



Russian-African Forum (RAF) 2016

11-14 July 2016

Location: EXPO Center, Yekaterinburg, Russia

Number of participants: 100

African delegates: 50

African companies and organizations: 39

Russia

Ekaterinburg

07.11.16

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Overview

The fourth Russian-African Forum (RAF) was held in Yekaterinburg on 11-14 July 2016 as part of the Innoprom-2016 international industrial trade fair. The event was opened by Denis Manturov, the Head of the Ministry of Trade and Industry of the Russian Federation.

The latest Russian-African Forum was an integral part of the Innoprom-2016 event. As Denis Manturov noted when he opened the plenary session of RAF 2016 entitled 'Russia and Africa: coming together', Africa is becoming increasingly important to Russia in foreign-policy terms. The Head of the Ministry of Trade and Industry of the Russian Federation added that there has been an expansion and intensification of relations between Russia and African governments, which can be explained by increased political will on behalf of the politicians, as well as an increase in the interest displayed by the business community.

Delegates from State and private organizations from Ethiopia, Uganda, Burkina Faso, Zimbabwe, Burundi, Rwanda, Kenya, the Republic of Ghana and the Republic of South Africa took part in the RAF programme.

First of all Russian business is interested in developing projects with nuclear power, and in oil and gas sector. And we encourage African government authorities to provide all the possible resources for the beneficial mutual collaboration with Russian companies and to develop new business opportunities.

Russia and African countries have a long history of business relations, including infrastructure development, human resource training and healthcare projects, as well as a wide range of other areas. Currently, the turnover of trade between Russia and Africa is worth \$2.5 billion, while imports of non-primary goods to the African continent already aggregate to \$430 billion and are growing at 10-15 % a year.

Russian companies possess expertise and vast experience in areas which are of interest to Africa, such as construction of large manufacturing facilities; energy sector development; mining technologies and geology; agriculture and food security.

Representatives of African governments proposed that Russian business actively invest into the energy sector, electronics and mining. In order to stimulate cooperation and attract new partners, the sides are willing to offer a range of favourable conditions. Russian goods can also be purchased with the help of the B2B-EXPORT.COM online platform, which was presented to visitors during RAF.

B2B-EXPORT.COM allows buyers to make purchases direct from reliable suppliers that have been pre-approved through an audit conducted by the Platform. Buyers can follow the progress of the transaction from the placing of an order through to the production of the goods and their delivery.



Programme of the Russian-African Forum in Yekaterinburg

Monday 11 July 2016

PLENARY SESSION "RUSSIA – AFRICA: COMING TOGETHER"

Moderator: Ekaterina Dyachenko, Founder, b2b-export.com, Russian Federation

Speakers:

Denis Manturov, Minister of Industry and Trade, Russian Federation

Ahmed Abtew, Minister of Industry, Federal Democratic Republic of Ethiopia

Chiratidzo Mabuwa, Deputy Minister of Industry and Trade, Republic of Zimbabwe

Alexey Orlov, First deputy chairman of the Sverdlovsk region Government, Minister for Investment and Development of the Sverdlovsk region, Russian Federation

Shulami Qalinge, Group Executive Strategy of Transnet, South Africa

Alexander Misharin, First vice-president of RZD (Russian Railways), Russian Federation

Gachao Kiuna, Director, KenInvest (Kenya Investment Authority), Kenya

Marina Neronova, Overseas Sales Director of Power Machines, Russian Federation

Kodzo Kpoku Alabo, Ambassador, Republic of Ghana

Frank Baptiste Mathias Tapsoba, General Manager, Chamber of Commerce, Burkina Faso



Programme of the Russian-African Forum in Yekaterinburg

Monday 11 July 2016

ROUND TABLE «MAJOR INFRASTRUCTURE PROJECTS AND PRODUCTION LOCALIZATION (INDUSTRIAL ASSEMBLY)»

Moderator: Airat Nazmeev, CEO, Tatarstan Export Corporation, Russian Federation

Speakers:

Sergey Gilwarg, Honorary Consul of the DRC in Yekaterinburg, MidUral Group

Ilya Timofeev, Business Development Director of Rosengineering Project, Russian Federation

Nikita Gusakov, Managing director of customer relations and underwriting of EXIAR, Russian Federation

Jeanne D'Arc Mujawamariya, H.E. Ambassador of the Republic of Rwanda to the Russian Federation

Dmitry Tseitlin, CEO of Microgrid Company, Russian Federation

Farai Masendu, CEO of Reserve Bank of Zimbabwe, Zimbabwe

Ekaterina Dyachenko, Founder, b2b-export.com, Russian Federation

Therence Nshimirimana, Economic advisor at 2nd Vice-President Office, Republic of Burundi



Programme of the Russian-African Forum in Yekaterinburg

11-15 July 2016

A number of agreements on cooperation were signed between the B2B-EXPORT Group of Companies and a range of major Russian and African energy companies.

