity in Business  
**04:** Colin Dyer, President and Chief Executive Officer, JLL, USA  
**05:** Caroline Kenderobb, Executive Director, Africa Progress Panel (APP), Switzerland  
**06:** Philipp Rösler, Head of the Centre for Regional Strategies, Member of the Managing Board, World Economic Forum

**07:** Jubril Adewale Tinubu, Group Chief Executive, Oando, Nigeria; Jasandra Nyker, Chief Executive Officer, BioTherm Energy, South Africa; Edith Kimani, Nairobi Correspondent, Deutsche Welle, Germany; Jacqueline Novogratz, Founder and Chief Executive Officer, Acumen, USA; Erastus J. O. Mwencha, Deputy Chairperson, African Union, Addis Ababa  
**08:** Global Shapers at the Transformation Hub



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Kanayo F. Nwanze, President, International Fund for Agricultural Development (IFAD), Rome; Yonov Frederick Agah, Deputy Director-General, World Trade Organization (WTO), Geneva; Susan Mboya, President, The Coca-Cola Africa Foundation; Group Director, Women's Economic Empowerment, Eurasia and Africa, The Coca-Cola Company, Kenya; Philip Kiriro, President and Chairman, Eastern Africa Farmers Federation (EAFF), Kenya; Gerardine Mukeshimana, Minister of Agriculture and Animal Resources of Rwanda

# How Farmers Can Grow and Grow

Envious eyes have been cast on Africa as a future breadbasket. The continent has the land, the climate and the farmers to feed the entire world for some considerable time. However, Africa presently contributes less than 10% to the global food system, thanks to an enduring legacy of poverty, subsistence farming, limited access to land and weak public policy on agriculture.

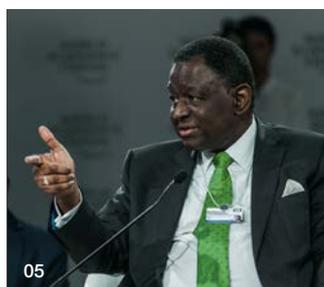
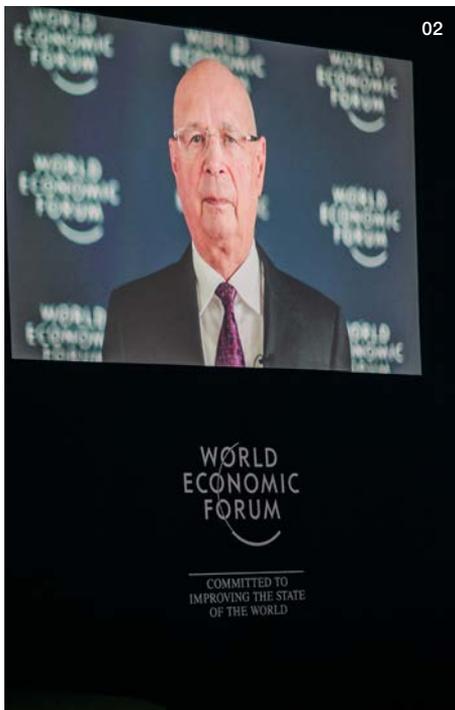
The arrival of the Fourth Industrial Revolution in the cornfields of Africa will see all that change. Technology is rapidly becoming a transformative tool for tilling the soil, with even the smallest subsistence farmer gaining instant access to market prices, weather forecasts, extension services and transport network information.

Innovation exists, but there is a patent need to scale up beyond the grassroots level. Productivity must be enhanced to feed not only lucrative export markets, but also Africa's own burgeoning populations. Government intervention should clear the way for market forces to determine where food is grown – for optimal yield and economical proximity to produce markets.

Extension services and agricultural agencies are the institutions that can project regional and continental views – adopting and adapting innovation, balancing surpluses and shortages, devising strategies for climate fluctuations, and extending networks of trade and transport.

Old systems of credit and financing for agriculture are clearly no longer meeting expectations, and fertile new methodologies and institutions are needed. Intervention is also sorely needed in the value chain, with policy, financing, education and technology resources – not to mention government energy – being poured in the direction of processing raw produce.

Spice growers of Kenya offer a remarkable example of how simple farmers can dramatically change their fortunes and those of fellow villagers by venturing into beneficiation. A project to dry, grind, bottle and market spices within a community managed to increase the value of the crop forty-fold.



