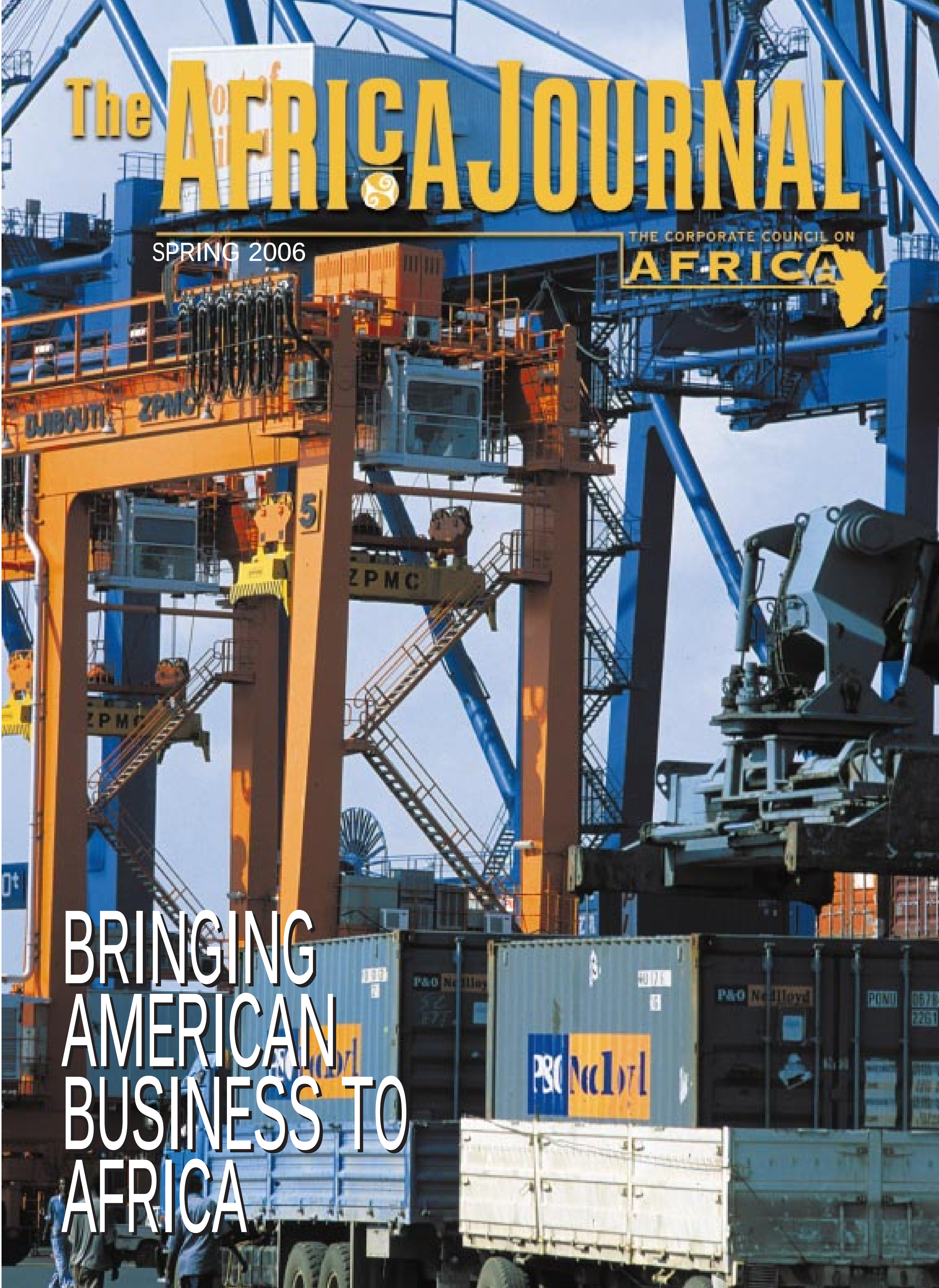

The AFRICA JOURNAL

SPRING 2006

THE CORPORATE COUNCIL ON AFRICA

BRINGING AMERICAN BUSINESS TO AFRICA

CHAIRMAN'S MESSAGE

After a brief interlude, The Africa Journal relaunches itself this month as an ever more important quarterly resource for all of us in the Africa-focused business and government community. I am very excited with the direction the editorial leadership is taking the publication in 2006 and beyond.

Its thought-provoking content is sure to raise Africa's profile in the United States as a business destination with numerous and diverse opportunities. This editorial strategy is clearly aligned with the ambitious goals of the Corporate Council on Africa (CCA), of which I am honored to serve as the Chairman.

A number of people collaborated to refine the editorial mission of the new and improved Africa Journal. The quarterly publication promises to provide readers with leading insights on important trade policy and political developments in Africa. There will be in-depth analysis and features on current economic and political developments influencing CCA programs. It also will profile key figures and stakeholders in the U.S.-Africa business and government community and highlight CCA member companies and their business success in Africa. And finally, The Africa Journal will inform readers of CCA programs, services and upcoming events.

As you read this issue and others in the coming months, notice much of the focus reiterates many of the themes and ideas presented at last year's highly successful U.S.-Africa Business Summit held in Baltimore. The meeting, designed to spur discussion on ways to improve the trade and investment environment in African markets, produced a very aggressive agenda for us in the coming year with plenty of exciting challenges. There is much to accomplish both here and in Africa and our success depends on the support of the full CCA membership.

The highlight of the CCA's planned activities this year is the continuation of our highly successful trade missions to Africa. These events have proved to be very enlightening for potential investors to see the myriad of opportunities available in a growing number of African countries. Upcoming CCA trade missions are scheduled for Libya this spring, followed by Mozambique-Tanzania later this summer.

The Africa Journal is an important communication tool for CCA to showcase the accomplishments of these trade missions and other exciting activities designed to foster relationships between U.S. investors and African business people. Ultimately, we hope such outreach efforts help attract additional corporate interest and involvement in our cause to enhance trade relations, capital flows and humanitarian programs in the 53 nations on the African continent—a land of endless possibilities and opportunities for all of us.

W. Frank Fountain

W. Frank Fountain
Chairman of the Board of Directors
Corporate Council on Africa

Mission Statement

The Africa Journal is a quarterly publication of the Corporate Council on Africa, a non-profit membership organization dedicated to enhancing trade and investment relations between the United States and the 53 countries of Africa. The Africa Journal aims to raise Africa's profile as a business destination with numerous and diverse opportunities.

The Africa Journal's Objectives are to:

- Provide a synopsis of important trade policy and political developments in Africa;
- Introduce key figures and stakeholders in the U.S.-Africa business & government community;
- Feature analysis and in-depth features on current economic & political developments;
- Highlight CCA member companies and businesses' success in Africa; and
- Inform readers of CCA's programs, services and events.

THE CORPORATE COUNCIL ON
AFRICA
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PRESIDENT'S MESSAGE

I am pleased to introduce the new quarterly Africa Journal. Although we have given the publication a glossy new look, The Africa Journal hopes to go beyond the superficial by striving to provide more in-depth coverage of business developments on the continent. CCA is dedicated to turn the new Journal into a publication that will substantially raise Africa's profile as a destination with viable—and highly profitable- business opportunities.

To this end, the editorial team has made it a priority to include articles that challenge the mainstream media depiction of Africa. The Journal will continue to examine best practices and issues that impact on businesses already operating in Africa. Additionally, we intend to provide incentives, tools & resources to entice new businesses to consider Africa as a business destination. A new section "Success on the Continent" will highlight companies from around the world that are successfully and profitably conducting business in and with the countries of Africa.

This first edition of the Africa Journal poses a simple, but critical question: How do we get American companies to consider Africa as a business destination? This question informs not only the mission of the new Africa Journal, but of the Corporate Council as well.

I'd also like to recognize Abdoulaye W. Dukule. Mr. Dukule founded the Africa Journal in 2002, in part to raise awareness of Charles Taylor's regime. Today, Abdoulaye has returned to work under the newly elected Liberian president Ellen Sirleaf Johnson to address the tremendous opportunities and changes of a new democracy. We are pleased that Abdoulaye has contributed an article for the re-launch of the Africa Journal.

Indeed the Africa Journal is excited to highlight the positive developments on the continent.

Our conferences and events have always been a valuable platform for networking. I would also like to see the Africa Journal become a platform for U.S. and African business and government leaders to exchange ideas and best practices that will strengthen U.S.-Africa trade relations. Together, we will continue to raise Africa's profile and contribute to sustainable development on the continent. ◉

Stephen Hayes,
President
The Corporate Council on Africa

Special Thanks

CCA would like to thank sponsors and special contributors for making this edition of the Africa Journal possible.

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CONTRIBUTORS
Abbott Foundation
African Wildlife Foundation
Amerada Hess, Cover photo (Nov/Dec 06 issue)
Sean Barlow, Afropop Worldwide
Kevin Boyd, U.S. Department of Commerce
Tom Carver, Control Risks
CCA Staff
Abdoulaye Dukule, Freelance
Arthur Gerstenfeld, Ph.D, WPI
Larry Luxner, Luxner News Inc. (cover photo)
Mbendi Information Services
Raphael J. Njoroge, Ph.D, WPI
Carl Nofke, Exclusive USA-SA Business Spotlight
Paul Ryberg, African Coalition for Trade (ACT)
Bernadette Simmons

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Managing Editors

Ilda Diffley *(idiffley@africacncl.org)*
Kathleen Wells (*kwells*@africacncl.org)

Copy Editor

Kennia Somerville (*ksomerville*@africacncl.org)

The Africa Journal, initially a tabloid publication, was founded by Abdoulaye Dukele. In 2003, all rights were purchased by CCA from Mr. Dukele, and the publication was converted to its present magazine format.

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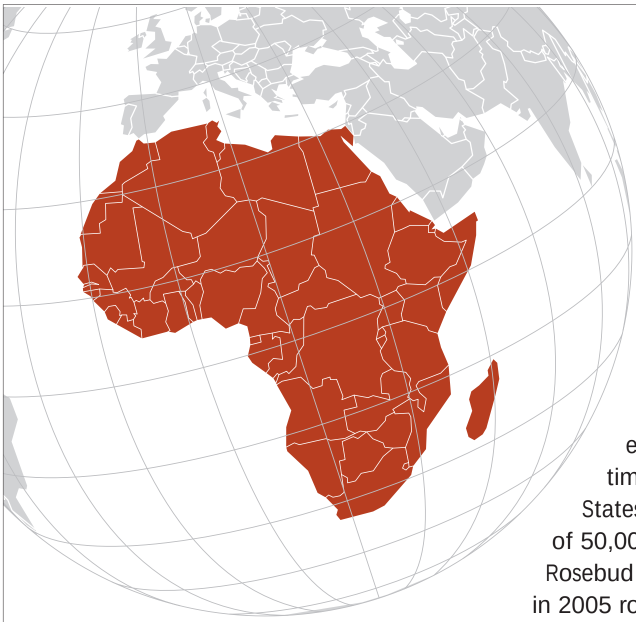


TRADE DEVELOPMENTS

Nigeria—Fitch Ratings has given Nigeria a favorable credit rating of "BB-". The Nigerian Customs Service has introduced a new Destination Inspection scheme for all imported goods.

Botswana—Botswana and Brazil signed bilateral trade agreements in the areas of tourism, education, health and sports.

Angola—New agreements being signed between Angola and Brazil (food) and Kenya and Venezuela (trade and co-operation).

South Africa—India's Ranbaxy formed a South African joint venture to supply ARV medicines to African markets. China will reduce clothing and textile exports to South Africa. Bristol-Myers Squibb awarded a royalty-free license of one of its anti-AIDS drugs to generic drug companies in South Africa and India.

Zambia—Zambia will reduce taxes to attract investment and lower the cost of doing business.

AGRICULTURE

Mozambique —The Tereos Group of France is investing US$ 30 million in the Mozambican sugar industry. Mozambique's Mumias Sugar Company is to export 15,000 tons of sugar to Portugal by the end of February 2006.

Ethiopia—Ethiopian floriculture is flourishing and its export earnings are expected to have registered a 500 percent increase between 2005 and 2007. Ethiopia has banned the export of teff, maize, sorghum and wheat indefinitely in order to keep down the price of these staple foods.

Share Ethiopia has started exporting flowers to European markets.

Uganda—Ugandan flower exporters have, for the first time, penetrated the United States market with a consignment of 50,000 hydroponics roses from Rosebud Ltd Uganda's flower exports in 2005 rose to US$ 36 million from US$ 32 million in 2004.

Kenya—Coca Cola to invest US$ 135 million in Kenya.

Zimbabwe—The Zimbabwe government is making plans to nationalize the fertilizer industry.

TELECOMMUNICATIONS & IT

Sudan—Kuwait-based Mobile Telecommunications Company, through its African subsidiary Celtel International, has increased its stake in Sudan's Mobitel from 39 percent to 100 percent.

Egypt —The Ministry of Telecommunications has announced the terms of reference that will regulate the bid for the country's third mobile license.

Malawi—South Africa's Econet Wireless has bought a 60 percent stake in Malawi's second-ranked operator Telecom Networks Malawi.

Tanzania—Millicom International has acquired full control of its cellular networks in Tanzania, Sierra Leone and Ghana.

South Africa—Open source office automation software developed by a South African company founded by Mark Shuttleworth has been selected as a standard by Google. The South African government announced plans to spend R 372 billion spending on freight routes, dams and broadband projects. Global Vision Telcom, an investment arm of Telecel, sealed a US$ 125 million deal with Nigeria's Prestel. South Africa's Telkom could re-enter the bidding for Nigeria's Nitel.

MINING & MINERALS

Ghana—The IFC approved US$ 125 million financing for Newmont's Ahafo, Ghana, project.

Nigeria—Russia's RUSAL, a top three global aluminum producer, is to acquire a majority stake in the Aluminum Smelter Company of Nigeria in a somewhat controversial deal. The Nigerian federal government will invest over US$ 450 million on airport upgrades in the next 12 months. The Lagos State Government, in co-operation with a consortium of Chinese companies, is to start work on the first phase of the development of Lekki Free Trade Zone

South Africa—Anglo American will spend about US$ 6 billion over three years on capital projects in South Africa.

Mali—African Gold Group acquired Cominor's 3 Mali gold concessions.

Algeria—Sahara Resources has started legal action to restore mineral permits in Algeria.

ENERGY & POWER

Tunisia—Swedish Lundin Petroleum has begun development drilling on the Oudna field, Tunisia.

South Africa—South Africa's Competition Tribunal has blocked the merger of Sasol and Engen. Sasol and CEF are considering the feasibility of constructing a 100 kilotonnes per annum soya bean-based biodiesel plant in partnership with an empowerment consortium group

Angola—Marathon announced its thirteenth deepwater discovery in Angola. Chevron commenced oil production from the Belize Field, in deepwater Block 14 offshore Angola

Equatorial Guinea—China's CNOOC acquired block S in Equatorial Guinea. Total's first cargo of Liquefied Natural Gas from Nigeria LNG train 4 left Bonny Island bound for Spain

Ghana—Sahara Energy Resources Limited of Nigeria has started investing US$ 250 million in the downstream sector of Ghana's petroleum industry

Nigeria—Nigeria's Federal Government, in collaboration with Shell, Chevron, Mobil, Total and Agip, is to build two green field refineries capable of refining one million barrels per day. The Nigerian National Petroleum Corporation has budgeted US$ 5.571 billion for the oil sector in 2006. The government of Nigeria has cancelled the award of 29 oil blocks secured by prospective investors during the 2005 bid round for oil and gas blocks, following their failure to pay signature bonuses. Shell shut down up to 120,000 barrels per day of oil production because of unrest in the Niger Delta. Shell has cut Nigerian oil production following attacks on its facilities, as well as those of Agip and other companies operating in the Delta and immediately offshore. The Nigerian government signed a US$ 400 million order for the erection of 13 Japanese power generation gas turbines.

Madagascar—Madagascar will auction 96 offshore plots of 2,000 square kilometers each for oil exploration from April until September. Petrobras and mining giant Companhia Vale do Rio Doce have signed an accord to study the development of natural gas in Mozambique. Donors approved a US$ 125 million plan to address problems plaguing Madagascar's state-owned utilities company.

Gabon—PanOcean announced a US$ 164 million 2006 capital program to more than double production in Gabon.

Chad—Chinese Petroleum signed a four year exploration agreement with Chad.

Tanzania—Tanzania's only functioning colliery, Kiwira Coal Mines in Mbeya region, will produce more electricity after the injection of US$ 6 million into the plant by a new investor.

Austria plans to help African countries exploit hydro-power resources to enable them export electricity to other continents, especially Europe.

Kenya—Kenya Power and Lighting net profit increased by 51 percent in 2005. The World Bank has approved a US$ 260 million power project for Egypt. China has extended to Kenya a credit of Sh3.2 billion for a power distribution system.

The rural telecommunications network modernization and will also finance the construction of two high voltage power lines in Kenya at a cost of US$ 19 million. Kenya and France have signed a soft loan agreement of Sh 5.2 billion to finance a water and electricity project.

Zimbabwe—Zimbabwe is considering a 20-year electricity generation development plan that will cost at least US$ 3 billion to upgrade three existing power stations and build five new ones.

Uganda—The Spanish government is to give Uganda Shs28.4 billion to help with rural electrification projects.

FINANCE

The European Commission—The European Commission and European Investment Bank have launched a trust fund to finance infrastructure in Africa, while the World Bank Board approved the creation of The Africa Catalytic Growth Fund.

The UN Agricultural Fund—The UN Agricultural Fund granted US$ 34.4 million for a Moroccan agricultural production project.

The IFC—The IFC has granted US$ 400 million in loan facilities to various companies in Nigeria.

World Bank—Angola is to get US$ 102 million from the World Bank for an emergency program. The World Food Programme approved a US$ 87.6 million aid program for Angola. The World Bank provided $US 199 million in credits and grants to Kenya, Tanzania and Uganda and US$ 25 million for Kenyan institution reform and capacity building project. The World Bank approved a credit of US$ 25 million in support of poverty reduction in Mali.

United Nations —UNICEF is providing N$ 160 million to Namibia over the next five years to fight HIV-Aids. The UNDP unveiled a US$ 90 million plan for Uganda. Japan is to invest US$ 30 million in Angolan economic, social projects. The DRC and Unicef signed a US$ 93.9 million plan to aid women and children.

Bilateral—Japan has formally cancelled a US$ 2.1 billion debt owed by Nigeria and Spain US$ 128 million of Nigerian debt. France cancelled Rwanda's US$ 55 million debt and grants US$ 4 million in aid. The EU supported the Mozambican state budget with US$ 114 million. The EU provided US$ 3.5 million to fund Kenyan tourism marketing. Japan cancelled a US$ 12.65 million bilateral debt owed by Rwanda. The USA gave Tanzania a US$ 11 million anti-corruption grant.

Britain will grant the Tanzanian government US$ 542.5 million over the next three years for its poverty reduction program. Britain has withheld direct budget support from Ethiopia following political unrest. Denmark has granted Uganda US$ 29 million to support democratization, justice and peace building efforts. China has extended to Kenya a credit of Sh 3.2 billion for infrastructure development.

African Development Bank—Uganda is to get US$ 85.75 million from the African Development Bank Group to finance projects in education, water and sanitation and Malawi US$ 21.44 million for a health sector program.

Millennium Challenge Corporation—The Millennium Challenge Corporation approved a five year compact with Benin valued at US$ 307 million.

USEFUL STATISTICS

- Uganda's inflation rate dropped to 12 percent
- Africa's tourism industry recorded 7 percent percent growth in 2005
- Since AGOA came into effect in 2001, Namibia's exports to the United States increased from US$ 57.4 million in 2002 to US$ 238.2 million in 2004. Namibia's inflation rose to 3.6 percent
- Zimbabwe's annual inflation rate for January 2006 shot to 613 percent
- South African Petroleum Association (SAPIA) reported aggregate sales of major petroleum products in South Africa rose by 3.3 percent in the fourth quarter of 2005 as compared to the fourth quarter of 2004
- UNCTAD reported that 2005 African FDI, much of it in the oil sector, was 55 percent higher at US$ 29 billion from US$ 18.7 billion in 2004
- Kenya earned Sh 48.9 billion from tourism last year, a 15.9 percent rise on the back of arrivals of 1.68 million visitors
- Mozambique inflation rose to 14 percent
- Zimbabwe's domestic debt burden rose to Z$ 14.3 trillion from Z$ 11.9 trillion during the second half of December
- The volume of trade between China and Ethiopia rose 68 percent to more than US$ 300 million in 2005

TechnoServe Helps Once-Struggling Tanzanian Farmers Boost Profits by Selling to U.S. Specialty Coffee Market

TechnoServe has introduced a quality-improvement initiative to assist Tanzanian farmers meet the high standards of Peet's Coffee & Tea, culminating in the release of a single-origin, limited-edition brand in 2005. TechnoServe helped create the KILICAFE farmers association and has steered the members' transition to higher-quality products that yield higher profits. This work is funded by USAID, the Swiss State Secretariat for Economic Affairs (SECO), Farm Africa and private donors.

