

# Invest in continent, Zuma tells forum

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South African President Jacob Zuma is calling for more Chinese investment in Africa.

Speaking at the 2nd Investing in Africa Forum in Guangzhou, he told delegates that China's companies should prioritize investment on the continent.

"We encourage the Chinese business community to further explore opportunities in South Africa and Africa," he said.

"All African countries have in their own way put up plans to attract investment, and I urge all investors gathered here today to look at all African countries for their next investments."

He also told the forum, where \$2.5 billion of deals were agreed between China and African concerns, that Africa was a willing business partner.

"Our message is clear. Africa is open for business. Africa is open for partnerships with China in a big way. A lot of economic interaction is already taking place between China and Africa with good results."

Chinese Vice-Premier Ma Kai told the forum, which was also attended by representatives from 38 African countries, including Benin President Patrice Talon, that the government still wants Chinese companies to reach out to Africa.

"We will continue to encourage Chinese enterprises to expand their investments in Africa, following the principles of mutually beneficial cooperation, as well as green and sustainable development," he said.

"Chinese investment aims to help African countries increase job oppor-

tunities, protect the environment and improve people's livelihoods."

Zuma praised President Xi Jinping for reaffirming China's commitment to the continent by announcing a tripling of aid to \$60 billion at December's 2nd Forum on China Africa Cooperation in Johannesburg.

He said the FOCAC ministerial meeting in Beijing in July was an opportunity to take stock of how this money would be spent.

He said one of such projects is likely to be the Moloto Rail Development Corridor linking Gauteng and Mpumalanga provinces in South Africa.

"We are pleased that some of the projects are getting off the ground in South Africa and other countries on the continent," he said.

Zuma said that, despite the commodities recession, many African economies were remaining resilient. He reported that South Africa's GDP had grown 3.3 percent in the first half of the year, ahead of the 2.7 percent forecast by economists.

"It is clear that our economy is resilient and has the potential to grow even more despite the significant domestic and global headwinds it faces," he said.

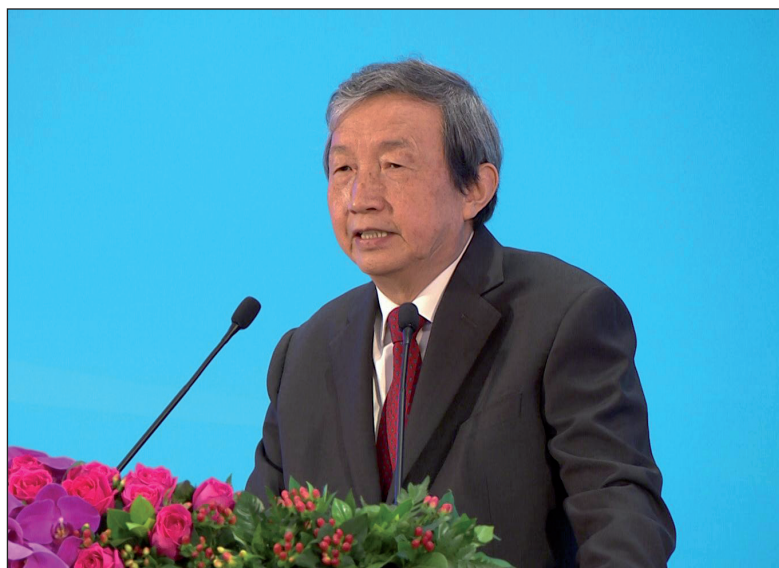
He added that the development of manufacturing on the continent, which was one of the themes of the forum, was the key to its economic future.

He said South Africa was setting up special economic zones that were pioneered by China in the 1980s, where companies would be given tax allowances, employment incentives and a customs-controlled area.

"As we re-ignite our economy further, we are putting our efforts on industrialization," he said.



**SOUTH AFRICAN PRESIDENT JACOB ZUMA** says at the 2nd Investing in Africa Forum in Guangzhou that Africa is a willing business partner for China. PHOTOS PROVIDED TO CHINA DAILY



**CHINESE VICE-PREMIER MA KAI** says at the forum that the government still wants Chinese companies to reach out to Africa.