A visit to Uraltransmash tram-building factory; a part of Uralvagonzavod, one of the largest scientific and industrial complexes in Russia and the largest main battle tank manufacturer in the world, was undertaken by delegates from Ethiopia, Zimbabwe and Ghana.

A visit to Uralvagonzavod (Nizhniy Tagil) was undertaken by representatives of Transnet, South Africa.

The Embassy of South Africa took part in the Innoprom trade fair, as an exhibitor. Other African delegates attended the fair as visitors.

Meetings with business and government authorities in Yekaterinburg and Moscow were held.



Plenary session 'Russia and Africa: coming together'

**Denis Manturov, Minister of Industry and Trade,
Russian Federation**

"The Russian business community is interested in new opportunities for growth; and Africa is the second most attractive continent after North America in terms of investment. There is already a wide range of large-scale projects under implementation in Africa with the help of Russian capital. These include the complex development of the Darwendale platinum deposit in Zimbabwe, the development of the largest bauxite deposit in the world in Guinea and an aluminium plant in Nigeria.

One important project on the continent currently under development is the creation of a Russian industrial zone in Egypt. We hope the Russian products manufactured there will experience strong demand both on the local market, in other African countries as well as in the Middle East region and in Eastern Europe."





Plenary session 'Russia and Africa: coming together'

Ahmed Abtew, Minister of Industry, Federal Democratic Republic of Ethiopia

"Over the last 15 years, African countries have been developing at a rapid rate and building up their manufacturing capacity. Ethiopia, which generates electricity not just for itself but also its East African neighbours, wishes to invite Russian businesses to participate in multi-million dollar projects for the construction of renewable energy facilities. Ethiopia is also ready to work with Russian companies in the fields of infrastructure project construction; heavy machine building; metallurgy; manufacturing of electronics equipment; communications technologies; and railway construction."





Plenary session 'Russia and Africa: coming together'

Chiratidzo Mabuwa, Deputy Minister of Industry and Trade, Republic of Zimbabwe

"In the South of Africa the main areas for investment activity are infrastructure projects, tourism, mining and agriculture, upon which the economy of Zimbabwe is built. Russia occupies a unique strategic position in that it is both a potential investor and supplier of goods and services; and also an attractive market for African companies. Russia has close and long-established connections to Africa and Russian investors have a good understanding of the dynamics of doing business on the continent of Africa.

We are delighted to see that Russian companies are expressing an interest in projects in Africa, and we plan to increase the number of B2B meetings we hold between the Russian and Zimbabwean business communities in order to set up a bilateral discussion and to achieve agreements on joint projects in the fastest possible timeframe. I also wish to highlight the importance of organizing business missions to African countries."





Plenary session 'Russia and Africa: coming together'

"Transnet is interested in the import of Russian technology in the field of infrastructure projects, as well as attracting Russian specialists to work with us. At present, Transnet is undertaking negotiations with Russian partners concerning a joint construction of railway bridges."



*Shulami Qalinge,
Group Executive
Strategy of Transnet,
South Africa*

"The programme of infrastructure development in Africa unites more than 20 transport projects, including railway projects, both in the medium and long term. Russian Railways and Transnet plan to sign a memorandum of cooperation within which we can offer Russian technology to our African partners, and we will have the opportunity to use that technology employed in Africa."



*Alexander Misharin,
First vice-president
of RZD (Russian
Railways), Russian
Federation*

"Power Machines is ready to conclude a partnership agreement with African companies and bring our technological potential to the African market, and also offer conditions for financing projects with the direct participation of the company."



*Marina Neronova,
Overseas Sales Director
of Power Machines,
Russian Federation*

"«The economy of Kenya is now focused on three sectors which are working to increase the GDP of the country. These are agriculture, manufacturing and the establishment of a regional hub for services such as finance, tourism and so forth. Kenya is also willing to cooperate with Russian companies in other sectors, primarily infrastructure and energy projects in the region."



*Gachao Kiuna,
Director, KenInvest
(Kenya Investment
Authority), Kenya*





Round table on Major infrastructure projects and production assembly

A round table on the subject of 'Major Infrastructure Projects and localisation of manufacturing' was held during the fourth Russian-African Forum (RAF) as part of the Innoprom-2016 international industrial trade fair in Yekaterinburg. Participants in the round table discussion talked through localisation issues affecting manufacturing assembly; the opening of dealership and service centres in Africa; and provided an update on the most interesting African projects at present; along with the opportunities for financing, and insuring against risk.