TechnoServe has been helping KILICAFE farmer groups boost their income, assisting with developing business plans, acquiring loans for the purchase of processing equipment and establishing market linkages with overseas buyers.

TechnoServe's coffee experts have also shown the farmers how to increase the quality and value of their product, using refined techniques and new equipment. The farmers are investing their higher profits in improvements to their facilities and farms, as well as in their health and in their children's education.

Julia Wilson to Host TV Program on Africa

A new TV program airing on 3A Telesud, a Paris, France-based television channel, brings images and sounds illuminating previously untold stories of Africa, its people, its cultures. The weekly, 26-minute show also spotlights the Continent's progress in transitioning from Third World poverty to First World modernism.

The program features poignant and revealing news about Africa and Americans collaborating in bringing new technologies, business opportunities and other positive accomplishments to Africa. The program will air every Thursday and Friday four different times daily, ensuring Prime Time audiences on all three continents.

The first program aired on February 16, 2006 in Africa on Canal Plus, in the United States on the Dish Satellite Network and in Europe on satellite via 3A Telesud. In this first episode, the show's host Julia Wilson spoke with the first democratically elected female president of an African nation - Liberian President Madame Ellen Johnson-Sirleaf - and shared on-the-scene coverage of her 2006 inauguration.

This production underscores the commitment of Julia Wilson and the 3A Telesud team to the African Diaspora worldwide and helps show and share the enthusiasm and passion of Africa by North Americans. Its intention is to bring viewers' enlightened views of Africa, erasing long-held stereotypes, prejudices and presumptions.

Microsoft® Signs Action Plan With Mozambican Government

The Agencia de Informacao de Mocambique (Maputo) recently reported that the Mozambican government and the computer giant Microsoft adopted a plan of action under which Mozambique will benefit from funding and computer products from Microsoft in order to implement the government's computerization program. Implementation of the Plan of Action for the 2006-07 period, covering the areas of education, electronic government, and the computer industry, will cost about US$500,000.

In addition to the money, Microsoft will make software, equipment and consultants available to the government for training purposes, and for such initiatives as establishing Provincial Digital Resource Centers.

According to a Microsoft press release, the education part of the plan involves "developing a Strategic Information and Communication Technologies plan for the Education Sector and for Community Centers."

Signing the plan of action were the Minister of Science and Technology, Venancio Massingue, and the Microsoft Regional Director for West, East and Central Africa, Ali Hoballah. Massingue said that, under this partnership, he hoped that some Microsoft products could be produced in Mozambique.

Mr. Earl Young Joins the Advisory Board of Mayfair Mining & Minerals, Inc.

Earl and attorney John Fooks at Mayfair Mining sapphire mine with two Malagasy geologists

The Houston Chronicle reported on February 17th that Earl Young has consented to join the advisory board of Mayfair Mining and Minerals, Inc.

With a career background in the Investment Industry, Mr. Young has served in the role of Consultant, Corporate Officer and Director to a number of companies in the United States, Australia and Africa. As the President and CEO of Madagascar World Voice, he is presently assisting World Christian Broadcasting with the formation and development of a short wave radio station in Mahajunga, Madagascar.

Clive de Larrabeiti, President and CEO of Mayfair Mining stated that "We are extremely pleased to have someone with Mr. Young's experience, knowledge and international contacts join our Advisory Board. His involvement in both CCA and the U.S. Madagascar Business Council should be of immense assistance to the Company as we continue to build our profile within the U.S. and African business communities."

Mr. Young also serves as a CCA Board member and member of the AIDS Task Force. He is the President of the U.S. Madagascar Business Council.

USAID Announces Partnership with the General Electric Company to Improve Access to Renewable Energy in Rural Communities in India

Timothy J. Richards

On January 26, 2006 the U.S. Agency for International Development (USAID) launched a public - private partnership with the General Electric Company (GE) to increase access to more modern and affordable energy services in rural communities in India.

USAID Deputy Assistant Administrator for the Bureau of Economic Growth, Agriculture and Trade (EGAT), James T. Smith, and GE's Senior Manager for International Trade and Investment, Timothy J. Richards, announced the India Rural Electrification Program today at a ceremony at USAID's Headquarters in Washington, D.C.

The partnership will span a two-year period and provide up to four communities (approximately 15,000 people) in India with access to clean energy through GE power generation technologies that utilizes agricultural waste (such as banana leaves), wind, and solar resources.

Tim Richards is a CCA board member. GE, a CCA member, is one of the world's leading suppliers of power generation and energy delivery technology.

Starbucks to offer its first coffee grown in Rwanda

The SEATTLE POST-INTELLIGENCER reported on February 28, 2006 that Starbucks Corp. will soon start selling its first Rwandan-grown coffee in North American stores.

Starbucks, the world's largest specialty coffee retailer, said it decided to start buying beans from Rwanda after visiting the country in 2004 to gauge its potential as a premium coffee supplier. Rwanda Blue Bourbon is the company's 10th variety in the Black Apron Exclusives line of high-end coffees produced in limited quantities.

In its last visit to Rwanda, Starbucks picked two mills to work with, both of them in Cyangugu, a province in the southeastern part of the country along the border with the Republic of Congo and Burundi. Both mills produce coffee grown at high altitudes—as high as 5,500 feet—in soil rich with volcanic ash. Some of it offers black tea-like and black currant flavors, some has a citrusy, chocolaty taste, said Dub Hay, Starbucks' senior vice president of coffee.

Starbucks said small farmers who have about 175 trees per farm grow the coffee it's buying, and that it expects the higher prices they'll get will prove to be a boon to the nation's economy. "They're realizing if you produce quality, people are going to pay for it," Hay said. Hay would not disclose how much Rwandan farmers were paid for their Starbucks beans, but said the company pays a global average of $1.28 per pound to its producers, and follows green coffee purchasing guidelines that reward performance in several environmental and social categories.

Ethiopian Airlines Makes 40 in Uganda

The Monitor (Kampala, Uganda) reported that 61-year old Ethiopian Airlines (ET) started its operations in Uganda 40 years ago. The airline began its business with four destinations and now flies to 44 destinations worldwide.

A celebration was held in honor of its 40th anniversary in Uganda with a big do at the Sheraton Kampala Hotel. The area manager of ET, Ms Regassa Ermejachew said, "According to the comments from customers, ET has tremendously improved and we promise to get better." President Museveni, through appointed staff, congratulated Ethiopian Airlines for its continuous services to Uganda even through the dreadful times of the 60s and 70s governments.

A STRATEGIC APPROACH
BETWEEN THE UNITED ST

< By Kevin R. Boyd >

Trade between the United States and Africa, particularly sub-Saharan Africa, has been growing. For example, under the African Growth and Opportunity Act (AGOA), two-way trade has more than doubled, growing from $29.4 billion in 2000 to $60.6 billion in 2005. During this period, U.S. exports to sub-Saharan Africa and U.S. imports from sub-Saharan Africa grew more than three times faster than U.S. exports to and imports from the rest of the world, with U.S. exports growing by nearly 75%.

But what if...?

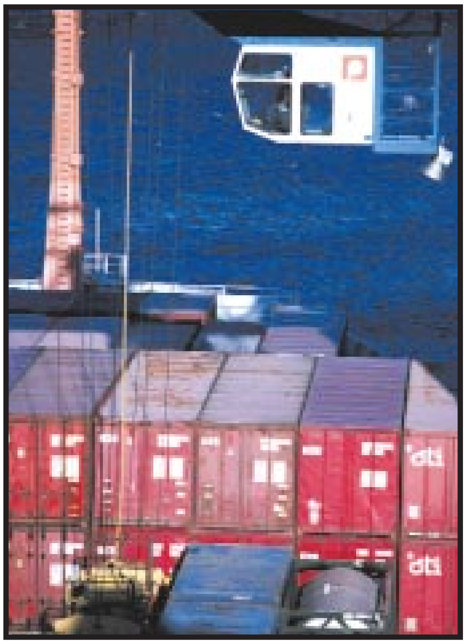
TO INCREASING TRADE TATES AND AFRICA

Impressive growth, to be sure. Yet Africa accounted for only 2.4% of U.S. trade last year, and there remains significant untapped potential for increased U.S.-Africa trade. Consider, for a moment, that around the middle of last century leading African economies and the soon-to-be Asian Tigers were at comparable stages of development. At the time, a number of leading economists expected that it would be the African economies, not the Asian ones, which would develop into export and economic powerhouses. Yet, U.S. trade with the four Asian Tigers totaled $189 billion in 2005, compared with $61 billion for AGOA-eligible sub-Saharan Africa. While few are suggesting that African Lions are ready to join Asian Tigers as development success stories, even a modest move along that path would have tremendous implications for bilateral trade. Given the twin importance of trade to the U.S. economy, as well as to Africa's economic development, what can be done to put U.S.-African trade on a higher growth path?

What must African governments do?

Get the macro policies right: No other region in the world has more at stake in the WTO Doha Development Agenda (DDA) than Africa. When nearly three quarters of the tariffs paid by developing countries are paid to other developing countries, trade liberalization matters for African economic development. When a recent IMF Working Paper highlights how a developing country's import protection policies hurt its export performance, trade liberalization matters for African economic development. When the Copenhagen Consensus finds that trade liberalization is one of the four most cost effective ways to promote development (the other three being health related), then trade liberalization matters for African economic development. The U.S. has put forth bold and detailed proposals in the DDA. The good news is that a number of the African economies are moving in the right direction, working hard on reaching a successful conclusion to the Doha round.

Free the mobile telecom sector: Africa is the world's fastest growing cell phone market. A recent study of the impact of mobile telephone penetration on economic growth found a positive and significant impact on economic growth. The impact may even be twice as large in developing countries compared to developed countries. The study suggested that in a typical developing country, an increase of 10 mobile phones per 100 people boosts economic growth by 0.6 percent. This should not be surprising. Land line penetration in developing economies is low, and an increase in information sharing brought on by increased mobile phone usage would undoubtedly make markets more efficient. This is a textbook example of leapfrogging technology to aid development. Yet many African economies maintain heavy tax burdens on handsets and airtime; Uganda, for example, continues to apply high tax rates to airtime. Rapid liberalization of this sector would produce significant and widespread economic benefits, as well as open new opportunities for U.S. companies.



Foster entrepreneurship: Anyone who has traveled in sub-Saharan Africa knows the entrepreneurial spirit exists. It needs the proper enabling environment, an approach to government, taxation, and regulation that allows entrepreneurs to thrive. The recent *Doing Business in 2006* report clearly stated "Entrepreneurs face more regulatory obstacles in Africa than in any other region." The report listed only one sub-Saharan African economy (Rwanda) in its list of the top reformers. It listed only two (Mauritius and South Africa) in its top 30 "ease of doing business" ranking. Many of the issues raised in the report affect not only entrepreneurs but foreign investors as well. In addition, many of the issues cited give rise to one of the most pernicious problems in the region, corruption. But there is hope. The report notes that several countries have ambitious reform programs planned, and others (Nigeria, South Africa, Mauritius) have taken some steps in the right direction. The U.S. government is working with selected sub-Saharan African economies to help them address some of these issues through programs such as the Millennium Challenge Account, the Trade Hubs, and the Africa Global Competitiveness Initiative.

What must U.S. companies do?

Look beyond the nightly news: Remember that it only paints a very limited picture. In the case of Africa, it paints a picture of famine, disease, and civil conflict. Yes, that exists in places. But Africa is not homogeneous. There is a vibrant and growing business sector in many countries that doesn't make the evening news. When was the last time you looked for new business opportunities in Senegal, or Botswana, or Rwanda, or Ghana? Rest assured, your global competitors are there, and elsewhere on the continent, looking for new markets and making deals. Chinese investment in Africa, in every industry sector from oil and gas to housing to telecommunications, has skyrocketed in recent years. Investment in Africa from Brazil, the Middle East and India has increased significantly as well.

Think long term: Companies that succeed in many African markets are in it for the long haul. It takes time to build business relationships and learn the market. While we certainly encourage companies to take advantage of obvious long term opportunities, such as the recently implemented U.S.-Morocco FTA, we also believe it is important for companies to consider where growing African economies fit in to their long term strategic plans. Failure to do so may have serious implications for a company's long-term competitiveness.

But remain nimble: While establishing the African portfolio in your company's long term plans, remain flexible enough to take advantage of opportunities as they arise. This is particularly important in an environment where reforms are beginning to take hold, for two reasons. The first is that opportunities, be they procurement tenders or policy changes, may come at any time, and not on a set schedule. The second reason is the demonstration effect. If significant policy reforms do not generate commercial interest, this weakens the hand of both domestic reformers and U.S. officials who have pressed for those reforms. It also makes it more difficult for neighboring governments to take on similar reforms.

What is the U.S. government doing?

AGOA is more than trade preferences: The African Growth and Opportunity Act established more than just a trade preference program. It also established the United States-Sub-Saharan Africa Trade and Economic Cooperation Forum, more commonly known as the AGOA Forum. Following last year's Forum, representatives from several of the African Ministerial delegations attending the Forum prepared a draft workplan addressing ways that the U.S. and AGOA-eligible sub-Saharan African countries could further the discussions begun at the 2005 Forum. The workplan addressed a broad range of topics, including infrastructure development, export diversification, and development of small and medium sized enterprises (SMEs). This type of engagement is crucial to developing the necessary policy environment for trade and development to flourish.

Government assistance is not an oxymoron: The Department of Commerce's International Trade Administration (ITA) works closely with U.S. companies, particularly SMEs, to assist them in exporting. The Market Access and Compliance unit (of which the Office of Africa is a part) looks for exporting problems caused by foreign governments and uses every possible tool to achieve equal treatment for U.S. companies and workers. Our overall objective is to obtain market access for American firms and workers and to achieve full compliance by foreign nations with trade agreements they sign with our country.

Help companies protect IPR: Companies can run into problems protecting their intellectual property rights in any market around the globe, not just in Africa. In October 2004, the Administration launched the Strategy Targeting Organized Piracy (STOP!) - a comprehensive intellectual property rights (IPR) initiative that elevates cooperation between the federal government, the private sector, and many of our trading partners in an aggressive, unified effort against piracy and IPR theft. At Commerce we've created a single IPR hotline -1-866-999-HALT - that businesses can use to learn how to protect their IPR at home and overseas, or to file a complaint. We've also developed a website - StopFakes.gov - a one-stop-shop for information to help you register and protect your intellectual property assets. On the website, you can learn how to secure trademarks, patents and copyrights overseas - both in individual countries and in multiple countries through international treaties. In addition, through StopFakes.gov, you'll have the ability to file a complaint and tell us in your own words about the intellectual property-related problem you're experiencing or questions that you have and an IP specialist will promptly respond to your inquiry.

Conclusion

There is tremendous untapped potential for increased trade between the United States and Africa. The areas of focus suggested above are by no means exhaustive, but they do represent areas this author believes would have the most significant impact. Most, if not all, of the Corporate Council on Africa (CCA) members have already adopted the points outlined for U.S. businesses. As more U.S. companies become involved in African markets, they can learn from the experiences of CCA members. They can also count on the assistance of the U.S. Department of Commerce.

Kevin R. Boyd
Director, Office of Africa, U.S. Department of Commerce
Mr. Boyd became Director of the Office of Africa in January of 2005. He is responsible for recommending and implementing U.S. policies to address market access and trade agreement compliance issues in sub-Saharan Africa. Mr. Boyd held several positions at Commerce prior to his current one, most recently serving as Director for ASEAN Affairs from 1995 to 2005.

The U.S. Dept. of Commerce, Trade Compliance Center can be reached at www.export.gov/tcc or directly to the Office of Africa at 202-482-4928.

Trade Missions: Bringing U.S. Business to Africa

< By Nelly W. Swilla >

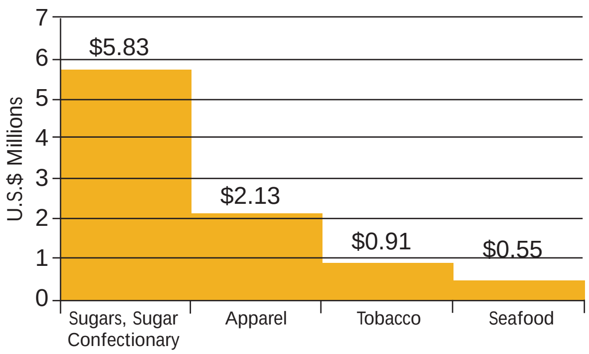
Tanzania and Mozambique

An eight-day trade mission to Tanzania and Mozambique in early July 2006 will allow U.S. businesses to explore trade and investment opportunities in agriculture, fisheries, and, tourism (including infrastructure, aviation, hotels). Other key sectors for investment include mining and information and communication technology (ICT). The trade mission will be designed to reflect participants' specific needs and interests. Throughout the mission, participants will have access to their Mozambican and Tanzanian business counterparts, high-level trade and investment policymakers, and U.S. consulate representatives. Meetings with heads of state and relevant ministers for each country will be scheduled.

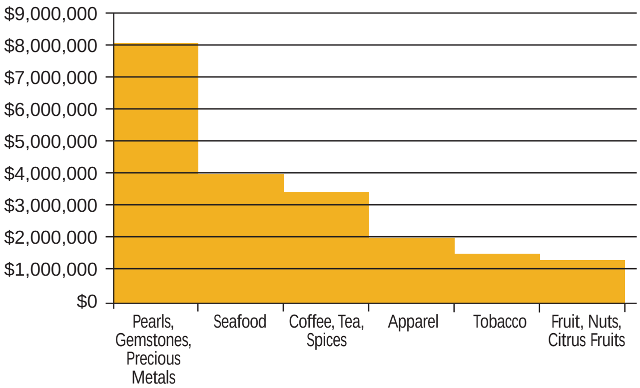
Trade mission participants will also have the opportunity to participate in Dar es Salaam's thirtieth International Trade Fair. The event organizers, and the Tanzanian Board of External Trade, have invited CCA to lead a group of U.S. businesses to participate in the trade fair, which will take place from June 29 to July 9, 2006. Last year the Dar es Salaam International Trade Fair drew 2,624 companies, 324 of which were foreign and the remaining 2,300, local companies. Companies' exhibits included agricultural products and implements, chemicals, machinery, engineering products, textiles, computer software, and ICT products and services. The 2005 trade fair also attracted over 580,000 consumers and more than 13,000 business visitors. The event should provide significant exposure to companies seeking greater visibility in Tanzania.

Tanzania is a rare example of an African country that has enjoyed political stability throughout its history. Since 1985, the government has undertaken significant financial and economic reforms to liberalize the economy and to encourage private investment. Tanzania has experienced economic growth rates of between 5 to 7 percent for the past several years. Its economy, which serves a population of 37 million, is driven by the four priority sectors of agriculture, mining, tourism, and fisheries. Tourism's importance as a source of government revenue has grown within the past decade. The key tourist attractions in Tanzania are: 1) Mount Kilimanjaro, the highest, free-standing mountain in Africa, 2) the islands of Zanzibar, 3) the Serengeti, Ngorongoro Crater, and Selous wildlife parks, and 4) the Marine Park of Mafia Island. The information and communication technology sector (ICT) has also grown substantially in recent years. In particular, the mobile phone industry has expanded quickly and shows tremendous potential for further market development.

Major U.S. Imports from Tanzania



Major U.S. Imports from Mozambique in 2004



Data Source: U.S. Department of Commerce, Office of Trade and Industry Information (OTII), Manufacturing, and Services, International Trade Administration.

Mozambique is quickly emerging as one of the more politically and economically stable countries in Africa, aided by a transition to democracy, good governance, and a series of macroeconomic reforms. With a population of 19.4 million, Mozambique has managed to sustain high economic growth rates since the country achieved peace in 1992. In 2002, Gross Domestic Product (GDP) was 8.3 percent and GDP hovered between 8 to 10 percent annually until 2005. The national economy relies heavily on agriculture, mining, and fisheries. Tourism is a growing source of fiscal revenue and business opportunities are rapidly emerging in the country's underdeveloped information and communication technology (ICT) sector.

Agricultural activity contributes 25 percent to Mozambique's annual GDP. The most important cash crops are cotton, cashews, copra, tea, and citrus fruits. Within the cashew industry, the government is actively promoting downstream processing of cashews rather than exports of raw nuts. Minerals and metal mining is an important source of foreign currency for the Mozambican government. The country is endowed with coal, natural gas, gold, cobalt, and copper reserves, as well as precious and semi-precious stones. Opportunities exist in mining and processing minerals and industry-related machinery and equipment is also in high demand.

