



## PRESIDENT'S MESSAGE

BY FLORIZELLE LISER

Happy New Year and greetings from CCA! We started the year with our annual economic outlook in Africa – providing CCA members and stakeholders with the major economic trends expected on the continent in 2020. Dr. Albert Zeufack, Chief Economist for Africa at the World Bank, our annual speaker and foremost expert on Africa's economy, painted a mixed picture of the continent's economic health – and that's where my thinking is as well as we start the new decade.

There are many reasons to cheer in Africa. Overall GDP growth on the continent is

predicted to remain over 3 percent, slightly higher than the global average, fueled by high growth rates in many countries (for example, Cote d'Ivoire, Ethiopia, Ghana and Rwanda each had about 7% GDP growth in 2019, according to the World Bank.) Dr. Zeufack predicted that four of the fastest growing economies in the world will still be in Africa in 2020 and that African countries continue to top the list of global economic reformers. There is new optimism in Sudan and Ethiopia and hopes for peaceful 2020 elections in Ethiopia, Cote d'Ivoire, Ghana and Tanzania.

However, the continent also faces some major challenges. South Africa, Nigeria and Angola – which together make up 60% of Africa's GDP – continue to show tepid growth. Global economic uncertainty, declining commodity prices, the effects of climate change and slow investment growth are drags on Africa's overall economic prospects. Rising debt levels are also a big concern. There has been uneven progress in poverty reduction, compounded by governance challenges. Locust swarms in East Africa (and now Congo) pose a worrying threat and

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the corona virus is a new source of significant uncertainty and concern, for Africa as in the rest of the world.

Notwithstanding these concerns, I pointed out in a speech at Georgetown University's Africa Business Conference on February 1 that the African Continental Free Trade Agreement (AfCFTA) holds great promise for more intra-African as well as global trade and investment. But with the lowest level of overall foreign

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## CCA HIGH-LEVEL DIALOGUE WITH SEAN CAIRNCROSS, CEO, MILLENNIUM CHALLENGE CORPORATION



From L to R: Ade Johnson, Winston and Strawn LLP, Sean Cairncross, MCC, Florizelle Liser, CCA



From L to R: Florizelle Liser, CCA moderates a fireside chat with Sean Cairncross, MCC, Florizelle Liser, CCA

On February 19, 2020, Corporate Council on Africa hosted a High-Level Dialogue featuring Sean Cairncross, CEO of the Millennium Challenge Corporation (MCC), who spoke about the agency's priorities, particularly in Africa.

Mr. Cairncross started the dialogue by introducing MCC as an independent and innovative U.S. foreign assistance agency created by Congress in the George W. Bush administration in 2004, with currently about 70 percent of its portfolio in Africa. The agency's main goal is to reduce poverty through economic growth, focusing on low- and low-middle income countries. MCC priorities include improving markets for private capital, increasing public-private partnerships and blended finance, strengthening human capital, encouraging innovation and smart risk taking, improving governance and accountability, and enhancing institutional reforms.

Cairncross noted that good governance and accountability are crucial for countries to be

be in the program. Failure to meet this requirement could lead to the scale down or even termination of funding.

MCC compacts average about \$350 million but can scale up to \$800 million. They work with partner countries and their economic teams to develop compacts that focus on addressing core constraints to economic growth.



From L to R: Florizelle Liser, CCA, Sean Cairncross, MCC

Cairncross encouraged U.S. companies to bid on MCC-funded projects. MCC stresses best value, not lowest price, which often means U.S. companies are more competitive.

He outlined how MCC programs (compacts and the earlier phase Threshold Programs) are an alternative to China's model for development, by bringing country ownership, economic growth, and sustainability to a country through institutional change.

As the event rounded off, Cairncross stated that he wants MCC during his tenure to form successful public-private partnerships, with private capital at the front end of projects, and policies that focus on women's economic empowerment.



## NEXT STEPS IN U.S - KENYA FREE TRADE NEGOTIATIONS



From L to R: AmCham CEO Maxwell Otieno, KEPSA Director Brenda Mbathi, CCA President and CEO Florizelle Liser, KEPSA CEO Carole Karuga, PS Trade Johnson Weru, KEPSA Director Graham Shaw & Former KEPSA Chair Vimal Shah | Photo Credit: KEPSA

On February 13, 2020, Corporate Council on Africa (CCA), in partnership with Kenya Private Sector Alliance (KEPSA) hosted a roundtable discussion with Kenyan and U.S. business leaders and government officials to explore how the private sector can support this bilateral effort and take full advantage of investment and trade opportunities that will arise from a Kenya-U.S. Free Trade Agreement.

