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A NEWSLETTER BY THE CORPORATE COUNCIL ON AFRICA



PRESIDENT'S MESSAGE

BY FLORIZELLE LISER

With the world struggling to recover economically from COVID, companies looking to jumpstart and reinvent their business plans on the continent, a new U.S. Administration that respects and values partnership with Africa, CCA is looking forward to working with you to explore every avenue and opportunity to deepen U.S.-Africa trade, investment and business ties in 2021.

As the new U.S. Administration advances its "Build Back Better" agenda, I am hopeful that we are moving in the right direction. I was heartened to hear President Biden

strongly affirm his commitment to engaging with Africa in his virtual address to the African Union Summit. He stated emphatically that his Administration would rebuild partnerships with African nations in a spirit of "solidarity, support, and mutual respect." I was also thrilled that the Biden Administration supported Dr. Ngozi Okonjo-Iweala as the Director-General for the World Trade Organization, paving the way for her to take on this important role, and earlier this week she stepped into that position. This was doubly important, not just because she is supremely qualified for the task, but because the symbolism of being the first African and the first woman to hold this position sends a positive message to Africans and women around the world.

So what are the highlights in these first few months of 2021? While the United States and African nations cannot yet say that we are in post-COVID recovery, we can say that good leadership and collaboration are setting the foundations and path forward for post-COVID

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recovery. As countries rush to vaccinate their populations, we may begin to see a slow return to a more normal life. In the U.S., the vaccination campaign started slowly but is gaining speed with some predicting that this summer we will see a significant lessening of restrictions.

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CORPORATE COUNCIL ON AFRICA (CCA) HOSTS EXCLUSIVE HIGH-LEVEL DIALOGUE FEATURING H.E. PRESIDENT UHURU KENYATTA, PRESIDENT OF THE REPUBLIC OF KENYA AND SUNDAR PICHAI, CEO OF GOOGLE AND ALPHABET



On Wednesday, January 27, 2021, CCA hosted an exclusive high-level dialogue with H.E. Uhuru Kenyatta, President of the Republic of Kenya, and Sundar Pichai, CEO of Google and Alphabet, focused on how digital technologies and partnerships can unlock new pathways for economic growth in Africa. The dialogue was moderated by award-winning journalist, Zain Verjee, Founder & CEO of Zain Verjee Group.

CCA President and CEO, Florizelle Liser kicked off the dialogue, expressing that CCA was pleased to facilitate the conversation and connect the Silicon and Savannah Valleys. Ms. Liser noted the significance of U.S.-Africa partnership, stating, "If COVID-19 has taught us anything, it is that we are better off working together, and our ability to collaborate is critical for post-pandemic economic recovery both here in the United States and in Africa."

During the discussion, H.E. President Kenyatta underlined the notable impact of technology as a driver of growth in Kenya over the past 20 years.

Today as we speak, as a result of digitization, technology, internet penetration, almost 95% of all Kenyans have access to financial services as opposed to less than 20 years ago when only 25% of the population had a bank account."

Sundar Pichai, CEO Google and Alphabet shared in President Kenyatta's optimism and emphasized Google's commitment to supporting governments, businesses, and job seekers in Kenya and across Africa. Last year, in response to COVID-19, Google launched a 1 million USD grant for Kenyan women financially affected by the pandemic, a digital hub to help 300,000 Kenyan SMEs get online, and initiatives to help students learn remotely

Looking to the future, President Kenyatta stressed the need for collaboration in translating the facilitative role of technology in Kenya into economic opportunity and growth. "We want to work together, partnering with American companies and American companies partnering with Kenyan SMEs. This is where the true growth potential exists so that the facilitative work we have done is actually now leapfrogged upon by the opportunities

created by the linkages that we can establish, through the work of, for example, the Corporate Council on Africa."

Mr. Pichai in explaining what Google is doing to support businesses in these challenging times, announced a new 10 million USD fund to support economic recovery in Kenya. He said "it is comprised of 3 things -- 2 million USD to local non - profits which are serving underserved communities in Kenya, 3 million USD to SMEs... and 5 million to support technology startups to help them grow and develop."

Ms. Liser concluded the discussion by restating CCA's commitment to promoting linkages between Kenyan SMEs and U.S. markets. She noted that working with the new Biden Administration, "CCA will continue to engage and support our member companies and U.S. and African public and private sector partners as we all work to drive economic recovery and develop solutions to promote investment and economic development in Africa."

