

# Empowering the Digital Economy in Africa



▶ Economic Integration

▶ Trade Facilitation

▶ Trade Finance

▶ Trade Transparency & Visibility





There must be a clear target that meets the MEA citizens' economic needs and aspirations thus ensuring optimal implementation.

Assisting AfT in the **MEA** region to achieve its objectives regionally and with its trade partners, by leveraging lessons learned from previous AfT programs and setting a new standard thus meeting the **MEA** citizens' urgent economic needs.

### Trade Assessment

Assessment of trade efficiency examining critical information related to shipment participants when handling the shipment from shelf-to-shelf.

### Education

Sharing the Assessment findings with the selected country's industry representatives, outlining areas of improvement, and presenting the 21st Century Digital Economy Platform (DEP) as the required tool to achieve business excellence.

### Empowering the MEA Region Service Industry

Provide an exclusive opportunity to the MEA service industry to partner with renowned organizations from around the world as a prerequisite step to be part of the global network deploying the required DEP.

### Benchmark Trade Lane (BTL) Deployment

Implementation of the DEP on the preselected four global trade lanes, engaging all parties involved in the trade process from shelf-to-shelf.

### BTL Showcase

Event wherein the selected global network with renowned global public and private organizations to showcase the benefits first-hand, triggering the DEP's Global Deployment.

### Global Deployment

According to the studies by public and private organizations around the world, 60% of the world trade volume will be managed through the use of the DEP by 2020.

General consensus among public, NGOs, academic and private sector stakeholders is necessary to expedite deployment and offset geopolitical and monopolistic concerns.

Countries: 156

NGOs: 21

The private sector representing 2.7 Million workforce from technology, finance and insurance industries servicing 60% of the world's GDP.

Organizations representing the interests of 60% of the world's SMEs and 122 development banks in 43 countries.



GOALS



TOOLS



ROADMAP



CONSENSUS

**Phase 1**

- Annual savings of trade cost by \$63 Billion through the reduction of the landed import and export cost from avg. 16% to avg. 7%.
- Creating market opportunity for the trade service industry by about \$1500 Billion by 2020.
- Total job creation up to 20 Million, for service industry 15 Million jobs and manufacturing 5 Million jobs.

**Phase 2**

- Increase trade volume by \$337 Billion through leveraging the lost trade opportunities.
- Generating 23.5 Million jobs.



### Phase I - Benefits

Annual landed Import Export Cost Savings: \$ 63 Billion  
 Service Industry Market opportunity: \$1500 Billion  
 Job Creation: 20 Million  
 (Manufacturing jobs: 5 Million; High paid jobs: 15 Million)

### Phase II - Benefits

Trade Volume increase: \$ 337 Billion  
 Job Creation: 23.5 Million  
 (Manufacturing jobs)



# AFRICA MUST BE PART OF THE CHANGE THAT AFRICANS WANT TO SEE TOMORROW.

## Benefits for Africa (sample)

- ⚙️ Reduce Africa's annual trade costs by USD 28.5 Billion.
- ⚙️ Create 32 Million new jobs in MEA.
- ⚙️ Increase MEA trade by USD 337 Billion.
- ⚙️ Create a new USD 1.5 Trillion service market opportunity.
- ⚙️ Provide an agricultural surveillance system to contain food disease outbreaks.

## Challenges for Africa (sample)

- ⚙️ SMEs lack real time information sharing with their trade partners resulting in operational inefficiencies and the inability to reach new markets.
- ⚙️ Africa has a high cost of trade that inhibits domestic and foreign direct investment and impedes its overall trade competitiveness, regionally and globally.
- ⚙️ African SMEs represent a high financial underwriting cost and high credit risk therefore they are not able to obtain the necessary financing to expand their business and trade.
- ⚙️ Africa needs physical infrastructure investment and lacks the necessary trade information and volume visibility in order to attract and prioritize such investment.

## IT'S ABOUT AFRICA'S ECONOMY, JOBS, SAFETY & ENVIRONMENT

### **The Benefits of the Digital Economy:**

The present economic unrest and the uncertainty of the future call on the world to look beyond conventional solutions, learning from history while leveraging 21st century tools. Through the advent of containerization, the resulting increase in trade efficiency was pivotal in reviving the global economy and contributing to global economic growth over the past 56 years. The cargo container secured goods against theft and damage, while also reducing loading costs from USD 5.86 to USD 0.16 per ton.

Today, with the Digital Economy, we can do it again. We can reduce the world's trade cost by USD 700 Billion every year. This is only the first step in establishing a solid foundation to increase trade by USD 1.2 Trillion, providing a USD 6 Trillion market opportunity for the service industry, generating nearly one hundred million jobs around the world.

In pursuing a sustained economic growth plan; the custodians of the global economy have turned to the Digital Economy without identifying what it should do, where they should start and how much it would cost. We have launched the Digital Economy solution that world leaders demand towards achieving sustained economic growth. This is the New Millennium Standard for Growth (N-MSG) and Africa Is Part Of It!

### **The New Message for the MEA Region:**

Experts worldwide agree that trade is a key factor to sustain economic growth. Accordingly, the Aid for Trade (Aft) Program has been adopted by international organizations as one of the main strategies to grow trade.

Today we witness in the MEA region an urgent need to achieve sustained economic growth due to the on-going social and political unrest. In this respect, the margin of error must be at the barest minimal to nil level in order to meet the economic ambition of the MEA region citizen. Therefore, our actions must present a new message to the region and to the world learning from history while setting a New Millennium Standard for Growth.

Globally, the N-MSG Council is recognized as having the economic goals to meet the aspirations of most world citizens. It also has the roadmap and the required tools to reach the proposed economic goals, as well as the global consensus of its program. All of this represents the proven formula to ensure a successful and rapid delivery of the desperately needed Digital Economy, re-balancing the world economy and providing prosperity for generations to come.