

EVENT CONTRIBUTION

Konrad-Adenauer-Stiftung e.V.

REGIONAL PROGRAM

GULF-STATES

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Europe – Gulf – Africa New Approaches to Sustainable Cooperation

KAS-REGIONAL PROGRAM GULF-STATES AND INSEAD ABU DHABI ORGANIZE CONFERENCE "FROM PRIVATE ACTION TO PUBLIC GOOD: HOW CAN THE GULF REGION CONTRIBUTE TO SOCIO-ECONOMIC DEVELOPMENT IN AFRICA?"

Africa has increasingly drawn international attention – and no longer only in context of European development cooperation. The international community – including the Gulf-States have become aware of the economic potential of African countries. If all African countries were to be combined into a single market, they would be the tenth largest economy worldwide. Africa's GDP grows by 5,5% annually and still 45% of Africa's population live of less than a dollar a day.

To enable the African population to participate in and benefit from the economic development, innovative and sustainable approaches to development cooperation need to be established. The main objective is to encourage the contributions to economic growth and development mainly on the micro-level in local projects. Also the Gulf-States can play an integral part in promoting entrepreneurship and sustainable economic development in African communities.

On June 2, 2011 the Regional Program Gulf-States of Konrad-Adenauer-Stiftung and INSEAD Business School invited to a one-day expert conference on „From Private Action to Public Good- How Can the Gulf Region Contribute to Sustainable Socio-Economic Development in Africa?“ to discuss policies and perspectives for future development cooperation with Africa.

“It is a part of the political dialogue as well as the goals of KAS to define strategic approaches to effective development cooperation,” stated Thomas Birringer, Regional Representative to the Gulf-States in his opening remarks. With its expertise KAS was able to contributing greatly to the success of the conference by making use of its extensive network of international partners as the list of international guest speakers showed. Sizanie Ngubane and Glynn O’Leary came from South Africa, Vasco Acha from Mosambique introduced the Transfrontier Conservation Areas & Tourism Project and Henrietta Onwuegbuzie from Nigeria represented the Lagos Business School. Also the donor and investor side was well represented by international guests. Martin Hansen presented the work of the GIZ in Ethiopia, Pacha Bakhtiar talked about the influence of direct investments on social and economic development in Africa and Beau Crowder from the Emirati aid organization Dubai Cares presented its successful twin school project in Mali.

Based on the underlying objective of enhancing local projects and private entrepreneurship in Africa, three panel session elaborated on the question how the Gulf region can contribute to the socio-economic development in Africa. KAS chose to cooperate with a Business School for this conference to look at „Social Entrepreneurship“ and private enterprise development as keys to sustainable economic development from various perspectives. What are the goals and interests

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of Gulf-States' development activities? What can be done aside from pure charity to strengthen economic relationships between the UAE and Africa in the long run? Can cross-cultural concepts be defined and actually be applied? These and other questions were the topic not only of various presentations but also of discussions and workshops at the conference.

In his Keynote Speech Yacoob Abba Omar, South African Ambassador to the UAE, pointed out the increasing number of foreign investments into Africa. The prejudice that money invested into Africa is lost for good, needs to be done away with once and for all. While direct investments into Africa have doubled between 2004 and 2006, too little of this positive development trickles down to the general population. Out of 54 African countries the ten richest states receive 70% of all investments, a fact that calls for major change, insisted the Ambassador. To attract more investors a functioning infrastructure is of essence. It is estimated that around 90 million Dollars annually are need for the next ten years to improve the infrastructure, continued the Ambassador. While relations between the Gulf-Stats and African countries are still in their beginning stages, they already show great potential for future cooperation. NGOs from the Gulf region, e.g., can send young professionals to Africa to work in local projects. „Today's conference“, said Yacoob Abba Omar „contributes significantly to the mutual understanding of the donor's motivations and the recipient's needs.“

Discussions at the conference also focused on the establishment of a social infrastructure. To this end Masood A. Razaq presented the aid organization *Goodgate*, a virtual platform, that aims to encourage philanthropy in the Muslim world as well as to connect Muslims worldwide, that either want to donate money or know of a project that is in need of financial support. The objective is to modernize philanthropy, stated Masood Razaq. The most convenient way to donate money today is through the internet, which still poses some risks. With the help of *Goodgate* donors can be sure that their money reaches the right people. *Goodgate*

is meant to stimulate the discussion about philanthropy in the Muslim world as well as to coordinate the Zakat-contributions¹ of Muslims to optimize their positive impact. The new network and advisory functions of *Goodgate* aims to solve issues like corruption or a lack of trust. *Goodgate* tries to combine modern technologies with the Islamic tradition of charity, said Razaq. This way the best possible results can be reached for both side - the beneficiary and the donor.