According to **Sergey Gilwarg**, Honorary Consul of the DRC in Yekaterinburg, foreign direct investment in African countries during 2015 totalled \$208 billion, whilst according to the Central Bank of Russia the share of Russian investment was no more than \$2 billion. "It's obvious that there is a huge potential for cooperation between Russian and African countries", outlined Gilwarg.

Ilya Timofeev, Business Development Director of Rosengineering Project presented a project for the creation of a Russian manufacturing cluster in Egypt at the round-table, launched at the initiative of the Ministry of Trade and Industry of the Russian Federation. This would act as a platform for Russian companies to begin an expansion of their export activities and to enter the markets of Africa and the Middle East due to its location close to the Suez Canal, through which around 20% of the world's traded goods pass.

"If Russian companies manufacture or localise goods within Egypt, there are significantly beneficial terms to their direct export from Russia. They can also count on assistance from the state and from financial institutions, the development of infrastructure and beneficial conditions for residents of the Russian manufacturing zone in Egypt." noted Timofeev. The project plans to go live in 2018.

The Russian Export Centre, created to unite efforts in support of Russian exports, is currently supporting projects in Africa in a variety of fields worth more than \$600 million, whilst 12 projects worth \$952 million are being assessed, according to **Nikita Gusakov**, Managing director of customer relations and underwriting of EXIAR." EXIAR, together with other banks, are also ready to finance and create service centres and perform localisation of manufactured goods", added Gusakov.

H.E. Ambassador of the Republic of Rwanda to the Russian Federation **Jeanne D'Arc Mujawamariya**, **Farai Masendu** CEO of Reserve Bank of Zimbabwe, and representatives from Burundi and Burkina Faso described the prospects of projects in the East and South African regions.

"We want to see more true P2P projects and practical agreements resulting from the Russian-African Forum, and these should be started here and now" commented Ekaterina Dyachenko, Founder of the online trading platform B2B-EXPORT.COM, in her closing remarks.





Agreements on cooperation

RAF at Innoprom 2016 was also the venue for the signing of a number of agreements on cooperation between the **B2B-EXPORT Group of Companies** and a range of major Russian and African energy companies. One of the agreements concluded involves the opening of a joint office in Nairobi, Kenya, which will support the entry of Russian companies to the markets of sub-Saharan Africa.

Targin AO of Russia and Geothermal Development Company of Kenya signed a memorandum of agreement, which was executed by **Kamil Zakirov**, General Director of Targin and **Michael Ogwapit**, member of the board of directors of GDC. According to the agreement, the parties agree to work on strategic inter-relationships, and the implementation of mining projects based on deposits located in Kenya.

“We have high hopes for our cooperation with GDC. This memorandum allows us to identify the scope and range of our cooperation for the development of our strategic inter-relationships with our Kenyan partners”, concluded Kamil Zakirov.

Representing GDC, Michael Ogwapit confirmed that the signing of the memorandum of cooperation marked the beginning of a series of agreements between the Kenyan energy heavyweight and Russian companies.

Also as part of the RAF, the **B2B-EXPORT Group of Companies and OOO EnergopromAvtomatizatsiya (EPSA)** concluded an agreement for the opening of a representative office in East Africa. “We would like to thank B2B-EXPORT for their tremendous work and for the opportunity to take the first step in the actively expanding markets of East Africa. It is our pleasure to offer our high-tech energy management to our future partners”, announced **Alexander Segal**, General Director of OOO EnergopromAvtomatizatsiya.

An agreement on cooperation was also concluded by **Rotek ZAO and B2B-EXPORT**, which was signed by **Valery Khromov**, Deputy General Director of Rotek PLC and **Ekaterina Dyachenko**, the founder of B2B-EXPORT Group of Companies. As Valery Khromov noted, during bilateral discussions the representatives of companies from East Africa described in detail their opportunities and goals on the Russian market. “As a result of the event it became clear that Rotek companies can provide goods and services that are in demand on the African markets. Primarily, this is engineering products, that is to say products connected to the so-called fourth industrial revolution- the internet of things, services for the control and monitoring of this kind of equipment. We are planning to actively drive sales of our goods on the African market”, noted Khromov.



Companies (as they appear in report)

Ministry of Industry and Trade of Russian Federation <http://minpromtorg.gov.ru/>

The Ministry regulates foreign trade, defence and civil industries, metrology, technical standardization, and aviation technology development.