SESSION I | AFRICA ECONOMIC OUTLOOK 2021 WITH UNECA AND WORLD BANK



On Tuesday, February 9, 2021, Corporate Council on Africa (CCA) hosted the first session of the Africa Economic Outlook 2021 series. Session one featured remarks by Dr. Albert Zeufack, Chief Economist for Africa at the World Bank Group and Dr. Bartholomew Armah, Director of Macroeconomic and Governance of UNECA and was moderated by Ru Nyambuya, Senior Manager Client Coverage at Standard Bank Group.

The meeting kicked off with welcome remarks provided by CCA President and CEO, Florizelle Liser. She stated, "Through these moderated sessions, we hope you will get a fuller picture of the continent's economic outlook and actionable intelligence to guide you and your business as you plan for the year ahead."

During the discussion, Dr. Zeufak highlighted private sector investment facilitated by policy reform to achieve economic growth.

He considered five policy areas that directly translate to investment opportunities: restoring fiscal space for service delivery, expanding digital infrastructure, adding value to, and diversifying exports, enhancing urban-rural connectivity, and human capital.

Dr. Zeufak underscored the economic effects of the Covid-19 pandemic in these five areas, in human capital specifically he described how digital technology has proven to be instrumental in developing human capital. Dr. Zeufak said, "We can leverage digital (technology) to improve service delivery across African countries both in education and health and the private sector has a big role to play in those areas."

"In agreement with Dr. Zeufak's remarks, Dr. Armah stressed the role of energy in the economic recovery of Africa. Emphasizing a collaborative energy investment approach, Dr. Armah described the African Union's collective response to the Covid-19 pandemic to ensure

the distribution of PPE and how the same collaborative efforts are critical in investing in energy.

Dr. Armah also discussed agri-processing and the implementation of digital IDs in the informal sector to make products competitive in the international markets. He addressed food spoilage and the potential of a restructured agri-process to support farmers, students enrolled in food programs at their schools, and many others.

Tuesday's session concluded with closing remarks by Ms. Liser. Ms. Liser emphasized CCA's commitment to advancing economic development across Africa. "CCA will continue our efforts to promote activities that strengthen African economies to bolster the U.S.-Africa trade, investment, and business relationships."

SESSION II | AFRICA ECONOMIC OUTLOOK 2021 WITH AfCFTA



From L to R: Dr. Witney Schneidman, Covington, H.E. Wamkele Mene, AfCFTA Secretariat

On Tuesday, February 16, 2021, Corporate Council on Africa (CCA) hosted the second session of its annual Africa's Economic Outlook series. The webinar series features experts who present Africa's 2021 economic outlook with a focus on key trade, investment, and business trends and challenges as countries implement post-COVID-19 economic recovery strategies. Tuesday's discussion featured H.E. Wamkele Mene, Secretary-General of the African Continental Free Trade Area (AfCFTA) Secretariat moderated by Dr. Witney Schneidman, Senior International Advisor for Africa at Covington, with closing remarks delivered by Stephen Lande, President of Manchester Trade.

CCA President and CEO, Florizelle Liser delivered the opening remarks and welcomed H.E. Wamkele Mene. Ms. Liser stated, "through this series, you will gain insights on the continent's economic outlook and actionable intelligence to guide you and your business for the year ahead."

During the fireside chat, H.E. Wamkele Mene discussed the impact of AfCFTA for the economies of the African nations and noted some of the key opportunities it will open for both established and first-time investors on the continent. He highlighted AfCFTA's success in the first phase of this historic and unprecedented endeavor and the challenges it faces. The Secretariat is committed to moving into phase two by August 2021.

