
If a man does not know to which port he is steering, no wind is favorable



SOUTH AFRICA – ITALY SUMMIT

Building a community of leaders for growing their enterprises in the two regions and continents

Project presentation

The European House - Ambrosetti is named **best Private Think Tank** in Italy and 4th in Europe, in the University of Pennsylvania's "Global Go To Think Tanks Report"

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- The South Africa – Italy Summit background
- The European House - Ambrosetti Group



South Africa – Italy Summit

Building a community of leaders for growing their enterprises in the two regions and continents

With the goal of fostering economic growth, development, and innovation in Africa and Europe,
in 2014 The European House – Ambrosetti started the
South Africa – Italy Summit



SOUTHAFRICAITALY
SUMMIT

The South Africa – Italy Summit 2016

Date, venue, and program

- **Date: Tuesday 18th and Wednesday 19th October 2016**
- **Venue: Hyatt Regency Hotel, Johannesburg**
- **Target: ~150 high level participants** (business leaders and institutions), ideally 50% from Italy and 50% from South Africa



Tuesday, October 18th, 2016

Wednesday, October 19th, 2016

Morning

Italy and South Africa cooperation in the energy sector overcome the challenges of the future

Italy and South Africa design together a strategic roadmap for the completion of automotive value chain

Lunch

Afternoon

Opening remarks

Europe and Africa can revitalize growth in the changing global geo-economic scenario

South Africa and Italy team up to reap latest opportunities arising from digital revolution

Regions increase competitiveness and growth through new approaches and tools in their cooperation

Evening

Shared experience and technology foster competitiveness and sustainability in Agribusiness

Gala Dinner

Closing remarks

□ = Plenary Sessions □ = Networking sessions



The vision of the South Africa – Italy Summit

The South Africa - Italy Summit adopts a long term strategic approach to expand relations between SADC Countries and Europe. At The European House – Ambrosetti, we believe that mutual knowledge is an essential element for a fruitful business engagement. This is why we chose to invest to create a **community of leaders capable to influence economic relations** between the two Regions.

VISION

Build a community of leaders from South Africa and Italy to reinforce the strategic relationship between the two countries and exploit new opportunities for growing in Africa

1. Position the South Africa – Italy Summit as the reference annual event for the two countries' leadership
2. Provide South African and Italian decision makers with innovative ideas and opportunities for businesses in Africa
3. Launch pilot projects involving enterprises and institutions from the two countries

5-year time frame

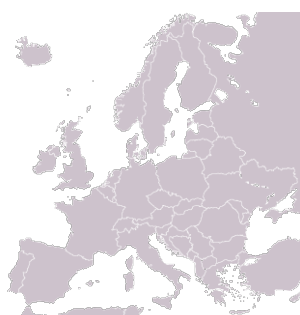
1st South Africa-Italy Summit
2-3 October 2014 (Cape Town)

2nd South Africa-Italy Summit
1-2 October 2015 (Cape Town)

3rd South Africa-Italy Summit
18-19 October 2016 (Johannesburg)

Editions 2017, 2018, ...

The Summit started as a mainly bilateral event, but with its success came its enlargement, and it is now a **multilateral platform** designed and open for players from the whole **Europe and SADC Countries**

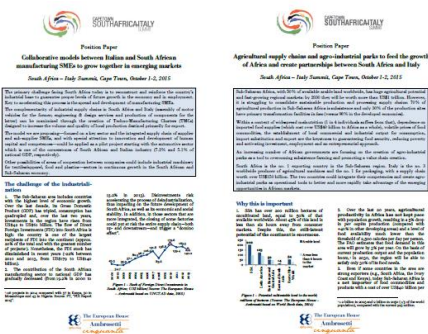


SOUTHAFRICA ITALY
SUMMIT



The South Africa - Italy Summit is a multipillar platform for business engagement in and with Africa

Think Tank responsible to identify the most relevant topics for South Africa – Italy relations and to draft the Position Papers presented at every edition the Summit