This comes as a follow-up to the recent visit of H.E. President Kenyatta to the United States, during which the U.S. and Kenyan Government announced the launch of talks aimed at establishing a free trade agreement (FTA) between the two countries. If successful, it would be the first U.S. FTA with a sub-Saharan African nation and potentially a model the United States will use to enhance its trade and investment relationship with other African countries.

Ms. Florizelle Liser, President and CEO of the Corporate Council on Africa (CCA), noted that a Kenya-U.S. FTA could build on Kenya's success in trading value-added products under the African Growth and Opportunity Act (AGOA). "It is also an opportunity" she said, "for the private sectors of both the U.S. and Kenya to deepen trade and investment ties in key sectors from energy to banking, construction, ICT/digital trade, health, manufacturing and services trade."

Ms. Liser mentioned that the roundtable was the first of many that CCA plans on hosting with KEPSA as a long-time partner.

"We would like to use this platform to provide regular updates on ongoing negotiations, ensure private sector participation and support, and extract real time opportunities for businesses."

KEPSA CEO, Ms. Carole Karuga, in her opening remarks emphasized the importance of growth of the FTA between Kenya and the USA, stating that the increased trade opportunity for export and import would lead to growth of business.

Ms. Karuga pointed out that Kenya is the leader of the East African Community and went further to underscore that Kenya, among the businesses in Africa participating in global trade, is leading the pack.

"Kenya should draw lessons from Morocco on the challenges and opportunities that are emerging with the free trade agreement between them and the US in order to learn and eventually do better," she urged.

U.S. Ambassador to Kenya Kyle McCarter who spoke at the event said: "We look forward to working together to create a free-trade agreement that allows Kenyan and American businesses to benefit from increased access to each other's markets and one where both our consumers will enjoy greater prosperity through expanded choice and competition within the marketplace."

A successful U.S.-Kenya FTA will stand as a landmark for East Africa and for all of Africa."

Kenya's Principal Secretary, State Department of Trade, Amb. Johnson Weru appreciated the synergy between Government and private sector, adding that the government is willing to walk this journey together with the private sector. "As we speak there is a government team that is also dissecting the deliberations that took place in Washington last week. Kenya has a great appetite for this opportunity."

Dr. Ruth Kagia, Senior Advisor, in the Office of the President, appreciated the discussion that took place in Washington pointing out that this has the highest political support.

A Kenya-U.S. FTA would build on the success Kenya has experienced in producing and exporting a range of value-added products to the U.S. market under the African Growth and Opportunity Act (AGOA), while enhancing two-way trade, strengthening commercial cooperation, and spurring investment into key sectors.

KEPSA and CCA signed an MoU to promote mutual interests through cooperation in the promotion of trade and investment opportunities in Kenya. It emphasizes the need to explore opportunities between Kenya and the U.S. against the backdrop of the commencement of the free trade agreement negotiations between Kenya and USA.

Free trade increases prosperity for the citizens of all participating nations by allowing consumers to buy more, better-quality products at lower costs. It drives economic growth, enhances efficiency, increases innovation, and seeks greater fairness that accompanies a rules-based system. These benefits increase as overall trade increases.

## A BUSINESS BREAKFAST AND ROUNDTABLE ON COMBATING HEPATITIS IN AFRICA



From L to R: Mr. Bassem Bibi, Abbot, Florizelle Liser, CCA, H.E. Aïssata Issoufou Mahamadou, Republic of Niger, Minister Dr. Idi Illiassou Mainassara, Niger, Amb. Jessye Lapenn, U.S. Mission to the African Union, Dr. Papa Salif Sow, Gilead Sciences



From L to R: Zouera Youssoufou, Dangote Foundation moderates a fireside chat with H.E. Aïssata Issoufou Mahamadou, First Lady, Republic of Niger

