CORPORATE COUNCIL ON AFRICA

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A NEWSLETTER BY THE CORPORATE COUNCIL ON AFRICA

PRESIDENT'S MESSAGE

BY FLORIZELLE LISER

I'm delighted to send the first message of what is proving to be a very busy, very important year for U.S.-Africa relations. On February 11-12, CCA and the US Mission to the AU hosted the U.S.-Africa Trade and Investment Forum (see our special report inside). More than 300 senior officials from the U.S. and African Governments, as well as American and African companies spent a full day talking about the direction of U.S.-Africa trade and investment relations. The clear message that came out of these discussions is that AU member states are moving very quickly to bring the African Continental Free Trade Agreement (AfCFTA) into force.

At the end of February, 18 countries have already completed ratification of the 22 required. The expectation at the Forum was that the agreement would cross the threshold very soon, perhaps as early as March. At this year's AU Heads of State Summit, leaders instructed their trade negotiators to complete work on the next phase of the agreement within the next 20 months. While admittedly ambitious, this is a clear indication of just how seriously AU members states are treating these negotiations.

Far from just a paper exercise, the sense at the Forum in Addis is that African governments and companies are eager to embrace the challenges involved in fostering closer integration as a means of becoming much more competitive on the global stage. In that regard, African government representatives made it clear they want to hear more from U.S. and African companies about the specific conditions they need to address as they take up sectors like services, dispute resolution and protection of intellectual property.

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The Forum was a great way to kick off these discussions. It was also a great way to focus attention on the importance of having the AfCFTA lead to real-world increases in African regional and global trade, including enhanced U.S.-Africa trade and investment. While we were delighted to see as many companies as we did at the Forum, there is clearly a huge *...continued on page 11*

2019 U.S.-AFRICA BUSINESS SUMMIT SET FOR MAPUTO

A cross section of delegates at the 2017 U.S.-Africa Business Summit

U.S.-AFRICA BUSINESS SUMMIT 2019

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Corporate Council on Africa (CCA) will co-host with the Government of Mozambique the 12th U.S.-Africa Business Summit on June 18-21, 2019 at the Joaquim Chissano International Conference Center, in Maputo, Mozambique.

Since its inception in 1997, the U.S.-Africa Business Summit has been considered an essential conference for U.S. and African private sector executives, government officials and multilateral stakeholders interested in doing business in Africa. Leveraging over twenty years of expertise, CCA has designed its upcoming U.S.-Africa Business Summit to address the rapidly evolving models for business and investment on the continent by providing a platform for value-driven engagement, solutions-driven dialogue and mutually beneficial partnerships.

Specifically, the Summit will serve as a platform for delegates to hear from leading U.S and African industry experts on best practices in sectors including agribusiness, energy, health, infrastructure, ICT and finance; explore new business opportunities, meet potential business partners and obtain real-time leads; and advocate to shape effective U.S.-Africa trade and investment policies.

As networking remains the primary reason hundreds of guests register to attend the U.S.-Africa Business Summit, the conference has been specially curated to facilitate business-to-business linkages and business-to-government connections through small, intimate sector and country-specific programs, roundtables, streamlined meetings via the conference app and by-invitation only private events.

2019 is already shaping up to be an exciting year for U.S.-Africa relations with the U.S. administration and African governments demonstrating a renewed commitment to developing business-friendly initiatives and policies that foster greater economic engagement. CCA's 2019 Summit themed "Advancing a Resilient and Sustainable U.S.-Africa Partnership" will engage key African government officials and decision makers to discuss their strategies, vision and initiatives to facilitate increased business and investment.

Similarly, CCA plans to engage the U.S. government to facilitate the participation of senior decision-makers in key U.S. agencies critical to business such as the U.S. Department of Commerce, Overseas Private Investment Corporation (OPIC), Export-Import Bank of the United States (Ex-Im) and the Millennium Challenge Corporation (MCC).