Exclusive Summit for top-level political and business leaders from Italy, South Africa and their respective continents

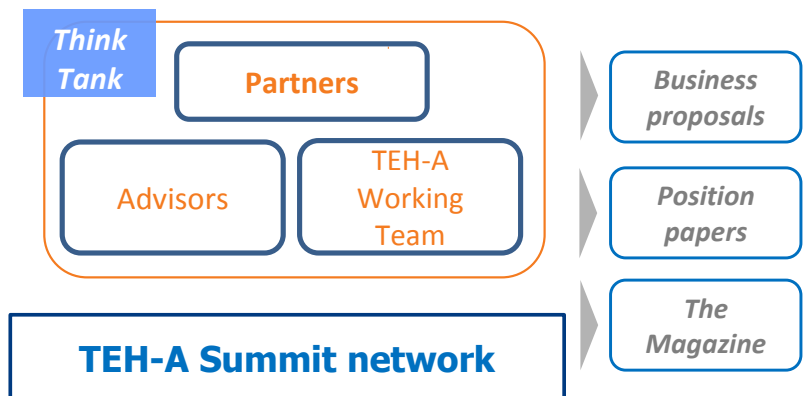
- Press releases & Editorials leading up to the Summit
- Press Conference before the start of the Summit
- Welcome Reception for all sponsors, VIP guests & speakers
- Gala Dinner as the main networking event
- Ambassadors' Cocktail Reception at the end of Summit

On-line magazine available exclusively to participants of the Summit



A key **distinctive feature** of the South Africa – Italy Summit is the **Think Tank**, which is composed by a high caliber international Advisory Board, a TEH-A team of professionals and our Partners, working to:

- Identify and analyze **promising business sectors**
- Highlight concrete **investment opportunities**
- Put forth **advocacy actions** to foster bilateral relations
- Draft The Magazine, the platform that knit together the Summit Community during the year



Benefit for the partners of the project

- Enjoy a privileged point of observation to benefit from the economic growth of SADC countries
- Be member of an influential circle of business leaders and public officials - from Europe and SADC Countries - that shall **shape the two countries' economic relations**
- Take part to discussions and seminars with **prominent guests and experts** about bilateral ties and trade strategies

Influence the Agenda of the Summit and the business sectors covered

Invite guests to the Summit and to the Gala Dinner

Customized meetings organized in preparation of the Summit and in loco

Gain **significant media coverage** and visibility in the target Country

The South Africa – Italy Summit 2016 partners

Main Partners



Partners



Session Partners

With the patronage of



Selected speakers and media coverage of the 2014 and 2015 editions

- **Marco Arzilli**, *State Secretary for Industry, Handcraft and Trade*, Republic of San Marino
- **Maria Chiara Carrozza**, *former Minister of Education, University and Research*, Italy
- **Rob Davies**, *Minister of Trade and Industry*, South Africa
- **Alec Erwin**, *Chairman, Ubu Investment Holdings, former Minister of Public Enterprises and former Minister of Trade and Industry*, South Africa
- **Paolo Gallo**, *Chief Executive Officer*, Grandi Stazioni
- **Siyabonga Gama**, *Chief Executive Officer*, Transnet Freight Rail
- **Ian Goldin**, *Director*, Oxford Martin School, University of Oxford
- **Pravin Gordham**, *Minister of Cooperative Governance and Traditional Affairs, former Ministry of Finance*, South Africa
- **Malcolm Gray**, *Global Head of ESG*, Investec Asset Management
- **David Malemolla Makhura**, *Premier*, Gauteng Province, South Africa
- **Kupukile Mlambo**, *Deputy Governor*, Reserve Bank of Zimbabwe
- **Mthuli Ncube**, *Chief Economist and Vice President*, African Development Bank
- **Tseke Nkadimeng**, *Chief Executive Officer*, Africoil
- **Ndaba Ntsele**, *Chief Executive Officer*, Pamodzi Investment Holdings
- **Roger Olsson**, *Chief Executive Officer*, DHL Global Forwarding Subsaharan Africa
- **Lapo Pistelli**, *Senior Vice President*, ENI, *former Deputy Minister of Foreign Affairs*, Italy
- **Kim Silberman**, *Economist*, Standard Bank
- **Wylbur Simuusa**, *Minister of Land, Natural Resources and Environmental Protection*, Zambia
- **Lindiwe Zulu**, *Minister for Small Business Development*, South Africa
- **Sandile Zungu**, *Executive Chairman*, Zungu Investments Company