Fisheries represent around 5 percent of Mozambique's GDP and 43 percent of exports. Seafood exports consist of prawns, shrimp, shellfish, ocean fish, and fresh-water

fish. Estimates indicate that Mozambique has the potential to produce about 300,000 tons of fish and shellfish per annum. The fisheries sector has an infrastructure network in Maputo, Beira, Quelimane, Nacala, and Angoshe that features ports, storage facilities, fishing net factories, boatyard facilities, and properly equipped workshops. Excellent conditions exist for the development of aquaculture, particularly, prawn farming, but also oysters, mussels, algae, and pearls.

Nelly W. Swilla is a Research Analyst at The Corporate Council on Africa.

Second Trade Mission to Libya in April 2006

< By Barrett Hightower >

CCA will lead its second trade mission to Libya April 8 - 12, 2006. Participating companies are Oracle, Motorola, Cisco Systems, Hewlett-Packard, Raytheon, JD Stark and Associates, and Sikorsky Aircraft Corporation.

The IT heavy delegation aims to capitalize on strong potential for growth in this sector as Libya launches its campaign to catch-up with 21st century needs - including those of its oil operators. Delegates will meet with Libyan government officials, private companies, and business associations. CCA and the Washington D.C.-based National U.S.-Arab Chamber of Commerce (NUSACC) will coordinate on the meeting agenda in Tripoli, as a NUSACC trade mission is scheduled for the same week in April.

Both missions are coordinating with a U.S. Department of Commerce event, the Tripoli Fair, taking place April 2 -12. The fair will profile business opportunities in Libya for U.S. entrants by hosting forums for information exchange between U.S. and Libyan companies including group meetings, panel discussions, dinners, and a trade pavilion.

The post-sanctions era so far boasts mixed results for U.S.-Libya business. Libya remains on the U.S. State Department's state sponsors of terror list, and diplomatic relations are not yet normalized (the United States and Libya have "liaison offices" rather than full embassies in Tripoli and Washington, D.C., respectively). Media browsing shows that journalists lament Libya's not so open "open door" as often as they speculate on its bounty and progress.

However, U.S. interest remains high in promoting business relations. The White House announced at the end of February that President Bush has renewed the waiver allowing Ex-Im Bank involvement in Libya for FY06. A steady stream of U.S. congressional and government visits over the last two years has added fanfare to the renewed goodwill.

U.S. oil companies have led the private sector charge back to Libya. In January 2005, U.S. companies dominated the first round of Libya's first post-sanctions upstream oil and gas licensing round, EPSA 4. Libya awarded nine areas (five onshore oil blocks and four offshore, gas-prone blocks) to Occidental, while Chevron Corporation and Amerada Hess each won acreage in one block. No European firms won; other successful bidders included companies from the Middle East, India, Canada, and Australia.

In October 2005, Libya opened EPSA 4's second round bidding on 40 additional blocks. Asian and European companies were more successful in this round, and energy giant ExxonMobil Corporation was the only U.S. firm to win rights. Exxon Mobil was awarded the large Cyrenaica Basin Contract Area 44, located offshore and comprising of 2.5 million acres. The company announced beginning exploration in Cyrenaica just two months later, in December 2005.

Innumerable opportunities exist outside of O&G, particularly in financial services, information and communications technology, tourism, water supply and irrigation, manufacturing, and healthcare. On these fronts, Libya is making strides, transforming rhetoric to deed and jumpstarting regulatory reform processes. These reforms have so far resulted in an investment promotion authority and other government offices designed to promote industry specific investment. Trade law reform is underway, and amendments have been made to Libya's import-export duty regimes. The government's privatization program, spearheaded by the office of the Prime Minister (Prime Minister Ghanem shifted to head the National Oil Company the first week of March 2006; his successor, Baghdadi Mahmudi, served as his deputy) will increasingly target schools, hospitals, and hotels.

International investment inflow emanates

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Dear Friends of Africa,

I would like to thank the Corporate Council on Africa (CCA) and The Africa Journal for this opportunity to share the work of the United States Trade Representative in promoting African economic growth through trade. CCA is a valuable partner in our efforts to strengthen ties between the United States and Africa.

In my view, there has been no stronger advocate of Africa than President George W. Bush. Under his leadership, the United States has tripled aid to Africa and committed to doubling development assistance again by 2010. African countries have also been the main beneficiaries of several historic initiatives President Bush has launched, including the Millennium Challenge Account and the Emergency Plan for HIV/AIDS Relief.

As we help African countries address their challenges, trade will also be an important part of the equation. African leaders themselves have identified trade as one of the key tools in their efforts to alleviate poverty and boost economic growth and development.

Here's what we are doing in the Administration to help them accomplish this:

First, under the African Growth and Opportunity Act (AGOA), we have opened our market to virtually all products from the 37 AGOA-eligible countries. U.S. imports from sub-Saharan Africa have more than doubled since AGOA was passed in 2000. While oil continues to be the leading U.S. import from Africa, non-oil imports - including apparel, transportation equipment, and processed agricultural goods - have risen substantially under AGOA, from $1.4 billion in 2001 to $2.9 billion in 2005. And AGOA has also been good for U.S. business: since 2000, U.S. exports to sub-Saharan Africa have increased by 75 percent. We know that many AGOA countries have yet to make effective use of AGOA. That is why we are intensifying our efforts to help African governments and firms to build their trade capacity, diversify their exports, and attract new investment.

Second, we are seeking to deepen and broaden our bilateral trade relationships with African partners, beyond trade preferences. As tariffs around the world come down under bilateral, regional, and multilateral trade agreements, it is important that Africa not be left behind. We are seeking to expand cooperation with key African trading partners, especially those who have demonstrated a commitment to economic and political reforms needed to foster increased trade.

Third, we support African efforts to accelerate regional economic integration on the continent. Greater economic integration will help to increase regional trade while creating larger markets, capturing economies of scale, and increasing competitiveness. We are working closely with regional organizations such as the Common Market for Eastern and Southern Africa and the West African Economic and Monetary Union to support their efforts to reduce tariffs, improve customs procedures, address transportation bottlenecks, and coordinate policies on finance, services, investment, and telecommunications.

Fourth, we are consulting closely with African countries on means to advance the World Trade Organization's Doha Development Agenda trade negotiations. An ambitious outcome to the Doha Round could give African countries the improved trading opportunities and greater competitiveness they need to boost their development and reduce poverty. At the December 2005 WTO Ministerial in Hong Kong, we reached agreement on a number of issues of particular importance to African Members, including the handling of cotton, extension of duty-free/quota-free market access to Least Developed Countries, and establishment of a task force to operationalize Aid for Trade. However, unless we conclude Doha, many of these development provisions will not be realized. So we must all remain focused on concluding an ambitious Doha package this year.

Rob Portman

Fifth, we have intensified our trade capacity building, which will be crucial to Africa's ability to seize the trade opportunities offered by AGOA, Doha, and regional integration. In 2005, the U.S. Government invested $199 million in trade capacity building in sub-Saharan Africa, up 10 percent from 2004. In July 2005, the President launched the African Global Competitiveness Initiative, a 5-year, $200 million project to expand sub-Saharan Africa's trade and improve the region's external competitiveness. U.S. firms that are active in Africa - including CCA members - are also conducting trade capacity building activities. We want to partner with the private sector to maximize these assistance efforts.

With the efforts described above, along with a continuing commitment by African leaders to prioritize trade, Africa can overcome poverty and lay the basis for sustainable economic growth and development. USTR's partnerships with African governments, CCA members and other stakeholders are a critical part of forging an even stronger U.S.-Africa trade and investment relationship.

Sincerely,

Rob Portman
U.S. Trade Representative

Message from the African Diplomatic Corp

< By H.E. Roble Olhaye, Ambassador, Embassy of Djibouti >

The issue which concerns us at this time is "U.S. Investment in Africa"— Encouraging American Business that Africa is a Good Business Destination." Much of this is a matter of reality against perception—what is a realistic picture of Africa at this time as opposed to widespread perception, and what must be done to bring them into closer alignment.

There can be little denial of the fact Africa has, and continues to have its problems; the prevalence of civil wars, the AIDS crisis, widespread poverty, extreme unemployment, low national savings, stagnant agricultural development and government services, are some of the more publicized issues. As far back as 1998 a Task Force sponsored by the Council on Foreign Relations noted that "despite the renewal in Africa and the quiet expansion of U.S. economic interests on the continent, the prevailing perceptions of Africa's potential remain overwhelmingly negative. Africa is rising in strategic importance for the U.S. in such areas as energy, terrorism, trade and investment, minerals, world health, and security and conflict, but the U.S. now faces serious competition from other countries, particularly Asian. It is therefore imperative that the U.S. overcomes its residual negative appraisal of African investment potential while it still maintains its commanding position.

Commenting along these lines, UN Secretary General Kofi Annan observed that while a "gross distortion for Africa as a whole, that negative image has a basis in reality in the wars and economic difficulties that continue to afflict some countries. Unfortunately, this observation of some applicability in Africa leads most Chief Executives of MNCs to "never look in detail at the prospect of any African Country. They know Africa only from a few headlines or the odd minute of television news, which shows a continent disfigured by conflict".

African leadership has come to realize the prevailing misperception and the underlying problems which have precipitated it. Fortunately, concern for dealing with Africa's pervasive unemployment and poverty is now continent-wide.

Macroeconomic stability is seen, therefore, as critical in addressing these problems and creating an inviting investment climate. Since the mid PPD's fiscal deficits have generally been brought under control, foreign exchange regimes are more flexible, and inflation is below double digits in most countries. Economic growth has also picked up, particularly in this twenty first century. UNCTAD has pointed out that the profitability of foreign companies in Africa has been consistently higher than in most other regions of the world, averaging through the 1990s on foreign direct investment, some 29 per cent. This is higher than all other regions by a wide margin! During the 1980s-1990s, American companies had a rate of return exceeding 10 per cent! Hopefully the business community will come to know this potential, and see Africa as a place of opportunity and partnership, not one that is too difficult and characterized by calamity and uncertainty.

It has been correctly noted that Americans must pause and reflect on how Africa has become a region of growing vital interest to U.S. national interest. More charity than partnership will not work. U.S. interests exceed the humanitarian and encompass energy, security and trade. Hopefully, the negative appraisal of aid and development assistance prevalent in the post-cold war period, predicated by a supposed lack of positive economic impact, has been reversed.

The critical role private investment needs to play in Africa is clear when it is seen that even with the reversal in declining aid, it is unlikely to finance Africa's needs. The same is true of debt relief and probably increased export earnings. What is required is a greater inflow of private foreign direct investment to Africa, and even more emphasis on Africa by the Administration in spreading the word.

This is also a key function of African Ambassadors. We must meet with administrative officials and legislators to heighten focus and resources on Africa. Considerable interaction took place between American officials and African Ambassadors and diplomats in working out the details and garnering support for the African Growth and Opportunity Act (AGOA). The result has been impressive in raising exports and imports for both sides. As Ambassador Rob Portman, U.S. Trade Representative, said recently, "As awareness of Africa as a potential source of imports has risen, so too has the awareness of (it) as a potential for exports.... There is a huge potential for greater growth." We welcome contact of every nature with American businesses of all sizes, types and resources, to keep them informed about opportunities in Africa. Some countries, such as my own Djibouti, have set up one-stop-shopping centers for investors, where the investment procedures can be handled in one place. Investors should know this, as well as other key facts, such as tax incentives, foreign exchange policies on funds transfers, and sectors, which hold special promise for investors. Again in Djibouti, this comprises mineral, petroleum and natural gas exploration, financial services, manufacturing, housing construction, tourism, telecommunications, transportation and fisheries. CCA itself promotes more than a dozen countries as attractive investment destinations. With other investment opportunities, such as health and goods assembly, as Africa's GNP continues to rise (now over 4 percent) and more countries develop their economies, this number can only rise.

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Liberia, Challenges & Opportunities

< By Abdoulaye W. Dukulé >

The election of Ellen Johnson Sirleaf as the 23rd president of Liberia has many historical dimensions, one being that she is the first female president elected on the African continent. She comes to power in Liberia after 25 years of instability, warfare and destruction. Now that the dust has settled on the grandiose inauguration ceremony, the new president must stand up to the numerous challenges on her way to bring Liberia into the 21st century.

The most visible casualty of Liberia's infighting and mismanagement is the physical infrastructure. Every sign of modernity has been reduced to ashes.

Among the 22 men and women who stood for election in October 2005, Mrs. Ellen Johnson Sirleaf surfaced as uniquely qualified to tackle the challenges of Liberia's nation building. The Harvard educated economist said that her inauguration, "Marks the celebration of change and dedication to an agenda for socio-economic and political ordering, a national renewal."

After fighting for freedom, justice and equality and being jailed and forced into exile, Mrs. Sirleaf is now entrusted with the most challenging task any leader has ever faced in Liberia. The social, political and economic decay the nation currently suffers will require all her creativity. But the woman who many have come to know as "the Iron Lady" is confident that she and her team of professional Liberians have the ability to "transform adversity into opportunity."

Major Challenges

Resettling hundreds of thousands of internally displaced people and returning refugees and restoring basic social services top the new government's priority list. Beyond this, the fate of the prolific unemployed and war-affected youth is vital in maintaining peace and stability. Finally, there is urgent need to to restructure a bloated and corrupt bureaucracy created by the successive transitional arrangements that previously ran the country.

Steps that the government envisions taking to tackle these difficulties include creating emergency employment through high impact projects such as road repairs and construction, generating vocational training for youth, restoring water and electricity in critical areas, working with international agencies to resettle refugees and displaced persons and training new security personnel, including the military and police forces.

Great Opportunities

In the face of seemingly insurmountable odds, the new Liberian president is fully confident that the team she brings into her government, including many who left jobs in international organizations, will be able to establish Liberia's new direction and build a foundation for future growth.

Peace, integral to development, is taking hold for the first time in many years, following the total disarmament and disbandment of former warring factions, and taking place in the presence of the largest United Nations peace keeping force in the world today.

The great natural resources of Liberia, that include gold, diamonds, forest industry and water offer tremendous opportunities to jumpstart the economy.

The international goodwill fueled by the elections of Mrs. Sirleaf offers a window of opportunity. The United States has been leading the way, taking steps to signal renewed cooperation, including working with Liberia to train its army. In addition, the international community has dispatched teams of experts to Monrovia to work alongside the administration in a partnership scheme.

During a roundtable to discuss challenges and opportunities in the new Liberia, the president of the Corporate Council on Africa, Mr. Stephen Hayes said that Liberia, "Offers a unique opportunity for investment," adding that "there can be no doubt that under President Sirleaf the rule of law will be applied, because President Sirleaf is one of the few leaders on the continent open for change and full accountability in government."

Road Blocks To Recovery

International goodwill notwithstanding, restored peace, and the opportunities posed by Liberia's natural resources base, the country faces two major roadblocks to recovery. A spiraling international debt in the amount of US$ 3.5 billion and economic sanctions on two of its most important income earners, diamonds and timber, require immediate attention. President Sirleaf, who is on her way to Washington, D.C. for a state visit, looks forward to addressing these issues with the Bush Administration, the U.S. Congress and the United Nations. The Liberian president has a strong case, as Liberia is key to the peace, stability and economic growth in the West African region.

AGOA Apparel Imports Fall During 2005 as Imports from China Surge with the End of the MFA

With the end of the Multi-Fiber Arrangement (MFA) system of quotas effective January 1, 2005, U.S. apparel and textile imports from Sub-Saharan Africa have experienced their first decline since the African Growth and Opportunity Act (AGOA) was enacted in May 2000, falling 15.6% as compared to 2004.

The U.S. Commerce Department's final data for 2005, which was just released, shows a disturbing acceleration in the rate of declining textile and apparel imports from Africa. The rate of the decline almost doubled as the year progressed, growing from—8.35% during January-June 2005 to—15.55% for the full year.

It had been thought that the imposition of safeguard quotas on imports from China in May, coupled with the conclusion of the comprehensive bilateral textile and apparel quota agreement in November, would cause U.S. buyers to return orders to Africa, thereby slowing the rate of decline of imports from Africa. That the rate of decline has instead accelerated through December, therefore, is cause for concern. The new quotas under the China Agreement apply to textile and apparel product categories that represent almost 90% of Africa's textile and apparel exports to the United States. On the other hand, the new China Agreement excludes certain important product categories, such as fine gauge knitwear.

By contrast, U.S. imports from China during 2005 were up by 43.76% over 2004, even with safeguard quotas in place on some of the most important product categories. China has doubled its market share in one year, now accounting for 33.0% of total U.S. imports of textiles and apparel, up from just 16.8% in 2004. At the same time, Africa's share of the U.S. market during 2005 has fallen to 0.77%, down from 0.97% during 2004.

U.S. Textile and Apparel Imports from Africa

(data in million square meter equivalents)

Country	Jan-Dec 2004 (msme)	Jan-Dec 2005 (msme)	% Change
Botswana	5.835	7.688	31.77%
Cape Verde	1.146	0.914	-20.28%
Ethiopia	2.606	2.141	-17.86%
Ghana	9.331	6.438	-31.01%
Kenya	73.396	74.079	0.93%
Lesotho	111.163	95.251	-14.31%
Madagascar	69.414	62.572	-9.86%
Malawi	7.795	6.965	-10.65%
Mauritius	37.546	29.325	-21.89%
Namibia	18.938	16.092	-15.03%
South Africa	57.356	28.928	-49.56%
Swaziland	61.469	55.015	-10.50%
Tanzania	1.541	1.664	7.94%
Uganda	1.477	1.762	19.27%
Sub-Sahara	**462.268**	**390.375**	**-15.55%**

Region	Jan-Dec 2004 (msme)	Jan-Dec 2005 (msme)	% Change
World	46,936.140	50,842.490	8.32%
China	11,662.290	16,765.960	43.76%
India	1,914.781	2,335.125	21.95%
Bangladesh	1108.546	1,313.673	18.50%
CBI (non-CAFTA)	231.042	256.547	11.04%
Cambodia	672.760	740.187	10.02%
Pakistan	2,970.189	3,291.157	10.81%
ASEAN Region	5,139.597	5,144.831	0.10%
CAFTA	3,937.216	3,912.864	<0.62%>
Andean Region	293.114	278.493	<4.99%>
Sub Saharan Africa	**462.268**	**390.375**	**<15.55%>**

Africa is one of few regions whose apparel exports to the United States have declined following the end of the MFA quotas. Indeed, Africa enjoys the dubious distinction of having suffered the largest decline in textile and apparel trade despite having the most generous trade preference program under AGOA.

Imports from other major suppliers are up during 2005, with apparel imports from Bangladesh up 12.9%, Cambodia up 8.2%, India up 17.2%, and Pakistan up 7.8%. That other developing country textile and apparel exporters have been able to expand their exports to the

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AGOA Apparel Imports Fall During 2005 as Imports from China Surge with the End of the MFA

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United States since the end of the MFA is especially worrisome for Africa in light of the adoption of the proposal for extending quota-free/duty-free status to imports from all LDCs, which was adopted at the WTO Hong Kong Ministerial in December. If already-competitive LDCs such as Bangladesh and Cambodia obtain duty-free access to the U.S. market for their apparel exports, there is a serious risk that the decline in apparel imports from Africa will only accelerate.

Every month from October 2000, when AGOA was implemented, to June 2004, growth in U.S. textile and apparel imports from Africa had far outstripped the rate of growth of such imports from all origins. Beginning in June 2004, however, imports from Africa began to slip and failed to keep pace with the growth in total imports from all origins. In other words, beginning during the second half of 2004, Africa was slowly losing the market share it had gained during AGOA's first three years. During 2005, this trend worsened, and Africa began to lose export volume in absolute as well as relative terms, as U.S. textile and apparel imports from all origins increased by 8.32% but imports from Africa fell by -15.55%. Of course, most of this drop in textile and apparel imports from Africa vis-à-vis all other origins reflects the dramatic increase in imports from China since the end of the MFA quotas.

During 2005, Africa supplied 0.77% of total U.S. textile and apparel imports, down from a high of 1.1% in January 2005. In both 2003 and 2004, Africa held 0.99% of U.S. textile and apparel imports, while in 2002 Africa supplied 0.79%. Africa's share of U.S. imports, therefore, has now fallen even below its 2002 level. Fortunately, Africa is still supplying a greater share of U.S. imports than it did in 2001 and 2000, when its market share was 0.71% and 0.57%, respectively, as measured by the volume of such imports.

In terms of value, U.S. textile and apparel imports from Africa during 2005 amounted to $1,486.238 million, down from $1,782.650 million during 2004, a decrease of -16.63%. This compares to a growth rate in the value of textile and apparel imports from Africa of 16.1% in 2004 over 2003 and 37.2% in 2003 over 2002. As measured by value, Africa supplied 1.66% of total U.S. apparel and textile imports during January-December 2005, as compared to 2.05% in 2004, 1.98% in 2003, but still above 1.55% in 2002, 1.39% in 2001, 1.1% in 2000 and 0.95% in 1999.

