

## Africa Now the World's Second Fastest Economy, to Grow 5.3% in 2013

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- Africa is now the world's second fastest growing economy, and may grow even faster in 2013
  - Most African states have achieved political stability, which is important for investment
  - The risks include governance, economic and political exclusion, and weak institutions
  - The theme of the 43rd World Economic Forum Annual Meeting is *Resilient Dynamism*.
- For more information, visit <http://wef.ch/Davos>

**Davos-Klosters, Switzerland, 23 January 2013** - Africa is already the world's second fastest growing economy after expanding 5% a year in the past two years, well above the global average, and Africa's GDP is on track to grow by 5.3% this year, a televised debate with the presidents of Nigeria and South Africa and business leaders reported today at the 43rd World Economic Forum Annual Meeting in Davos, Switzerland.

"If certain bottlenecks were taken out, I can easily see that doubling," said Graham Mackay, Chairman, SABMiller, United Kingdom. The global brewer was established in South Africa more than a century ago and has extensive investments across the continent. Mackay singled out infrastructure development as probably the key driver to Africa's continued economic progress.

Jacob G. Zuma, President of South Africa, stressed that the countries that comprise Africa are determined to consolidate their gains. "We realize that intra-trade is not enough and are working hard on that," he said. Africa is not consumed with conflict, he added. "We are also dealing with the economic issues. We've just discussed and agreed to integrate three of the five economic regions, creating a free trade area of more than half a billion people."

There are risks for investors wherever you invest in the world, said Goodluck Ebele Jonathan, President of Nigeria. But in Africa, political instability is no longer one of them. "Presently, about three African states have conducted successful elections two times," he said. "Most African states have stable political systems."

Africa's leaders recognize that there are risks, but they said they are dealing with them. Nigeria, for example, is diversifying beyond oil into commercial agriculture to avert economic damage from volatile commodity prices. On recent labour unrest in South Africa, Zuma said solutions are being discussed by all sectors, including the government, labour unions, businesses and civil society.

Louise Arbour, President and Chief Executive Officer, International Crisis Group (ICG), Belgium, warned about the risk of the current armed unrest in Mali destabilizing West Africa, but said that the fight against terrorism should not obscure equally important underlying issues that Africa must address, which are governance, political and economic exclusion and very weak institutions.

"The narrative in Africa is changing and changing very fast," said Sunil Bharti Mittal, Chairman and Group Chief Executive Officer, Bharti Enterprises, India. "There is no question that you are seeing more and more countries moving on to the democratic process and moving up the growth curve." Bharti has been very successful in setting up telecommunications companies on the continent.

“From the standpoint of investors and people coming into Africa, I think what is important to see is commitment from the political leadership to secure investments, ensure there are no major fallouts of any terror activities which have recently developed, and, importantly, manage foreign exchange in a manner which does not deliver shocks,” he added. Mittal also called for repatriation of business profits becoming the norm and development of Africa’s financial system.

The 43rd World Economic Forum Annual Meeting is taking place from 23 to 27 January under the theme **Resilient Dynamism**. More than 2,500 participants from over 100 countries are taking part in the Meeting. Participants include nearly 50 heads of state or government and more than 1,500 business leaders from the Forum’s 1,000 Member companies, as well as [Social Entrepreneurs](#), [Global Shapers](#), [Young Global Leaders](#) and representatives from civil society, media, academia and the arts.

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## Notes to Editors

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