Forum Ambrosetti a Cape Town
Un hub per l'Africa meridionale e uno verso la Ue

Italians push for rise in SA trade and investment
Delegation unhappy with insufficient ties

Italy eyes sub-Saharan Africa
Italy is keen to contribute to agricultural development in Sub-Saharan Africa by partnering with South Africa and other countries to establish agro-industrial parks. **Denene Erasmus** reports.

Taking SA and Italy to the summit
The first South Africa-Italy Summit taking place in Cape Town next month is set to further foster and promote trade between South Africa and the home of pizza and Ferrari

Alla conquista del Sudafrica Italiani che copiano i cinesi
Dai mobili ai pannelli solari: in controtendenza, fanno investimenti
Italy looks to SA for opportunity
Carbon and Finance News | — 27 October 2014

Understand African economies – Erwin



Sub-Sahara Africa in summit spotlight
Top Italy, SA managers focus on energy, manufacturing, agribusiness



Top leaders to discuss investment opportunities at the second South Africa-Italy Summit

Italy plans to partner more with SA firms
Aims to tap African growth



Davies paai Italianers oor eiendomsregte
Staat 'sal buitelanders billik vergoed vir ontceining'

Italian CEOs pursue trade and investments in Africa

Italy looks to South Africa for opportunity

Partnering to conquer emerging markets

Local businesses benefit from SA-Italy agreements

Radio
Suid-Afrika en Italië sluit vennootskap vir bevordering van landbou in Afrika
Italië het definitief iets wat hulles kan bied vir Sub-Sahara Afrika, en Suid-Afrika wissel vir hulles die beste vennoot gewees as gevolg van ons platform - Nico de Kock, bedryfhoof van Grow to the Power of NI Consulting
Andries van Zijl | 2 September 2015 19:20

Italy offers SA help in dealing with severe drought



Leadership think tank to strengthen SA-Italy ties

SA, ITALY TALK FARMING Summit sows seeds for future

2014
26 Publications / Websites / Stations
AVE of R500k
PR Value of R2m

2015
72 Publications / Websites / Stations
AVE of R1,3m
PR Value of R5m

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The global conjuncture is limiting the potential of growth in Subsaharan Africa

