# The AFRICAJOURNAL 2013 AFRICAJOURNAL

The monthly newsletter of The Corporate Council on Africa AFRICA





## PRESIDENT OBAMA'S VISIT TO AFRICA HIGHLIGHTS U.S. COMMERCIAL ENGAGEMENT WITH THE CONTINENT

by Francisco J. Sánchez, U.S. Under Secretary of Commerce for International Trade

Barack Obama's second presidential visit to sub-Saharan Africa signifies an encouraging key moment for the U.S.-African trade relationship.

From June 26 to July 3, 2013, President Obama along with First Lady Michelle Obama will visit Senegal, South Africa and Tanzania. This visit will serve as a follow-up to his trip to Ghana in 2009, and demonstrates the President's commitment to reinforcing and expanding our trade and investment ties with sub-Saharan Africa.

The visit also reflects the Administration's efforts in implementing a major pillar of the President's "U.S. Strategy Toward Sub-Saharan Africa," issued in June 2012: spurring economic growth, trade and investment.

During his trip, President Obama will meet with African government officials, leaders from business, civil society and youth groups from the three visited countries, offering him a treasured opportunity to reinforce his belief that sub-Saharan Africa can be the world's next economic success

While on the continent, the President will also highlight the U.S. Government's "Doing Business in Africa" (DBIA) campaign, led by the Commerce Department through the interagency Trade Promotion Coordinating Committee. Launched in November, 2012 in Johannesburg, South Africa, the DBIA campaign helps U.S. businesses

Continued on next page...

## PRESIDENT'S MESSAGE JAPAN AND CHINA RACE TO INVEST IN AFRICA



The term "The Great Game" was originally used to describe the British Empire's competition with the Russians for control of the the "Stans," including Afghanistan, in the mid-1800s. Various players have come and gone in the region, but what has

held true is that no one really seemed to control it except for the tribes and warlords that have prevailed throughout the last several hundred years and even now.

But now it seems the next Great Game has begun in earnest in Africa, as Japan has joined the chase, largely, it would seem, out of fear of China's extraordinary inroads on the continent this past fifteen years. Its other regional rival, South Korea, has also made significant gains, enough to alarm Japan out of its complacency. Japanese Prime Minister Shinzo Abe announced last week at the Fifth Tokyo International Conference on African Development a \$32 billion dollar fund for Africa, trumping China's recent announcement of \$20 billion dollars in loans for Africa. Abe told the Africans that they, not the donor, would decide how to use the fund and on what projects.

As China's leadership had done in 2010, Abe met with each of the more than forty African heads of state that attended the conference. Each leader was given no less than fifteen minutes of face time with the latest supplicant for African business, and each had the opportunity to also make his case as to why some of that Japanese largesse should be placed in his or her respective country.

Abe took great pains to differentiate Japanese assistance from that of the Chinese without ever saying the word "China." For instance, he set aside one-fifth of the pledge to infrastructure development, to be determined by the nations receiving the aid themselves, and promised to train 30,000 Africans to help them operate what they would build. This was a not so subtle differentiation from the Chinese, who generally maintain tight control of their

THE CORPORATE COUNCIL ON AFRICA PRESENTS...



U.S.-AFRICA BUSINESS SUMMIT 2013

OCTOBER 8 - 11, 2013 | CHICAGO, IL

Continued on page 7...

#### ...continued from previous page.

take advantage of the many export and investment opportunities sub-Saharan Africa has to offer.

The campaign includes a series of Africa Global Business Summits to help U.S. businesses better understand the process of investing in and trading with Africa. The first summit will take place in October in Chicago. U.S. Ambassadors and Senior Commercial Officers will provide first-hand information about key business opportunities in the region, capitalizing on the interest of U.S. businesses to either enter African markets for the first time, or to enter new markets.

Ethiopia will be hosting the 12th annual African Growth and Opportunity Act (AGOA) Forum August 12-13, 2013 in Addis Ababa. The Forum is an event gathering numerous African Ministers and government officials to discuss ways to increase our trade and economic ties. It allows us to revisit our bilateral relationships and ensure they are evolving and parallel the rapidly changing continent.

