



MAR/APR 2020 EDITION

THE AFRICA eJOURNAL

A NEWSLETTER BY THE
CORPORATE COUNCIL ON AFRICA

CCA WEBINAR SERIES



PRESIDENT'S MESSAGE

BY FLORIZELLE LISER

What a difference two months has made. In my last President's message at the end of February, I flagged the reasons to cheer Africa's economic outlook and the positive momentum in the U.S.-Africa relationship. I hoped to welcome you all to the U.S.-Africa Business Summit in Morocco. Two months ago, coronavirus wasn't on most of our screens; today it's almost all we can think about.

I hope you are staying healthy and safe. COVID-19 has impacted all of our lives and fundamentally shifted how we work at CCA, but it has not changed our

mission. Like many of you, we are teleworking and, as I shared in my April 14 message, we had to postpone the U.S.-Africa Business Summit which would have happened in Marrakech in June. But we have transitioned to a new way to serve CCA's members and stakeholders. We launched a new webinar series "Navigating the Impact of COVID-19" to help maintain and even enhance the dialogue between the private sector, multilateral agencies and U.S. and African governments during a period when we need collaboration more than ever.

The Challenges are Huge

The webinars have highlighted many of the tremendous challenges facing Africa in the face of COVID-19. As of this writing, the continent has over 40,000 COVID-19 cases, reporting over 1,800 related deaths. Egypt, Algeria and South Africa have been worst hit but no country in Africa is spared. While these numbers are nowhere as high as in the United States or many other parts of the world, there is significant concern that African countries could be affected worse than other nations due in part to the fragility of their health systems. With the difficulty



IN THIS ISSUE

**CCA'S 13TH U.S.-AFRICA
BUSINESS SUMMIT
POSTPONED - P.2**



**A DIALOGUE WITH HONORABLE
DR. AKINWUMI ADESINA,
PRESIDENT, AFDB- P.4**



**THE WORLD BANK GROUP'S
COVID-19 RESPONSE IN
AFRICA - P.8**

of social distancing in economies with large informal sectors and socially close communities, UNECA warns that the potential death toll in Africa from COVID-19 could exceed 300,000.

Beyond the health impact, COVID-19 has already put African economies under severe strain. The World Bank's prediction for GDP growth on the continent dropped from 2.4 percent in 2019 to -5.1 percent in 2020. Many

...continued on page 9

CCA'S 13TH U.S.-AFRICA BUSINESS SUMMIT POSTPONED



A cross section of panelists at CCA's 2019 U.S.-Africa Business Summit in Maputo, Mozambique

Given the evolving nature of the coronavirus (COVID-19) pandemic, Corporate Council on Africa (CCA) and the Government of Morocco have jointly decided to postpone the 13th U.S.-Africa Business Summit previously scheduled to take place from June 9-12, 2020 in Marrakech, Morocco.

“Our priority at CCA in response to COVID-19 is to help ensure the health and safety of our staff, members, attendees and stakeholders. We apologize for any inconvenience caused by this decision and look forward to welcoming you to the Summit in Morocco at a later date. CCA will continue to monitor the situation as it evolves, and we urge everyone to stay safe and informed

during this time” said Florizelle Liser, President and CEO, Corporate Council on Africa.

The Government of Morocco remains committed to partnering with CCA to host the Summit in Morocco, and together with CCA is currently exploring new dates for the 13th U.S.-Africa Business Summit which will be announced as soon as possible.

The ongoing pandemic highlights the importance of strong health systems, emergency preparedness and collaboration among governments, multilateral institutions, civil society, and the private sector in an increasingly globalized economy.

CCA is dedicated to continuing to work with its partners to identify strategies and solutions to mitigate the health implications of infectious diseases such as COVID-19, recognizing that the foundation of any prosperous society is a healthy population. In addition, CCA recognizes the social and economic impact of COVID-19 on business, trade and investment, and is committed to helping its members, partners and key stakeholders navigate the outcomes of the pandemic.

Updates on the 13th U.S.-Africa Business Summit will be posted regularly on the CCA Website CorporateCouncilonAfrica.com, as well as the 13th U.S.-Africa Business Summit Website USAfricaBizSummit.com.

SPECIAL MESSAGE FROM THE PRESIDENT AND CEO OF CCA



CCA President and CEO, Florizelle Liser

Dear CCA Members and Friends,

I hope that this message finds you, your family, and colleagues healthy and safe. Corporate Council on Africa (CCA) understands that with more than 1.5 million people infected globally with the coronavirus (COVID-19), this pandemic is impacting people, families, communities, and companies in the United States, across Africa, and around the world.

