

## Nigeria, SA launch Presidential investment council

A Joint Presidential Advisory Council on Investment was launched by Nigeria and South Africa on Tuesday, 24 February 2009, to encourage investment between the two countries.

According to Deputy President, Baleka Mbete the Joint Presidential Advisory Council on Investment will assist the two governments as well as business entities to explore investment possibilities.

Mbete, who was speaking after the Second Review Council Meeting of the South Africa-Nigeria Bi-National Commission (BNC) in Abuja, Nigeria on Tuesday, said a lot of work still remained to be done to realise the full potential of the BNC.

### Important partners

Nigeria is considered as one of South Africa's most important partners on the African continent in pursuing the vision of an Africa renewal. It is regarded as West Africa's economic powerhouse, contributing over 40% of West Africa's Gross Domestic Product (GDP).

Petroleum plays a major role in the Nigerian economy, accounting for 40% of the country's GDP.

With its large population and natural resources, the country has become South Africa's most important trading partner on the continent.

The trade relations between Nigeria and South Africa registered substantial growth over the period 1999 to 2007, from R1 813 578 000 to almost R11 billion in 2007.

### Sector demands

This increase in growth can be attributed to an increase in the demand for energy resources in South Africa hence 98% of imports from Nigeria comprises of crude oil.

Over the years South African companies have become major players in almost all sectors of the Nigerian economy. The biggest investment by South African companies in Nigeria has been in the telecommunications sector.

Other sectors that South Africa is currently involved in include banking, property, retail, media, mining, construction, tourism, agriculture, entertainment, and the fast food franchising.

These sectors still present a lot of opportunities for South Africa and competition in these markets is still limited.

### Building the BNC

“We need to work towards creating an environment that will encourage investment flows between the two countries, which would translate into jobs and the upliftment of communities in both our countries.

“We therefore believe that the Joint Presidential Advisory Council on Investment, will assist our governments

and business entities to explore such possibilities,” said the Deputy President.

The Review Council Meeting focused on the status of bilateral political, economic and trade relations between the two countries as well as strengthening of the structures of the BNC.

She said it was encouraging to note that the two governments were making efforts in enhancing implementation of projects and programmes aligned to the Bi-National Commission in order to further strengthen relations.

“We should expect measurable progress during the 8th Session of the SA-Nigeria BNC to be held later in 2009.”

***Article published courtesy of [BuaNews](#)***

For more, visit: <https://www.bizcommunity.com>