News Release

WORLD ECONOMIC FORUM

COMMITTED TO IMPROVING THE STATE OF THE WORLD

Opening of World Economic Forum on Africa Declares Continent Needs to Prioritize Economic Transformation

10 May 2012

Fon Mathuros, Director, Media, Communications Dept., Tel.: +25-1 (0)930 098 939; E-mail: fma@weforum.org

- Economic growth alone is not sufficient to build Africa, panellists proclaim in opening of the World Economic Forum on Africa in Addis Ababa, Ethiopia
- Africans want to take charge of their future and are now in a position to ensure inclusive and sustainable growth
- For more information about the meeting, please visit: http://wef.ch/africa2012

Addis Ababa, Ethiopia, 10 May 2012 – Africa has experienced the best decade of the past 50 years, but there are still challenges that need to be tackled, said Donald Kaberuka, President, African Development Bank (AfDB), Tunisia, in the Opening Plenary of the 22nd World Economic Forum in Africa in Addis Ababa today.

“We should not confuse economic growth with economic transformation,” he said. The structure of African economies has not changed fast enough and countries remain vulnerable to external shocks. Public policy choices should target ways to leverage wealth from natural resources for broad-based, sustainable growth.

Kaberuka identified two key drivers for the future: the education of children of the poor as a tool to address generational change, and the development of small and medium enterprises to close the wealth gap.

With the support of the Government of Ethiopia, the World Economic Forum on Africa is held for the first time in Addis Ababa, Ethiopia, from 9 to 11 May. Over 700 participants from more than 70 countries are taking part. Under the theme *Shaping Africa’s Transformation*, the meeting’s agenda will integrate three pillars: Strengthening Africa’s Leadership; Accelerating Investment in Frontier Markets; and Scaling Innovation for Shared Opportunities.

Gao Xiqing, President and Vice-Chairman, China Investment Corporation (CIC), People’s Republic of China, said Africa has a blank sheet of paper before it and is in a position to create a new template for its future. However, it is important for African countries to ensure their growth is also as inclusive as possible, learning lessons from China, which has prioritized growth over development and is now facing challenges such as huge wealth inequality and environmental problems.

Kofi Annan, Chairman, Alliance for a Green Revolution in Africa (AGRA) and the Africa Progress Panel (APP), Switzerland, said government policies need to create equal access to opportunities to avoid dissatisfaction in the future. “We cannot talk of growth when millions of people are left behind,” he stated. A lack of consensus and vision has led to a situation where each new government in Africa has a tendency to start afresh instead of building on the achievements of its predecessor. It is therefore important for more debate to take place to reach consensus on the direction countries need to take.

Annan emphasized the need to empower young people and to strengthen health and education to

ensure Africa reaps a demographic dividend in the next decade.

Bekele Geleta, Secretary-General, International Federation of Red Cross and Red Crescent Societies (IFRC), said it is important for Africans to feel that they have a stake in their country's wealth and that there is free and fair opportunity for everyone. He said the mindset within Africa is changing and Africans increasingly want to shape their own lives and actively engage in their future.

Monhla Hlahla, Chairperson, Industrial Development Corporation of South Africa (IDC), South Africa, said it is time for Africans themselves to occupy centre stage on the continent and to take ownership of their lives and production. African farmers are now in a position not only to produce coffee beans but also to taste the coffee, she said. Strong and decisive leadership is required to keep African development on track. Africa needs leaders that are predictable and consistent, and that are able to move Africa up the value chain.

Klaus Schwab, Founder and Executive Chairman, World Economic Forum, told delegates that the mood in Africa today is quite different from what it was 22 years ago. He said the mood had changed from one of cynicism, to be later replaced by scepticism, then realism to today's atmosphere of pragmatic optimism.

Doug McMillon, President and Chief Executive Officer, Wal-Mart International, Wal-Mart Stores, USA, said, although its recent US$ 2.4 billion investment in Africa is new, the company is excited by the numbers it looked at before making the decision to invest. "There are a lot of things to be optimistic about in the region," he said.

The Co-Chairs of the meeting are **Kofi Annan**, Chairman, Alliance for a Green Revolution in Africa (AGRA) and the Africa Progress Panel (APP), Switzerland; **Gao Xiqing**, President and Vice-Chairman, China Investment Corporation (CIC), People's Republic of China; **Bekele Geleta** , Secretary-General, International Federation of Red Cross and Red Crescent Societies (IFRC), Geneva; **Monhla Hlahla**, Chairperson, Industrial Development Corporation of South Africa (IDC), South Africa; **Donald Kaberuka**, President, African Development Bank (AfDB), Tunisia; and **Doug McMillon**, President and Chief Executive Officer, Wal-Mart International, Wal-Mart Stores, USA.

Notes to Editors:

Follow this year's meeting online at http://wef.ch/africa2012
View photos from the 2012 World Economic Forum on Africa at http://wef.ch/africapics2012
Watch live webcasts of the sessions on **Livestream** at http://wef.ch/live
Watch the sessions on **YouTube** at http://wef.ch/youtube
Become a fan of the Forum on **Facebook** at http://wef.ch/facebook
Follow the Forum on **Twitter** at http://wef.ch/twitter and http://wef.ch/livetweet
Listen to the **Forum Podcast** at http://wef.ch/podcast
Read the **Forum Blog** at http://wef.ch/blog
Read Forum reports on **Scribd** at http://wef.ch/scribd
Follow the meeting on the **iPhone** at http://wef.ch/app
Subscribe to Forum **News Releases** at http://wef.ch/news

The World Economic Forum is an independent international organization committed to improving the state of the world by engaging leaders in partnerships to shape global, regional and industry agendas.

Incorporated as a foundation in 1971 and headquartered in Geneva, Switzerland, the World Economic Forum is impartial and not-for-profit; it is tied to no political, partisan or national interests (http://www.weforum.org).