We are especially watching with great concern COVID-19 developments across Africa. While the situation is very sobering, I am encouraged by the serious measures that African governments have taken to stem the spread of the virus, of work being done by the World Health Organization, bilateral partners (including the U.S.), and of the impressive rallying of private sector resources in Nigeria, Morocco, and other African nations to fight COVID-19 in Africa.

We are especially watching with great concern COVID-19 developments across Africa. While the situation is very sobering, I am encouraged by the serious measures that African governments have taken to stem the spread of the virus, of work being done by the World Health Organization, bilateral partners (including the U.S.), and of the impressive rallying of private sector resources in Nigeria, Morocco, and other African nations to fight COVID-19 in Africa.

All the world is connected by the enormous challenge of COVID-19, so the private sectors, governments and international organizations in Africa, the United States and globally must work together to help us all get through this crisis. Our lives and livelihoods depend on this. In response to this call for a coordinated African and global strategy to fight the pandemic, we see that African Heads of State, Ministers of Health and Finance, and the private sector have come together. New initiatives have been launched by the World Bank, African Development Bank, IMF, Afreximbank, UNECA, and the Trade and Development Bank (TDB) to overcome the human and economic cost of COVID-19 on the continent. And we salute all CCA member companies that are working tirelessly to find solutions and bring this crisis to an end.

I want you to know that CCA remains committed to our mission to promote U.S.-Africa trade, investment and business. Now more than ever, I and the staff here in Washington and on the ground in West and East Africa want to do all that we can to support companies – U.S. and African, multinationals and SMEs – helping them to navigate the worst health crisis of our times and to alleviate the impact of COVID-19 on lives and economies both in the United States and in Africa.

We have launched a new CCA webinar series – “Navigating the Impact of COVID-19” – to provide vital information to our members and stakeholders at this critical time. We hope it will be a platform to continue discussions on key issues relevant to doing business in Africa and increasing U.S.-Africa economic engagement during and after this unprecedented crisis.

Finally, acknowledging that the most important thing is the health, safety, and lives of our staff, and those of our member companies, government and other partners, CCA made the decision to postpone our 13th U.S.-Africa Business Summit, which was scheduled for June 9 -12, 2020 in Marrakesh, Morocco (see announcement here). CCA and our Summit co-host, the Government of the Kingdom of Morocco, look forward to announcing a new date soon. We believe it will be a critical platform for businesses and governments to explore the path for U.S.-Africa reengagement and recovery following this crisis.

We hope you will join us virtually in our webinar series and in person for the Summit whenever we can safely come together again. More than anything, please know that my thoughts and prayers are with you and I wish that you and your loved ones stay healthy. Please let me know if I or CCA can help during this challenging period.

CCA WEBINAR SERIES ON NAVIGATING THE IMPACT OF COVID-19

A DIALOGUE WITH HONORABLE DR. AKINWUMI ADESINA, PRESIDENT OF THE AFRICAN DEVELOPMENT BANK (AFDB)



Dr. Akinwunmi Adesina

On Tuesday, April 21, 2020, Corporate Council on Africa hosted the webinar series on “Navigating the Impact of COVID-19,” featuring Dr. Akinwumi Adesina, President of the African Development Bank (AfDB). The discussion was introduced by Corporate Council on Africa President and CEO Florizelle Liser and moderated by Peter Sullivan, Managing Director and Head of the Public Sector Group for Africa, Citi Bank.

Dr. Adesina urged that, as we navigate COVID-19, we leave no one behind, calling for greater partnerships between multilateral institutions, more investment in healthcare systems in Africa, and more attention to underlying inequalities. “Our collective humanity is at stake,” he stated, “... we are all weak and vulnerable.”

Adesina discussed the objectives and impact of the AfDB’s \$10 billion COVID-19 Response Facility, stating that it could help countries with resources equivalent up to 2.8 percent of their GDPs.

This would help mitigate approximately \$22 billion to \$88 billion GDP loss in Africa and the need for \$158 billion in additional financing. The Facility provides countries with liquidity, stabilizes their economies, provides resources to buy medical supplies, and protect jobs. The \$10 billion Facility will allocate \$5 billion to assist AfDB countries through a non-concessional window, \$3.1 billion for countries accessing the African Development Fund window of the bank, and \$1.4 billion to support the private sector.

