



ENGLISH VERSION
VERSIONE INGLESE

PRESENTATION BY
PRESENTAZIONE DI

PAOLO BORZATTA

AT THE FORUM
AL FORUM

***“DEVELOPING AFRICA:
AN OPPORTUNITY FOR EUROPE, ITALY AND SICILY”***

***“LO SVILUPPO DELL’AFRICA:
UN’OPPORTUNITÀ PER L’EUROPA, PER L’ITALIA E PER LA SICILIA”***

Taormina
San Domenico Palace Hotel

October 1 and 2, 2009
1 e 2 ottobre 2009

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The development of Africa

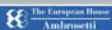
An opportunity for Europe, Italy
and Sicily

Year 3 – Agro-industry and sustainability



Pro SEA

Project of Sicily for Europe and Africa





1. Why the Pro SEA project?

Basic assumptions

Africa. A **tremendous opportunity** just around the corner from Europe

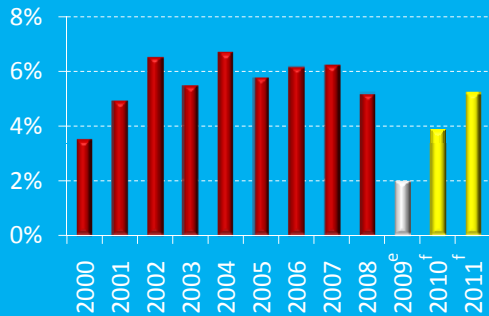
Notwithstanding the possible effects of the international crisis, the continent is embarking on a phase of significant economic and social-political development

Basic assumptions

Africa. A tremendous opportunity just around the corner

Notwithstanding the possible effects of the international crisis, the continent is embarking on a phase of significant economic and social-political development

GDP growth rate



Source: TEH-Ambrosetti on IMF data; e=estimates f=forecast

Basic assumptions

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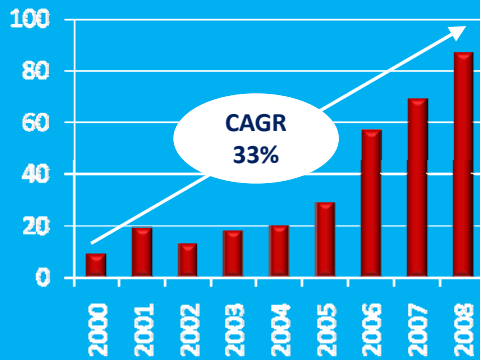
Notwithstanding the possible effects of the international crisis, the continent is embarking on a phase of **significant economic and social-political development**

Basic assumptions

Africa. A tremendous opportunity just at

Notwithstanding
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**economic and
development**

Foreign direct investments (Billion \$)



Source: TEH-Ambrosetti based on UNCTAD data

Mission of the Pro SEA project

To contribute to **strengthening strategic relations**, through Sicily, between Europe/Italy and Africa and **to stimulate debate and the interest** of institutions and players



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Pro SEA project goals

- > Consolidate Taormina Forum
- > Explore Europe-Africa possible relations
- > Activate, through Sicily, concrete initiatives in priority sectors



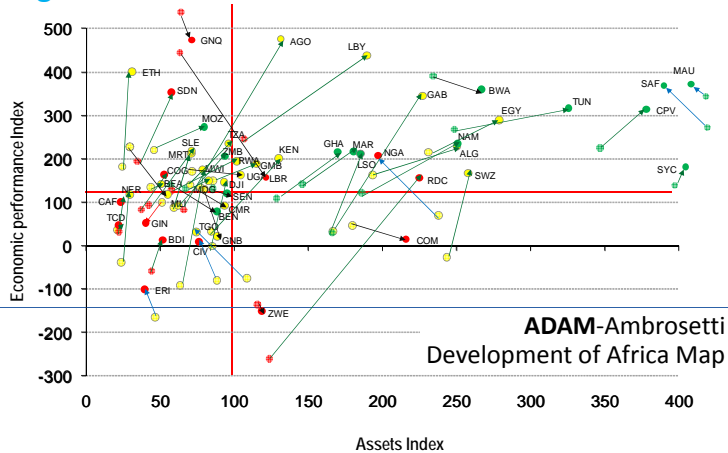
Results and progress report of Pro SEA project