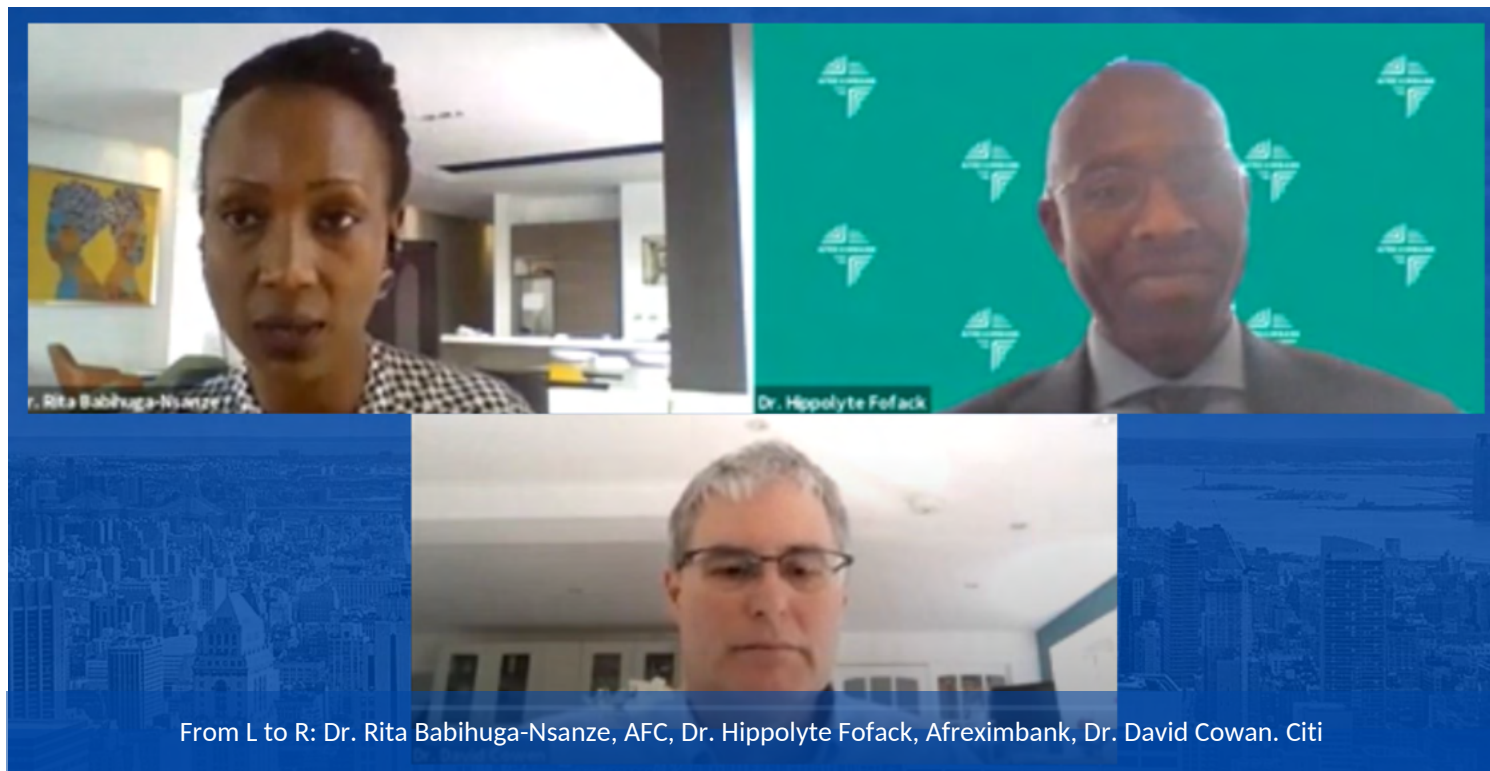
H.E. Mene identified the biggest challenges facing AfCFTA as the different customs procedures, trade facilitation issues and inadequate infrastructure. He emphasized that AfCFTA members would need to build the capacity of national customs authorities, increase their efficiency, and empower them to implement the rules, and fight corruption.

In addressing the impact of the pandemic on the implementation of AfCFTA, H.E. Mene noted that Africa was affected disproportionately by COVID-19 due to its reliance on exports, which dropped fifty

percent in 2020. The economic repercussions of the pandemic underscored Africa's need to accelerate its industrial development and self-sufficiency. Secretary-General Mene highlighted the crucial role of AfCFTA in Africa's post-pandemic recovery, explaining that it will drive economic activity and speed up overall recovery, calling AfCFTA "the heart of Africa's recovery."

Tuesday's session concluded with closing remarks from Stephan Lande who acknowledged the importance of AfCFTA, praising the efforts of those who made it possible. Drawing on over fifty years of experience in trade policy, Mr. Lande advised U.S. companies to invest in Africa to leverage its enormous potential market. Mr. Lande emphasized that AfCFTA should not give preferential treatment to any developed economy and that all members and investors must strictly adhere to the rules.

