
Preface

DONALD KABERUKA, President, African Development Bank Group

KLAUS SCHWAB, Executive Chairman, World Economic Forum

ROBERT ZOELLICK, President, World Bank Group

The Africa Competitiveness Report 2009 (ACR) is the second joint report of our three organizations. It arrives against the backdrop of the deepest global economic slowdown in generations.

In Africa, impressive growth rates and increasing levels of FDI supported an economic resurgence over the past decade: between 2001 and 2008, Africa experienced an average annual growth rate of 5.9 percent in gross domestic product (GDP). But the global crisis has raised questions about whether this growth performance can be sustained. African economies are less linked to global financial markets than other parts of the world, but the region has not been spared from the fall-out of the global crisis. For 2009, GDP growth for the region is expected to be below 3 percent. This growth deceleration jeopardizes the progress Africans have made in recent years in economic development, in policy and institutional reform, and, in particular, in overcoming poverty.

The ACR highlights the areas where urgent policy action and investment are needed to ensure that Africa can best ride out this crisis and continue to grow for the future. The *Report* leverages the knowledge and expertise within the African Development Bank, the World Bank Group, and the World Economic Forum to present a unified vision and a mapping of the policy challenges that countries on the continent may address. It is intended as a tool for African decision makers from private, public, and political circles to measure the business climate potential for sustainable growth and prosperity.

As such, the ACR should stimulate private-public dialogue on the issues at stake. The private sector can play a vital role in the process of reform. As essential stakeholders, businesses can support and advocate for reforms that enhance competitiveness and initiatives that create jobs. For their part, governments will want to emphasize a sound business climate as a catalyst for long-term growth and prosperity.

This year's ACR examines many aspects of Africa's business environment, with a focus on boosting prosperity across the region. The report includes assessments of the competitiveness and costs of doing business on the continent; timely analyses of the depth and sophistication of the region's financial markets; effective measures taken by the relatively smaller economies on the continent to promote their competitiveness; and the extent to which African countries have put in place measures that facilitate

the free flow of trade over their borders. In its final sections, the ACR includes detailed competitiveness and investment climate profiles for each of the countries included in the *Report*.

We cannot allow today's crisis to reverse the progress that Africans have already made. Instead, we must seize this opportunity to support reform and to help Africa improve its competitiveness and growth prospects. In today's interconnected world, Africa's prosperity is important to all of us, both as a source of global growth and to promote the sustainability of globalization.