The answers to why so much attention is given to sub-Saharan Africa, and why now, is simple. Economic growth in sub-Saharan Africa is predicted to remain between five and six percent in the coming years. According to the *World Bank 2013 Global Economic Prospect*, among the twenty fastest growing countries in the world, eleven are in Africa. There is a clear emergence of regional economic

communities such as the East African Community (EAC), which provides its members a promising regional market for increased intra-regional trade and economic growth. These facts create a promising atmosphere in which businesses will have huge opportunities for success now and in the future.

An increasing number of U.S. business success stories show how abundant the prospects are for both U.S. businesses and the African region as a whole. For example, General Electric announced earlier this year that it will invest \$1 billion in Nigeria in order to increase electrical output. Meanwhile, non-profit organization First Step has set up an economic zone in Sierra Leone where businesses can find and utilize basic infrastructure that they need.

As millions of Africans are finding a path from poverty to greater security, opportunity and prosperity, with about 350 million people forming an increasing middle class, their buying power increases and the demand for Made-in-America products grows. As a response to this growth, there are many examples of large corporations as well as small and medium-sized enterprises that are successfully taking advantage of sub-Saharan African government incentives and the U.S. Government's increasing

assistance and engagement in the region.

Through the Doing Business in Africa campaign, we are increasing U.S. awareness about key sector and market opportunities in sub-Saharan Africa, providing trade counseling and advocacy to entrepreneurs who want to tap into fast growing and dynamic markets, and engaging the African Diaspora community living in the United States to improve our commercial and economic ties with the region. In doing so, we are also creating opportunities for Africa's people to prosper.

So to American businesses eager to access the tremendous opportunities throughout the continent, the DBIA campaign's whole-of-government approach offers a unique solution. It is the answer to how America can reach its full trade and investment potential with sub-Saharan Africa. It is the best way to respond to the emergence of thriving African regional economic communities, reduce barriers to trade and investment and support existing and new investments by American businesses. I encourage U.S. businesses to take a closer look at doing business in Africa.

For more information, please visit: www.export.gov/africa.

"An increasing number of U.S. business success stories show how abundant the prospects are for both U.S. businesses and the African region as a whole."





#### **USABC PARTNER SPOTLIGHT:** THE REGIONAL PARTNERSHIP TO PROMOTE TRADE AND INVESTMENT IN ETHIOPIA, GHANA AND TANZANIA



The Regional Partnership to Promote Trade and Investment in Sub-Saharan Africa, an initiative funded by the Finnish government and implemented by the Millennium Cities Initiative (MCI), has worked closely with three mid-sized cities in sub-Saharan Africa to help them identify significant investment



opportunities and strengthen their capacity to attract and service investors. Each city - Kumasi, Ghana; Mekelle, Ethiopia; and Tabora, Tanzania — will hold an investment forum to showcase these opportunities and connect prospective investors with business owners, investment promotion officers and local and national civic leaders.

These cities offer a range of commercially viable investment and trading opportunities that need to be brought to the attention of domestic and foreign investors and trading partners. Opportunities range from manufacturing in areas as diverse as pharmaceuticals, metal products and bamboo bikes, to tropical fruit processing, animal feedstuffs, beekeeping and honey processing, to name a few. Because of their proximity to Millennium Villages, agro-business has been a focus in all three cities, offering opportunities along many parts of the farm-to-market value

The investment forums will all take place over the coming several months, with Tabora holding the first event on July 19 in Dar es Salaam, the capital of Tanzania. Kumasi, Ghana, will hold its investment forum in the capital, Accra, in the last week of September, and Mekelle (the capital of Tigray State) will hold its investment forum in Addis Ababa on October 3. Local and national government officials will support these events and representatives from the Finnish Government, the Regional Partnership project, KPMG and MCI will speak. Existing businesses will also describe their experiences in the city.

As noted above, the investment forum for Tabora will be held in Dar es Salaam on July 19th at the Serena Hotel. The event will officially be launched by the Vice President of the United Republic of Tanzania, the



Honorable Dr. Mohamed Gharib Bilal, and the Regional Commissioner for Tabora, the Honorable Fatma Mwassa, will provide the opening remarks.