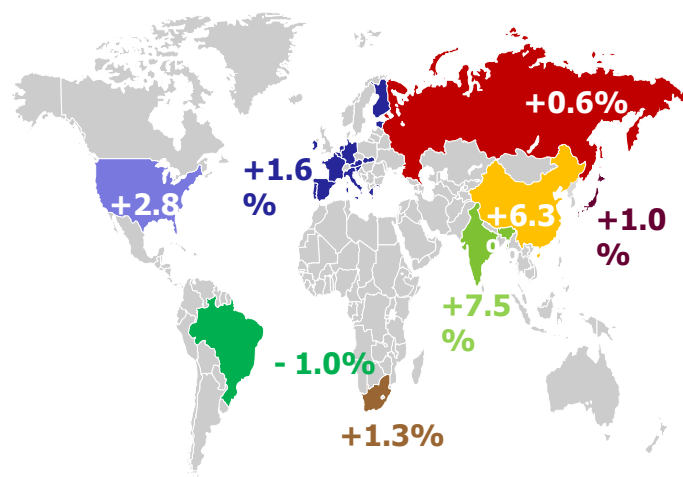
The Scenario

During the first half of 2016 the long hoped-for global growth acceleration hasn't unfolded yet. Major issues hampering growth prospects are the protracted **low commodity prices**, which put pressure onto many commodity exporters Countries, often global or regional engine of growth (Russia, Iran, Nigeria, South Africa, etc); while not boosting commodity importers growth, as Europe is already at risk of deflation. **Sluggish growth prospects in China** also undermine business confidence. Also, political volatility in the West cast a shadow over the immediate future: Brexit is another political obstacle for an EU whose institution are already under pressure. Nevertheless, the much feared economic cataclysm hasn't materialized yet: **Brexit** is going to be a lengthy process we will have to live with for years to come. Spectacular elections in the US are also source of worries, as the once beacon of political stability is becoming pray of populist discourse.

All this negatively affects economic performance in SADC Countries

- **Export contraction** caused by weak global demand; China slowdown (n.1 trading partner of SA, with \$US 20 bn) significantly reduces mining products demand
- **Reduction in FDI inflows** (-31.2% in 2014 to SA; -84% in China's cross-border investments in Africa in the first half of 2015)
- **All-time low in Rand value**, reaching 16.57 vs \$US (-10% from Jul. 2015 to Jan. 2016), pushes inflation up, while weak global demand does not allow for export increases
- **Drought** affects SA agricultural performance (-8.4% in 2015)* and increases food commodity prices

2016 real GDP growth forecasts



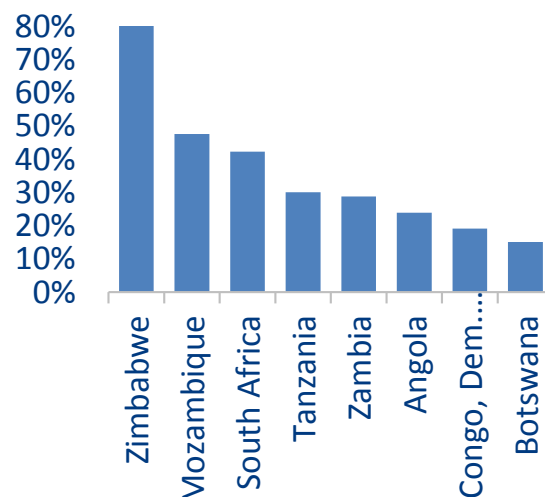
(*) SADC depends on South Africa for 40% of its consumed maize, but in 2015 the country has planted just half of its normal crop



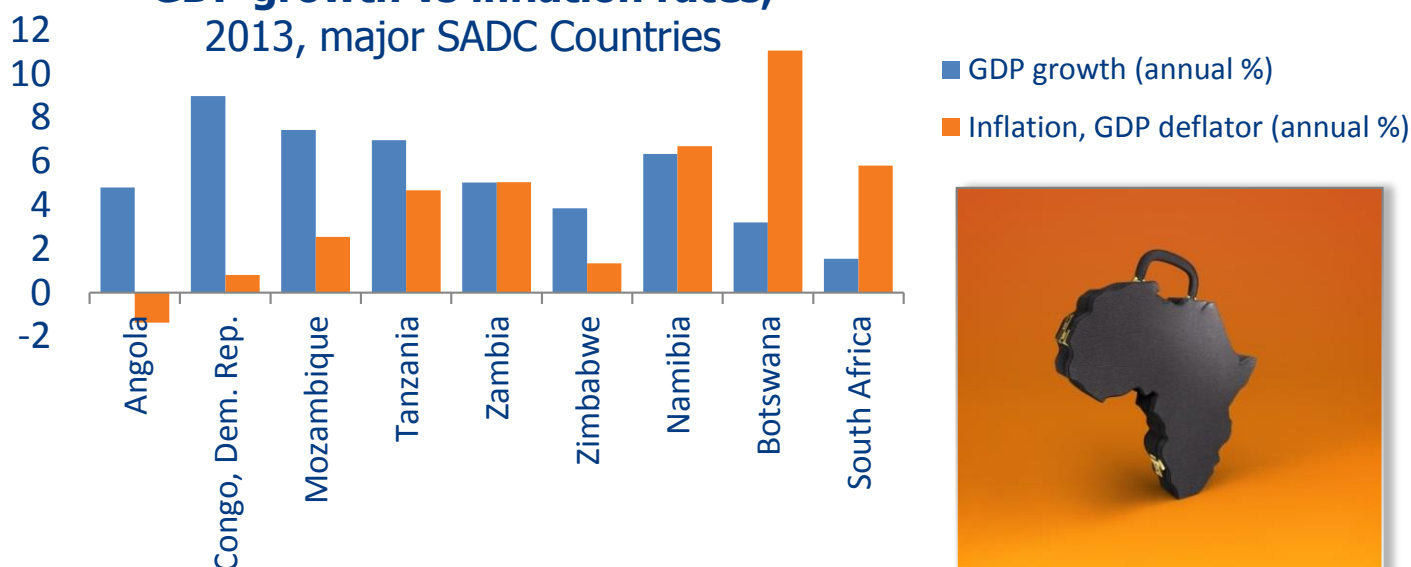
Nonetheless, Africa's future looks bright