	2007	2008	2009	2010	2011
Forum	Palermo: 100 attendees	Taormina: 170 attendees	Taormina: 290 attendees	Taormina	Taormina
Strategic diagnosis	<ul style="list-style-type: none">Africa is an opportunityAid has failedChina, India (and USA) partners for AfricaEuropa is slower	<ul style="list-style-type: none">Foreign investments increaseKnowledge and new technologies: development driversFocus on activating sectors (eg. tourism and agriculture)	<ul style="list-style-type: none">Crisis: less impact on AfricaIntegration in various areasGovernance key for growth		
Proposals	<ul style="list-style-type: none">7 intervention areasBusiness for businessWrk at a European level	<ul style="list-style-type: none">Education of African in EUTelemedicine and distance learningModular and replicable projects	<ul style="list-style-type: none">Agroindustrial integrated project that makes full use fo transnational corridors		
Iniziatives	Education	Senghor Agency	Start-up		
	Health	Dream T&EAM	Start-up		
	Financial system				
	Energy				
	Legal system				
	Town- town cooperation				
	Human rights	Global ACTION Agency Cultural tourism	Agroindustrial Park	Feasib. Plan	Work Begins

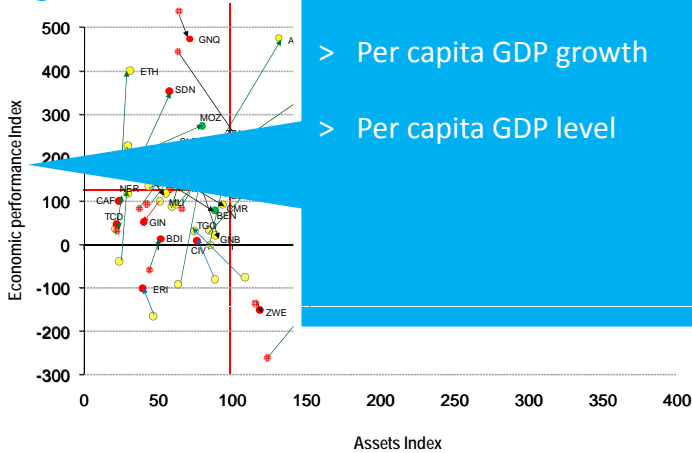


2. The strategic map of Africa

Progress of African countries between 2001 and 2007



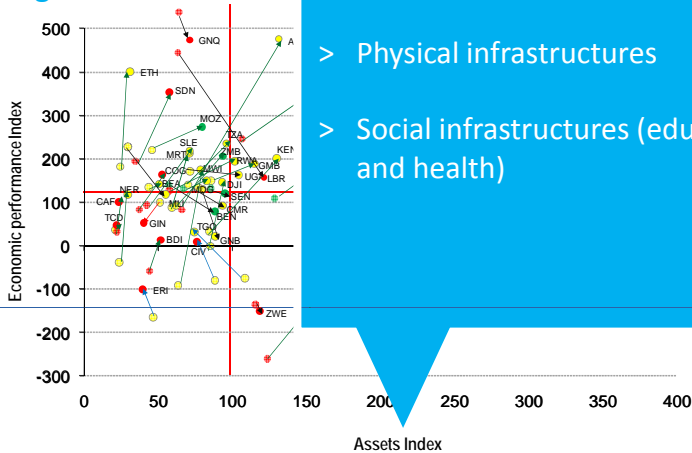
Progress of African countries



Economic performance index

- > GDP growth
- > Per capita GDP growth
- > Per capita GDP level

Progress of African countries

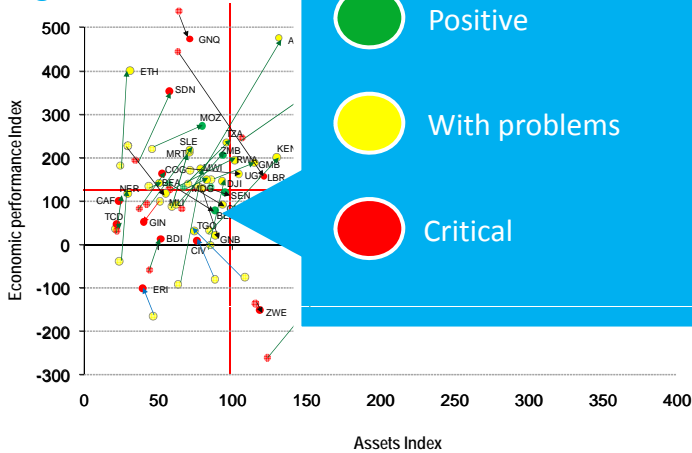


Assets index

- > Natural resources
- > Physical infrastructures
- > Social infrastructures (education and health)

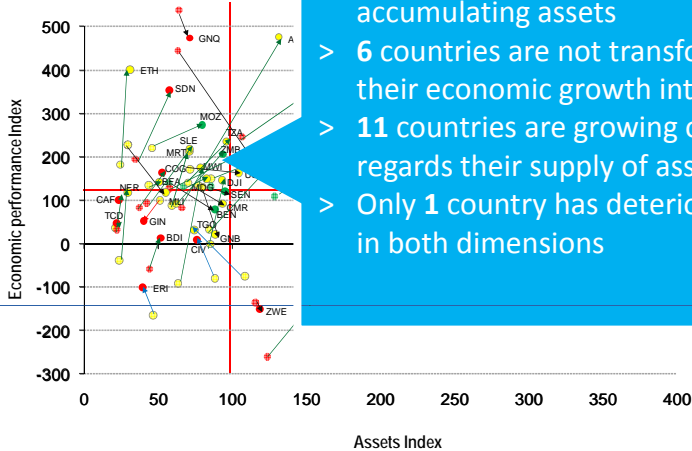
Political-administrative situation

Progress of African countries



Summary of map results

Progress of African countries



- > 33 countries are growing and accumulating assets
- > 6 countries are not transforming their economic growth into assets
- > 11 countries are growing only as regards their supply of assets
- > Only 1 country has deteriorated in both dimensions

Examples

Countries that have **improved all dimensions** (*economic* performance, assets and *governance*)

Countries already with positive *governance* that have made even further improvements

Countries that have succeeded in crossing the middle line (as regards *performance* or assets)