SESSION III | AFRICA ECONOMIC OUTLOOK 2021 WITH AFC AND AFREXIMBANK



On Tuesday, February 23, 2021, CCA hosted the final installment of the 2021 Africa Economic Outlook series. The three-part series provided our stakeholders the chance to hear experts and leaders discuss economic policies, job creation, debt alleviation, the building of resilient health and ICT infrastructure, and the effective implementation of AfCFTA.

The last session featured Dr. Rita Babihuga-Nsanze, Chief Economist Officer, Africa Finance Corporation and Dr. Hippolyte Fofack, Chief Economist and Director of Research and International Cooperation, African Export-Import Bank. The event was moderated by Managing Director and Africa Economist of Citi, Dr. David Cowan.

Florizelle Liser, CCA President and CEO, introduced the event, commending the panelists for their organizations' efforts to support growth initiatives in spite of the pandemic. Dr. Cowan opened the discussion by briefly describing how Africa has fared economically during the pandemic.

Considering the large increase in poverty across the continent and economic contractions in most regions, Dr. Conway suggested that, while "there has been a huge human cost, the economic cost [of the pandemic] is not good but might well be bearable."

Building on this, Dr. Babihuga-Nsanze shared that both East and South Africa will likely see weaker economic recovery because of their reliance on tourism and public-sector debt as growth drivers. West Africa may recover faster due to its commodities being used in Chinese industrial production, access to fiscal space, and global price competitiveness. Dr. Babihuga-Nsanze emphasized that since many countries are struggling with debt repayment, stimulus or investment programs will be put on hold. "Liquidity, debt, and financing I think are going to be huge themes for the continent this year," she said.

Dr. Hippolyte Fofack highlighted Africa's growth resiliency even during the pandemic. Six of the ten fastest-growing economies were in Africa, signaling the strength of

some markets and the asymmetric impacts of the shock. In the future, Dr. Fofack expects the growth of major trading partners such as China, India, and Europe to spill over into Africa as exports rise with the implementation of the AfCFTA. He noted that the AfCFTA will allow Africa to take advantage of economies of scale and "become a global and productive actor in the reordering of a global supply chains that we see happening as a result of the pandemic."

As trade increases, Dr. Babihuga-Nsanze said that countries need to boost their infrastructure and manufacturing centers to take advantage of increasing trade. AfCFTA's "rules of origin" ensure manufacturing in Africa will increase alongside trade.

The session concluded with both speakers underscoring that Africa's future is one of resiliency that springs from trade and sector diversification. In her closing remarks, Florizelle Liser echoed these sentiments and reaffirmed CCA's commitment to fostering sustainable growth in Africa.

In Africa, the first vaccines distributed through the WHO.-backed COVAX initiative arrived in late February. Ghana was the first to take delivery of 600,000 doses on February 24, with the Ivory Coast receiving 504,000 doses a couple of days later. Both countries started their vaccination campaigns on March 1. Sudan is the third country in Africa to receive vaccines through the COVAX initiative. President Nana Akufo-Addo of Ghana became the first to receive a COVAX-provided vaccination.

Other promising news was highlighted in CCA's annual Africa Economic Outlook program which we held in February. Our series of three webinars featured experts presenting their perspectives on trade, investment, business trends and other issues affecting the African economy for the coming year. They provided our stakeholders the chance to hear experts and leaders discuss economic policies, job creation, debt alleviation, the building of resilient health and ICT infrastructure and the effective implementation of AfCFTA. Of course, what makes these issues even more critical this year are the economic challenges that all nations are facing as a result of the COVID pandemic. Overall, the series presented a more positive outlook for Africa's economic recovery and future than one might have expected.

The first session on February 9, featured Dr. Zeufack, Chief Economist for Africa at the World Bank Group, and Dr. Bartholomew Armah, Director of Macroeconomic and Governance of UNECA. Dr. Zeufack highlighted five policy areas that directly translate into investment opportunities: restoring fiscal space for service delivery, expanding digital infrastructure, adding value to and diversifying exports, enhancing urban connectivity, and human capital. He noted that digital technology can be successfully leveraged to improve service delivery across African countries both in education and health and stressed the important role that the private sector has in this area.