For more information about the Regional Partnership and the investment forums, contact Karin Millett at millettkarin@gmail.com or visit http://mci. ei.columbia.edu/initiatives/private-sectordevelopment/regional-partnership-to-promote-tradeinvestment/



The U.S.-Africa Business Center is made possible by the support of the American people through the United States Agency for International Development (USAID) and by CCA. The contents of this document are the sole responsibility of CCA and do not necessarily reflect the views of USAID or the United States



#### FACILITATING CLEAN ENERGY WITH FINANCING



With its abundant sunshine, access to advanced technology and widespread support for

renewable energy operations, Southern Africa has the potential to develop into a significant orovider of clean energy for the region. However, a critical barrier must be removed to unleash the full capacity of the sector. The installation cost of clean energy technologies (CETs) is very high, and there is a lack of understanding about financing schemes for the purchase, installation and maintenance of CET's.

To address this constraint, the Southern Africa Trade Hub, implemented in part by CCA, in collaboration with the Regional Electricity Regulators Association of Southern Africa recently conducted a comprehensive training course for regulatory agencies, as well as public and private sector participants, on environmental and renewable energy finance.

The training was held in South Africa and attracted more than fifty participants from ten countries. Participants learned about the various financial instruments used in environmental projects and finance such as tradable renewablé energy certificates (RECs), the Clean Development Mechanism, certified emission reductions and renewable energy feed-in tariffs.



Delegates demonstrated a high level of dedication and commitment through their attendance and active participation, including an after-hours evaluation of case studies on internal rates of return before and after the application of RECs. Participants left the course better able to explain the importance of finance in solving environmental problems, to appraise the impact of various financial instruments on their projects, and to understand nuances and concerns related to financing the clean energy sector.

As a result of the course, participants are well-prepared to advise companies on clean energy projects and the financing opportunities available to support this important industry. It is expected that this investment in human capital will lead to the improved financial health of clean energy projects, influencing the promotion and development of clean energy in Southern Africa.



The USAID Southern Africa Trade Hub aims to increase international competitiveness, intra-regional trade and food security in the Southern African Development Community region. Starting in FEBRUARY 2010, the Trade Hub began delivering targeted technical assistance to governments, the private sector and civil society organizations in support of advancing regional integration and increasing the trade capacity of selected value chains within Southern Africa.

#### YOUNG AFRICAN ENTREPRENEUR'S ROUNDTABLE EXPLORES BUSINESS OPPORTUNITIES

by Michael Noll

On Thursday, June 6, The Corporate Council on Africa hosted a roundtable for its members and fourteen young entrepreneurs from Africa visiting the United States under the auspices of the U.S. Department of State's International Visitor Leadership Program. The visitors represented the countries of Benin, Botswana, Burkina Faso, Cameroon, Côte d'Ivoire, Djibouti, Kenya, Mozambique, Niger, Rwanda, South Africa and Sudan. The roundtable was moderated by CCA's Vice President for International Programs, Ambassador Robert C. Perry (Ret.). There was a large turnout among CCA members, and a conversation ensued that provided the visitors with valuable information on corporate practices in the United States, while CCA members received inside information on government and business climates in these important

Themes of the conversation included working with African governments to improve business climates, the role of youth entrepreneurship in developing African economies and the importance of capital in allowing new enterprises to succeed on the continent. Additionally, the visitors described some of their ventures in detail, including sustainable tourism in Cameroon, agribusiness in Benin, sugar production in South Africa, indigenous jewelry and clothing production in Côte d'Ivoire and office supply production and construction in Sudan. CCA members discussed their experiences doing business in the continent, and gave useful advice on getting capital and building business partnerships within Africa and in the United States. They also discussed some of the opportunities that future involvement with CCA could bring these entrepreneurs in the future.

Michael Noll is a Program Associate at World Learning, a nonprofit organization advancing leadership through education, exchange and development programs in more than 60 countries.





