ATF2018 IN REVIEW

African policy makers, business leaders and heads of state hold a dialogue for action
Tito Mboweni, a highly respected international banker and economist who also chairs the African Center for Economic Transformation (ACET) Board of Directors, opened the 2018 African Transformation Forum (ATF2018) with a strong call to action for Africa’s political leaders: work together with all stakeholders to keep Africa’s development on track and in African hands.

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Mboweni’s strong words echoed the theme of ATF2018: a dialogue for action. Held by ACET in collaboration with the Government of Ghana on June 21-22 in Accra, the two-day forum brought together more than 250 African policy makers, business leaders, heads of state and government, as well as development partners from across the globe, to discuss policies and partnerships that can drive sustainable growth and investment across the continent. It was the second such forum, following the inaugural event held in Kigali, Rwanda, in 2016.

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DAY 1: WORKING TOGETHER, MAKING PROGRESS

ATF2018 was convened with a clear set of objectives for participants. It also offered a unique opportunity for the private sector and other non-state actors to engage directly with ministers and other policy makers to help shape the course of economic transformation in Africa. A primary vehicle for that dialogue is the Pan-African Coalition for Transformation (PACT), which was established after the first ATF as a mechanism for like-minded countries and stakeholders to collaborate on transformation challenges and solutions.

“PACT is a peer-to-peer learning platform organized in Chapters around key issues that drive economic transformation,” said Dr. K.Y. Amoako, the President and Founder of ACET. Dr. Amoako followed Mr. Mboweni on day one and offered a full progress report on how far the PACT initiative had come in just two years. In addition to functioning Chapters that focus on manufacturing, extractives, and resource mobilization, Amoako mentioned that two more Chapters were set to be established after the conclusion of ATF2018. Those Chapters will cover agriculture and youth employment and skills.

According to Amoako, PACT was conceived from a simple concept: “African countries can accomplish more by working together than working apart.” That sense of collaboration framed the rest of the Forum’s first day.

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In keeping with the central objective of ATF2018 – a dialogue for action – five concurrent working sessions centred around each of the aforementioned PACT Chapters began mid-morning and carried on through lunch and until the end of the day. During those sessions, stakeholders deliberated on key challenges and policy solutions to help drive economic transformation. As mentioned, not all Chapters are at the same stage of development, but some were able to finalize a framework for action plans in the Chapter member countries. Ministers who participated in the discussions shared the action plans and other ideas generated from these working sessions with the full Forum on the second day.

The first day, however, was not yet done. Forum attendees reconvened for dinner and a special address: the inaugural African Transformation Distinguished Lecture, delivered by Reeta Roy, the President and CEO of the Mastercard Foundation.

In her lecture, Roy highlighted the challenge of providing the right education and training to Africa’s growing youth unemployment to ensure skills match future job demands. To this end, she described the new strategy being implemented by the Mastercard Foundation—Young Africa Works, which not only strives for a more prosperous future through productive jobs but also targets African youth to unearth their creativity and foster innovation, especially in the digital space. “African transformation is not possible without the leadership of the youth,” she said.

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DAY 2: SHARING BIG IDEAS

The second day of the Forum, which featured all plenary sessions, started with a bang. Dr. K.Y. Amoako once again took to the stage and announced the formation of an African Transformation Leadership Panel to be chaired by Liberia’s former president, Ellen Johnson Sirleaf. The Panel will be formed over the coming months, Amoako said, and it will comprise eminent men and women—proven experts and leaders—who will help promote important transformation policies at the highest levels.

These issues must remain at the forefront for political leaders, development partners, the donor community and the African people,” he said, adding that the stature and global expertise of the Transformation Leadership Panel would help ensure much-needed advocacy.