Subsaharan Africa, and SADC Countries in particular, is one of the **fastest growing** and rapidly changing regions of the World. Despite persisting poverty, public health, and inequality problems, for once Subsaharan Africa seem on the right track to generate **endogenous, long term, sustainable development**. Many economies are indeed growing at fast paces, inflation and debt are kept under reasonable control, a middle class is slowly emerging, the digital divide is narrowing: all this creates **tremendous opportunities** for dynamic and innovative entrepreneurs. Africa is now open for business.

External debt stock, 2013, major SADC Countries



GDP growth vs inflation rates, 2013, major SADC Countries



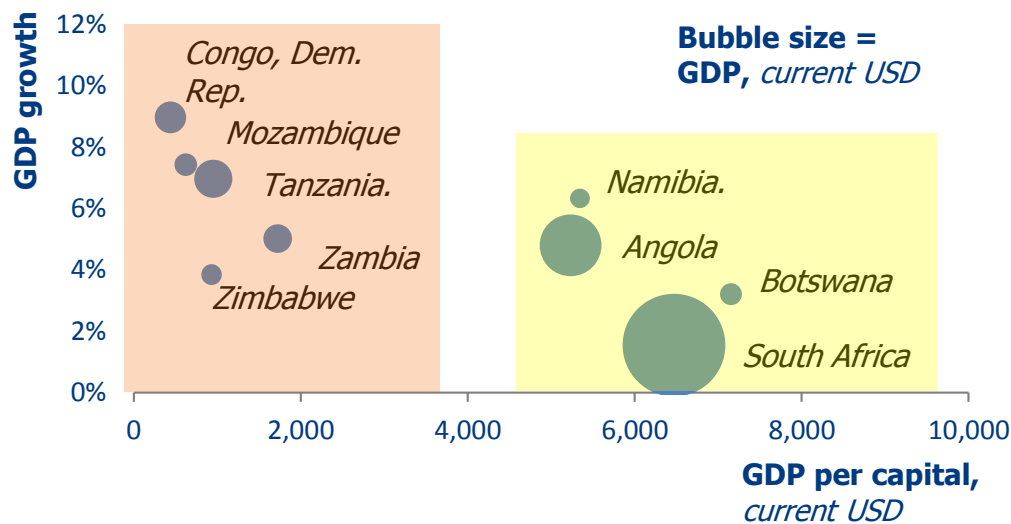
There was once an Africa plagued by high debt, inflation and stagnation...but those days are gone: most of SADC Countries managed to keep debt under control; better monetary policy led to single-digit inflation rates, and improvements in governance sustain a robust GDP growth. Africa is the place for long terms, strategic engagement.