**01:** Africa Social Entrepreneurs of the Year Award ceremony  
**02:** Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, via video  
**03:** Ricardo Meléndez-Ortiz, Chief Executive, International Centre for Trade and Sustainable Development (ICTSD),

Switzerland; Sandy Andelman, Chief Scientist and Senior Vice-President, Conservation International, USA; Vincent Biruta, Minister of Natural Resources of Rwanda; Mohamed Abdel Samad, Co-Founder, Shagara, Egypt; Fokko Wientjes, Vice-President, Sustainability and Public-Private

Partnerships, Royal DSM, Netherlands; Katherine Lucey, Founder and Chief Executive Officer, Solar Sister, USA  
**04:** Liu Guijin, Special Representative of the Chinese Government on African Affairs (2007-2011), Ministry of Foreign Affairs of the People's Republic of China

**05:** Babatunde Osotimehin, Executive Director, United Nations Population Fund (UNFPA), New York

**01:** James Mworia, Chief Executive Officer, Centum, Kenya; Sneha Shah, Managing Director, Africa, Thomson Reuters, South Africa; Arnaud Ventura, Co-Founder and Chief Executive Officer, PlaNet Finance, France; Arjuna Costa, Partner, Omidyar Network, USA; Tsholofelo Mokgoabone, Coordinator, Programmes and Research, The Masire-Mwamba Office, Botswana



**02:** Donna Oosthuysen, Director, Capital Markets, JSE, South Africa; Pravin Gordhan, Minister of Finance of South Africa; Oscar Onyema, Chief Executive Officer, Nigerian Stock Exchange (NSE), Nigeria; Benno Ndulu, Governor of the Bank of Tanzania; Hendrik du Toit, Chief Executive Officer, Investec Asset Management, United Kingdom; Bob Diamond, Founder and Chief Executive Officer, Atlas Merchant Capital, USA; Miguel Azevedo, Head, Investment Banking Africa, Citi, United Kingdom



**03:** Nudging People, Policies and Practices

**04:** David A. Lipton, First Deputy Managing Director, International Monetary Fund (IMF), Washington DC

**05:** Virtual Reality Experience

**06:** Rapelang Rabana, Founder and Chief Executive Officer, Rekindle Learning, South Africa

**07:** Charlotte Petri Gornitzka, Director-General, Swedish International Development Cooperation Agency (Sida), Sweden



# The Fourth Development Revolution

**Rwanda may be the land of a thousand hills, but Africa is the continent of a thousand opportunities. Many of these can be found in information and communications technology but also, more importantly, in the innovative spirit and talent of its people, who want to improve their lives and see their countries prosper.**

The Fourth Industrial Revolution is the new context within which Africa will implement its development agenda. Digital transformation has the potential to accelerate and scale up models of partnership and delivery, both in terms of the UN's 2030 Agenda for Sustainable Development and the African Union's Agenda 2063. However, achieving the ambitious goals set out in these development agendas will require significant investments in education, healthcare and, above all, people.

The need to invest strategically in Africa's young people is a pressing issue, and building entrepreneurship and the skills base would lead inevitably to

inclusive growth and future prosperity. The biggest business opportunities in the coming decade will be created by Africans who start businesses, generate jobs and wealth, and capture growth opportunities.

"Development is about more than money, or machines, or good policies – it's about real people and the lives they lead," stressed Paul Kagame, President of Rwanda.

Since the end of the Rwanda genocide in 1994, the country – through concerted efforts of reconciliation and unification – has achieved much. Today, more than 90% of the country's population is enrolled in the national health

programme, providing citizens access to healthcare at the local and national levels. In addition, there is close to 100% countrywide enrolment in primary schools. And the One Laptop per Child initiative has provided more than 100,000 laptops to children across the country, ensuring that even the poorest students have access to digital education. Such accomplishments may make Rwanda the exception in Africa, but can serve as a role model for other countries to follow.

The key for Africa, then, will be to adopt an innovative mindset and focus on skills development to ensure that digital transformation opportunities can be filled – and led



**“Fix the infrastructure through public-private partnerships and we will build our processing capacity.”**

**Tony O. Elumelu**

Founder, The Tony Elumelu Foundation, Nigeria; Co-Chair of the World Economic Forum on Africa

– by Africans. It will also mean that now, more than ever, Africa must become a creator, and not just a consumer, of technology. For that to happen, however, the quality of education has to change.