On February 11th, CCA hosted a 'Business Breakfast and Roundtable on Combating Hepatitis in Africa' on the sidelines of the 2020 African Union Summit. The roundtable convened a select group of roughly 60 high-level U.S. and African decision makers from the public and private sectors. The program included special remarks from H.E. Aïssata Issoufou Mahamadou, First Lady, Republic of Niger; H.E. Amira El Fadil, Commissioner for Social Affairs, African Union Commission; H.E. Dr. Idi Illiassou Mainassara Minister of Public Health, Niger and Amb. Jessye Lapenn, U.S. Ambassador, U.S. Mission to the African Union as well as Mr. Bassem Bibi, VP and General Manager, Infectious Disease - Africa, Rapid Diagnostics, Abbott and Dr. Papa Salif Sow, VP Program Development & Management, Access Operations & Emerging Markets, Africa/Geneva, Gilead Sciences. Government representatives from Chad, Mali, Zimbabwe, Burundi, Ethiopia and Mozambique also attended.

The purpose of the roundtable was to discuss strategies aimed at achieving the AU's political declaration to eradicate hepatitis in Africa, which was launched at this year's AU Summit. The roundtable featured keynote remarks from H.E. El Fadil who highlighted the rising threat of viral hepatitis in the region, and the goals of the

new declaration. Each year 1.4 million people die from hepatitis B and C, which has increased 22 percent since 2000. In 2016, 47 African Governments adopted the Africa Regional Framework for Hepatitis Control (2016-2020), which called for Member States to develop and implement Hepatitis-specific National Strategic Plans. To date, only 18 countries have formulated a national hepatitis strategic plan.

At this year's AU Summit, Heads of State adopted the Cairo Declaration on Hepatitis Prevention, Care and



H.E. Amira El Fadil, Commissioner for Social Affairs, African Union Commission

Treatment in Africa. The declaration places investing in viral hepatitis elimination high on African governments agendas. It seeks to scale-up care and antiviral treatment for people with viral hepatitis as well as increase domestic funding and the number of trained health providers to prevent deaths in the medium and long-term.

The roundtable included a moderated discussion on leveraging PPPs to combat hepatitis which was moderated by Michael Ninburg, President, World Hepatitis Alliance and a fireside chat with H.E. Aïssata Issoufou Mahamadou, First Lady, Republic of Niger and Zouera Youssoufou, Managing Director and CEO, Dangote Foundation. During her remarks, H.E. Mahamadou appealed to H.E. Amira El Fadil and the private sector to mobilize resources for Africa to achieve its goal of eliminating viral hepatitis by 2030. The roundtable was sponsored by Abbot and Gilead Sciences.



## A ROUNDTABLE DISCUSSION WITH U.S. GLOBAL AIDS COORDINATOR & SPECIAL REPRESENTATIVE FOR GLOBAL HEALTH DIPLOMACY, U.S. DEPARTMENT OF STATE



From L to R: Cherine Yassien, Medtronic, Ambassador Deborah L. Birx, U.S. Department of State, Florizelle Liser, CCA, Morayor Essieh, CCA



A cross section of delegates at the health working group meeting

On February 4, 2020, Corporate Council on Africa (CCA) hosted “A Roundtable Discussion with Ambassador Deborah L. Birx, U.S. Global AIDS Coordinator & Special Representative for Global Health Diplomacy, U.S. Department of State.” CCA President and CEO, Florizelle Liser, gave the welcome remarks followed by opening remarks from Cherine Yassien, Principal, International Relations – EMEA and LATAM, Medtronic, Inc. Co-Chair CCA Health Working Group.

Ambassador Deborah L. Birx, M.D., U.S. Global AIDS Coordinator and Special Representative for Global Health Diplomacy, U.S. Department of State kicked off her presentation by outlining the work of the President’s Emergency Plan for AIDS Relief (PEPFAR). PEPFAR is a U.S. government initiative seeking to decrease the absolute number of new HIV/AIDS infections by over 50% through the continuous improvement of program implementation at scale. PEPFAR ensures the implementation of the World Health Organization’s health policies at the on-site level which allows them to immediately

address structural barriers to the implementation of preventative efforts. Ambassador Birx highlighted the importance of political leadership in African countries in ensuring that their policies will allow money to translate into action. She acclaimed Namibia’s success in treating and diagnosing HIV through political will and the use of data.

The PEPFAR platform drives health improvements by providing guidance through leadership, making program data reliable, ensuring communities are at the forefront of planning and implementation, and defining actual costs. Three of PEPFAR’s key goals for 2020 are to sustain the gains in countries that have achieved control of the disease, help countries that don’t have control achieve it, and address the rising new infections in key population epidemics around the world.