The region is diverse both internationally and *intra-nationally*

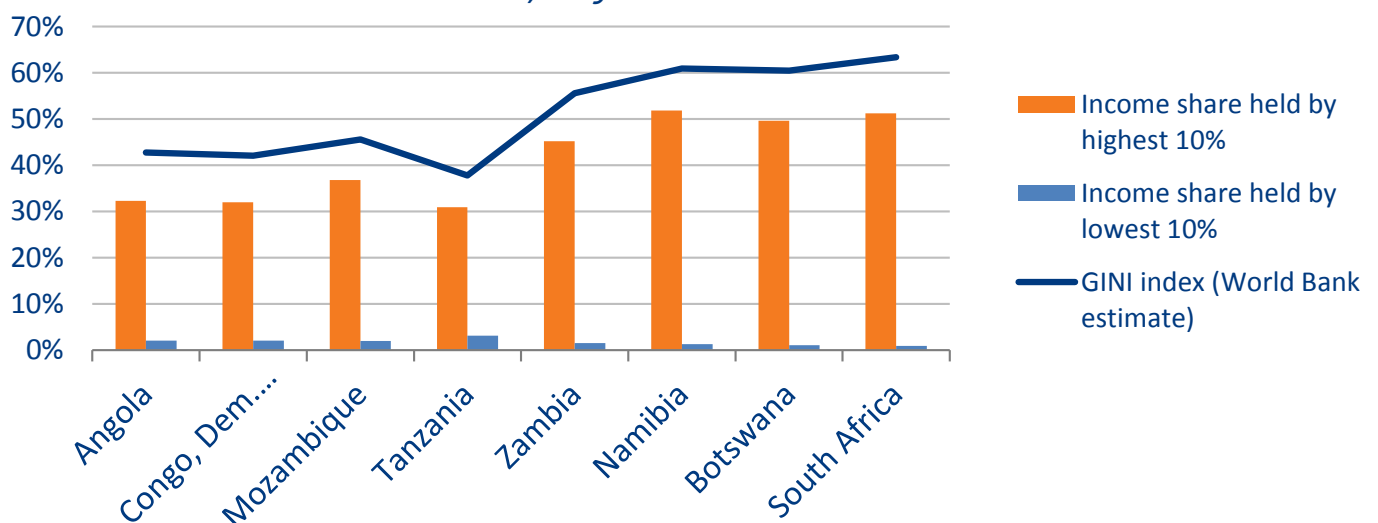
- The area is polarised into **two clusters**: low GDP per capita/ high growth rates; medium GDP per capita/Medium growth rates
- Persistently **high GDP growth rates and low currency value** make SADC Countries ideal destinations for long term, strategic investments

GDP, GDP growth, and GDP per capita, 2013, selected SADC Countries



The economic and population growth are giving birth to an emerging **middle class**, which is expected to become a significant **consumer basin**. Nevertheless, **income inequality** is still an issue operators have to face...

Gini index and income share held by richest and poorest 10% of population, 2013, major SADC Countries



Given high income inequality, some sectors are likely to benefit more than others from African economic growth, also in terms of export (e.g: luxury vs consumer goods)

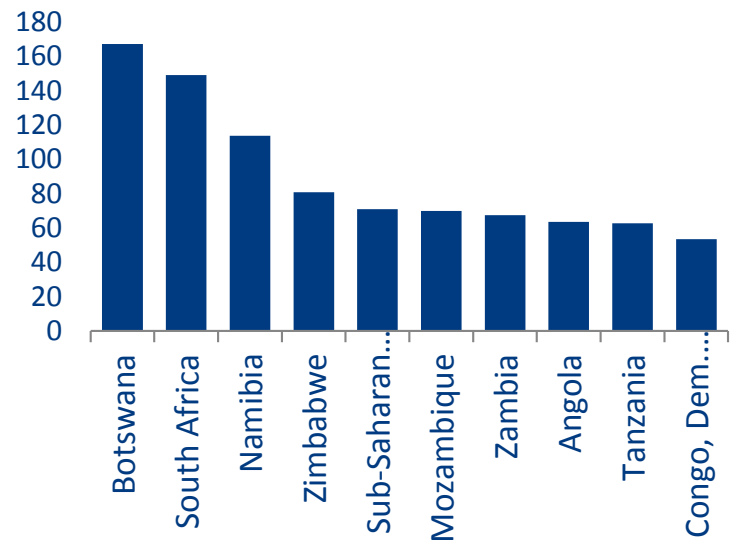


Africa is making a technological leapfrog, generating innovative business solutions to local needs

Subsaharan Africa is the **fastest growing region** in the world in terms of mobile subscribers and web users. Smartphones are expected to hit the 50% penetration rate by 2025 with over 360 smartphones. Renewable technologies are also spreading in the continent, providing energy access to rural areas in a cost effective ways.