### CCA HOSTS FEED THE FUTURE PARTNERING FOR INNOVATION

CCA recently hosted Bob Rabatsky, Director of Feed the Future Partnering for Innovation, who spoke in great detail about the opportunities available for private companies to leverage USAID funding to deliver agricultural technology to smallholder farmers in Africa. Laura Ostenso, International Leland Fellow, highlighted the experience of the World Cocoa Foundation in obtaining funding for their project that will market cell phone extension technology to cocoa farmers in Côte d'Ivoire. Smallholders throughout Africa continue to have little access to technology, ensuring continued poor yields and devastating post-harvest losses. In addition, the population of farmers throughout Africa is aging rapidly, and technology may present a partial solution to getting youth interested and involved in agriculture, and avoiding the problems associated with rapid urbanization on the continent. Feed the Future Partnering for Innovation announced a new round of funding available, and began accepting new expressions of interest and applications on June 15th. This discussion gave CCA member companies the opportunity to get an inside look at the application process, and ask questions about what does and does not qualify as an agricultural technology, which stage of

development programs they fund, and what countries in Africa are eligible. Rabatsky emphasized there is very little government bureaucracy involved in their application process, and they strive to make it as simple as possible for the private sector to leverage funding if they have an agricultural technology that is proven and would be beneficial to be brought to a new market or scaled up in an existing location. Feed the Future Partnering for Innovation has already processed 120 grant applications and awarded funding to two, with eight others in due diligence/negotiation stages, collectively valued at \$6 million. The World Cocoa Foundation found the process remarkably straight forward, with Ostenso highlighting that critical to their success was a plan for program sustainability, the use of local partners, as well as the fact that they committed many funds of their own in addition to the USAID grant they received.

CCA's Monthly Agribusiness Forum provides a platform for CCA member companies to meet with key officials, monitor the latest developments in African agriculture and discover strategic investment opportunities. For more information on CCA's Agribusiness Working Group and to become involved, contact Daniel Tanner at dtanner@africacncl.org.



#### KENYA-ETHIOPIA POWER DEAL BRINGS HOPE, CONTROVERSY

Each week, Lucy Wangui, 51, walks from her home, in an isolated hamlet in Kenya's Narok County, to the local shopping centre fifteen kilometers away.

She makes this journey to charge her mobile phone, a critical gadget that keeps her in touch with the outside world.

Despite sharing the same county with one of the country's most famous tourist attractions, the Maasai Mara game reserve, her village has never had electricity. Even at the Ntulele shopping center, phone's are charged using car batteries.

Lucy says if electricity were brought to the village it would transform her life. She would no longer have to make her weekly trek, and could finally swap the hand-operated pump she uses to draw water from her well for a motorized one, which would allow her to water her crops more quickly and efficiently.

She may soon get her wish. In one of Africa's biggest cross-border power deals, Kenya is undertaking an ambitious project to import 400 megawatts of power from its northern neighbor Ethiopia.

The goal is to bring electricity to 870,000 homes and thousands of businesses in Kenya's Rift Valley region, where only 25 percent of the 2.5 million households currently have

Expected to begin in September and be completed by 2018, the project will involve

building 1,068 km of high-voltage power lines between southern Ethiopia and the Rift Valley. Two converter stations will also be built, one in Wolaita Sodo, a town in south Ethiopia, and another in Suswa township in Narok, about 25 kilometres from Lucy's village.

Financed by a group of partners that includes the African Development Bank, the French government, the U.S. government and the World Bank, the project will cost an estimated \$1.26 billion - making it one of the most expensive public-infrastructure ventures Africa has ever seen.

"It is an exciting and promising project that will spur development and help Kenya attain its development projections," says Patrick Nyoike, Kenya's outgoing energy permanent secretary.

#### POWERING DEVELOPMENT

Kenya currently has the capacity to generate 1,600 megawatts (MW) of power, but needs no less than 14,000 MW to reach its muchtouted aim of becoming an industrial-based economy by 2030.

Ethiopia, meanwhile, has the region's highest power-production potential, thanks to the hydroelectric potential of its many rivers, and its ambitious - and controversial - plans to build new dams. Ethiopia estimates it could generate as much as 37,000 megawatts of clean power in the next 25 years.

According to the African Development Bank,

Continued on page 7...