The first panel concentrated on the newest findings on sustainable socio-economic development. Marja Spierenburg of the Free University Amsterdam talked about the establishment of Public-Private-Partnerships that promote deregulation and competition especially in the agricultural sector. As an example for the success of these partnerships Spierenburg named the Kruger National Park. In her presentation „Achieving Sustainable Development through Indigenous Knowledge and Entrepreneurship“ Henrietta Onwuegbuzie stressed that while Africa's economic and infrastructural development are the central issues, the knowledge of the indigenous people of Africa has to be preserved and supported.

The second panel presented various examples from Sub-Saharan Africa thus highlighting hands-on experiences with local projects: Vasco Acha, Community Expert, talked about the *Covane* Community in Mozambique and its tourism projects, which have contributed to economic prosperity and sustainable development of the community which is located at border to South Africa. Socio-economic development was the main topic of Sizani Ngubane, founder of the *Rural Women`s Movement* in South Africa. The *Rural Women`s Movement* encourages women to stand up for their rights and supports their struggle for political and economical participation. Sizani Ngubane stated that poverty and denial of women's

¹ Zakat, an obligatory charity donation, is the third of a total of five pillars of Islam. Zakat obliges each individual Muslim to donate 1,5% of their annual income to a good cause.

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rights pose a fundamental problem. Until today women in the traditional communities of the KwaZulu-Natal are still being denied the right to own land. Right to land ownership still lies solemnly with the male relatives. Furthermore, women are not accepted as farmers despite the fact that more than 80 % of the farming is done by women. Glynn O'Leary shared his experiences on local partnerships with African communities. His tourism projects help to build lodges that are new sources of income for the communities. According to him these projects have created around 50.000 new jobs.

The challenges that donors and investors alike are facing was topic of discussion in the third panel. Martin Hansen of GIZ as well as Beau Crowder of *Dubai Cares* talked about their involvements in Africa. *Dubai Cares'* „Mali Program“ has supported 729 schools with a period of four years and improved their infrastructure and hygiene facilities as well as provided the students with daily meals. „Each community and school is unique and requires customized solutions for its sustainable growth“ concluded Beau Crowder his remarks. Pasha Bakhtiar, founder of *WillowTree Investments*, highlighted the positive part private investments can play in Africa, if they are interested in profits and public good alike. Ethical investments so-called „Impact Investment“, could become an investment category of its own, where profit maximization as well as moral values of the investor are likewise taken into account. The goal is to bring investors together with businesses that strive for social change through their business endeavors. As one example, Pasha Bakhtiar named a health organization in Uganda, which subsidizes free health care for the rural population from the earnings of the clinics that are located in wealthy neighborhoods. At the moment, *WillowTree* is involved in Africa with over 30 projects similar to this. *WillowTree* counts on investors from the Gulf-States and that is why Dubai has been chosen as headquarter.

Several examples reveal that the African continent is still very diverse. This fact does not allow standardized solutions for the challenges development policies are facing. There is a lot of catching up to do, especially concerning political and economic reforms, the fight against corruption or the reconciliation of miscellaneous conflicts.

But the conference showed: development cooperation between the triangle Europe, the Gulf-States and Africa offers a lot of opportunities and possibilities to encourage a sustainable development in Africa. “It is not about making a marginal change in Africa, but about realizing a significant difference.” said Patricia Sennequier in her speech. Ideas, mentalities and paradigms in development cooperation have to be changed. One-side charity activities have to be exchanged for projects, in which all parties concerned can prosper.

It became obvious that stakeholders from the Gulf-States have a different perception on questions of development than Europeans. Therefore, a long-term discussion between the triangle Europe-Gulf-Africa, which KAS Regional Program Gulf-States has initiated with this conference is a worth while undertaking.