In their effort towards HIV/AIDS

prevention, PEPFAR has invested \$4 billion in male HIV/AIDS prevention and \$1 billion on female HIV/AIDS prevention. PEPFAR is also a partner in The DREAMS Partnership Program which addresses the needs of young women through market segmentation. As of 2019, DREAMS has reached 1.5 million adolescent girls and young women with critical comprehensive HIV prevention.

During the Q&A, Birx acknowledged that there are coalitions of African governments willing to segment their needs and start outsourcing. She advised that this should be done through strengthening local logistical chains.

Birx concluded her presentation by informing the audience of the importance of what PEPFAR does in accessing data, having the ability to develop client-centered approaches, finding fraud and corruption, and identifying collective successes and failures.

## AFRICA'S 2020 ECONOMIC OUTLOOK



From L to R: Tom Trimble, Winston & Strawn LLP, Albert Zeufack, World Bank, Florizelle Liser, CCA

A cross section of delegates at the working group meeting

On January 22, 2020, Corporate Council on Africa hosted a meeting on Africa's 2020 Economic Outlook. Welcome remarks were given by Thomas B. Trimble, a Partner at Winston & Strawn LLP and Florizelle Liser, President and CEO of Corporate Council on Africa. Dr. Albert G. Zeufack, Chief Economist, Africa Region at the World Bank Group, gave the main presentation.

Dr. Zeufack kicked off his presentation by recognizing the importance of private sector investment for the creation of jobs in Africa. He then outlined how 60% of Africa's GDP comes from its three largest economies, Nigeria, Angola, and South Africa. Each of these economies are commodity-dependent and have experienced sluggish economic growth since 2016. However, despite weaker economic performance than anticipated in Africa's largest economies, when you remove these three economies the remaining countries in Africa, according to Zeufack, have grown by over 4%. Overall, Dr. Zeufack projected GDP growth in Africa

to pick up to 3.1% in 2020 and 3.2% in 2021. He forecasted that Africa will continue to have four of the fastest growing economies in the world in 2020, Ethiopia, Rwanda, Cote D'Ivoire, and Guinea.

Dr. Zeufack underlined four challenges to Africa's economic outlook in 2020. First, Sub-Saharan Africa is facing a minimally supportive external environment with heightened global uncertainty and a decline of metal and energy prices. Weakening exports and climate change are negatively affecting Africa's production, predominantly in the agriculture sector, and the weakness of institutional frameworks coupled with a lack of reform is further inhibiting Africa's economic growth.

Despite these challenges, Zeufack remained optimistic about Africa's economic outlook. He highlighted that Africa does, and will continue to have,

an improved business climate, with the top 10 reformers in the region being Togo, Senegal, Niger, Zimbabwe, Nigeria, Gambia, Côte d'Ivoire, Kenya, Mauritania, and Uganda. The top 10 African countries according World Bank's *Ease of Doing Business Index* are: Mauritius, Rwanda, Kenya, South Africa, Zambia, Botswana, Togo, Seychelles, Namibia, Malawi.

In ending the meeting, Dr. Zeufack considered the digital transformation of economic sectors to be beneficial in aiding job creation in Africa.

He advised the U.S. private sector to think and source regionally when looking at African markets. The upcoming African Continental Free Trade Agreement (AfCFTA) should strengthen regionally integrated value chains and help create more jobs on the continent.



direct investment of any region in the world, Africa will need to be able to attract more investment for the AfCFTA to succeed, and African governments should continue to focus on how to make their countries more investor-friendly.

That said, the AfCFTA is an historic undertaking that could be a game changer for Africa, and the AU is making notable progress in implementing the AfCFTA – naming South African trade expert Wamkele Mene as the new AfCFTA Secretary General and making plans for the Secretariat's launch in March. During travel to Mozambique, Ethiopia and Kenya in the past few months, I heard a great deal of enthusiasm for U.S. business and investment in key sectors, not to mention for the role that Africa's youth are playing as entrepreneurs and as both developers and users of the latest technologies driving Africa's economic growth. South Africa's Ichikowitz Family Foundation released the largest-ever African youth survey in February, pointing to a growing sense of Afro-optimism among young Africans, reflecting a strong sense of individual responsibility, entrepreneurship and confidence in Africans developing solutions to African challenges.