#### **CCA STAFF**

#### **STEPHEN HAYES**

President and Chief Executive Officer ROBERT C. PERRY

Vice President for International Programs

#### RAYMOND RAWLINS

Chief Financial Officer

#### KATRIN KUHLMANN

Director, U.S.-Africa Business Center & Senior Advisor to the President

#### **GARY MESSINA**

Senior Advisor to the President

#### THEO WELLINGTON

Senior Advisor to the President

#### KARL WYCOFF

Senior Policy Advisor

#### HILLARY LÚCAS

Director, Human Resources

& Executive Assistant to the President

#### VIVIENNE SEQUEIRA

Director, Infrastructure & Membership

#### **IENNIFER WRIGHT**

Director, Special Events & Marketing

#### **ASFAW ALEMAYEHU**

Director, East Africa

#### ASHLEIGH COOPER

Director, Health

#### **MIA WARNER**

Director, Energy Initiatives

#### **BIOVA KABINE**

Program Manager, Member Services

#### **BEZAWIT MANE**

Administrative Assistant/

Office Coordinator

#### **SONIA MFASONI**

Project Manager, SME Business Linkages

#### DANIEL TANNER

Program Manager, Agribusiness

#### **JUSTIN TINSEY**

Project Coordinator,

U.S.-Africa Business Center

#### DANIEL WOLF

Market Linkages & Investment Specialist, Southern Africa Trade Hub

#### CCA STAFF PROFILE: MIA WARNER

Mia Warner joined The Corporate Council of Africa in May 2013 as the Director of Energy Initiativés. Mia oversees the range of CCA's energy programs, to include facilitating dialogues on electrical power and the expanding role of renewable energy resources in Africa. Mia came to CCA from General Electric, where she worked in the Global Government Affairs and Policy division, focusing on commercial engagement in Africa and government relations issues, such as energy policy, trade, market access and rule of law promotion.

Previously, Mia served as an intelligence

analyst for several years at a crisis management consulting group, where she managed the day-to-day operations of the company's risk advisory service. Mia has also worked with the Organisation for Economic Co-operation and Development in Paris on trade and labor policy, the U.S. Trade Representative's Office and USAID in Rwanda. Mia holds an MA in International Economics and International Relations from The Johns Hopkins University School of Advanced International Studies and a BA in Political Science from the University of Texas at San Antonio.

## CCA BOARD OF DIRECTORS 2013

Paul Hinks – Chairman **Symbion Power** Roger Blunt

**Essex Construction, LLC** Harry G. Broadman

PricewaterhouseCoopers, LLP

Carolyn Campbell

**ECP Private Equity** Mark Chiaviello

Standard Bank Group of South Africa

David B. Cooke

**Trade Finance Solutions, LLC** 

Aliko Dangote

**Dangote Industries Limited** 

Michael Dignam – Chairman Emeritus

PAE

Joe Edge

Star Building Systems

Desi Lopez Faf<u>ie</u>

**Oracle Corporation**Gboyega Ade Festus

**United Bank for Africa Plc** 

Stephen Hayes

CCA President & CEO

Jeff Hoffman

Danya International

Jay Ireland

**General Electric** 

Robert Kayihura

Microsoft

William Killeen

**Acrow Corporation of America** W. Russell King

Freeport-McMoRan Copper & Gold Inc.

George Kirkland

**Chevron Corporation** 

Philip de Leon

**AGCO** 

Jabu Mabuza

**TsogoSun Holdings** 

Liam M. Mallon

**ExxonMobil Production Company** 

Tom McDonald

**BakerHostetler** 

Mima Nedelcovych

Schaffer Global Group

**Bobby Pittman** 

**Kupanda Capital** 

Miguel Santos

The Boeing Company

Thad Simons

**Novus International, Inc.** 

Jeffrey Sturchio

**Rabiń Martin** 

Susan C. Tuttle

**IBM** 

Andrew Vesey

**AES Corporation** 

Russ Webster

Cardno Emerging Markets USA, Ltd.

Diane Willkens

**Development Finance International, Inc.** Earl Young

JR Boulle Company

#### **CCA MEMBER PROFILES**



#### RESOLUTE MARINE ENERGY

Resolute Marine Energy (RME) is developing a unique technology that uses ocean wave energy to power seawater desalinization plants. RME's Wave2OTM can provide fresh water in areas where there is a weak or non-existent electrical grid, which enables water resource managers to quickly provide large quantities of clean fresh water wherever needed without having to resort to the use of diesel-driven systems. Wave2OTM produces potable water at low cost, can be set up and be in full operation in a matter of a few weeks and can significantly

improve access to water and electricity for coastal populations. Water produced by a Wave2OTM system is also suitable for use on sensitive agricultural crops and its modular design allows it to be readily expanded to satisfy increased demand.