“If we don’t fix the education system, we won’t live up to the potential of the continent,” said Dominic Barton, Global Managing Director, McKinsey & Company, USA, and Co-Chair of the World Economic Forum on Africa.

Throughout the meeting, many called for a revolution in education, urging reinvestment in both methods and systems, which have not changed in decades. To embrace the Fourth Industrial Revolution, African education systems need to move away from a traditional focus on liberal arts to curricula with more science and mathematics, with the aim of producing more scientists and researchers. They also need to be inclusive, with equal opportunity for girls. “Nothing will move if we don’t put girls at the centre of development. They will change the face of the continent,” said Babatunde Osotimehin, Executive Director, United Nations Population Fund (UNFPA), New York.

**“To reach the last of the last, there may need to be a conversation on what model works for the rural areas.”**



**Elizabeth Migwalla**  
Senior Director,  
Government Affairs,  
Africa, Qualcomm,  
South Africa

As a continent, Africa needs to adopt technology to compete globally. Not investing in R&D means that knowledge is not being developed, which in turn produces inefficiencies. It is essential to allow room and investment in the creative process for failure and experimentation in order to develop new ideas.

New ideas are also needed in healthcare. According to the UN, sub-Saharan Africa has 11% of the world’s population and bears 25% of the disease burden in the world, but has only 3% of the world’s medical professionals. Despite technological advances in healthcare, many hospitals in Africa still lack electricity and trained health workers.

“Healthcare is one of the basics that we have to get right to ensure development, not just in Africa, but everywhere in the world,” said Hans-Paul Bürkner, Chairman, Boston Consulting Group, Germany. He added that, while new technologies can help address healthcare issues in Africa, fundamentally it is the continent’s people, basic supply chains and innovative partnerships that will make the difference.

Alpha Condé, President of Guinea, recalled that, during the Ebola crisis in his country, technologies – such as telemedicine and online data management – were important for fighting the disease and strengthening the healthcare system, but so was awareness-raising in remote areas by locally trained community health workers. The key was not just the technology, but also the people who use it.

While investing in people and education is crucial to adapting and succeeding in the face of the Fourth Industrial Revolution, it will not be possible without power. One of the greatest priorities for the continent is universal electrification to allow digital technology to play its role in transforming lives.

**“I would like to see an electronic superhighway for trade facilitation in Africa.”**



**Tarek Sultan Al Essa**  
Chief Executive Officer  
and Vice-Chairman  
of the Board, Agility,  
Kuwait; Co-Chair of  
the World Economic  
Forum on Africa

“The continent cannot transform without power. It cannot educate its children without power,” said Erastus J. O. Mwencha, Deputy Chairperson, African Union, Addis Ababa.

To address this issue, the African Development Bank (AfDB) will spend \$12.5 billion in the next five years on its New Deal in Electricity, a partnership-driven effort with the goal of achieving universal access to energy in Africa by 2025 – a goal enshrined in the UN’s Sustainable Development Goals and the Africa Union’s Agenda 2063.

Africa has no choice but to move rapidly towards a smart mix of energy systems if it is to grow and prosper in step with the rest of the world, said Jubril Adewale Tinubu, Group Chief Executive, Oando, Nigeria. “We have a wonderful opportunity to leapfrog out of poverty – simply by building robust energy generation,” he said.

The transformative power of technology lies at the core of the vision of a Fourth Industrial Revolution; however, it should be understood that technology is not a “magic bullet” in itself, but a tool for wisely tackling the challenges faced by Africa.



01

**01:** Cyril M. Ramaphosa, Deputy President of South Africa; Paul Kagame, President of the Republic of Rwanda; Macky Sall, President of Senegal; Akinwumi Adesina, President, African Development Bank (AfDB), Abidjan; Ali Bongo Ondimba, President of Gabon; Alpha Condé, President of Guinea  
**02:** Cynthia Gordon, Executive Vice-President and Chief Executive Officer, Africa Division, Millicom Services UK, United Kingdom  
**03:** Nudging People, Policies and Practices  
**04:** Farah Golant, Chief Executive Officer, Girl Effect, United Kingdom  
**05:** Osagie Ehanire, Minister of State of Health of Nigeria  
**06:** Sameer Hajee, Chief Executive Officer, Nuru Energy Group, Rwanda  
**07:** John Rice, Vice-Chairman, GE, USA  
**08:** Edwin Macharia, Partner, Dalberg Global Development Advisors, Kenya; Temitope Ola, Chief Executive Officer, Koemei, Switzerland; Marianne Eve Jamme, Founder and Chief Executive Officer, SpotOne Global Solutions, United Kingdom; Ding Shaohua, Senior Vice-President, Huawei Technologies, People's Republic of China; Cina Lawson, Minister of Posts and Digital Economy of Togo; Austin Okere, Founder and Executive Vice-Chairman, Computer Warehouse Group, Nigeria