There is also a lot to celebrate in the U.S.-Africa economic relationship. In February, Secretary of State Mike Pompeo made his first visit to Africa (Senegal, Angola and Ethiopia), stressing the themes of business, entrepreneurship and women's empowerment. The U.S. and Kenya announced the beginning of free trade agreement (FTA) negotiations – a first in sub-Saharan Africa – during President Kenyatta's visit to Washington. CCA, with its partner the Kenya Private Sector Alliance (KEPSA), was pleased to organize a roundtable in Nairobi the next week to begin bringing the U.S. and Kenyan private sector to the table with senior Kenyan and U.S. government officials to discuss the opportunities and way forward on the Kenya-U.S. FTA. President Trump named Adam Bohler (the CEO of the new U.S. International Development Finance Corporation, DFC) as the new Executive

Chairman of the Prosper Africa Initiative, and Prosper held its first big event with over 900 participants in Tunisia. The United States and Nigeria concluded a Binational Commission meeting and Commercial and Investment Dialogue that moved the ball on many business deals. And Cape Verde launched direct flights from Washington D.C. to Praia.

During the week of President Kenyatta's visit, I spoke on a panel highlighting how a free trade agreement can help small and medium sized enterprises, in the United States and Kenya. Speaking at an event in Baltimore hosted by the AU and USAID, my Senior Advisor highlighted the benefits of AGOA – including the tripling of African non-oil exports to the United States over the past two decades – but also pointed to the importance of preparing for trade arrangements when AGOA expires in 2025, whether through the AfCFTA, bilateral free trade agreements, or new versions of AGOA.

I am frequently struck by how much the United States is doing in Africa that is often not adequately understood or appreciated. For example, how many Americans have heard of PEPFAR? But when I travel on the continent, Africans often praise the President's Emergency Plan for AIDS Relief (PEPFAR) as one of the best things the U.S. government has done in Africa, literally saving generations of HIV- infected people. CCA was pleased to highlight PEPFAR's contributions by hosting Ambassador Deborah Birx, the U.S. Global AIDS Coordinator. We also partnered with Abbott and Gilead to organize an event in Addis Ababa to shine a spotlight on a very encouraging development – the African Union's political declaration to eliminate hepatitis in Africa, and on the role that the private sector can play in addressing that fight.

The Millennium Challenge Corporation (MCC) is another example of American success on the continent. In February,

CCA hosted a High-Level Dialogue with MCC CEO Sean Cairncross. While there is a perception that MCC engagement is declining, he said, the organization has invested more than \$13 billion through 37 compacts with 29 partner countries in Africa, and has new authorities to do regional compacts. Combined with other U.S. government tools – especially the new DFC and a newly empowered U.S. Eximbank – the United States will be putting even more resources into African economic development and into supporting U.S. companies looking to invest in and do business in Africa.

The African Youth Survey found that young Africans overwhelmingly (83 % of those surveyed) have a positive view of the United States. As Prosper Africa evolves, we will need to do more to explain to Africans what is in it for them. We should also continue to look for ways to support the AfCFTA and highlight the stake that the United States – both government and business – has in its successful implementation. Secretary Pompeo's trip to Africa helped tell the story of what the United States is doing in Africa – and it's not just about high level official visits. U.S.-African business relationships play a critical role.

CCA's U.S.-Africa Business Summit in Marrakech on June 9-12 will be an outstanding opportunity to shine a light on the opportunities in Africa and the U.S.-Africa business relationship, and to create the dialogue around working collaboratively – Africa and the U.S., both public and private sectors – to address some of the challenges facing the continent. Hosted with the Kingdom of Morocco, the theme this year will be “New Pathways to U.S.-Africa Business Engagement,” to highlight new U.S. and African business tools and innovations as well as new trade and investment relationships. The Summit will include sessions on agriculture, manufacturing, ICT, health, infrastructure, finance, entertainment, and women's economic empowerment, among other issues. We hope to see you there!

# UPCOMING EVENTS

## APRIL 2020

CCA High-Level Dialogue with Amb. Tibor Nagy  
9 | Washington DC

## JUNE 2020

U.S.-Africa Business Summit  
9-12 | Marrakech, Morocco

## 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.



**For more information, please visit** [www.corporatecouncilonafrika.com](http://www.corporatecouncilonafrika.com)

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