Although Africa's share of U.S. textile and apparel imports had more than doubled by 2004 as compared to before AGOA was enacted, it is now becoming evident that Africa is unlikely to maintain this market share now that the MFA quotas on China have been lifted. While the new three-year comprehensive quota deal with China may help stabilize U.S. textile and apparel imports from Africa at approximately their current level, such quotas are at best only a temporary band-aid, not a permanent solution. Rather, the only way for African apparel manufacturers to maintain their exports to the United States in the longer term is for them to become as internationally competitive as possible, supplemented by AGOA's duty-free preferences.

With the disqualification of Cote d'Ivoire, a total of 24 AGOA beneficiaries now have approved AGOA visa systems, qualifying them for duty-free access to the U.S. market. Fifteen of these 24 visa holders exported significant volumes of apparel to the United States during

Six AGOA countries together accounted for 88% of total U.S. apparel and textile imports from Africa during 2005 as measured by volume and 91% by value:

Country	MSME	% Share	$Million	% Share
Lesotho	95.251	24.4%	$390.712	26.3%
Kenya	74.079	19.0%	$271.021	18.2%
Madagascar	62.572	16.01%	$277.100	18.6%
Swaziland	55.015	14.1%	$160.997	10.8%
Mauritius	29.325	7.5%	$166.802	11.2%
South Africa	28.928	7.4%	$86.477	5.8%
Totals	345.170	88.4%	$1,353.109	91.0%

Focusing just on apparel trade (i.e., excluding yarns, fabrics, and made-ups), these same six countries again supplied the lion's share - 88% by volume, 91% by value—but in slightly different proportions:

	MSME	% Share	$Million	% Share
Lesotho	95.251	25.3%	$390.712	26.7%
Kenya	73.899	19.6%	$270.557	18.5%
Madagascar	62.565	16.6%	$277.065	18.9%
Swaziland	54.986	14.6%	$160.877	11.0%
Mauritius	29.210	7.8%	$166.579	11.4%
South Africa	16.837	4.5%	$67.177	4.6%
Totals	332.748	88.3%	$1,332.967	91.0%

Country	January-December 2004 msme	$ million	January-December 2005 msme	$ million	% Growth msme	$ million
Botswana	5.835	$20.235	7.688	$30.047	31.8%	48.5%
Cape Verde	1.146	$3.005	0.914	$2.286	<20.3%>	<23.9%>
Ethiopia	2.606	$3.380	2.141	$3.615	<17.9%>	7.0%
Ghana	9.331	$7.419	6.438	$5.174	<31.0%>	<30.3%>
Kenya	73.396	$277.327	74.079	$271.021	0.9%	<2.3%>
Lesotho	111.163	$455.753	95.251	$390.712	<14.3%>	<14.3%>
Madagascar	69.414	$323.133	62.572	$277.100	<9.9%>	<14.3%>
Malawi	7.795	$26.775	6.965	$22.781	<10.7%>	<14.9%>
Mauritius	37.546	$227.480	29.325	$166.802	<21.9%>	<26.7%>
Mozambique	0.314	NA	0.071	NA	<77.4%>	NA
Namibia	18.938	$78.853	16.092	$53.224	<15.0%>	<32.5%>
South Africa	57.356	$163.881	28.928	$86.477	<49.6%>	<47.2%>
Swaziland	61.469	$178.712	55.015	$160.997	<10.5%>	<9.9%>
Tanzania	1.541	$3.320	1.664	$4.099	7.9%	23.5%
Uganda	1.477	$4.009	1.762	$4.844	19.3%	20.8%
Visa Countries Subtotal of 15	459.327	$1,773.282	388.905	$1,479.179	<15.3%>	<16.6%>
Rest of Africa	2.941	$9.368	1.470	$7.059	<50.0%>	<24.6%>
Total	**462.268**	**$1,782.650**	**390.375**	**$1,486.238**	**<15.6%>**	**<16.6%>**

January-November 2005: Botswana, Cape Verde, Ethiopia, Ghana, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, and Uganda. Together, these 15 duty-free countries accounted for 99% of total apparel imports from Africa during 2005. Although Nigeria has an approved visa system, the U.S. Department of Commerce has now dropped Nigeria from its published reports of textile and apparel imports, indicating that imports from Nigeria during 2005 have fallen to de minimis levels.

Apparel imports from these 15 other countries with approved AGOA visa systems decreased by -15.3% during 2005, as measured by volume in msme, and by -16.6% as measured by value. The greatest percentage growth in exports to the United States during 2005 was recorded by Botswana, whose apparel exports increased by 31.8% over 2004 by volume. Growth was also recorded by Kenya 0.9%, Tanzania 7.9%, and Uganda 19.3%. These modest growth rates are in sharp contrast to the pattern in 2004, when several of the AGOA beneficiaries recorded growth rates in excess of 100%. Otherwise, the apparel imports for 2005 are distinguished by the disturbing number of AGOA countries whose exports declined: Cape Verde—20.3%, Ethiopia—17.9%, Ghana—31.0%, Lesotho—14.3%, Madagascar—9.9%, Malaw—10.7%, Mauritius—21.9%, Mozambique—77.4%, Namibia ±15.0%, South Africa—49.6%, and Swaziland -10.5%. March 2005 represented the first time since AGOA was enacted that so many countries have experienced declining apparel exports. It is disturbing that this has continued through December 2005 and now seems to be a continuing pattern.

Paul Ryberg

Paul Ryberg is the President of the African Coalition for Trade (ACT) a non-profit trade association representing the interests of the African private sector regarding trade with the United States. Mr. Ryberg is also the senior partner in the Washington-based law firm of Ryberg and Smith, L.L.P., where he specializes in international trade law and trade with Africa in particular. Mr. Ryberg was intimately involved in the development, enactment, implementation and amendment of the African Growth and Opportunity Act (AGOA). He co-chaired the Private Sector Session of the 2003 AGOA Forum, which was held in Mauritius, and he has been on the Steering Committee for most meetings of the AGOA Forum Private Sector Session. For more information on ACT, see www.acttrade.org. Contact Mr. Ryberg at pr@rybergandsmith.com.

Does the 2005 African FDI Upturn Signal a Turnaround for Africa?

< By Shery-Lee Abrahams >

Foreign Direct Investment (FDI) inflows into Africa jumped an impressive 61 percent to reach a record $29 billion in 2005—up from just $18 billion in the previous year. Given that Africa's share of global foreign direct investment has only risen by 1 percentage point over the past ten years, the new injection is welcome news for the continent.

Additionally, Africa's Gross Domestic Product (GDP) grew at a steady 5.1 percent in 2005, continuing the growth momentum achieved in 2004. The United Nations 2005 World Economic Outlook report attributed the consistent pace of growth to 1) progress in macroeconomic and structural reforms, including progress on unifying foreign exchange markets, 2) better public expenditure and financial management, and 3) a higher degree of economic activity and improved economic welfare. Furthermore, the report noted that increased FDI and Overseas Direct Assistance (ODA) inflows, as well as a reduction in debt stock were all factors supportive of growth.

While the FDI and GDP growth reports suggest positive change, is FDI really the best measure of an economy's well-being?

FDI inflows in 2005 chiefly comprised new oil and natural resources investments as well as the United Kingdom's Barclays Bank take over of South Africa's ABSA Bank—a deal which resulted in $5 billion in FDI for the country. Sudan, Egypt, Morocco, and South Africa all edged up a notch in the top rankings for FDI inflows in 2005. Also in the rankings were 2004 top-performers: Nigeria, Angola, and Equatorial Guinea. Oil producing countries such as Angola and Chad sustained a trend of double-digit growth. Yet much of this growth has not resulted in real economic development for these countries. In Angola for example, new oil and gas investment has generally been confined to offshore resources, mostly excluding the formation of downstream activities that generate employment and development benefits.

Nevertheless, new oil and natural resource income generates important foreign exchange earnings. The key question then is how governments in turn choose to invest these revenues. The UN World Economic Outlook report noted that some of the earnings from higher oil prices "led to large current-account and fiscal surpluses and allowed for a reduction in external indebtedness." In Nigeria, for example, the country's robust fiscal management, primarily led by Finance Minister Ngozi Okonjo-Iweala, resulted in the country receiving its first ever credit rating on January 30, 2006, when Fitch Ratings assigned the country a 'BB-' (BB minus) long-term credit status. Standard and Poors followed Fitch, issuing the country a _BB-_ rating in early February. Angola is also moving towards an understanding of accountability in its revenue management and is looking at new ways to develop its urban centers and support a population that is primarily engaged in subsistence farming.

The top sectors for FDI in 2005 were extractive industries, business and financial services, and information and communications technology.

Large FDI transactions such as the Barclays-ABSA deal, construction of high-quality manufacturing plants, and new oil and gas projects result in immense cash injections that rapidly move investment and growth figures. Yet broad-scale economic outcomes from these investments depend more on sound fiscal management and domestic economic investment in such projects as infrastructure, services, and skills training.

It is also worth noting that in 2004, twenty-nine African countries or 55 percent of all African countries had FDI inflows of less than US$100 million. These countries included Senegal, Swaziland, Mauritius, Benin, Gambia, Togo, Seychelles, Zimbabwe, Sao Tome and Principe, Lesotho, Madagascar, Burkina Faso, Djibouti, Eritrea, Cape Verde, Somalia, Guinea-Bissau, Sierra Leone, Burundi, Comoros, Cameroon, and Central African Republic.

Many of the countries with poorer performance on FDI are net oil and food importers. Upturns in the global price for oil result in increased budget expenditures, lower profits, and slowed growth. At the same time, oil-producing countries remain vulnerable due to high dependence on a single commodity.

African countries and their partners therefore need to adopt a balanced scorecard approach when assessing progress in economic development.

FDI and growth statistics alone do not suffice in determining prospects for longer-term development. This year, African countries will be challenged to focus on manufacturing and exports development, education, continued bureaucratic reform, and agro-processing development to better compete in global markets.

Bilateral assistance programs such the Millennium Challenge Account (MCA) have a vital role to play in providing new fiscal resources to countries undertaking these reforms. The approximately $300 million that Benin will receive through its new MCC Compact Agreement will go a long way toward preparing the Beninese economy for competitive growth and development. CCA members are encouraged to continue to think of ways in which to use in-country presence to help address many of the noted priority areas throughout 2006.

Sherry-Lee Abrahams
Research Analyst
sabrahams@africacncl.org

U.S.-Africa Sister City Relationships

< By Ntokozo Xaba >

In 2005 the Corporate Council on Africa (CCA) worked to forge a relationship with the State of Maryland prior to hosting to the *U.S.-Africa Business Summit* in Baltimore. In addition to fostering this relationship, CCA staff members visited cities in numerous states across the country working to raise the profile of business opportunities in Africa. Educating states, including businesses, community organizations, and citizens is a key component to increasing U.S. investment and ultimately the economic development of Africa.

This belief is held not only by CCA, but other institutions as well. There are a number of sister city/state relationships that exist between the U.S. and Africa. The role of these associations is to create economic partnerships and cultural exchange. All sister city/state partnerships are based on formal cooperation agreements. These agreements symbolize mutual goodwill between the two parties. They are designed to:

- stimulate economic development and trade and investment promotion;
- alleviate poverty and create social improvements;
- protect environmental resources;
- highlight and promote culture, arts and tourism; and
- provide educational support, skills transfer, and share models of good practice.

There are a number of states with a high concentration of CCA member companies that currently have sister city/state relationships with Africa. This edition will highlight the District of Columbia (DC), Maryland (MD), Michigan (MI), and Virginia (VA).

District of Columbia

Dakar, Senegal; Tshwane Metropolitan Municipality, Gauteng, South Africa; and Brazzaville, Brazzaville, Congo

The city of Washington, D.C. will host the Sister Cities International 50th Anniversary Conference, July 13-15, 2006. The theme for the conference is: "A Historic Event *for the* Future of Citizen Diplomacy." Representatives of cities around the globe will converge to plan the global citizenship agenda, 50 years after President Eisenhower's 1956 White House Conference on Citizen Diplomacy. The conference will feature prominent people; invited speakers include U.S. president George W. Bush, who is also the Honorary Chairman of Sister Cities International.

Maryland

Baltimore & Gbarnga, Liberia; Luxor, Egypt; and Alexandria, Egypt

The Mayor's Office of International Affairs manages Baltimore's Sister Cities programs. The mission of these programs is to create greater international understanding among all Baltimore City residents through community involvement. These programs have a long history beginning in 1973 with the formation of the Gbarnga Baltimore Sister City Committee. Baltimore Luxor Alexandria Sister City Committee was formed in 1981. All of Baltimore's sister city agreements promote cross-city exchanges of individuals and groups in a variety of areas ranging from technology and business to urban development and education.

Prince George's County in Maryland has a number of programs with various cities in Africa. They include partnerships with Royal Bafokeng Nation in South Africa and Ziguinchor, Ziguinchor in Senegal.

Michigan

Detroit & Kitwe, Zambia

The city of Detroit's first sister city relationship was signed in 1960 with Toyota City, Japan. The sister city relationships are the foundation for Detroit's International relations strategy of attracting new residents and businesses, development, and communications regarding the city internationally. To steer the international relations strategy in an economically viable direction, the sister city relationships focus especially on investment and trade, innovation and education, international development, corporate peering.

http://www.ci.detroit.mi.us/culture/sistercities.htm

Other agreements in Michigan exist between Bay City and Lome, Togo and Grand Rapids and Ga District, Ashanti, Ghana.

Virginia

Hampton & Pietermaritzburg-Msunduzi, KwaZulu-Natal, South Africa; Richmond & Windhoek, Namibia; Roanoke & Kisumu, Nyanza, Kenya

The International Resource Cities Program linked the city of Pietermaritzburg-Msunduzi with Hampton, VA in May 1997. The city of Pietermaritzburg-Msunduzi is drawing on Hampton's model which emphasis the need for economic development in order to grease the wheels of service delivery through tax revenue from business. The Pietermaritzburg-Msunduzi recently renamed its City Hall supper room the "Hampton-Caluza Supper Room" after renowned South African musician and Hampton University's first music graduate Reuben Tholakele Caluza.

U.S. Agency Helps Build Housing in Democratic Republic of Congo

As reported by the Bureau of International Information Programs, U.S. Department of State, a U.S. small business will use political risk insurance from the U.S. Overseas Private Investment Corporation (OPIC) to construct 300 housing units in the Democratic Republic of Congo.

OPIC will provide $2.6 million in insurance to Number One Contracting Corporation of Ashley, Pennsylvania, to cover its contracts with Congo's Ministry of Urbanism to construct 200 housing units in Lubumbashi in southeastern Congo, roads and a power distribution system connected to the development and 100 housing units in the central Congolese city of Kindu.

All three projects will receive funding from a World Bank program for highly indebted poor countries. The projects are expected to procure approximately $4 million in equipment from U.S. suppliers.

Emirates strengthens presence in East Africa

Effective 27th March, Emirates will start flying to Addis Ababa with three flights a week. Subsequently Emirates' Dubai-Addis Ababa service will be enhanced to daily operations from 1st December 2006.

Emirates currently serves East Africa with double-daily flights to Nairobi and daily flights to Entebbe and Dar-es-Salaam. With the addition of Addis Ababa, Emirates' East Africa network will be boosted to four destinations served by 31 flights per week.

MA60 Aircraft Sales to Spread in Africa

The Financial Gazette (Harare, Zimbabwe) reported that after breaking into the African market with the sale of two Modern Ark 60 (MA60) aircraft to Zimbabwe in 2005, China National Aero-Technology Import and Export Corporation (CATIC) says it has now set its sights on conquering the continental market.

Spurred by the first civilian aircraft sales, CATIC reported that it had signed purchase contracts of 17 MA60 in 2005 with Nepal, Fiji, Zambia and other African countries.

Besides establishing a representative office in Harare, CATIC has already opened bases in Nigeria, Zambia, Kenya, Ethiopia and Egypt.

Kulula.com to challenge SAA with cut-price flights to Zambia

The low-fare South African airline, kulula.com, has introduced cut-price flights to Zambia in partnership with Zambia Airways during March. Kulula's move challenges SAA as the only airline operating between Johannesburg and Lusaka.

Kulula.com, in partnership with Zambian Airways, launched these one-way fares on March 10, 2006 with prices starting at R599 to Zambia compared with South African Airways (SAA) fare of about R2000.

At a press conference in January, Zambian Airways CEO Don MacDonald said

"We are delighted to be able to offer the Zambian market a new a competitive choice in quick and convenient air travel between Johannesburg and Lusaka. This represents affordable air travel for all, from traders to businessman, from students to housewives."

Flights will operate daily except Tuesdays and Saturdays, departing from Lusaka at 11.30am and from Johannesburg at 8.30am, with a two hour flight duration. An MD82 aircraft will fly the route with a capacity of 150 seats.

Kulula is owned by South African-listed aviation group Comair. In October last year, kulula.com launched flights to Zimbabwe and Namibia.

China Funding Angolan Healthcare Units

The first signs of Chinese investment in Angola's healthcare sector have emerged with the inauguration of three hospitals in the African nation's Huila province. A newsletter of the Angolan Embassy in the United Kingdom reported that the health facilities were funded through a Chinese credit line. The three new 60-bed hospitals will be built this year in Huíla Province, in the municipalities of Matala, Quilengues and Caconda.

China's Vice Premier Zeng Peiyang has signed nine cooperation agreements with Angola in recent months. The agreements primarily include development of Angola's oil and gas riches, but also cover general infrastructure development and financial aid. Angola is already China's second largest trading partner in Africa.

Delta Air Lines Planning Daily Flights to South Africa

The US carrier Delta Air Lines is seeking the necessary government approval to become the only major U.S. airline to operate scheduled services between the United States and Africa.

Delta is seeking U.S. government approval to begin service between Atlanta and Johannesburg, with an intermediate stop in Dakar. Delta says it hopes to begin service in December.

By December this year Delta will offer customers more than 60 international destinations from Hartsfield- Delta customers travelling to or from Africa via Atlanta will have convenient connecting opportunities to more than 140 North American cities.

Delta article contributed by Carl Nofke, editor of the 2006 Exclusive USA-SA Business Spotlight Newsletter cnoffke@worldonline.co.za

Greater Risks, Greater Returns

< By Tom Carver >

Tom Carver

Africa certainly carries political risk. Its history is marked by coups, wars, institutional collapse, poverty and inflation. On any day it isn't hard to find stories in the newspapers that would make even the most hardened boardrooms go white with worry if that's your aim. From the distance of Little Rock or Chicago, it is often difficult to get beyond these news headlines. Africa seems more nerve-wracking from far away than it does close up, but if you do your due diligence properly, there are plenty of ways to mitigate the risk. Where one company sees only danger, another sees opportunity. A good understanding of the political situation is the starting point for unlocking the potential that Africa has to offer.

The first rule to understanding Africa's political risk is to follow Tip O'Neill's famous dictum that "all politics is local". Never is this truer than in Africa. The political conditions in Mozambique are utterly different from Mali. Egypt has little in common with Equatorial Guinea. This is a continent of over 2,000 languages; to understand the risks you must "localize" them and not treat all countries as the same.

Even within countries, the political landscape varies enormously. In Europe, the risk profile of France is the same throughout the country but in the Democratic Republic of Congo—a nation the size of western Europe—it fluctuates considerably. Some regions are volatile. Others are very calm.

A senior executive from an American mining company recently told me that the company used to assign a political risk "value" to every country which influenced the company's decisions on long term capital investments. Not long ago, the firm abandoned this 'country-risk' approach and began assigning values to specific locales or regions. Immediately, this changed their whole capital investment strategy. Under the old methodology, they had regarded Mozambique as a 3.5 (high), but by dividing the country up they now 'uncovered' regions that were as low as 2.1. A more intelligent approach to political risk had opened up a new range of opportunities.

Secondly when dealing with Africa, it's important to expand your concept of political risk beyond the conventional definitions. When you take out political risk insurance, you need to examine the usual categories of expropriation, creeping expropriation, currency inconvertibility and so forth. But they do not represent the whole story. A lot of political risk in Africa comes in the form of sub-sovereign issues created by non-government stakeholders such as local communities and NGOs—this is often not covered by PRI. Knowing what is going on in the area immediately around your project often matters more than knowing what is happening in the capital: what are the political aspirations of the local community, how do they view external investments, what is their relationship with the state governor—all these should be part of your political risk due diligence.

Corruption is a key issue and one of the trickiest areas for American companies, which are under increasing compliance pressures to make sure they do not engage in any forms of corrupt practices, either advertent or inadvertent. It is important to look carefully not so much at a country's historical corruption levels but at whether the country's government is serious about fighting it going forward. Again, this will give you a more accurate picture of the opportunity.