RME is currently developing pilot projects in South Africa and is looking to expand into other countries on the west coast of Africa where there are energetic wave energy resources and shortages of water and/or electricity, such as Namibia, Angola, Liberia, Sierra Leone, Guinea, Senegal, Cabo Verde, Mauritania and Morocco. A significant portion of Wave2OTM will be manufactured and assembled in each deployment country and a local workforce will be trained to undertake operation and maintenance.

For more information contact RME Chief Operating Officer Olivier Ceberio at oceberio@resolutemarine.com or visit www.resolutemarine.com.



Satarem is a company specialized in the construction of cement plants, waste to energy (WTE) plants, solar farms and refineries with installations in 50 countries worldwide. Satarem has been present in Africa since the beginning of its activities in 1992 as a cement plant EPC contractor and spare parts supplier.

Satarem owns patents in Waste to Energy flu gas treatments making it a world leader in this field. Satarem has introduced Waste to Energy in Africa in 2010 and is now implementing projects in several cities, including Conakry, Brazzaville and Pointe Noire and developing plants in several others. As the waste collection is insufficient or non-existent in most of these cities, Satarem has developed

an "integrated waste management and processing system" starting from the waste pre-collection at the house door up to recycling, compost production, electricity generation and brick manufacturing with the combustion ashes.

Waste to Energy not only produces electricity that Africa greatly needs, but it also replaces landfilling that is not a sustainable solution given the economic and population growth rate of the African countries. The integrated waste management and processing system prevents the formation of the wild dump sites that are causing the spread of diseases. Part of Satarem program is also to rehabilitate the existing dump sites in order to transform them into living areas.

For more information, visit www.satarem.com or contact satarem@satarem.com.

#### NOW IS THE TIME TO INVEST IN AFRICA

"Global executives and investors cannot afford to ignore the continent's immense potential. Today the rate of return on foreign investment in Africa is higher than any other developing region."

- McKinsey Global Institute





#### PRESIDENT'S MESSAGE ... continued from front page.

projects and bring a Chinese workforce along with them. That work force often stays in Africa once the work is done, a growing source of tensions in some countries already.

Instead of scholarships to Chinese universities, as the Chinese had provided in its aid package, Abe will invite 1,000 qualified Africans to work as interns in Japan in order to get management training before returning to Africa. Again, the message is that Japan will provide jobs for Africans and will provide training for them.

Japan also promised to promote "universal" basic health services throughout the continent. It remains to be seen what this means in terms of aid and training, but to suggest basic health care for all Africans can only bring positive attention to Japan. How a Japanese-style public health care system can be developed in Africa remains to be seen, however.

All of Africa will not directly benefit from Japan's aid, as Abe, with the counsel of the Keidanren, Japan's premier business lobby, will select ten countries on which to focus. East Africa will certainly be an area of focus, and particularly Kenya, with its port of Mombasa as one of the key ports of the Indian Ocean.

Somalia may also be another of the ten, as Japan wants to take on piracy issues, partly in order to rationalize the development of a Japanese navy. If they are successful, the port of Mombasa will be vital to that plan, as will the development of a rail system throughout East Africa that will connect goods to the port. It is noteworthy that an emphasis on East Africa may dovetail with the U.S. government's decision to focus on the East

Africa Community, with special focus on Tanzania.

Japan's new appeal to Africa is not altruistic. Few things in international relations are. Japan is desperately seeking stable energy supplies and is moving away from nuclear energy. Africa's growing resources in natural gas, especially in the East Africa region, are especially important to Japan's future. And if they are successful in tapping these supplies for Japan, Abe wants clear unfettered sea lanes, and for that reason he has also made the elimination of piracy in Africa a high priority. This is another reason Somalia has been noted a prime prospect for Japanese aid.

Abe also asked for Africa's support for Tokyo as the host of the 2020 Olympics, a vote that will be taken next year. (Look for the African nations who sit on the International Olympic Committee board to be under consideration for aid as well.) He also asked for a safe and free business environment so that Japanese companies could invest for the long-term on the continent. This is a refrain that African nations can expect to hear more and more as the aid is parceled out. The stronger the business environment the more likely the support from Japan.