CCA is pleased to partner with the Government of Mozambique and the Confederation of Business Associations in Mozambique (CTA) to host the conference. Speaking at the official Summit launch event in Maputo, H.E. Carlos Agostinho do Rosário, Prime Minister of Mozambique urged businesses across the world to participate in the upcoming Summit. "The Summit constitutes an opportunity for small, medium and large enterprises from the US, Africa and the rest of the world to establish contacts and partnerships mutually advantageous in various sectors."

During her last trip to Mozambique, CCA President and CEO, Florizelle Liser, accompanied by then U.S. Ambassador to Mozambique, Dean Pittman, met with H.E. Filipe Nyusi, President of Mozambique. Ms. Liser said, "CCA believes Mozambique is a destination of choice and welcomes Mozambique as a co-host of the 2019 U.S.-Africa Business Summit."

The CCA Board of Directors' selection of Mozambique to co-host the 2019 Summit reflects growing private sector interest in the country, Mozambique's strong economic potential and regional leadership in the SADC region, and significant developments in the Mozambican economy that are critical for a number of U.S. companies and investors.

Over the last 11 U.S.-Africa Business Summits, CCA has hosted 45 U.S and African Presidents, and over 13,200 attendees from more than 2,800 companies. CCA has been a one-stop shop to meet business leaders and decision-makers from across Africa, the United States, Europe and Asia and CCA intends to continue this strong tradition.

SPECIAL REPORT - U.S.-AFRICA TRADE AND INVESTMENT FORUM

CCA President Florizelle Liser addresses delegates at the Forum

A cross section of delegates at the Forum


A cross section of delegates at the Forum

From L to R: Florizelle Liser, Corporate Council on Africa, Kathryn Kaufman, Managing Director, Overseas Private Investment Corporation, Dr. Frannie Leautier, Trade and Development Bank, Selam Wondim, Grohydro Manufacturing Abe Selassie, International Monetary Fund, Jennifer Blanke, African Finance and Development

On February 12, the Corporate Council for Africa (CCA) and the US Mission to the African Union co-hosted the U.S. – Africa Trade and Investment Forum in Addis Ababa. More than 300 people attended from more than 30 countries, including senior government representatives from the United States, the AU, Egypt, Madagascar, Rwanda, Mauritius, Sudan, Ethiopia, Niger, South Africa and Benin. Senior executives from more than 50 U.S. and African companies also attended.

OPIC 2X - "INVESTING IN WOMEN: THE OPPORTUNITY WE CANNOT AFFORD TO MISS"

The Forum kicked off with an initial panel on the importance of expanding financing for women.

The economic rationale is compelling, given that 60% of the non-agricultural part of African economies are run by women. Women often face greater challenges in gaining access to financing for their businesses, despite the fact that women-owned businesses tend to have repayment rates of 90% (versus 30% for those owned by men).   Research has shown that gender is a huge driver of inequality, and is acting as a significant drag on broader macro-economic performance. If Africa cuts inequality levels to those seen in Asia, GDP would grow an extra 1% a year, or 33% faster than the average for the last several years. The biggest barriers are laws that discriminate in areas such as inheritance and educational access.

There is a clear sense across finance agencies that women are a force for development, and that finding ways to provide women more access to training, finance and mentorship is one of the most effective ways of jump-starting the economic growth and job creation that is needed in Africa. OPIC, the Trade and Development Bank, the IMF and the African Development Bank detailed some of the programs they are working on to help fill these gaps. In the fashion industry, for example, Africa only captures roughly $200 million of the current $2.6 trillion in global industry income, illustrating the enormous scope to capture greater value chains. Participants also explained programs to support value-added efforts in agriculture and small and medium enterprises, which represent 90% of all companies and 80% of all jobs in Africa.