Despite these risks, more and more U.S. firms are moving into the continent and making handsome profits. The figures reflect the change: last year foreign direct investment in Africa rose a staggering 61%. That is not just due to high commodity prices—it is also a result of Africa's growing political stability. Today only four countries suffer from major conflict and unrest (Sudan, Ivory Coast, Somalia; Democratic Republic of Congo); 15 years ago the number was more like 12. Countries like Ghana, Tanzania, Zambia, Uganda have all seen a dramatic decline in inflation and the growth of much more stable business environments. The rule of law is becoming increasingly widespread.

One rule of thumb for assessing political stability is to see if a country has a functioning taxation system, if it does it's a strong indication of a successful social contract between the government and the people. Another indication is to see where the diasporas are returning. Millions of Africans have fled over the last forty years to get educated and make money elsewhere. In some countries like Ghana and South Africa they are now returning in large numbers, a sign that they believe the bad old days are finally over. Even a place like Liberia—a basket case for many years—is now being seen by some as an investment opportunity. However, America is in danger of being beaten to the punch. Companies from China, India, Brazil, countries which are traditionally comfortable with higher levels of political risk, are all making fast inroads into Africa.

If you have not operated there before, doing business in Africa can seem a daunting prospect, especially for American companies which have very little history of trading in Africa. But the continent's public image lags behind the reality. The best way to mitigate political risk is not to rely on what you read in the media, but to make a proper risk assessment of your own on the ground—you may well be pleasantly surprised by what you find out. Africa's political risk may be varied, but that does not mean it is unpredictable.

Tom Carver is senior vice president at Control Risks, a risk consultancy which has helped clients operate successfully in Africa for 20 years. His email is tom.carver@control-risks.com(http://www.control-risks.com)

Business Person of the Quarter: Bill Killeen

"If a U.S. company has a product or service that can assist developing nations to develop, Africa is the continent to be. The needs are significant and the desire to develop is throughout the continent."

Bill Killeen

Bill Killeen began his career with Acrow Bridges in 1977; last year marked his 11th anniversary as company president. After recognizing the need for good bridges and roads throughout Africa, Bill and his team made the continent Acrow's international focus region in 2000. During the past six years, the company has worked on infrastructure projects in Sierra Leone, the DRC, Liberia, Botswana, and Angola.

Bill was introduced to the challenges of inadequate infrastructure in Africa while traveling to Ghana, Mauritius, and Madagascar. There Bill saw trucks immobilized because the roads were ill-equipped to handle rain. As he explained, this can be especially devastating for agricultural workers, who constitute 60 percent of Africa's workforce. "For a farmer, being unable to transport goods often times means an inability to sell products as most will spoil if not transported in a timely manner."

Since 2000, Bill and his team have worked on infrastructure projects for five African countries. In Angola the company has an active bridge replacement program that is helping to reconstruct hundreds of river crossings damaged during the war with Portugal. The project has helped the country rebuild and reconnect to areas isolated for years.

Reflecting on his experiences on the continent, Bill identified two challenges to doing business in Africa: government's preoccupation with major infrastructure development; and money. Bill sees the lack of importance placed on 'feeder road systems' by some African governments as a challenge to U.S. companies interested in infrastructure development. He believes that some governments focus on major highway construction to the detriment of smaller roads, which are no less important. "I have found that some African countries focus on the main highways, which has merit, but if a farmer or manufacturer cannot get their trucks to the main highway easily, then the investment in the main highway has less value."

Acrow Bridge being assembled by UN forces in Liberia, 2005.

The second challenge that Bill identified is money. While he understands that structured financing for most African countries is made difficult because of poor credit ratings, he encourages U.S. companies with a product or service to seriously consider Africa as an investment destination. "The needs of the continent are significant and the desire to develop is widespread."

Bill and his team rely on CCA to provide them with tools to navigate the African business environment and meet key African contacts in their sector. "Acrow is involved with CCA to use the staff as a resource when information or assistance is needed and to provide networking opportunities to meet key decision makers from African countries."

Headquartered in Parsippany, New Jersey, Acrow is a leading manufacturer of prefabricated modular steel bridges. Acrow sells and rents several types of steel bridges in the USA and Canada, and has sold and exported bridges into roughly 35 nations.

Contact Information:
Acrow Corporation
181 New Road
Parsippany, New Jersey
07054-4208
USA
Ph: 1-973-244-0080
Fx: 1-973-244-0085
Email: wtkilleen@acrowusa.com
Web: www.acrowusa.com
sales@acrowusa.com

Meet Jendayi E. Frazer, Assistant Secretary for African Affairs

Jendayi E. Frazer was sworn in as Assistant Secretary for African Affairs on August 29, 2005. Prior to her current assignment, Dr. Frazer served as U.S. Ambassador to South Africa. Immediately before her ambassadorship, Dr. Frazer served as Special Assistant to the President and Senior Director of African Affairs at the National Security Council.

Prior to joining the George W. Bush Administration, Dr. Frazer taught public policy at Harvard University's John F. Kennedy School of Government. Dr. Frazer brought practical experience to that position, having worked as a political-military planner with the Joint Chiefs of Staff and as Director for African Affairs at the National Security Council, during her time as a Council on Foreign Relations International Affairs Fellow.

Dr. Frazer earned her B.A., M.A., and Ph.D. degrees at Stanford University. Her doctoral dissertation examined Kenya's civilian-military relationship. Security issues remain of interest to Dr. Frazer, who regularly speaks to military audiences about military-related issues in Africa.

The President's Vision

President Bush and Secretary Rice have made Africa a policy priority. This is evident in the various new Africa-oriented initiatives that President Bush has introduced over the last five years. The importance of the U.S. relationship with Africa is also underscored by such gestures as designating the U.S. delegation to the inauguration of Liberia's new president, Ellen Johnson-Sirleaf. First Lady Laura Bush led this high level delegation, which included the Secretary of State, as well as Assistant Secretary Frazer.

President Bush has a holistic worldview, so when the president speaks of increasing peace and prosperity, he speaks with Africa in mind. This President has directed his administration to make the world "safer, better, and freer." The result has been a team with bold plans for Africa, addressing issues as varied as good governance, counter-terrorism, and HIV/AIDS prevention and care. The Bush Administration has actively engaged with Africa's leaders and people over the last five years and will continue to do so. Within the Department of State, Assistant Secretary Frazer is the administration's lead spokesperson regarding Africa.


Jendayi E. Frazer

Vision for Africa

Assistant Secretary Frazer believes that we are living in a period of unique opportunity for Africa. She often tells audiences that there are many reasons to be hopeful, and that she is optimistic about the prospects for the continent. In speaking to domestic and international audiences, Assistant Secretary Frazer typically highlights her top three goals for the continent, taking into account the great strides that Africa's people have made over the last two decades.

THE END OF WAR: In the last five years, we have seen belligerence yield to peaceful negotiations in six contentious settings: Angola, Burundi, Democratic Republic of Congo, Liberia, Sierra Leone, and the North-South element of the Sudan crisis. Formerly divided by conflict, Burundi now has an elected government up and running. Liberia recently saw the end of its civil war and the election of Africa's first woman president. The Democratic Republic of the Congo is likewise moving beyond transition to elected government. We are witnessing an historical shift. We are within striking distance of the end of civil conflict in Africa.

GOOD GOVERNANCE: Over the last 15 years, freedom and democracy have taken root on the continent. More than two-thirds of sub-Saharan African countries have held democratic elections since 2000. Power has changed hands in a number of nations, from Senegal to Kenya, and from Ghana to Zambia. So, elections have been a success.

Our next task is consolidating these gains by fortifying civil society institutions. By supporting the principle of media and judicial independence, we can ensure that gains for individual and societal liberty are lasting.

ECONOMIC STRENGTH: Strong countries need dynamic economies. Direct foreign aid can be helpful, particularly to nations recovering from domestic discord. However, in the long run a vibrant, homegrown economy is the best source of job creation and government revenue. Toward this end, the President's Millennium Challenge Account program is aimed at helping nations make necessary reforms in the economic and governmental spheres. To foster growth and attract foreign investment, countries must offer transparency and accountability.

International trade remains an important economic avenue as well; we are pleased that 37 African nations participate in the African Growth and Opportunity Act (AGOA) program, and we hope to add others, like the newly democratic Liberia. Economic opportunity offers hope, makes a nation an inviting place to live and do business, and increases the nation's stability, as more individuals become stakeholders in the country's well being.

Assistant Secretary Frazer will continue to work hard on behalf of the President's vision for the continent. To follow her progress, or to learn more, please visit the Department of State web site (http://www.state.com)

Bridging the Gap: Capitalizing on U.S. Private Sector Interests to Meet Africa's Infrastructure Needs

Infrastructure dire straits

Several well documented studies including the 2005 Council on Foreign Relations report, More than Humanitarianism: *A Strategic U.S. Approach toward Africa* and the report from Prime Minister Tony Blair's 2005 Commission for Africa emphasized the need for a paradigm shift in poverty alleviation policies towards Africa. Taken as a whole, African economic growth is sluggish. Heavily relying on donor aid to jumpstart growth in African economies is not practical. Africa needs private sector investment, and one of the prime sectors in need of investment is infrastructure.

Infrastructure priority areas in Africa include energy, water, transportation, and information and communications technology (ICT). The lack of adequate infrastructure in these sectors not only affects African economies by making it increasingly difficult to compete in the global export market, but also affects the ability of U.S. businesses to successfully invest in African countries. Simply put, poor infrastructure is one of the largest impediments to U.S. business growth on the continent.

Taking on the challenge

With improved infrastructure, such as regional communications and transportation hubs that effectively link regional markets, it is estimated that most African countries would achieve the 7 percent annual growth rate necessary to significantly reduce poverty. International businesses would also benefit from the development of adequate infrastructure. For example, by reducing the time it takes to process goods at ports of entry and to move these into landlocked country markets. Furthermore, communications improvements both reduce time wastage and induce cost-savings for businesses and consumers alike.

Opportunities for infrastructure development in Africa are abundant. The New Partnership for Africa's Development (NEPAD), in partnership with the African Development Bank (AfDB), has developed a framework plan for facilitating infrastructure development. Together, the organizations seek to mobilize political will, target institutional and regulatory reforms, fast-track the ratification of key agreements, assist in the mobilization of resources for outlined projects, in addition to ramping-up greater private sector investment. The tasks are daunting but successes are already materializing.

For example, port reconstruction efforts in Africa have gained increased momentum: Other important regional projects include

Short-Term Projects for Ports Reconstruction and Development

Project	Stakeholders	Value (US$ million)
Mombassa Port: expansion of the capacity of the container terminal and berth conversion	Kenya, East African Community (EAC), Northern Corridor (NC), private investors	$ 66,000,000
Nacala Port: rehabilitation in support of concessioning	Mozambique, Malawi, SADC, private investors	$ 28,000,000
Lobito Port: rehabilitation, transshipment facilities private investors	Angola, Lobito-Benguela Development Corridor,	$ 30,000,000
Abidjan Port: container terminal, dredging of Vridi Canal	Cote d'Ivoire, ECOWAS, public-private partnership	$150,000,000
Dakar Port: rehabilitation and construction of container terminal	Senegal, UEMOA, ECOWAS	$ 68,000,000
Djibouti Port: container handling facilities	Djibouti, Ethiopia, IGAD, public-private partnership	$ 15,000,000
Sub-Total		**$ 257,000,000**

Source: New Partnership for Africa's Development Short-Term Action Plan for Infrastructure those in the energy sector such as the West African Gas Pipeline, which is valued at US$450 million. The pipeline was completed in 2005 and enables Nigeria to export cost-efficient gas to Benin, Togo, and Ghana, in turn supporting power generation in these countries. Outside of mainstream sectors such as energy and transportation, niche-market opportunities such as low-cost housing development, eco and cultural tourism facilities, and conference facilities are also on the rise. To this end, the Overseas Private Investment Corporation (OPIC) will host an Africa Housing Infrastructure Conference in South Africa in May 2006.

In September 2006, CCA will host the first ever *U.S.-Africa Infrastructure Conference.* The conference will feature sector-specific workshops, networking events, and forums on global best practices in financing and project development. Workshop panelists will include African Ministers of Planning and Finance, representatives from leading U.S. infrastructure companies that are active in Africa, financial institutions, and international organizations. The objective is to elevate current opportunities, provide insight for procurement for multilaterally financed projects, and spark-off new private partnerships and investments.

Q&A with CCA President, Stephen Hayes

Africa Journal: *What are some of the key outcomes that U.S. infrastructure companies can expect to meet in Africa?*

Stephen Hayes: I would word the question differently to ask is it possible for U.S. companies to win infrastructure bids in Africa, and my answer to that is a resounding 'Yes!'. I am more optimistic than I have been about U.S. infrastructure companies doing more in Africa, even with the competition from China and India. The quality of the product of U.S. infrastructure is still higher than most and I think there will be growing opportunities for partnerships with companies who are already active in Africa, but would benefit from U.S. partnerships. I am thinking of companies from South Africa, Egypt, Israel, Turkey and even Nigeria.

One of the difficulties for U.S. companies has been obtaining financing, and CCA will be addressing that issue aggressively this year. However, I am encouraged by the changes and new priorities of the World Bank under Paul Wolfowitz. I think we will see a fairer playing field that will alllow U.S. companies to gain a more proportional share of contracts for infrastructure over the next three years. I also think the USG financing institutions need to be far more open to Africa than they have recently.

Africa Journal: *What is the value of public-private partnerships and do you see more of this taking place in infrastructure development in the future?*

Stephen Hayes: I believe that a major reason that countries like China and South Africa have successfully become major investors in Africa is that they have unusual cooperation between the public and private sectors within their own countries. These governments work actively with their private sectors to secure projects in Africa. That level of cooperation simply does not exist within our system of government. I think the last time we had such a level of cooperation was in the Marshall Plan instituted for Europe. The government can only do so much by itself. It cannot deliver business contracts for Africa or for U.S. businesses. In our system, those decisions are made by the businesses themselves. However, I think closer cooperation could make a big difference for our foreign policy as well as for our own economy.

Africa Journal: *How much of a competitive presence do emerging countries such as China and India have on the infrastructure front in Africa?*

Stephen Hayes: There is no doubt that China and India have become major competitors. We can hardly complain about competition for the marketplace if we are not willing to more aggressively pursue investment in Africa, too. Businesses and the governments of these two nations especially have been building towards this for the last several years. We simply did not grasp the significance of the many visits being conducted by Chinese leaders this past decade. We need our leaders working on our behalf in Africa as well, and not simply on the crisis areas, but even more on those nations that are showing promise and want badly greater U.S. investment. Africa represents some of our best allies, economically and politically, and we need to appreciate that fact far more visibly than I think we are.

Africa Journal: *Infrastructure projects are time-intensive and the delivery of financial returns can be put on hold sometimes up to 2-5 years; is this problematic for U.S. investors?*

Stephen Hayes: I am not sure that doing business in Africa needs to be that different from other parts of the world. I think many businesses would be satisfied with positive net returns over 2-5 years. The problem is the uncertainty and erratic payments of the past. I think this is why the Ex-Im Bank is so potentially important. I also think that the Millennium Challenge Corporation will affect in a very positive manner this uncertainty.

Continued on page 31

Former U.S. Ambassador to Botswana Chairs Capital Flows Initiative

During the 2003 U.S.-Africa Business Summit, CCA launched the "Ten-Year Strategy for Increasing Capital Flows to Africa." Recommendations from the paper included: Trade Liberalization, Investment Policy Reform, Development Assistance, Debt Relief, New Partnership for Africa's Development (NEPAD), i.e. Peer Review, and Corporate Governance

The Finance and Capital Flow Committee was created to translate the paper's recommendations into attainable agenda items. For the next two years, former U.S. Ambassador to Botswana Joseph Huggins has been seconded to CCA to chair this initiative.

1. Does the strategy of the Financing Committee differ from or build upon that developed by the original *Commission on Increasing Capital Flows to Africa?*

While the Committee—which is a member-led working group made up of financial leaders from the private and public sector, regional organizations, and multilateral organizations—will build upon the strategy offered by the Commission's final report, it will also go beyond the scope of the Commission in identifying strategies for increasing capital flows to Africa. I foresee the Committee's three sub-committees—Equity, Debt Capital Markets, and Trade Finance and Working Capital—as being more proactive than they have been in the past. The Committee will establish realistic achievable goals and establish measurable markers to reach those goals.

2. What are your personal goals for the Committee?

Increasing capital flows to Africa is a long-term process and something that cannot be achieved in two-years. Having said that, I would like to ensure the Committee establishes a firm foundation that my successor can continue to build upon.

3. How did you become interested in "volunteering" your time and effort to grow the Financing Committee?

As the U.S. Ambassador to Botswana, CCA's capital flows initiative tied in nicely

Ambassador Joseph Huggins
Chair of CCA's Financing Committee

with the overall goal that I had set for the Embassy, which was to promote increased trade between Botswana and the U.S. I saw CCA as the perfect partner in achieving this goal. One of the major impediments to completing deals is the lack of capital. As a way of addressing this issue, CCA organized a Financing and Capital Flows Conference in Johannesburg, South Africa in 2004, which I attended. The conference reinforced my belief that Africa's success in the global market place will be directly linked to good governance and its access to financing. I wanted to play a role in the process.

Initiative to Address Financing & Capital Flows to Africa

The mandate of the Financing Committee is to leverage the knowledge, expertise and influence of CCA and its partnering institutions to broaden the opportunities for US-African investors through increased ties, capital market developments and business-to-business solutions to achieve the following goals:

- Serve as an Advocacy Group for private-sector capital flows to Africa;
- Engage the U.S. financial community regarding effective strategies for identifying opportunities and accurately assessing risk and mitigation products currently available;
- Highlight key African investment success stories within the mainstream business media;
- Design professional development programs for African public and private sector finance professionals;
- Facilitate U.S.-African investment and strategic partnerships;
- Provide guidance and assistance to CCA members and private sector in Africa to access U.S. and international sources for capital to invest in Africa;
- Facilitate practical capacity building programs for Africa's Capital Markets. These programs will cover i) Human Resources—develop exchange program for African financial services executives; ii) Economic—ensure quality investors stay engaged in Africa and promote African Capital Markets to U.S. investors; iii) Legal—continue to press African governments for legal reform as an essential element in attracting foreign direct investment; and iv) Corporate Governance—demonstrate that increasing long-term capital flows to a country is tied to good corporate governance (currently this is a major obstacle to capital flows in a number of countries in Africa); and
- Be proactive in the area of product development to assist access to U.S.-Global markets (this can be accomplished by mobilizing African offshore capital for reinvestment and work with countries to better utilize their sovereign credit ratings).

4. What would help unlock investment flows to Africa?

Investment opportunities in Africa are increasing, but Africa needs more private capital, more investment, and more linkages to global markets to achieve private sector led economic growth and globally competitive industries.

There has been a marked increase in capital flows to Africa by investors from China, Malaysia, India and other countries. These countries recognize Africa's potential and have developed long-ranged investment strategies to maximize their returns. As an example, the South African private sector is investing in numerous countries on the Continent. What we haven't seen are similar investment flows from U.S. firms beyond the oil firms. It's as if U.S. firms see the risk but not the benefits of investing in Africa. We need to move beyond the image of Africa as a donor driven economy and see its potential as a market driven economy. To do so requires action by private sector risk takers with the vision to see the huge opportunities that Africa offers.

We realize that the dilemma we face in promoting Africa as a destination for U.S. investors is the negative images of Africa that we see in the media. It's like the man who curses the rain and doesn't see the beauty in the rainbow. As the last emerging market, the beauty of Africa's rainbow is its potential for investment, and as a market place for U.S. goods and services.

The media tends to focus on Africa's failures and not its successes. To address this issue, the Financing and Capital Flows Committee will develop a public outreach program to highlight these achievements as a way to attract more U.S. investors to the continent.

Now, more than ever, a number of African governments are reducing the barriers of trade in their countries and are providing incentives for prospective investors. Will U.S. investors encounter problems in doing business in Africa? Yes, there will be problems doing business in Africa as there are problems doing business in other developing areas, such as China. The key to success is anticipating the problem and develop options for surmounting them. U.S. firms should target specific countries and sectors for doing business. They also need to be on the ground to learn the lay of the land on how business is done in that country.

5. How can individuals/companies become involved in the Committee? Is CCA membership required? What does membership on the committee entail?

We are currently recruiting members for the Committee and are seeking proactive individuals with a background in financing or capital markets. We will also partner with U.S. government and multilateral agencies such as the Agency for International Development, the Overseas Private Insurance Corporation, the Trade Development Agency, the Treasury Department, and the World Bank group. While CCA membership is not a prerequisite to participate on the Committee, perspective members should be prepared to invest the necessary time to serve on one of the sub-committees; draft/review policy papers; work with the U.S.-African private sector in identifying barriers to trade; and identify/seek funding sources for the Committee's operation. The Committee as a whole will meet on a quarterly basis and the sub-committee will meet as needed to prepare the necessary material for the general Committee meeting.