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Ghanaian Vice President Mahamudu Bawumia took the stage next to deliver the Forum’s keynote address, during which he shared his country’s transformation vision. For example, he mentioned several Ghana government initiatives that are geared towards modernizing and digitizing the Ghanaian economy, including mobile money, a digital property address system, and a national identification system, among others. However, he also warned of significant challenges. Ghana faces infrastructure constraints in energy, utilities and transportation, which he described as the missing link in the transformation agenda. “We cannot enhance productivity without securing access to power,” Bawumia said.

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Still, he ended his remarks with a hopeful message: the need for a collective, proactive shift in the way Africans approach their challenges and opportunities. “The ultimate transformation,” he said, “is the transformation of our mindset.”

Bawumia’s keynote was followed by broad plenary discussion on transformation strategies featuring Ghana’s Minister of Finance Ken Ofori-Atta and the Executive Secretary of the UN Economic Commission for Africa, Dr. Vera Songwe. BBC journalist Sophie Ikenye served as moderator.

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Ofori-Atta picked up on points of Bawumia’s address, giving further details on Ghana’s vision to move beyond aid by implementing transformative policies intended to curtail reliance on external development resources. One way for all countries to strengthen domestic resources is through improved management systems, including tax transparency treaties, which will reduce illicit flows—a key point that Songwe emphasized. She also stressed the need for all African governments to sign the African Continental Free Trade Area agreement to create a more powerful and stronger pan-African market.
FOCUSING ON AGRICULTURE

The Forum’s focus narrowed for the next session, which was exclusively on agriculture and its ability, as Africa’s dominant economic sector, to transform the continent.

Dr. Julius Gatune, ACET’s Senior Research and Policy Advisor, presented findings from ACET’s African Transformation Report 2017: Agriculture Powering Africa’s Economic Transformation, detailing the numerous opportunities that could be leveraged to speed up agricultural transformation. Gatune cited abundant uncultivated arable lands, a young and growing labour force, extended growing seasons, and expanding export markets as a few of these opportunities.

Gatune was joined by Fadel Ndiame, the West Africa Regional Head of the Alliance for a Green Revolution in Africa (AGRA). Ndiame emphasised the importance of strong institutions and policies to drive agricultural transformation, but also mutually beneficial partnerships and outside investment.

“The requirement to get it right,” Ndiame said, “is to build institutions to help with the unique agricultural challenges in Africa—and to bring the private sector on board.”

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Other panelists included Nick Thompson, the Executive Director for Africa at the Tony Blair Institute, and Vanessa Adams, a Vice President at AGRA who highlighted the gender dimension and the need to improve access for women in the agricultural sector. Adams also urged land and water reforms and better data collection. Thompson highlighted another critical component to modernizing agriculture: transformation leadership, which he called a “prerequisite” to transforming the industry.
The Chapter reports touched on a broad range of issues that PACT member countries had discussed and identified as key elements of their action plan frameworks, including governance reforms, educational reforms, implementation follow-through, data collection, policy coherence and coordination, and, of course, private sector finance. The reports were presented by Rwanda’s Finance and Economic Planning Minister Uzziel Ndagijimana; Ethiopia’s State Minister Koang Tutlam Dung; Uganda’s Agriculture Minister Christopher Kibazang; Gambia’s Deputy Permanent Secretary in the Ministry of Education, Adama Jimba Jobe; and Chief Director in South Africa’s Department of Trade & Industry, Nigel Gwynne-Evans.

The Ministers and officials reported good progress had been made in the working sessions, and that the more established PACT Chapters were well-positioned to take another step forward and begin moving from ideas to action. The session was moderated by Dr. Yaw Ansu, a Senior Advisor in Ghana’s Ministry of Finance and former Chief Economist at ACET.

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LEADING—AND COLLABORATING—FOR TRANSFORMATION

ATF2018 built to its highly anticipated conclusion, an afternoon dialogue between African Heads of State and Government and global business executives that covered two of the most fundamental needs of successful transformation: the need for visionary leadership and the need for private investment.