OPENING PLENARY - WHAT AFCFTA MEANS FOR U.S.-AFRICA RELATIONS

From L to R: Florizelle Liser, President & CEO, Corporate Council on Africa, Cyril Sartor, Senior Director for African Affairs, National Security Council, H.E. Amb. Matthew Harrington, Deputy Assistant Secretary for Africa, U.S. State Department, Dr. Joy Kategekwa, Head of the Regional Office for Africa UNCTAD, H.E. Naina Andriantsitohaina, Minister of Foreign Affairs, Republic of Madagascar, Mary Beth Leonard, US Ambassador to the AU, U.S. State Department, H.E. Abou Bakr Hefny Mahmoud, Assistant Foreign Minister for African Affairs, Republic of Egypt

The Forum officially kicked off with welcome remarks from AU Trade Commissioner Albert Muchanga, who explained the importance that the AU and its members place on completing the African Continental Free Trade Agreement (AfCFTA). He expected that it would very soon be ratified by the 22 countries required to bring it into effect. Muchanga flagged the importance of continuing to use the access granted to the US market under the African Growth and Opportunity Act (AGOA), which he said complimented efforts under AfCFTA.

Dr. Joy Kategekwa, Head of the Regional Office for Africa, UNCTAD moderated the plenary. NSC Director for African Affairs, Cyril Sartor said that the United States supports the African Continental Free Trade Agreement, as well as efforts to promote regional and continental integration. He put support for the AfCFTA into the broader context of U.S. support for programs to improve security, democracy, the President's Emergency Plan for AIDS Response (PEPFAR), Power Africa and other programs. He said that one of the goals of his trip to Addis was to get advice from African countries as the U.S. develops a new program, "Prosper Africa," to promote stronger commercial ties. Sartor applauded the AfCFTA as a strong signal to the world that Africa is bringing down barriers to doing business. Deputy Assistant Secretary of State for African Affairs Ambassador Matt Harrington noted that, last year, US companies on the President's Advisory Commission for Doing Business in Africa (PAC-DBIA) had concluded $2 billion in deals during their trip to Ghana, Kenya, Ethiopia and the Ivory Coast. He noted the US recently passed the Build Act, which will double available financing for US companies to $60 billion and help make them more competitive in pursuing deals.

Egyptian Assistant Foreign Minister Mahmoud noted that Africa's inter-regional trade, at 15% of the total, is very low compared to other regions, like Asia, and far below the continental average of 50%. He stressed the importance of working to capture the "remaining 35%" which would do a lot to boost the creation of much needed jobs and economic growth. Foreign Minister Andriantsitohaina of Madagascar said his government is working hard to strengthen the rule of law and increase programs to combat corruption as ways to improve the environment to do business. The Minister also called for more U.S. FDI, particularly in agriculture and industry. During the discussion, questions from the audience included what African companies can do to boost trade among countries, and one company stressed the importance of African governments being able to enforce the AfCFTA, arguing that none of the current regional economic agreements are currently being fully enforced. Other companies stressed the importance of African companies raising their standards to meet U.S. and international ones to enable them to join global value chains.

There was clear consensus among the speakers and members of the audience that the AfCFTA will be a game-changer, and that African countries must get ready to enact the agreement, including by implementing a number of agreements on the ground to improve the business climate. African countries need to take steps to improve vital infrastructure, provide sufficient energy, expand access to finance, and boost skills. There was agreement that the U.S. will be a key partner.

SESSION II - ENHANCING AFRICA'S GLOBAL AND REGIONAL INTEGRATION

A cross section of delegates at the Forum

From L to R: Martyn Davies, Deloitte, Skip Jones, U.S. Department of Commerce, Ambassador Dr. Richard Sezibera, Republic of Rwanda, Rami Suleiman, UPS, Mansur Ahmed, African Manufacturers' Association/ Dangote Group, Wamkele Mene, Department of Trade and Industry, Republic of South Africa

Martyn Davies of Deloitte moderated a panel that had a mix of African government and private sector representatives, and sought to dig into questions related to how to integrate multinational companies into Africa's development and integration plans. African representatives noted that the most important factor for any country is the size of its ambition, rather than the size of its territory. They detailed efforts to pursue a business-led development strategy to remove as many barriers as possible to doing business. African countries are serious about pursuing a more open trade and investment agenda, and forecast that companies would soon see more tangible signs of progress, including some ground-breaking approaches to dispute resolution.