Dr. Adesina addressed the underinvestment in Africa’s healthcare sector stating that “the eye that cries, needs to see too.” In order to address this issue, the AfDB, with the support of Citibank, launched a \$3 billion COVID-19 social bond and facility, provided a \$2 million grant to the UN’s Food and Agriculture Organization (FAO) and offered \$73 million to support regional economic communities in Africa.

Over the longer term, Africa needs to strengthen its “health infrastructure sector defense” and to develop its own pharmaceutical industry. He stated that as a bank the AfDB has a comparative advantage in infrastructure

development and must help develop high quality African-focused healthcare infrastructure. Going forward, he sees a unique opportunity for U.S. businesses to work with AfDB in quality healthcare infrastructure on the pharmaceutical side.

Dr. Adesina described his outlook as one of “considered or prudent hope,” pointing out that the investment fundamentals in Africa are still strong.

Adesina believes that investment in primary healthcare infrastructure is fundamental for addressing public health needs as well as investment in secondary healthcare such as centers of excellence and mobile health. He emphasized the importance of food security by highlighting the AfDB’s Technologies for African Agricultural Transformation (TAAT) Facility, a platform used to deliver technology to farmers, and the importance of regional strategic reserves to supply food. He further advised that given current oil shocks, African countries need to diversify their economies, and he called for an increase in social protection programs and COVID-19 testing.

Ms. Liser closed the discussion by acknowledging the key role that AfDB plays in providing resources for the Africa public and private sector.

A DIALOGUE WITH H.E. CARLOS DOS SANTOS, AMBASSADOR OF MOZAMBIQUE TO THE U.S.



H.E. Carlos dos Santos

On Thursday, April 30, 2020, Corporate Council on Africa hosted a webinar featuring H.E. Carlos dos Santos, Ambassador of the Republic of Mozambique to the United States of America on the impact of COVID-19 in Mozambique, the government's response to tackling the pandemic, and the economic outlook as they work to mitigate the economic shock. The discussion was moderated by the Florie Liser, President and CEO of Corporate Council on Africa.

Ambassador dos Santos began the discussion by detailing that currently Mozambique has 76 coronavirus cases and zero confirmed deaths. The Mozambican government has worked closely with the World Health Organization in following protocols and has ratified a presidential decree for a 30-day state of emergency that has now been extended to May 31, 2020. Implemented measures within the decree include:

cancellation of visas, closure of public gatherings and schools, and a 14-day quarantine for travelers.

The decree also established an inter-ministerial coronavirus committee led by the Minister of Health and a technical and scientific committee that advises the government.

Mozambique is handling debt relief in a collective effort with the other member countries of the African Union. The International Monetary Fund (IMF) has provided Mozambique \$15 million in debt relief and \$309 million for balance of payments, SME support, and COVID-19 relief. USAID and the U.S. Embassy in Mozambique have worked on developing health systems in the country. Community leaders have also been imperative in the dissemination of safety protocols and procedures to community members.

The Ambassador also shared that while administering pandemic relief measures, disaster recovery efforts are still happening for those affected by last year's cyclones, including population relocation and building climate-resilient public infrastructure.

Ambassador dos Santos asserted that despite current holds on certain investments, such as the Exxon LNG project expected to begin later in the year, the country is still a preferred investment destination. He highlighted Mozambique's favorable macroeconomic conditions, political stability, and key assets like gas and minerals.

According to the Ambassador, plans for commencing the commercialization of the Mozambique LNG projects are still set for 2024. He further disclosed that Mozambique has maintained its connections with the U.S. private sector through partnerships with Acrow Bridge on infrastructure projects, talks with Bechtel for future project prospects, and collaboration with Coca-Cola in combatting COVID-19.

Addressing the economic shock, Ambassador dos Santos informed viewers that Mozambique has qualified for a second compact with the Millennium Challenge Corporation and has since been assigned a national coordinator that will assess areas of economic growth with the compact.

In closing remarks, Florie Liser encouraged the U.S. and African private sectors to continue to support African governments to battle COVID-19 and to help economic recovery on the continent.