Countries that have failed to demonstrate any significant improvement

Examples

Countries that have **improved all dimensions** (*economic* performance, assets and *governance*)

Countries already with positive *governance*

Countries that have succeeded in crossing the middle line (as regards *performance* or assets)

Countries that have failed to demonstrate any significant improvement

- > Angola
- > Lybia
- > Mozambique
- > Rwanda
- > Sierra Leone

Examples

Countries that have improved all dimensions (economic performance, assets and governance)

Countries already with positive *governance* that have made even **further improvements**

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Countries that have improved all dimensions

Countries already with positive *governance* that have made even **further improvements**

Countries that have succeeded in crossing the middle line (as regards *performance* or assets)

Countries that have failed to demonstrate any significant improvement

- > Capo Verde
- > Ghana
- > Lesotho
- > Morocco
- > Namibia
- > Zambia



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Countries that have improved all dimensions (economic performance, assets and governance)

Countries already with positive governance that have made even further improvements

Countries that have **succeeded in crossing the middle line** (as regards *performance or assets*)

Countries that have failed to demonstrate any significant improvement



Examples

Countries that have improved all dimensions

Countries already with positive governance

Countries that **crossed the middle line** (as regards *performance or assets*)

Countries that have failed to demonstrate any significant improvement

- > Gabon
- > Gambia
- > Djibuti
- > Kenya
- > Liberia
- > Malawi
- > Mauritania
- > Republic of Congo
- > Democratic Republic of Congo
- > Swaziland
- > Uganda

Examples

Countries that have improved all dimensions (economic performance, assets and governance)

Countries already with positive governance that have made even further improvements

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improvement

Examples

Countries that have improved all dimensions

Countries already with positive governance

Countries that have succeeded in crossing

Countries that
demonstrate
improvement

- > Tchad
- > Cote d'Ivoire
- > Eritrea
- > Guinea
- > Equatorial Guinea
- > Zimbabwe