They also noted countries are incorporating measures from the WTO's Trade Facilitation Agreement into the AfCFTA that should encourage more trade and investment, including promoting inclusion in regional and global value chains. Goods will be able to move much faster, and customs authorities across the continent will apply the same procedures, working from the same set of standards and rules. One representative called for relaxed rules on cabotage and greater use of regional power pools to expedite providing more reliable electricity supplies. They were optimistic about the impact that a common framework on non-tariff barriers and standards would have on expanding trade across the continent. The Department of Commerce said that the US is listening closely to what African countries and companies want, and encouraged African countries to fully implement TFA provisions, which would more than double the impact of AfCFTA on GDP growth and jobs.

U.S. companies noted that having an efficient supply chain is a huge competitive advantage in the market, as logistics can account for 20% of a country's total GDP. Getting that right makes the rest of the economy that much more competitive. High logistics costs, in contrast, can significantly increase the cost of a product (one example was cited that 70% of the cost of a BMW in central Africa comes from transport costs). African companies agreed on the impact that a country adopting the right policies can have on encouraging companies to invest and do business. He also stressed the importance of enforcing rules. They noted that there will be a lag between when the AfCFTA is approved by governments and when it is really operational on the ground, and encouraged governments to do all they can to minimize that lag to maximize the benefits.

SESSION III - UNLEASHING AFRICA'S SERVICES SECTOR

A cross section of delegates at the Forum

From L to R: Ebenezer Twam Asante, MTN Group, Dr. Witney Schniedman, Covington and Burling LLP, Albert Zeufack, World Bank, Daniel Ngwepe, VISA, Addis Alemayehou, +251 Communications

Witney Schniedman kicked off the panel by noting that a World Bank economic study recently noted that 60% of Africa's economy is already in the services sector, and asked the panel to put that in broader context. Nigeria, South Africa and Angola account for 60% of Africa's GDP – and they are all growing at less than 3%. Meanwhile, 11 countries (including Ethiopia, Rwanda, Tanzania, Ivory Coast, Ghana and Senegal) are growing at more than 5%. Services have grown 6.6% over the last decade in Africa, while manufacturing has only grown 1.1% over that time. The panel argued that any industrial strategy that does not include the services sector is meant to fail. In most countries, services already account for more than 50% of the economy – although this can be misleading. Often in Africa, services are informal and have low productivity, which is a serious challenge for countries looking to create jobs and boost growth.

It is critical for countries to focus on how to boost productivity in key service sectors to make the rest of the economy competitive, including in finance, law, infrastructure and telecom, which all provide mechanisms to disseminate innovations. The panel also agreed it was important to align African countries to the new global trade patterns and integrate companies into regional value chains. Services must integrate better across the continent to become more effective. While they only account for roughly 20% of gross exports today, they account for more than 40% of the total value of exports. Digitization has changed the pattern of global trade, and offers Africa an opportunity to leapfrog more developed regions.

U.S. companies noted the significant room for growth for the sector in Africa. It was noted that one card provider sees the same number of transactions in Sweden as in all of Africa. While access to mobile phones is nearly universal, with roughly one billion devices serving 1.2 billion people in Africa, only 40% of those with a phone have access to services. In looking at why people lack access to services, there are several explanations, including a lack of infrastructure, excessive regulation on the financial sector and protectionism, including data protection. To foster innovation, African countries must embrace a consumer focus. Localization and protection for markets does not help develop youth or women. Africa largely missed the development of the landline; it should not miss the mobile phone boom. African companies said that the services sector offered the lowest hanging fruit to create jobs in Africa, mainly because there was such a low barrier to entry for most segments. While infrastructure and manufacturing are much favored by governments, both will take years to develop. Services also tend to foster integration. The panel agreed that we should not underestimate the degree of progress over the last 15 years, and expected there would be an even bigger dividend from the African Continental Free Trade Agreement. However, to get the whole benefit, it will be important to develop consistent policies and the right regulatory environment across the continent, combined with effective enforcement. Companies also have to advice governments on how to adapt services to better serve their populations.

