



Free zones
AFRICA

Event Summary Report

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3rd ANNUAL MEETING
AFRICA FREE ZONES
ORGANIZATION

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September 20 - 22, 2018
Abidjan - Ivory Coast

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The AFZO 3rd annual meeting started with Welcoming and Opening Speech by his Excellency M. Soulemame DIARRASSOUBA Minister of Industry Trade and SMEs Development of the republic of Ivory Coast, and Mr Fouad BRINI, President of Tanger Med Special Agency.

After two first editions in Tangier, Morocco, in 2015 and 2016, the 3rd Annual meeting of Africa Free Zones Organization has successfully concluded its work on Saturday 21st September 2018, in Abidjan, Ivory Coast.

This meeting gathered 100 C-Level participants, 18 international experts, and 35 Economic Zones and Free Zones to discuss "Economic Zones and Free Zones contribution to sustainable Economic development in Africa". The participants had the opportunity to develop network and business alliances with Economic Zones and Free Zones community.

More than 30 countries were represented during this event: Botswana ,Burkina Faso, Chad, Djibouti, Egypt, Ethiopia, Ghana, Guinea, Ivory Coast, Kenya, Libya, Mali, Mauritania, Nigeria , Sudan, Senegal, Togo, Uganda, etc

GET TOGETHER CEREMONY

Representatives of more than 35 Economic Zones and Free Zones attended the Get Together Event. During this ceremony, the President and the General Secretary of AFZO welcomed the participants and presented the following:

- General Overview of AFZO
- AFZO services and activities : Exchange Platform, Atlas Book, Website...
- AFZO Major achievements in 2018
- Action plan of 2019

Representatives of AFZO members were invited to share details about their Economic Zones Projects and their expectations regarding AFZO.

This ceremony was also the opportunity for the participants to interact and develop connections during the networking cocktail.

OPENING CEREMONY

His Excellency the Minister of Industry of Republic of Ivory Coast, Mr Souleymane DIARRASSOUBA welcomed the holding of the 3rd Annual Meeting of Africa Free Zones Organization in Ivory Coast, Abidjan. He also commanded the initiative of Tanger Med to set up the association and support its continuous development.

H.E. Mr DIARRASSOUBA highlighted the importance of sustainable industrialization as a key instrument to foster economic diversification, create jobs and reduce poverty. He suggested that African leaders should enhance investment climate and offer favourable conditions for business settlement and Special Economic Zones development.

Mr Fouad BRINI expressed his gratitude to the government of Ivory Coast for its contribution and support in organizing and hosting the 3rd annual meeting of Africa Free Zones Organization.

He also recalled that the AFZO association was founded in 2015 on the initiative of Tanger Med, with the objective to provide strategic and technical assistance, identify business opportunities and promote sustainable economic development models and best practices to AFZO community.

Mr Fouad BRINI pointed out the challenges in attracting Foreign Direct Investments and establishing strategic government policies to accelerate industrialization in Africa.

KEYNOTE AND GENERAL INTRODUCTION

Akinwumi ADESINA,

President of African Development Bank :

"Special Economic Zones and Free Zones will play a major role to transform the economic landscape of Africa... and contribute to continuous growth and successful industrialization of the continent".

Moubarack LO,

Chief Economist and Special Advisor to the Prime Minister of Senegal :

After sharing relevant statistics related to the development of Economic Zones and FDIs in Africa. Mr Moubarack Lo described the fundamentals of "Synthetic Index of Economic Emergence", defined the Economic Emergence concept and its impact on Economic Zones development. He also highlighted the importance of integrating social progress, environmental sustainability in defining key strategies for Economic Zones and Free Zones development in Africa.

Robbie MARWICK,

Deputy Program Director, SYSTEMIQ :

Mr Robbie Marwick shared his experience in supporting sustainable Economic Zones on employment through three major principals:

- Mandating sustainable Operations
- Supporting inclusive businesses
- Developing impact orientated synergies

He also described major barriers in stimulating system change and suggested pragmatic approach to deploy international standards and best practices within the African Economic Zones and Free Zones.