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Transformation of Healthcare session

# Transforming Africa's Health Systems

With traditional, capital-intensive and hospital-centred approaches to healthcare often proving unsustainable and ineffective, Africa faces a critical need to embrace new technology and big data in ways that enable people to live healthier and longer lives. This represents a huge “leapfrog” opportunity.

The World Economic Forum’s *Health Systems: Leapfrogging in Emerging Economies* report shows that African and other developing nations can close the healthcare gap in their countries and reach OECD standards within years rather than decades through innovative public-private partnerships.

Take for example Nigeria, which at current rates would take 300 years to achieve the same level of access to a doctor or health professional as in Europe and the United States today. To cut down the waiting time, Nigeria’s south-western Ogun State has developed an innovative insurance scheme, which aims to provide healthcare coverage to more than 100,000 people by 2018, most of them women and children; improve e-health and sourcing of medical products; and upgrade primary care technologies and other health services. Known as the Araya scheme, it is financed by the Ogun State government, and supported by the World Bank, the AHME consortium of private companies and NGOs such as PharmAccess, and the World Economic Forum.

Another partnership is the 6 County initiative in Kenya. Spearheaded by the United Nation Population Fund (UNFPA) with support from several companies (Safaricom, Huawei, Philips, GSK and MSD), the project aims to tackle maternal mortality and improve reproductive health. It also serves as a platform for telemedicine solutions, family planning activities and training. Another collaborative initiative in Kenya called M-Tiba uses mobile phones to administer healthcare payments between patients, payers and healthcare providers. This “mobile health wallet” is transforming financial interactions and benefiting all stakeholders – patients use the system to save, borrow and share money for healthcare at low cost, while public and private payers can use the mobile app to offer healthcare financing such as low-cost insurance.

“For decades, public-private partnerships in healthcare relied on task outsourcing to some private players, an outdated approach which does not fit the requirements for a real transformation of health systems,” said Arnaud Bernaert, Head of the World Economic Forum’s Global Health and Healthcare Industries. “These initiatives could allow countries to leapfrog their health systems and make innovative transformations a reality.”



01

**01:** Colin McElwee, Co-Founder, Worldreader, USA; Rapelang Rabana, Founder and Chief Executive Officer, Rekindle Learning, South Africa; Jean Philbert Nsengimana, Minister of Youth and Information Technology of Rwanda; Aryn Baker, Bureau Chief, Africa, Time International, South Africa; Fred Swaniker, Founder and Chief Executive Officer, African Leadership Group, South Africa; Temitope Ola, Chief Executive Officer, Koemei, Switzerland



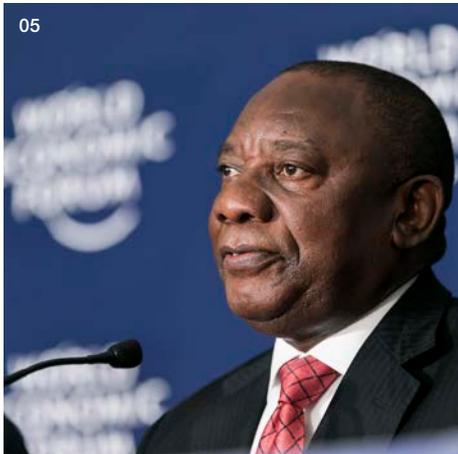
02

**02:** Beatrice Marshall, TV Anchor, CCTV Africa, Kenya; Arancha Gonzalez Laya, Executive Director, International Trade Centre (ITC), Geneva; Liu Guijin, Special Representative of the Chinese Government on African Affairs (2007-2011), Ministry of Foreign Affairs, People's Republic of China; Michael Froman, US Trade Representative; Siyabonga Gama, Chief Executive Officer, Transnet, South Africa; Tarek Sultan Al Essa, Chief Executive Officer and Vice-Chairman of the Board, Agility, Kuwait

