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FOR

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**Your Excellencies,**

**Distinguished Guests,**

**Ladies and Gentlemen,**

Good morning.

It brings me great pleasure to address you today at this Africa-Middle East Legal and Investment Forum (AMELIF) **themed around Bridging Business Frontiers**. Let me start by commending Al Tamini and Co for successfully hosting this forum to stimulate essential discourse on the regulatory frameworks for investments in Africa and the Middle East, with a view to fostering the quality of businesses required to enhance the flow of sustainable investment for economic growth.

***Indication of economic relationship between Africa and the Middle East:***

With some of Africa’s traditional economic partners taking a backseat in the economic activities of the continent, opportunities have arisen for increased investment from other regions including the Middle East and in particular, the states within the Gulf Cooperation Council (GCC) {*comprising the Kingdom of Bahrain, Kuwait, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates (UAE)}.* For some of the GCC nations, the Middle East/Africa corridor has become an increasingly prominent investment strategy for consolidating the investment relationship between our 2 regions.

GCC investment in Africa has been on an incremental trajectory over the past few years culminating in US$8.3 billion in 2022; not only with countries with which the Council has traditional ties but also with sub-Saharan Africa. In addition, Africa is currently a recipient of the GCC’s diversification drive beyond natural resources to other sectors such as infrastructure, agriculture and food security (to reduce reliance on market imports) as well as banking. Additionally, foreign direct investments in telecoms from the GCC has been on the increase with investors taking stakes in several African telecom companies.

**AfCFTA Regulation for *Investment*:**

***Ladies and gentlemen,*** this keynote address is focused on the evolving landscape of investments in Africa and the role of strategic collaborations in fostering sustainable development and growth in Africa.

As you may be aware, over the past few years, Africa has been a hub of innovative policymaking aimed at accelerating the actualization of the African Union Agenda 2063 on a shared framework for inclusive growth and sustainable development for Africa to be realised in the next fifty years, particularly *Aspiration 1: “A prosperous Africa based on inclusive growth and sustainable development”*.

The African Continental Free Trade Area (AfCFTA) has the potential to drive sustainable and inclusive investments in Africa. By creating a single and liberalised market for goods, services and capital, the AfCFTA reduces trading costs across borders and makes it easier for businesses to invest across borders.

The AfCFTA Agreement has added momentum to an already dynamic African investment policy landscape. The adjoining protocols to the Agreement were negotiated under Phase II to ensure its objectives of creating a single continental market for goods and services, facilitating investments, promoting sustainable and inclusive development, gender equality and structural transformation, enhancing competitiveness and the promotion of industrial development in African economies.

This forum comes at an auspicious time when investment policy reforms have been ongoing in many African countries at the national, bilateral, regional and more recently, at the continental level. with the AfCFTA Protocol on Investment, adopted in February 2023.

***The AfCFTA Protocol on Investment:***

The Protocol provides the new, balanced and transparent framework for investment regulation on the African continent. It took cognisance of best practices incorporated in the Pan-African Investment Code and other investment instruments across the continent. It was further inspired by the Investment Policy Framework for Sustainable Development of the United Nations Conference on Trade and Development (UNCTAD) and other relevant instruments that support a new generation of investment policies for inclusive growth and sustainable development.

It recognises that qualitative investments for sustainable development impact positively on key socioeconomic development indices including poverty alleviation, job creation and the fulfilment of other social, economic and environmental objectives of African States. It also takes cognisance of the important role of the private sector in expanding productive capacity, creating jobs, facilitating transfer of technology and building regional, continental, and global value chains.

***Pillars:*** The Protocol on Investment focuses mainly on four pillars: ***investment promotion***, ***investment facilitation***, ***investment protection*** and ***sustainable development***. The four pillars have *Africa-focused innovative elements* to accelerate the attraction, retention and expansion of the right quality of sustainable investments for Africa’s economic development.

The key ***investment promotion*** provisions range from articles encouraging States to pursue targeted investment promotion to the provision of requisite frameworks for sustainable investments among Member States.

In expanding the ***investment facilitation*** dimension of regulations in Africa, the Protocol provides for ease in the grant of entry visas for investors, establishment of mechanisms to ease business start-up eg: One Stop Shops (OSS), establishment of National Focal Points for national coordination and the provision of after care services. It also covers proactive publication of investment information, grant of competitive incentives for sustainable investments as well as the introduction of grievance management mechanisms for preventing disputes.

Circumscribed core elements of ***Investment Protection*** are also embedded in the Protocol, including in relation to: national treatment, most favored nation treatment, guarantees against expropriation and the right to transfer funds.

Ladies and gentlemen, the 4th pillar of the Protocol is ***sustainable development***. This covers a broad range of development concerns and aspirations including right to regulate, environmental protection, climate change, public health, labor, human rights provisions. It also encapsulates transfer of technology, anti-Corruption as well as Labour and Consumer Protection.

***Ladies and gentlemen*** *-* The innovative provisions on sustainable development are designed to balance the asymmetry between the protection of investors rights and the preservation of the policy space to meet the developmental aspirations of host States. They also provide the legal and regulatory framework for the establishment of institutions such as the Pan Africa Trade and Investment Agency (PATIA), mandated to promote investments, facilitate investment governance and strengthen the capacity of investment promotion agencies on the continent to attract qualitative investments.

***Closing Thoughts:***

Ladies and gentlemen, With the conclusion of this innovative policy framework for investments, the focus is now on the implementation of the Protocol and the mobilization of investments to translate the expectations of the Protocol from policy declarations to actual economic gains and enhanced investments. UNCTAD’s World Investment Report 2023 heralded a call for urgent support to developing countries to bridge the investment gap in sustainable energy as well as the gap across all sectors of the Sustainable Development Goals that had increased to more than $4trillion per year from $2.5 trillion in 2015. This creates an imperative for African governments and the private sector to prioritize strategic collaborations with key stakeholders in the Middle East as dynamic partners in fostering sustainable development through the attraction of qualitative investments.

***Ladies and gentlemen***, last week the AfCFTA Protocol on Digital Trade as well as the Protocol on Women and Youth were adopted. These 2 Protocols are important in accelerating Africa’s economic growth. In particular, digital trade is increasingly becoming a critical part of the African economy, serving as an engine of growth to increase productivity. The continent has an untapped digital economy as well as a young and growing population, with over 60 per cent of people under the age of 25. As a result, there is a growing demand for digital goods and services in Africa. Today, most investment promotion strategies in African countries tend to focus exclusively on the physical economy. However, in this digital era, governments should extend their investment drives beyond the primary and manufacturing sectors to the technology sector, digital firms and the digitalisation of supply chains across all sectors of the global economy, Interestingly, investments from the GCC in Africa have reflected an appetite for investments in this area.

It is my hope that with the adoption of the Protocols along with the modern provisions of the new investment landscape under the Protocol on Investment, discussions at today’s forum will examine the exponential potential for increased investment engagement between Africa and the Middle-East.

I look forward to very robust discussions on these issues and thank you for your kind attention.

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