To secure both, transparency and collaboration between the public and private sectors is paramount, and the many different ways to ensure and promote that collaboration dominated the conversation.

Heads of State on the panel included Ghana’s President Nana Akufo-Addo and Rwandan President Paul Kagame, together with Côte d’Ivoire Vice President Daniel Kablan Duncan. On the business side, Aliko Dangote, President and CEO of the Dangote Group was joined by Yaw Nsarkoh, Executive Vice President for Unilever-Ghana and Nigeria, and Benjamin Dabrah, Senior Vice President for McKinsey & Company.

President Akufo-Addo named three government priorities he considers key for transformation: macroeconomic management, tax policy and education. He said that so far in Ghana, “the indications are that the policies that we’ve put in place” around those areas are “achieving a more robust economy.”

Of course good policy starts with sound leadership, a point that Dangote, considered by many to be Africa’s most prominent businessman, emphasized. To attract investment, Dangote said, leadership and stable governance are critical, and by extension the rule of law.

“The two main reasons [African businesses] go bankrupt when they try to go into industry are lack of power and inconsistency in government policy,” Dangote said. When moderator Sophie Ikénye asked Dangote what he considers most before investing in a country, he said, “The first thing I will look at is the president. Is he a man of his word?”

President Kagame said transformation comes down to people and resources, and the sound management of both so that they are “put to good use to produce the outcomes we want and need.” And that includes elected leaders, he added: “We are also talking about the management of the political process and political will that has to accompany all these actions.”

Noting that Africa is a continent rich in natural and human resources yet remains poor, Kagame pointed to a collective mindset among citizens and leaders—echoing a similar point made by Ghana Vice President Bawumia earlier in the day. “There is no question about it,” Kagame said. “We are stuck somewhere, and that explains why we have to shift our mindset.”

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Like Akufo-Addo, Côte d’Ivoire’s Duncan also named three priority areas he considers essential for transformation: peace and security, national reconciliation, and sustainable development—areas that also underpin part of the African
Union’s Agenda 2063, he noted. Duncan also discussed his country’s remarkable economic growth—in recent years the fastest-growing in Africa—but added that reform was still needed in certain areas to improve the country’s business environment.

The business leaders on the panel all had related thoughts on working with governments to improve local business environments.

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Dangote emphasized the need for tax incentives for local investors. “Foreign investors will not come unless they see local investors take the lead,” he said. Dabrah cited McKinsey research to argue that while government actions can drive economic growth, “true transformation” will only happen once that growth is reflected in household incomes with “money in individual pockets” to improve standards of living and spur entrepreneurs to sustain a healthy economy. Unilever’s Nsarkoh, meanwhile, said better policy all comes down to implementation. “The governments that do what they say they are going to do are the ones that get ahead,” he said. “Those that get caught in the priorities of many conversations go absolutely nowhere.”

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It’s clear that we all have much work to do between now and the next African Transformation Forum,” Dr. Amoako said. “But I think we also know how to move forward so that we are able to get where we want faster, and with lasting results,” he concluded.

Dr. Amoako took the stage a final time to thank all participants, especially the Heads of State and Government and business leaders who had closed out the Forum. And he reiterated why ATF2018 was conceived as an action-oriented alternative to the deluge of conversations to which Nsarkoh had referred.

ATF2018 was envisioned as a target date by which we could measure our progress so far,” Amoako said, “and as an opportunity to take stock of where things stand now, and a call to action to move to the next level. In some cases that has meant moving from objectives to action plans. In others, it means moving from action plans to implementation. The ultimate goal is to keep the agenda moving forward.”

In that regard, Dr. Amoako closed the Forum by highlighting three key outputs that will build on ATF2018: the creation of an online portal for continuous engagement between PACT members in the various Chapters, a new platform to engage African policy institutes and think tanks, and the aforementioned African Transformation Leadership Panel to be chaired by Ellen Johnson Sirleaf.

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