Dr. Armah focused on the role of energy in economic recovery. He said the lessons learned in the African Union's response to the COVID pandemic to ensure the distribution of PPE could be applied to investing in energy. He also noted the importance of agri-processing and the need to go back to the basics in the area of agriculture "because if we want to feed our people while creating jobs, we need to invest in agri-processing."

For the second webinar in the series on February 16, CCA was honored to host H.E. Wamkele Mene, Secretary-General of the African Continental Free Trade Area (AfCFTA) Secretariat and Stephen Lande, President of Manchester Trade who delivered closing remarks. SG Mene discussed the key opportunities that AfCFTA will open for both established and first-time investors on the continent. He highlighted the success of the first phase of this historic and unprecedented effort while acknowledging the challenges ahead, including different custom procedures, trade facilitation issues and inadequate infrastructure. He noted that AfCFTA members will need to build the capacity of national customs authorities, increase their efficiency and empower them to implement the rules and fight corruption. SG Mene went on to address the impact of the pandemic which disproportionately affected Africa, and the role AfCFTA will have in the post-pandemic recovery. He firmly believes that properly implemented, AfCFTA will be a catalyst for economic activity and faster overall recovery.

In his closing remarks, Mr. Lande acknowledged the importance of AfCFTA, praising the efforts of those who made it possible. Agreeing that it will play an important role in Africa's economic recovery, he advised U.S. companies to invest in Africa now to leverage the enormous potential of an integrated African market – the largest free trade area in the world.

The final session on February 23, featured Dr. Rita Babihuga-Nsanze, Chief Economist at the Africa Finance Corporation and Dr. Hippolyte Fofack, Chief Economist and Director of Research and International Cooperation at the African Export-Import Bank. Dr. Babihuga-Nsanze noted that Eastern and Southern Africa will likely face a slower economic recovery due to the importance of the tourism industry in their economies. However, West Africa will recover more quickly as a result of commodities linked to industrial production in China, access to fiscal space and global price competitiveness. She saw liquidity, debt and financing to be the major themes for the coming year.

Dr. Fofack highlighted Africa's resiliency, even during the pandemic, noting that six of the ten fastest-growing economies in 2020 were in Africa. He noted that AfCFTA will allow Africa to take advantage of economies of scale and "become a global and productive actor in the reordering of global supply chains" that will result from the pandemic.

In my January message, I indicated that CCA still hoped to host our U.S.-Africa Business Summit in Marrakesh during the third quarter of 2021. Alas, we were a little over-optimistic about the course of the pandemic. With the slower than hoped for rollout of vaccines and the appearance of several variants, we realized that hosting something in Marrakesh simply not safe or practical. So, we look forward to hosting a virtual U.S.-Africa Business Summit this summer, most likely at the end of July or early August that will focus on the new Biden-Harris Administration's strategy and engagement with Africa. While perhaps not as much fun as a live summit, we will have more flexibility and hope to attract the participation of key USG officials, African Heads of State and ministers, and CEOs from both U.S. and African companies looking to re-engage and grow the U.S.-Africa economic relationship. My team is busy preparing for a very successful event.

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In the interim, CCA is preparing policy recommendations for the Biden Administration on how the U.S. “Build Back Better” strategy and a renewed, stronger, more respectful U.S. relationship with Africa can support economic growth and post-COVID recovery on both sides of the Atlantic. We look forward to sharing those recommendations soon. As we move into spring, always a symbol of renewal, I am confident that the world will slowly come out from

under the cloud of COVID-19 and slowly transition to a more normal life. CCA will continue to host virtual events, but perhaps by the end of the summer, we may be able to transition slowly back to more in-person events, even if small.

In the meantime, I want to thank the CCA Board of Directors and all our members for your ongoing support. And, as always, a huge thank you to the amazing CCA team!

ABOUT CORPORATE COUNCIL ON AFRICA

Corporate Council on Africa (CCA) is the leading U.S. business association focused solely on connecting business interests in Africa. Established in 1993 to promote business and investment between the United States and the nations of Africa, CCA serves as a neutral, trusted intermediary connecting its member firms with the essential government and business leaders they need to do business and succeed in Africa. CCA uniquely represents a broad cross-section of member companies from small and medium-size businesses to multinationals as well as U.S. and African firms. Our members are invested in Africa's most promising sectors including agribusiness, energy, finance, health, ICT, infrastructure, security, tourism, and trade facilitation.

Learn more at www.CorporateCouncilonAfrica.com



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