In the discussion, the panel called for Africa to set a digital moonshot to invest in infrastructure to boost internet penetration rates, scale up digital network, increase mobile access for sectors like agriculture, create effective digital platforms to support more efficient services, and improve the environment for the digital economy to prosper. The goal should be for all firms in Africa to be connected by 2030. This prompted an interesting discussion about access to data. Cross border data flows are a big problem now, blocking commercial development. For Africa to make headway, it must expand internet access and the number of mobile devices. One panel member suggested that Africa may need to rethink its industrialization model, as it's not possible to just have a manufacturing economy. African countries must think about manufacturing and services in tandem as Africa needs to be much more competitive in services.

SESSION IV - THE U.S.-AFRICA TRADE AND INVESTMENT RELATIONSHIP: AGOA AND BEYOND

From L to R: Katrin Kuhlmann, New Markets Lab, Jaswinder Bedi, Kenyan Export Promotion Council, Karen Bosman, Wesgro, Pierre Borjesson, H&M, H.E. Ambassador U.S. Dwarka-Canabady, Foreign Ministry of the Republic of Mauritius, Andrew Mold, United Nations Economic Commission for Africa

Katrin Kuhlman of New Markets Lab began by noting that we have a new model to integrate the African market, led by Africa, and asked the panel to forecast what the future relations with the U.S. might look like. Companies active on the continent noted that access to the U.S. market under AGOA was a critical part of their commercial strategies. One company said the scale of its presence and activity will depend on AGOA's status. African government representatives said AGOA is critical for them, and has allowed several countries to expand from sectors like textiles into medical devices. BREXIT has shown the value of trade agreements in creating the predictability and certainty that companies and countries need. African countries need to leverage AGOA into jobs.

Several panel members noted that the textile sector is just one of several undergoing significant restructuring worldwide. The fundamental market organization of the last three decades is changing as Asian consumers gain more money, and become a bigger part of the world market. As Asia increasingly produces to fill the Asian market, those companies will no longer be supplying European, African or American markets. While this opens up enormous opportunities for African firms, there are also significant challenges. One of those is that the very nature of the consumer is changing, in that they no longer look to buy their clothes off the rack at a store in the mall. Instead, they will increasingly expect to be able to order special-made self-designed products delivered to their doors in days, if not hours. They cautioned African governments not to negotiate a trade treaty in the AfCFTA that meets the needs of the market structure of the last decade, but to look forward to the coming decades. One panel member suggested that the future really won't depend on trade preferences. The task for African countries is how to make African countries and companies more competitive against global competition and cautioned against simply trying to replace the Chinese textile industrialization model from the 1980s.

UNECA expects that implementation of the AfCFTA will boost trade volumes for the EAC by $1 billion per year. Greater integration is a very compelling case because of a number of economic and commercial trends. There are concerns, however, that the EAC may be losing momentum, as 2013 was the peak year for inter-regional trade within the EAC, after which it has declined 20%. There is wide disparity, however, within the EAC in terms of use of AGOA benefits. Kenya has roughly $400 million in annual exports under AGOA, versus its neighbor Uganda at $1 million. Why has the EAC failed to respond to various changes and opportunities over the last 25 years? Part of the problem has been the impermanence of the AGOA provisions, and the uncertainty about its future. The panel expected that the AfCFTA will do a lot to boost EAC trade between members, which starts from a low base (to cite one example, Kenyan trade today with Ethiopia is only $90 million). The panel encouraged countries to find some way to conclude an agreement with the U.S. to hold onto the benefits of AGOA, while also applauding the AfCFTA, which should increase FDI.