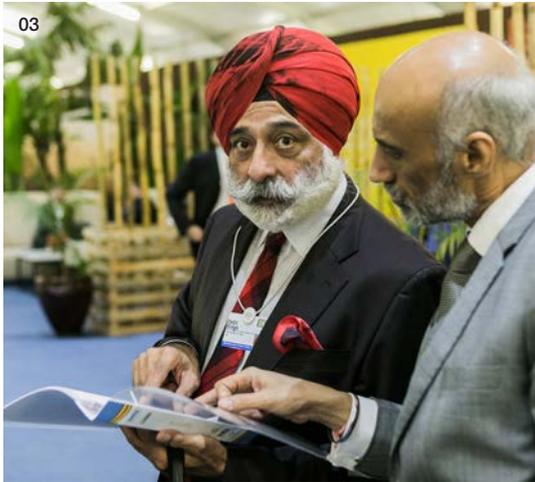
**03:** Towards an Integrated Africa



03



- 01:** Tony Blair, Prime Minister of the United Kingdom (1997-2007); Patron, Africa Governance Initiative; Paul Kagame, President of the Republic of Rwanda; Howard Buffett, Chairman and Chief Executive Officer, Howard G. Buffett Foundation, USA
- 02:** Hendrik du Toit, Chief Executive Officer, Investec Asset Management, United Kingdom
- 03:** Elizabeth Migwalla, Senior Director, Government Affairs, Africa, Qualcomm, South Africa; Pascal Lamy, President Emeritus, Jacques Delors Institute, France
- 04:** Caroline Kende-Robb, Executive Director, Africa Progress Panel (APP), Switzerland; Cyril M. Ramaphosa, Deputy President of South Africa; Colin Dyer, President and Chief Executive Officer, JLL, USA; Dana Hyde, Chief Executive Officer, Millennium Challenge Corporation (MCC); John Rice, Vice-Chairman, GE, USA
- 05:** Cyril M. Ramaphosa, Deputy President of South Africa
- 06:** SDGs: From Promise to Prosperity
- 07:** Oscar Onyema, Chief Executive Officer, Nigerian Stock Exchange (NSE)
- 08:** Uhuru Kenyatta, President of Kenya
- 09:** Jasandra Nyker, Chief Executive Officer, BioTherm Energy, South Africa



**01:** Stories from Africa: Education

**02:** Gisele Yitamben, Founder and President, Association pour le Soutien et l'Appui à la Femme Entrepreneur (ASAFE), Cameroon

**03:** Daljit Singh, President, Fortis Healthcare, India

**04:** The Future Is in Your Hands: Youth and Africa Rising

**05:** Press Conference BBC Africa: Richer but not Freer

**06:** Philipp Rösler, Head of the Centre for Regional Strategies, Member of the Managing Board, World Economic Forum; Cyril M. Ramaphosa, Deputy President of South Africa

**07:** Stories from Africa: Mobile Connectivity

**08:** Dani Richa, Chairman and Chief Executive Officer, Middle East, Africa and Pakistan, BBDO Worldwide, United Arab Emirates

**09:** Makhtar Diop, Vice-President, Africa, World Bank, Washington DC



# Outcomes of the Meeting

## The meeting saw progress across a number of workstreams linked to the Forum's 10 Global Challenges:

- The Grow Africa initiative, co-led by the Forum, NEPAD and the African Union, announced that, to date, \$2.3 billion of private-sector finance has been invested, benefitting 10 million smallholder farmers and creating 88,000 jobs.
- To tackle cybercrime, Busingye Johnston, Minister of Justice of Rwanda, signed up to the Forum's Recommendations for Public-Private Partnership against Cybercrime, which was launched in Davos in January.
- The Sustainable Development Investment Partnership (SDIP), an initiative led by the Forum and the OECD, announced it is to establish a regional hub dedicated to facilitating investment in African infrastructure and development projects, initially targeting 16 projects with a combined value of over \$20 billion.
- In the Forum's Future of Health challenge, an initiative was launched in Kenya aimed at improving maternal and child health in Kenya. A second ongoing programme, the Araya health insurance initiative in Ogun State, was endorsed by a new local government. It is a milestone that could provide coverage to more than 100,000 people by 2018.
- The Forum's Africa Skills Initiative brought organizations including MMI, GE, Google, Agility, the Rockefeller Foundation, Yellowwoods and the University of Witswatersrand together to form a coalition committed to tackling Africa's shortage of future-oriented STEM and ICT skills.
- Forty Chinese participants met for a special China Breakfast, marking the first China community session at a World Economic Forum on Africa. At the meeting, Chinese delegates, including the Vice-Minister of Cyberspace Administration of China, pledged to continuously support Africa on its digital development, with an agreement for Rwanda to launch a promotional campaign at the third Internet Forum this fall in China.
- The Rockefeller Foundation announced a \$1 million Cassava Innovation Challenge, aimed at finding ways to improve the shelf life of this important staple crop.
- The Forum's community of Global Shapers made sure the millennial generation's voice was heard in all critical discussions affecting Africa's future, including in the digital space, where leaders from their highly successful #internet4all campaign contributed to discussions on how to break down the region's digital divide.