"Chinese investment aims to help African countries increase job opportunities, protect the environment and improve people's livelihoods."

**MA KAI**  
Chinese vice-premier

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He believes there is no reason why Africa could not be a major manufacturing center within a matter of decades.

"Asia did it in about 30 or 40 years. There is no reason why Africa should not be able to do it. We have a lot of potential, with all this human capital, much of it young and dynamic, and all these natural resources as well."

The forum also focused on the role of vocational training in developing the skilled workforce necessary for manufacturing.

Richard Jabo, executive director of the Uganda Free Zones Authority, based in Kampala, believes it is vital.

"Vocational training is key to providing proper quality and sustainable jobs. You need skilled workers to transform society in the longer term," he says.

He argues that industrial parks also have a role to play in delivering vocational training.

"You are close to the manufacturing unit, and you can do it on-site and you have this advantage of being closer to industry," he says.

Chen dismisses those who argue that Africans do not have the same work ethic as Asians and cannot adapt easily to manufacturing jobs.



**RICHARD JABO**, executive director, Uganda Free Zones Authority



**TONY OTENG-GYASI**, managing director, Tropical Cable and Conductor, based in Tema, Ghana

"The first 20 to 30 years of the industrialization process in Guangdong was about turning a lot of rural migrants into workers. Typically, they had just a primary school background and you had to give them skills," he says.

"We now have a problem with voca-

ational training in China. With the one-child policy, people don't want their kid to be a blue-collar worker. So, as a result, China's economy is having to become more service-sector orientated."

Where both Chinese investment and the World Bank have been playing a major role in the continent has been in building infrastructure.

Africa has a huge deficit in all aspects of infrastructure, from power capacity, with some of the most expensive electricity in the world, to a lack of highways, with trade between neighboring countries and region sometimes almost impossible.

Many places remain in desperate need of modern ports, airports and basic facilities.

It is estimated by the World Bank that lack of infrastructure wipes up to 4 percent off the continent's GDP.

Tony Oteng-Gyasi, managing director of Tropical Cable and Conductor, based in Tema, Ghana, believes Africa can go nowhere without proper infrastructure.

"Infrastructure is critical. Without it there can be virtually no development," he says.

He believes the Chinese have been far more effective in delivering infrastructure projects than the World Bank

and other institutions.

Sino Hydro built Bui Dam, a 400-megawatt hydroelectric project that began operating in 2013, and took just four years to do it.

"It was completed in record time with Chinese money. It had been on the drawing board since the 1950s, but the Chinese came here and within months the project was off the ground," he says. "The Chinese have a much faster decision-making process and I think that is a major difference (between them and the World Bank)."

"Their projects always come with finance and contractors, and fewer people are involved in the final decision as to whether a project goes ahead."

Joseph Onjala, senior research fellow at the University of Nairobi, agrees that the Chinese have had an impact on infrastructure, particularly on new roads easing congestion in the often gridlocked city where he is based.

"The problem is that a lot of it is grand and nice looking but when you go back five or 10 years later you find it not very well maintained," he says.

"Some the roads are not well designed, even those funded by the World Bank and other agencies. They are meant as bypasses, but eventually the traffic finds its way back into the

city center."

A number of other initiatives were launched at the forum, including the Investing in Africa Think Tank Alliance aimed at fostering the intellectual resources of the CDB's Research Academy and the World Bank.

"Knowledge is a very important part of this partnership, taking it beyond just investment," adds Bridi from the World Bank.

"I hope it will underpin some of the investments with research, so hopefully making these investments better. We would also like to use the knowledge and experience of the Chinese academic think tank to strengthen the research of African universities in this area."

Jiang Haiyan, deputy secretary-general of the Guangdong government, said at the final news briefing that the forum provided the opportunity to link with the World Bank and coordinate with wider initiatives such as China's Belt and Road Initiative and the development agenda set by both FOCAC and the G20 summit in Hangzhou in September.

"A new consensus has been reached for cooperation. Through experience sharing and we must take advantage also of the momentum created by these other major initiatives," she says.