CLOSING PLENARY - THE WAY FORWARD

From L to R: Stephen Ruzibiza, CEO, Rwanda Private Sector Federation, Dr. Hannah Tetteh, UN Office to the AU, Amany Asfour, AU PAFTRAC, Mary Beth Leonard, U.S. Department of State, Kyeh Kim, Millennium Challenge Corporation, Heather Lanigan, U.S. Trade and Development Agency

Ambassador Mary Beth Leonard moderated the closing panel, and asked participants to reflect on the day's deliberations while offering suggestions for the future. OPIC, TDA and MCC officials all suggested ways that their offices were building connections between U.S. and African countries, and suggested various ways to increase those efforts. OPIC noted its Connect Africa program, which is looking to expand cooperation in infrastructure, while TDA stressed the importance of working on aviation and digital economy projects. MCC described its exciting new cross-border programs that will open up new opportunities to support exactly the kind of regional infrastructure projects that several speakers during the day called for to expand the impact of the AfCFTA.

Dr. Amany Asfour suggested that African countries should work on three priority areas to make the most out of the AfCFTA: supporting private-sector led growth; putting in place the right government policies to support companies; and seeing African companies improve the quality of their products to reach international standards.

She stressed that the AfCFTA won't happen on the ground without empowering private companies, including getting them more involved in regional and global value chains. She noted that the COMESA Business Council has helped develop 480 local small and medium enterprises to the point that they are now supplying multi-national companies on a regular basis. In terms of policy, she encouraged governments to do more to support cross-border trading and facilitate the smooth crossing and tracking of trucks across the continent, as well as investing in road, rail, ports and ICT. She concluded by stressing it is very important for companies to upgrade the quality of their goods to meet what international companies are looking for and become truly competitive.

Dr. Hannah Tetteh noted that the AU will soon see the 22 countries required to ratify the AfCFTA. However, important steps will still need to be taken, including negotiating important protocols on trade in goods, rules of origin and services. Individual countries will also need to adopt effective strategies to implement the necessary policies to make the AfCFTA effective on the ground.

While very optimistic about the long-term prospects of the impact of the AfCFTA, she cautioned that some hard work remains to be done.

Stephen Ruzibiza, CEO of the Rwandan Private Sector Foundation stressed the importance of companies working together with governments. At the end of the day, the future will really depend on private companies succeeding in Africa, and that Africa's future is no longer a question of receiving aid. He noted that much of the trade between African countries comes from the informal sector, often women running very small companies. This highlights the importance of reducing practical barriers that make that trade hard across borders. He encouraged the private sector to increase its focus on identifying and helping remove those barriers, while also boosting employment. He echoed the calls to upgrade products to meet international standards, and suggested that the real issue isn't a competition between the U.S. and China, but really is a question about which companies are making the most effective impact.

AFRICA'S 2019 ECONOMIC OUTLOOK

Dr. Albert G. Zeufack, Chief Economist for Africa, World Bank Group addresses delegates

A cross section of delegates at the working group on Africa's 2019 Economic Outlook

On Friday, February 1st, Corporate Council on Africa (CCA) hosted Dr. Albert Zeufack, Chief Economist, Africa Region at the World Bank. In his introductory remarks, Dr. Zeufack indicated that Africa grew 2.7% in 2018, just above its population growth rate. This average masks the fact that the three largest economies – South Africa, Nigeria and Angola – all grew less than 3%, while 11 countries have grown more than 5% from 2015-2018. Africa is expected to experience 3.4% growth in 2019. He identified the three major global factors influencing Africa's economic growth as the moderation in global economic growth, rising trade tensions resulting in heightened policy uncertainty and a sharper tightening of borrowing costs. He also identified commodity prices and slow-paced economic recovery as other factors negatively affecting the growth trajectory on the continent.

Dr. Zeufack acknowledged that though macroeconomic outcomes are improving, inflation pressure remains high across the region, with some countries even recording double digits. This pressure is reflected in high food price inflation, currency depreciation, and the monetization of large fiscal deficits.

He invited investors to keep an eye on currencies which have weakened due to tighter global financing conditions and rising debt servicing costs. He applauded the reversal in external balances which has improved for large oil exporters, though the deficit remains high for several non-resource exporting countries due to high levels of fuel and capital goods imports related to public infrastructure projects.