A DIALOGUE WITH KIMBERLY REED, CHAIRMAN AND PRESIDENT, U.S. EXPORT-IMPORT (EXIM) BANK



Chairman Kimberly Reed

On Wednesday, April 8, 2020, CCA launched a Webinar Series on 'Navigating the Impact of COVID-19'. The series kicked off with a webinar discussion featuring Export-Import (EXIM) Bank Chairman and President, Kimberly Reed, on EXIM Bank's priorities and tools for continuing to support U.S. exports to Africa during the COVID-19 global pandemic. Reed assured her listeners that during these unprecedented times, EXIM stands firm in financially supporting U.S. businesses through providing export credit insurance, working capital guarantees, loan guarantees, and direct loans.

She emphasized EXIM's critical role in being a financing tool for the U.S. and African countries in contrast with China. Through the establishment of a program on China and transformational exports,

EXIM reserves 20 percent of financing authority, equating to \$27 billion, for exports to compete with exports from China.

The program focuses on exports in areas including artificial intelligence, biotechnology, biomedical sciences, emerging financial technologies, high-performance and quantum computing, renewable energy, semiconductor and semiconductor machinery manufacturing, water treatment and sanitation, and wireless communication (5G). In posing the question "What has EXIM done since the pandemic?" Reed outlined the Bank's initial COVID-19 relief measures which include temporary bridge financing, temporary progress delivery payment financing, temporary supply chain finance guarantees, and temporary working capital loan guarantee expansion.

EXIM's capacity to support projects is \$135 billion, with current exposure in Africa at \$8.18 billion as of the end of 2019. EXIM looks at exposure by industry with oil, gas, and power projects being their biggest industries followed by aircrafts.

The Bank approved a \$91.5 million project in Senegal which will support over 500 jobs in 14 states and has been approved for \$5 billion to support an LNG project in Mozambique, the largest deal in EXIM's history, which has created 16,400 U.S. jobs.

In the Q&A Reed disclosed that infrastructure and energy are areas that some African Leaders are looking at for key projects. She also addressed the nature of her work as raising awareness of EXIM's work and helping U.S. businesses think about exporting by identifying new sectors and industry-specific areas. She then outlined EXIM's relationship with other foreign export credit agencies (ECAs) and their ability to partner with them to share the risk yet maintain leadership of the transaction.

Reed closed out the discussion by informing the audience that EXIM is currently welcoming applications for their program on China and transformational exports and reiterated the Bank's dedication to small businesses through their financing tools and programs.

A DIALOGUE WITH EDWARD A. BURRIER, EXECUTIVE VICE PRESIDENT FOR STRATEGY, U.S. INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)



Edward A. Burrier

On April 23, 2020, Corporate Council on Africa (CCA) hosted a Dialogue with Edward A. Burrier, Executive Vice President for Strategy, U.S. International Development Finance Corporation (DFC), as part of its webinar series on "Navigating the Impact of COVID-19." Florie Liser, President and CEO of Corporate Council on Africa and Carolyn Campbell, Managing Director, Founding Partner, and Chief Operating Officer of Emerging Capital Partners (ECP) moderated the discussion.

Ms. Campbell opened the event by praising the Overseas Private Investment Corporation (OPIC) and now DFC as a strong funder, adviser, and diplomatic supporter for ECP and other American companies working in Africa.

Mr. Burrier began by establishing DFC as a more "powerful and flexible" institution in comparison with OPIC. The DFC has \$60 billion in financial capitalization (up from \$30 billion), can make equity investments,

provides technical assistance in project-specific transactions and has other new flexibilities. Prioritizing low and middle-income countries, the DFC is in closer policy alignment with other U.S. development agencies. He predicted that "Africa will be our sweet spot," given its development needs.

Burrier expressed his excitement for DFC's work in Kenya with The Nature Conservancy in a conservation effort to protect nature while helping reduce Kenya's debt burden and reinforcing good governance. The Nature Conservancy will purchase some of Kenya's existing debt and the earnings on the interest differential will go into marine conservation work. He also praised a DFC-supported power project in Togo.

Burrier viewed the DFC's Connect Africa Initiative, and the funding of ICT and value chains in Sub-Saharan Africa, as unique in aiding with logistics including infrastructure, ICT access, food security, and telecom security, to help get goods to market.

Burrier advised webinar participants that the best way for the U.S. and African private sector to approach the DFC for partnership on projects is to have a strong business proposal with clear evidence that it is bankable.

He acknowledged that generally, DFC transactions take 4-6 months to execute depending on the size of the project. Moreover, he highlighted the MOU between his institution and the African Development Bank (AfDB), stressing that partnerships help leverage each institution's human and financial capabilities which result in compressing the investment decision time and closing more deals.