Q&A with CCA President, Stephen Hayes *Continued from page 29*

Africa Journal: *One area where the returns are more immediate is ICT, has U.S. investment on the ICT front ramped-up over recent years?*

Stephen Hayes: We have seen some U.S. companies achieve success in this area in Africa, but again, the competition is more intense than it has ever been.

Our companies believe fervently that the technology offered by them is superior, but strong public-private cooperation from other countries gives international competitors advantages that we do not have. In developing countries, superior technology is not the highest priority. The costs must always be considered first. However, the fact is that our companies are winning contracts and I believe they will continue to do so with more creative approaches and partnerships. Everytime we win a contract, the American workforce is helped as much as is the cause of African development.

Africa Journal: *How will the conference make a difference?*

Stephen Hayes: I have no doubt that it will be a major step in this country for greater investment and opportunity for U.S. companies and partnerships with African businesses.

It is an important step, albeit admittedly tardy, in gaining more U.S. investment in Africa. The fact is that it is the first major infrastructure effort for investment in Africa led by the private sector in this country. We are committed to its success.

Public-Private Partnership Forum Showcases Growing Business Involvement in Combating HIV/AIDS

< By Bernadette Simmons >

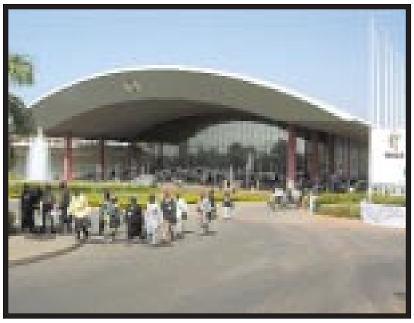
Public-private partnerships using the organizational structures of private industry to promote HIV/AIDS prevention and treatment are now recognised as essential in the fight against HIV/AIDS in Africa.

The Leadership Forum at the 14th ICASA in Abuja, Nigeria, in December 2005, showcased projects involving multi-national corporations doing business in Africa. Therese Lethu and Laurie Garrett co-chaired the meeting and Dr. Donald de Korte of Merck Sharp & Dohme (MSD) moderated.

MSD works in partnerships throughout Africa and provides its management expertise and experience at no charge and its antiretroviral drugs (ARVs) at not-for-profit prices as part of the effort. The company is actively committed to involving and engaging business with the communities in HIV/AIDS in sub-Saharan Africa and in putting the patient first. They are continuously working to develop new models of sustainability in many areas of the world and in entering into creative and effective partnerships which combine resources from other donor agencies and funders.

"We need the skills of big business. Which would you prefer from DHL, its cash or its delivery system?" asked Garrett, a Pulitzer Prize winning journalist who covered AIDS for Newsday for two decades.

She talked about the age of AIDS activism and corporate denial when activists in the wealthy world had seen their lives bounce back from the grave because of the success of ARVs. After 1996, a handful of large western companies in Africa, began to treat their managerial cadre, slowly going to their entire employee base. In Garrett's view, companies should treat all their infected work force and their families.



The situation changed in 2000, at the International AIDS Conference in Durban, South Africa. The notions of expanding access to treatment and linking treatment with prevention began moving aggressively forwards. A dramatic announcement was made that the Government of Botswana would form a unique partnership with the Bill & Melinda Gates Foundation and Merck & Co., Inc. to strengthen the comprehensive national response on HIV/AIDS. The Gates Foundation and Merck provided $50 million each, with Merck also providing management support to set up the program and free ARVs to those in need of therapy.

The money, the drugs and the will were there but there was a lot of mutual suspicion. This plus resource and capacity challenges delayed real action because the suspicion had to be dissolved. Money was not the solution, only part of the problem.

"What we do today will dictate how many will die tomorrow, whether or not we will see the conditions of women on this continent deteriorate or dramatically improve. There are 10 to 20 million people in Africa that need therapy now, and prevention and de-stigmatisation programs are poor. A radically new attitude is required."

Finally, she said, this is about more than money, it's about skills, it's about creating a global battle front - the skills of big business are essential; a global fight with big money and big tools is crucial in a big war against HIV and all infectious diseases.

What would be preferable from Microsoft, its cash or IT systems that allow efficient tracking of all patients on ARVs and that would permit the development of an advanced industrial scale operation? Would cash be preferable from Coca Cola, or access to the world's largest distribution systems for Africa?

Jay R. Pryor, MD of Chevron-Texaco of Nigeria, Ltd., said business had much to offer in this fight. He mentioned efficiency, organizational skills, teamwork and "the ability to push things forwards." But, industry focuses on short-term profit, he said, and long-term commitment to prevention and treatment programs is needed.

"The biggest issue in the private sector is leadership apathy. I want to challenge private sector leaders to take on this crusade as you do profit and loss. Every time you get up to make an announcement you need to mention what we need to do about HIV/AIDS.

"All of us are sitting here hoping we're doing the right thing. Trying new processes, working on new procedures and hoping the outcome is going to be that fewer people die. Our policy came out of Africa not the U.S. The solution's got to come from Africa."

“Leadership and commitment are very important. Every single project that has proved successful thus far has been so because of corporate leadership.”

Emmanuel Alhassan, Special Advisor on public private partnerships at the National Action Committee on AIDS in Nigeria (NACA), called the coalitions “a win-win for all partners.

“Some private sector companies feel due to the issues in the past there is a lot of mistrust, but I think this applies to both the public and private sectors. In every partnership arrangement there has to be clear definitions of rules and responsibilities. Our objective is common, so what are we bringing to the table?”

Carol O’Brien, South African director of the GBC, discussed the Daimler Chrysler workplace HIV prevention and treatment programs in South Africa. She said the company, in partnership with others and the Eastern Cape AIDS Council, was expanding its efforts in a region with the highest poverty rate in South Africa.

“Leadership and commitment are very important. Every single project that has proved successful thus far has been so because of corporate leadership.”

She stressed that within a partnership there are four ‘non-negotiables’: trust, honesty and confidence in the ability of each party to deliver, and to share the credit and the blame.

Dr. Furo Ibiama from Bonny Island, discussed a co-operation between the major oil corporations, MSD, tribal chiefs, NGOs and NACA to bring HIV prevention and treatment to workers in the Niger Delta which provides much of the oil and natural gas used by wealthy countries.

He said that the chief challenges are to overcome the skepticism and disillusionment in the community about the private sector and of the private sector about the government.

The area, home to 30,000 indigenous Ibo and 150,000 migrant workers, has high levels of poverty, unemployment, poor sanitation, and other public health problems. The local economy has been overturned by the advent of temporary residents without families, who have high disposable incomes and little to spend it on. This has created a booming business at bars and night clubs which has fuelled a sex industry and high-risk behaviours.

The general findings of a rapid needs assessment that was carried out with MSD, are that medical records and reports are incomplete. Some evidence suggests that 1 in 10 adults may be HIV positive—twice the overall national prevalence. It is an “invisible” epidemic, evidence of denial and stigma.

Engineer Haladu Zangoma, reported that LaFarge’s subsidiary Ashaka Cem was rolling out a comprehensive HIV prevention and treatment pilot program among its 606 employees in Funakaye, a remote region in Gombe State, Nigeria. In partnership with the German development agency, GTZ they offer free treatment to employees and their dependents. The initiative targets high risk groups, including truck drivers and commercial sex workers, for HIV education and treatment. Ultimately they will extend it into local communities.

Dr. Ngozi Onyia, medical adviser to Nigerian Breweries Plc., a subsidiary of Heineken International NV, described implementing a workplace prevention and treatment program among 2,000 employees at five plants.

The policy was developed by Heineken rather than being “home-grown.” Local top management, she said, did not appreciate the threat of HIV and was reluctant to associate its brand name with the virus. “We have a really excellent program, but there is a reluctance to publicize it for fear of association.”

Dr. Igor Any-Grah described Unilever’s program in Ivory Coast where it provides HIV prevention and free access to treatment to employees and their families. It is now extending testing and treatment programs to local rural communities. The challenge is that most work place programs are passive, with no increase in testing, dependants generally are not included in programs and PMTCT is excluded.

Donald de Korte, MSD, speaking about his experiences as Project Leader with the African Comprehensive HIV/AIDS Program in Botswana (2000-2003) said, “We at Merck believe that we should share our experience and transfer our knowledge of large and small programs which address the many complex issues of HIV/AIDS in Africa as much as possible.

“Success depends on the country where the partnership is created. Botswana has been a democracy since independence. The government is representative of the will of the people and community. They have a functioning democracy. You have to partner with people who believe in the situation and are important stakeholders. One thing for certain is that you must ensure what you do is integrated in a national response. Capacity building is more important than money and if it is not done effectively the programs will eventually fail. “

The Importance of Corporate Social Responsibility in Africa

< By Arthur Gerstenfeld, Ph.D. and Raphael J. Njoroge, Ph.D. >

Corporate social responsibility includes many things such as workplace safety, product reliability, and health of the workforce. In this article we are going to focus on workforce health and particularly on industrial HIV-AIDS prevention programs.

It is an undisputed fact that the HIV/AIDS epidemic in Africa is so pervasive and intractable that efforts to control it so far have made little progress except in a handful of African countries. Speaking at Stellenbosch University in 2000 the former Deputy President of South Africa, Jacob Zuma, said "regardless of what we do in the community, if we do not extend our prevention and care work to the workplace, we will not make a dent in this epidemic." The fight must be taken to the workplace, where income is generated, to combat poverty and create wealth.

The business community has begun to rise up to the challenge by assuming corporate social responsibility (CSR) through the formation of coalitions for the prevention of the epidemic in the workplace in Africa.

One of the most recent coalitions is the Pan African Business Coalition which was launched on December 12, 2005, during the 14th International Conference on Sexually Transmitted Infections in Africa in Abuja, Nigeria and "is expected to mobilize the private sector to adopt more effective HIV/AIDS programs."

Although in some countries of Africa such as Uganda, Senegal and Kenya the "infection levels are dropping" the majority of companies in South Africa regard HIV/AIDS as a very serious constraint to business growth.

In South Africa and Botswana HIV/AIDS among workers increased companies' annual salary and wage bills. In Kenya a study of a commercial agricultural estate showed that AIDS-related medical expenditure greatly exceeded projected expenses.

To address the HIV/AIDS incidents in the workplace companies in many countries of Africa have formed business coalitions. To illustrate, we will discuss the coalitions in eastern Africa (Uganda and Kenya) and southern Africa (South Africa and Swaziland).

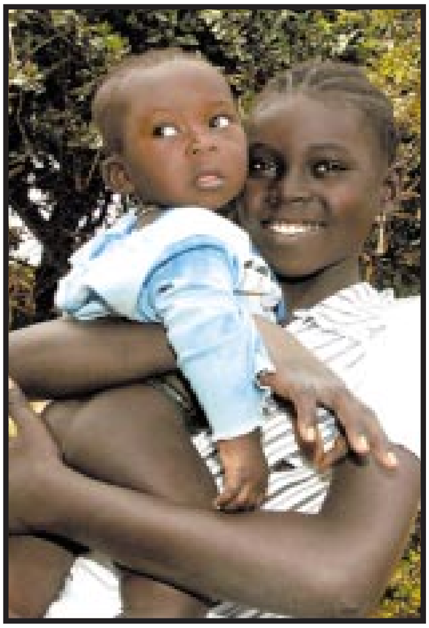
Eastern Africa: Uganda and Kenya

The November 2, 2005 issue of Uganda's *Daily Monitor* stated that some companies in Uganda have developed CSR programs for the prevention of the epidemic through the formation of coalitions such as the Uganda Private Sector Alliance (PSA) on HIV/AIDS.

PSA has launched a comprehensive program to assist Ugandan businesses combat HIV/AIDS in the workplace through mass media communications campaign to raise awareness on the role of business leaders in combating HIV/AIDS and programs to make treatment and anti-retroviral (ARV) drugs available to employees and their families.

In Kenya, a public-private partnership, the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)—German Technical Cooperation—is joining forces with Unilever Tea Kenya Ltd. and General Motors East Africa Ltd to work on HIV/AIDS prevention. These companies are working together with two Kenyan trade associations, the Kenya Tea Growers Association and the Kenya HIV/AIDS Private Sector Business Council, DaimlerChrysler, Volkswagen, Bosch, Roche, and T-Systems in South Africa, Heineken in the Democratic Republic of Congo, and Lafarge in Tanzania and Nigeria.

Furthermore, in Kenya there is an innovative public-private partnership that



pairs some of Kenya's largest companies with Pharm Access Africa Ltd., a firm that negotiates the lowest possible drug prices from the pharmaceutical industry and offers technical assistance in setting up treatment programs. The Implementing AIDS Prevention and Care (IMPACT) Project manages the project, with funding from the President's Emergency Plan for AIDS Relief through the U.S. Agency for International Development.

Southern Africa: South Africa and Swaziland

One of the best known coalitions is the South African Business Coalition on HIV/AIDS (SABCOHA). In 2005 SABCOHA ponsored an HIV/AIDS study conducted by the Bureau for Economic Research (BER) and 1032 companies participated in the survey. Respondents were in the mining, manufacturing, retail, wholesale, motor trade, building and construction, financial services as well as transport and storage sectors. The highlights of the report were as follows:

Continued on page 42

Abbott Foundation: Strengthening Infrastructure to Combat AIDS in Tanzania

Resource-limited health care systems in Africa have previously focused on short-term care for acute illnesses. However, with growing numbers of patients on antiretroviral HIV therapy, there is a growing need for rapid, sweeping changes to adapt health care systems to meet the lifelong treatment needs of people with HIV.

One of the most comprehensive efforts in Africa to strengthen a country's health care system is taking place in Tanzania. Since 2001, the Abbott Fund and the Government of Tanzania have formed a unique public-private partnership to address critical areas of need in the fight against HIV/AIDS, including strengthening health care infrastructure and systems. Centered at Muhimbili National Hospital in Dar es Salaam, the US$35 million Abbott Fund initiative also encompasses support for 82 additional hospitals and rural health facilities across the country.

A key element of the initiative is supporting infrastructure improvements to ensure that adequate treatment facilities are available for growing numbers of HIV patients. In October 2005, a new three-story outpatient facility and state-of-the-art laboratories supported by the Abbott Fund were dedicated at Muhimbili National Hospital. The center includes 34 patient examination rooms, a pharmacy and training facilities for medical students and health care professionals. The full-service laboratory facilities, maintained by field service engineers supported by the Abbott Fund, provide accurate and automated diagnostic testing crucial for the lifelong monitoring of HIV and other chronic diseases. These facilities were deliberately designed to provide care for people with HIV in the same setting as other patients to help reduce stigma associated with HIV, and encourage testing and treatment.

The initiative also is focused on improving quality of care and ensuring the long-term sustainability of the health system, with a strong focus on staff training. More than 4,200 health care workers have been trained in effective HIV patient care throughout Tanzania, including testing, counseling and treatment. These providers now share their knowledge with others; for example, 200 physicians at Muhimbili Hospital now serve as trainers for other staff. In addition, more than 1,700 staff were trained on computers and a new information technology (IT) system that will manage patient records at Muhimbili Hospital; more than 140 staff were trained in laboratory equipment operation; and 75 senior doctors and hospital directors received management training. Equally important are improvements to hospital management and "back office" functions such as financial management and inventory control that have improved patient care and increased hospital-generated revenue by more than 56 percent in two years.

Nationwide, the initiative also is focused on accelerating the availability of voluntary counseling and testing (VCT) and HIV treatment programs, even in the most rural areas of Tanzania. Facilities, systems and training have been upgraded at 82 sites, including building new testing and counseling rooms to ensure patient privacy; renovating outpatient clinics and laboratories; donating laboratory equipment and rapid tests; and creating local hospital

Continued on page 42

Abbott volunteers and Tanzanian staff work together at modern new clinical lab in Dar es Salaam

Agriculture Initiative to Mobilize U.S. Private Sector

Why Agriculture? Why Now?

Agriculture remains the primary employer in most African economies (accounting for upwards of 80% in rural areas) and contributes as much as 60% of the GDP in some African countries. As in many developed countries that have transitioned from agrarian-based to industrialized and service driven economies, a more productive and efficient agriculture sector is widely recognized as an important catalyst to broad-based economic growth and poverty alleviation.

Moreover, economists and international finance institutions often cite diversification as a key to trade success. Agriculture is a natural fit for most African countries, offering the perfect vehicle though which to diversify exports. In the last year, international and African regional bodies held events and issued reports that underscore the importance of agribusiness as an avenue for development. In May 2005, the NEPAD Consultative Meeting on Agriculture was held in Ghana; and in the same month, the International Food Policy Research Group held a conference that addressed smallholder agriculture in East Africa.

Recognizing the need for an integrated approach to African agribusiness development, CCA's Agribusiness Committee was formed in 2004. The Committee, consisting of U.S. agribusinesses, other agribusiness stakeholders, and U.S. and African government officials was created to enhance U.S. private sector investment and participation in and with the African agribusiness sector.

The Committee was tasked with the ambitious mission of increasing a mutually beneficial trade and investment relationship between U.S. and Africa agribusiness. In support of this mission, the Committee has identified several key objectives:

- Enhance the awareness of agribusiness opportunities in Africa;
- Support the sustainable contribution of U.S. agribusiness in Africa's economic development;
- Serve as a first coordinating body and liaison for U.S.-Africa agribusiness relations;
- Expand business partnerships between U.S. and African partners along the entire agriculture food value-chain;
- Inform U.S.-Africa agriculture policy debates to include the private sector perspective; and
- Position the Agribusiness Committee as a results-oriented partner among development organizations.

Challenges

Until now, substantial involvement of U.S. agribusiness in Africa has been overwhelmingly absent. Despite the importance placed on agriculture by international and regional bodies such as NEPAD and the UN's Food and Agriculture Organization (FAO), there has been no unified effort to address the constraints facing African agribusiness development. To date, most U.S. agriculture interventions have been geared primarily towards technical assistance and agricultural research, failing to focus on market opportunities. The Agriculture Committee is striving to offer interested U.S. companies an institutional structure that comprehensively addresses market-oriented approaches to African agribusiness development.

To accomplish its strategic objectives, the Committee must dispel the belief that Africa is not a suitable destination for trade or investment. In the past, many U.S.

agribusinesses ignored Africa as a potential market, choosing to concentrate on the seemingly more lucrative markets of Eastern Europe, Asia, and Latin America. Through conferences, events, and other activities, the Committee will highlight the substantial agribusiness prospects available in Africa.

Public-Private Sector Relationships

Although the Committee works with and consists of members from the public, private, and non-governmental sectors, its efforts are focused on increasing the involvement of the private sector in African agribusiness. Notwithstanding, the Agribusiness Committee recognizes the potential for information and technology transfer as it approaches African agribusiness development from a business perspective. By working in partnership with U.S. and African government agencies and U.S.-based agribusinesses that actively engage in commercial enterprise with African counterparts, the Committee has strengthened public-private sector approaches to African agribusiness development.

The Committee also recognizes the role of the African private sector in agribusiness development. Through increased trade and investment opportunities, it aims to strengthen and increase the participation of its African private sector counterparts in this arena.

Committee Activities

The Agribusiness Committee has sponsored and participated in a number of domestic and international Africa-focused agribusiness events:

- CCA's U.S.-Africa Agribusiness Form, Monterrey, California November 2004
- U.S.-Africa Business Summit, Baltimore, Maryland June 2005
- USAID Agriculture Briefing at the UN, New York City, New York September 2005
- USAID Field Mission Meeting on the Initiative to End Hunger in Africa, Washington, DC September 2005
- African Diplomatic Corp Private Sector Committee, Washington, DC October 2005

True success of this initiative will depend on the Agriculture Committee to develop a critical mass of participating companies that are willing to substantially invest in the African marketplace. To this end the Committee will be exploring a number of activities geared to increase this necessary critical mass. These include:

- An educational outreach campaign targeted to the U.S. agribusiness community and key policymakers
- A series of meetings and/or workshops focused on U.S-Africa agribusiness, including a potential focus on agribusiness at the 2006 AGOA ministerial
- An institutionalized working relationship with NEPAD and the African Union in support of agribusiness initiatives

CCA firmly believes that an enhanced U.S.-Africa agribusiness relationship can be the catalyst to "jumpstart" development in African agriculture. The Council is currently seeking additional participants to contribute to the effort and funding activities that support the Committee.

For further information please contact Nelly Swilla at nswilla@africacncl.org.

U.S. Wine Tour for South African Companies this Spring

< By Kennia Somerville. >

South Africa has a long relationship with wine and can trace back its roots 350 years. Although the country has an impressive range of vine types and wine varietals, the policies of the apartheid regime excluded the country from the international market. Since 1994, South Africa has boldly re-emerged onto the international scene and has embarked upon domestic transformations aimed at reforming historical inequalities in the sector. Through partnerships with government and commercial farms, as well as Black farm workers and entrepreneurs, South Africa has seen an increase in Black ownership of Cape wineries, currently estimated at less than 1 percent.