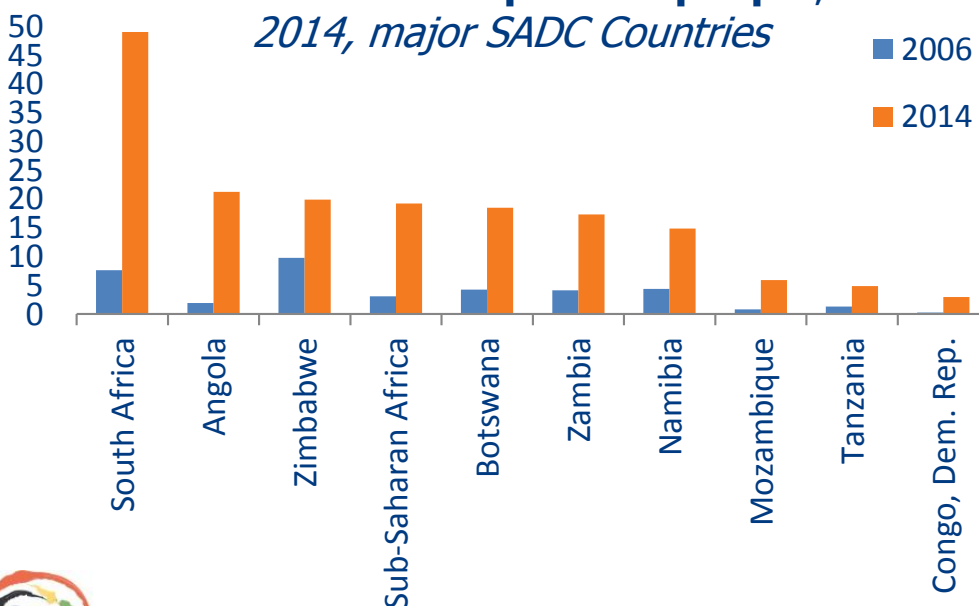


Mobile subscriptions per 100 people, 2014, major SADC Countries



Technological upgrade of the infrastructure is a huge, **booming market**: in the last six years, 45 billion USD dollars have been invested to expand mobile network coverage, a winning investment as now the mobile environment generates **5.7 of the regional GDP** in 2014.

Internet users per 100 people, 2014, major SADC Countries



Leapfrog technologies enables Africa to allocate investment for growth and development more efficiently



South Africa is an ideal base to grow your business in the SADC Region

- High level of **infrastructurization** and presence of major international freight forwarders make South Africa an ideal knot in the global network
- **Mature consumer market** with a consolidated and expanding middle class
- **Well-educated workforce** and high-level education institutions
- Most politically stable country in the region



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The European House – Ambrosetti



- Management consulting
- Leader's Education
- Summit Workshop and Forum
- Think Tank