B2B-export.com

On-line business-to-business trading platform connecting Russian industrial goods and services suppliers with overseas buyers. Efficient sourcing: Instant access to a wide pool of Russian suppliers. High success rate: Suppliers verification. Procurement: English language support and unified interface for different suppliers

Export Club Russia www.exportclub.ru

Exporters Community engaging Russian thought leaders in collaborative efforts to shape trade and industry development between Russia and other countries.

Transnet <http://www.transnet.net/>

Transnet is the largest and most crucial part of the freight logistics chain that delivers goods to each and every South African. Every day Transnet delivers thousands of tons of goods around South Africa, through its pipelines and both to and from its ports. It moves that cargo on to ships for export while it unloads goods from overseas.

RZD (Russian Railways) <http://rzd.ru/>

Russian vertically integrated company, both managing infrastructure and operating freight and passenger train services. In 2012 it became one of the three largest transport companies in the world

KenInvest <http://www.investmentkenya.com/>

Kenya Investment Authority (KenInvest) is a statutory body established in 2004 through an Act of Parliament (Investment Promotion Act No. 6 of 2004) with the main objective of promoting investments in Kenya. It is responsible for facilitating the implementation of new investment projects, providing After Care services for new and existing investments, as well as organizing investment promotion activities both locally and internationally. The core functions of KenInvest include; Policy Advocacy; Investment Promotion; Investment Facilitation which includes Investor Tracking and After Care Services.

Power Machines <http://www.power-m.ru/>

The largest power engineering company in Russia with an international experience in design, manufacture and EPC delivery of the equipment for thermal, nuclear, hydraulic and gas – turbine power plants

Chamber of commerce of Burkina Faso <http://www.cci.bf/>

Tatarstan Export Corporation <http://tatarexpert.ru/>

MidUral Group <http://www.miduralgroup.ru/>

MIDURAL GROUP is a vertically-integrated chemical and metallurgical group of companies specializing in production of ligatures and ferroalloys, as well as in manufacturing of chemical chromic-based products.

Rosengineering Project <http://www.rfproject.ru/>

This modern dynamic company provides a full range of design and project services, throughout the Russian Federation. We offer a complete range of engineering surveys, investment decision analysis and produce all sections of the project documentation. All of these services are carried out by our in-house team.

Export Insurance Agency of Russia (EXIAR) <https://www.exiar.ru/>

Among its missions are in supporting the Russian export abroad, through insurance of export credits against commercial and political risks, as well as Russian investments abroad against political risks. The sole shareholder of the company VneshEconombank (Foreign Economic Bank). Core activities of EXIAR are insurance of short-, mid- (up to 2 years) and long-term (up to 20 years) export and financial credits against commercial and political risks, as well as insurance of Russian investments abroad against political risks.

Microgrid Company. Solutions for the bio fuel generators.

Reserve Bank of Zimbabwe <http://www.rbz.co.zw/>

The Reserve Bank's most important role is to create and enact monetary policies. According to the bank's website, as the only producer of Zimbabwe's bank notes and coins, it regulates the amount of money in circulation. However, since a range of foreign currencies is currently in use for domestic transactions, the bank's ability to control money supply is limited. The Reserve Bank also looks after the country's gold and other assets, and serves as an advisor to the government, providing the government with daily banking services

Targin <http://targin.ru/>

It's a large Russian multiproduct integrated oilfield service holding. The main areas of expertise are: drilling; well servicing and workover: engineering, manufacturing and upgrade of oilfield equipment; transportation and logistics services

GDC (Geothermal Development Company) <http://www.gdc.co.ke/>

GDC is a special purpose vehicle of Kenyan Government established in 2009 to accelerate the development of geothermal resources in Kenya. Currently GDC is working in the Menengai Geothermal Project, Baringo-Silali and Suswa. Earlier on GDC drilled geothermal wells in Olkaria which are currently supplying 320MW of steam to the two new power plants and to several well head units at Olkaria; GDC is earning revenue from the steam sales. Interests in Russia: drilling equipment, technologies and drilling contractors

Rotec <http://zaorotec.ru/>

Diversified industrial holding specializing in servicing of gas and steam turbines, manufacturing, supply, diagnostics and monitoring of power generation equipment, engineering, construction and general contractor services.

Inter RAO Engineering <http://irao-engineering.ru/>

Inter RAO Engineering manages engineering assets and projects of the leading energy export and import operator Inter RAO; has a proven record of new development and rehabilitation of existing energy facilities with combined power generation capacity of 8.2 GW.

EPSA <http://www.epsa-spb.ru/>

Rapidly growing company providing comprehensive services for the automation of any complexity power facilities - from project development to commissioning of the system into operation. The company is a domestic manufacturer of hardware and software automation. In our solutions are taken into account the characteristics and needs of the Russian energy sector.



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