This, of course, has not gone unnoticed by China and Korea, Japan's primary rivals in East Asia. Neither have Abe's political leanings to the right or his desire to rebuild and strengthen Japan's regional influence. What each country will now do in its engagement with Africa remains to be seen, but one thing is for sure: it will be interesting, and the Great Game, 21st century style, is definitely on.

This message was originally published as part of a weekly blog written by Stephen Hayes for U.S. News & World Report.

#### KENYA-ETHIOPIA POWER DEAL BRINGS HOPE, CONTROVERSY ... continued from page 5.

the lines that will carry the power from Ethiopia to Kenya will have the capacity to transmit as much as 2,000 MWs, meaning that Kenya would have the option to purchase even more electricity in the future.

That could lead to lower electricity prices for Kenyans, who pay one of the highest rates in Africa, and help Kenya reach its goals of becoming a middle-income country by 2030.

However, critics say that Ethiopia's push to transform itself into a regional power exporter comes at a cost. The construction of the Gibbe II dam in the country's south has continued to attract opposition from environmentalists, who fear it will cut water flows into Lake Turkana in arid northern Kenya.

Egypt's president also said this week that his country would not accept any reduction in the flow of the Nile as a result of the dam project, and would keep "all options open" if that occurred - including military action.

The Kenyan government insists that the electricity it will import under its agreement with Ethiopia will not come from Gibbe II. "This project is not in any way linked to the controversies about the dam," Nyoike said in an interview with Thomson Reuters Foundation.

But the new deal comes with its own controversies. Kenya's wealthy ranchers and tourism companies have opposed the project, saying that the overhead power lines will pass through some of the country's most diverse wildlife areas. That would drive down tourism, they argue and result in the loss of thousands of jobs.

The Kenyan government has dismissed those concerns, with Nyoike pointing to the fact that there have been no demonstrations against the project as proof that critics are in the minority.

In Ntulele village, Lucy is not concerned with controversy. She just wants the project to begin so that one day soon she might have power to pump water from her borehole to her farm.

She dreams of the day she can finally "irrigate and grow crops in dry seasons, and," she says, "grow rich before I'm too old."

This article was written by Maina Waruru a freelance science journalist based in Nairobi.

This article was provided by CCA member allAfrica.com. AllAfrica Global Media is a multimedia content service provider, systems technology developer and the largest electronic distributor of African news and information worldwide.

#### **TRANSITIONS**

CCA welcomes new members
Africa Continental Holdings;
Alstom Egypt; Delphos International;
Dynamic Corporation;
Emery Mukendi Associates;
Lion's Head Africa Ltd.; MBDA;
Nationwide Equipment;
Resolute Marine Energy, Inc.; Satarem and U.S. Bridge Export Sales Co.

#### RECENT EVENTS

**6/6:** CCA and World Learning present "A Roundtable with Young African Entrepreneurs"

6/13: Agribusiness Working Group presents "Feed the Future Partnering for Innovation: Commercializing Technology for Smallholder Farmers" with guest speakers Bob Rabatsky, Director, Feed the Future Partnering for Innovation and Laura Ostenso, International Leland Fellow, World Cocoa Foundation

6/18: CCA presents "Kenya: Economic, Social and Political Development Post 2013 elections" with guest speaker Rt. Hon. Raila Amolo Odinga, EGH, MP, Former Prime Minister of the Republic of Kenya

**6/19:** "Understanding the Nuts and Bolts of USTDA" with guest speaker Paul Marin, Regional Director, Sub-Saharan Africa, U.S. Trade and Development Agency

**6/20:** "Doing Business in the Republic of Congo" Investment Forum

**6/21:** Health Working Group presents "Opportunities and Challenges: Kenya's Health Sector" with guest speaker Dr. Isaac M. Malonza, MBChB, MPH, Country Director, Jhpiego Kenya

**6/27:** Security Working Group presents "A Discussion on AFRICOM - Past, Present & Future" with guest speaker General Kip Ward

#### ABOUT US



The Corporate Council on Africa (CCA), established in 1993, is at the forefront of strengthening and facilitating the commercial relationship between the United States and the African continent.