Burrier stated that DFC's COVID-19 response seeks to strengthen various medical supply chains and provide liquidity to markets and their existing clients. Long-term, they are looking at how to partner with local financial institutions to provide more capital for small and medium-sized enterprises (SMEs.)

Looking to the future, Burrier hoped that the DFC would be at the forefront of policymaker's minds when seeking to advance U.S. interests across Africa and that Prosper Africa would effectively integrate DFC tools. He hoped to strengthen interagency and other partnerships and grow the institution of roughly 325 people. The new DFC Chief Development Officer plans to have a constant training program to increase the understanding of the work that DFC does in the field. In her closing remarks, Ms. Liser stressed the importance of the role that the U.S. and Africa private sector play in battling COVID-19 and in helping African economies recover.

THE WORLD BANK GROUP'S COVID-19 RESPONSE IN AFRICA



On Tuesday April 28, 2020 Corporate Council on Africa hosted a webinar featuring Dr. Muhammad Ali Pate, Global Director for Health, Nutrition, and Population World Bank Group, on the World Bank's \$14 billion package supporting private sector companies and national public health systems during the COVID-19 pandemic, focusing on their efforts in Africa.

In response to COVID-19, the World Bank has provided a \$160 billion package for long-term support of country COVID relief efforts over the next 15 months. This package aims to help the emergency health response, protect the poorest households, save jobs and businesses, and shorten economic recovery time. The package includes a \$14 billion fast-track fund, \$8 billion of which is dedicated to the International Finance Corporation (IFC) and private sector response

and \$6 billion to support country responses to the pandemic.

The IFC's \$8 billion package consists of four financing facilities: \$2 billion supports critical industries, \$2 billion limits trade financing risk, \$2 billion provides working capital, and \$2 billion supports local banks. The \$6 billion for country support is made of \$4 billion new funds and \$2 billion repurchased from existing World Bank resources, with \$1.3 billion of the \$4 billion from the International Development Association (IDA), and \$2.7 billion from the International Bank of Reconstruction and Development (IBRD). Through their Global Finance Facility (GFF), a multi-donor facility, the World Bank supports 36 countries to ensure a continuity of basic services.

The World Bank response in the health space includes contact tracing, implementation of social distance measures, strengthening health system capabilities, improving communications, providing social and financial support to households, building infrastructure, supporting multinational institutions, and engaging communities.

A key issue for the COVID-19 response for African countries is their limited ability to acquire equipment to protect their frontline health workers.

According to Dr. Pate, this is because wealthier countries are holding onto the limited supplies in the market. In response, World Bank will provide facilitated procurement support where they will match the demand from countries with supplies. Also, in addition to their own efforts, World Bank has partnered with other multilateral development banks, including AfDB, and bilateral agencies, in co-financing and extending knowledge and technical support to help countries counter COVID-19 and improve their health systems.

In his closing statements, Dr. Pate acknowledged the major role that non-profits have played alongside the private sector in service delivery and believes that they can be part of the solution to unleashing the health sector market potential. Also, in pointing out the importance of digital health, Dr. Pate recognized the unequal global access to digital technology and confirmed that the World Bank is in conversations on how to provide platforms for digital technology across all sectors in Africa. In her closing remarks, Florie Liser, CEO and President of Corporate Council on Africa (CCA), stated CCA's position as a platform to provide vital information during the pandemic, and affirmed its continued partnership between U.S. and African governments to address health and economic needs.

U.S.-AU COVID-19 RESPONSE IN AFRICA



From L to R: Amb. Jessye Lapenn, U.S. Ambassador to the African Union, H.E. Amira Elfadil, Commissioner for Social Affairs, African Union Commission, Dr. John N. Nkengasong, Director, Africa Centers for Disease Control and Prevention, Dr. Margaret Agama-Anyetei, Head of Health, Population & Nutrition, Department of Social Affairs, African Union Commission.

On Wednesday, April 15, 2020, Corporate Council on Africa (CCA) and the U.S.-Africa Business Center (USAFBC) at the U.S. Chamber of Commerce co-hosted a webinar on the African Union's (AU's) COVID-19 Response in Africa. The webinar highlighted the AU's plans to support member states, how the Africa Centers for Disease Control and Prevention (Africa CDC) is leading the continent's pandemic response, and the U.S. government's response effort. The discussion was moderated by Scott Eisner, Senior Vice President at the U.S. Chamber of Commerce and President of the USAFBC and CCA's President and CEO, Florie Liser.

