

*Think*

*new things*

*Make*

*new connections*

## Terms of Reference

**Africa and business:** can  
African entrepreneurs lead  
a new era of economic  
development?

12-13 October 2023

**DITCHILEY**

# Terms of Reference

## Summary

Despite many potential obstacles, private sector entrepreneurship is gaining pace in a number of African countries. Can this awakening of the private sector, enabled by global trends such as digitisation, demographics and globalisation, reach a tipping point that could drive broader economic development in Africa? How can partners, investors, governments and the international community more broadly better support entrepreneurship and the private sector in African states? How can sufficient capital be provided to grow start-up innovation to scale? How can development funding lead to investment funding driven by the real prospect of returns?

What are the opportunities for innovation and growth in core sectors of manufacturing, agriculture, infrastructure, transport, health, education, energy and renewables, and advances in governance, regulation and public sector transparency?

What are current examples of success and breakthrough from which we might learn? Are there specific applications of technologies that could leapfrog innovation elsewhere in the world? What do entrepreneurs want and need to make their business sectors and countries more productive? What does an effective innovation ecosystem look like in different African countries?

This Ditchley conference will bring together a range of outstanding African entrepreneurs alongside international counterparts, potential investors, government officials, politicians and other experts. The aim will be to explore how African entrepreneurship can be supported and catalysed to drive broader economic development. For the middle part of the conference we will break into three working groups to address subsets of these issues more deeply.

## Detail

Africa's entrepreneurial potential could be unleashed in the context of global digital transformation. But is access to finance, investment and markets sufficient to allow this to happen? Is infrastructure – for example energy supply, transport and educational provision – good enough? What does the global business environment look like from the perspective of entrepreneurs in African countries? What can individual governments, businesses, other countries, cities and business networks do to enable economic development and to connect existing markets to wider economies, international infrastructure and to a broader network of entrepreneurs?

The conference will look to countries such as Nigeria, South Africa, Kenya, Zambia, Ghana, Ethiopia and Rwanda to explore the progress entrepreneurs are making, the characteristic opportunities within countries and sectors and the likely breakthrough areas. Nairobi for example is now seen as the tech hub of East Africa.

Are there specific applications of technology that could make Africa more productive, for example by increasing efficiency in manufacturing and agriculture and developing climate technologies? Could African agriculture be better mechanised and seed science improved through private sector innovation? Are there lessons in garment manufacture that could be transferred from North Africa to sub-Saharan African countries? What are the opportunities around solar, mini-grid systems and clean cooking (with solar or LPG)? What scope is there for the use of drone and autonomous vehicle technologies for deliveries to areas without transport infrastructure?

Do the characteristics of African countries' economies – for example the dominance of mobile phone-based communications (likely to be much enhanced by low earth orbit satellite connectivity); resources for renewable energy; or the increases in population – create particular opportunities?

Countries of sub-Saharan Africa are expected to contribute more than half of the increase in global population anticipated through to 2050 and so these countries will have a young demographic and potential source of talent. What opportunities for innovation could benefit from Africa's role as the world's last remaining young continent?

There are also constraints and risks which include underdeveloped data resources; little or no regulation around data use or privacy; lack of investment finance; lack of access to markets; infrastructure; and of course conflict and political instability. If a growing young population does not find employment, then the potential demographic dividend for Africa could become a source of greater instability rather than economic growth. How can these constraints and risks be addressed or at least mitigated in business development plans?

The global business environment also presents challenges with geopolitical uncertainty, currency devaluation, and a constant pressure for the migration of talent to other countries, including to the UK. Russia's disastrous invasion of Ukraine presents particular risks for food, fertiliser and energy supplies. Tensions between China and the West also complicate a coordinated international approach to supporting African development. How can these potential pressures on the private sector be managed?

For the middle part of the conference we will break into three working groups so as to be able to explore some of these issues in greater depth:

### **Group A**

#### **Realising the demographic dividend for Africa: how can entrepreneurs make the most of Africa's young workforce?**

What does the relative youth of the continents' population and workforce mean for business and economic development? What policies are required to support a young workforce? How should links between education and economic policies be developed? What changes in the education system could help to deliver for changing economic needs – what knowledge and skills are critical? What kinds of investment in health for example would support a younger workforce, including young women? What does realising a demographic dividend mean and what how does it meet the wants, needs and aspirations of the young?

**Group B****How can African entrepreneurs make the most of the continuing technological revolution and AI?**

Expectations for Africa to be able to reap the benefits of the ongoing technological revolution are high but what is needed practically to make this happen? What, in terms of data, infrastructure, energy supply, expertise and investment of other resources will help entrepreneurs to take advantage of technological change across a range of sectors – for example in agriculture, manufacturing, health, climate tech, education, logistics and social entrepreneurship. What threats and dangers might de-rail these expectations and can these risks be avoided? Will there be winners and losers over for example, the future of work (as is feared in Western societies) and for social and economic equality and opportunity?

**Group C****How to open access to finance, investment and markets: constraints and opportunities.**

What is the current position of financial markets in Africa and for different countries? What are the most essential changes to make in which countries and in what areas: banking regulation; access to credit; development of capital markets; long-term financing; financial support for entrepreneurs and for small and medium enterprises? Are there innovations for example in financing, i.e. small scale loans that could make a difference? What scope is there to harmonise currencies and access to national markets across the continent? Given the experiences of the last decade, what expectations are there now for Western and Chinese investment? What kind of investment will make the most of African resources in and for Africa?

**Context**

This Ditchley conference precedes a second summit on UK-African Investment planned for April 2024, to be hosted by the Prime Minister: <https://www.gov.uk/government/news/uk-to-host-african-investment-summit-in-april-2024>

The Ditchley Foundation has held conferences on African issues over many years. Dozens of conferences on various aspects of economics and politics on the continent have been held since the early 1960s. More recently, our collaboration with The Brenthurst Foundation delivered discussions on:

[Investment in Africa: new frontier v. old insecurities](#)

26-28 January 2017

Chair: H.E. Olusegun Obasanjo

[Security in Africa in a Changing World: Building the necessary partnerships and capabilities](#)

23-25 January 2020

Chair: H.E. Hailemariam Dessalegn

A full overview of conferences at Ditchley on Africa is given in this paper by Nathaniel Ocquaye: [Ditchley and Africa: A Long Journey from 1962](#)

Lastly, we are grateful to Mr Charles Sekwalor, CEO and Founder of Movemeback, a members' community of top global talent, leaders and influencers interested in Africa, for his perspective on the issues raised by this conference in this presentation entitled, '[A new era of African economic development enabled by ~~Government~~ young entrepreneurs. Where next?](#)