#### MEMBERS OF THE CORPORATE COUNCIL ON AFRICA

Abt Associates, Inc.

ACDI/VOCA

**Acrow Corporation** 

Advanced African Solutions

**AES** Corporation Africa Atlantic

Africa Continental Holdings

African Leadership Development Council

AGCO Corporation

AllAfrica Global Media

Alstom Egypt

American Patriot Solar Community Anadarko Petroleum Corporation

APR Energy, LLC Baird's U.S. LLC Baker Hostetler, LLP Biowish Africa Ltd Black & Veatch **Bloomberg** 

Bode Technology Group, Inc.

Boulle Mining Group BroadReach Healthcare **CAMAC International** Captain Consultants, LLC

Cardno Cargill

Caterpillar, Inc. Chevron Corporation

Cohen & Woods International, Inc.

Commerce Ghana, LLC Computer Frontiers, Inc. Covington & Burling LLP

Cummins, Inc. Dangote Group Danya International **Delphos International** 

**Dentons** De Villiers, Inc.

Development Alternatives, Inc.

Development Finance International, Inc.

DLA Piper LLP

Dynamic Corporation **EAI Information Systems** 

**Emerging Capital Partners** 

Emery Mukendi Wafwana & Associates, P.C.

Energy International, Inc

Engility

EOD Technology, Inc. ERHC Energy Inc.

Escambia Enterprises, LLC

**Essex Construction Ethiopian Airlines** Eurasia Group

**Exxon Mobil Corporation** 

Fayus, Inc.

Firestone Natural Rubber Company, LLC

Freeport-McMoRan Copper & Gold, Inc.

General Electric Company Global Business School Network Good Works International

Graebel GrainPro, Inc.

GreenbergTraurig, LLP Groupe Jeune Afrique Harith Fund Managers Heirs Holdings Ltd. **Hess Corporation** 

Hyperdynamics Corporation IAP Worldwide Services

**IBM** 

Index Brook Ltd.

International Conservation Caucus Foundation

International Relief and Development

Jefferson Waterman International

**JHPIEGO** 

Joint Aid Management (JAM)

Kenya Airways

Khafra Engineering Consultants

Kosmos Energy KRL International, LLC Land O'Lakes, Inc.

Lazare Kaplan International, Inc.

LDB Consulting

Learning Centers Development Group

Lion's Head Africa Ltd.

**LONRHO** Mabey Inc.

Manchester Trade/CTD America

Marathon Oil Company Mars, Incorporated McLarty Associates MEBS International Medtronic

Microsoft Corporation

Minority Business Development Agency

MITC Investimentos Lda. Motorola Solutions National 4-H Council Nationwide Equipment Noble Energy, Inc. Novus International, Inc. **Oracle Corporation** 

Pan African Capital Group, LLC Parker Associates Global, LLC Pioneer Hi-Bred International

Polsinelli Shugart PC

PricewaterhouseCoopers, LLP

Procter & Gamble

Rabin Martin

Project Development International

**REED** Incorporated Resolute Marine Energy, Inc. Roth Construction, Inc. Ryberg & Smith, LLP

Samuels International Associates, Inc.

Satarem Shell Sithe Global

SOC South African Airways Standard Bank Group, Ltd. Star Building Systems Sunrock Institute SupplyCore/ICRC Symbion Power Telkom SA SOC Limited The Africa Channel

The Boeing Company The Coca Cola Company The Whitaker Group United Bank for Africa, Plc. U.S. Bridge Export Sales Co.

United States Pharmacopeia Convention

Walmart

WaterHealth International West Construction, Inc. World Cocoa Foundation Zephyr Management

\*List as of June 2013



1100 17th Street, NW, Suite 1000 • Washington, DC 20036, USA Tel: 202.835.1115 • Fax: 202.835.1117 • www.africacncl.org The Corporate Council on Africa is a nonprofit 501 (c)(3) organization

KEEP UP WITH ALL THE LATEST CCA NEWS AND EVENTS!



B twitter.com/corpcnclafrica



facebook.com/CorporateCouncilonAfrica

Scan this code to your Smart Phone to get instantly connected to CCA