Dr. Zeufack stressed the importance of a long-term shift in Africa's trade partners away from the more traditional European and U.S. markets towards India and China. He noted that rising global protectionism and trade tensions present challenges for some exporters of primary products, particularly as these tensions reduce global prices for some of these goods. The imposition of tariffs in some markets has caused some trade distortion, which has created opportunities for some African exporters.

Dr. Zeufack also highlighted the importance of Africa increasing its inter-regional trade from the current 16-17%, ideally up to the world's average of 50%. Doing so would increase African GDP and create significant numbers of jobs. He applauded the efforts to implement the African Continental Free Trade Agreement, which he said should help facilitate greater regional trade and investment in value chains.

Dr. Zeufack also explained a World Bank benchmark, the Country Policy and Institutional Assessment (CPIA)*, which is released in an annual report that describes the progress all IDA-eligible countries are making on strengthening the quality of their policy and institutions based on 16 indicators. He stressed the direct correlation between the CPIA score and economic growth.

Dr. Zeufack noted that African countries are increasingly diverging into five groups. One group consists of four established high-growth countries; one consists of 11 countries that have managed growth over 5% for the last three years, but could find some of their progress is reversible. Another group is stuck in the middle, while another group (including the three largest economies) is losing steam. The last group is falling behind, and is at risk of slipping. He concluded his presentation by noting that the business climate in Africa is improving faster than any other region in the world as measured by the World Bank's Ease of Doing Business Index. Dr. Zeufack stressed the importance of African countries continuing to attract more investment, particularly in sectors like the digital economy.

*CPIA scores reflect the quality of a country's policy and institutional framework across 16 dimensions, grouped into four clusters: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions also referred to as the governance cluster.

DOING BUSINESS WITH MCC: A SPOTLIGHT ON WEST AFRICA

From L to R: Florizelle Liser, CCA, Prabhat Garg, MCC and Brian Corry, MCC

On February 26th, CCA hosted a roundtable discussion on “Doing Business with MCC: A Spotlight on West Africa.” The meeting featured Mr. Prabhat Garg, Practice Lead and Senior Director, Procurement, MCC and Brian Corry, Managing Director, Contracts and Grants Management, MCC who presented on opportunities for US businesses to partner with the agency and bid on MCC funded infrastructure and power projects in Ghana, Cote d’Ivoire, Burkina Faso, Benin and its most recently signed compact in Senegal.

During their remarks Brian Corry and Prahbat Garg gave an overview of MCC and its procurement guidelines and processes. The agency forms partnerships with low-income countries committed to good governance and economic freedom through grants including Compacts, Concurrent Compacts for Regional Investments and Threshold Programs. MCC currently has 17 active Compacts and Threshold Programs with 10 of them in Africa. Companies can work with MCC by competing for contacts, grants and PPPs, investing alongside the agency or helping to shape the design of MCC compacts.

PRESIDENT'S MESSAGE...continued from front page

opportunity for more companies to get involved in this important discussion.

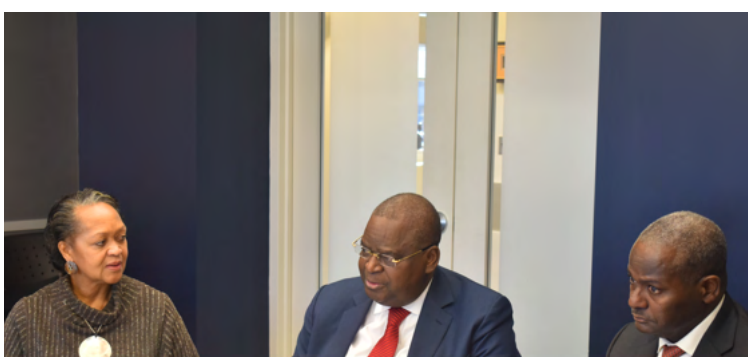
We're also hard at work on CCA's signature event – the U.S.-Africa Business Summit, which will take place this year June 18-21 in Maputo, Mozambique. The last Summit on the continent – in Ethiopia in 2016 – included more than 1400 ministers, CEOs and executives from 46 countries. With the active and highest level support of our Mozambican co-host, we expect this year's Summit to be a unique opportunity to focus on the key sectors driving U.S. – Africa trade and investment, including energy, ICT, health, infrastructure, agriculture and agro-processing, and finance. In energy, the Summit will showcase Mozambique's development of the significant, newly discovered gas resources with American partners – deals which will create significant commercial opportunities across many sectors (look for more details soon on the CCA website as these deals are announced. As we lead up to the Summit, we'll be holding some events focusing on key sectors such as Finance and Health, and helping prepare companies to take best advantage of the opportunities at the Summit in those and other sectors.