3. Progress in the 2008 initiative

The Senghor Agency for African talent – mission

Train in Europe the **African ruling class of tomorrow** at academic, post-university and corporate levels, promoting their return to African after training



The Senghor Agency for

Train in Europe the
tomorrow at acad
and corporate re
return to African a

- > Portfolio of potentially interested **universities** drawn up (among others: ILO*, IULM, Politecnico Milano, Rey Juan Carlos University, Scuola Superiore S. Anna, Catania, Milan and Palermo Universities)
- > **Institutional** support established
- > We are choosing the **Managing Director** of the company

(*) International Training Center



The initiative Dream T&EAM – mission

Expand **telemedicine** and **distance learning** activities within the Dream program of the Comunità di Sant'Egidio

The initiative Dream T&E

Expand **telemedicine**
learning activities
program of the

- > **Agreement** under discussion between the 2 foundations for the start-up phase of the project
- > The group of **founding partners** is being set up
- > Some important **industrial partners** have been identified: Microsoft Italia, Netdish, ST Microelectronics, Temix



4. Focus for 2009: agro-industry

Why we chose this theme

From the meetings held with the governments and institutions of Africa and Europe, **food** and hence **agriculture** emerged as **the** issues of strategic interest

Why we chose this theme

African agriculture has long been penalized by **inappropriate policies** and **insufficient investment**

The efficacy and efficiency of the sector is still low

Agriculture has a high triggering factor

The Green Revolution was applied badly in Africa and failed to act as a driving force for the economy

Local and international institutions give impetus to the agriculture sector

Investments in land for agricultural production are increasing

Why we chose this theme

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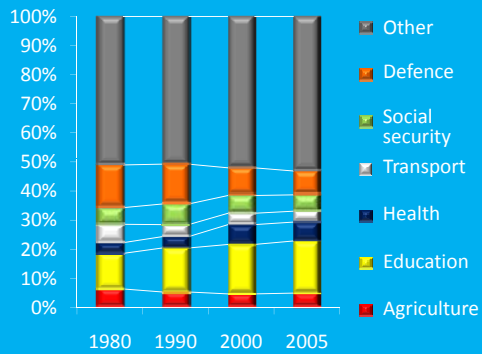
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African public spending per sector



Source: TEH-Ambrosetti based on FMI and IFPRI data

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- > Use of arable land: in Africa, 25% of the potential total
- > Agricultural productivity: in Africa, a quarter of the world average
- > Processing *in situ*: Africa (30%); developed countries (98%)

Source: TEH-Ambrosetti based on FAO, World Bank, IFPRI data



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Triggering factor of agriculture in Africa: 2



1% of growth in the agricultural sector = 2% of overall economic growth

Source: The World Bank



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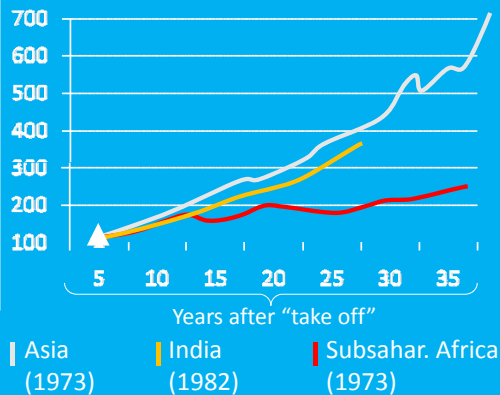
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World Bank Development Index



Source: World Bank

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> **NEPAD:** adopted *Comprehensive Africa Agriculture Development Programme* which sets for within 2015:

- **6% target** agricultural productivity
- **10% national public spending budget** for agriculture

> **G8: 20 billion \$** earmarked for agriculture



Why we chose this theme

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The Green Revolution was applied badly in Africa and failed to act as a driving force for the economy

Local and international institutions give impetus to the agriculture sector

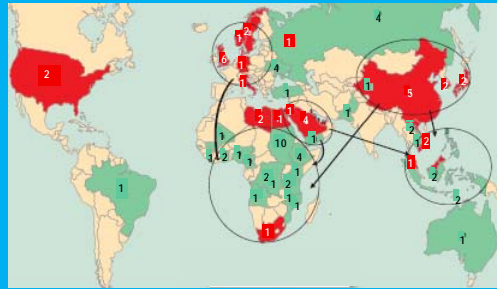
Investments in land for agricultural production are increasing