U.S. Ambassador to the AU Jessye Lapenn began the discussion by introducing the African Medicines Agency (AMA) as part of the long-term solution to address health challenges on the continent. A specialized agency of the AU, the AMA aims to enhance the capacity of member states and Regional Economic Communities (RECs) to regulate medical products, increase accessibility, and improve access to medical information (much like the U.S. FDA) She highlighted Africa CDC as a critical player in coordinating the continental response to COVID-19.

According to the Ambassador, challenges in providing medical supplies are global, and healthcare systems in Africa are stretched thin, but the AU has been doing its part to advise African leaders. The U.S. Mission to the AU (USAU) has been supportive and is available to help facilitate engagements between U.S. companies and the AU. The Ambassador encouraged companies to contact the U.S. Mission to the AU via: directlineusau@state.gov.

AU Commissioner for social Affairs, Amira Elfadil spoke to the shared global responsibility in responding to COVID-19 and briefed the AMA. To date, 15 countries have signed the treaty establishing the AMA, but only two (Mali and Rwanda) have ratified. Fifteen African countries need to ratify the treaty before the AU can begin the process to identify a country to host the headquarters of the AMA. Commissioner Elfadil explained African government leaders approved a continental strategy to mitigate the impacts of the virus and emphasized Africa CDC is the leading the continent's response under the strategy. Dr. Margaret Agama-Anyetei, Head of Health, Nutrition and Population Division, Social Affairs Department, AU Commission (AUC), emphasized the involvement of the New Partnership for Africa's Development – AU Development Agency (NEPAD-AUDA) in the advocacy for and ratification of the AMA.

Commissioner Elfadil welcomed private sector representatives to contact the AU to develop partnerships in support of Africa CDC and the AMA. Africa CDC Director Dr. John Nkengasong described the Africa CDC's continental response plan to limit transmission, minimize deaths, and mitigate harm caused by the virus.

Dr. Nkengasong said Africa CDC provided an early response to the spread of COVID-19 in Africa, and implemented preventative measures by equipping labs early on and shipping 80,000 COVID-19 test kits. As of April 15, 52 member states reported over 16,000 cases with over 800 deaths. While the current infection rates may appear relatively low compared to other parts of the world, he cautioned against complacency and said testing had not yet achieved scale. The virus' impact has spread extremely rapidly elsewhere in the world and the number of cases has doubled in Africa in the previous week. The coming weeks will be "very determinant" for the continent. To "have a fighting chance," Africa needs an expansion of testing for member states, healthcare worker protection, strong partnerships for supply chain management, and rapid preparation of medical facilities for a potential catastrophe. In the coming weeks, Africa CDC will launch an initiative called Partnership to Accelerate COVID-19 Testing.

Final remarks given by Ms. Liser encouraged partnership in helping fight against COVID-19. Mr. Eisner moderated questions and answers from more than 250 participants and reiterated the Chamber's support for private sector engagement with the AU on the COVID-19 response effort.

Ambassador Lapenn closed the webinar by reiterating USAU's continued commitment to facilitating deeper engagement between the United States and Africa.

countries are in some degree of lockdown and this is choking trade and costing jobs. Oil prices are lower than they've been in decades, declines in demand for other African commodities, the near total collapse of tourism and other sources of revenue and liquidity for many African nations are at the center of discussions at the African Union (AU) and among Heads of State, and are driving a concerted African appeal to global leaders and partners for collaboration and assistance. Such assistance is needed when one considers the already pervasive poverty, food insecurity, lack of capacity and high debt levels in African nations.

The Response Is Encouraging

Despite this grim picture, Africans are meeting the crisis with courage, resolve and ingenuity. Many African governments took quick and decisive action early on to fight the spread of COVID-19 that may ultimately mean a much lower spread and death toll from COVID-19 on the continent. In one of the worst hit countries, South Africa, the government is beginning to ease restrictions after a five-week-long strict lockdown, and it announced a \$26 million stimulus package. The African Union (AU) is coordinating a continent-wide effort that addresses the health and economic impact of the pandemic, and has named four Special Envoys to help mobilize African and global resources to combat COVID-19. The African Centers for Disease Control (CDC) has prioritized testing and health sector support, as its director, Dr. John Nkengasong, told us in a joint CCA/Chamber of Commerce webinar. And during a CCA webinar just a few days ago Dr. Muhammed Ali Pate, the World Bank's Global Director for Health, Nutrition and Populations described the World Bank \$160 billion package of programs being rolled out over the next 15 months. This includes the International Finance Corporation's \$8 billion facility.