SESSION 1: THE ROLE OF ECONOMIC ZONES AND FREE ZONES IN ATTRACTING FDI'S

Mr PIERRE GUISLAN,
Vice president of the African Development Bank Group

Mr Pierre GUISLAN focused on the integration of Economic Zones into economic corridors and infrastructures development plans (connections with ports, roads, airports, urban areas,...). He also underlined the involvement of the private sector in supporting government initiatives : "Successful Economic Zones requires strong economic governance to attract private investors and FDI".

Mr Pierre GUISLAN identified two major opportunities for Special Economic Zones and Free Zones projects in Africa:

- 1-** African Continental Free Trade Area (AfCFTA) adopted in Kigali , on March 2018, with the objective to create a single continental market where Economic Zones has to play an important role.
- 2-** The initiative of AfDB called "Staple Crops Processing Zones" that focused on creating new economic zones in rural areas and develop processing activities based on domestic resources.

Ms Félicia DJIBO,
Director Consulting and Risk Advisory at Deloitte Francophone West Africa

Ms Félicia DJIBO stressed the main challenges of Economic Zones such as market demand assessment, governance, infrastructure, setup favorable social economic environment and Planning. She also pointed out the role of government, and African leaders to balance and prioritize between developing Economic Zones projects and supporting social initiatives.

Mr Richard OBIANU,
Assistant General Manager, at Nigeria Export Processing Zones (NEPZA)

Mr Richard OBIANU shared the experience of NEPZA in attracting investments, creating jobs and deploying positive spillovers in the Nigerian economy. He described the key fundamentals in implanting dedicated regulatory framework for Free Zones and Export Processing Zones. He recommended the establishment of clear strategies and policies that involved government initiatives and Public-Private Partnerships to attract FDIs.

Mr Gustavo GONZALEZ DE VEGA,
Vice President Association de Zonas Francas de Las Américas (AZFA)

Mr Gustavo GONZALEZ DE VEGA shared major achievements of the association AZFA reaching 200 members and over 20 years experience supporting Latin American Free Zones development.

Mr Gustavo GONZALEZ DE VEGA presented the "Atlantic Exchange Platform Project" to strengthen relationships and synergies between Latin American and African Economic Zones and Free Zones. This project consists on the creation of corridors connecting Free Trade Zones from Latin America, Africa and Europe with the involvement of government representatives and Investment-Trade promotion authorities.

Mr Mehdi TAZI RIFFI,
CEO of Tanger Med Port and Zones

..."The key ingredients for successful Special Economic Zones are:

- 1.** Specific and dedicated business environment and regulatory framework: one stop shop, favourable environment for investments, incentives and facilities...
- 2.** Integration with a comprehensive infrastructure and logistic development plan.
- 3.** Focus on defining target activity sectors through clustering

Mr Aboubaker OMAR HADI,
Chairman, Djibouti Ports and Free Zones Authority

..."Djibouti Ports and Free Zones Authority (DPFZA) developed the concept of "the port inside the Free Zone" to reduce logistic costs improve administrative processes and foster customs regulations with the objective to attract Foreign Direct investments."

SESSION 2 : THE ROLE OF ECONOMIC ZONES AND FREE ZONES IN ATTRACTING FDI'S

Pr John C.ANYANWU,

Lead Research Economist, Macroeconomic Policy, Forecasting and Research Department at the African Development Bank Group (AfDB)

Pr John C.Anyanwu presented the key Investment drivers in economic zones and free zones projects adopting « holistic » and « one stop shop » . He also stressed innovative sources of finance for funding projects in Free and Economic Zones in Africa such as PPPs, corporate bonds, private equity funds,

Pr John C.Anyanwu also highlighted the role of the AfDB in providing technical assistance and policy advice, financing PPP projects, and promoting capacity building among other services.

Mr Adil CHIKHI,

Director ICA SEMED at The European Bank for Reconstruction and Development (EBRD)

Mr Adil CHIKHI underscored the EBRD's commitment to help unlock the economic potential of the African continent. Overcoming challenges of Economic Zones and Free Zones in attracting FDIs, creating jobs and promoting financial inclusions. He also shared details on EBRD approach in supporting industrial projects in eastern Europe and north Africa. Success stories have also been demonstrated in promoting modern industrial sector such as the automotive industry in Morocco, Tunisia and Egypt.