In 2004, the South African Government demonstrated its commitment to Black Economic Empowerment (BEE) in the wine industry by creating the Wine Charter Steering Committee (WCSC). A multi-racial body of South African wine experts, the WCSC is charged with the evaluation of the South African wine industry, and the development of a Wine Industry BEE Charter and BEE Scorecard. The report on the wine industry and BEE documents are expected to be submitted to government by the end of this year. Although change has been slow, South Africa's wine industry is becoming increasingly accessible and receptive to Black entrepreneurs.

U.S. Wine Tour for BEE companies

In the light of the above, CCA's South African International Business Linkages (SAIBL) project, will sponsor a U.S. Wine Tour for five BEE wineries this spring. The five BEE wineries are among South

Meet the Companies

Thandi Wines

Established in 1995, Thandi means 'nurturing love' in isiXhosa, one of South Africa's 11 official languages. In 2003, the company was the first winery in the world to achieve Fairtrade accreditation. Soon thereafter, the company received a gold medal for its 2003 Chardonnay at the prestigious International Wine Challenge in London.

Thandi has also caught the attention of former South African president, Nelson Mandela. In a message to the UK retail trade, former President Nelson Mandela described the Thandi Initiative as "a visionary and inspirational move which contributes to South Africa's development and gives ownership to Black people and helps to alleviate poverty in South Africa." Thandi wines are available in select South African and international retail stores.

New Beginnings

Established in 1996, New Beginnings is the creation of a partnership with Nelson's Creek winery and the company's black employees. Two years later, black workers celebrated the new beginnings label, made possible by grapes grown on land they owned.

The company has created an innovative program to generate revenue for the purchase of additional land. The 'Adopt-A-Vine' Initiative allows wine lovers to get personally involved in the company by acquiring a beautifully packaged bottle of wine and the right to 'adopt' a vine. The South African High Commissioner to London was so impressed by the Initiative that she became one of the first proud adoptive parents of a New Beginnings vine.

New Beginnings wines are expected to be available by the end of the year in several major South African food chain stores.

Africa's most promising, all with the goal of entering the U.S. market

The delegation will spend five days in Seattle and the surrounding wine regions of Washington State where they will visit local wineries, host wine tastings and meet with distributors and retailers. During their site-visits, the BEE wineries will be exposed to best practices and receive technical advice from U.S. wine experts. From Seattle the group will travel to New York City to host two days of tastings and hold meetings with distributors, retailers, and restaurateurs.

SAIBL is co-organizing the New York segment of the trip with the South African Consulate in New York and Wines of South Africa (WOSA), an independent, not-for-profit company that represents South African wine exporters and promotes South African wines abroad. SAIBL also anticipates participation in this effort by the South African Department of Trade and Industry (DTI).

About SAIBL

Created in 1998, the USAID-funded South African International Business Linkages (SAIBL) program helps to improve trade between the U.S. and South Africa.

SAIBL works with U.S. and South African companies and governments to assist small and medium sized business owned by 'historically disadvantaged' South Africans (individuals discriminated against under apartheid) to export to local and U.S. markets. Through its TRADE program, SAIBL also helps these companies find new export markets in Botswana, Lesotho, Swaziland, Tanzania, and Zambia.

To purchase any of these wines, or for more about SAIBL's BEE wine initiative, please contact Tim Bergstrom, SAIBL Program Director: tbergstrom@africacncl.org

Mia Cara

Cultivated in the Paarl mountain valley region, Mia Cara wines is one of fewer than 15 South African BEE wine companies. Boasting a predominately woman-staffed Executive Committee, Mia Cara has an impressive portfolio of six wines.

For wine aficionados, Mia Cara includes detailed accounts of the soil types, rainfall index, and other geological accounts in the Paarl region on its website. Mia Cara is pursuing domestic and international markets, including the U.K. and U.S.

Bouwland

In autumn of 2004, farm workers composing the Bouwland Wine Trust purchased 56 hectares of land from their employer, Beyerskloof Winery. Soon thereafter, farm workers bottled wine for their own label, Bouwland Wines.

As the company grows, its profits directly benefit 40 farm families who have been working on the land for generations. The farm operates with about 12 permanent staff, half of whom are women. Bouwland Wine Trust was named as one of the top emerging winemakers in the Western Cape Province by Nombini Matomela of the International Marketing Council of South Africa. Its brand is now recognized in more than 20 countries.

Lindiwe Wines

Lindiwe Wines is the creation of eight previously disadvantaged wine enthusiasts who partnered with the KWV-owned Vinnova cellar project. Meaning 'the one we've been waiting for' in isiZulu, Lindiwe Wines has enjoyed great success in South Africa's wine industry. One month after its launch, the company's Shiraz was selected as one of South African Airways' (SAA) On Board Wine Listing for the 2004-2005 season. In 2005, the Shiraz was chosen as Wine of the Month by the 'Wine of the Month Club'.

Lindiwe has enjoyed a positive reception in South Africa and is currently sold in domestic and international food stores.

Using Fame to Bring Fortune

< By Sean Barlow >

Contemporary African musicians are some of the continent's best ambassadors. Senegalese superstar Youssou N'Dour, Mali's Salif Keita and other world class artists fly the continent's flag around the globe. They earn valuable foreign exchange for their extended families back home. And they fuel spin-off industries such as the increasingly popular cultural tourism sector which can dovetail well with eco-tourism.

African artists dominate the growing "world music" market in the West. A few Angolan artists such as Bonga, Paulo Flores, and Waldemar Bastos have established international careers. But for the most part, Angola is absent from the North American stage. That could change. The Angolan music industry is centered in Luanda, the capital city on Angola's Atlantic coast, there are two major recording studios and several smaller ones. New artists and new producers are testing their wings. As in many African countries, music piracy remains a serious problem for the industry.

Luanda itself feels like a boomtown. Offices and houses are going up all over the place. Logos of multi-national corporations decorate glassy high-rise buildings downtown. City streets are clogged with blue mini-van group taxis and lots of late model SUVs, Land Rovers, and Jeeps. Its port is one of the most active in Africa.

Ringing the city are the *museques,* slums comparable to the *favelas* in Brazil. The museques have spawned a music genre called *kuduru,* high energy dance music built around programmed beats. Kuduru dance inventions disseminate rapidly through the museques, with new ones appearing constantly. One of the top kuduru stars is Dog Murras who looks like a hefty American football player with a tattoo of Che Guevara on his arm.

The most recorded pop roots music in Angola is *semba,* an uptempo dance style, said to be an ancestor to Brazilian samba. Banda Maravilha is Angola's number-one semba band. According to their drummer, Mario Futado, "In 1975 we got our independence (after 500 years of Portuguese colonial rule) but the Civil War started then. The music industry just stopped. No one had cash. No one had time. No studios. No producers. Musicians emigrated to other countries. The music did not stop but there was very little recording. When we formed Banda Maravilha in the early 1990s (during the civil war), the Angolan music market was being invaded by Cape Verdean, Brazilian, American and other foreign music. It was a big fight to take back the home market for Angolan music. The musical mix here is much more balanced now."

Paulo Flores

As in most African countries now, that mix includes homegrown hip hop artists who earn street credibility with their youth audience by telling it like they see it. Kalibradas, a very popular hip hop group of three, twenty-something rappers and a DJ, have a song called "Luanda." It paints a gritty portrait of the capital, talking about poor people in the slums who suffer from lack of infrastructure, dependable electricity, water, and roads. Kalibradas also take on the subject of globalization. According to Vei Vei of Kalibradas, "Everyone now has a satellite dish. And everyone is living in other people's cultures. And they are forgetting our culture. They're just watching Brazilian soap operas, MTV, American movies, news from everywhere."

Radio in Luanda is a different story. Tuning up and down the dial, one hears mostly Angolan music. The law stipulates that 80% of the music played on the radio must be local, a practice that helps promote local artists.

The Angolan music industry has come a long way when you consider that the country's devastating civil war ended only four years ago. Angola has a lot of untapped potential, and artists are eager for exposure to the world market. Several artists deserve broader international attention. A prime example, Paulo Flores, is a sophisticated, soulful singer/songwriter. (His much praised acoustic album, *Xe Povo* can be found on amazon.com.)

If you go to Luanda, one hotspot to visit is the friendly, upscale Miami Beach club, especially on Sunday nights when several bands play. Kilamba is another destination for Monday night when Banda Maravilha plays semba for a more working class crowd and other musicians drop in to jam.

Sean Barlow is the producer of Public Radio International's syndicated program Afropop Worldwide. The companion web site Afropop.org, e-Newsletter, and podcast offer feature stories, interviews, CD reviews and news of African artists touring the U.S.
info@afropop.org
Research in Angola was made possible with support from Chevron, a major sponsor of Afropop Worldwide.

Celebrity Leads Trade Mission to Sierra Leone

< By Jacqueline Coker >

Many of you may know him as the no nonsense thoracic surgeon Dr. Preston Burke on ABC's Grey's Anatomy, but Isaiah Washington has his own story to tell; a story that is based on truth rather than fiction, a story that shows his passion for Africa. Washington and other celebrities like Oprah Winfrey, Chris Tucker, Jim Brown, Whoopi Goldberg and Louis Gossett Jr. have been able to trace their ancestry through lineage. Washington traced his maternal bloodline to Sierra Leone by taking the DNA test administered by African Ancestry, a Washington, DC based company helping African-Americans trace their ancestry through their maternal lineage.

Isaiah Washington

Receiving his results on February 12, 2005, Washington found out his maternal ancestry was traced to the Mende people in Sierra Leone. He had also traced his paternal lineage to the Mbundu people of Angola. These results, "Prompted me to put together a documentary of the process of getting back," Washington said.

Having been active in social justice issues since the early 90's, starting up his own film production company was the next obvious step. "I always knew that at some point when I got to a certain platform or had the resources or capital behind me that I wanted to get involved in documentaries." Washington added. He has been able to fulfill his dream by starting up Coalhouse, a production company dedicated to create change because, "Every story has more than one possible ending."

Upon completing his documentary, Washington plans to work with ABC to have it aired on the network. "I'm coming in with my heart...I'm not trying to lace the pockets of the politicians," said Washington.

To show how serious he is with the trip to Sierra Leone, Washington plans to invite members from various Chambers of Commerce, CCA members, U.S. businesses that have not considered Sierra Leone's investment opportunities and other celebrities like Louis Gossett Jr., who has also traced his lineage to the Mende people. "I'm obligated in my own mind and through my own conviction to go back to a country of people who have no idea who I am and help them, because I can, " Washington said.

Rocked by civil unrest for more than ten years, Sierra Leone is now facing an uphill battle of post conflict reconstruction. Along with post conflict reconstruction, the Sierra Leone government faces the difficult task of curbing corruption that has plagued the country for many years, but through economic stability and increased interest in investment, Sierra Leone's outlook for the future is promising. While in Sierra Leone, Washington plans to meet with the President, Vice President and Cabinet members of the government to discuss ways to promote trade and investment in the country. Two key sectors of focus will be agriculture and infrastructure.

After completing high school in Houston, TX, Washington joined the U.S. Air Force for four years after his hopes of getting a football scholarship went unrealized. Developing his skill in aerospace engineering, Washington was offered a position with private-sector engineering company in Washington, DC. But Washington knew he wanted something more and decided to give acting a try. Determined to be in a Spike Lee movie in ten years, Washington did not give into people's comments saying he was crazy to go into acting. Because of his persistency, Washington was able to accomplish his goals.

Washington's film credits include several Spike Lee films such as "Crooklyn," "Get on the Bus," "Clockers," and "Girl 6." He also starred in movies like "Romeo Must Die," "Exit Wounds," "True Crime," "Bullworth" and "Ghostship" to name a few. He will also be starring in "The Amateurs" set to be released May 12th.

Isaiah Washington knows his journey and his work will not be easy. He plans to go back to Sierra Leone every year until he sees that progress is being made. He jokingly said," I don't want to stop until a McDonald's is in Freetown, because one thing I know is that wherever a McDonald's is, no one is having a war."

Washington's trip to Sierra Leone is planned for mid to late May after the season ends on Grey's Anatomy.

"I always knew that at some point when I got to a certain platform or had the resources or capital behind me that I wanted to get involved in documentaries."

The Importance of Corporate Social Responsibility in Africa *Continued from page 34*

First, 81% of the financial services companies, 60% of the mines and around 50% of the manufacturing and transport companies surveyed have an HIV/AIDS policy in place. *However, less than a third of the retailers, wholesalers, vehicle dealers and building and construction companies have implemented an HIV/AIDS policy.*

Second, employer responses to the epidemic appear to be linked to company size, with the majority of medium and large companies indicating that they have an HIV/AIDS policy, and small companies have done little in acting against the epidemic.

Third, some 38% of the financial services companies and 26% of the mines surveyed indicated that they provide anti-retroviral therapy at the workplace, but 15% or less of the respondents in the other sectors provide this treatment.

SABCOHA has produced a Toolkit as a guide - especially for small and medium sized businesses (50-300 employees) to formulate and implement a workplace HIV/AIDS program. The basic elements of the Toolkit are taken from best practice programs of Unilever and Standard Bank, who are members of the Global Health Initiative and SABCOHA.

In Swaziland employers have set up a Business Coalition against HIV/AIDS, with a comprehensive "mitigation plan." The coalition not only includes larger companies but also small and medium sized enterprises (SMEs).

One direct benefit of the business mitigation plan has been the approach taken by banks to financing SMEs. Representatives from the four banks that grant small business loans - Standard Bank Swaziland, Swazi Bank, FinCorp and Swaziland Building Society - told IRIN they would not deny loans to people who were infected with the HIV virus.

Conclusion

The coalitions of companies mentioned in this article, together with other coalitions we have not discussed, are spearheading the drive to practice Corporate Social Responsibility (CSR) for HIV/AIDS prevention in Africa. The effort of these coalitions, however, has only scratched the surface. More firms in Africa need to embrace CSR for HIV/AIDS prevention not only because it is the right thing to do but because CSR can affect profits in a positive way.

Arthur Gerstenfeld received his Ph.D. from MIT and is a professor at Worcester Polytechnic Institute (WPI). He has written more than fifty articles and several books. His most recent book entitled Africa: The Next Decade (2005) is co-authored with Prof. Raphael J. Njoroge.

Raphael J. Njoroge, Ph.D. is a professor in the Worcester Consortium of Colleges and Research Associate at Worcester Polytechnic Institute. He has been Dean of the Faculty of Education and Director of the Bureau of Educational Research at the University of Nairobi and Kenyatta University in Kenya. He is an author and co-author of six books. His latest book (with Prof. Arthur Gerstenfeld) is entitled: Africa: The Next Decade (2005).

Abbott Foundation: Strengthening Infrastructure to Combat AIDS in Tanzania

Continued from page 35

HIV management teams. More than 85,000 people have received VCT services due to improvements, including patients accessing VCT for the first time in some rural locations.

In addition, five regional hospitals throughout Tanzania are receiving training and support to achieve government accreditation as national HIV care and treatment centers. This will allow the sites to expand antiretroviral treatment programs and take advantage of funding sources such as PEPFAR and the Global Fund.

Another key element of the initiative is the involvement of specialized Abbott employee volunteers in Tanzania. Abbott staff provide technical support in the areas of construction, engineering, infection control, IT, waste management, security and laboratory management.

Given the widespread impact of AIDS in developing countries, it is important to address other key areas of need as well - such as care and support for children impacted by the disease. The Abbott Fund has ongoing efforts in Burkina Faso, India, Malawi, Romania and Tanzania to address the needs of orphans and children made vulnerable by HIV/AIDS. Specifically in Tanzania, nearly one million children have been orphaned due to HIV/AIDS, and the Abbott Fund is supporting local efforts to provide critical services to these children. To date, 140,000 children and their families have received services, and improvements have been made to more than 32 schools and health centers, providing nutrition, health services, education and training.

For more information on Abbott Fund initiatives to fight HIV/AIDS, please visit www.abbottglobalcare.org or contact Executive Director Jeff Richardson at +1-202-530-4741.

Rediscovering Mozambique: the Newest Wildlife Destination in Africa

In southeast Africa, on the shores of the Indian Ocean, a jewel emerges from the ruins of war. Mozambique, once torn by civil strife, is rebuilding and has never looked more appealing to tourists. With a growing economy and natural wonders from mountains to sea to wildlife-rich parks, this former Portuguese colony offers diversions for visitors of all interests and nationalities.

Mozambique is situated on Africa's largest coastal plain. The mighty Zambezi River flows down from the Inyanga mountains in the west to the sandy beaches of the Indian Ocean. In between, fascinating cities, colonial-era towns, and national parks and wildlife reserves provide glimpses into the life and history of Mozambique and its people.

Mozambique's first inhabitants were San hunters and gatherers. Between the first and fourth centuries AD, Bantu-speaking peoples migrated into the area. In the late 1400s, Portuguese explorers reached Mozambique and established trading posts and forts along the coast. The country became independent in 1975, but was overrun by civil war and economic collapse for more than a decade. Since the 1990s, Mozambique has known peace and has fostered a multi-party political system, market-based economy, and free elections.

With the return of peace to Mozambique has come the opportunity to safeguard the country's rich diversity of wildlife through national parks and community nature reserves. The savannah and dry woodland habitats near the border of South Africa's Kruger National Park are home to elephant, impala, duiker, springbok, kudu, and ostrich. Nearby Banhine National Park is an important source of water in an overall arid area that harbors endangered wattled cranes and a wide variety of migratory birds as well as the rare and endangered killifish, a highly localized fish species of high ornamental value.

Various areas provide opportunities for enjoying Mozambique's wildlife. The Maputo Elephant Reserve is home to around 400 elephants as well as varied and abundant bird species. The Barzaruto Archipelago is a nesting ground for black-winged flamingos and home to red duiker antelope, freshwater crocodiles, and samango monkeys. Snorkellers and divers alike enjoy the variety of colorful tropical fish found in the Archipelago's coral reefs.

At the 7,000 km2 Banhine National Park, visitors can see ostrich, kudu, impala, reedbuck, duiker, steenbok, porcupine, warthog, and oribi. The park's inland wetlands and system of streams are home to at least 18 species belonging to 10 different families, and in fact, accounts for 37 percent of the 49 species of fish in the region. Banhine's wetlands also serve as critical habitat for water fowl and highly endangered migratory birds, such as the Wattled crane. The African Wildlife Foundation (AWF), with support from the World Bank, is facilitating the restoration of this park as part of a recently signed Memorandum of Understanding between the Mozambique Ministry of Tourism and AWF. Priority projects planned for the park are updating wildlife management plans, engaging local communities in the management of the park, providing general infrastructure, and establishing a scientific research center. Sharing a border with South Africa's Kruger National Park, Banhine stands to benefit immensely from the Great Limpopo Transfrontier Conservation Area.

Even as the nation of Mozambique itself heals from the wounds of war, so must the indigenous wildlife. Civil war decimated populations of large herbivores such as buffalo, sable, zebra, and wildebeest, but the parks are making a slow comeback.

AWF also has helped the Cubo community acquire the land rights for a 12,000-hectare community nature reserve, the first such project in Mozambique. With AWF facilitation, a Common Property Association was formed and registered to manage the land and represent community interests in future community-public-private partnerships. AWF is now providing more support to the community to develop the reserve into a viable concern for long-term conservation and enterprise management. The community has applied for an additional 41,000 hectares to expand the reserve and make it more ecologically viable as a community protected area.

With efforts such as these, Mozambique can once again be considered a wildlife tourism destination.

To learn more about AWF's conservation initiatives in Mozambique, go to www.awf.org or email esampere@awf.org

Libya Trade Mission *Continued from page 15*

from a variety of sources. In September 2004, Nokia broke the ice by landing the largest contract for Libyan telecom expansion in nearly ten years. Libya's General Post and Telecommunications Company (GPTC) awarded Nokia USD120 million to supply GSM/EDGE and WCDMA 3G network equipment for a new nationwide mobile network. A Nokia-supplied radio network was also part of the package; Nokia's radio coverage will provide for over 60 percent of GPTC's subscriber base.

A year on, in September 2005, Libyan operator Al Madar chose Ericsson's Mobile Softswitch solution for plans to quadruple its capacity and coverage. Within a year, Ericsson will supply a complete GSM turnkey core network, including mobile softswitch, deliver a radio network, a charging system, and provide GPRS capability.

Physical infrastructure upgrade is key to Libya's future, especially in terms its ability to prove a long-term commitment to raising FDI. It is estimated that Libya will spend over USD$5 billion in 2006 as part of its campaign to modernize infrastructure. Outside of telecom, major opportunities exist in heavy construction, housing, water treatment and irrigation, and supplying equipment needs to the medical field. International companies are in line or starting operations on projects spanning low cost housing construction, domestic waste removal and recycling, and motorway upgrades.