For example, on April 10 on the sidelines of the World Bank Spring meetings, CCA will host our annual Africa Finance Forum – this year focusing on the opportunities and challenges involved in Africa's commercial banking sector such as access to foreign exchange and correspondent banking relationships. And in a separate event on Innovative Healthcare Financing in Africa, discussions will focus on raising awareness of successful processes and approaches aimed at lowering private out-of-pocket health expenditures and developing synergies between the needs of the health system and the capabilities of the private sector in Africa.

The pace of our activity reflects just how much is going on in Africa. Democratic Republic of Congo, Senegal and Nigeria have recently held elections, and are already focusing on plans to get their economies moving more quickly, including working with investors. South Africa will have its next presidential elections on May 8. Even where incumbents have been re-elected, politics are increasingly influenced by a perceived need to create jobs and support economic growth. Other countries, like Angola and Ethiopia, continue to press ahead with important economic reforms. While there are still clear challenges in a number of countries, there are also clear opportunities to engage with governments and companies in Africa – in some cases, for the first time in quite a while.

The Trump Administration is also working to develop and deploy its new Africa Strategy, including developing the Prosper Africa initiative, while looking for opportunities to consult with African countries on trade and investment ties. OPIC is making great strides working through its transition to the new Development Finance Corporation, which remains on target to be operational by October 1.

This confluence of developments on the continent and scheduled CCA events offers companies a fantastic opportunity to have input into shaping the future of the U.S.-African trade and investment relationship. American companies also have a great opportunity to raise their profile and present themselves as potential partners for their African counterparts, who are increasingly interested in finding more options to expand their business. We strongly encourage you to consider attending the June 18-21 Business Summit as part of your strategy to expand your business and find new partners in Africa's growing markets.



From L to R: Florizelle Liser, CCA, Ambassador Mombouli, Republic of Congo and Ambassador Dos Santos, Republic of Mozambique at the Summit Briefing session with the African Diplomatic Corps

CCA President and CEO Florizelle Liser with H.E. Nana Addo Dankwa Akufo-Addo, President, Republic of Ghana

2019

CALENDAR OF EVENTS

APRIL

TBC | Washington, DC
CCA Members Meeting

10 | Washington, DC
Africa Finance Forum
(on the margins of IMF/WB spring meetings)

11 | Washington, DC
By-Invitation-Only Roundtable Dinner on Innovative Healthcare Financing

JUNE

18 - 21 | Maputo, Mozambique
U.S.-Africa Business Summit

AUGUST

TBC | Abidjan, Cote d'Ivoire
AGOA Private Sector Forum

SEPTEMBER

TBC | New York, NY
Special Events on the sidelines of the UNGA meetings

DECEMBER

TBC | Nairobi, Kenya
CCA Health Forum

WORKING GROUPS

CCA will host working group meetings on the continent and in the U.S. on key issues in the following sectors: Agribusiness, Capacity Building, Energy, Finance, Health, ICT, Infrastructure, Security, Tourism and Trade.

TRADE MISSIONS

CCA will host trade missions and reverse trade missions during the course of the year

CORPORATE COUNCIL ON AFRICA

For more information, please visit www.corporatecouncilonafrica.com

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