Mr Filippo MAURI,

CEO at International Logistic Expert

Mr Filippo MAURI highlighted the importance of the integration of exogenous factors in developing strategies for Economic Zones and Free Zones in Africa. The optimization of logistic cost and improvement of supply chain processes are key success factors for industrial capacity building.

Hence, synergies have to be developed within African Economic Zones and Free zones community with the objectives to enhance intra-zones trade flows or with global partners.

Mr Ahmed BENNIS,

Director International Business Development at Tanger Med

Mr Ahmed BENNIS explained that fundamentals behind the development of successful value proposition for Economic Zones and Free Zones in Africa are:

- Infrastructures set up applying international standards that fit to industrial needs.
- Skill set development, training and sustainable social environment
- Government involvement through supporting initiatives and dedicated framework
- Genuine approach in attracting investments and supporting

Mr Youssef OUATTARA,

Agency for the Management and Development of Industrial Infrastructure (AGEDI), Ivory Coast

"The government of Republic of Ivory Coast has initiated several reforms designed to Economic Zones in order to facilitate administrative procedures and enhance transparency process management... the government has set objectives to balance between supporting social initiatives and accelerate industrialization and Economic Zones development..."

Mr Adel MOHSEN,

The Executive Chairman of the General Authority for Investment and Free Zones (GAFI), Egypt.

"We believe that constructing new free zones helps to improve the investment climate of the country as it ensures the free movement and trade of goods, thus establishing Egypt's reputation as a great business hub ... the Egyptian government has established nine free zones distributed all over the republic and supplied with facilities and essential infrastructure services."

MEET THE EXPERT SESSIONS

SESSION 1 : LEGAL & FISCAL INCENTIVES, INFRASTRUCTURES SETUP, REAL ESTATE OFFERING AND HR DEVELOPMENT: KEY FUNDAMENTALS FOR ECONOMIC ZONES AND FREE ZONES ATTRACTIVENESS

Mr Amir JAHANGUIRI,

Partner and Project Finance, Willkie Farr & Gallagher LLP

Mr Amir JAHANGUIRI pointed out that: the success of Economic zones and free zones is connected to the competitiveness of the national economy and the management policy of the zones. It could be also considered as the engine for economic growth and Industrial transformation.

He stated that the investment incentives scheme and legal framework contributes to set-up of a business-friendly environment within Economic Zones and free zones. Local investment climate and governance are key fundamentals for the success of Economic zones projects.

Mr Louis DUBOIS,

Avocat of Counsel, Dentons

Mr Louis DUBOIS explained the prerequisites for the creation of an Economic zone project in Africa: Besides the infrastructure set-up and legal and administrative framework, the Economic zone developers should deploy all efforts in supporting technical operation, facility management and the One-Stop-Shop activities.

He also emphasizes the competitiveness factors that should drive the strategies such as: the effectiveness of the procedures, the value proposition of the zone, its specialization in addition to the contracting processes with the investors.

SESSION 2 : ROADMAP TO DEVELOP ATTRACTIVE VALUE PROPOSITION FOR ECONOMIC ZONES & FREE ZONES

Mr Douglas VAN DEN BERGHE,

CEO of ICA EMEA

Mr Douglas VAN DEN BERGHE presented the Innovation Incentives for "New Generation" of Free Zones fostering the role of one stop services and ensure a "soft landing" of the investment project and further expansion.

He also detailed the concept of NxtZones that consist on developing a Free Zone Real Estate Technology Concept and creates unique office space and facilities in a number of Free Zones around the world.

Mr Youssef IMGHI,

General Manager, TME

Mr Youssef IMGHI described the best practices and standards applied for the implementation of an Economic Zones. Through 3 major milestones:

1-Technical survey, design and Engineering that comprehends: Business and feasibility study, geo-technical, environmental and social impact assessment, Master plan and technical analysis...

2-Project Execution, construction and development works

3-Economic Zones services deployment: One-Stop-Shop, Facility management, security, administrative procedures, promotion, marketing...



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