Why we chose this theme

African agriculture has long been penalized by low investment
 The efficacy and efficiency of the sector is low
 Agriculture has a high triggering factor for economic growth
 The Green Revolution was applied badly in many countries
 Local and international institutions give priority to other sectors

Investments in land for agricultural production are increasing

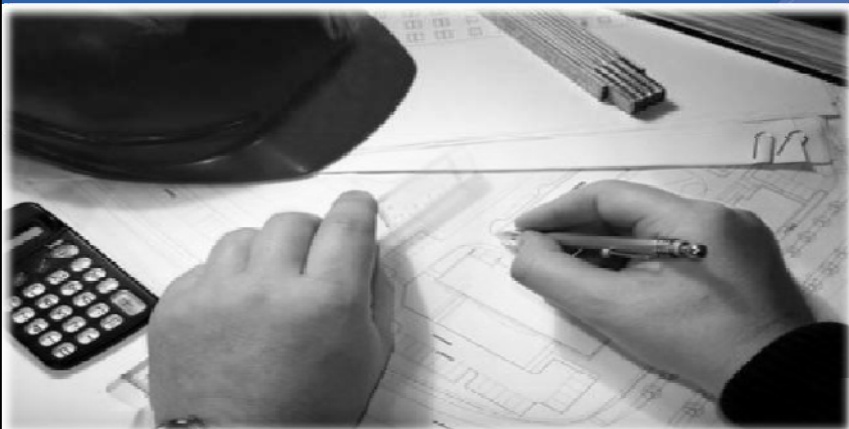
Investments in land for agricultural productions (N° contracts)



Investors

Recipients

Source: UNCTAD



5. The initiative we propose

The concept

To set up, in a pilot country, an **Integrated Agro-Industrial Park** geared to production and initial industrial processing, for the local market and for exportation

The concept

To set up, in a pilot country, an **Integrated Agro-Industrial Park** geared to production and initial industrial processing, for the local market and for exportation

Countries already interested in the initiative:

- > Malawi
- > Uganda
- > Zambia

Features of the Park

Integrated Park

Modular and expandable pilot project

Close to the major infrastructure corridors (for a good strategic location and in order to increase potential markets)

State-of-the-art technologies (sustainable and environmentally friendly) and training

Consistent with local nutritional needs and crops

Features of the Park

Integrated Park

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Macro activities of the Park

Park Activity



Industry



Education and
R&D



Trade



Services

Productions (of the Park)

- ✓ Agriculture
- ✓ Livestock
- ✓ Fish farming

Productions (other parties)



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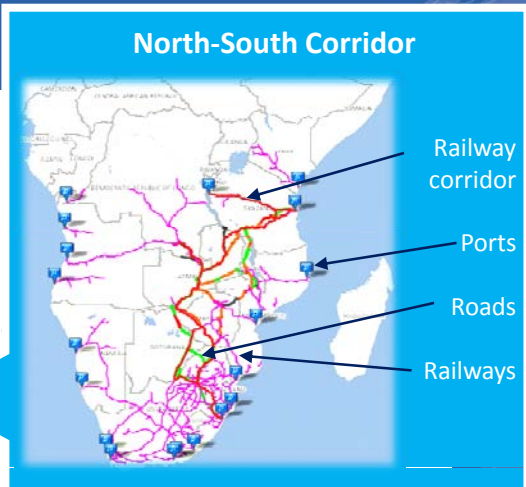