CCA President Stephen Hayes led the first U.S. post-sanctions, non-energy delegation to Tripoli in July 2004. In March 2005 CCA published a Libya business profile for U.S. businesspersons, Libya: Guide to an Emerging Market. CCA's interest in assisting member access to this market is in recognition of the difficulty of making inroads without intimate first hand knowledge of Libyan politics, structure, and regulatory procedure. For all delegates on this trade mission, this trip is one step of many on a long continuum. The bounty is indeed there, and the progress underway. The rest is left up to perseverance, patience—and creativity.

Barrett Hightower is Research Analyst at CCA (bhightower@africacncl.org)

ICT Trade Mission to South Africa

The National Minority Supplier Development Council (NMSDC), in partnership with IBM, Motorola, and Cisco Systems, recently completed its second of a series of minority business development missions to South Africa.

This particular mission focused on the Information and Communications Technology (ICT) sector and sought to establish profitable strategic alliances between NMSDC certified minority-owned suppliers and Black Economic Empowerment (BEE) companies in South Africa with the intent of stimulating mutual capacity building and competitiveness in their pursuit of business opportunities with the sponsoring organizations.

The following ten top-minority suppliers to the corporate sponsors in the U.S. participated in all aspects of this mission:

1. Act.1 Group
2. Atlanta Communications Company
3. Avion Systems, Inc.
4. DW Morgan Company, Inc.
5. Komplete Systems Integrators, Inc.
6. PlastiComm Industries, Inc.
7. SpringBoard Technology Corporation
8. Superior Design International, Inc.
9. Telamon Corporation
10. ZeroChaos, Inc.

The mission was held from November 26 to December 3, 2005 and included visits to three South African cities, Johannesburg, Pretoria and Cape Town, where members of the delegation were exposed to special briefings by high-level government officials and private sector leaders, as well as one-on-one pre-screened meetings with BEE companies.

Over 200 individual business appointments were arranged for members of the delegation and ten briefings/networking events were held with more than 30 speakers/presenters.

Each of the minority supplier mission delegates returned to the U.S. with and average of three solid prospects for business. Most were confident that they would return to South Africa on their own within the first quarter of 2006 to advance negotiations with their BEE contacts.

African Diplomatic Corp Message

Continued from page 17

Contrary to the picture of hopelessness headlined in much of the media for Africa, a recent Gallup pole cited in the NY Times (3/5/06) notes that Africans are the most optimistic people in the world, expressing a faith in democracy as the best form of government, which at 87 per cent, was equal to North America. Hope is Africa's most abundant harvest. It is also the best environment for investment and worth a considered look by American private investors.

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Meet the Staff

1. What is your current position at CCA and what does your job entail?

I am the Director of the HIV/AIDS Initiative. The Initiative, funded by the Bill and Melinda Gates Foundation, is tasked with assuring that our members with Africa-based workforces are providing HIV/AIDS prevention, care and treatment for those workforces. The broader mandate is to better integrate the private sector into the overall national response to HIV/AIDS in Africa and to create synergy between what is happening in the public sector and civil society so that efforts are harmonized.

Victor Barnes

The CCA Initiative is organized around a series of partnerships with donors, enabling partners and AllAfrica Global Media. These partnerships form the basis of our resources for CCA members to draw upon for financial, technical and information support in their efforts to address HIV/AIDS in their workforces in Africa. The HIV/AIDS team plays an important role in brokering partnerships between members and our partners; identifying opportunities for members to address specific issues within African workforces; and to raising awareness and level of commitment of the private sector through corporate social responsibility programs, direct marketing of products and workplace HIV/AID prevention care and treatment interventions.

2. There is such a small community involved in U.S. African affairs— why did the CCA position appeal to you?

It was an opportunity to take my more than twenty years of USG experience in the development issues related to Africa and specifically HIV/AIDS, and work with the private sector to forge a more viable response to the pandemic inclusive of some of the creativity and flexibility that the privates sector can bring to the response. I also recognized that the private sector had the ability to mobilize and stimulate the public sector and provide leadership in the development of a more comprehensive response that would be of appropriate scale.

3. What was your previous employment prior to CCA?

Were you involved with Africa at all prior to CCA? Immediately before coming to CCA, I was the Deputy Director for HIV/AIDS prevention at CDC responsible for the delivery of HIV/AIDS prevention services to the US population. In that position I worked with the US Government, the NGO community and the private sector to craft and effective prevention strategy in response to the to the epidemic in the US. Prior to working at the CDC I spent nearly sixteen years as a Foreign Service Officer with USAID where my primary assignments were in Africa. I have worked in 41 African countries and lived in a half dozen.

4. What are your personal goals for your tenure at CCA?

To create a viable and financially sustainable private sector program working in collaboration with multiple other international and domestics partners to better address HIV/AIDS on the continent. To create an understanding within our membership of the importance of this issue to sustainable development in Africa and the critical role that a healthy workforce plays in advancing the private sector in Africa and in assuring vital investment opportunities for the U.S. private sector.

5. How would you like to see the U.S. private sector engaged in Africa?

In a perfect world the U.S. would more strongly support the need for infrastructure and recognize the enormous value of the continent and its products as well as the human potential Africa has to contribute to the world.

6. What are some of the challenges that you see CCA and/or yourself facing in promoting Africa as a business destination?

In my case the perception of a continent that struggles to advance in the face of several endemic diseases that renders the workforce much more vulnerable to morbidity and or mortality; that undermines effective and efficient investment in human resource development and that ultimately makes for costly and high risk investments in physical and human terms.

7. How long have you been with CCA and what do your see as your team's major accomplishments?

I have been at CCA for two years and during that tenure our small team developed important relationships with the USG and The World Bank, The World Economic Forum, and other international programs such as the WHO and UNAIDS. We have also engaged an important number of our members in establishing and or enhancing their HIV/AIDS programs on the continent, successfully partnered with the pharmaceutical industry to link them to our members and their workforce initiatives, and worked with the international NGO community to begin to establish linkages between the public sector.

Meet New Board Member Jeff Morgan

Jeff Morgan has 29 years of diverse experience in the food industry. His positions have ranged from the analytical laboratory to the pilot plant and product design to his most recent responsibilities within the Senior Management for Mars, Incorporated. Since 1979 his attention has been focused on cocoa and its unique attributes as a tropical tree crop. He has traveled to every major cocoa origin and implemented numerous programs related to the long-term viability of this valuable and fascinating crop. Jeff currently has responsibility for assuring the responsible production and sustainability of the cocoa crop, as well as for corporate programs to address the increasing global concern over the twin public health challenges of obesity and diabetes.

As the Director of Global Programs for Mars, Inc. Jeff manages corporate activities and responses to global issues involving reports of abusive child labor practices in the production of cocoa.

Through the Global Issues Group (GIG), a coalition of chocolate and cocoa companies, Jeff works to develop effective, sustainable strategies to address child labor issues. He also serves as the primary cocoa industry representative and technical resource to develop credible methodology for data collection and reporting of farm practices leading to the countrywide certification of cocoa production.

Jeff engages in network building and communications related to Mars "Cocoa Sustainability" program. This global program is directed at developing working collaborations and Public Private Partnerships to address economic, social, and environmental issues existing in the cocoa supply chain. In addition he supports corporate activities relating to health and nutrition especially those that represent the Mars, Inc. response to public health concerns over chronic disease and obesity.

Prior to holding his current position at Mars, Inc., Jeff held various positions at

Jeffrey N. Morgan
Director of Global Programs
Mars, Incorporated

Masterfoods USA. He was the Vice President for Scientific & External Affairs (2001-2003); the Director for Chocolate and Raw Materials Development (1992-2001) ; the Cocoa Development Manager (1985-1992); and a Senior Research Scientist: Cocoa and Chocolate (1979-1985). From 1976-1979 he was an analytical scientist: coffee flavor for Nestle USA.

Jeff holds a Master of Science in Food Systems from the Ohio State University (1979). He graduated from Miami University, Oxford, Ohio with a bachelor of science in 1976.

Meet Vice Chair, Neil Duffin, Vice President- Africa, ExxonMobil Production Company

Born in St. Andrews, Scotland in the United Kingdom and a graduate of Heriot Watt University with a bachelor of science in mechanical engineering, Neil Duffin is currently the Vice President, Africa at ExxonMobil Production Company. His primary responsibility is for West African countries.

Neil joined Mobil Oil Company in the North Sea, UK in 1979. His experience includes general exposure to many different functional groups involved in oil and gas exploration. Beginning in 1983 Neil was actively involved in planning satellite filed development as an operations engineer based in London.

In 1986, he became subsea operations and well test supervisor in the UK offshore sector. He took on the position of Platform Manager in the Beryl Field in 1989 and became producing advisor for Europe and Africa based in Fairfax headquarters beginning in 1992. Neil had major involvement in the increased activity of Nigeria.

Neil returned to Aberdeen, Scotland in 1995 as operations and northern North Sea manager and senior representative for Mobil North Sea Ltd. In 1998, Neil was named Senior Vice President for Mobil Oil Indonesia with responsibility for exploration and producing operations throughout the country. Neil was named Vice President, ExxonMobil Development Company with responsibility for

Neil W. Duffin
Vice President, Africa
ExxonMobil Production Company

CIS/Middle East Projects in 2000 and held that position until his current promotion.

He is married with two children. •

EnerGulf Resources Inc.

EnerGulf Resources Inc. is a Vancouver based resource and exploration company trading on the Toronto TSX Venture Exchange (trading symbol ENG) and the Frankfurt Exchange (EKS). EnerGulf Resources Inc. is Yukon registered company with wholly owned subsidiaries EnerGulf Corporation (Texas) and EnerGulf Africa Ltd.

LeBoeuf, Lamb, Greene & MacRae LLP

LeBoeuf, Lamb, Greene & MacRae LLP is one of the world's largest law firms with more than 650 lawyers practicing in 11 cities in the U.S. and in eight other countries across the globe. Founded in 1929, LeBoeuf Lamb is known for its preeminence in providing legal services to the energy, utilities and insurance industries. Our experience in these fields has in turn brought us to leading positions in corporate and financial services, bankruptcy, and litigation practice in the U.S. and around the world. The firm's multinational network of offices serves local interests and ensures a cost-effective and coordinated strategy in matters involving multiple jurisdictions.

Counterpart International:

For almost 40 years now, our organization has worked with local people, helping them take responsibility for their own well-being. We help people make rational choices, to direct change the way they want it, rather than the way outsiders think best.

True to our name, we identify counterparts, communities, companies and governments, across the globe. They can identify their needs and organize themselves to meet them.

Bristol-Myers Squibb

Bristol-Myers Squibb is a leading provider of medicines to fight cancer, cardiovascular and metabolic disorders, infectious diseases — including HIV/AIDS — and serious mental illness. We also make and sell nutritional products, ostomy and advanced wound care products and cardiovascular imaging products. In our world-class research and development facilities — we're looking for new and better treatments for cancer, rheumatoid arthritis, hepatitis B, diabetes and other serious illnesses and conditions.

Pursuing our mission also means working hard to expand people's access to quality medicines and health care. We're striving toward this goal through public/private partnerships like SECURE THE FUTURE®, our pioneering $150 million HIV/AIDS initiative in southern and western Africa, and through programs like the Patient Assistance Foundation, Together Rx and Project ACCESS.

Maryland's Department of Business and Economic Development

ChooseMaryland.org was created by the State of Maryland's Department of Business and Economic Development to provide information on Maryland's outstanding business climate and the programs available to businesses, both small and large, to ensure their success.

DBED's mission is to attract new businesses, stimulate private investment and create jobs, encourage the expansion and retention of existing companies and provide businesses in Maryland with workforce training and financial assistance. The Department promotes the state's many economic advantages and markets local products and services at home and abroad to spur economic development, international trade and tourism.

Virgin Nigeria

Virgin Nigeria is Nigeria's private sector flag carrier, 51% owned by Nigerian institutional investors and 49% owned by Virgin Atlantic.

From our base at Murtala Mohammed International Airportin Lagos, Virgin Nigeria will develop a global network of domestic, regional and international routes within Nigeria, regionally within West and central Africa, and inter-continentally to Asia, the Middle East, Europe and North America.

Our launch flight from Lagos to London Heathrow took place on 28 June 2005. Lagos—Abuja, Lagos—Port Harcourt and Lagos—Accra are also now on sale.

Patton Boggs

Patton Boggs was among the first national law firms to recognize that all three branches of government could serve as forums in which to achieve client goals. For more than 40 years, we have maintained a reputation for cutting-edge advocacy by working closely with Congress and regulatory agencies in Washington, litigating in courts across the country, and negotiating business transactions around the world.

Patton Boggs is a pioneer in merging public policy expertise with traditional legal practice. Led by partners with extensive backgrounds in government service, we were among the first to recognize the importance of recruiting attorneys with strong ties to both major political parties in order to be effective on Capitol Hill. But we've also paid close attention to the bedrock of our practice by recruiting top-flight litigators and individuals with a keen understanding of business and finance.

Dow

Dow is a diversified chemical company that harnesses the power of science and technology to improve living daily. The Company offers a broad range of innovative products and services to customers in more than 175 countries, helping them to provide everything from fresh water, food and pharmaceuticals to paints, packaging and personal care products. Built on a commitment to its principles of sustainability, Dow has annual sales of $46 billion and employs 42,000 people worldwide.

References to "Dow" or the "Company" mean The Dow Chemical Company and its consolidated subsidiaries unless otherwise expressly noted. More information about Dow can be found at www.dow.com.

Mayfair Mining & Minerals, Inc.

Mayfair Mining & Minerals, Inc. (the "Company"), a Nevada corporation, has been listed on the Over-the-Counter Bulletin Board in the United States since August 2004.

The Company enjoys a balanced management team with many years of experience in geology and public company financing. We are an emerging mineral exploration and development company in an early growth stage, seeking to provide an opportunity for investors to participate in diversified projects and planned future growth.

We are completely focused on Africa. We have a commitment and plan to limit exposure to any single metal price or country risk by seeking development of a broad portfolio of mining prospects in many countries, all within the Southern African Development Community (SADC).

Seald Sweet's

When it comes to fresh Florida citrus, no other grower can compare with Seald Sweet's history of experience. Founded in 1909 as the Florida Citrus Exchange, the grower-owned cooperative changed its name to Seald Sweet Growers, Inc. in 1969.

In 1998, Seald Sweet joined with De Weide Blik, a Belgian holding company, creating Seald Sweet LLC. De Weide Blik, which means "the wider view," specializes in the processing, trading, production, and distribution of a wide range of produce. This Belgian company includes Botman International, the dominant exporter of Dutch vegetables to North America.

Currently, Seald Sweet's cooperative members represent more than 600 growers, 12 packinghouses, and hundreds of thousands of cultivated acres of citrus located in all three of Florida's growing regions. Seald Sweet ships approximately 11 million cartons of premium quality citrus per season to special-format stores, chain stores, wholesalers, and terminal markets in the U.S., Canada, Europe, Japan, Pacific Rim, and Latin America.

Pioneer Hi-Bred International, Inc.

Pioneer Hi-Bred International, Inc., a DuPont company, is the world's leading developer and supplier of advanced plant genetics to farmers worldwide.

With headquarters in Des Moines, Iowa, Pioneer develops, produces and markets a full line of top-quality seeds and forage and grain additives and provides services to customers in nearly 70 countries.

Community Investment Pioneer Hi-Bred International, Inc. is committed to helping improve the quality of life in the communities where its customers and employees live and work through philanthropic investments. Community Investment is the philanthropic resource base of Pioneer. The specific objectives are to invest the Company's resources in programs that add economic or social value to its communities and Company stakeholders, to expand the Company's reputation as a good corporate citizen, and to initiate collaborative funding programs that address rural economic and social issues.

Valent Bio Sciences Corporation

In January 2000, Sumitomo Chemical Company acquired the Ag Specialties Business of Abbott Laboratories. As Abbott Laboratories and now as Valent BioSciences Corporation, we have spent over 40 years developing environmentally friendly products for agriculture and public health and forestry markets throughout the world.

Our business was founded on leadership, using strong quality and pharmaceutical-based standards. That, along with the strength and global presence of Sumitomo Chemical is what created Valent BioSciences Corporation.

Our history has been very rich with numerous product developments and technical acquisitions over the course of 40 years. Beginning in 1962 with the plant growth regulator ProGibb®—followed in 1972 by DiPel®, the world's leading biological insecticide, and to the present with the introduction and growth of our patented plant growth regulator, ReTain(r) - VBC is continually dedicated to creating value and providing solutions for our customers around the world.

Halliday Finch Ltd.

Halliday Finch Ltd. (HF) is African focused on international risk management, with offices in Washington, DC, London, Nairobi, and Lagos. Halliday Finch delivers strategic and operational services to companies/ organizations seeking to operate or already operating in non-benign environments.

HF has a comprehensive and sophisticated risk management methodology, and provides a tailored solution to each client. Offerings include consulting, training, and technical services. These services can be delivered as stand-alone products or as a part of overall project management. HF's specialist training courses range from situational awareness and driver training to port and maritime security personnel training. Close protection services and equipment supply are delivered to clients as a function of HF's technical services.

HF partners with Bureau Veritas (UK) one of the world's largest classification societies, which provides external validation for HF's maritime security procedures. Halliday Finch US (HF US) is a joint venture between Halliday Finch Ltd. and The Livingston Group, seeking to capitalize on the significant number of US companies doing business in Africa and other challenging parts of the world.

BroadReach Healthcare

BroadReach Healthcare is dedicated to expanding access to life-saving healthcare across the globe. Our mission is to identify better ways to deliver large-scale, high-quality healthcare. To do this, we develop the infrastructure, capacity, and supporting systems needed to rapidly implement healthcare interventions.

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BroadReach brings private sector discipline and efficiency—including a rigorous focus on results and ROI—to each of its projects. We believe these principles should be applied to the innovative public/private partnerships we help to design.

BroadReach's clients include governments, multi-lateral agencies, international donors, top universities, NGOs, and Fortune 100 companies. Our consultants and leaders have expertise in advising governments - from South Africa to Botswana, Ethiopia to China - on strategies for developing and implementing their national treatment programs.

Pioneer Natural Resources Company

Pioneer Natural Resources Company is a top-tier U.S. independent exploration and production company with a proven record of increasing production and adding value for its shareholders and employees. With total proved reserves equivalent to 6.1 trillion cubic feet of gas or 1 billion barrels of oil, Pioneer operates in the U.S., Argentina, Canada and Africa. Combined, these assets create a portfolio of resources and opportunities that are well balanced among oil, natural gas liquids and gas, providing both dependable production and an array of quality exploration and development opportunities.

Pioneer has maintained production from its onshore base - primarily the Hugoton and West Panhandle gas fields, the Spraberry oil and gas field and the Raton coalbed methane gas field - by reinvesting only a portion of their cash flow and diligently controlling costs. There is a multiyear inventory of onshore drilling locations to support continued activity.

A great base and sufficient capital are crucial and can generate moderate near-term growth, but quality opportunities are what drive exceptional long-term results. Pioneer has had exploration success in the deepwater Gulf of Mexico, South Africa, Gabon, Tunisia and most recently Alaska and the opportunity pipeline is filled with projects in various phases of commercialization. While its primary growth driver has been exploration, Pioneer has completed over half a billion dollars in acquisitions in key areas since 2000 and will build on this program over the next five years.

Control Risks

Control Risks is a 25 yearold independent consultancy which helps clients plan and respond to risks and threats to their business. Our mission is to enable our clients to succeed in complex or hostile environments, thereby encouraging foreign investment in Africa and the rest of the developing world.

Since its foundation in 1975, the company has worked in over 130 countries for more than 5,300 clients - including 86 of the U.S. Fortune Top 100 companies and a large number of public institutions, governments and NGOs. Its strength lies in its unique combination of a rigorous academic approach to analysis with a hands-on experience and knowledge of conditions on the ground.

We assist clients at every stage of the project cycle.

At the pre-entry stage, we examine the political, security and regulatory frameworks in a country, performing an audit and baseline assessment of the operating environment and risks as well as forecasts of likely changes on a multiyear time horizon. Once a project has been identified, we can examine the stakeholders in a region, the political undercurrents and the likely impact of a client's presence. We help clients to integrate codes such as the Voluntary Principles and Global Compact into their working practices. We perform due diligence on a client's local agents and joint venture partners. Once operational, we assist the client with crisis and security management, providing 24 hour assistance, incident management training and response to kidnap and extortion situations.

Control Risks' main areas of expertise are business intelligence and investigations, political and security risk analysis, incident response and support, crisis management and training and pre-employment screening

Control Risks has operated in Africa for more than two decades. In the last four years, we have carried out more than 230 consultancy engagements across every country in sub-Saharan Africa. We have worked for clients across a diverse range of industry sectors, including oil and gas, mining, telecommunications, financial and construction.

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