# Acknowledgements

*The World Economic Forum wishes to recognize the support of the following companies as Partners and Supporters of the World Economic Forum on Africa.*

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# Digital Update



The event page of the World Economic Forum on Africa provides more information from the meeting, including photographs, press releases, social media and webcasts of selected sessions.

<http://wef.ch/af16>



<http://wef.ch/af16report>

# Contributors

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The report was written by Dianna Games, Michael Moon and Mark Schulman. The Forum would also like to thank official writers Sandra Muhwezi and Norbert Haguma for their work at the World Economic Forum on Africa.

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Kamal Kamaoui, Head of Production and Design

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Benedikt Von Loebell





# Upcoming Meetings

## World Economic Forum on ASEAN

*Kuala Lumpur, Malaysia 1-2 June 2016*

The World Economic Forum will celebrate 25 years of shaping the regional agenda in South-East Asia. In that time, the region has achieved great progress, culminating in the launch of the ASEAN Economic Community. The community demonstrates the region's aspiration to remove barriers to the free flow of goods, services and people while improving sustainability, infrastructure and livelihoods. But, the global economic context has become much tougher, from the slowing and rebalancing of China and the normalization of monetary policy in the US, to the recessions in many emerging markets and the attendant slump in global trade. Just as important are the changing economic architecture and geo-economics of the region. As chair of ASEAN in 2015, Malaysia successfully ushered in the arrival of the AEC. In this context, this meeting will be an ideal platform for senior decision-makers from a range of sectors to facilitate greater collaboration between industry, government and civil society, and to address regional challenges.

For more information, email: [asean@weforum.org](mailto:asean@weforum.org)



## World Economic Forum on Latin America

*Medellín, Colombia 16-17 June 2016*

After almost a decade of continual growth, Latin America has arrived at a crossroads, both in the face of global developments and regional transformation. On one hand, growth rates are stalling, aggravated by external macroeconomic pressures, falling commodity prices and a low savings rate in various countries. On the other hand, the region is entering a new phase of international trade and witnessing historic political milestones. The World Economic Forum on Latin America brings together leaders from all sectors, as well as academic thought leaders and millennials, to explore how a new prosperity agenda can be actively shaped. Returning to Colombia, the meeting will be hosted in Medellín, a stunning example of successful 21st-century urban innovation. At the same time, Colombia is close to a historic accord that promises opportunities for sustained peace, economic progress and social inclusion. These inspiring achievements are a reminder that socio-economic advances require constant attention as well as concerted and strategic action.

For more information, email: [LatinAmerica@weforum.org](mailto:LatinAmerica@weforum.org)



## Annual Meeting of the New Champions 2016

*Tianjin, People's Republic of China 26-28 June*

Established in 2007 as the foremost global gathering on science, technology and innovation, the Annual Meeting of the New Champions convenes the next generation of fast-growing enterprises shaping the future of business and society, and leaders from major multinationals as well as government, media, academia and civil society. Join a community of more than 1,500 participants from 90 countries for a true global experience addressing today's unprecedented set of intertwined global challenges – economic, political, societal and environmental. Taking place in conjunction with the Annual Meeting of the New Champions, the Industry Strategy Meeting 2016 will convene the Forum's community of Industry Strategy Officers – senior executives of Forum Industry Partner companies – to collaborate on understanding and defining the major disruptions that are impacting the future of industry, highlight critical interface between sectors and explore how industries can shift from managing change to pioneering change in the context of the Fourth Industrial Revolution.

For more information, email: [NewChampions@weforum.org](mailto:NewChampions@weforum.org)



*For a full list of upcoming meetings, visit the World Economic Forum's website: [www.weforum.org](http://www.weforum.org)*



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