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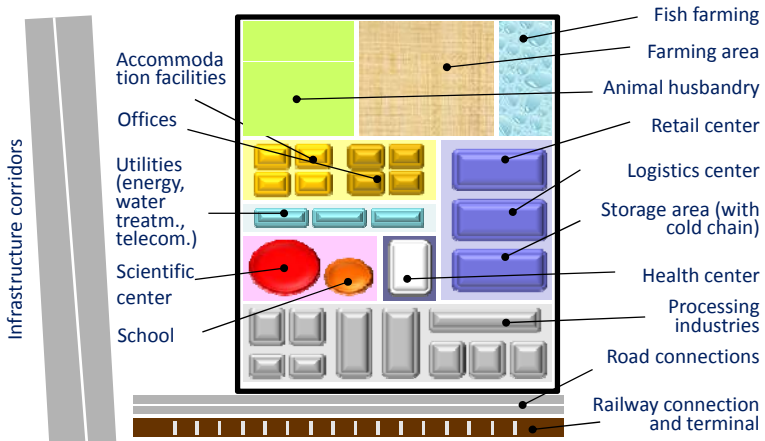
Modular and expandable pilot project

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Consistent with local **nutritional needs**
and crops

The provisional layout of the Park



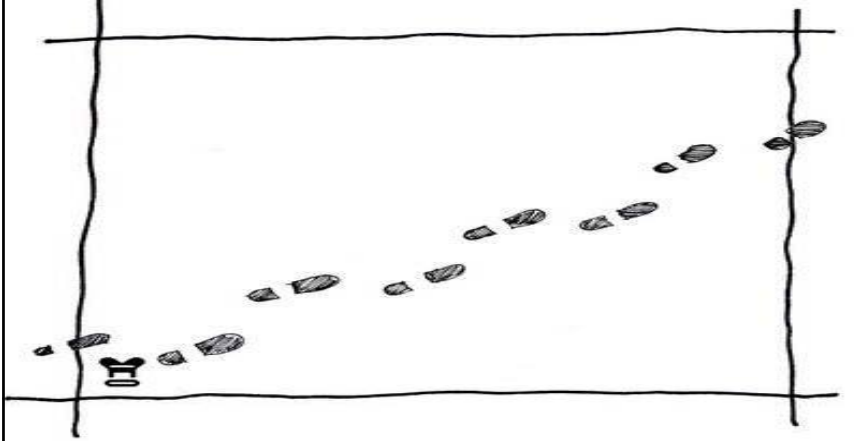
What we are going to do

Definition of the vehicle:

Special purpose vehicle composed of **investors** of the **infrastructure component** who will then manage the Park for at least 20 years

First results

The **leader of the design phase** and hopefully also of the implementation phase, has already been selected



6. The next steps

What we offer and what we look for

Object	Vehicle and partners	Capital origin	What we offer	What we look for	Interest expressions
Infrastructures building	<ul style="list-style-type: none"> Special purpose vehicle Public 	<ul style="list-style-type: none"> Partners Multilateral institutions (Nepad, World Bank, Cooperations, etc.) 	<ul style="list-style-type: none"> Land Connection with local government Business model Connection with European know how 	Capital and permissions	<ul style="list-style-type: none"> Government of Zambia Government of Uganda Government of Malawi Nepad Lotti & associates
Park management	<ul style="list-style-type: none"> Limited liability company State and privates 	Partners	Managerial know how	Expert entrepreneurs African and European	ZAM (Zambia Association of Manufacturers)
Utilities management	<ul style="list-style-type: none"> Limited liability company European and African utilities 	Partners	Modular and upgradable business model	<ul style="list-style-type: none"> Multitilities management trust Entrepreneurs in energy, telecommunication and water management 	Wanga Farm AnaGrain Zambeef Milan University Catania University Palermo University Tuscia University (Viterbo)
Agricultural production and livestock	<ul style="list-style-type: none"> Farms Farmers 	Owned	Know how and cultivation techniques Italian experience, even associative; suitable machinery	Small farmers or farmers cooperative; agricultural entrepreneurs with local experience	
Industrial processing	<ul style="list-style-type: none"> Limited liability company African and European industrial entrepreneurs 	Partners	Equipped area and	Entrepreneurs and	
Distribution	African and European trade companies	Partners	Infrastructures; upstream and downstream activities in the value chain	European and African groups; machinery and industrial equipments producers	
Education and research	Foundations, research centres, universities	Diverse institutions	Advanced research for crops selection; solutions already implemented	Genetics, agronomics, agro industrial technology specialists, and nutritionists	



“Arrivederci” in 2010