The international community is stepping up to help meet Africa's significantly increased financial needs as a result of COVID-19, which African leaders estimate could exceed \$100 billion. As President of the African Development Bank Dr. Akinwumi Adesina

outlined in CCA's new webinar series, the Bank's \$10 billion facility will be used to support both African governments as well as the private sector. The African Export-Import Bank (Afreximbank) has set up a \$3 billion credit facility. We look forward to hosting Dr. Benedict Oramah, Afreximbank's President, later in May as well as the President of the Trade and Development Bank (Admassu Tadesse) in June to share what those institutions are doing.

I was pleased to see that the U.S. government has responded with \$178 million in additional COVID-19 assistance to Africa and that President Trump called the presidents of South Africa and Kenya to offer help. The U.S. government continues to use all the tools at its disposal to carry forward its engagement with Africa. U.S. Export-Import Bank Chairman Kimberly Reed explained in our inaugural webinar how EXIM has adapted its programs and created new flexibilities to help U.S. exports during this crisis. EXIM has \$8.8 billion of exposure in Africa and has a new program to support exports that compete with China. Similarly, the Executive Vice President of the U.S. International Development Finance Corporation (DFC), Edward Burrier, explained to our members that his agency continues to operate and support development projects important to African economies. The DFC has \$60 billion in capital for loans, equity investments, technical assistance and new flexibilities globally.

U.S. companies are also playing an important role in countering COVID-19 in Africa and globally. Many of CCA's U.S. member companies, including in the health sector, have contributed millions of dollars and are developing medications and vaccines, and providing PPE and ventilators. CCA's African members are responding as well. Dangote Group, Zenith Bank and Standard Bank, for example, have given hundreds of millions of dollars to counter COVID-19.

A Call to Action

Clearly more needs to be done. This is a time for bold action to avoid potential disaster. I applaud the G-20 decision to suspend bilateral debt service payments until the end

of the year for eligible low-income countries, including 40 in Africa. Similarly, the IMF approved six months of debt service relief for 25 low income countries, including 19 in Africa. This is a good start, but Africa urgently needs other forms of debt relief. We must support the most vulnerable populations, including refugees, migrants and internally displaced persons. African governments and their international partners need to prioritize health sectors and health security, which has been historically underfunded on the continent. This is a time to diversify supply chains, shore up logistics to ensure adequate food supplies, and seize with new vigor the opportunities provided by ICT and advanced technologies to build resilience and innovate.

More international donor support will be needed and an increased focus on public-private partnerships. More than ever, countries need the private sector to provide financing, deliver solutions, create jobs and help recovery. U.S. companies stand ready to be strong partners as Africa works through the current challenges.

And perhaps more than anything, this is a time to renew our common commitment to each other. As President Adesina so eloquently put it, "our collective humanity is at stake." In an April 14 open letter published in the Financial Times, 18 African and European leaders urged that "only a global victory that fully includes Africa can bring this pandemic to an end." CCA has always supported global collaboration, with members and partners in the United States and all across Africa as well as extensive networks around the world. Trade and business depend on global interconnectivity. Over the past year, I've written with concern about some global trends in the opposite direction that have been raising barriers and pulling away from global approaches. COVID-19 has reminded us that global cooperation, in Africa and elsewhere, is critical to our future.

CCA will do all it can to help. More than ever, I appreciate our members and partners, and my CCA team that is making the most out of an extremely difficult time. We will get through this together. All the very best to you, your families, and colleagues.

UPCOMING EVENTS

MAY/JUNE 2020

CCA Webinar Series on Navigating the Impact of COVID-19

*CCA Members Only

As people, businesses, and governments navigate the social and economic impact of the coronavirus (COVID-19) pandemic, CCA launched a Webinar Series on "Navigating the Impact of COVID-19" to facilitate and maintain engagement and dialogue between the private sector, multilateral agencies and U.S. and African governments.



For more information, please visit www.corporatecouncilonafrica.com

1100 17th Street, NW, Suite 1200 * Washington, DC 20036, U.S.A
Tel: 202.835.1115 * Fax: 202.835.1117 * www.corporatecouncilonafrica.org
The Corporate Council on Africa is a nonprofit 501 (c)(3) organization