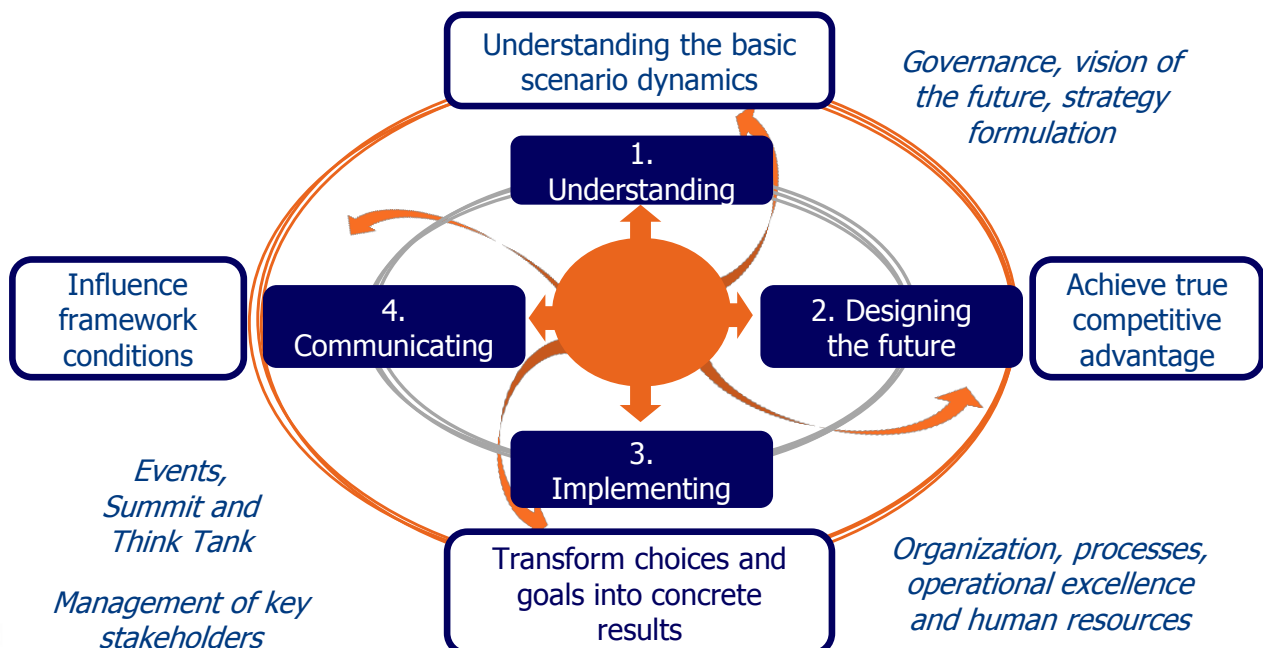
Since 1965, we have been assisting our corporate clients to achieve their goals through a wide and dynamic portfolio of innovative services designed to respond effectively to their needs.

Independence, continuous search for **excellence**, **professional behavior**, **integrity** and **dignity** (helpful to all, subject to none) are our **founding values**.

Since 2013 nominated among

Best For Profit Think Tanks
1° Italian 4° European

Global Go To Think Tank Index & Abridged Report – University of Pennsylvania



Ambrosetti CLUB

In 1999, *The European House - Ambrosetti* set up Ambrosetti Club, strictly reserved for **CEOs and Chairmen of Italian and multinational Groups and Companies operating in Italy.**

The Club currently has over **350 members** and pursues the following goals:

- to make a concrete contribution to social and economic progress in our country;
- to contribute to the excellence and optimization of the public and private institutions that are part of it;
- to develop a privileged network of relationships between members.



Meeting with Letizia Moratti, former Mayor of Milan and former Italian Minister of Education



Meeting with Corrado Passera, former Italian Minister of Economic Development and former CEO of Intesa SanPaolo

Our flagship event:

Intelligence on the World, Europe, and Italy



2008 – Richard Cheney, Vice President of the USA



2013 - Christine Lagarde – Director General IMF

Villa d'Este Forum is **one of the most important gatherings** of top executives taking place in the world
In 2016 we shall run the 42nd edition



For three days, Heads of State, Heads of Government, Ministers, top representatives of European institutions, Nobel laureates, business leaders and experts from around the world, discuss issues, behind closed doors, of the global economy and of our society as a whole



2001 - Romano Prodi, President of the European Commission and Henry Kissinger, former U.S. Secretary of State (right)



2007 – Phumzile Mlambo-Ngcuka– Deputy President, Republic of South Africa



Other high level Forums organized by TEH-A

